

**Market and
Planning
Evaluation
of**



Prepared for

The Regional Plan Association

On behalf of

The Village of Hastings

ARCO Environmental Remediation LLC

Abeles Phillips Preiss & Shapiro, Inc.

Planning & Real Estate Consultants

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■ Introduction and Summary

Background

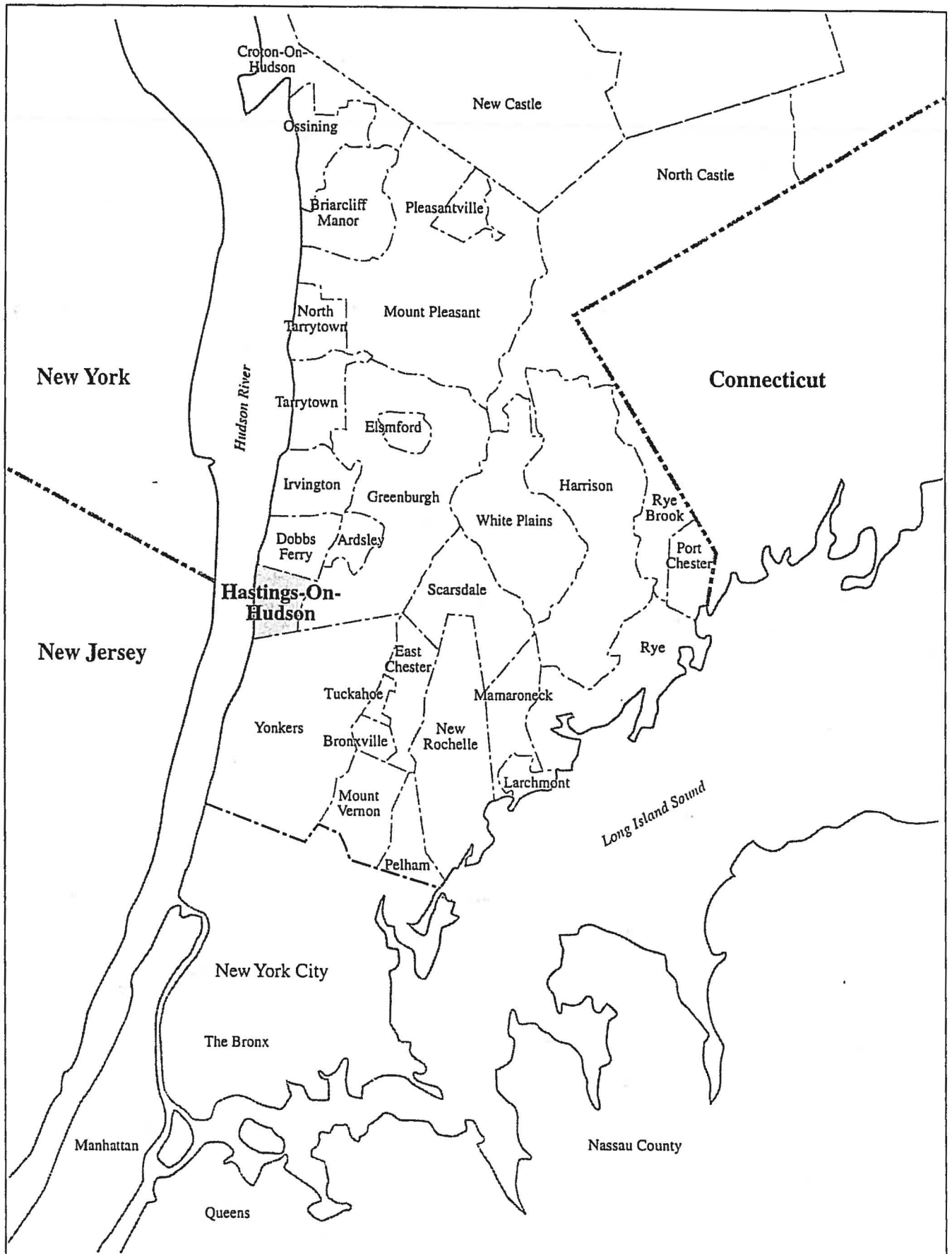
This report presents the findings of Abeles Phillips Preiss & Shapiro, Inc. on the market viability and impacts of various proposed uses for the Hastings-on-Hudson waterfront, so as to provide a baseline of information for a planning and design process underway for this area, sponsored by the Village of Hastings and directed by the Regional Plan Association.

The Village of Hastings-on-Hudson is located on the eastern bank of the Hudson River some 20 miles from midtown Manhattan in Westchester County, New York (see Map 1). Although today known largely as a higher-income and socially progressive suburb, Hastings originally developed as a factory town in the decades following the Civil War, as plants producing pavement, chemicals and cable arrived to take advantage of the river and the railroad, and tenements and homes were constructed nearby to house the foreign-born workers who flocked to the jobs that were created. Consequently, like so many other rivertowns in this post-industrial age, Hastings is saddled with an underutilized and/or largely abandoned industrial waterfront, which has lied largely dormant for some 25 years despite its enviable location near a healthy central business district and adjacent to a heavily used commuter rail station.

The last decade, it must be said, has seen renewed signs of life along the waterfront. The one-acre MacEachron Waterfront Park was created from State-owned property in 1993. A new restaurant, Harvest on Hudson, opened on the site of an old fuel storage facility in 1998. The Hudson Valley Health and Tennis Club, a mainstay since 1976, has recently added health club facilities and its own upscale eatery, the Sun, Moon & Spoon restaurant. Finally, the Village has received a grant from the Hudson River Valley Greenway to plan for the enhancement of Marinello Cove with a small-boat launching facility and a short boardwalk linking the park and the Club.

Yet much of the waterfront remains tied up in two largely unimproved parcels between the railroad and the river, which together extend roughly 4,600 linear feet along the Hudson River (see Map 2).

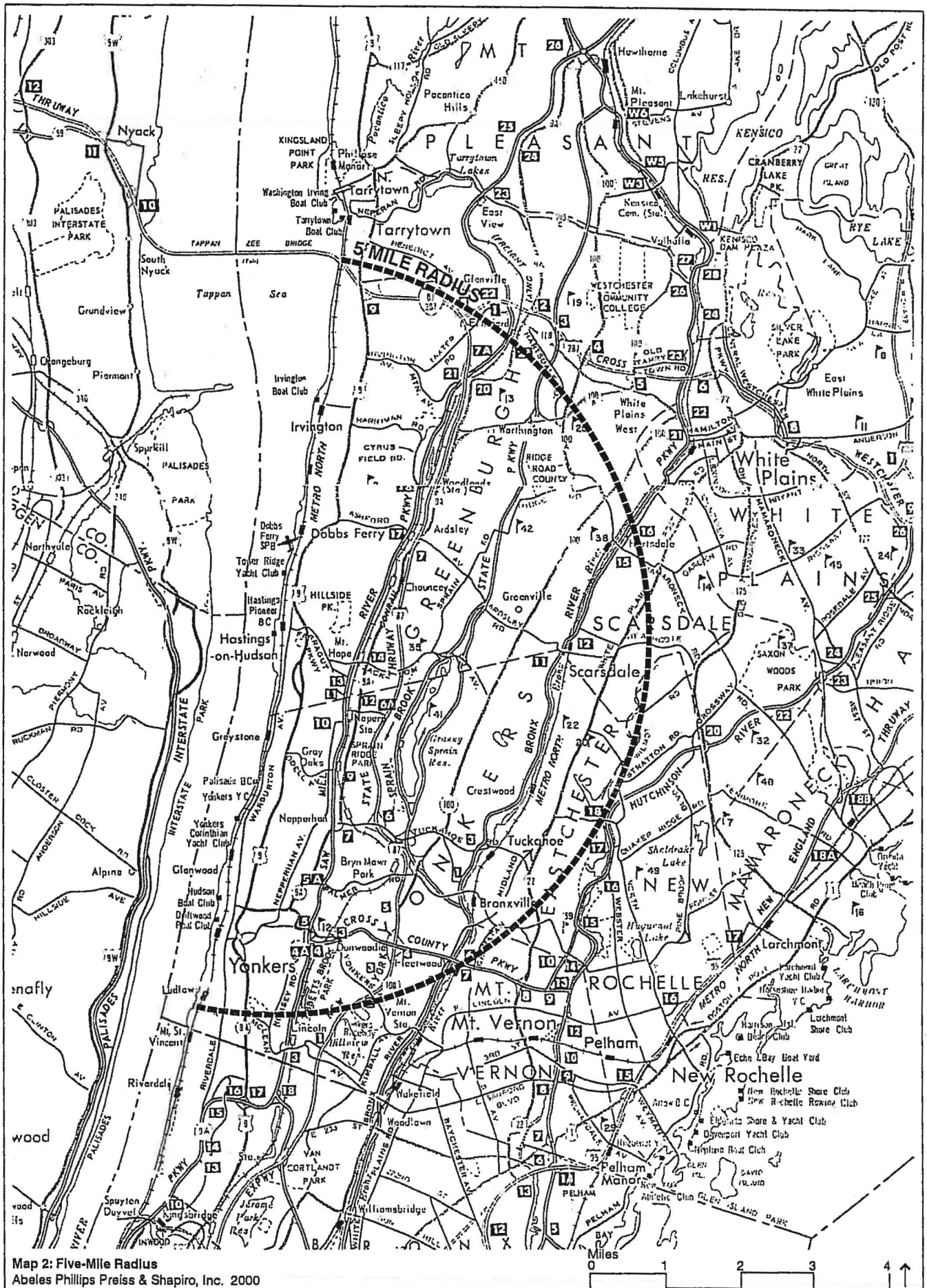
- The 28-acre "ARCO" site was created in the mid-to-late 1800s and early 1900s of heterogeneous landfill. This site was, until World War I, used by a wire and cable company, a pavement company, and a sugar refinery. The site was owned and operated from 1920 to 1977 by the Anaconda Wire and Cable Company, which manufactured copper wire, lead-covered cable, high-voltage cable and insulated wire. In 1977, Anaconda Wire & Cable was purchased by Atlantic Richfield Company (ARCO). One year later, the northern 10.7 acres were sold to Service Manufacturing, and the southern 17.8 acres were sold to Hastings Associates, which intended to redevelop the site. In 1986, both sections were purchased by Harbor at Hastings Associates, which did little with the parcel with the exception of leasing one of its buildings to Age Carting between 1988 to 1992 for operation as a construction debris and demolition transfer station. An ARCO affiliate, ARCO Environmental Remediation, LLC, repurchased the site in 1998. Today, 200,000 square feet (sf) of floor space is taken up by Protective Technologies, Inc., the second-largest bicycle helmet assembler in the country. Other



Map 1: Regional Location
Abeles Phillips Preiss & Shapiro, Inc. 2000

Base Map Source: North American
Realty Advisory Services





Map 2: Five-Mile Radius
 Abeles Phillips Preiss & Shapiro, Inc. 2000

commercial enterprises that remain include Guski Trucking and Riverside Auto Repair. Many of the site's other buildings are deteriorating and structurally unsound; some are in the process of demolition. In addition, the site is contaminated with, according to 1998 testing, the highest levels of PCB concentrations in the northwest corner of the site as well as high levels of contaminants elsewhere on the site. It is a designated New York State Superfund site.

- The 13-acre "Tappan Terminal site," the ARCO site's neighbor to the south, was created from similar fill material. Until 1961, it was owned by Zinsser and Co. (subsumed under Harshaw Chemical Co. in 1955), a manufacturer of dyes, pigments, and photographic processing chemicals. Between 1961 and 1971, the site was used as a fuel oil storage facility by Tappan Tanker Terminal. A 6.31 acre portion of the site was leased in 1964, and then purchased in 1975, by Uhlich Color Company, a manufacturer of organic pigments. Mobil Oil Company bought the other 8.7 acres of the site in 1971 and operated the fuel storage facility until 1985. Uhlich continues to operate to this day on its portion of the site, while the portion owned by Mobil has, except for a small section leased by the Pioneer Yacht Club, remained unoccupied since 1985. Mobil was ordered by the New York State Department of Environmental Conservation (DEC) to remove the oil tanks (along with some contaminated soil) after oil spills and storage tank violations were detected.

Past and Current Planning

These two sites, and the waterfront in general, have in the last three decades been the subject of numerous studies and plans. These include, in chronological order:

- The Village and the River (Clark, 1970)
- The Hastings League of Women Voters Questionnaire (1971)
- The Hastings Waterfront Study (Hart, Krivatsy, Stubee, 1974)
- The Anaconda Site Study (Gisolfi, 1976)
- Development Potential and Action Plan: The Anaconda Co. Property (Hoffman, 1979)
- The Hastings Tax payers' Committee Report (1979)
- The Comprehensive Waterfront Development Plan (Gruzen, 1982)
- The Preliminary Report of the Waterfront Committees (1987)
- The Harbor at Hastings Proposal FEIS (Parish & Weiner, 1989)
- The Hastings Waterfront Festival Survey (1997)
- The Local Waterfront Revitalization Program (LWRP) Community Planning Forum on the Waterfront (1998)
- Adaptive Reuse Plan and Action Program for the Harbor at Hastings Site (North American Realty Advisory Services, 1998)
- The Local Waterfront Revitalization Program (LWRP) Inventory and Analysis (1999).

Unfortunately, these efforts and reports have yet to gain closure on how to redevelop the waterfront. The Regional Plan Association (RPA) is therefore, with funding from the Village and ARCO, facilitating a community-based planning and design process

with a schematic redevelopment plan, a land use plan, guidelines for future development, a public open space plan, various studies on economic, transportation and traffic issues, and implementation plan for the waterfront as its end products. A Steering Committee has been formed with the mandate to guide the process, with assistance from an Advisory Board made up of local, civic, regional and State organizations. The Steering Committee and Advisory Board include representatives of the Local Waterfront Revitalization Program (LWRP) Committee, which has reached a significant level of consensus and technical understanding with regard to the waterfront since 1997, when the Village entered into an agreement with the New York State Department of State to prepare the LWRP. The redevelopment and implementation plan that results from this process will, if accepted by the Village, become an integral part of the Village's LWRP, master plan and zoning ordinance, as appropriate.

Methodology

RPA has retained Abeles Phillips Preiss & Shapiro, Inc. (APPS) as a subconsultant to evaluate the market viability and impacts of various proposed uses, outline strategies for implementation, and contribute to the urban design component of the planning process. APPS is a New York City-based planning and real estate consulting firm that has developed a reputation for understanding the practical and economic realities of projects, plans and development.

Over 100 uses were originally raised for consideration (see Table 1) in the reports cited earlier and in the initial meetings with the Steering Committee and Advisory Board. These 100+ uses were grouped into the following ten private development categories, in addition to two public amenity categories (marine uses and public recreation):

- Housing
- Senior housing/assisted living
- Artist live/work space
- Retail: convenience stores, theme restaurants, festival markets
- Outdoor sales
- Private recreation
- Cultural and institutional uses.
- Hospitality, conference center, inn
- Offices
- Industry

For each of these ten private development use categories, we prepared (1) a market/site suitability analysis, and (2) a cursory impact/planning analysis. The descriptions that follow are written in a standardized format, as follows:

- Each description starts with "typology," which refers to the part(s) of the waterfront for which the use is best suited. This is based on a tripartite organization that has been devised for the site: Village (the north end, as it is the most accessible, the most public, and the most intimately connected with the village center), Neighborhood (the central section), and Campus (the south end, as it is the most pri-

vate and least accessible).

- Following the "typology," a summary of our conclusions is provided.
- There are then three separate sections discussing different aspects of the use category as it pertains to the Hastings waterfront: (1) market factors, i.e., demand, sustainability, profitability, risks, additional market factors; (2) programmatic factors, i.e., location bias, design bias, size/program area, infrastructure needs, potential synergies, phasing issues, other implementation issues, etc.; and (3) impact factors, i.e., revenue potential, traffic impacts, tax and fiscal impact, impact on Village services, and additional impact factors.

TABLE 1: USES RAISED FOR CONSIDERATION

Housing: Midrises and townhouses
Senior housing, life care, continuum care housing
Live/work space, artist lofts, "smart" live/work buildings, apartments above stores
Retail, restaurants, galleries, antiques, home improvement, convenience stores and services, fishing and marine stores
Outdoor sales, festivals, farmers' markets, kiosks, flea markets
Hospitality, hotel, conference center, inn, boatel
Offices, medical offices
Industry, woodworking, printing and graphic companies, media companies, movie production
Private recreation, skating rink, amusement park, tennis, health club
Cultural uses: Performing arts, band shell, theater, sound stage, film center, exhibition space, institute, historic boats, nature center, maritime institute, river ecology center, branch of school
Marine uses: Marina, boat docking, boat building, boat storage, water transportation, ferries, water taxi, port facility, excursion boats, boat launch, boat rentals
Public recreation: teen center, community center, indoor pool, fishing pier, promenade, village green, rollerblading, bicycling

Note: The ±100 uses listed above were culled from the reports and meetings held to date in connection with the redevelopment of the Hastings-on-Hudson waterfront.

Note: Marine uses and public recreation were excluded from this study as both were viewed as site amenities.

In these descriptions, the question of sustainability was considered as important as short-term financial viability. Profitability was given significant weight because, beyond public subsidies, a revenue stream is needed for on-site amenities. Finally, fiscal impact is particularly relevant because the Village is intent on avoiding a drain on municipal and school district coffers.

The methodology for the use evaluations relied extensively on: (1) our experience with other waterfront sites, including a number on the lower Hudson River; (2) review of existing secondary sources, especially those drafted by the Village's highly talented committees, and including the reports listed earlier and in the bibliography at the end of the report; and (3) interviews with key observers of the local marketplace. In the last regard, we would like to give our special thanks to the following individuals for taking the time to talk with us:

- Martin Ginsburg, Ginsburg Development Corp.
- David Hutson

- Andrea Olstein, Real Estate Advisory Services
- Robert Pirani, RPA
- Ted Pugh, North America Realty Advisory Services
- Arthur G. Riolo, Peter J. Riolo, Inc.
- Meg Walker, Planning Consultant
- Other members of the Housing and Population Committee and the Economic Development Subcommittee of the LWRP Committee.

It should be emphasized that this report provides background on the prospective uses. It is not intended to serve as a formal Environmental Impact Statement, fiscal impact, or financial evaluation. It was prepared for planning and decision-making purposes on the conceptual level. More research will be necessary for the recommended program of uses to emerge out of this conceptual stage.

Key Findings

Our conclusion is that, from a market perspective and independent of the desire to subsidize uses for their own sake, the uses presently under consideration can be grouped as follows:

- **Profitable uses** that can be counted upon to generate significant cross-subsidies for site improvements and amenities:

Midrisers (e.g., five-story elevator buildings)
Townhouses
Senior housing/assisted living

- **Break-even or high-risk uses** that cannot be counted upon to generate significant cross-subsidies for site improvements or amenities, but which may be useful in order to create a mixed-use environment.

Retail
Offices
Inn/conference center
Live/work space for artists and others

- **Non-profitable uses** that would require some sort of subsidy to locate on the site, but which may be useful as loss-leaders for other uses (indicated in parentheses), or that would enliven the site in general, but are not needed as loss-leaders for any particular use:

Outdoor sales (retail, park)
Boutique industry (retail)
Private recreation/health club (retail or housing, depending on the use)
Theaters (retail)
Excursion boats (retail)
Museum/institute (retail)
Marine uses
Public recreation.

Note that housing is the economic engine for the site's development: the more housing units that are built, the more revenue that is available for amenities, acquisition, etc. In fact, housing is so strong that it can be marketable without other uses besides a passive waterfront park; i.e., the housing requires hardly if any loss-leaders. The waterfront and its presumed promenades and parkland provide ample amenities already. This waterfront site does not have market resistance resulting from the overall value of housing in its adjoining upland community (as, for example, in downtown Yonkers), or resulting from the absence of a housing market (as, for example, Battery Park City in its early years).

Note, instead, that most of the loss-leaders are for the retail. The Hastings waterfront is isolated from highways, and has significant competition for regional retail expenditures, including existing and prospective waterfront developments to the north and south. Local access is limited, as local residents would have to drive through the existing downtown to get to the waterfront. Therefore, the Hastings waterfront has to offer some inducement more than views if it is to have more than a collection of a half-dozen restaurants and idiosyncratic stores. The questions are therefore (1) whether it is worth "pumping up" the retail, and (2) if so, with what package of loss-leaders.

Further, note that a number of uses that are otherwise viewed as profitable may be so, but are based on "entrepreneur," not conventional development deals. Restaurant, inns, a conference center, private recreation facilities, and, at this location, even offices would not be "bankable." Profits are too uncertain for conventional lenders. These uses would instead depend on individuals assuming unusual personal risk, most likely backed by loans available from unconventional sources—like family members, or a mortgage on another property, etc. Therefore, these uses cannot be counted upon in a development scenario. The best that Hastings can do is to provide inducements for such uses, e.g., mandate some (e.g., private recreation) in connection with approvals, or provide incentives (e.g., density bonuses) for others.

Finally, it must be emphasized that market considerations are one factor in the decision-making; but only one. Other factors include the alternative strategies to address the environmental issues raised by the site, the impact of different uses on the fiscal health of the community, the traffic and environmental impacts of different uses, and the interest of the community in creating a dynamic and mixed-use environment on the waterfront. Yet, this last planning goal can still be re-characterized as a market factor—in that the success of the total project is contingent upon creating something more than a monolithic residential or institutional or park or commercial complex walled off from the community by the railroad.

Housing

Typology

Neighborhood (for both midrises and townhouses), Village (for the midrises only), Campus (for the townhouses only)

Summary

Housing is the most lucrative and the most predictable use under consideration. It therefore can be expected to dominate developer proposals for the site. Diverse housing (townhouse and apartments, condominiums and rentals) must be provided in order to achieve the 200 to 250 units likely needed in the first phase (which might be a single phase if the development is capped at this size); this number of units is necessary to achieve economies of scale and create a residential neighborhood. The housing development should proceed at a fast pace if it is not to be overtaken by either market cycles or competition from the nearby and far larger GM site. An affordable housing component is easily incorporated into the housing development, provided that there is a commensurate lowering of expectations as to the amount of revenue that the housing will generate for other public purposes.

Market Factors

Demand for the use

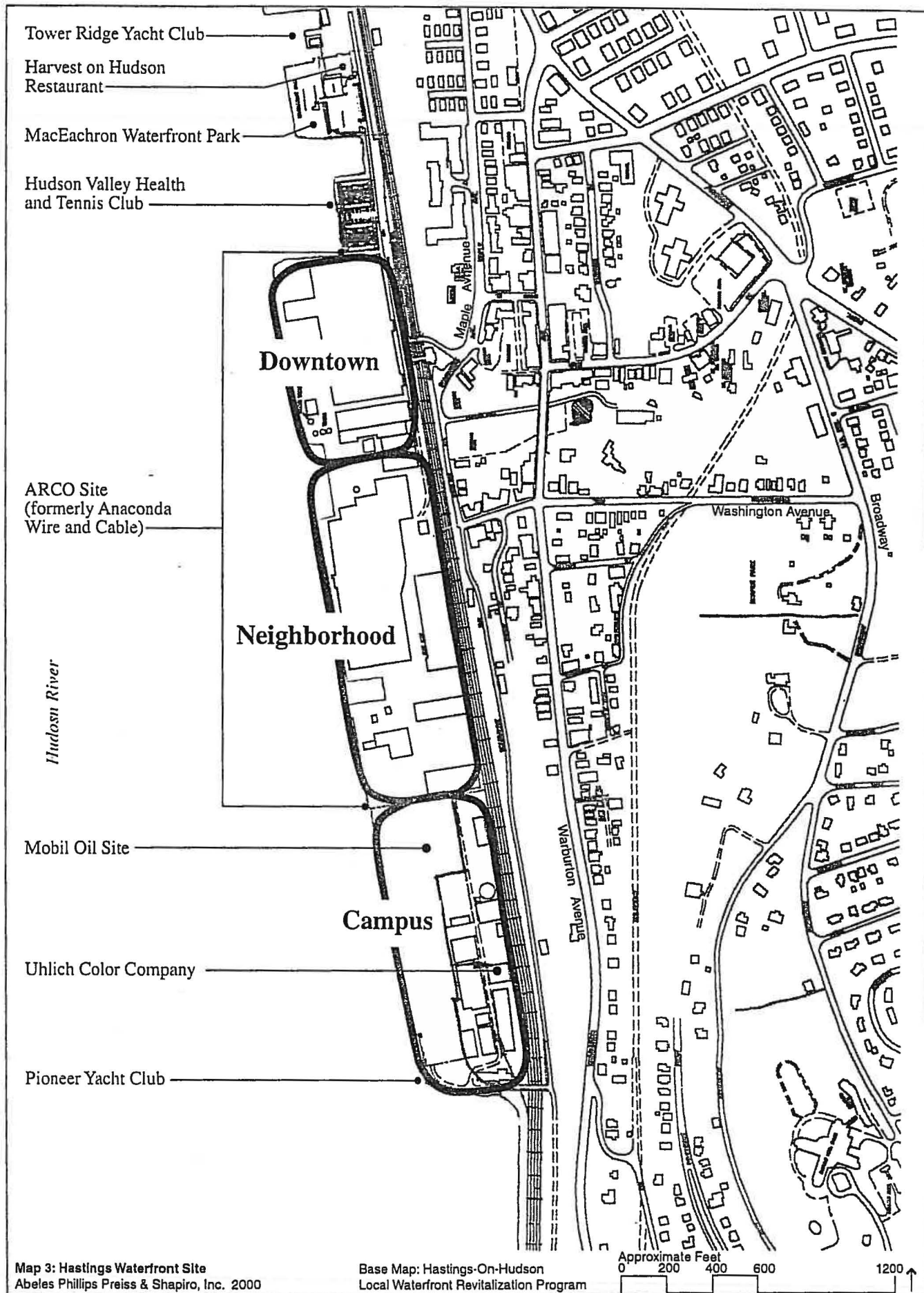
The demand for housing in Westchester is vast and well documented. The North American Realty Advisory Services market study (for ARCO) reported that, in 1997:

- Westchester had 331,000 housing units, with an annual pace of 1,100 building permits over the prior seven years, representing only a 0.3 percent annual increase in supply, compared to a vacancy rate of 3.4 percent.
- The "primary housing market area" within five miles of the site (see Map 3) had 124,000 housing units, with an annual pace of 230 building permits per year, representing only a 0.2 percent annual increase in supply, compared to a vacancy rate of 3.1 percent that is largely attributed to the Yonkers vacancy rate of 3.2 percent.
- Hastings had just over 3,000 units, with a meager 3 building permits per year, representing a 0.1 percent increase in supply, compared to a vacancy rate of 2.1 percent.

Thus, supply is not keeping pace with demand, certainly in the primary housing market area and even more so in Hastings. Additional housing pressure is being generated due to the wild escalation of prices in nearby Manhattan.

Market sustainability

Housing has consistently been the main use proposed for the site for several decades, attesting to its longevity and staying power. The only question is whether the demand for relatively high-priced apartments and townhouses will continue indefinitely. The prime market populations to be tapped consist of: (1) local residents who are selling their larger, and higher-maintenance houses so as to "downsize" into waterfront apartments and townhouses; and to a lesser extent (2) Manhattanites who are now thinking about relocating given the vast increase in rents and co-op apartment costs during the past few years. Therefore, this question hinges on: (1) the sustained health and wealth of Hastings and the adjoining communities; and (2) the continued housing crunch in Manhattan. Both seem assumed while the present economic boom continues. This, of course, poses the question of whether development



can be designed, approved and built before the economy tanks.

Profitability

Midrises are the most profitable use, per acre of land. This is because the yield (i.e., the number of units) per acre is substantially higher for the midrises than for townhouses, yet the per-unit sales price (and its rental equivalent) is only somewhat lower.

Townhouses are the most profitable use, per square foot. This is because construction costs are likely to be less for these buildings than for midrises (due to fire code issues, the absence of elevators, etc), while the units will sell for more.

It is likely that housing on the Hastings waterfront would sell for a premium that would surprise most residents and outperform any other multifamily housing development in the village to date. A small 24-unit development in Dobbs Ferry (the Ginsburg group's Livingston Ridge project) has achieved impressive sales prices in the \$800,000 range for its large 3,500 sf units, with some units selling for much more. This high a value cannot be uniformly achieved at the Hastings waterfront, since a far larger development requiring broader market appeal is called for. But based on this and other comparables, it would be reasonable to postulate a range of sales prices from the mid \$300,000's to \$800,000, with mean sales price of \$400,000 to \$500,000 per unit and a median sales price that is slightly lower due to the higher number of moderate-priced units relative to high-priced units. (These figures do not include the 10 percent of the units that could be "affordable," as discussed later.)

As the figures above testify, development on the Hastings site would be very lucrative. Typically, a developer would expect a 15 percent rate of return, which would translate into \$60,000 to \$75,000 per unit, or over \$12 million for a 200+ unit development.

Risks

But these profits must be weighed against the site's considerable risks. There is always the risk that the market will tank before build-out, and, worse, before the amortization of up-front expenditures for infrastructure, amenities and acquisition.

There is the related risk that the Hastings site (or its first phase of development) will be brought onto the market at the same time as the nearby General Motors (GM) site in Sleepy Hollow. The GM site is also on the river and is likely to have its own railroad station, but is three times larger and better located vis-à-vis highway access. Though Hastings offers shorter commuting times to Manhattan, the GM site is more convenient to the I-287 corridor and Fairfield County employment centers. Though Hastings offers better schools, this is not a major consideration for the childless couples that are expected to dominate apartment rentals/purchases on both sides.

Nearly 2,000 units have been proposed on the GM site; the Village of Sleepy Hollow and Scenic Hudson are counter-proposing approximately 1,000 units; either figure

would dwarf the number of units under consideration at the Hastings site (and, for that matter, all but one of the dozen largest housing proposals reported by North American Realty to be underway within five miles of the site; the exception is the 800-unit Avalon Green II project in Greenburgh). Based on absorption rates (as discussed next), it is unlikely that the market could sustain large-scale developments offering a mix of townhouses and apartments on both the GM site and the Hastings waterfront site at the same time.

Note that other large-scale waterfront housing proposals have been put forward for nearby downtown Yonkers and Haverstraw. But these are not considered as competitive as the GM site, since both the Yonkers and Haverstraw projects represent upscale housing development in areas otherwise characterized by disinvestment and a weak housing market, quite unlike the Hastings waterfront and Sleepy Hollow contexts.

Additional market factors

Typically, no one development can obtain more than 10 percent of the annual additions to supply in its trade area. This would imply a total absorption rate of only 25 units per year (see earlier discussion on demand) for any single type of housing development. However, vacancy rates are virtually nil if the soft housing markets in Yonkers and other less affluent (i.e., less competitive) communities are excluded. A pent-up demand is clearly evident in Hastings, which has a vacancy rate of only 2 percent, despite a large rental inventory. Therefore, the annual absorption rate is likely to be something like 50 units per year for any single type of housing.

In comparison to an annual absorption rate of 50 units, the first phase (which may be equivalent to one to two years in duration) should have something like 200 to 250 units. The solution is to provide a variety of housing: townhouses and midrise apartments, condominiums and rentals, and moderate-priced and luxury-priced units.

Programmatic Factors

Location bias

Housing can be successfully accommodated on all parts of the site. There is nonetheless a bias for (1) higher-density housing in the Village area, closer to services and the railroad station, and (2) lower-density housing as well as housing modes that prefer campus arrangements or privacy (e.g., age-restricted housing—as discussed later) in the Campus area. The Neighborhood area is logically laid out with a mix of midrises and townhouses: midrises to achieve density/yield expectations, and townhouses to establish a low-scale eyes-on-the-street quality of development.

Design bias

The site is suitable for townhouses (i.e., attached single-family houses), 3- to 5-story midrises (e.g., multi-story apartments sharing a common lobby and elevator core), and even hybrids involving flats (e.g., midrises with duplexes at the ground level each with their own entrance). The midrise apartments with water views are likely to obtain 25 to 50 percent higher values than those without, depending on whether the latter faces a road leading to the water, or faces the railroad line. The townhouses

es (and flats) with water views are likely to obtain 20 to 40 percent higher values, with the same location factors at play. This telltale disparity in the premium paid for different types of units is partly due to the fact that the townhouse format is, in Hastings, rarer than the apartment building format, but in equal or greater demand.

Water views are, beyond price points, essential for marketing the midrise apartments. A primary market for the apartments consists of empty nesters, divorcees, and others who already live in Hastings, Dobbs Ferry, Irvington, and north Yonkers; these residents would not be interested in what would otherwise be perceived as "overpriced" waterfront apartments but for the water views and amenities. Another key market for the apartments consists of Manhattanites; these new residents would not be interested in relocating from Manhattan but for more amenities (in addition to larger unit sizes and, for some, better schools).

Size/program area

The maximum townhouse density is usually something like 10 to 16 units to the acre, with the lower densities if parking is provided within the same structure, and the higher densities for a row house arrangement with on-street parking. For a minimum of 100 townhouses, at least 6 to 10 acres of land should be set aside.

Given building height restrictions particular to Hastings, the maximum midrise apartment density is likely something like 30 to 40 units to the acre, with the higher densities for senior housing where the units are smaller and the amount of parking needed is less. For a minimum of 100 midrise apartments, at least 3 acres should be set aside. (By point of reference, proposed apartment buildings on the downtown Yonkers waterfront is approximating 50 units per acre, while proposed apartment buildings on the Haverstraw waterfront is approximating 25 units per acre.

With regard to unit mix, 2-bedroom apartments are likely to dominate (e.g., with 60 percent of the townhouses, 80 percent of the for-sale apartments, and 60 percent of the rental apartments); but there would be some 1-bedrooms (e.g., with 40 percent of the rental apartments), and some 3-bedrooms (e.g., with 40 percent of the townhouses, and 20 percent of the for-sale apartments). Unit sizes are likely to fall somewhere in between large urban (e.g., 1,100 sf for 2-bedroom apartments) to large suburban (e.g., 1,500 sf for 2-bedroom apartments). The flexible rooms now preferred in the marketplace (e.g., family rooms, dens, alcoves, lofts) help account for the large unit sizes.

Infrastructure needs

Full infrastructure (i.e., sewer, water, utilities) and other site improvements will have to be put in place for housing to be successful, including:

- The corresponding parts of the waterfront promenade—the main amenity for marketing the site
- Additional means of vehicular access and egress other than through the choke

points at the railroad station—especially for housing to go forward on the southern (Campus) portion of the site, e.g., another bridge over the railroad for access to Warburton

- Site clearance or cleanup of the undeveloped portions of the site—especially in the northern (Village) portion if housing proceeds first in the central (Neighborhood) portion, since the northern (Village) portion is where site entry is.

Potential synergies

The housing would support a limited amount of retail on the site, at a ratio of something like 2 sf per person, or 4 sf per housing unit.

Phasing issues

The cost of carrying high up-front costs for infrastructure is likely to be the key phasing issue for any housing developer on the site. A minimum of 200 to 250 units is likely needed in the first phase to: (1) amortize up-front costs, (2) achieve economies of scale, and (3) create a residential identity for the site.

As noted, the absorption rate is likely to be something like 50 units per year for any one type of housing, e.g., 50 luxury-priced townhouse condominiums, and/or 50 moderately-priced midrise rental apartments, and/or 50 luxury-priced midrise condominium apartments. However, any single residential developer is likely to want to build many more units; for instance, Avalon, which builds rental apartment buildings, would want at least 100 units to match their Bronxville project, and more likely would want 400 units to match their phase 1 New Rochelle project.

Other implementation issues

Timing, phasing and housing diversity pose the major issues for housing development on the site. The developer will have to balance: (1) the need for a large first phase in terms of the number of units, with (2) a low absorption rate for luxury-priced townhouses and apartments, with (3) the possibility that the GM or another site will alter the absorption rate or supply/demand equation in Westchester's housing market.

Impact Factors

Revenue potential

Housing is the most lucrative form of development on the site. It is likely that both the midrise apartments and townhouses would sell for \$400,000 to \$500,000, *on average*. Typically, a developer will spend as much as 15 to 25 percent of the sales price on site costs, including site improvements, amenities, mitigation, remediation, etc. in addition to acquisition. Placement within the 15 to 25 percent range depends on sales values and on risk. One implication on this large a site is that, at an average sales price of \$400,000, the development would have broader market appeal and could be built out faster, meaning less risk and a greater proportion of the sales price will be available for site improvements and acquisition. On the other hand, at an average sales price of \$500,000, the developer would have a narrower market appeal, would

take longer to build out and would entail greater risk, meaning that a lower proportion of the sales price would be more reasonable for site improvements and acquisition. This translates to \$75,000 to \$125,000 per unit. For simplicity, we adopt a figure of \$100,000 per unit.

Since a minimum of 200 units is needed to establish a residential identity on the waterfront, housing development can be expected to generate something on the order of \$20 million for site improvements, amenities, acquisition, site preparation, etc. The greater the number of units allowed, the greater the revenue potential, unless and until the development gets so large that it must lower sales prices in order to achieve a reasonable capture rate.

Traffic impacts

According to the Gruzen report, the site can accommodate up to 500 units before triggering the need for major investment in roadway infrastructure, such as an additional road from Warburton Avenue to the south (Campus) end of the site. The Harbor at Hastings Draft Environmental Impact Statement (DEIS) based its analysis on a maximum of 350 units, however.

Based on the research of the Village's Committee on Housing and Population (1997), each midrise apartment can be expected to generate on average 1 vehicle and 6.5 trips per weekday, and each townhouse can be expected to generate an average 2 vehicles and 9 trips per weekday, as compared to each single-family house which can be expected to generate 2 vehicles and 10 trips per weekday. With at least 200 units, the waterfront site would generate an on-site parking demand for at least 300 vehicles and 1,500 trips per weekday (assuming an equal number of midrise and townhouse units, and not factoring in retail and other types of development, of course). Increasing the number of units will have a proportionate impact on traffic.

It should be noted that the waterfront site may generate less traffic than indicated above, due to the facts that the site is (1) unusually convenient to the railroad station, (2) unusually inconvenient to the highway network, and (3) likely to house more retirees than other developments in the village.

Indeed, there would be some self-selective quality as to the commuting and traveling patterns of site residents. Unlike other village residents who must drive through downtown and across the village to get to highways, residents on the waterfront would have a short and level walk to and from the train station, and therefore would be more likely to commute by rail (i.e., to Manhattan).

Tax and fiscal impact

Market-rate housing would have a positive fiscal impact, contrary to first impressions. At the high prices projected, most units would be occupied by people without children, older people in their peak earning years on large savings, especially "empty nesters" (couples whose children have grown up) but also affluent divorcees, affluent

couples looking for housing in the area, etc. This is generally the case in similar developments across the region, and has been documented in Hastings by the Village's Committee on Housing and Population (1997). This report found the following:

- Each midrise apartment on the waterfront can be expected to generate \$900 each in Village tax revenues, compared to \$1,100 in Village expenses (one-half of which is for waterfront public safety), and \$2,600 in School tax revenues compared to \$1,600 in incremental school district costs (with one student per four midrise apartments, and a cost of \$6,300 per child for more staff and materials, but assuming that the threshold will not be crossed in which the school population exceeds the physical capacity of the schools), for a total of \$3,500 in tax revenues and \$2,500 in public expenditures, yielding a positive tax impact of \$1,000 per midrise unit per year.
- Each townhouse on the waterfront can be expected to generate \$2,200 in Village tax revenues compared to \$1,100 in Village expenses, and \$6,100 in School tax revenues compared to \$2,000 in incremental school district costs (with one student per three townhouses and a worst-case cost of \$6,100 per child), for a total of \$8,300 in tax revenues and \$3,100 in public expenditures, yielding a positive tax impact of \$5,000 per townhouse per year.
- These revenue figures may err on the low side, in light of the escalation in housing prices in the last three years. By illustration, the Dobbs Ferry housing development described above is, in 2000, achieving sales prices twice those projected in 1997.
- The expenditure figures may or may not be on the high side. The Committee projected that only \$150,000 would be needed for public safety costs related to the waterfront; the waterfront park maintenance costs were not included in these estimates; and there may be many other incremental costs associated with this development. On the other hand, all of these costs are assigned to the Village, offset only by the tax revenues from the residential development. In fact, a tenants/homeowners association may assume some of these costs; waterfront commercial development may also provide additional tax revenue or common fees to offset these costs; or the waterfront park may be under County jurisdiction.
- Note that the revenue and expenditure figures cited above characterize the impacts, but that there will be significant variations depending on the mix of townhouses and apartments, rentals and condos, large and small units, high- and more moderate-priced units, etc.

In sum, the waterfront housing development can be expected to have an overall favorable impact on the fiscal health of the Village, though all sorts of adjustments and contingencies are likely.

Nor is this favorable tax impact likely to change. The 1979 market study prepared by Howard P. Hoffman Associates also projected a residential development dominated

by upper-income small households with one child or no children, well before the demographic phenomenon encapsulated in the jargon "empty nesters." This abiding appeal to smaller households has to do with the simple fact that when couples move to the suburbs to have large families, it is usually expressly to live in single-family homes with basements and yards.

Nor would any affordable housing component dramatically alter this fiscal impact. According the Committee's reports, one school-age child would likely be generated for every 4 to 5 affordable housing units. At 25 units, the development's affordable housing component would only generate a half-dozen school-age children; if the development doubled in size, the total would still only be a dozen school-age children.

There is the potential, of course, that the site would differ from the norm in terms of its appeal. Young families might show greater interest than now anticipated (as proved to be the case in Battery Park City). Many households with children or with plans to have children may find the site's apartments and townhouses appealing. This would reduce the positive fiscal impact of the development. However, at the prices postulated, the waterfront would hardly be marketed to many "starter" families. Also, the Committee's analysis assumes that a number of units would house children—but not the great majority. It therefore remains unlikely that potential deviations from the established patterns would be so significant on the waterfront as to alter the Committee's (and our) fiscal conclusions.

Impact on Village services

Housing would place additional demand on all manner of Village services. At a minimum of 200 units, the housing development would generate 400+ residents (using an average of 2.2 persons per unit, based on the research of the Village's Committee on Housing and Population). A development twice as large would obviously generate twice as many residents. This would represent an increase of 5 to 10 percent in the population of the village. As the size of the development increases, there would be proportionate increases in the demands placed on school and Village services (such as police, library, parks, etc.). Most of this increase can be absorbed due to its incremental nature. However, as thresholds are reached, there will be a need for adjustments in the manner in which services are provided, e.g., there may be a need to build additional classrooms after a point, or to provide additional Village staff, or to purchase additional firefighting equipment, etc. The Committee on Housing and Population took these factors into consideration in its analysis, however. For example, the Committee concluded (in 1997) that the Village could absorb up to 375 conventional housing units before triggering a need for more classrooms.

Additional impact factors

A development skewed toward a luxury housing market, seniors, or any other particular social group would incrementally alter the social character of the Village. This possibility is offset, however, by the probability that the developer will pursue a vari-

ety of housing formats, prices, etc. aimed at a wide if relatively wealthy market population.

Planning Goals

Promotes public enjoyment of the waterfront

The housing will provide a day and evening, 7-day-a-week ambiance for the site's parks and other public spaces, important to the image and security of these attractions.

Extends or bolsters downtown

The housing development would provide additional clientele for the waterfront's and downtown's stores, restaurants and services.

Protects or enhances water views

Unlike some non-residential uses (e.g., big-box retail, industry, stadiums, etc.), the residential uses would involve small building footprints laid out along frequent roads, thereby opening up many opportunities to view or get to the water's edge.

Promotes affordable housing and/or provides community amenities

The housing concept can readily be adjusted to encompass affordable housing goals.

The Village of Hastings has set a goal of a 10 percent affordable housing set-aside in future, large-scale developments. This would amount to at least 20 units, based on the minimum development size of 200 units; and both figures may be as much as twice as great. The total affordable housing goal for the Village has been set at 30 units (by both the Village and the Westchester County Housing Opportunity Commission). In fact, in any one year or phase the affordable housing units can be added to the development with no impact on absorption rates, since they tap an altogether different market that is presently not generally being addressed in Hastings and the adjoining affluent communities. Therefore, the waterfront site alone can address most, if not exceed, the Village's affordable housing goal.

As indicated, the market-rate housing units will sell or rent for a premium. This creates a pool of revenue from which to draw in order to provide a cross-subsidy for affordable housing. (Though, of course, the same pool of revenue must be shared with site acquisition, site preparation, infrastructure, amenity and other costs that together even exceed the revenue generated by the development.)

The amount of revenue needed for the cross-subsidy is not as great as might be pre-supposed. Hastings, like most communities, has pegged its affordable housing goals to meeting the shelter needs of households earning up to 80 percent of the median income for the county, which in Westchester translates into the following (source: Hastings Affordable Housing Committee, Sue Smith, October 11, 2000):

- \$46,560 for a 1-person household
- \$53,200 for a 2-person family

- \$59,840 for a 3-person family
- \$66,560 for a 4-person family
- \$71,760 for a 5-person family

Assuming that up to 33 percent of income can be spent on shelter costs, these translate into monthly rents of \$1,000 for studios, \$1,100 for 1-bedroom apartments, \$1,400 for 2-bedroom apartments, and \$1,500 for 3-bedroom apartments. While these rents are not profitable if these units are expected to pay their full freight in terms of the total per unit cost of site preparation, improvements, amenities, etc., these rents are still high enough to pay for the incremental cost of providing the affordable units (in terms of adding the affordable housing units to the unit mix without expectation of any revenue over and above the hard construction cost of the unit itself, assuming relatively small units at an average cost of \$100,000 to \$150,000 per unit).

Some developers would be queasy about an affordable housing set-aside of 10 percent, in terms of setting the tone for the development and therefore creating problems in terms of marketing the luxury units. However, this site is so outstanding in terms of its amenity package and image, that this is not likely to be a problem. Furthermore, as the figures presented above testify, the affordable housing units would be occupied by middle class households.

Some mixed-income developments have experienced marketing problems due to the buyers of luxury apartments resenting that "affordable" units offer the same essential unit as their far higher priced units. However, in this case, the affordable housing units might consist of artist live/work space above stores and cultural uses, or the midrise apartments that do not enjoy views.

Three issues bear note: First, developers, left to their own devices, would likely build smaller affordable housing units. The Village, as per the later discussion on artist live/work space, may prefer otherwise. This preference would have to be backed up with zoning mandates or by the nature of the Village's input on the project.

Second, the 10 percent affordable housing set-aside is a Village goal, not a legislated mandate. The Village's zoning ordinance would have to be modified to assure that such housing is built on the site.

Third, the income categories indicated above (\$47,000 to \$67,000 for a 1- to 4-person household) really address the needs of middle-income residents. It may serve the Village well to mandate lower ceilings for all or a portion of any affordable housing units. There would, however, be a commensurate impact on project financing and marketing. Most developers would resist this raising of expectations as to affordable housing.

Minimizes traffic and other negative impacts

The housing would add to the peak-hour traffic in downtown and at the train station.

Even assuming that waterfront residents were twice as likely as other Hastings residents to use the train, and twice as likely to be retired, the great majority of the residents would still commute by car, based on our experience elsewhere.

Bolsters the fiscal health of the Village

As noted, the housing would have a positive fiscal impact since relatively few units would house school-age children, yet these luxury housing units would achieve a high appraised value. This may be offset, however, by the possibility that an arrangement similar to Tax Increment Financing (TIF) will be needed to guarantee a revenue stream for maintaining parks and other on-site amenities. TIFs involve dedication of the increases in real estate taxes to defined purposes, such as paying off bonds for new infrastructure and amenities, or creating a pool of funding for future site or area investments.

Achieves other planning goals

The housing would in large measure address a housing demand generated within the community as an alternative to both (1) older downtown apartments and (2) conventional single-family houses. In an aging suburban community, such demand is generated by empty nesters, recent divorcees, etc. As such, Hastings residents would feel that there is more housing choice in their community.

■ Senior Housing and Assisted Living

Typology

Campus, Neighborhood, Village, in that order of priority

Summary

The midrise and townhouse development can be re-conceived as age-restricted (i.e., senior only) housing, probably with minimal negative impact on sales price. An assisted living model (e.g., Marriott and Sunshine) would also be highly profitable on the site. However, age-restricted housing would have a negative impact on absorption rates, and the assisted living model may prove difficult in the near-term future due to uncertainties with regard to market saturation.

Market Factors

Demand for the use:

Demand for senior housing is large and steady. In its market study for the site on behalf of ARCO, North American Realty provided the following salient facts and observations:

- There were 37,000 people 65 years or older in the “primary housing market area” (comprised of Hastings and the other communities within five miles of the site—refer to Map 3), representing 16 percent of total population. This figure and ratio have held steady over the past decade.
- The market area’s 37,000 seniors reside in 23,000 households, representing a far greater 26 percent of all households in the market area. These households are the primary pool for an age-restricted development.
- The Westchester County Department of Planning projects that the senior population will increase by 23 percent by the year 2020, countywide. Thus, the number of senior-headed households will likely increase substantially over the next decades.

Demand for assisted living housing will likewise grow, even sooner than that for age-restricted housing. North American Realty shows a steady increase in the 75 to 84 age group, and also in the 85-and-over age group, in large measure due to national aging and health trends.

These older seniors are the prime market for assisted living model.

Yet demand for assisted living is more prescribed, due to its high costs and unusual living arrangements. Typically, a series of thresholds need to be met, as follows:

- 2,000 75+ year old households making \$35,000+ per year within a 5-mile radius
- 5,000 45- to 65-year old households making over \$100,000 per year (these are the “carriers” who subsidize and/or provide family network), within the same 5-mile radius
- High median house values, assuming that most residents will sell their homes to generate income needed to afford the development’s rental fees.

Market sustainability

As noted above, the need and demand for both age-restricted housing and assisted living will, in the long term, hold steady and grow, paralleling national demographic trends. However, for assisted living, the picture is not so certain in the short term, as discussed later.

Profitability

Since most of the age-restricted units would be occupied by empty nesters with extensive assets tied up in their existing homes, it is likely that high housing sales prices could be garnered for an age-restricted development on the site.

One constraint on the profitability of the assisted living model is the fact that the market area's senior population includes a large number of renters, many of whom are in rent-stabilized apartments, who would resist moving, and have no major housing asset to capitalize in order to generate income for the assisted living rentals. Fully 45 percent of all of the housing units in the primary market are rentals; though this figure drops to 31 percent for the more affluent villages within the market area.

Risks

There are significant risks associated with the assisted living model—one inherent to the business, another general to the present roster of projects, and a third particular to Hastings.

Assisted living housing is a difficult housing model to pull off. The key problem has to do with absorption rates and the timing of the housing components. The nursing home and shared dining and other facilities must be built up-front with the semi-independent living housing, meaning that there are several absorption rates to contend with, with the added actuarial complication that these facilities are ultimately for the benefit of the residents of the semi-independent living units as they get older. It is no accident that more and more of these projects are being carried out in the region by two developers/managers—Sunshine and Marriott—since success depends a great deal on experience.

"Life care" housing involving a blend of senior housing models was, until recently, untested in the metropolitan New York marketplace and in many other parts of the nation. There has been a recent spate of projects, only some of which have been built, and most of which are in various states of proposal, construction, or marketing. It is not clear at what point the metropolitan New York marketplace will be saturated, and for how long. Consequently, most lenders and many developers are wary of this housing model.

Particular to Hastings, the village is already the locale of an age-restricted/ assisted living proposal involving 270 units on the Andrus School property. Hastings might be able to support both development of the Andrus property and an assisted living community on the ARCO site if they address separate market segments. This will need more analysis.

Additional market factors

While not as risky, the absorption rate for senior housing is likely to be significantly lower than for conventional housing. The simple fact is that by restricting the types of tenants who might obtain apartments, there is a smaller pool of potential buy-

ers/renters to recruit from. For every senior who might prefer an age-restricted development, there is another senior who might bristle at the idea of being ghettoized—a concern which is exaggerated on this site owing to its isolated location on the waterfront.

With this last factor in mind, the age-restricted housing and assisted living model would probably work well on the site, but only if there were as many (or seemingly as many) non-senior units.

Programmatic Factors

Location bias

The age-restricted housing component could be located on any portion of the site, but would probably do better in the Village and Neighborhood areas, due to resident concerns about feeling isolated.

The assisted living component would prefer the Campus setting. While a public promenade and park would be appropriate adjoining this use, there is also a need for some private open space, loading docks for the kitchen facilities, etc. Most important, when built at a low scale, these buildings tend to be large and sprawling, in order to allow indoor circulation between all of the units and facilities. The Neighborhood setting could also work if a higher-density mid-rise apartment building format is used.

Design bias

The nursing home need not have waterfront views, but the majority of independent and semi-independent units—whether in an age-restricted housing component or in an assisted living component—must have such views in order to market this location over others in the region.

Size/program area

The age-restricted housing's size and programmatic needs would mirror those described earlier for midrise apartments and townhouses (see Housing), with these variations:

- Apartments would be somewhat smaller, with more 1-bedroom apartments and fewer 3-bedroom apartments
- Therefore, densities could be somewhat higher, towards 16 units per acre for townhouses and 40 units per acre for midrises
- The development could have more emphasis on apartment buildings and less on townhouses

The assisted living component would require 70 to 100 units in order to achieve the necessary economies of scale, with the lower figure applicable only in the most affluent of communities. While congregate care units range from 525 to 1,100 sf, the total per unit square footage is more like 1,000 to 1,050 sf, inclusive of common areas, dining facilities, etc. Likewise, while assisted living units range from 350 to 600 sf, the total per unit square footage is more like 700 to 800 sf. Thus, at 100 units in Hastings,

the building would be something like 80,000 to 100,000 sf. In calculating acreage, note that the shared dining and other facilities involve higher than usual ground floors; that the Hastings site may involve higher structures in order to provide below-building parking and/or a pitched roof, but also that the acreage figure might also be lower if parking is provided under the building. Therefore, an assisted living component will likely need 4 to 6 acres, although it could need as little as 3 acres if it is done strictly as a mid-rise apartment building.

Infrastructure needs

As with conventional housing, full infrastructure and site improvements would have to be in place for the housing to be successful, including sewer, water, utilities, the promenade, and site clearance/cleanup. However, a second means of public access and egress would not be as necessary, since there would be few commuters, and therefore negligible amounts of additional rush-hour travel through the downtown traffic bottleneck.

Synergies and compatibility with other uses

The age-restricted housing and independent living component of assisted living would support a limited amount of convenience retail on the site, at a ratio of something like 2 sf per person, or 3 sf per unit. The housing would provide a day-and-evening, 7-days-a-week quality to the public spaces.

Contrary to popular opinion, the age-restricted housing and congregate care/assisted living housing would probably benefit from non-senior housing, retail and promenade uses. National studies show that most seniors do not want to be isolated and prefer a multi-generational community, even if they also prefer residential buildings designed and operated to meet their needs (e.g., with community rooms, doormen, and other amenities, besides the facilities normally provided as part of assisted living models).

Phasing issues

The age-restricted and assisted living components would probably have to follow the other components. In addition to concerns about being isolated, seniors tend to be very conservative in their housing choices, especially when such decisions might put at risk their life savings and financial legacies. Seniors (or their children) would want to see, feel and know that the waterfront development is a clear success before committing to it.

Additional implementation issues

The age-restricted and assisted living components may make sense for a later phase of development involving the outer reaches of the ARCO site or the combined Mobil/Uhlich properties, should one or both of these become available, in particular the assisted living component would be well suited to the Campus area comprised of the Mobil/Uhlich properties. As noted, this housing model would likely follow earlier non-senior housing, which would logically locate closer to the railroad station.

Impact Factors

Revenue potential

The age-restricted housing element would likely generate revenue at 10 or 20 percent less than conventional housing, i.e., \$80,000 per unit on average.

The assisted living component would likely generate significant revenue: suitable sites are hard to find, and the number of units per acre is high. Based on several comparables, the assisted living component could likely pay as much as \$500,000 to \$1 million per acre, which would translate into roughly \$75,000 to \$125,000 per assisted living unit. (Note that these revenue figures represent the total amount of money available for acquisition, site preparation, on-site amenities, off-site improvements, etc.)

Traffic impacts

The age-restricted housing would generate traffic at off-peak hours, and therefore would have a minimal traffic impact.

The assisted living component would generate traffic for employees as well as deliveries. However, such facilities do not employ great numbers of people compared to commercial facilities; work shifts are not necessarily co-terminous with rush hours; and deliveries are spread out throughout the day.

Tax and fiscal impact

Senior housing and assisted living would have a positive fiscal impact since there would be no schoolchildren.

Extrapolating from the same figures reported earlier for housing in general (prepared in 1997 by the Committee on Housing and Population), each age-restricted midrise unit would generate \$3,500 in tax revenues, and each age-restricted townhouse unit would generate \$8,300 in tax revenues, but only \$1,100 in Village and school expenditures. The Committee also found that each assisted living unit would generate approximately \$4,100 in tax revenues, and that any nursing home component would generate something like \$4.25 psf (per square foot) in tax revenues. (Note: St. Andrus would not generate any tax revenues as proposed, due to its not-for-profit tenure/operations on a site owned by a not-for-profit. Senior housing and assisted living on the waterfront site are, unlike St. Andrus, conceived entirely as a for-profit venture on private non-tax-exempt land.)

Impact on Village services

There would be minimal impact on Village services associated with either age-restricted housing or assisted living. One attractive feature of this site is that it is within walking distance of the village downtown and library—two popular places for seniors to recreate. While a shuttle bus may be needed to help seniors up and down the hill between downtown and the waterfront (especially in winter or in the rain when the road is slippery), this service would likely be provided by the developer so as to help market the project.

Planning Goals

Additional impact factors

Note that an increase in seniors concentrated in downtown will have an idiosyncratic impact on various Village and commercial services and community life, e.g., increased use of the library during weekdays, greater support for coffee shops, a more pronounced seasonal quality for activity on the site (since these seniors could afford to be "snow birds" who winter in the south or southwest), and less support for school bonding.

Promotes public enjoyment of the waterfront

The senior housing would provide a 24-hour, 7-day-a-week ambiance for the site's parks and other public spaces. However, this benefit would be concentrated during the warm weather months. Furthermore, seniors may be more likely to gripe about large-scale special event, shopping, dining and recreational activities that would bring activity to the waterfront but also noise, traffic and outsiders.

Extends and bolsters downtown

The senior housing development would provide additional patrons for waterfront and downtown stores and services.

Protects or enhances water views

The age-restricted housing would involve building layouts conducive to opening up water views. However, the assisted living component would likely involve a large sprawling building that would block views from inland property west of the railroad (since there is a steep hill to the east); for this reason, the assisted living component is best sited in the south Neighborhood or Campus portions of the waterfront.

Promotes affordable housing and/or provides community amenities

As with conventional housing, the senior housing components could financially handle a 10 percent affordable housing set aside, provided that there is a commensurate lowering of expectations as to the amount of revenue that the housing will generate for other public purposes (refer to the Housing section for a detailed discussion of affordable housing). However, the affluent seniors who provide the market for this housing would be more sensitive than the general population about the manner in which the affordable housing residents are selected.

Minimizes traffic and other negative impacts

The senior housing and assisted living would not generate significant amounts of rush-hour traffic.

Bolsters fiscal health of the Village

As noted, age-restricted housing and assisted living would have a positive fiscal impact. Since the net revenues are quite high, it would be more practical than with non-restricted housing to provide a tax revenue stream to both the Village and school district, and still accommodate an arrangement similar to Tax-Increment Financing (TIF) to guarantee a revenue stream for the on-site parks and amenities. (See the

Housing chapter for a more detailed discussion of this issue.)

Additional planning goals

The age-restricted and assisted living housing would primarily address the special housing needs of Hastings and other local residents.

Typology

Village

Summary

Artist (and related) types of live/work space would have a positive impact on the image and vitality of the site. In the absence of reuse opportunities involving multi-story industrial loft buildings, this market is best addressed as the upper-floor housing component of buildings with ground-floor cultural and retail uses. Artist live/work space will not be profitable, and is viewed best as an extension of either the cultural uses or affordable housing. (Note: live/work space is herein defined as units in which half or more of a unit's space is used as artist workspace, as distinct from a conventional housing unit with a spare room used for craft or artwork. Also, this analysis focuses on visual artists requiring loft-like live/work spaces, as distinct from performing artists, writers and others whose housing needs could be usually addressed in more conventional formats.)

Market Factors

Demand for the use

Artists generally choose their place of residence first and foremost on the basis of some criteria as other types of people: convenience to place of work, quality of schools, environmental health, etc. Studio space is secondary in this selection process (based on National Endowment for the Arts and Urban Homesteading Assistance Board studies).

Artists do not necessarily prefer to live and work in the same space. In an APPS survey of New York City artists/artisans; 40 percent of the artists said that they do not have their home and work space on the same premises, and of the 60 percent who do, half said that they would prefer separate work space.

The combination of these two factors accounts for the relatively shallow demand for artist live/ work space in any one locale. The several outstanding exceptions—SoHo, NoHo, Chelsea—are, it should be remembered, among the most desirable locations in Manhattan to live, not just for artists.

Market sustainability

Hastings' reputation as an attractive and socially diverse inner-suburb to New York City assure the sustainability of this use. However, as Westbeth in Greenwich Village testifies, managing artist live/work housing can be a thankless job, as live and work conflicts tend to complicate tenant relations.

Profitability

This use is not profitable: it involves the same investment in infrastructure, plumbing, etc., as conventional housing, but with more square feet, sold or rented at a lower price. Based on one mixed artist/non-artist comparable—the Brickbottom Building in Boston—the sales price for the artist live/work space would be approximately 40 percent of the sales price of the conventional housing units, which on the Hastings waterfront would translate into a sales price of \$200,000 for the equivalent of a large 2-bedroom unit. These sales and rental figures can offset the hard construction cost

for the space, but not the additional costs for on-site amenities, acquisition and other ground costs.

As another benchmark, 2-bedroom apartments above stores in downtown Hastings rent for \$900 to \$1,200 per month. Assuming that artists would pay 30 percent higher rents on the waterfront, this translates into \$1,200 to \$1,600 per month for a large apartment.

By comparison, the profits realized in places like SoHo have to do with the large appeal of that area as the home of wealthy people who also happen to be artists. In other places, like Greenpoint, Brooklyn, the profits have to do with providing raw space to artists who conduct the renovation over time at their own expense. However, this model is suited to the gradual reuse of old loft buildings, not new construction.

The site's pricing liability can be offset if the artist housing component is used to satisfy any affordable housing requirement set by the Village. Village planning documents call for 10 percent of the units in large-scale developments to be set aside as affordable housing. There is a fortunate dovetailing of the projected 25+ live/work spaces to create an artists colony (discussed later under "Additional market factors") and the preferred 20+ affordable housing units (discussed earlier in the Housing chapter).

Risks

Artist live/work space is a high-risk development, not only because it is inherently marginally profitable at best, but also because there are so few local developers and lenders experienced with new construction of and/or renovation for live/work space in suburban and other non-urban settings.

An artist live/work project involving instant tenanting of 20+ artist live/work spaces involves some risk, too. A low absorption rate and build-out can be expected for any live/work space provided on the site, unless it is pegged at highly competitive prices.

Additional market factors

Artist housing makes for a small but high-visibility, project or program. Peekskill, New York and Easton, Pennsylvania have, for example, attained regional and national reputations as "artist colonies" with only 25 to 50 artists residing in their downtowns. SoHo, the ultimate art community, has only 2,000 artists by one count.

Programmatic Factors

Location bias

Live/work space is logically located in the Village portion of the site, for three reasons. First, artists and others would prefer a location where collectors, patrons, other artists, etc. can easily visit and be entertained, i.e., a location close to the train station and restaurants. Second, live/work arrangements involve additional visits, parking, odd work hours, the generation of noise or fumes, etc. which are counter to the more

private residential character likely in the Neighborhood and Campus portions of the site. Third, the more urban quality of the Village area (especially if existing buildings are reused or featured) could appeal to the "urban frontier" aesthetic of many artists.

If the artist housing is attractively priced (i.e., merged with any affordable housing or cultural space mandate—as to be discussed), artist live/work space could also be addressed proximate to the railroad tracks on all portions of the site (i.e., Village, Neighborhood and Campus).

Design bias

Artists very often prefer renovating raw spaces with eclectic qualities to moving into newly-built "loft" apartments. Therefore, the artist live/work model lends itself to the adaptive reuse of existing buildings rather than new construction. However, most of the site's buildings do not lend themselves to housing loft reuse.

If new construction is pursued, large flexible spaces would be in order, i.e., a large loft maybe with one separate bedroom. In APPS's survey of New York City artists, 50 percent of the respondents indicated a need for one-bedroom apartments, 25 percent a need for two-bedroom apartments, and 25 percent for other unit sizes: hardly a clear direction on unit mix. While artists wanted an average of 700 sf of work space, 25 percent said that they would be happy with only 500 sf or less, 40 percent with 500 to 1,000 sf, and 25 percent more than 1,000 sf: hardly a clear direction on work space sizes. Further complicating space projections, artists were more likely to place a premium on storage space (at 45 percent) than on gardens (38 percent).

For new construction, the artist live/work spaces could be provided above ground-floor retail and cultural space. This might appeal to artists since it: (1) dovetails with their interest in showing their work to friends and patrons; and (2) poses fewer potential conflicts with neighbors who might be otherwise disturbed by the noise, fumes, and odd hours associated with some artist endeavors.

Size/program area

A reasonable assumption is that each artist live/work space should occupy 1,000 to 2,000 sf of flexible space. Peekskill, for instance, sets its limits at 800 to 2,000 sf per loft.

With market goals set at something like 25 artists (as discussed), this use would require at most 50,000 sf of space. Assuming that the use occupies the two to four upper floors above a double-height single row of retail/cultural uses, this use would at most occupy 25,000 sf of land area and perhaps as little as 12,000 sf of land area.

With this small a footprint, it is likely that the artist (and other) live/work space component could be satisfied in a single building or at most a pair of buildings on the site.

Infrastructure needs

Artist live/work space would require the same basic infrastructure as conventional housing, plus some extra visitor parking, and, ideally, extra-load-bearing floors and large elevators suitable for deliveries.

Synergies and compatibility with other uses

Artist live/work space would be highly synergistic with the retail and cultural components intended for the site. It would add visitors, vitality and a Bohemian image that would counteract the more sedate quality of the main housing component. This synergy would be amplified if the artist live/work space were built above stores and cultural uses.

The live/work space would be compatible with a housing component, but only to a point. It should be recalled that artists generally need to pursue their craft in the evenings and on the weekends (in the APPS survey of New York City artists, only one-third earned their livelihood as artists/artisans), and that their artwork might involve noise, fumes, etc., in addition to visitors and deliveries.

The live/work space could be compatible with an industrial component, but also only to a point. Part of the original appeal of SoHo and NoHo was that the industrial neighbors hardly complained about the noise and visits generated by artists and artisans, and vice versa. However, over time, as artists became more settled in their lives and more committed to their living quarters, they became more negative about the impacts of adjoining industrial outfits.

Phasing issues

The live/work housing element can be included in an early phase of the development. Artists are notorious for being tapped (some would say exploited) as urban frontierspeople.

Additional implementation issues

As noted, there are few developers experienced with artist (and other types of) live/work space, and fewer still who would view this as a profit sector. To happen, the live/work space would: (1) have to be mandated under zoning, essentially requiring a cross-subsidy from the more profitable housing component, and/or (2) best be pursued by one of the cultural tenants, perhaps in order to house performing or other artists associated with the cultural use. As examples: while not intended at the outset, the LaMama Theater has successfully placed a dozen of its performers, set designers, etc. in City-owned housing within a few blocks of its East 4th Street, Manhattan location; and the Goodspeed Opera House in East Haddam, Connecticut provides dormitory space for its performers.

If incentive or latitude is provided under zoning, there will be some need for artists certification akin to what New York City does. Such certification might require that the individual:

- "is engaged in the fine arts, creating arts, performing arts, or interpretive arts regularly and on a professional basis";
- "demonstrates a serious, consistent commitment to his/her art form";
- "is currently engaged in his/her art form";
- "demonstrates a need for the live/work space requested."

Approvals need to be easy and predictable, if Hastings is to avoid the problems faced in, for example, Riverhead, New York, where developers complain that the process of going through Town Board approval for each artist makes them gun-shy of going through the expense of creating the space. One alternative is to delegate this responsibility to either a cultural group or board (with danger of cronyism), or to staff (with a concomitant need to increase Village expenditure), or to both (as adopted by Peekskill, New York).

Impact Factors

Revenue potential

Artist live/work space would absorb, not generate profits from other more lucrative uses. At best it would be revenue neutral.

Traffic impacts

Artist live/work space would generate similar traffic impacts as conventional housing, with some more deliveries and visitor traffic, though not during rush hours.

Tax and fiscal impact

There would likely be a neutral impact on Village revenues and expenditures. On the one hand, most artists moving to the site would not have children; in an APPS survey of New York City artists, only 15 percent had children. On the other hand, artists choosing to move to Hastings would tend toward the small proportion that do have children, since the move to Hastings from, in all likelihood, New York City would have as much to do with the pull of Hastings' good schools as with the push of high Manhattan rents.

Impact on Village services

Artist housing would likely generate the same impact on Village services as other types of housing.

Additional impact factors

Artist live/work space can involve incremental amounts of contamination, as a by-product of painting, sculpture, etc.

Planning Goals

Promotes public enjoyment of the waterfront

Artist live/work space would help bring visitors and activity to the waterfront, and would contribute to its sense of diversity.

Extends and bolsters downtown

Artists and visitors would likely use downtown stores and services, adding to the support for certain types of businesses, such as art supply stores.

Protects or enhances water views

Since the artist live/work space would involve small footprint buildings, water views could be maintained. The "resident artists" could also be involved in public art projects that enhance these views, either on a volunteer basis, or as a precondition of their obtaining the subsidized units.

Promotes affordable housing and/or provides community amenities

Artist live/work space could be tied to the provision of affordable housing. However, it should be noted that developers would otherwise build smaller units at lower costs than those contemplated for the artist live/work space. Thus, it would be necessary to explicitly mandate that affordable housing on the waterfront is to be satisfied through the creation of artist live/work space with certain size and/or other design specifications. Also note that devoting affordable housing to artists would reduce the availability of these units to other affordable housing groups, unless the affordable housing set aside was increased.

Minimizes traffic and other negative impacts

Artists would be more likely to be employed in or oriented to Manhattan, and therefore would disproportionately rely upon public transit relative to other residents in the development.

Bolsters fiscal health of the Village

Artist live/work space would be fiscally neutral, since the artists are, as noted, less likely to have school-age children than the general population of Hastings.

Additional planning goals:

Artist live/work space would help to maintain the social diversity of which Hastings is so proud.

**Retail: Convenience Stores,
Theme Restaurants,
Festival Markets**

Retail: Convenience Stores, Theme Restaurants, Festival Markets

Typology

Village

Summary

Convenience stores and services located at the railroad bridge could be an important amenity for potential residents on the site. A limited number of theme retailers and restaurants along the river would also be an amenity, and would make the waterfront a destination for local residents. A festival market also along the river would need to be on the order of 100,000 square feet of space, and would draw from the region, thereby making the site (and Hastings) a destination, with all of the attendant image and traffic impacts. But none of the retail development is without risk. Mindful of such risk, redeveloping existing buildings over time, and using a limited amount of waterfront property for both convenience retail and theme retail/restaurants provide the prospect of creating an eclectic retail mix which can absorb (both financially and in terms of image) the ups and downs of retailing at an isolated site, however attractive its views. The theme retail could be especially exciting if it was tied to cultural uses, outdoor sales (e.g., a farmers market), floating restaurant(s) and/or dinner cruise(s).

Market Factors

Demand for the use

Rich or poor, people spend roughly the same amount of money on convenience goods and services. For the site, the demand for convenience stores and services is limited to the potential residents who live along the waterfront. Other Hastings residents cannot be expected to drive past downtown stores to shop in a more remote location, except on occasion on fair weather summer weekend days (which is why an indoor or outdoor farmers market may work—as discussed later in the Outdoor Sales chapter). Railroad commuters cannot be expected to deviate from the shortest route possible to their cars and homes, except on occasion to buy a gift or meet a friend for drinks or dinner (which is why a few restaurants and specialty stores may succeed). The housing on the site would generate support for something like 2 to 4 square feet of retail per person, or 4 to 8 sf per housing unit. Assuming around 250 housing units, there is guaranteed support for up to 2,000 sf of convenience retail on the site, perhaps expandable to 5,000 sf.

There is local market support for a limited number of specialty stores and restaurants in Hastings and especially on the waterfront. While only 8,000 people reside in Hastings, the community is growing more and more affluent and sophisticated, as homes owned by older, less affluent residents are resold at higher and higher prices to yuppies moving to Hastings from still more expensive Manhattan neighborhoods. Support for theme stores and restaurants is capturing more and more of these dollars, too: while this is a long-term trend (e.g., Americans now spend 40 percent of their food dollars at restaurants, compared to 27 percent in 1970), it has been bolstered by the increasing use of superstore, catalogue and internet shopping, which leave people eager for shopping and dining experiences that are unique and entertaining. This added support for specialty retail and dining can be channeled to the site mainly thanks to its waterfront views, but also because of its visibility to railroad commuters, who can make a decision to shop/dine there on impulse or, as is more likely, to return

some other time with friends and family. The success of two existing restaurants on the Hastings waterfront and the nearby Chart House in Dobbs Ferry testifies to this potential.

A far larger amount of specialty stores and restaurants would comprise a festival market. Such a marketplace would require a regional clientele to be successful. It would inherently compete with Manhattan (which is the ultimate festival marketplace) but otherwise would have limited competition in Westchester. The lack of a successful downtown in Yonkers provides a steady source of demand among north Yonkers residents, who would likely welcome the chance to more closely align their community with that of their more affluent neighbor to the north.

Market sustainability

The convenience stores and services would tend to be marginal operations. The relatively low number of residents on-site (400 to 1,000) creates shallow demand for any one type of store, as the typical thresholds listed below illustrate:

deli	2,000 people
convenience store	5,000 people
hardware store	7,000 people
laundromat	7,000 people
dry cleaner	7,000 people
pharmacy	10,000 people
florist	12,000 people

On the site, a few specialty stores and several more restaurants would exhibit an erratic success rate. Some stores—especially those with catalogue or Internet sales—might exist for many years despite the relative isolation of the site, as the book store on Washington Avenue testifies. But others will open and close, since novice and variety stores are likely to predominate, as the turnover of stores in the Rondout business district in Kingston testifies. Some restaurants might exist for many years, due to a consistent quality of food, management, decor and scenery. But others will open and close, since most eating establishments that succeed over many years are at locations that offer a steady stream of weekday lunch and weekend dinner patrons, e.g., downtowns with large numbers of employees on the weekdays and tourists/visitors on the weekends. There is also the need for restaurants to offer different products than their competitors—to differentiate themselves by ambiances, price and of course cuisine.

As discussed later under risk, many if not most festival markets typically meet with initial success as a novelty, but then fail during the subsequent years.

Profitability

Convenience stores and services would likely rent at around \$15 per square foot per year (psf/yr), which can barely support new construction of retail space. Downtown Hastings rents are typically \$18 to \$22 psf/yr. As noted, the waterfront is not as competitive a location for convenience stores as downtown, and would therefore garner

less rent per square foot despite new construction.

Theme retail and restaurants would, if structured as rental projects, portray a wide range of rents and values, depending on whether the spaces offered views and/or matched the particular needs of a particular business. So long as it was treated as a scarce resource, the water's edge would be highly lucrative for one or at most a few more restaurants than now exist. For example, the Chart House in Dobbs Ferry is reportedly one of the highest-grossing restaurants in their chain.

A festival market, if successful, would generate far higher rents of as high as \$35 psf/yr. Typically, festival markets generate 20 to 50 percent higher rents than those otherwise prevalent in the area, which in this case would include downtown Hastings, where rents peak at \$25 psf/yr. But they also have far higher common fees (for promotions, special events) and development costs (for the amenity package). It is not certain that a festival market would be profitable at the Hastings waterfront. Certainly, most festival markets have been built with massive public subsidies.

Risks

The convenience retail would not be as risky as other types of retail. This is because a developer would likely build such retail less as a profit center and more as an ingredient to make the housing more marketable. Therefore, the developer would likely reduce the risk posed by marginal convenience stores by charging relatively low if not unprofitable rents.

The same risks are involved with theme retail and restaurants, if these are pursued as rental projects. However, selling or leasing land to restaurateurs and other private entrepreneurs would reduce the risk.

A festival market would be extraordinarily risky. As the Baltimore Harbor Place and Manhattan South Street Seaport projects testify, the same design, retail mix, type of location, level of subsidy and developer can succeed in one instance and falter in another. By one account, half of the festival markets built during the 1980s and 1990s have failed, nationally.

Additional market factors

A developer could combine the convenience retail and theme retail concepts, thereby creating a larger retail development that displays a wider and more interesting mix of stores. A high turnover of frequently marginal businesses should, however, be anticipated.

Programmatic Factors

Location bias

Convenience retail would depend entirely on the residents of the development. These stores and services would logically locate at the main point of entry for both vehicles and pedestrians, i.e., the bridge across to downtown.

Theme retail/restaurants would need to have the river in sight. Because specialty stores are destinations for people "in the know," they generally do not require highly visible sites. But because they need to draw from a larger trade area, they do need to offer something unique. At this location, that is the waterfront.

A festival market at this location would need to feature the waterfront in an even bigger way. It would logically straddle the river but extend, as well, to the eastern boundary of the site so as to be visible from the bridge across the railroad tracks and the railroad parking lot (for reasons that shall be explained below).

Design bias

Convenience retail would conglomerate in a single or double row of stores sharing one street and/or parking lot. These stores and services depend on the ability to run several errands at one time. Typically, store sizes range from 1,000 sf (in traditional downtowns) to 3,000 sf (in shopping centers). At this location, an average of 2,000 sf is probably reasonable, yielding only a handful of convenience stores.

Theme retail and restaurants would seek eclectic spaces of varying sizes. While one entrepreneur would want a large space (e.g., a restaurant with catering hall, or a "housewreckers" type of antique store), another would want a small space (e.g., a funky cafe or a craft store). While one entrepreneur would be happy with a space that offers low ceilings and nooks and crannies (e.g., an exclusive tablecloth restaurant or bookstore), another would want large open spaces (e.g., a microbrewery or sculpture gallery). This ability to provide a variety of spaces is one of the reasons why traditional downtowns usually attract and sustain specialty stores and restaurants. The equivalent on this site would involve the reuse of at least some existing buildings, rather than all new construction.

Festival markets are usually comprised of large, newly built or renovated spaces subdivided into booths and stores of varying sizes. Festival markets are also linked to scenic amenities, most typically waterfronts and historic buildings. On the Hastings waterfront, a festival market must be located along the river's edge but visible from the most convenient bridge across the railroad tracks. Ideally, it would involve reuse of historic industrial buildings and artifacts, or at least some distinctive facades.

On this site, theme retail and the festival marketplace could both be combined with floating restaurants, restaurant boats, and tour boats, as in Riverhead, New York. This somewhat run-down downtown has attracted several such operations thanks to the coincidence of sewer and water available at the bulkhead; private ownership extending into the water (i.e., the bulkhead is not coterminous with the channel); and a protected harbor. These features could be replicated at the site.

Size/program area

Convenience-only retail would likely involve 5,000 to 10,000 sf of space laid out in the ground floor of one building (for the smaller figure), or (for the larger figure) two

Other implementation issues

A priority on convenience retail implies that there should be one master developer, since the convenience retail would be largely built for the benefit of the waterfront residents, and not with any great expectations as to profit.

However, a priority on theme retail and restaurants implies that there should be multiple user/owner/developers, even if there is one master developer. Theme restaurants/cafes and variety boutiques are generally financed by relatives and patrons, not banks. They depend on the vision of individual entrepreneurs.

Festival markets are high-risk ventures. They are generally pursued where large public subsidies are provided to a master developer functioning as a visionary entrepreneur (such as Rouse did for both South Street Seaport and Harborplace).

Impact Factors

Revenue potential

As noted, the convenience retail would not generate significant if any revenue. The theme retail might generate as much as \$1 to \$2 million, mainly for the premium waterfront restaurant parcels. The festival market would require subsidy dollars.

Traffic impacts

The convenience retail would generate a small positive impact, by reducing the need of on-site residents to go off-site for their errands; however, they wouldn't go further than downtown for such errands, anyhow.

The theme retail would not have significant traffic impacts, since their main appeal would be during the evenings and weekends when the train station is not active.

A festival market would have a significant impact in terms of traffic. Yet, using its 400 parking spaces as an index, it would generate less traffic over a longer stretch of time than the commuter railroad does, with its 500 parking spaces and peak rush-hour performance.

Tax and fiscal impact

Retail would have a positive fiscal impact, proportionate to its size. Specifically in Hastings, the Village's Committee on Housing and Population (1997) projected the retail would generate \$3.25 psf in annual tax revenues. Theoretically, the convenience retail (with 25,000 sf) would generate about \$15,000 per year; the theme retail and restaurants (with 30,000 sf) would generate about \$75,000 per year; and the festival market (with 100,000 sf) would generate an impressive \$300,000 per year. Most of the expenditures for garbage, sanitation, etc. would be internalized by the development. Therefore, these taxes would be hardly offset by municipal costs.

The Village should anticipate that the turnover and possible failure of the retail components could lead to reduced tax revenues, and increased expectations as to Village services given diminished internal revenue to pay for sanitation, etc. This risk of

future liability increases with the size of the retail development also. This concern could be partly addressed through a Business Improvement District (BID), which would create a dedicated revenue stream that would not rely only on the site's retail uses to pay for such services.

Impact on Village services

The Village would have to bear some expense for sanitation, etc., proportionate to the size of the retail development. A full panoply of eateries, for instance, brings with it the risk of nightclubs and other uses that put undue pressure on police personnel. This concern could be largely addressed through zoning and other regulations, however.

Additional impact factors

Some noise may be associated with the theme retail, and even more noise would be associated with a festival marketplace.

Planning Goals

Promotes public enjoyment of the waterfront

The convenience retail would provide a place for people to buy sandwiches and drinks, that they might then enjoy at the waterfront promenade. The theme retail and especially the festival marketplace would bring many people who live elsewhere to the waterfront, expressly because the retail is on the waterfront.

Extends or bolsters downtown

All three types of retail would extend the downtown to the water, thereby increasing the "tourist" appeal of Hastings—not so much for conventional out-of-state tourists, as for daytrippers (e.g., as is true in Nyack and Cold Spring).

All three would compete with particular downtown businesses, too. Certain downtown stores and especially restaurants will experience a decline in local business. Certain stores and restaurants will experience an increase in regional business. Which stores and restaurants will be the net losers and gainers is impossible to predict.

It is likely, however, that the convenience retail would have a negligible net impact on downtown. These stores would be mainly patronized by waterfront residents. No many residents from the east side of the tracks would trouble to use the convenience stores and services located on the site.

It is likely that the theme retail and restaurants would have a positive net impact on downtown. The waterfront would likely become a restaurant destination, thereby diminishing support for some downtown restaurants. But more people from nearby communities (especially North Yonkers) would, when they drive through downtown, learn about stores and restaurants (too) that they would like to return to. Downtown could capitalize on this by upgrading its appearance, parking and marketing, aimed at these new passersby from a larger trade area. A market/downtown revitalization study would be needed to enumerate these strategies.

It is likely that a large festival market could have a negative net impact on downtown. The waterfront would be a major destination, and many downtown stores may choose to relocate there, in which case downtown would be relegated to convenience shopping for local residents only. With only 8,000 residents, Hastings can support only about 30,000 sf of convenience retail in its traditional downtown. This begs the question of what happens to the remaining 50,000 sf.

Protects or enhances water views

The convenience retail would have no impact on water views, since it would orient to the bridge and railroad station. Both the theme retail and restaurants and festival marketplace would, however, maximize the public enjoyment of these views in order to maximize their own appeal. These uses would also help to animate the waterfront, especially if floating restaurants and/or dinner cruises were introduced.

Promotes affordable housing and/or provides community amenities

The convenience retail would be an important amenity for on-site residents. The theme retail and restaurants would be too. The festival marketplace would not, however.

Minimizes traffic and other negative impacts

As noted, none of the retail uses would involve significant negative impacts.

Bolsters the fiscal health of the Village

As noted, all three retail components would have a positive fiscal impact, at least at first. However, this positive impact may diminish over time, should the retail prove less sustainable.

Achieves other planning goals

All three retail components would contribute to the mixed use character of the site thereby helping to make it inviting as a place to visit and live.

Outdoor Sales

Typology

Village

Summary

Farmers markets, flea markets, food vendors, etc. are best approached as "loss leaders"—i.e., as uses that support retailing and animate the waterfront, but which do not generate significant capital or operating revenue. Their positive impact in terms of drawing people and negative impact in terms of traffic are directly proportionate to their size. The Village could promote such uses through a solicitation to not-for-profit and for-profit sponsors; and/or a developer could promote or undertake such uses as a way to draw customers to waterfront-theme retail and restaurants. Given their eclectic mix, the Village should not get into the nuances of one or another type of sales, but concern itself with the basic physical and administrative infrastructure to support such uses—i.e., the availability of parking at the train station, the arrangements for traffic officers and sanitation, the special event fees directed to the Village, etc.

Market Factors

Demand for the use

Demand for outdoor sales is apparent but varies widely according to locational attributes, local demographics, and the sponsor's capabilities. Outdoor sales can include farmers' markets, flea markets, antique fairs, craft fairs, food festivals, etc.

All types of outdoor markets would benefit from the waterfront amenity, proximity to the train station's parking, proximity to the downtown, Hastings' positive image in Westchester, and the relatively high population density of Hastings (which is among the highest in Westchester and equal to White Plains). However, outdoor sales would have to overcome the disadvantage of being at the edge of the community and away from highways, and thus its inconvenient location for both impulse shopping and people living more than ten minutes away.

Focusing on a farmers market: the Village already hosts a successful market at the parking lot next to the municipal building. This market could probably be relocated to the waterfront once additional retail uses and amenities are in place. For example, it would be hard to imagine this market succeeding at the Harvest on Hudson parking lot. But as Granville Island in Vancouver shows, if a festival market ambience exists, people will go out of their way to get to remote waterfront sites.

Market sustainability

Successful markets have the same longevity as successful stores, i.e., they can be expected to go through the same business cycle involving the need to regularly reinvent themselves to address shifts in demography or spending preferences. One key issue in not-for-profit sponsored outdoor markets is that there is usually sentimental or other reasons to retain events that have lost their market appeal.

Profitability

These are not very profitable uses, aside from prime outdoor markets attracting droves of people (e.g., the Union Square Greenmarket, some of the more famous

antique markets, the Atlantic Avenue food festival).

Risks

Outdoor markets involve low capital expenditure to compensate for high risks. For every successful farmers' market, flea market, food festival, etc., there are far more failures or muddle-throughs.

Additional market factors

The critical decision is whether the outdoor sales are being operated with a profit motive, or with a loss-leader motive; i.e., if each market needs to be self-sustaining, or if it achieves its purpose by simply bringing people down to the water's edge. This has huge implications regarding the manner in which the use is promoted.

Programmatic Factors

Location bias

Clearly, the outdoor sales would be best sited in the Village area, proximate to (1) the main access road in and out of the area, (2) downtown Hastings, with which it would enjoy synergies, (3) prospective retail development on the site, with which it would enjoy greater synergies, and (4) the surfeit of weekend and evening parking available at the train station.

Design bias

A site facing the waterfront would be called for. But for its water views, the site is a comparative disadvantage, since it is hard to get to.

Size/program area

The land area can be quite small for some outdoor markets; the typical weekly Greenmarket in New York City has only ten vendors, though some have more.

Infrastructure needs

A flat, paved surface with truck/vehicle access is essential. Utility tie-ups, night lighting, and shelter from the sun and rain are also useful.

Potential synergies

The outdoor sales are best viewed as an adjunct of any proposed retail. It would also complement a ferry/water taxi facility or a hospitality use. It may, however, be considered as a nuisance by the residents of adjoining waterfront housing.

Phasing issues

Outdoor sales can be initiated almost immediately, as they require minimal capital investment. In time, selected outdoor sales can be upgraded into an indoor public market (see the Retail chapter).

Additional implementation issues

The key implementation issue has to do with sponsorship. The developers of a festival retail center would likely undertake the outdoor sales on their own initiative.

Instead, or in addition, there are any number of independent and not-for-profit sponsors, ranging from the Greenmarket folk, to flea market companies. The Village and/or ARCO could consider a Request for Proposals (RFP) to elicit interest from these groups, as soon as questions of public safety and access are resolved. The Village should consider amending the Village Code to clarify the procedure and charges for events. Some municipalities have fixed fees to cover sanitation and traffic management, for example; other municipalities control the seasons, days and times of events.

Impact Factors

Revenue potential

The outdoor sales will likely generate minimal revenue. However limited, such revenue can be used for either maintenance of the public spaces, and/or special projects such as a boat restoration or public art project.

Traffic impacts

There will be severe but transitory traffic impacts. However, these impacts are concentrated at infrequent or odd hours—e.g., Saturday mornings for farmers' markets, Saturday afternoons for flea markets, weekend afternoons or evenings for food festivals, a holiday weekend for a special event, etc.

Tax and fiscal impact

The tax benefits are entirely indirect: they take the form of bolstering the permanent retail component.

Impact on Village services

The fiscal impact is uncertain. Outdoor sales generate security and garbage cleanup costs which can, should, but are not always borne by the sponsor(s) or beneficiaries.

Additional impact factors

Outdoor sales generate noise and activity that may be incompatible with adjoining residential uses, if any.

Planning Goals

Promotes public enjoyment of the waterfront

Outdoor sales are an ideal way to bring new people—especially from outside Hastings—down to the waterfront.

Extends and bolsters downtown

Outdoor sales would complement rather than compete with downtown businesses. While outdoor sales may provide the same categories of sales (e.g., food festivals, restaurants, antique fairs v. antique stores, etc.), they tend to draw from a wider trade area. What they syphon off in terms of local sales, they make up for by introducing more shoppers/diners to downtown. This benefit is more likely if the outdoor sale take place at the northern end of the site.

Private Recreation

Typology

Village (for small footprint uses)

Campus (for uses that require significant amounts of land)

Summary

The Hastings public is clamoring for all types of public and private recreation on the site. Private recreation in other than in prime, high-density locations like Manhattan (e.g., ice skating rinks, indoor sports complexes, etc.) or high-visibility locations like Route 100 (e.g., health clubs, driving ranges) are usually built as "loss leaders" to stimulate higher values and shorter rent or sales time for other, more lucrative development. Thus, a positive revenue stream is not important here as an understanding of (1) which recreation uses produce enough revenue to sustain their existence, (2) which recreation uses add the most value, and (3) how much a developer will need to spend in order to create these recreation uses. In this regard, the most sustainable, beneficial and cost-effective private recreation uses are a fitness club, family fun center, and a restaurant/entertainment complex, in addition to, of course, a public waterfront promenade and park. (Note, boating operations are discussed in reportage prepared by the Regional Plan Association, dealing with public recreation.)

Market Factors

Demand for the use

While residents may want a full variety of private and public recreation facilities, such facilities need certain minimum populations within their catchment area in order to be sustained.

As examples from the roster of potential private recreation facilities:

- Indoor children's centers, which are essentially indoor playgrounds, typically require a population of 30,000 to 50,000 within a 5 to 7 mile radius and a location on a thoroughfare with an average daily traffic count of 30,000. As would be expected, indoor children's centers are interested in a trade area with a large number of families with children, although these families need not have particularly high incomes.
- Fitness clubs such as New York Sports Club locate new clubs where their target customers live or work. NYSC's target customer is college-educated, between the ages of 20 and 44, and earns an annual income in excess of \$50,000. Therefore, many of the clubs are sited in urban locations with high concentrations of professional jobs and near train stations in the commuter suburbs where many professionals live.
- Bowling alleys generally require at least 2,000 people per lane, or 80,000 people for a modern 40-lane facility.
- Family fun centers such as Jeepers! have trade areas of 5 to 7 miles in densely populated areas and 10 miles in more suburban areas, within which there must be a population of 250,000 and, of course, a large number of families with children.

With a population of only 8,000, it is clear that Hastings alone cannot support any of these uses. Yet altogether, 124,000 people live within five miles of the site. This creates

ates substantial support for virtually all of the uses cited above (the exception is a family fun center). But it begs the question of which of these facilities are better or more conveniently located elsewhere in the 5-mile catchment area.

Market sustainability

Frequently, ice skating rinks, Chelsea Pier type of operations, even some health clubs go through a business cycle in which the first "generation" of developers go bankrupt, wiping out debt and the need to amortize most or all construction costs, freeing the way for the next generation of managers to operate the facility in the black. Even New York Sports Club prefers to pursue suburban expansion by acquisition because, according to its 1998 IPO filing, "acquisitions are considered by management to carry less risk than a greenfield club, as acquired clubs have existing member and revenue histories."

Profitability

Only a few private recreation facilities are actually profitable, in which instances developers normally expect but rarely achieve returns of at least 9 percent on their investment. Of those recreation facilities that may be relevant to the Hastings site, only health clubs, tennis centers and golf driving ranges may be profitable. It is highly unlikely that skating rinks, bowling allies, YM-YWCA/Boys & Girls Clubs, and indoor children's centers would be.

Risks

Private recreation facilities also involve considerable risk, as noted above. They therefore are rarely financed by banks and other conventional lenders, and, like restaurants and inns/conference centers, rely upon a network of friends, family and personal savings/assets.

Additional market factors

It is not entirely relevant to hold the recreation uses—private let alone public—accountable to the same profitability and risk standards set for the prior uses discussed in this report. This is because from a development point of view, they do not in fact have to fully pay their way. Their purpose is to help bring people to the shops, sell the housing units for more money, rent up the offices faster, etc. They do, however, have to be sustainable.

Thus, these uses need to pass under a lower financial feasibility bar, provided, of course, that they complement the other, more profitable uses. This is discussed later.

Programmatic Factors

Location bias

Small footprint recreation facilities can and in many cases are best accommodated in the northern Village portion of the site. These uses include skating rinks, health clubs miniature golf, etc. Such uses complement any theme retail and restaurants, as well as any offices, that might locate here. A location on the rest of the site may put these uses at odds with the residential component, which would prefer more quiet.

Large-space facilities can and in many cases should be accommodated in the southern Campus portion of the site. These uses include golf driving ranges, Chelsea Piers types of operations, etc. There simply isn't room for them elsewhere.

Design bias

Some recreation facilities should have a commercial character (e.g., ice skating and miniature golf); others are akin to retail (e.g., a health club would prefer a ground-floor location as close to the train station as possible; an indoor children's center would also prefer a ground-floor location next to the retail); still others want an open or natural setting (e.g., golf driving range).

Size/program area

Space needs vary widely, as the list below illustrates:

- Ice skating rinks are typically 85 by 185 feet, plus surrounding seating and gathering areas, for a total of around 20,000 sf
- Health clubs in suburban settings range from 10,000 to 30,000 sf, depending on services offered.
- Indoor children's centers such as Discovery Zones are typically 13,500 to 17,000 sf and can be as large as 20,000 sf. They look for at least 5.5 parking spaces for every 1,000 sf of center space, i.e., at least 75 spaces.
- Bowling allies are generally 30,000 to 40,000 sf, with newer facilities, offering as many as 40 lanes, requiring as much as 50,000 sf.
- Family fun centers are roughly 20,000 to 25,000 sq ft and are often willing to occupy existing space (e.g. industrial buildings).
- A full-scale indoor pool and gymnasium facilities (e.g., the Asphalt Green Recreation Center and YMCAs) would need a building footprint of 10,000 sf and a total floor area of 20,000 to 30,000 sf to accommodate a 60' by 160' competition-sized pool, 50' by 85' gymnasium suitable for basketball, and ancillary facilities. The typical Girls Club is, for instance, 10,000 to 35,000 sf in size.

Infrastructure needs

The infrastructure needs of each of the private recreation components can be dovetailed with those of the land use to which they are linked. The recreation uses are, in fact, part of the "market infrastructure" that the housing, retail, offices, etc. will need

Potential synergies

Each of the private recreation uses helps to create important synergies:

- The health club (like the promenade and park) are essential for high-density housing on the site
- The ice skating rink, health club, indoor children's center (and especially the promenade) are essential for theme retail restaurants
- The health club is useful for offices and inn, but not the conference center, which would prefer its own fitness facility.

Phasing issues

Most of the private recreation facilities will need to be in the early phases, if they are to serve their marketing purposes.

Other implementation issues

Chelsea Piers in Manhattan has pioneered the idea of combining the full panoply of private and public sports, recreation, and similar amenities under one roof, with party and meeting spaces as well. While this has been a touch-and-go facility in terms of profits, it may provide a model for conglomeration.

Impact Factors

Revenue potential

The private recreation facilities would generate negligible revenue for site development, if at all. Like the public recreation facilities, they would likely have to be subsidized.

Traffic impacts

The private (like public) recreation would generate minimal traffic, since it would mainly augment the viability of other uses.

Tax and fiscal impact

The private recreation facilities would generate negligible or no taxes, respectively. They will, however, bolster the value of the other tax-paying uses projected.

Impact on Village services

The private/public recreation facilities will have a minor impact on Village services in terms of security, sanitation, fire, etc.

Additional impact factors

None.

Planning Goals

Promotes public enjoyment of the waterfront

Clearly, private recreation facilities can bring people to the waterfront, and enhance their enjoyment of the waterfront.

Extends or bolsters downtown

The small footprint recreation facilities, by locating in the Village area of the site would have two benefits for retail in this area and extending up to downtown. First, any health club or indoor children's space would provide additional commercial frontage along the route from the bridge/railroad station to the water's edge; this is important given the limited demand for retail discussed earlier. Second, they would provide an additional reason for people to travel through downtown to visit the waterfront.

Protects or enhances water views

While obviously park and promenade are ways to open up waterfront views, less obviously, ice skating rinks, golf driving ranges, etc. are ways to animate those views. Large tennis bubbles and such would, however, block such views unless these were placed carefully.

Promotes affordable housing and/or provides community amenities

Clearly, these recreation facilities are community amenities.

Minimizes traffic and other negative impacts

As noted, except for rare spikes, these recreation uses would not create significant additional traffic going to or from the site.

Bolsters the fiscal health of the Village

These amenities would have an indirect yet positive impact on property values within and outside of the development.

Achieves other planning goals

Any regional recreation uses (i.e., those that tap the 124,000 people living within five miles of the site) would contribute to the sense that Hastings and its waterfront are a destination.

■ Cultural and Institutional Users

Typology

Village (for small footprint facilities)
Campus (for large space users)

Summary

As with recreation, Hastings residents are intent on having cultural and institutional uses included as part of the mix on the site. Virtually without exception, these facilities will require both capital and operating subsidy. Their location on the site depends upon whether they are affordable loss leaders: only outdoor events (discussed earlier under outdoor sales), galleries (discussed earlier under retail), and artist live/work space (discussed earlier under housing) pass these tests, in terms of bolstering retail on the site. Alternatively, land or building space could be set aside for one-off self-sustaining cultural or institutional uses to eventually come forward: the potential Hudson River Institute and the move of the DIA Foundation to Beacon are examples of such self-selectivity.

Market Factors

Demand for the use

Cultural uses gravitate to the points of greatest convenience to the greatest number of patrons. It is no accident that cultural uses are concentrated in the nation's greatest metropolis; and within that metropolis, in Manhattan; and then within Manhattan, in accordance with the character of the neighborhood: establishment art museums in the affluent Upper East Side; avant garde theaters and museums in the Village, NoHo and SoHo; broadly popular theaters in Midtown; etc.

Exceptions abound: e.g., the Paper Bag Players in Millburn, the Montclair Art Museum, the proposed DIA Art Foundation museum to Beacon, etc. But these are largely the result of labors of love combined with fate, e.g., the Socrates Art Park was founded by duSuviero as a place to store his sculpture, Nguchi's nearby museum involves the reuse of his studio space following his death, MOMA's P.S. 1 annex started as the opportunistic reuse of a vacant school by artists. Such happy accidents are impossible to plan for.

Institutional uses are even harder to predict. Each has its own site location criteria: community colleges wish to be convenient to highways or transit; institutes often want privacy; etc.

Market sustainability

Hastings has a sophisticated and affluent population. But it numbers only 8,000 people. Therefore, nearly all cultural or institutional uses that might be considered would have to draw from a larger area. But such uses are also ultimately inward looking—toward the stage, into the classroom, etc. They generally would not prefer a waterfront location—unless they had a waterfront theme, like the Governor's proposed Hudson River Institute. As indicated above, they will not only seek, they will also survive in more convenient locations: contrast the success of the Museum of the American Indian at its Harlem and then its Lower Manhattan locations.

Therefore, sustaining a cultural use on the site has everything to do with identifying

just those cultural uses that either (1) would be supportable by Hastings residents alone, or (2) would directly benefit other site uses to the extent that it is worthwhile as well as cost-effective to provide cross-subsidies for these uses, or (3) would want a waterfront location despite its isolation. Few of the uses raised for consideration to date meet any of these criteria, and none meet all of them: gallery space (discussed under retail) matches the first two criteria; artist housing (discussed in its own section) meets the third criterion; outdoor cultural events (also discussed in its own section) meets the third criterion. As possible additions: a small flexible performance space may meet the first criterion; a variety of outdoor performance spaces may meet the second criterion; the Governor's Hudson River Institute would meet the third criterion.

Profitability

Gallery space, artist live/work space, and outdoor cultural events are not profitable, but they typically require minimal capital subsidies and limited if any operating subsidies.

The other cultural and institutional uses are sponges for both capital and operating subsidies. The question is not whether they need subsidy, but who pays for the subsidy, i.e., the Village or the State, government or wealthy patrons, individuals or corporations.

By way of illustration: performance theaters are almost always subsidized. Such subsidies can be provided through incentives (e.g., the transfer of development rights zoning recently adopted in Midtown Manhattan); through the fund-raising power of a resident theater company (e.g., Lincoln Center); or by government (e.g., Snug Harbor in Staten Island). Even once built, outside of the prime theater district(s) and aside from some anomalies, theaters require ongoing subsidies to stay "lit," with such subsidies coming from joint development (e.g., in the Pittsburgh theater district) or from the fund-raising capacity of the resident theater company (e.g., the Dance Theater of Harlem). The viability of a conventional theater is therefore contingent upon this use being selected as the preferred recipient of development cross-subsidies, or on the securing of an anchor tenant, or both.

Risks

Any attempt to build cultural or institutional space without a tenant and funding plan solidly in place is as good as gambling. Building a community theater or museum without a well-financed end-user in mind is likely to result in failure. Even setting aside land or building space for a possible end-user is also risky, since such users are highly idiosyncratic in how much space they want and how they want these space laid out: mismatches are likely.

Additional market factors

One of the site's key advantages for certain uses may have nothing to do with its Hastings or waterfront location. The Hastings waterfront presents a rare commodity:

±30 acres, capable of assembly, also capable of being isolated as its own campus, with rail access, within 40 minutes of Midtown Manhattan, in an affluent and safe suburb. If the site were held aside indefinitely, eventually an institutional use will come forward, e.g., as did Columbia for upper Manhattan a century ago, as did Burke Institute for White Plains a half-century ago, as did homeless shelters for New York City's armories a decade ago. But participating in such a waiting game would hardly serve the Village's present interests, and has its own risks.

Programmatic Factors

Location bias

Most cultural and institutional uses would logically gravitate to the Village portion of the site, which offers easier access to the train station and roads leading to highways, potential synergies with on-site commercial uses and downtown, and eclectic spaces in former industrial structures that can create imageful interiors or juxtapositions. Examples include theaters, galleries, artist live/work space, not-for-profit offices, small learning institutions, etc.

Some might, however, prefer other portions of the site simply in order to take advantage of the greater room afforded, including the potential to create a campus. Examples include private schools that want outdoor recreation, institutions that want on-site residences for their students or workers, and research institutes concerned about security.

Design bias

It is virtually impossible to predict the designs that each cultural and institutional use will prefer. Again using theaters as the example: the type of theater design is contingent upon its end use, e.g., dance does best in 400-seat theaters, jazz in cabaret settings, movies in multiplexes, etc. Using museums as the example: exhibition space would prefer north-facing windows, sculpture space would require large floor plate and load-bearing capacities, both could need easy access for large installations, etc.

Size/program area

The same unpredictability constraint relates to size and program.

Infrastructure needs

Some cultural uses would require the same panoply of infrastructure noted earlier for other uses: sewer, water, utilities, promenade, shared parking, etc. But those that involve outdoor activities can be pursued with less infrastructure. These potentially include a sculpture park and outdoor events.

Potential synergies

The cultural and institutional uses are generally complementary with the commercial uses under consideration. As one example, there has been a surge in real estate values and an influx of artists and galleries in Beacon, in anticipation of the new DIA art museum.

Those uses, however, that generate noise and congestion (e.g., outdoor concerts) are not complementary with the housing component. There may be problems down the line when the housing residents—now taxpaying voters—bristle at the thought of the noise, traffic and parking problems associated with yet another special event, however culturally uplifting.

Phasing issues

The key phasing issue is the need to identify the end-user in advance of construction, and the further possibility that sites and buildings would need to sit vacant while such end-users seek the needed funding and deal with the inevitable cost overruns.

Other implementation issues

Given all of the uncertainties indicated above, the best that Hastings can probably do is to invite proposals using a Request for Expressions of Interest (RFEI) in which the Village makes its criteria known, i.e., how much traffic can be tolerated, how many acres or square footage is available, how much cross-subsidy is or is not available for construction, how much cross-subsidy is or is not available for operating costs.

Impact Factors

Revenue potential

The cultural uses will certainly not generate revenue. Some institutional uses might, however. This would depend upon how appealing the site is to each such use.

Traffic impacts

The cultural uses would generate traffic spikes. These usually would be during week-ends and evenings, when traffic is less of an issue along local roads. It is impossible to even speculate on the traffic patterns of the institutional use.

Tax and fiscal impact

The cultural uses would not generate any tax revenue. An institutional use might, however, in the form of a PILOT (payment in lieu of taxes). Again it would depend upon how indispensable the site is to a particular institution.

Impact on Village services

The cultural and institutional uses would tap Village services such as sanitation, police and fire, unless they were so large as to basically internalize these costs (as, for example, most universities do).

Additional impact factors

A large institution would generate an additional source of demand for housing in Hastings, with a commensurate impact on property values and the community's social mix.

Planning Goals

Promotes public enjoyment of the waterfront

Cultural and institutional uses would bring plenty more people down to the waterfront, and would thus add to the public enjoyment of the waterfront, whether or not

such uses actually prefer a waterfront location.

Extends or bolsters downtown

Cultural and institutional uses would provide an additional source of clientele for downtown businesses. Even if they largely dined on the waterfront, visitors and workers would still pass through downtown and learn about its stores, restaurants and attractions.

Protects or enhances water views

Outdoor events, art displays, nature walks, etc. would, of course, enhance water views. While some might involve large bulky buildings, and most would be inward looking, cultural and institutional uses would tend to prefer architectural statements that, if properly controlled, would enhance water views. As examples: Frank Gehry Guggenheim Museum in Bilbao creates a dynamic view of an otherwise industrial waterfront, while his Guggenheim Museum in Lower Manhattan would block many Lower Manhattan water views.

Promotes affordable housing and/or provides community amenities

Clearly, the cultural uses posited would provide major community amenities. The institutional uses are, however, harder to predict.

Minimizes traffic and other negative impacts

The cultural and institutional uses may or may not create traffic impacts, as noted.

Bolsters the fiscal health of the Village

The cultural and institutional uses could be a drain on the Village's fiscal health unless a funding plan is created not just for construction but also for operations.

Achieves other planning goals

Clearly, the cultural and institutional uses can play a major role in giving the site some additional identity that distinguishes it from the several other similar waterfront sites on the Lower Hudson.

■ Hospitality, Conference Center, Inn

Typology

Village (inn)
Campus (conference center)

Summary

A conference center may become a viable option; but an inn with meeting room space is more plausible. (Note that the two easily blur into each other. Their key difference is that conference centers are really small hotels with a lot of common areas and facilities, while inns are really restaurants with extra meeting facilities and some hotel rooms.) All the same, both a conference center and an inn would be entrepreneur-driven; i.e., each would be dependent upon a developer and lending source that may or may not materialize. Given these risks yet the public enthusiasm for this development concept, it may be prudent for the Village to induce the developer of more lucrative uses on the site to set aside space or funds for the meeting rooms and party spaces as a public amenity, not a privatized use.

Market Factors

Demand for the use

Room occupancy rates are nationally at record highs, with the New York area's hotel market ranking first in the nation, according to Landauer Real Estate.

At the same time, the hospitality business is more diverse than ever, with various products for various purposes, including:

- Business and convention/business hotels, generally with 300+ rooms and substantial party/convention spaces and meeting rooms (e.g., J.W. Marriott, Hilton, Sheraton). These hotels usually prosper at the intersection of major highways that are also office corridors, and in major downtowns that also have tourist attractions (e.g., till recently, Midtown but not Lower Manhattan)
- Luxury hotels, generally with 100 to 150 rooms and featuring excellent services (e.g., the Pierre, Ritz Carlton, Carlyle). These first-class hotels feature suites, residency rooms, room service, etc. These hotels are only found in upscale neighborhoods in major metropolitan areas.
- Residency/suite hotels with 100 to 150 rooms designed as suites, mainly for extended business travel, relocatees and other long-term stays (e.g., Marriott Residence Inn, the Chelsea Hotel, Guest Quarters). These hotels usually flourish in corporate downtowns or corridors where there is an upscale residential character as well, such as downtown Stamford.
- Boutique hotels (including "historic hotels" and "European hotels") with 50 to 150 rooms, mainly for sophisticated tourists but also some business travelers. These hotels usually flourish in high-image destinations with plenty of off-site amenities to match, like South Miami Beach and SoHo.
- Transient and "economy" motels/hotels with up to 200 rooms (e.g., Marriott Courtyard, Motel 6, Howard Johnson's, Best Western). These hotels must have high-

way visibility and/or a location at a highway exit, and specifically a highway that serves as a long-distance travel route as opposed to a commuter route (i.e., Interstate 95 not the Saw Mill River Parkway)

- Boatels providing facilities and rooms mainly for long-distance boaters who want a break from living on their boats. Obviously, these locate on major full-year boating routes, as found in Florida. (Boatels should not be confused with riverfront hotels, inns, etc. that have boat slips and can therefore accommodate occasional boaters in addition to other, more conventional guests.)
- Conference centers with 50 to 200 rooms and a large amount of space devoted to meeting rooms and recreation (e.g., the Tarrytown Conference Center, the Princeton Forrestal Conference Center). Conference centers prefer spacious natural settings that are private, non-commercial and suburban/rural—yet convenient to airports and corporate centers. Many conference centers are in more remote locations; but these generally started as inns, resorts, or retreats for large corporations.
- Inns featuring a restaurant but also offering under 50 rooms with one or several party spaces and meeting rooms (e.g., the Red Lion Inn, the Griswold Inn). Inns generally flourish in high-image places (not necessarily resorts) within two hours of a metropolitan center, where additional meeting rooms are used to generate a weekday and off-season trade for the restaurant.
- Bed and breakfasts, in which homeowners supplement their income by renting out a handful of rooms or accessory apartments on a nightly or weekly basis. B&Bs flourish in seasonal and historic destinations which cannot support tourist hotels.
- Innovative formats, such as timeshares or “exclusive-use” centers, have been tried by various entrepreneurs who have been willing to experiment (e.g., Seascape in California, which combines an inn, residency hotel, time-share and conference center). These unique facilities are often successful for a time only, generally coincident to the wealth, vision, fame and/or availability of their founders.

Developers are combing the region for suitable sites for all of these uses, (including locations in Tarrytown and Elmsford, which, however close-by to Hastings, have much better proximity to major highways). Clearly, as the site location criteria in the list above portrays, only conference centers and inns have any predictable bearing on Hastings. Of the two, the site is far more marketable for an inn. While the waterfront and Hastings addresses are appealing for both a conference center and inn, the site lacks the easy highway and/or airport access that new for-profit conference centers prefer; but the site offers the spectacular views that an inn/restaurant would “die for.”

Market sustainability

The hotel business is notoriously fickle. As the list above testifies, the sector is in con-

stant flux (not unlike restaurants), with boom-bust cycles affecting the amount of travel, changing economics affecting the ways people travel, changing tastes affecting the types of places people like to frequent, etc.—all prompting a need for most hotels to re-market, refurbish, expand and evolve creatively.

Profitability

A conference center or inn might be profitable, and might not. These are very expensive uses: money must be lavished on architecture, decor, landscaping, kitchens, public bathrooms, private bathrooms, recreational amenities, HVAC, etc. In order to stay in the black, hospitality facilities generally need an average 70+ percent room occupancy for the year—a ratio that is easily thwarted by one slow season a year, or two slow nights a week. The reason why the hospitality business goes through such swift bust-to-boom cycles is in fact because hospitality accommodations are prohibitively expensive to build except when room occupancies and room rates are at their highest.

Risks

And what goes up can come down. Thus, in their financing and development, for-profit conference centers and inns are analogous to restaurants. They are generally built by individuals who get their financing from non-traditional sources (i.e., from family, friends, and/or their own savings or assets). Their success depends upon the talent of the builder and manager to create just the right combination of marketing, decor, room-to-facilities ratio, etc. Thus, these are highly risky ventures, which is precisely why banks and conventional lenders eschew them.

Additional market factors

There are several conference centers already in the immediate area, with these features:

- The Tarrytown House Executive Conference Center in Tarrytown has 150 hotel rooms and 30,000 sf of meeting rooms and facilities, on a 26-acre campus that includes a complete sports center. This is one of the first profit-oriented conference centers in the nation.
- The Doral Arrowwood Conference Center in Rye Brook has nearly 300 rooms and nearly 30,000 sf of meeting space, on a 100+ acre campus that includes a 9-hole golf course. This conference center started as IBM's corporate conference center.
- The Edith Macy Marriott Conference Center in Briarcliff Manor has nearly 50 rooms and seven meeting rooms including a 200-seat auditorium, on 400 acres.

A number of sites in the market area are also being looked at for a conference center. Therefore, there is significant and growing competition for a conference center on the site.

- Three eating and drinking rooms, ranging from 2,000 to 3,000 sf, for a total of 10,000 sf, including kitchens
- Indoor recreation facilities, of various kinds, for another total of 5,000 sf
- Lobby, back of the house, etc. spaces, for a subtotal of 10,000 sf.

An inn would want an area of 10,000 to 15,000 sf, comparable to the Harvest on Hudson Restaurant.

Infrastructure needs

Similar to housing, full infrastructure and other site improvements would need to be in place for the conference center to succeed, including the waterfront promenade, in addition to sewer, water, and utilities. It would also require:

- Site clearance or cleanup of the undeveloped portions of the entire site—since conference center patrons would be put out going through a derelict area to get to their fancy and expensive retreat
- Alternatively, a separate means of access provided from Warburton.

An inn would be less fussy. A waterfront restaurant can be a destination, as proven by the Harvest on Hudson Restaurant at the north end of the Hastings waterfront, other restaurants on the Dobbs Ferry, Haverstraw and other Hudson River waterfronts, and, as the precursor of many of these, the River Cafe in Brooklyn.

Potential synergies

Both a conference center and an inn would complement the retail, housing, recreational and public uses contemplated for the site.

Phasing issues

A conference center could be introduced on its own timeline; i.e., since it would occupy the southerly portion of the site, it could be developed early or late in the process, provided it had an attractive approach road, as discussed.

An inn could also be introduced on its own timeline, provided its site and building were designed as a stand-alone element of the overall development.

Other implementation issues

It is possible to merge the two concepts as an inn/conference center, in which the inn is built first with the potential to add rooms and meeting spaces. If sited at the south end of the site, the inn could eventually become a full-fledged conference center (like the Wassaic Conference Center in Amenia). Otherwise, it would remain an inn but with more of a presence as a place for conferences.

It is also possible to rethink the Harvest on Hudson Restaurant as a possible inn/conference facility (though not a full conference center). The Harvest restaurant already has meeting rooms. It may not be difficult to provide on- or off-site expansion space

for additional meeting space and overnight accommodations.

Finally, it is possible to extract from the conference center/inn concept its key public amenity for the public, and require this amenity as part of the overall development. For example, meeting rooms and party spaces available to Hastings residents on a user fee basis could be provided in lieu of the community space mandated under the Village's waterfront zoning.

Impact Factors

Revenue potential

Revenue from a conference center cannot be counted upon. It would depend upon how lucrative an individual entrepreneur would view the site to be. Conservatively, it is reasonable to assume only that the conference center will generate only enough capitalized value to pay for its own on-site improvements, maybe.

Revenue from an inn is more likely but not so significant, since it would essentially substitute for one or another of the existing or prospective restaurants to be located on the site.

Traffic impacts

Most of the traffic generated by the conference center would be during odd weekday hours or during the weekend. Most of the traffic generated by the inn would be during evenings. Neither will generate significant traffic impacts.

Tax and fiscal impact

Assuming continued success, both a conference center and an inn would have a positive fiscal impact on the Village.

Impact on Village services

As with the other forms of commercial development under consideration, both the conference center and inn would place negligible demands on municipal services. Simply put, neither generate schoolchildren.

Additional impact factors

On the assumption that a conference center or inn could fail, the Village should also consider the likely impacts of the fallback uses: this would be housing for the conference center, and a conventional restaurant for the inn. Conceptually, neither poses much of a problem in terms of impacts; but both should be kept in mind in terms of zoning and site design.

Planning Goals

Promotes public enjoyment of the waterfront

Although conference centers seek to create a private campus for the exclusive use of their patrons, a conference center at this location would likely promote public enjoyment of the waterfront for the simple reason that some of Hastings' relatively affluent residents would likely use the facility as a retreat for their businesses, for family weddings, etc.

An inn would have the same benefit as a conference center, but would likely be more affordable to a greater number of residents. The inn's public dining rooms would also clearly bring people to the waterfront.

Extends or bolsters downtown

An internalized conference center located on the southerly Campus portion of the site would not extend or bolster downtown. An inn located at the northerly Village portion of the site would.

Protects or enhances water views

Both uses can be designed to enhance water views.

Promotes affordable housing and/or provides community amenities

Both uses would, as discussed earlier, provide a much wanted amenity, that only some could afford, however.

Minimizes traffic and other negative impacts

Neither use would generate much peak hour traffic or other significant negative impacts.

Bolsters the fiscal health of the Village

Both uses would be "tax ratables," i.e., generate more in taxes than they cost in municipal services.

Achieves other planning goals

Planning documents prepared by Village and civic leaders, and the frequent mention of conference center/inn uses in public meetings, both testify to the community's enthusiasm for this development concept. In part, this is because many Village residents would like to see this amenity somewhere in the vicinity (though probably few know that the Harvest on Hudson Restaurant has meeting rooms, already). But this enthusiasm also reflects a sense that a conference center or inn would help to make the waterfront (and Hastings) a destination without the negatives of large amounts of traffic, noise, etc.

■ Offices

Typology

Village (offices)

Summary

The site is isolated from highways and therefore has little value for conventional offices. But small, build-to-suit offices for outfits run mainly by local residents is a possibility, especially next to the train station where the offices would be convenient to commuters and business contacts originating in Manhattan. Likewise, a limited amount of competitively-priced ground- and upper-floor offices might succeed, aimed at the same cadre of local residents and in the same vicinity. Unlike those in Irvington, the site's existing buildings do not lend themselves to office conversions, due to either their condition or their large unobstructed spaces.

Market Factors

Demand for the use

The last boom-to-bust cycle left a large overhang of office space that Westchester is only now being fully absorbed. The total inventory was, in 1998, approximately 25 million sf, with a vacancy rate of about 13 percent, down from about 17 percent only the year before (according to North American Realty Advisory Services, in a 1998 report prepared for ARCO). Net absorption of new and spec space was a meager 220,000 sf (after discounting the "addition of excess space from corporations such as Texaco"). Once vacancy rates go under 10 percent and the overhang has been absorbed, the County should expect a large number of office proposals. This may be soon, since 80 percent of the vacant space is concentrated in downtown White Plains, with over 3 million sf of available space. There is only about 200,000 sf of available space in the Saw Mill River corridor, the highway corridor closest to the site.

According to local realtors, there is already some local demand for "boutique" offices generated by "dot com," financial services, medical, law, publishing, advertising, architectural and other small businesses. While this demand is growing in an information age that allows decentralization and promotes closely held businesses and subsidiaries, this demand is also idiosyncratic. Given the site's relative isolation, this use would be generated almost entirely by the Village's 3,000 households, and only a little bit by the 124,000 households living within five miles of the site mainly in Yonkers—and within these households, only by those adults who are self-employed or the chief operating officers of their businesses. Given the presence of several other waterfront sites with varying spaces and cost structures, this does not represent a large or predictable source of demand for the site.

Market sustainability

Offices will be sustained so long as the chief operating officer continues to prefer this location, and for a time afterwards due to inertia. At that time, the offices may or may not be re-tenanted. A great deal would depend upon the state of the overall economy and the nature of office technologies, at the time of vacancy.

Profitability

Reportedly, loft office space in Hastings rents for \$20 to \$21 psf/yr. Other waterfront sites provide useful comparable data:

- The Lord & Burnham Building in Irvington was leased to two entrepreneurs who converted the building to loft office space that commands \$18 to \$25 psf/yr. This project dates to the late 1980s and is fully occupied. Its largest tenant occupies about 80,000 sf.
- The Trent Building in Irvington includes "rough" office space—i.e., raw vanilla space renovated by the tenants—renting at about \$12 psf to \$18 psf for spaces with river views. This project dates to the 1950s. Its largest tenant occupies about 30,000 sf.
- The 145 Palisades Avenue building in Dobbs Ferry involves the conversion of a 250,000 sf school that straddles both sides of the railroad, renting for as high as \$25 psf/yr. This project dates to the 1950s and is fully occupied. Its largest tenant occupies about 50,000 sf.
- Approximately one-fourth of the ground-floor space in Hastings is occupied by small-scale offices, renting at about \$18 to \$25 psf/yr. Most of these offices have a service dimension that benefits from downtown's convenience and visibility to local residents, e.g., realtors, lawyers, accountants, doctors, etc.

Office development would therefore be moderately profitable.

Risks

Offices on the site would only pose a risk if they were attempted as spec office development. If sites are held aside for build-to-suit development, there would be hardly any risk associated with office development.

Additional market factors

Risk could be reduced through flexible design (see "Design Bias") or by mixing built-to-suit office construction with a limited amount of rental space, which is also of use to the owner/anchor tenant as potential future expansion space.

Programmatic Factors

Location bias

Offices would generally prefer to be within walking distance of the railroad and downtown. While the chief operating officer would likely live in Hastings or an adjoining community, the firm's employees and business contacts are as likely to originate in Manhattan as elsewhere in the suburbs. Therefore, convenience to the railroad and lunchtime amenities will be important to compensate for the site's lack of highway access.

Design bias

Unlike the other comparables cited above, there are no existing buildings that can be gradually tenanted by offices until build-out is achieved. The existing industrial buildings have large spans, are in fair condition only, and leak heat like a sieve. Even if retained, a developer would be compelled to build a new building within the old

building's shell, at no or very limited cost savings, but at higher risk of undisclosed conditions. Therefore, on the Hastings waterfront, small new construction of cheap boxy office buildings could be expected: small for reasons to be discussed later (under "Size/program area"); boxy and cheap to contain costs mindful of the low rents expected. The possible exception(s) would have to do with build-to-suit office buildings catering to the "designery" or upscale image of the business's chief operating officer, who may also want to build something that his or her Hastings neighbors would complement.

Due to its relative non-profitability, it is likely that developers would seek to limit the amount of surface parking involved. Therefore, it is assumed that the offices would utilize "lollipop" or "stacked" formats involving some or all of the parking sited under the office space.

As the demand for offices is uncertain, developers would tend to plan their projects with the ability to convert ground-floor office spaces to retail and upper-floor office spaces to housing. Lenders would likely insist upon this hedge. The result may be an office building offering more light and air, and a design treatment compatible for a residential apartment building.

Size/program area

All of the comparables involved redevelopment of vacant buildings. New construction would involve build-to-suit buildings with anchor tenants. North American Realty indicates that there is an untapped demand for small user spaces ranging from 2,500 to 20,000 sf, and averaging just under 5,000 sf.

Therefore, several small buildings of 10,000 sf might be postulated—small enough to be anchored by a single tenant, and large enough to achieve economies of scale for the elevator, HVAC, etc. It is possible but unlikely that an individual business requiring more space will emerge once the site is marketed. For simplicity, we have adopted a benchmark of 30,000 sf of offices—representing a capture of only a half-dozen office tenants based on the 5,000 sf average cited above. Yet this figure could be quite lower or higher, depending on the particular space needs of particular tenants.

Infrastructure needs

The site would require only slightly less than the usual amount of on-site parking; we assume a ratio of 1 parking space per 300 sf of office space. Even in Stamford, Connecticut—the region's busiest train station outside of Manhattan—office builders and tenants are wary of having any fewer than the normative number of parking spaces. While some commuters will come by train, most will not, and a shortage of parking is a "deal breaker" in terms of attracting tenants or personnel. At the 30,000 sf postulated, office development would require approximately 100 parking spaces.

Potential synergies

The offices would bolster any theme retail and restaurants on the site, as well as pro-

vide added clientele for a health club or similar private recreation facility.

Phasing issues

Since the offices would be built anew, for tenants who would emerge over time, there would have to be flexibility with regard to phasing. This would involve land-banking of the selected office sites. The model provided by the Irvington waterfront—i.e., gradual tenantry of industrial buildings—cannot apply.

Other implementation issues

If the office sites languish while housing is built apace next door, it is reasonable to expect that housing will be proposed in due course for the office sites and buildings. This contingency should be anticipated in the plan.

Impact Factors

Revenue potential

We project office rents of \$15 to \$25 psf/yr, and averaging under \$20 psf/yr. In Westchester, downtown offices rent for \$13 to \$17 psf/yr, with newer space along highways commanding a higher \$20 to \$24 psf/yr. North American Realty projects that the site could command office rents of \$25 psf/yr. But local realtors report that while downtown office spaces can rent for as much as \$25 psf/yr, they typically rent for \$18 to \$20 psf/yr. In the three comparables cited above, rents ranged widely from \$12 to \$25 psf/yr. Based on these disparities, we assume that while some of the office space will command top dollar, most will not. Based on these rents, mindful that office development would likely involve structured or "lollipop" parking, 30,000 sf of office development would generate only something like \$300,000 in land value, or \$10 psf of built space.

Traffic impacts

Offices will generate traffic to and from the waterfront at exactly the same rush hour peaks generated by the train station. Thus, though only 30,000 sf is postulated, generating only 100 cars during peak hours, virtually all of this traffic would be registered at the worst possible times.

Tax and fiscal impact

Offices would have a significant positive fiscal impact. Consistent with general rules of thumb for commercial development, the Village's Committee on Housing and Population (1997) projected that commercial development would generate \$3.25 psf in annual tax revenues. At the 30,000 sf postulated, this would amount to almost \$100,000 psf/yr.

Impact on Village services

Obviously, offices do not generate any school-age children and place hardly any demand on municipal services.

Additional impact factors

None noted.

Planning Goals

Promotes public enjoyment of the waterfront

Offices would bring another population to the site on weekdays throughout the year. More people would know about the site, too.

Extends or bolsters downtown

Offices would support businesses in the downtown, as much as those on the waterfront. Each worker generates approximately \$3,000 per year in local expenditures, split equally between dining out and purchases (mainly for clothing, but also for books and sundries). Employing the 30,000 sf benchmark, offices would generate approximately \$1 million in local expenditures.

Protects or enhances water views

The types of offices postulated involve small buildings that would want to maximize their views in order to create an amenity for workers that offsets the liability of the site's relative isolation. With small footprints and water views, it should be possible to place and design buildings to protect water views.

Promotes affordable housing and/or provides community amenities

Neither of these goals are addressed by office development.

Minimizes traffic and other negative impacts

As noted, the offices would generate some amount of traffic, unfortunately concentrated during the rush hour, and also passing through the bottleneck at the train station.

Bolsters the fiscal health of the Village

One of the principal benefits of offices is that they are a "tax ratable" form of development that would generate revenues but hardly any costs for Village government.

Achieves other planning goals

Offices would likely be occupied by designer, technology and other businesses that, with their "cutting edge" or "creative" image or personnel. They would contribute to the sense that Hastings is not another cookie-cutter suburb.

Industry

Typology

Village and Campus

Summary

The site has opportunistic value for some industry, and is subject to the power of inertia for other industry. Such industrial uses are, however, ultimately temporary and will eventually be replaced by higher value housing. New industrial spaces would require public or cross-subsidies—and therefore should be weighed against other subsidized uses, including cultural tenants and parks.

Market Factors

Demand for the use

The site is isolated from interstate highways (it is approximately two miles to the NYC Thruway exit in Ardsley); and therefore has little value for industry, which now does most of its shipping by truck, not rail, barge or boat (which is what this site offers).

Those industries that will seek out the site will mainly fall into one of several categories:

- Outfits attracted to the low rents of existing spaces that have little adaptive reuse potential. The existing uses in the ARCO buildings match this description (these consist of the Protective Technologies—bicycle helmet repair operation, Guski Trucking—a delivery company, and Riverside Auto Repair).
- Industrial users that place less value in the land than in the costs and risks of moving to another site. The Uhlich Color Company located on the south portion of the site matches this description.
- Contractors and other industries more interested in the possibility of outdoor or minimal shelter storage with no residential neighbors (for the moment). Age Carting, which was on the site from 1988 to 1992, matches this description; so does the rock crushing operation on the downtown Yonkers waterfront.
- Businesses that would actually benefit from the boat docking. This not only consists of boat repair and construction, but also a company like M.G. McLaren of West Nyack, which is a waterfront engineering company that needs a place to store its many vehicles as well as to house its workers. Such businesses, however, usually prefer sites that have both water and arterial (if not highway) access; the only advantage that Hastings offers is that it need not be dredged, by all accounts.
- “Boutique industries” that have a retail or public dimension, and which would want to be proximate to an affluent Hastings population and/or provide a waterfront amenity that matches its self image. The woodworking, catalogue retailer, film production and similar businesses locating in several nearby comparables match this description (i.e., in the Lord & Burnham, 145 Palisades Avenue and Trent buildings in Irvington and Dobbs Ferry).

The demand in any one of these categories is shallow and unpredictable. All of the comparables (i.e., the Lord & Burnham, 145 Palisades and Trent buildings) took decades to fully lease up. Unless the Village took a hard line otherwise, the temptation to redevelop the industrial sites for housing will prove irresistible.

Market sustainability

Inertia can be a powerful force for industry if they own their space. The cost of site acquisition for alternative uses often has to include relocation costs for large and heavy machinery, the lost-business cost during relocation, the indirect cost associated with finding space that happens to meet the particular building and locational requirements of the business, the cost capitalizing a business that takes advantage of this moment to re-tool or go out of business, and the cost of remediating a site where even if major pollution was not involved, usually casual dumping of construction materials, equipment, paint, oil, etc. occurs.

Notwithstanding these added costs, industry on this site yields a marginal land value compared to housing. While it may take months for some space to be vacated (e.g., on the ARCO site where the tenants are on a month-to-month lease) and years if not decades for others to be vacated (e.g., Uhlich)—vacate they will in the face of spectacularly higher land values for housing and in light of the once-a-decade crisis that most industrial businesses go through.

Profitability

Industry is not at all profitable on the site. Older industrial space garners only about \$5 per square foot per year (psf/yr). ARCO is getting far less in order to maintain the flexibility that a month-to-month lease affords. It would take rents of at least \$10 psf/yr to pay for new construction of vanilla industrial space. Creating new industrial space would therefore require significant subsidy.

Risks

If industry were limited to only the lease of older industrial spaces as is, there would be no risk to the developer. Therefore, industry is a suitable interim or holding use for those buildings presently in good repair. But given the shallowness in demand, new spec construction would be altogether too risky.

Additional market factors

It is possible but unlikely that an industrial tenant will come forward that is interested in a build-to-suit industrial building on the site. Based on comparables, this tenant would likely be a business run by a local resident in, for instance, catalogue sales or film production. This source of demand is neither predictable nor bankable.

One way to overcome most of the market problems cited above is an "industrial incubator"—in which rents are started quite low and gradually increased to above-market rates, to encourage fast occupancy and then a turnover of tenants. However, industrial incubators generally require buildings that are already in good repair and

lend themselves to subdivision. Industrial incubators are virtually always dependent upon capital if not also operating subsidies.

Programmatic Factors

Location bias

Industry will gravitate to the least cost space, i.e., the existing industrial buildings at the far north of the ARCO site and on the Uhlich site should Uhlich choose to sell.

Design bias

As noted, industry will likely involve reuse of existing spaces.

Size/program area

Since industry cannot afford new construction, the amount of space used by industry is equal to the amount of space reserved for this use or as vacant land/building area.

Infrastructure needs

Industry would prefer a second means of access from Warburton, i.e., a route for trucks (and workers) that does not involve convoluted turning movements through narrow downtown streets and over the narrow and oddly shaped bridge at the railroad station.

Potential synergies

Boutique industry would complement any retail uses on the site, providing an additional source of clientele during otherwise quiet weekdays. Industry would, however, be incompatible with housing (except perhaps for artist live/work space), and could be a major problem unless stringently regulated with performance as well as construction standards. Performance standards would have to deal with hours of operation, off-site noise, etc. Construction standards would have to deal with visibility of outdoor storage, etc. Note that both increase the cost of operations and construction for industrial outfits that likely cannot afford either.

Phasing issues

Industry could be included as an interim use during early phases, and then replaced by higher value housing and commercial uses during later phases.

Other implementation issues

Industry on the site may raise concerns among developers, lenders, and prospective tenants and buyers, as to the long-term regulatory and land use policy of the Village for its waterfront.

The County economic development agencies may be able to assist with public subsidies either to accommodate industry on the site, or to relocate it from the site.

Impact Factors

Revenue potential

Industry would generate hardly any revenue, and could involve subsidies, to exist on the site.

Traffic impacts

The number of industrial workers could be modest (e.g., for a warehouse operation) or significant (e.g., for the bicycle helmet repair outfit). As with offices, these workers would generally travel to and from the site at the same rush hours in which bring people to and from the railroad station.

More problematic, industry would involve a significant amount of truck deliveries clogging up downtown's narrow streets and convoluted roadway pattern. Residents reportedly complain already about truck traffic through the downtown en route to the waterfront.

Tax and fiscal impact

Industry would have a neutral or positive impact on taxes. While rents (hence assessments) would generally be low, a few of any build-to-suit industrial buildings may have higher values.

Impact on Village services

By comparison, industry would generate virtually no demands on Village services.

Additional impact factors

Retaining industry on the site would make it more likely (but still not certain) that the existing industrial users and workers will not go through any significant disruption. While only a handful of businesses are effected, these businesses employ well over 200 people.

Planning Goals

Promotes public enjoyment of the waterfront

The boutique industries noted above would promote the public enjoyment of the waterfront. But the others would have a neutral if not a negative impact, depending on their visual, noise, truck delivery and other operational elements.

Extends or bolsters downtown

Industry would provide an additional source of clientele for downtown. Assuming a doubling of the site's several hundred workers, and an average spending of \$1,500 per year per worker on local restaurants and stores (with roughly one-third of these expenditures for lunch, and the other two-thirds largely for sundries), industry would generate over \$500,000 in local retail expenditures.

Protects or enhances water views

Industry would likely detract from water views. How much depends upon whether trucks making deliveries would block roads, how outdoor storage was screened, and how the large floorplates that most industry prefers were site-planned.

Promotes affordable housing and/or provides community amenities

Neither of these two goals would be addressed by industry.

Minimizes traffic and other negative impacts

As noted, industry would generate moderate amounts of vehicular traffic during the worst possible times, and would generate some amount of truck traffic through the already crowded downtown area.

Bolsters the fiscal health of the Village

Industry would have a positive impact on the Village's fiscal health, so long as it did not lead to a diminishment in the values of nearby commercial and residential development.

Achieves other planning goals

Industry on the site would create or retain jobs for people in an otherwise gentrifying economic environment.

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