

From: Ben Herman [<mailto:bherman14@hotmail.com>]

Sent: Tuesday, October 20, 2020 8:04 PM

To: PublicComment <PublicComment@mynewcastle.org>; Chappaqua Forward <chappaquaforward@mynewcastle.org>

Cc: TownBoard <townboard@mynewcastle.org>

Subject: Form Based Code DGEIS Public Comment

To the Town Board and Town Planner:

I am writing, as a 9-year resident, in opposition to the current draft of the Form Based Code and am requesting consideration of the following changes:

1. Reduction of the maximum number of stories to 3. There is a key assumption in the Market Scan report that is not supported which is used as "proof" that 3 stories is not economically feasible. A 6.12% cap rate (cap rate = NOI or net operating income divided by value) is used for the valuation on the last page and to determine the profit over cost for the 3 story development. In my professional opinion and experience which includes 18 years of financing commercial real estate projects I would expect projects like the hypothetical 3 story development in this location to trade closer to a 5% cap rate not 6% which would make the 3 story development feasible from a profit standpoint. The profit would be more than \$10 million, far in excess of the 10% threshold for the 3 story development, in fact it would be over 20%. Even at a more conservative 5.5% cap rate the 3 story development would still clear the 10% profitability/return threshold they deem required, generating a profit of >\$5 million. The consultants show comparables for land sales and for lease rates but fail to provide any support for this key assumption. **Conclusion: Adjustment of the cap rate from 6% to 5.5% proves that 3 stories is economically feasible.**

2. Removal of town owned land. While I appreciate the desire to take a wholistic approach to redevelopment this is an unnecessary step at this point in time. The town should wait and see how the Chappaqua Crossing residential development, 91 Bedford units, and any other developments that are born out of the balance of the FBC "upzoning" impact the town before this is considered. We should limit this FBC to the existing developed footprint of the town to ensure traffic and school impacts among others are managed.

3. Reduction to the area to be "upzoned" and consideration of phasing the upzoning over time. We can further upzone in the future but we cannot go back. For the sake of balancing development with the town's ability to absorb additional traffic and students the initial footprint should be more limited. For example the North Greeley corridor north of Susan Lawrence would have both limited visual and traffic impacts contrasted with development above for example Chappaqua Paint and Hardware. Coming over the Y bridge in town towards town is a beautiful view, with trees, hill and sky visible behind the Chappaqua Paint and Hardware Building. This should not be obstructed. Many residents including myself moved here so that we could appreciate views like this not views of buildings comparable to Conifer's project on Greeley Avenue.

In addition I would like to make the following comments related to the project as a whole which suggest a more moderate plan with less density would be appropriate.

I would urge caution as it relates to the assumption that several hundred residential units will result in sufficient demand for additional retail establishments including restaurants in Chappaqua. Are any of the 91 Bedford retail units leased yet? Is there still 10,000 square feet of space available at Chappaqua Crossing that has not yet been leased in spite of the 64 apartment units and 91 townhomes to be built, in addition to better access and parking than downtown Chappaqua will provide? Furthermore, Modell's in Mt. Kisco is available, the movie theatre in Mt. Kisco is available and 75,000 square feet of space where Shoprite in Bedford Hills currently is will be coming on the market soon. All this will be competing with the hamlet of Chappaqua and because of lower tax per assessed value will result in more attractive lower rents for retail tenants in other towns than Chappaqua on a relative basis.

The impact on the school district has not yet been fully vetted. Please allow for sufficient time for updated student projections to be produced. If the town does not have the ability to regulate the bedroom count then we must assume that 2 Bedroom and 3 Bedroom apartments can and will be built if there is demand, and or if there is not demand for 1 Bedroom units that units may be converted into 2 Bedroom units in the future. This together with what appears to be an inaccurate current assumption of the number of students at approximately 100 for 1,000 apartments should be re-evaluated. The impact on the school budget could be significant over time, materially raising our school taxes relative to other towns, potentially decreasing our property values.

Thank you for your consideration of my feedback.

Sincerely,

Ben Herman
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