

FREIGHTWAY SITE DEVELOPMENT ANALYSIS

Report
to the
Board of Trustees

Village of Scarsdale, New York

September 1, 1981

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INTRODUCTION

On June 23, 1981, the Scarsdale Village Board of Trustees voted to retain the services of a consulting team to study the Freightway site in the Station Business Area, including consideration of the specific proposal submitted by the Polera Building Corporation. The consulting team consists of three primary individuals: David J. Portman, Planning Consultant and Partner in the firm of Frederick P. Clark Associates; William V. Cuddy, Real Estate Attorney and Partner in the firm of Cuddy and Feder; and Charles L. Weinberg, Real Estate Developer and President of Westcrott Realty Corporation.

The basic objective of this study is to review the potential use and development of the Freightway site, including consideration of the Polera proposal, for the purpose of determining if and how it can best be utilized to achieve the goals which the Trustees have set for this area in the past. These goals generally include the following:

1. The preservation and enhancement of the aesthetic character of the business area.
2. Obtaining the maximum economic benefit to the Village in terms of net property tax revenues, lease payments, enhancement of neighboring property values, etc.
3. Improvement of the safety and convenience of traffic flow, or at least minimizing any potentially adverse traffic impact.
4. Improvement of pedestrian access both along and across the railroad.
5. Provision of small unit housing which could help to serve the needs of Scarsdale residents, particularly the elderly and young couples.

Specifically, it was hoped that it would be possible to achieve the above goals through such actions as widening the Popham Road Bridge, constructing a pedestrian and/or vehicular accessway under the Bridge, covering the railroad tracks with a landscaped plaza which would provide a visual and acoustical shield as well as improve pedestrian access across the railroad, undergrounding the overhead transmission wires, increasing the amount of publicly available off-street parking spaces, constructing new housing with some units specifically reserved for Scarsdale's young and its elderly residents, leasing the Freightway site development rights for a substantial annual income to the Village, obtaining a significant tax ratable to add to the Village and School District assessment roll, and achieving all of this with a building no more than 4 to 6 stories in height above the Popham Road Bridge that is designed to blend architecturally into the style, scale and charm of the remainder of the downtown area and that will not set an adverse zoning precedent.

Our conclusion, of course, is that it is impossible to achieve all of these specific objectives at the same time since many of them are simply inconsistent with each other. It is hoped that the analyses described in this report will, however, assist the Village Trustees in determining just what may and what may not be reasonably possible.

ANALYSIS

The following sections of this report present the results of the various analyses conducted by the consulting team during the course of this study.

Site

The Freightway site is located along the southerly side of Popham Road immediately adjacent to the westerly side of the railroad. It borders Freightway and the Village parking garage on the south and the rear of the stores fronting on Garth Road to the west. An existing railroad power transformer station building interrupts the property's frontage along Popham Road. The total site area is 34,158 square feet, consisting of Section 1, Block 6, Lots 1 and 6, and a portion of Lot 3, as shown on the Village tax maps.

Topographically, the property is generally level although it does rise up to Popham Road at the northerly edge. The existing use of the property is as a public parking area providing surface parking for approximately 67 cars. The site is traversed in a generally north-south direction with overhead power transmission lines serving the railroad. Although the property has street frontage on both Freightway and Popham Road, its present access is limited to Freightway.

The site is located entirely within the Business B Zoning District except for a small portion in the northwesterly corner fronting on Popham Road which is within the Business A District. Both of these districts permit a wide variety of retail and service business uses, as well as offices. The Business B District also permits a few additional business uses of a less attractive automotive and industrial nature. Neither district permits residential use.

The maximum permitted building height in both districts is 4 stories and 46 feet. Off-street parking requirements are 1 space for each apartment dwelling unit (in the districts where they are permitted) and 1 space for each 150 square feet of retail, service or office floor space on the first floor and 1 space for each 250 square feet of such space above that.

During the course of conducting our analyses, the possibility of studying an expanded development site including perhaps air rights over the railroad, the use of the Village-owned land on the westerly side of Scarsdale Avenue, the use of the Beatty lot to the south of the parking garage, the acquisition of the private properties along Garth Road, etc., was considered, but rejected. It was felt that this would unduly complicate the study, and, in any case, was beyond the scope of our authorization.

Village Request for Proposals (RFP)

In June 1979, after having carefully considered the alternatives for the future use and development of the Freightway site, a Request for Proposals (RFP) was issued by the Village for the private development of the Freightway site. Among other things, the RFP specified the following:

1. The Village would maintain ownership of the property but lease it for private development.

2. The Village would consider any proposal complying with the use restrictions of the Business C District, plus private recreation use, in lieu of the uses permitted under the site's existing zoning.
3. Off-street parking would have to be provided as required by the Village Zoning Code. (Note: No mention is made of replacing the existing 67 public parking spaces presently located on the site.)
4. Consideration would be given to allowing increased building height provided it did not exceed the present height of buildings at 45 and 50 Popham Road.
5. Aside from the limitations imposed by a number of minor setback requirements specified in the RFP, buildings or structures would be permitted to occupy up to 100% of the property.
6. Vehicular access from Popham Road was not to be permitted.

Subject to compliance with the above listed land use and development restrictions, the RFP indicated that the Village's basis for acceptance of any one proposal would be related to that project's achievement of the following basic Village goals:

1. The construction of residential apartments designed to serve small family groups such as senior citizens and young couples.
2. The development of areas serving a public purpose, such as open malls, public parking, etc.
3. The maximization of economic benefits to the Village, particularly in terms of increased property taxes, lease payments, etc.
4. The minimization of any potentially adverse environmental impacts, such as traffic and aesthetics.

Polera Proposal

The proposal for the development of the Freightway site as submitted by the Polera Building Corporation involves a 10-story structure containing 110 apartment units and approximately 4,000 square feet of professional office space in 8 floors over a 2-level parking garage base containing 111 parking spaces. The building would be generally in a U-shaped configuration with the open end facing toward Popham Road on the north. The top of the second parking level would be covered by a landscaped pedestrian plaza. Traffic access would be from both Popham Road and Freightway.

The total saleable floor space, which is designed to be marketed as a for-sale development, would be approximately 142,000 to 154,000 gross square feet, including the office space. The proposed breakdown of residential units is shown as follows:

<u>Type of Unit</u>	<u>Number of Units</u>	<u>Average Net Floor Space Per Unit</u>
Studio	13	600 square feet
1-bedroom	22	750 square feet
2-bedroom	62	1,100 square feet
3-bedroom	13	1,500 square feet

The proposal contains no information with respect to proposed payments to the Village for the land lease.

Present zoning regulations would require a total of 137 off-street parking spaces to serve both the 110 dwelling units and the 4,000 square feet of office space. The proposed 111 parking spaces fails to meet this requirement. However, it should be noted that the period of peak office parking demand normally does not coincide with the period of peak residential parking demand and, therefore, the joint use of some parking spaces could occur, if they are not reserved so as to prevent this.

With respect to the question of building height and use, the proposal does conform to the Village's RFP as described above, although it does not comply with the site's existing zoning.

Related Public Improvements/Public Benefits

In connection with the consideration of the private development of the Freightway site itself, a number of related public improvements, or other types of public benefits, have been discussed as a means of helping to achieve the previously stated Village policy goals. These specific improvements/benefits are described and discussed below:

1. Housing for smaller sized families: A number of social, physical and economic factors which have impacted society in general in recent years, have also impacted the Village of Scarsdale. The aging of the Village's population, the growing into adulthood of the post-war babies, the increasing number of one parent households, and the decrease in fertility rates have all contributed to a decline in the average size of Scarsdale families. This, combined with the economic and energy costs involved in maintaining the large, single-family homes which form the bulk of the Village's present housing stock, have produced the need for more smaller unit housing. As a practical matter, such housing is synonymous with apartment development. Any multi-family project on the Freightway site would help to satisfy this need and would broaden the variety of available housing within the Village. To the extent that a greater proportion of one-bedroom as compared to three-bedroom apartments may be included, more of this need could be met within the same building bulk. Alternatively, smaller sized units could serve the same number of households within a smaller building. The Village could influence the dwelling unit mix as a part of any agreement for the lease or sale of the property, and as a part of the Zoning Ordinance as well.
2. Priority for Scarsdale residents: Based upon advice of counsel, it is the opinion of the consultants that priority can be given to Scarsdale residents, at least insofar as the initial marketing of housing units on this site is concerned. Such a requirement should not be included as a specific requirement in the zoning text itself but rather should be stated as a goal there and as a specific requirement in the sale or lease documents transferring the Freightway site to the developer. It should then be contained in the developer's proposed marketing plan, subject to Village approval. Furthermore, it is the opinion of the consultants that such a requirement would not have any negative cost impact which would affect the feasibility of a residential development project.

3. Senior citizen housing: It is also the consultants' opinion, based upon advice of counsel, that a certain percentage of the housing units could be reserved for occupancy by senior citizens, again with priority to Scarsdale residents. Such a requirement could be set forth either in the text of the necessary zoning amendment or in the lease or sale documentation executed between the Village and the developer. The latter would probably be simpler and preferable in this case. Again, it is not anticipated that such a requirement, if reasonably applied, would have any significant impact on the development cost or feasibility of a residential project on this site.
4. Popham Road Bridge widening: A proposed 30 foot widening of the Popham Road Bridge has also been considered. Such a project would provide a basic roadway width along this section of Popham Road of 5 lanes, plus sidewalks, and would allow for 3 approach lanes of traffic entering into each of the adjoining intersections, i.e. Popham/Garth and Popham/East Parkway-Scarsdale Avenue. The ballpark cost estimate for this project is \$1.0 million.
5. Pedestrian/vehicular underpass: Another circulation improvement project which has been considered in relation to the development of the Freightway site is the construction of a pedestrian and/or vehicular roadway going along the westerly side of the railroad under the Popham Road Bridge. Any such roadway, if included, is envisioned as simply a one-lane reversible flow road designed to reduce left-turn movements at the Popham/Garth Road intersection. The cost of such a project has been estimated at approximately \$0.5 million.
6. Railroad cover/platform: Another project which has been discussed is the construction of some type of platform or other cover over the railroad to serve as a visual and acoustical shield, as well as to improve east-west pedestrian access over the railroad. The estimated construction cost of this would be approximately \$0.5 million.
7. Undergrounding the overhead power transmission lines: The existing overhead lines which presently cross the Freightway site make any significant private improvement on this property, other than a one or two-story commercial or industrial building, impractical without their removal. At the same time, the undergrounding of these lines will have a positive aesthetic impact on this portion of the Station Business Area. In any case, these lines must be considered a negative factor in valuing the Freightway site for private development. The cost of the necessary undergrounding project is estimated at \$0.3 million.
8. Replacement of existing parking: As noted earlier in this report, there are 67 public parking spaces presently existing on the Freightway site. If the land is to be sold or leased for private development, these spaces will be lost to public use, unless the developer agrees to replace them. In that case, the value of the site would have to be adjusted downward, unless the Village is willing to take upon itself the cost of replacing some or all of those spaces elsewhere. If a third parking level were to be added below the two parking levels presently proposed in the Polera project, it is estimated that this would result in an additional cost of between \$1.0 and \$1.2 million, excluding rock removal.

In addition to the above items, there has been some discussion of the possibility and potential desirability of reducing the sales prices of some or all of the apartment units so that they will be more affordable by a greater proportion of

the Village's residents. To some degree, this goal can be partially achieved by reducing the average size of each dwelling unit, as previously discussed, since such reductions will result in a lower average sales price per unit. However, to go beyond that in reducing apartment prices will require the Village to accept some negative trade-offs. These could include a reduction in the land price, a waiver of certain Village requirements such as off-street parking, accepting a lower quality of building construction and related improvements, allowing an increased density on the site, granting tax abatements, requesting and accepting State or Federal aid, etc. However, if the Village is not willing to accept such negative impacts or to have housing on this site which is subsidized by residents living elsewhere in the Village, then it will not be readily possible to produce significantly lower priced housing on the Freightway site.

Traffic Impact Analysis

In evaluating the potential impact of the Polera development proposal, base traffic volumes in the vicinity of the Freightway site were obtained from the results of the recently completed TOPICS report, estimates were prepared of the volume of traffic likely to be generated by the proposed development, and various traffic capacity analyses were completed. This was done as a means of evaluating both project impact and the benefits of specific alternative road improvement options.

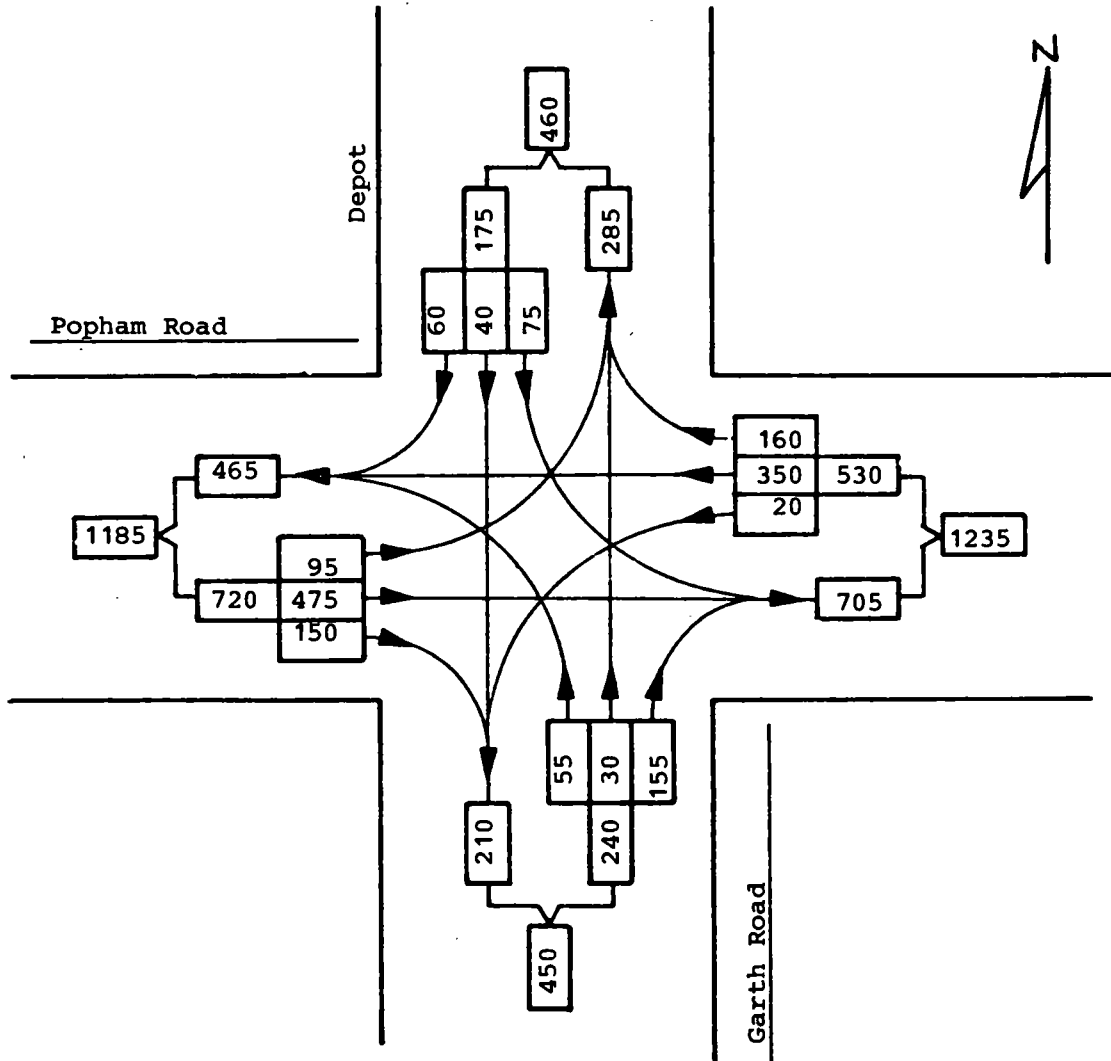
One of the road improvement alternatives evaluated involved the construction of the previously discussed roadway adjacent to the railroad tracks, beneath Popham Road. As envisioned, the one-way road would be reversible - northbound during the afternoon peak hour and southbound during the morning peak hour. Since this alternative would only affect intersection operations at the Popham/Garth intersection, and since the proposed access plan for the development would most directly impact the same intersection, the analysis generally excluded adjacent intersections. For the Popham/Garth intersection, therefore, morning and afternoon peak hour base traffic volumes, as reported in the TOPICS study, are shown in Figures 1 and 2.

During the morning peak hour, eastbound and westbound volumes on Popham Road approaching Garth Road are 720 and 530 vehicles, respectively. Lesser volumes occur on the side streets with a volume of 240 northbound vehicles on Garth Road and 175 approaching Popham Road from the station. During the afternoon peak hour, the directional distribution of traffic is generally reversed with 675 vehicles traveling west on Popham Road and 450 traveling east. Again, side street volumes on Garth Road and Depot Place are much lower - 380 and 35, respectively.

These volumes will be increased by development of the Freightway site. The extent of added traffic will depend on the type and scope of development, choice of travel modes, vehicle occupancy factors, and time distribution of travel. An important consideration with respect to the proposed development is its proximity to the railroad station. Based upon the analysis contained in the following section of this report, it is estimated that approximately 30 percent of all peak hour work travel by residents of the development will be by rail. Taking this into account, and applying trip generation rates found suitable for residential developments of a similar nature, it is estimated that approximately 54 vehicle trips will be generated during each of the morning and afternoon peak hours by the residential portion of the proposed Polera development. During the morning peak hour, approximately 49 vehicles would be expected to leave the site and about 5 would enter. During the afternoon peak hour, it is estimated that 46 vehicles will arrive and 8 will depart.

TURNING MOVEMENT SUMMARY

TOPICS BASE VOLUMES



Time Interval: AM Peak Hour

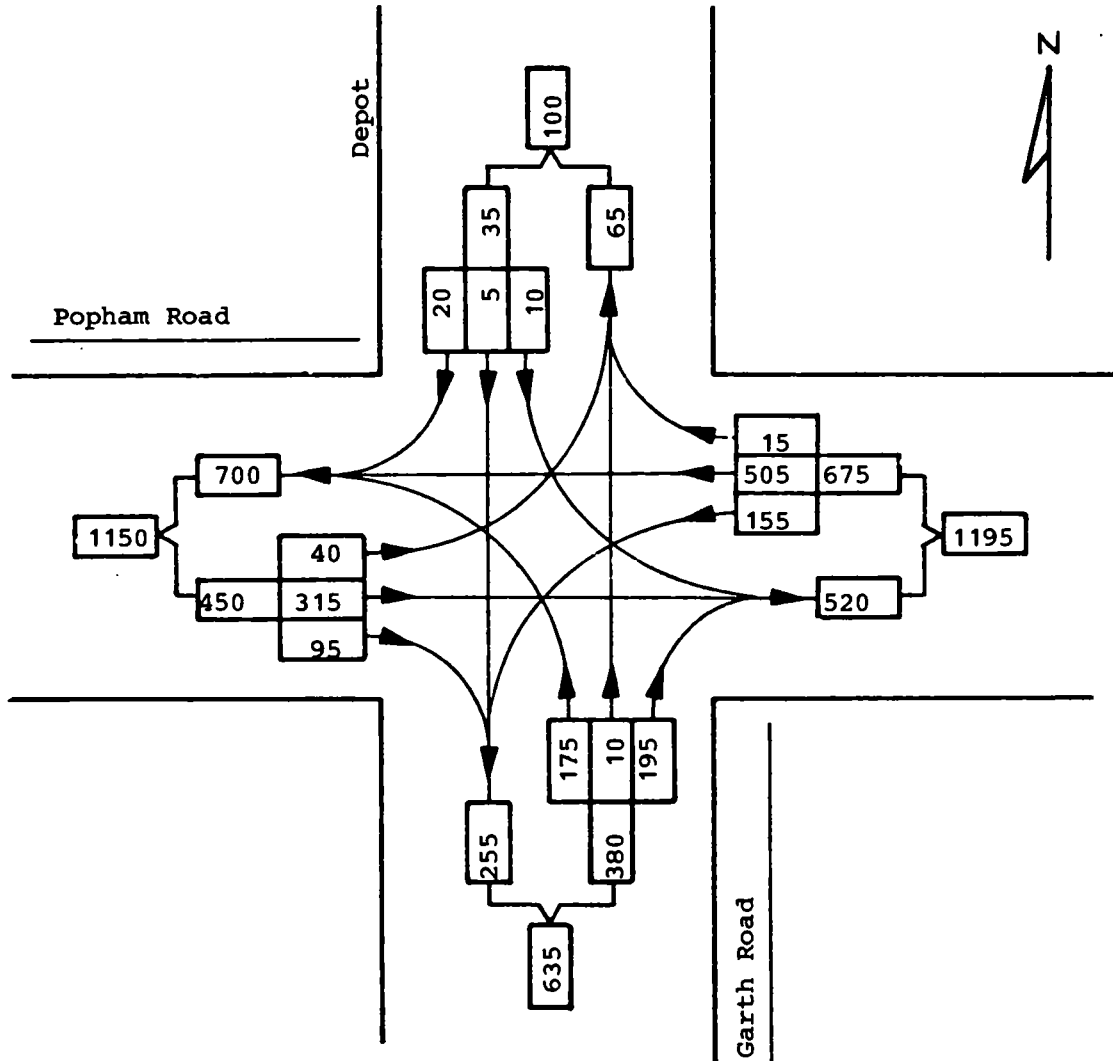
Day of Week: Typical Date: _____

Location: Scarsdale, NY

Weather: _____ Surveyor: _____

TURNING MOVEMENT SUMMARY

TOPICS BASE VOLUMES



Time Interval: PM Peak Hour

Day of Week: Typical _____ Date: _____

Location: Scarsdale, NY _____

Weather: _____ Surveyor: _____

For the office portion of the development, morning peak hour generation is estimated to be approximately 13 arrivals and 2 departures while 3 vehicles can be expected to arrive and 12 depart during the afternoon peak hour.

Combining both office and residential generation, it is estimated that 51 vehicles will depart and 18 will arrive during the morning peak hour while 49 will arrive and 20 will depart during the afternoon peak hour. For purposes of this analysis, it has been assumed that all generated traffic will arrive and depart via Garth Road and that approximately 10 percent will be oriented toward the south with the remainder passing through the Garth/Popham intersection.

Of those vehicles entering the intersection from Garth Road, it has been assumed that turning movement patterns will be similar to those of traffic now entering the intersection. Resulting morning and afternoon peak hour traffic movements, including both base and generated volumes, are shown in Figures 3 and 4. During the morning peak hour, eastbound Popham Road traffic crossing the railroad bridge will be increased by almost 5 percent while the greatest increase in westbound traffic will be west of the Garth Road intersection with an increase of about 2.5 percent. During the afternoon peak hour, the volumes on Popham Road will be increased by approximately 4 percent in each direction approaching Garth Road. Somewhat higher percentage increases will result on Garth Road, primarily as a result of lower base volumes.

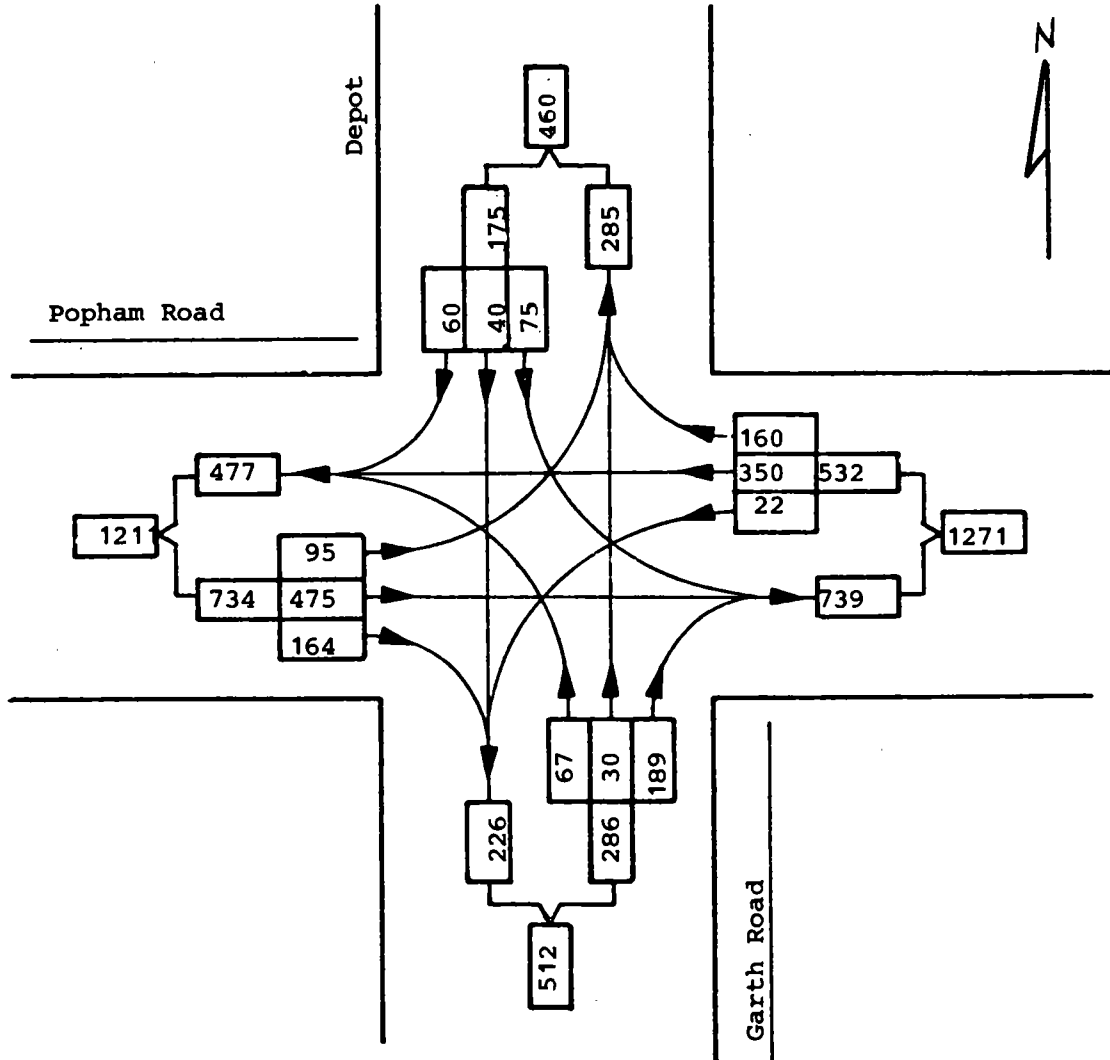
Several capacity analyses were completed for the Popham Road/Garth Road intersection. The conditions assumed in these alternative analyses were:

1. Base (TOPICS) traffic volume data, actual existing conditions including present signal timing.
2. Base traffic volumes, improved signal timing and other TOPICS recommendations.
3. Base plus generated volumes, improved signal timing and other TOPICS recommendations.
4. Same as No. 3, but with a reversible lane under Popham Road adjacent to the railroad.
5. Same as No. 3, but with a widened Popham Road Bridge.

In each case, analyses were completed using the procedures described in the "Highway Capacity Manual". These procedures take into account pavement and lane widths, curb parking restrictions, traffic signal timing, short-term peaking characteristics, types of vehicles, and actual or assumed traffic signal timing patterns. Initially, analyses were completed using the conditions described under No. 2 above. The results indicated generally favorable peak hour travel conditions. Knowledge of actual conditions, however, led to further investigations, especially with regard to traffic signal timing. From our field investigations and discussions, it was determined that control equipment deficiencies currently result in erratic timing patterns which are not responsive to traffic demands. As a result, traffic delays and congestion are considerably more extensive at present than would be expected with more suitable and properly operating equipment.

TURNING MOVEMENT SUMMARY

TOPICS AND GENERATED VOLUMES



Time Interval: AM Peak Hour

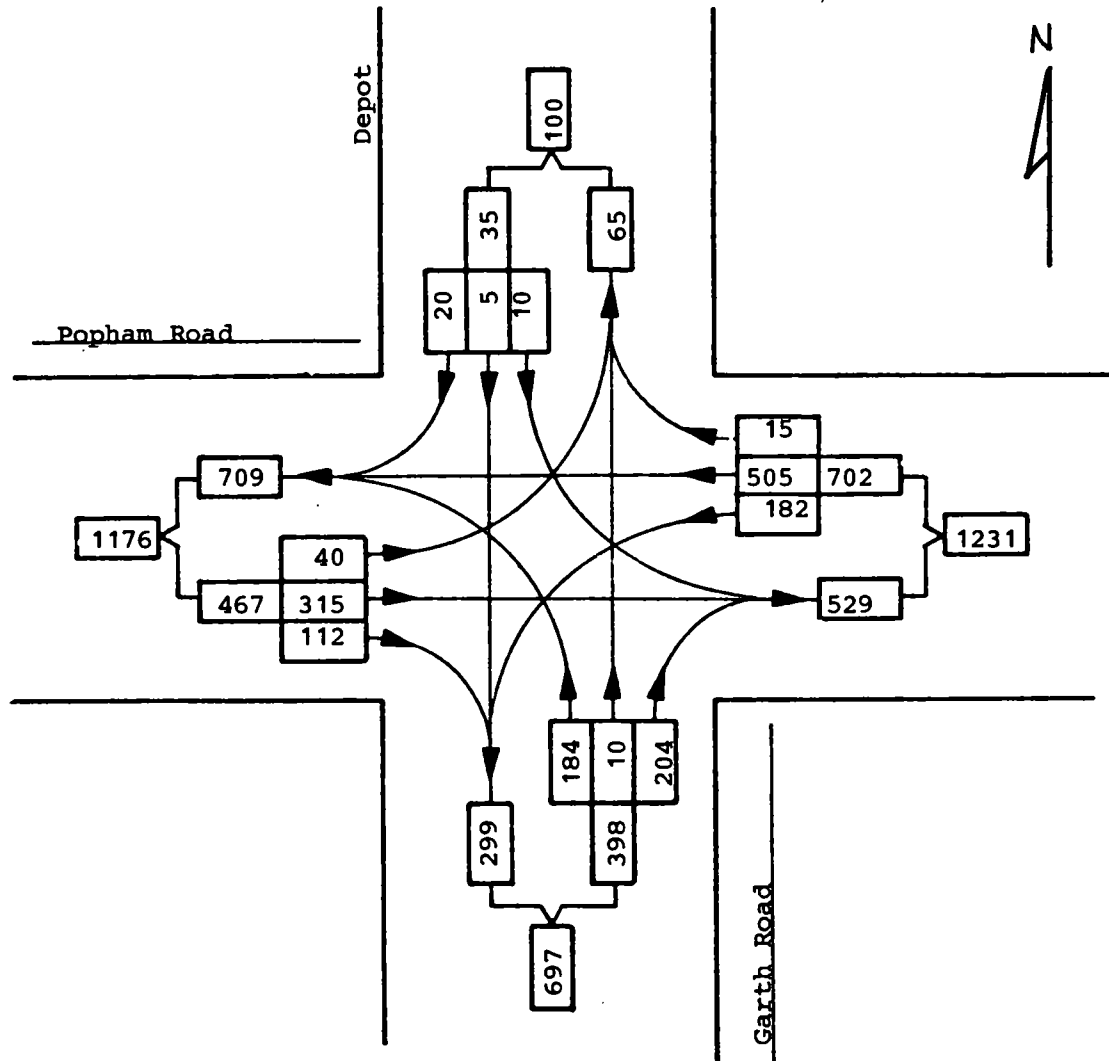
Day of Week: Typical Date: _____

Location: Scarsdale, NY

Weather: _____ Surveyor: _____

TURNING MOVEMENT SUMMARY

TOPICS AND GENERATED VOLUMES



Time Interval: PM Peak Hour

Day of Week: Typical Date: _____

Location: Scarsdale, NY

Weather: _____ Surveyor: _____

Because of the erratic nature of existing control equipment and timing patterns, it was not practical to carry out comparative capacity analyses based on existing timing. Therefore, improved timing patterns were assumed in completing the analyses for conditions 2 through 5 above.

In comparing intersection operations with and without the Freightway development (using improved signal timing), it was determined that the added traffic will not have a significant impact and therefore will not require any modification to the design of the intersection. The greatest impact will occur during the morning peak hour on the eastbound (Popham Road) intersection approach where the analysis suggests that the Level of Service will decline from B to C. (Levels of Service are described in Appendix A.) Level of Service C, however, indicates a satisfactory level of traffic operations. On other approaches, Levels of Service will not change as a result of construction of the Freightway project.

With respect to the potential widening of the Popham Road Bridge, the plan under study for that project would clearly improve capacity since three approach lanes would be provided at both the Garth Road and East Parkway intersections. From the capacity analysis, however, it is not clear that this improvement is essential to the satisfactory flow of traffic at this time. Rather, the analysis suggests that the improvement of traffic signal control equipment alone will be sufficient to effect a marked improvement in present traffic operations along Popham Road. It is possible, of course, that more favorable driving conditions on Popham Road, due to traffic signal system improvements, may induce higher traffic volumes. If this should occur to a significant degree, the need for bridge widening will become more acute.

Our analysis of the Popham/Garth intersection without regard to the present Popham Road signal system, indicates that the proposed TOPICS and signal improvements should provide adequate capacity for satisfactory operations at current traffic volumes, including the proposed project. Realistically, however, operations at the intersection may be somewhat less desirable because of the relationship of the intersection to others, especially at East Parkway. Thus, resulting intersection operation characteristics will depend upon specific system design considerations, including timing patterns required to properly interconnect the Garth Road signal with those at East Parkway and elsewhere.

In addition to the traffic operations considerations in determining the necessity or desirability of any project to widen the Popham Road Bridge, there are a number of other factors which should be considered as well. One of these is the potentially positive aesthetic impact of a newer and wider approach into the Village. A second is the improved safety which would result from a more modern bridge with wider travel lanes. On the negative side is the potential for induced traffic flow as a result of such an improvement.

The potential construction of a reversible lane under Popham Road, a possible project which has been discussed many times in the past, would have the effect of eliminating a portion of the left turns otherwise occurring between Garth Road and Popham Road. With such a new link, those left turns will be replaced by right turns which have far less adverse impact on intersection operations. The capacity analysis with this improvement in place was completed using redistributed traffic movements which would likely result from construction of such a new road. The analysis indicated, however, that no significant benefit would result in terms of volume/capacity relationships if the road were to be built. Nevertheless, it is important to keep in mind the fact that if a pedestrian underpass of the

Popham Road Bridge is constructed and the additional cost of adding a one-lane roadway is not substantial, it would be desirable to construct it and it would have a positive impact on traffic operations, particularly during railroad commuting times.

In summary, from a traffic engineering standpoint:

1. Existing traffic congestion and delays appear to result primarily from inadequate control equipment.
2. The implementation of TOPICS improvements, including new signal control hardware and software should improve traffic operations to an acceptable level.
3. The construction of the proposed Polera development or other similar project, while obviously adding traffic to some degree, will not have a major impact on nearby traffic operations.
4. The proposed widening of the Popham Road Bridge, although desirable in some respects, does not appear to be a necessary improvement in relation to the Freightway project or existing volumes, although its need should be reexamined based upon future traffic operations with the revised traffic signal system.
5. The potential underpass of Popham Road adjacent to the railroad, although also desirable, would not appear to be warranted in terms of improved traffic operations.

In addition to the above, the provision of an entrance or exit drive to Popham Road was found to be inadvisable. It is recommended that site access be limited strictly to Freightway so as to avoid the adverse effects of turning movements and the interruption of traffic operations on Popham Road.

Railroad Commuting Impact

Inasmuch as there presently appear to be problems in getting seats on some peak hour commuter trains, and because of the proximity of the Freightway site to the railroad station, a separate analysis of the potential impact on railroad commuting has been prepared. The results of that analysis are presented in this section of the report.

According to the 1960 Census, the Village at that time had 2,631 railroad commuters out of a total work force of 6,720 persons, for a ratio of 39 rail commuters per 100 workers. By 1970, both the absolute number of rail commuters declined (from 2,631 to 2,338) and the proportion per 100 workers had also declined (from 39 to 33 per 100).

Another way of looking at this changing relationship is the ratio of rail commuters per household. This too has declined from 54 rail commuters per 100 housing units in Scarsdale in 1960 to 43 per 100 in 1970.

Although comparable detail is not yet available from the 1980 Census, studies and estimates prepared by both the Westchester County Department of Planning and the Tri-State Regional Planning Commission indicate a considerably increased employment base within Westchester County since 1970 and a decreased percentage

of resident workers who commute to New York City.

With the assistance of the Village staff, a survey was made of rail commuters in the three apartment developments currently located in the Station Business Area. The overall result is a ratio of 29 rail commuters per 100 apartment units (actually 62 commuters in the 219 unit surveyed) and, interestingly, in the two cooperatively owned developments a significantly lower ratio, only 21 commuters per 100 units (the actual numbers here were 33 rail commuters in 157 units).

Taking into consideration the above data, but also recognizing the proximity of the Freightway site to the railroad station, it is estimated that the 110 units in the Polera development proposal might generate as many as 40 rail commuters (perhaps less if some units are reserved for the elderly). The most recent data available from Conrail is a peak morning count of 2,740 passengers at the Scarsdale Station in 1979. Therefore, if this project did generate 40 new rail commuters, the net effect would be an increase of less than 1.5 percent in peak period ridership. On the other hand, it would also have the effect of reducing peak hour traffic generation from this site, as noted earlier in this report.

Project Feasibility Analysis

Relying primarily upon the expertise of the consulting team's development expert, Mr. Charles Weinberg, an analysis was conducted of the economic feasibility of constructing and marketing a project such as the one proposed.

First, it is important to note that, in our opinion, several aspects of the proposed building, as presently designed, would involve unusually high costs. For example, there are a larger than necessary number of elevators, a very expensive exterior building facade, and a high floor space waste factor (hallways, stairwells, etc.) of 25 percent. For the most part, these costs come about as a result of trying to meet Village design and related objectives, including, for example, single loaded corridors along the railroad for noise attenuation purposes.

Notwithstanding the fact that we believe the design could be made somewhat more economical, it was roughly estimated that the cost of constructing the entire project would be approximately \$15 million, including soft costs but excluding profit and payments for the sale or lease of the land or air rights. This figure also excludes the cost of undergrounding the overhead transmission lines and replacing the existing 67 public parking spaces. If a profit margin of 14 percent were added, the project cost would be increased to \$17 million.

Based upon a review of the sales prices per square foot of residential projects which have recently been constructed or are under construction in the area and are currently being marketed, it is estimated that, taking into consideration the site and the value of the Scarsdale location, a market value of \$110 per square foot could be reasonably achieved. Multiplying this by our estimate of the gross floor space of approximately 154,000 square feet (including office space), would yield a total market value of \$17.0 million. Comparing this to the previously estimated cost figures indicates to us that the project would appear to be economically feasible if the developer is not required to replace the existing parking spaces, is not required to meet the full zoning requirement for new spaces, and is not required to pay for the land. Of course, if a higher sales value is subsequently determined to be feasible, or is believed to be feasible by the prospective developer of this site, then it may be possible to add some parking or make some payment for the use of the land.

If the top two floors were removed from the proposed Polera project so as to reduce the building's bulk, a total of approximately 20 fewer apartments would result. This, of course, would increase the square foot construction cost and require a corresponding increase in the sales price. This would bring the marketability of the project into serious question. The smaller project would, however, then meet its own parking requirements. Again, no land value is included; the economic benefit to the Village would be entirely in terms of increased property tax revenues.

With respect to the question of land value, our review of residential multi-family projects in this portion of Westchester County indicates a range in values of anywhere between \$7,500 and \$23,000 per dwelling unit depending upon location, site limitations, density, zoning requirements, etc. For purposes of this analysis, and considering the location of the site within the Village of Scarsdale, it was estimated that if a marketable project could be developed on the Freightway site its land value would be approximately \$22,000 per unit. Assuming a total of 110 units, that would mean a theoretical land value of approximately \$2.1 million (\$2.4 million minus the \$0.3 million necessary to underground the power lines so that it could be used for such residential purposes). For a 90 unit project, it would be less than \$1.7 million. If a price of this magnitude were required by the Village, it would add a cost of another \$14 per square foot of saleable floor space.

Tax Impact

In order to estimate the potential tax impact of the Freightway site development upon the Village, it is first necessary to determine the potential property tax revenue that such a project would generate and then to compare this to the probable cost of servicing the project. Based upon the formulas utilized by the Village Tax Assessor's Office, it was estimated that the total assessed value of this project would be approximately \$2 million. At current tax rates, this would produce a total of \$475,000 annually in tax revenue, or an annual tax bill of approximately \$4,200 per apartment unit (excluding the office space).

The annual tax revenues would be broken down approximately as follows:

Village of Scarsdale (61.8968):	\$124,000
Scarsdale School District (139.2071):	\$278,000
State/County/Town (33.6585):	\$ 67,000
Bronx Valley Sewer District (2.8205):	\$ <u>6,000</u>
 Total (237.5829):	 \$475,000

Based upon the present Village taxable assessment roll of \$124 million, this project, if constructed, would represent approximately 1.6 percent of the Village's total current assessed value.

In terms of servicing costs, the major such item normally associated with new residential development is the cost of public education. Based upon numerous studies of public school children in multi-family developments of various types, it is our estimate that in a high-rise, luxury, cooperative apartment project of this size in the heart of the Scarsdale Station Business Area (which project may also possibly include some units reserved for elderly occupancy), approximately 5 public school children could reasonably be expected. Based upon the current local share of the cost of educating each child in the Scarsdale School District

(approximately \$4,175 per year), this would equate to an annual servicing cost of close to \$21,000. Subtracting this from the tax revenues to the School District yields an estimated net school tax benefit of \$257,000 annually.

With respect to Village servicing costs, a comprehensive study of these was performed by Frederick P. Clark Associates as a part of the "Preliminary Master Plan Report" prepared for the Village of Scarsdale in February 1975. First, with respect to highway costs, there will be no highway maintenance costs directly attributable to this project since it will not require the construction of any new roads. Second, the Fire Department informs us that there will be no servicing cost attributable to them; all fire protection expense requirements will need to be met on-site by the developer. Based upon present police, refuse collection and other Village servicing costs allocated on a per capita basis to such a project and updated from the 1975 study to reflect current costs, the total annual servicing cost should be approximately \$45,000 thereby leaving an estimated annual net tax benefit to the Village of \$79,000. This may be conservatively on the low side considering the fact that no incremental costs are expected as a direct result of this project.

Excluding the County and State tax benefit and the Bronx Valley Sewer District benefit, the net value of tax revenues minus servicing costs to the Village and School District would be approximately \$336,000 per year. This represents about 1.3 percent of the total amount raised by the Village and School District annually from property tax revenues. If this benefit were used to lower taxes (approximately 85 percent of which goes to the Village and School District), or at least to reduce the size of the annual increase, it would reduce each taxpayer's bill by about 1.1 percent. Therefore, a homeowner in the Village who is currently paying a total of \$5,000 per year in property taxes would save about \$55 annually on his tax bill. As compared to revenues which might be obtained from the sale of the land or air rights, these benefits would continue to repeat year after year.

The projected tax benefit from this project could also be viewed in terms of the improvements which it could finance. For example, one year of such a tax benefit could pay two-thirds of the cost of the pedestrian/vehicular underpass of Popham Road; three years could pay for the Popham Road Bridge widening; etc., etc. Alternatively, this revenue could be capitalized over a longer period of time to finance an even larger package of improvements designed to benefit the Village as a whole.

Legal Considerations

A number of legal questions have been raised with respect to the potential private sale or lease and development of the Freightway site or its air rights. One of these involves the title to the properties in the area between Garth Road and the railroad and another relates to the purpose for which the Freightway site was acquired. To answer this question, a title search is currently being conducted by the Title Guarantee Company. The results of this search are expected to be available shortly.

The next consideration was the question of how to properly handle the zoning for any potential private development of this site, assuming that it would not conform with the present zoning standards and possibly not conform with any other existing district in the Village. This question was previously considered in a letter from Frederick P. Clark Associates to the Village dated October 15, 1980. In summary, that letter recommended the establishment of a new zoning district specifically for the development of this site. It would have the advantages of allowing the Village to precisely tailor requirements to this unique property, it would avoid

establishing a "precedent" for similar zoning of other sites, and, at the same time, it could be successfully defended against an attack on the basis of its being "spot zoning". The consulting team agrees with that recommendation and, therefore, a copy of that letter is attached as Appendix B to this report.

Some of the other legal questions considered, for example with respect to occupancy limitations on apartment units, have been alluded to in earlier sections of this report. The preliminary legal analysis prepared as a part of this study by Cuddy and Feder, dated July 29, 1981, is included in Appendix C of this report.

Other Development Alternatives

In addition to the various configurations of residential apartment use for this site, as described above, consideration was also again given to other development alternatives which might be feasible and desirable.

There is little question but from a marketing standpoint that there would be a strong demand for office space at this location. However, there is very little benefit which the Village could derive from such a use in light of the policy goals for this site described earlier in this report. First, it would not serve an important local need, as housing would. Second, at a ratio of 1 parking space for each 250 square feet of gross floor area (the Village zoning standard), offices would require about 5 times as many parking spaces per square foot of floor space as would apartments. Third, office use would be expected to generate more than twice as many total vehicle trips per square foot and approximately 8 times as many peak hour trips per square foot as would apartments. Finally, although municipal servicing costs for offices might be less on a square foot basis, the tax revenues generated per square foot would not be significantly greater and, taking into consideration the fact that a far greater percentage of the building bulk would need to be devoted to parking which pays less taxes per square foot, the net result would be far less beneficial.

A second alternative use considered was retail or a combination of retail, service and office use in two-story structures. This type of development would serve a reasonable Village purpose, i.e. it would function as a part of the business area to provide convenience shopping facilities for Village residents. It could also serve to functionally link the two sections of the existing business area together across the railroad and the Popham Road Bridge.

Based upon an assumption of 50 percent building coverage of the site with such two-story buildings, a total of 34,000 square feet of floor space would result. In accordance with present zoning requirements this would require 181 off-street parking spaces, or a three-story parking garage covering the entire Freightway site. This, of course, assumes that the developer would not be required to replace the existing 67 spaces on the site. Such a development would generate less tax revenue than the residential alternative and produce more peak hour traffic.

Another alternative considered was the development of an inn or hotel on the site. The minimum size normally considered feasible for such a facility would be at least 100 to 200 guest rooms. Assuming the lower figure, plus the necessary adjunct lobby, restaurant, cocktail lounge and other such facilities and services customarily found there, it is estimated that the building would need to contain approximately 70,000-75,000 square feet of gross floor area. This could, for example, consist of 5 floors of 10,000 square feet each above a base floor of perhaps 20,000 to 25,000 square feet.

Based upon current Village parking requirements for hotels, restaurants and related facilities, it is estimated that the total parking needed would be approximately 225 spaces, excluding the existing 67 spaces. This would require a four-story parking garage under the hotel building. It could be properly argued that some of the parking needs for separate uses in a hotel structure would overlap and that therefore 225 spaces are too many. However, even if this number were reduced to 160 or 170, a three-story parking structure would still be required. At the same time, the traffic generation again would be quite high and the tax revenues low as compared to residential use.

Based upon the above analyses, the earlier conclusion was reaffirmed that given the Village's policy goals and the impacts which are likely to result from alternative potential private uses of the Freightway site, the residential use alternative remains the most desirable possibility.

The final alternative, of course, is for the Village to retain the Freightway site and either keep it in its present use or develop it for expanded parking or some other public purpose. Since we have not conducted any study of the current demand for additional off-street parking in the Station Business Area, we cannot comment on the desirability of providing expanded parking nor are we aware of any other public function which is presently unserved or inadequately served in the Village and that could be properly located on this site. In any event, continued public ownership and use is the alternative which will result if no action is taken, and that alternative will not satisfy most of the basic goals for this site as described earlier.

CONCLUSIONS

Based upon a careful consideration of all of the foregoing information and analyses, the consulting team has arrived at the following conclusions:

1. The Polera Building Corporation proposal is, in our opinion, economically feasible if:
 - a) the 67 existing Village parking spaces do not have to be replaced
 - b) less than market value is paid to the Village for the sale or lease of the land or air rights, and
 - c) the Village assumes the cost of undergrounding the overhead transmission lines.
2. In any case, residential use represents the most desirable alternative for the Freightway site if it is to be privately developed in a manner which will accomplish the majority of the Village's policy goals.
3. The objective of assuring that at least some of the units constructed on the Freightway site will be reserved for senior citizens and that Scarsdale residents will be given priority, apparently can be met without serious legal problem and without impacting the feasibility of the project if it is administered properly.
4. The implementation of the TOPICS Study recommended traffic improvements, including pavement restriping and modernization of traffic signals, should significantly improve current traffic operations in the business area.
5. A residential development on the Freightway site, even if it were to contain as many as 110 dwelling units, will not have a significant impact on traffic operations in the area.
6. As a result of the above, it presently appears, subject to verification after the TOPICS improvements have been completed, that both the Popham Road Bridge widening project and the one lane roadway underpass of Popham Road, although desirable traffic improvements, will not be needed nor are they economically justifiable.
7. It is estimated that the development of a 110 unit residential project as proposed by the Polera Building Corporation would produce a net tax benefit to the Village and School District of approximately \$336,000 per year. This is equal to about 1.3% of the total amount which these two taxing jurisdictions are currently raising in local property tax revenues.
8. Reducing the height and bulk of a residential building project on this site will be difficult if the project is to retain its economic feasibility. The consulting team does, however, believe that it can be somewhat redesigned to reduce building bulk by a more efficient use of space and perhaps by a shift in unit mix.

We have prepared this report in the hope that it will prove helpful to the Village Trustees in arriving at the policy determinations which are necessary with respect to the future use and development of the Freightway site. Of course, there is no simple answer and, therefore, whatever conclusion the Trustees ultimately arrive at we know will be a difficult one. We stand ready to continue to help in any way that we can.

APPENDIX A

LEVELS OF SERVICE - DEFINITIONS
Signalized Intersections

LEVELS OF SERVICE - DEFINITIONS
Signalized Intersections

At Level of Service A there are no loaded cycles and few are even close to loaded. No approach phase is fully utilized by traffic and no vehicle waits longer than one red indication. Typically the approach appears quite open, turning movements are easily made, and nearly all drivers find freedom of operation, their only concern being the chance that the light will be red, or turn red, when they approach.

Level of Service B represents stable operation; an occasional approach phase is fully utilized and a substantial number are approaching full use. Many drivers begin to feel somewhat restricted within platoons of vehicles. Under typical rural conditions this frequently will be suitable operation for rural design purposes.

In Level of Service C stable operation continues. Loading is still intermittent, but more frequent. Occasionally drivers may have to wait through more than one red signal indication, and back-ups may develop behind turning vehicles. Most drivers feel somewhat restricted, but not objectionably so. In the absence of local conditions dictating otherwise, this is the level typically associated with urban design practice.

Level of Service D encompasses a zone of increasing restriction approaching instability. Delays to approaching vehicles may be substantial during short peaks within the peak period, but enough cycles with lower demand occur to permit periodic clearance of developing queues, thus preventing excessive back-ups.

Capacity occurs at Level of Service E. It represents the most vehicles that any particular intersection approach can accommodate. At capacity there may be long queues of vehicles waiting upstream of the intersection and delays may be great (up to several signal cycles).

Level of Service F represents jammed conditions. Back-ups from locations downstream or on the cross street may restrict or prevent movement of vehicles out of the approach under consideration; hence, volumes carried are not predictable.

Appendix B
ZONING ANALYSIS

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Frederick P. Clark (1909-1968)
David J. Portman, AICP
Frederick E. Wiedle, AICP

October 15, 1980

Mr. Donald H. Newman
Village Architect
Village of Scarsdale
Village Hall
Scarsdale, New York 10583

Subject: Zoning of Freightway Area

Dear Don:

Following your letter of September 23, 1980 and our meeting of October 7, you asked me to summarize my comments and recommendations with respect to the procedural aspects of zoning control for the proposed Freightway project.

There are several alternatives which could be considered for a unique and special project of this kind. These include (1) a floating zone, (2) a special use permit procedure, or (3) a new conventional zoning district. My recommendation is to use the third approach and I will explain why below.

1. Floating Zone: A floating zone is a zoning district which is established in the text of the Ordinance but not initially mapped. The text would set forth the minimum criteria for the location, nature, size and other characteristics of properties which would be considered by the Village Board of Trustees for future mapping. The actual mapping would require a public hearing by the Board with the same notice as required by law for other zoning amendments.

Any property owner requesting such a floating zone designation for his property would be required to submit a Preliminary Development Concept Plan for the site as a part of his rezoning application. Following the public hearing, the Trustees could elect either to grant or not to grant the requested map change, taking into consideration the site criteria established in the text but with the normal legislative discretion which that Board has. If approval is granted, not only would the map be changed but the developer would be committed to his proposed concept plan.

Frederick P. Clark Associates

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The floating zone procedure avoids the charge of "spot zoning" because it is enacted in accordance with a comprehensive plan designed to achieve certain goals on similarly situated properties throughout the community. Also, the properties are normally fairly large in size, at least in relation to the surrounding development, e.g. a 10 acre minimum site size requirement in a 2 acre zone or a 1 acre minimum site size requirement in a 5,000 square foot zone.

Although this procedure could work in the case of the Freightway site, I would not recommend it. A floating zone is normally used in situations where a number of unique or specially situated properties may exist in various locations in a community and that community is attempting to encourage the development of all or several of them in a similar manner. That does not appear to be the case here. If I am not correct, and if the Trustees do have some intention of allowing a similar type of development on other sites within or adjacent to the station business area, for example along Scarsdale Avenue, please let me know and perhaps we should reconsider this approach. If, however, this is to be a one-of-a-kind development on a one-of-a-kind site, the floating zone is not the best approach.

2. Special Use Permit: The special use permit procedure, also sometimes referred to as a conditional use permit or special exception, is in many ways similar to the floating zone concept. The zoning text would be amended to allow an additional use in Scarsdale's business districts, perhaps called a Planned Unit Development (PUD), and the standards and requirements for that use, including criteria for sites upon which it could be located, would be set forth. Once incorporated in the text, it would then allow the owner of any property meeting the stipulated requirements to present an application to the approving authority (the Board of Trustees, the Planning Board, or the Zoning Board of Appeals depending upon who is assigned this responsibility under the Zoning Amendment), which Board could then hear and decide the application.

In contrast with the floating zone, there would be no map change. Also, as noted above, the decision could be rendered by agencies other than the Village Board itself. Furthermore, there would be less discretion available in deciding such an application since a special use is defined to be a use permitted by right, subject to its compliance with whatever special conditions and requirements may be set forth in the ordinance text. In other words, it is an administrative type action whereas the floating zone is a legislative determination which gives greater discretionary authority to the Trustees.

Again, however, if there is no intention of allowing this type of use on other similarly situated properties within the Village, there is no need, nor would it be desirable, to establish this as a permitted special use.

Frederick P. Clark Associates

Mr. Donald H. Newman

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3. New Conventional Zoning District: Under this procedure, a complete new zoning district, specifically designed to allow the intended development of the Freightway site, would be adopted as an amendment to the ordinance text and the Freightway site would be placed within that district on the zoning map. It could be called a "Residence-Business District" or a "Planned Unit Development District" or whatever other title the Village would prefer. The text would contain the type of use and dimensional standards which you set forth in your July 30, 1980 memo or whatever other standards may be subsequently decided upon by the Trustees. The actual development of the site would then be made subject to site plan approval either by the Board of Trustees or the Planning Board, whichever would be preferable.

In addition, since the Village presently has control of all or almost all of the site that will be developed, the Trustees could establish many additional requirements, which might otherwise be beyond the Village's zoning control, by including them as conditions in the contract of sale. This is a technique which the Village should be quite familiar with since it has used it many times in the past in connection with the purchase and resale of properties throughout the residential areas of the community. The concept would certainly be applicable here and should be used. Furthermore, it is akin to the procedure which is used in other communities when they sell a site within an urban renewal area. There, too, the contract of sale would normally specify the exact type of development permitted on that site and any special conditions which might not otherwise be required by the terms of the Zoning Ordinance itself.

There is, of course, always the potential criticism of this approach being "spot zoning". However, I do not agree and am confident that we could successfully defend against this, should that become necessary. The reasons are that this is being done in accordance with a comprehensive plan for the development of the station business area, the site is large in size as compared to other surrounding parcels, and it is unique in a number of other ways (location, ownership, adjoining uses, etc.). For these reasons, I do not believe that the establishment of a special new zoning district, which would be applicable only to the development of this site, would be considered "spot zoning".

In summary, it is my opinion that this zoning procedure is proper, would give the Village the greatest degree of control, and would avoid the potential of other applications for this type of development elsewhere in the Village.

Frederick P. Clark Associates

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If you agree with my analysis and recommendation as presented above, we should either proceed to meet and discuss these alternatives with the Trustees or begin drafting the Ordinance amendment so that it can be presented as a complete zoning package to the Board. Please let me know if you have any questions with respect to the above or if there is anything further that you would like me to do at this time.

Sincerely,



David J. Portman

DJP:go

cc: Lowell J. Tooley

Appendix C
LEGAL ANALYSIS

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July 29, 1981

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Mr. Lowell Tooley, Manager
Village of Scarsdale
Village Hall
Popham Road
Scarsdale, New York 10583

Dear Mr. Tooley:

This letter summarizes the results of our initial survey of legal issues raised by the proposed Freightway project. The issues and our progress to date are outlined below:

1. Disposition of Village-Owned Property. Under the Village law, the Village has broad authority to dispose of real property which is no longer required for Village purposes. The Village may dispose of its property without prior public notice and without public bidding, either by sale or lease.

However, if the property is sold, then the compensation received by the Village may have to be paid in a single lump sum. Disposition by lease would permit deferred payment arrangements, and would offer greater flexibility in the drafting and enforceability of use covenants desired by the Village.

The record of municipal proceedings and the title records concerning the acquisition of the property from Semmes Ford and from the Railroad should be assembled and sent to us for review. It is possible that such records will indicate some special purpose for which the Village acquired the property, and this will have a bearing on the Village's freedom to dispose of it with minimal complications. For example, if the record shows that the property was acquired expressly for parking purposes, then the sale may be subject to Section 4-412(10) of the Village Law, which authorizes a Village to lease for private redevelopment air rights over lands "acquired or to be acquired" for street and public parking purposes.

2. Title Search. At the July 16 meeting we recommended strongly that the Village authorize us to obtain a title search of the entire area between Popham Road and Freightway and between the Penn Central right-of-way and Garth Road. Title Guarantee Company has agreed to perform the search without charge, and we should have the results in about three weeks.
3. Senior Citizen Units. The Village probably can impose a requirement that a certain number of units must be reserved for occupancy by senior citizens, without running into constitutional or statutory problems. Such a requirement can be set forth either in the provisions of a zoning amendment creating a new district for the site or in the lease or sale documentation executed by the Village and the developer.
4. Priority for Scarsdale Residents. The ability of the Village to impose a requirement that Village residents be accorded priority in the marketing of vacant units is cast in doubt by a line of Federal Court decisions overturning residence requirements established by public housing authorities. These cases were decided on broad constitutional grounds which apply not only to projects assisted by Federal funding but to any exercise of public power or authority for the purpose of applying residence priorities to housing facilities, whether publicly or privately owned. Accordingly, while it would be useful for the proposed zoning amendment to recite that one purpose of the amendment is to facilitate the development of new housing needed to alleviate a shortage of housing units available to Scarsdale residents, the zoning text should not set forth specific priorities for residents.

Additional work in this area will focus on the following approaches:

--Inclusion, in the sale or lease documents transferring the Village-owned site to the developer, of a requirement that the developer offer vacant units on an exclusive basis to Scarsdale residents for a period of 30 days, after which they would be offered to non-residents.

--A firm priority for persons and families who have been residents of Scarsdale for a period of

say, six months, could be set forth in a marketing plan to be submitted by the developer to the Village Board for approval. One of the criteria which the Village Board would use in evaluating the marketing plan would be its responsiveness to housing needs of Village residents.

Either of the foregoing mechanisms, or a combination of them, could be applied to the initial marketing of housing units without greatly complicating the marketing process. Further study is needed to determine whether such mechanisms can be applied to subsequent transfers by co-op or condominium purchasers in a manner which will be both effective and consistent with the requirements of the New York State Attorney General.

5. Proprietary Use. If the Village retains ownership to the property and leases it to the developer for private development, the Village will be holding the property for a "proprietary" purpose. This means that the property will be subject to real estate taxes levied by other taxing jurisdictions. Moreover, it may be necessary to create a mechanism whereby the Village credits itself with taxes "collected" from the property. Whether this conclusion applies to new improvements constructed on the Village-owned property and whether the Village may (in the event of developers' insolvency) incur liability to other taxing jurisdictions with respect to real estate taxes accruing on the new improvements, requires further investigation.
6. Condemnation. It was noted that the proposal submitted by Polera respects all private ownerships and rights of way and easements adjoining the Village-owned site and that, accordingly, condemnation probably will not be required. We noted that if any necessity for condemnation should arise, then with respect to properties not required for the widening of Popham Road, the Village may encounter some difficulty in defining a public purpose justifying the use of condemnation powers. We noted that a public purpose might be derived from the retention by the Village of some public parking activity on the Village-owned site, which would require takings of adjacent properties, for, e.g., traffic circulation purposes. As an alternative, a public purpose could be derived from the creation of a non-assisted urban renewal project covering the Village-owned lands and adjacent lands required for the project.

Mr. Lowell Tooley, Manager

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We suggested that in the next few weeks Cuddy & Feder should concentrate on title questions and on issues concerning occupancy priorities. It was generally agreed that we should focus on these issues.

Sincerely,

Richard A. Katzive

Richard A. Katzive

RAK:daz

cc John Holden, Esq.
Dave Portman
Charles Weinberg