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**To:** Chappaqua Forward <[chappaquaforward@mynewcastle.org](mailto:chappaquaforward@mynewcastle.org)>

**Cc:** PublicComment <[PublicComment@mynewcastle.org](mailto:PublicComment@mynewcastle.org)>; TownBoard <[townboard@mynewcastle.org](mailto:townboard@mynewcastle.org)>

**Subject:** FBC Public Comment Session Comments from Hearing 1.19.2020

To the Town board and Town planner,

Hi, my name is Ben Herman and I live at (REDACTED). Please bear with me as I'd like to share some real estate data and information that I'd like you to consider as you think about the best path forward including key decisions regarding the size of buildings permitted, the rezoning area, phasing of the rezoning and potential approval triggers.

I know you are looking at the profitability of 3 stories and I thank you for that. What I'd like to bring to your attention is that the actual market rents at 91 Bedford and 39 Washington are 38% and 32% higher than the rents shown by RESGroup in the Market Scan that is part of the DGEIS.

These rents were used in a key data table in the market scan that resulted in the market rent input for the consultant's 3 story profitability model being materially lower than should have been used. Adjusting from the \$3.10 PSF they used to the over \$4.00 PSF seen at new construction properties will increase the profitability of 3 stories significantly and further prove that 3 stories is feasible. Note that affordable rents are separate from market rents and I am commenting specifically on the market rents utilized.

The town board should also consider whether the consultant derived unit breakdown by bedroom type - the driver for such key items as student counts and parking requirements, is appropriate in light of the most recent new construction property, 91 Bedford's unit breakdown. The actual unit types by bedroom count ratios at 91 Bedford are the opposite of what the consultants have advised should be used for Chappaqua's projections. The DGEIS assumes that two thirds of units will be 1 Bedroom and one third will be 2 Bedroom however 91 Bedford includes two thirds 2 Bedroom units and one third one bedroom units.

I think it's also important to consider whether a 15 year buildout period is the appropriate timeline for this or whether a shorter timeline should be considered. There are several properties in the hamlet that are either vacant or on the market for sale that could drive rapid development. These include the former Rite Aid site, the former church site, the Village Yard and the Ibiza/Britches building. It should also be noted that investor appetite and lender appetite for multifamily properties has increased significantly since the onset of the pandemic as many banks and investors that historically provided capital to office properties are moving to multifamily because of uncertainty in the office market and work from home trends post pandemic. There are also a number of projects either recently delivered or are under construction in Pleasantville as evidence of how fast development can occur and how several projects can be under construction simultaneously.

Lastly, I think as it relates to school issues, key considerations and outstanding questions in my mind are whether the town can actually regulate bedroom types which drive student counts and

whether there will be tax abatements, potentially imposed by an IDA and whether the school district would have an approval right over such abatements.

Thank you for taking the time to listen to my feedback this evening

Supplemental information/Support:

For ease of reference I have provided a comparison below (and attached) with the original consultant report rents vs. actual rents. Source for 91 Bedford was [www.91bedfordroad.com](http://www.91bedfordroad.com). Source for 39 Washington was correspondence with Ted Liu, representative at owner Hexad Holdings for 39 Washington for 1 BR, 1 BR+Den, and 2BR.

Regards,  
Ben Herman

**Rent Comparables used by Consultant in Market Scan**

Property	Avg Size (SF)	Avg Rent	Rent Per SF
91 Bedford	1000	\$2,930	\$2.93
Interview 7	1257	\$3,968	\$3.16
Interview 14 (1)	700	\$1,750	\$2.50
Chappaqua Crossing	1158	\$3,550	\$3.07
101 Washington	975	\$3,000	\$3.08
39 Washington	900	\$3,225	\$3.58
<b>Avg Unit Size / Weighted Avg Rent</b>	<b>998</b>	<b>\$3,071</b>	<b>\$3.08 (2)</b>

- (1) Appears to not be a relevant comparable based on the much lower rent implying inferior quality to new construction. It should be removed from table.  
 (2) \$3.08 is calculated rent vs. consultant table at \$3.05 though difference is immaterial.

**Updated Rents for 91 Bedford as of January 16, 2020 as per building website**

	Avg Size (SF)	Avg Rent	Rent Per SF
E Line	670	\$2,900	\$4.33
C Line	884	\$3,500	\$3.96
D Line	970	\$3,850	\$3.97
B Line	990	\$3,875	\$3.91
F Line	990	\$3,875	\$3.91
G Line	1000	\$3,900	\$3.90
A Line	960	\$4,000	\$4.17
<b>Avg Unit Size / Weighted Avg Rent</b>	<b>923</b>	<b>\$3,741</b>	<b>\$4.05</b>

**\$4.05-\$2.93 divided by \$2.93 = 38% increase in actual vs RESGroup reported**

**Updated Rents for 39 Washington as of January 16, 2020**  
 (Per building listing agent Ted Liu for 1 BR, 1BR+Den and 2BR and per Westchester Magazine for studio)

	Avg Size (SF)	Avg Rent	Rent Per SF
Studio	581	\$2,000	\$3.44
1 BR	781	\$3,800	\$4.87
1 BR+ Den	948	\$4,150	\$4.38
2 BR	948	\$4,800	\$5.06
<b>Avg Unit Size / Weighted Avg Rent</b>	<b>815</b>	<b>\$3,872</b>	<b>\$4.75</b>

**\$4.75-\$3.58 divided by \$3.58 = 33% increase in actual vs. RESGroup reported**