



# Real Estate Market Scan and 4-Town Comparison

In Support of Form-Based Code,  
Build-Out Analysis, and SEQRA  
Review Services for

Chappaqua Hamlet  
Town of New Castle

August 16, 2019

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## Introduction

RESGroup completed a **Market Scan** to understand the general level of demand for rental apartments with ground floor retail and to test the financial feasibility of a hypothetical building that might be completed under the form-based code. We interviewed real estate brokers, developers, and other local market participants in the Chappaqua Hamlet and other competitive market areas; and consulted 3<sup>rd</sup> party sources to develop an understanding of existing and potential market conditions, rents and demand for retail and residential rental apartments, as well as recent land prices in the Chappaqua Hamlet. Developers were interviewed to obtain feedback on market demand and asked about their own level of interest in developing rental apartments with ground floor retail in the Lower King Street area of the Chappaqua Hamlet, which is generally an area located east of the train tracks and within walking-distance of the train station.

The second section of this summary report presents the review of four towns selected by the Downtown Working Group, from the larger market area to obtain an understanding the competitive markets that currently exist and identify ways in which the Lower King Street area can differentiate itself and increase its attraction to consumers. The locations selected for this **4-Town Comparison** were Armonk, Mt. Kisco, Pleasantville, and Tarrytown. We completed windshield surveys and interviewed public officials in each location to understand the history of how and why retail has changed, and the types of retail, entertainment offerings, anchor attractions, and public events to help identify possible options for the Lower King Street area. RESGroup has outlined lessons learned from these communities as they worked to improve their “Main Streets” and developed recommendations for the Lower King Street area on the types of retail categories that could attract shoppers, what’s “missing” from a merchandising perspective, and other ideas to strengthen retail, such as concepts for anchors or other attractions.

The last phase of our work will be the financial testing of the form-based code. The results of the preceding market reconnaissance will allow us to estimate the operating assumptions for a stabilized net operating income (“NOI”) of a hypothetical project based on the massing of a sample building provided by the consultant team. Estimates of rent per square foot and vacancy will be combined to derive total revenue, and an operating expense ratio will be applied to estimate NOI. A capitalization rate will then be used to derive a stabilized market value from the estimated NOI. Estimated land costs will be combined with building costs per square foot to provide an estimate of total development cost. This will then be compared to the stabilized value to provide a high-level indication of project feasibility. This described financial analysis will be summarized in a separate technical memo for use by the team in drafting the form-based code.

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## Market Scan

### Rental Apartments

Since there are no newly constructed rental apartments in the Lower King Street area, we also considered nearby communities that would likely compete with a new project in the Lower King Street area to understand the market for rental housing under the form-based code. The only two recent projects identified in the Hamlet include one currently under construction at 91 Bedford Road and one with leasing underway at Chappaqua Crossing (Redevelopment of the Cupola Building) and are not directly related to the Lower King Street area because of their distance from the train. We spoke with local property owners, real estate brokers, and others knowledgeable of the market and local competitive areas, either about specific projects or their general view of the apartment rental market in the Chappaqua Hamlet. The following table summarizes the responses to these interviews.

**Table 1: Comparable Apartment Data**

Comp #	Project/ Location	# of Floors	Total Units	# Parking Spaces	Average Monthly Rent	Avg Sq. Ft.	Avg \$/S.F.	Unit Amenities	Facility Amenities	Rent Includes Parking?	Opening Year	Current Vacancy Rate	Operating Expense Ratio <sup>1</sup>	Overall Capitalization Rate <sup>1</sup>	Interested In Chapp. Development? <sup>2</sup>
1	91 Bedford Road Interview 6 Chappaqua	3	14	56	\$2,930	1,000	\$2.93	Electric stove/oven; central a/c; washer/dryer	Elevator; basement parking; outdoor benches; bicycle parking; ground floor retail and café. Mix of 1-BR with den and 2-BR units; under construction	Yes	2020	n/a	n/a	n/a	Yes
2	Interview 7 Lower King Street	n/a	n/a	n/a	\$3,968	1,257	\$3.16	Gas stove/oven	Near train/shops	Sometimes	Older buildings	5%	25%-35%	5.7%-7.2%	n/a
3	Interview 14 Lower King Street	n/a	n/a	n/a	\$1,750	700	\$2.50	Gas stove/oven	Near train/shops	No	Older buildings	n/a	n/a	n/a	Yes
4	Chappaqua Crossing Chappaqua	3	63	n/a	\$3,550	1,158	\$3.07	Individual heat; central a/c; dishwasher and washer/dryer hookups	Landscaped courtyards; on-site walking trail; gym and exercise rooms; laundry rooms; multi-purpose room; library	Yes	2017	3%	n/a	n/a	n/a
5	101 Washington Avenue Interview 15 Pleasantville	3	14	27	\$3,000	975	\$3.08	Electric stove/oven; central a/c; washer/dryer; wine cooler	Elevator; basement and outdoor parking; ground floor commercial space. All 1-BR units	Yes	2017	0%	n/a	6.0%	Yes
6	39 Washington Avenue Interview 17 Pleasantville	3	14	105	\$3,225	900	\$3.58	Electric stove/oven; central a/c; washer/dryer	Elevator; structured parking with charging stations; 4 ground floor commercial units; solar panels; fitness center; dog wash. Mix of studio, 1-BR, and 2-BR units; under construction	Yes	2019	100%	20%-22%	6.0%	Yes
	Overall Avg.				\$3,070	998	\$3.05								

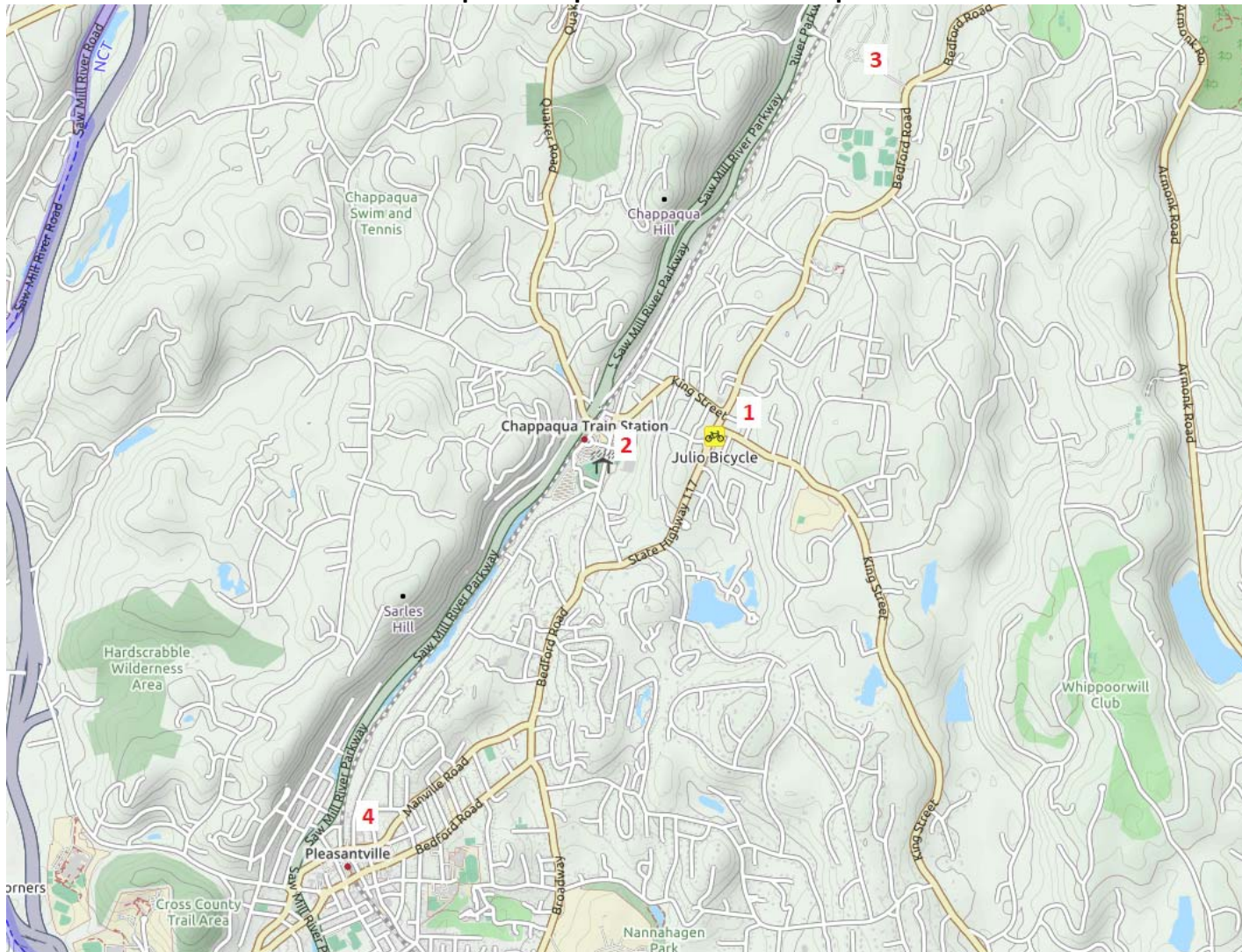
1. Estimated by interviewee

2. Assuming new code allows for reduced parking requirements and other concepts.

Table 1 indicates a range of average rental rates per square foot (SF) from \$2.50 for typical existing apartments in the Lower King Street area, where no parking is included in the rent, to \$3.58 in Pleasantville (including parking). All existing buildings are 100% occupied. This information will help to inform the financial testing of the proposed Form- Based Code.



Comparable Apartment Location Map



## Retail

Our analysis of retail market conditions included interviews with local merchants, local retail brokers, and local property owners, as well as developers in Armonk and Pleasantville. Table 2 summarizes the information provided by these interviews.

**Table 2: Comparable Retail Lease Data**

Comp #	1	2	3	4	5	6	7	8
Location	Interview 2 Allen Place <b>Chappaqua</b>	Interview 3 Downtown <b>Chappaqua</b>	Interview 7 Downtown <b>Chappaqua</b>	Interview 13 14 S. Greeley Ave. <b>Chappaqua</b>	Interview 13 6 S. Greeley Ave. <b>Chappaqua</b>	Interview 14 Downtown <b>Chappaqua</b>	Interview 18 <b>Chappaqua Crossing</b>	Interview 17 Downtown <b>Pleasantville</b>
Size (SF)	1,500	1,000 -3,000	1,000 -3,000	1,600	1,450	1,000 -3,000	1,200-7,500	1,000 -3,000
Rent per SF	\$36.00	\$30 - \$40	\$22 - \$30	\$33.75 <sup>2</sup>	\$45.52 <sup>2</sup>	\$30 - \$35	\$47-\$55	\$45.00
Rent Type	Fully Net	Net of Taxes	Fully Net	Fully Net	Modified Gross <sup>4</sup>	Fully Net	Fully Net	Fully Net
Build-out / TI per SF	n/a	None <sup>1</sup>	n/a	None <sup>3</sup>	n/a	None	Yes <sup>5</sup>	n/a
Term (years)	5-10	5-10	5-10	5-10	5-10	3-10	10-15	5-10
Vacancies	Stable or Increasing	Stable or Increasing	5% Stable	Not Available	Not Available	Stable	20% Still in initial leasup	Decreasing

1. Probably no TI unless for a national tenant with no improvement to the existing stock. But if zoning code does everything anticipated, costs would probably be incorporated into the base building and no TI would be necessary.

2. Asking Rent

3. Owner renovating space, to provide as plain vanilla box.

4. Tenant pays increases over base year taxes and CAM.

5. New construction; they build to a plain vanilla shell then provide a tenant improvement allowance that varies by deal.

The wide range of rental rates per square foot is indicative of the range of locations, spaces, ages, and conditions of the properties in question. The low end of the range (\$22 per SF, net) is based on a respondent's estimate of current conditions for retail space in the Lower King Street area today. In general, these conditions reflect older buildings with limited on-street parking available, lower ceilings than typically found in newly constructed buildings and in some properties flood conditions requiring significant improvements. The high end of rental rates in the Hamlet is set by Comp #5 (\$45.52 per SF), which is an asking rent and is on a modified-gross basis. This requires the landlord to cover base year real estate taxes and common area maintenance ("CAM", estimated at approximately \$10 per SF based on our discussions with market participants). Therefore, the \$45.52 per SF gross rent would equate to approximately \$35 per SF on a fully net basis. Actual leases generally tend to be negotiated at levels below asking rent.

Improvements currently underway by the Town of New Castle include enhanced water and sewer infrastructure, new sidewalks, curbs, tree plantings, and improvements to traffic flow that are expected to have a positive impact on the Lower King Street retail market by increasing visitation and shopping. In addition, plans to improve the predictability of zoning requirements under the new form-based code will increase density and enhance the Lower King Street area, improving the retail environment and mix of stores.

The high end of the range for all spaces (\$55 per SF, Net) is represented by the smallest space currently being leased at Chappaqua Crossing, which benefits from being a retail destination, owned and managed by a single entity, where a single, cohesive retail strategy can be implemented to maximize its attractiveness in the market.

As with the rental apartments above, once more is known about the size and location of the hypothetical project to be used in the financial feasibility analysis, RESGroup will draw more conclusions about the assumptions to be made about any potential retail space for that specific task.

## Land Sales

RESGroup researched the sale of vacant land and land with improvements that were intended to be demolished to allow for redevelopment. The Table 3 below, summarizes the data from our research, with additional details provided in the appendix.

**Table 3: Comparable Land Sales**

Sale No.	1	2	3	4	5	6
Street	61 North Greeley Ave	n/s King Street	91 Bedford Rd	45 Bedford Road	77 S Moger Ave.	39 Washington Ave
City	Chappaqua	Chappaqua	Chappaqua	Armonk	Mt. Kisco	Pleasantville
Zoning 1	B-RP	B-R	B-R	NB	CB-1	A-1
Date of Sale	7/23/2018	5/11/2017	7/29/2015	3/1/2018	11/29/2017	5/25/2017
Date of Contract (estimated)	6/23/2018	4/11/2017	6/29/2015	1/30/2018	10/30/2017	4/25/2017
Indicated Sales Price	\$1,150,000	\$1,620,000	\$1,275,000	\$4,425,000	\$2,211,310	\$6,350,000
<b>DESCRIPTIVE INFORMATION</b>						
Land Area (SF)	9,297	21,344	35,371	180,338	11,944	50,050
Total Potential FAR	n/a	n/a	23,533	n/a	32,249	n/a
# Units Planned	n/a	n/a	14	n/a	none	23
<b>PHYSICAL INDICATORS</b>						
Price per SF of Land	\$123.70	\$75.90	\$36.05	\$24.54	\$185.14	\$126.87

The above data represents the best comparable land sale data we were able to identify in the New Castle area. Although the value of land can be analyzed based on various units of comparison (price per unit of residential, price per square foot of buildable area, price



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per acre, etc.), we selected the price per SF of land area as the best unit of comparison for this analysis for several reasons. First, some of the land is planned for development with a mix of residential and retail, others for residential only, and one (Sale 5) for commercial office only. Secondly, proposed or permitted building areas were not available for all of the sales and could not have been known at the time of sale in at least the case of Sale 4, the nursery to be converted to apartments in Armonk.

Of the sales identified, the higher end of prices per SF of land are represented by three sales of over \$100 per SF (Sales 1, 5, and 6). Sale 1 contained an existing, occupied building with retail on the ground floor and apartments on 2 floors above, that we understand is to be demolished for new construction. However, the existing occupancy indicates substantial shell value (relating to the income the buyer can receive from the existing improvements during the time period before they are demolished) that can contribute to the buyers return while development plans are conceived and ultimately implemented. The contributory shell value would be addressed in the adjustment process, which we have not yet undertaken since we have not yet specifically identified a location, development plan, or concept for this analysis, only that it will likely be in the Lower King Street area. Sale 5 was purchased for development of a build-to-suit office building in Mount Kisco. And Sale 6 was land in Pleasantville that was purchased for development of a mixed-use project with rental apartments, four ground-level commercial units, and structured parking in the rear.

The low end of the range (\$24.54 per SF) is set by Sale 4, which was the sale of a nursery property in Armonk that required a zoning change from nursery use to multi-family to allow for development with apartments. The next lowest sale was Sale 3 (\$36.05 per SF) on Bedford Road in Chappaqua in 2015. Based on the large amount of development that has occurred in nearby places like Pleasantville (evidenced by the land sales and apartment rentals described in this report as well as other recent projects such as Armonk Square), it appears that conditions for residential and mixed-use development have improved considerably over the past several years, indicating an upward adjustment for market conditions is necessary. In addition, Lower King Street is considered superior to the top of King Street at Bedford Road regarding mixed-use, transit-oriented development.

### **General Development Interest in Chappaqua**

Development interest tends to be an excellent indicator of demand. While there are some developers who purchase land to hold for future development, most do not tend to waste valuable resources pursuing development opportunities that are not likely to advance in the near future. RESGroup interviewed several people who own property in Chappaqua as well as developers active in nearby municipalities to gauge their level of interest in development opportunities in the Lower King Street area. The following is a summary of the feedback received from these discussions.

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As shown previously in Table 1, the last column to the right presents the level of interest in developing rental apartments with ground floor retail in the Lower King Street area. Most of those interviewed (including other interviews not included in this table) were interested in such an opportunity. In fact, the two developers interviewed from Pleasantville were specifically interested in responding to an RFP to develop Town-owned land, if it were made available. Other property owners from Chappaqua expressed interest in expanding their existing buildings to include apartments on upper floors but have been unable to overcome requirements to provide adequate parking based on the existing code and site constraints.

A representative of Chappaqua Crossing indicated that he favored the idea of improving the retail environment near the Chappaqua train station as it would improve demand for both retail and residential development throughout the Hamlet. In addition, he believes the addition of retail in the train station area would not negatively impact retail at Chappaqua Crossing since retail near trains is traditionally focused on restaurants and service-based retail, which is different from the lifestyle atmosphere at Chappaqua Crossing.

This feedback is regarded as a generally positive indication of demand for retail and rental apartments in the area of the Lower King Street area. Whether such development occurs will depend on actual rents achievable and the ability for developers to make a profit.

## **Conclusions**

Through the market scan (including our interviews with brokers, developers, property owners and retail tenants), RESGroup confirmed that there is demand in the market for residential rental apartments and ground floor retail in the Lower King Street area, driven by the proximity to the train station and the popularity of downtown, pedestrian-friendly living. The demand was exhibited in the surrounding communities by young professionals and by empty nesters seeking to sell their large family homes while they remain in the communities where they have raised their children. Proximity to the train and to convenience retail and restaurants have driven demand for new units in Pleasantville, Armonk, Mt. Kisco, and Tarrytown, which will be described further in the 4 Town Analysis in the next section of this report. Based on interviews, it appears that the Lower King Street area has close to 100% occupancy of the older units that are located in or near the train station.

The future level of demand for new retail is more difficult to quantify since changes to improve the downtown pedestrian experience and address flood conditions that are underway and have been contemplated but have not yet been fully realized. RESGroup reviewed the retail market demand analysis completed in 2014 by AKRF that considered the implications of Chappaqua Crossing on retail demand in the Chappaqua Hamlet.

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As noted in the AKRF report Chappaqua Crossing 2014 Revised Retail PDCP Competitive Effects Analysis, “Town Centers have evolved over time with these new market influences but continue to serve an important function of providing ready access to day-to-day needs and in providing specialized products and services not commonly found in larger-format or comparatively-sized national chain stores. **There is substantial unmet consumer demand, creating opportunity for new/niche retail uses.** Given the high levels of consumer leakage in most retail categories, a vacant storefront could more easily be re-tenanted with retail uses that are positioned to capture that leakage<sup>1</sup>. New stores have the opportunity to identify and capitalize on unmet demand and niche retailing opportunities.”

All communities, including those in the area, have experienced significant retail challenges due to on-line shopping and national changes in shopping habits. Those communities that have experienced improving retail demand have recognized the importance of increased pedestrian traffic from new residents, visitors and daytime populations seeking places to eat and services that are not available on-line or in regional shopping destinations. This was also supported by our 4-Town Comparison, which will present actions these towns have taken to improve their retail corridors and attract shoppers, some more successful than others.

Therefore, RESGroup has assumed that given the planned public improvements to the pedestrian experience in the Lower King Street area, and the uncaptured demand identified by AKRF, additional retail would be supportable and could expand the mix of stores, restaurants, and service providers targeted to attract local shoppers and visitors to the Lower King Street area. If the proper categories of retail are included along with the ongoing and planned improvements, these changes are likely to help improve demand for the retail that already exists in the Lower King Street area.

Finally, the rent, vacancy rate, operating expense, and land sale data summarized above will be used to complete a financial test for a hypothetical project guided by the form-based code under consideration by the Town. These assumptions will be adjusted for the size and location of the hypothetical building to be analyzed in the next phase of our work and presented in a separate technical memo.

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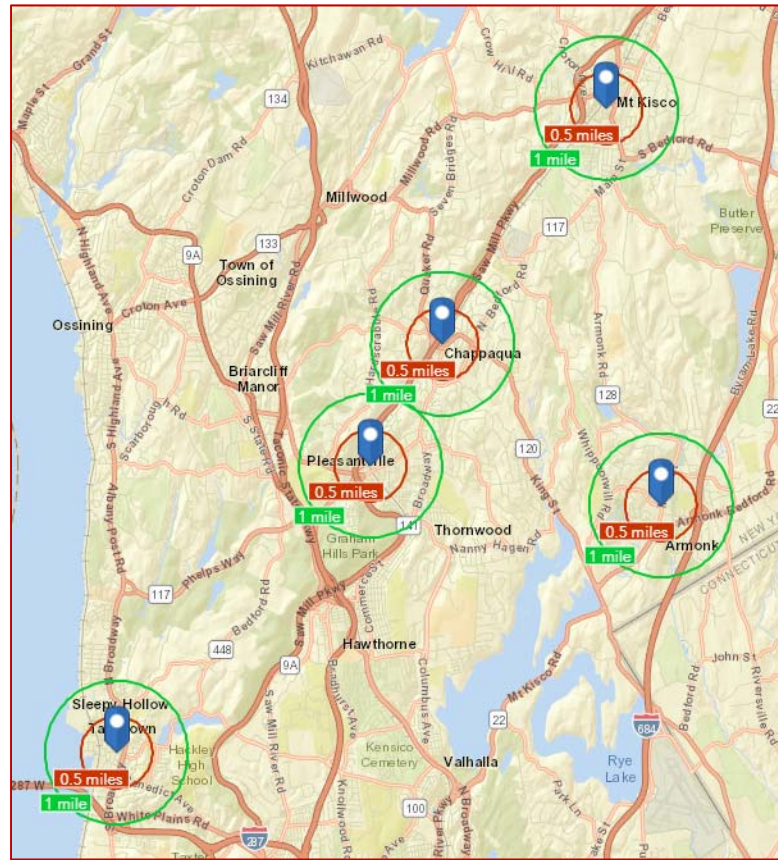
<sup>1</sup> Leakage is the amount of spending in the surrounding communities that could be captured in the Chappaqua Hamlet with current and planned public improvements, additional residential units bringing “feet on the streets”, additional anchors, events, entertainment and marketing strategies.

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## 4-Town Comparison

### Introduction

RESGroup was asked to analyze the selected primary shopping districts of Mt. Kisco, Armonk, Pleasantville, and Tarrytown to identify what makes them successful/unsuccessful and to establish findings that could apply to the Lower King Street area. We specifically looked at the retail environment; use of entertainment, anchors and public events to attract shoppers; to understand potential ways for the Lower King Street area to improve its attraction to shoppers. Representatives of each town were interviewed, and the primary commercial corridors were inspected, noting store and tenant types, store formats, parking configurations, public spaces, and current vacancy levels. The following map presents the four selected towns, and their relationships to the area's major roadways and each other.



The Saw Mill River Parkway (“SMRP”) and the Harlem Line of Metro North link the Pleasantville, Chappaqua, and Mt. Kisco shopping areas, with Pleasantville only two miles south of Chappaqua. Mt. Kisco is approximately four miles to the northeast and is within a short drive along the SMRP (outside of rush hour), or on surface streets. Armonk, a hamlet located in the Town of North Castle, is approximately four miles southeast of Chappaqua but is slightly more isolated from the other towns and is the one town examined without a train station. However, Armonk has good highway access from Interstate 684. Tarrytown is over seven miles southwest of Chappaqua and has good highway access from Interstate 287 as well as good access to the Metro North Hudson line.

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Given how close these four towns / hamlets are to Chappaqua it is likely that many of the stores, restaurants, entertainment facilities, and professional service providers in them compete with each other depending on the type of business and location. They are so close to Chappaqua that, depending on where residents live in New Castle, they could be closer and easier to get to than the Lower King Street area. According to retail analyses prepared for New Castle by HRA and AKRF, Pleasantville and Mount Kisco are within the primary trade area of a 10-minute drive. Armonk is in the secondary trade area of a 15-minute drive. Tarrytown was at the edge of the secondary trade area utilized in these reports. The AKRF report noted that as a result of this proximity, a large portion of spending from the Chappaqua Hamlet is “leaking” or being spent in these surrounding communities and elsewhere. This summary report provides recommendations on how the Chappaqua Hamlet may be able to reverse this trend.

## **Demographics**

The following table compares the residential and daytime<sup>2</sup> populations of the four towns within walking distance of the center of the primary retail district (1/2 mile), and within 1 mile. These demographics provide a context for the number and types of stores located within these areas, an understanding of demand patterns for their local shops and restaurants and how their market differs from the Chappaqua Hamlet. Having large daytime and residential populations are optimal for retailers, generating demand during the workday, and on week nights and weekends.

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<sup>2</sup> Daytime population includes the number of workers in local businesses, unemployed residents, persons temporarily absent from work (illness or vacation), and persons not participating in the workforce (retirees, homemakers, college students)



Location	Population				Daytime Population*			
	% Difference		% Difference		% Difference		% Difference	
	1/2 Mile	with Chapp.	1 Mile	with Chapp.	1/2 Mile	with Chapp.	1 Mile	with Chapp.
Chappaqua	1,183	0%	6,104	0%	2,058	0%	5,333	0%
Mt. Kisco	5,055	327%	10,893	78%	4,734	130%	14,618	174%
Armonk	809	-32%	3,031	-50%	2,308	12%	5,630	6%
Pleasantville	3,666	210%	8,772	44%	5,036	145%	10,421	95%
Tarrytown	9,255	682%	17,511	187%	8,224	300%	15,166	184%

Source: Esri

\*Includes workers in local businesses and non-working residents

The Chappaqua Hamlet is the second-smallest of the five communities, but slightly larger than Armonk. Mount Kisco, Pleasantville, and Tarrytown have between 2x and nearly 7x as many residents within walking distance (1/2 mile) than Chappaqua, which explains the larger size and density of their retail shopping districts. However, this disparity narrows somewhat with total residents within 1 mile of the retail district.

Pleasantville and Armonk have larger daytime office populations than residential populations, suggesting a greater need for restaurants serving lunch, or delis and take-out places depending on the types of employers located within an area. This lunchtime activity also helps restaurants balance other slower periods. Chappaqua has a slightly higher daytime population than residential population within the ½ mile, but it is the smallest of the areas.

Demographics for the competitive locations show that Chappaqua would likely support a smaller total amount of retail space within the downtown area compared to locations like Mount Kisco, Pleasantville, and Tarrytown due to significantly smaller residential and daytime populations. While adding residents and workers through new development could help create demand for retail space, multi-family development within the downtown core may not be of the scale to support large additions to retail supply. However, given that Armonk and Chappaqua have similar demographics, Armonk demonstrates that a more vibrant retail district with some additional new small retail establishments in Chappaqua could be supported as it could capture the dollars lost to surrounding areas.

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## Armonk

Located approximately 4 miles southeast of Chappaqua is Armonk, the smallest of the four towns analyzed. It has one primary retail corridor and is not located along a Metro North Rail Line. However, it has good highway access from Exits 3N and 3S on I-684.

### History

Prior to the opening of Armonk Square in 2012/2013, downtown Armonk faced significant challenges, including the lack of a RR station to bring commuters through town, a large unimproved lot in the middle of Main Street, and a closed grocery store. The 53,000 square foot Armonk Square development utilized the grocery store site and an adjacent unimproved lot, activating both parcels with three two-story buildings, and bringing upper floor rental apartments to the town. While there has been some turnover in its inline stores along Main Street, the DeCicco & Sons grocery store has brought significantly more foot traffic to the downtown. Restaurants, yogurt shops, and a specialty store for ski, bike and sports equipment and apparel have attracted a diversity of shoppers to the improved Main Street. Further, the Armonk Square development's public space is utilized for community functions and events.

At the time of our inspection, retail vacancy within Armonk was limited, but town representatives indicate that there has been recent turnover at Armonk Square (retail store now occupied by a dentist's office) indicating a potential decline in retail demand. Recently some of the store owners appear to be struggling. Demand for restaurants at a variety of price points, personal services, and medical offices are reported to be stronger, as are certain established stores (Hickory & Tweed – the sporting goods store). The town representative did note that retail has been more challenging without a train station despite having a moderate daytime population.

### Demographics

As presented above, the following demographics were noted for Armonk.

- Residential Population – 809 within ½ mile, 2,308 within 1 mile, less than Chappaqua
- Daytime Population – 2,308 within ½ mile, 5,630 within 1 mile, slightly higher than Chappaqua

While Armonk has the smallest residential population of the four towns, it has a higher daytime population than Chappaqua. Its daytime population includes employees from the Armonk Business Park and IBM, and SwissRE is located just 2 miles away, as well as many families with one stay-at-home parent. Recent changes to zoning and the addition of proposed new residential uses will add to the existing residential population with walking distance of the shopping area.

### Retail Snapshot

Main Street, a two-way street, is the primary retail corridor in Armonk. Mostly small footprint retail is located on both sides of the street, and stores are primarily local tenants, with national banks and a regional grocery chain. Store types include restaurants,

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delis/bodegas, personal services (nail/hair salon, blow dry bar, dry cleaners), banks, professional services, sporting goods, and apparel. Armonk Square connects to Main Street and provides parking and a connection through a pedestrian-shopping walkway and has the DiCicco's gourmet grocery and other new shops under the residential units above.

The Main Street area is developed at a similar density to Chappaqua but benefits from the new infill development and a place to gather outside. Buildings range from one- to three-stories, with commercial and residential space on upper floors.

Larger new townhomes and single-family homes, some gated, are within walking distance of the downtown.

There are no entertainment uses in the shopping district, although the Hudson Stage Theater is located in the nearby North Castle Public Library as described below.

Wampus Brook Park is just outside the Main Street area and is used for local community events. It is connected to the shopping area via sidewalks along Maple Avenue and Bedford Road. Community Park is also within walking distance, but is across New York State Route 22, which impedes pedestrian traffic.

### **Parking**

Free parking is available in parallel spaces along Main Street, and in surface lots behind the stores. The town will have a parking study prepared in the fall to better understand parking needs and how to improve wayfinding and signage.

### **Retail Demand Drivers/Anchors**

Town representatives indicate that the following are retail demand drivers and anchors for the downtown businesses.

- DeCicco & Sons is the upscale regional supermarket chain that offers high-quality groceries as well as prepared foods as part of Armonk Square. It draws customers from the local area and from other locations within a 10- to 15-minute drive.
- Established destination retailers such as Hickory and Tweed Ski & Cycle also draw from outside the local area.
- Restaurants attract locals, and residents from Chappaqua to Greenwich for more notable eateries.
- Services attract residents from the local community.
- Live theater is available by the Hudson Stage at the Whippoorwill Theater in the North Castle Public Library, but with very limited performances throughout the year. People eat in town before going to the Theatre.

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### **Significant Events**

Armonk has the following significant events that have been attracting increasing numbers of attendees from the surrounding communities:

- Hudson Stage – As mentioned above, these productions are held at the Public Library’s Theater and feature Actors’ Equity members, with weekend performances three to four times a year.
- Frosty Parade – This annual holiday season event features a fair with a train ride and face painting, a parade along Main Street, and a tree lighting at Wampus Brook State Park.
- Third Thursdays and Concert Series – held by the Chamber of Commerce at Wampus Park, with pre-concert events and sidewalk sales held in Armonk Square.
- 5K Run for Love – held by the Chamber at Wampus Park in September.
- Fol-De-Rol- held every June by the Armonk Lions Club in Wampus Park offers rides, crafts and fun events for kids
- Armonk Outdoor Art Show – every September benefits the New Castle Public Library and its Whippoorwill Hall Theatre

### **Zoning Changes and Public Sector Responsibilities**

Current commercial zoning allows only 2 stories, with residential over commercial use. Local development is currently occurring in a new multi-family residential zone that is being applied to a previous agricultural district.

### **New Development**

New multi-family housing units are proposed at the Mariani Gardens site which is adjacent to and in easy walking distance of downtown. The 4.1-acre property will be improved with 43 apartments ranging in size from one-bedroom to four-bedrooms and will include townhomes and flats.

There is a proposal at Eagle Ridge on IBM’s property for residential use but has an EIS and will have to go through the approval process.

### **Retail Streets Detail:**

The following tables provide additional detail on the retail corridor.

**Table 5 – Main Street, Armonk**

Street	Blocks	Types of Stores	Chain or Local Tenants	Store Footprints	Vacancy
Main Street (including Armonk Square)	1 block, retail on both sides, plus pedestrian walkway and anchor (Armonk Square)	Restaurants/ foodservice (sit-down and takeout); banks; nail salons; blow dry bar; liquor store; florist; jewelry; day spa; deli/ small format grocery; bakery; ice cream shop; large grocery; apparel; realtor; sporting goods/apparel; hair salon; picture framing	<b>Chains:</b> Bank of America, Chase, Citibank, DeCicco & Sons <b>Local:</b> Hickory and Tweed Ski & Cycle, Cherry Blossom Farm, Little Rags and Riches, Bagel Emporium, Mariachi Mexico, TAUK Kitchen and Bar	Mostly small (<3,000 SF), but includes larger sporting goods store (approx. 5,000 SF) and grocery store (approx. 20,000 SF)	Limited

## Mount Kisco

Mount Kisco is 4 miles northeast of Chappaqua and has two primary corridors. The village is easily accessible from Exit 34 on the Saw Mill Parkway, Exit 3 off of Interstate 684, and the RR station with significant parking located adjacent to the shopping district.

### History

Although Mount Kisco has always had a large proportion of “Mom and Pop” stores, the last recession took its toll with increasing vacancies. Increased vacancies were exacerbated by the impact of online shopping and the consolidation and closing of certain national chain stores. A large property owner became more aggressive charging four times the market rents and as result had high vacancies at their properties.

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The Village was viewed as having complicated, lengthy, and costly approval and permitting processes, with there being a perception among some people that the Planning Department and Building inspector discourage building owners, developers, and business owners from making investments in the village. This perception appears to have changed with an overhaul of the public representatives with a pro development, transparent and predictable process for approvals put in place.

Vacancy has decreased significantly in the last two years, reflecting improvements in the economy, the major property owner becoming more flexible with acceptable rents (acquiring Bank of America at a lower rent), and public sector actions that are presented below. During our inspection vacancy was extremely limited with new retail and professional offices under construction.

### **Demographics**

As presented above, the following demographics were noted for Mount Kisco.

- Residential Population – 5,055 within ½ mile, 10,893 within 1 mile, higher than Chappaqua
- Daytime Population – 4,734 within ½ mile, 14,618 within 1 mile, higher than Chappaqua

Multi-family, two- and three-family, and single-family homes are all within walking distance. Residences are at a variety of price points, suggesting needs for a broad variety of businesses in the downtown area.

### **Retail Snapshot**

Mount Kisco has two primary retail corridors: South Moger Avenue and Main Street. Both corridors have blocks with retail on one-side or both sides of the street, and a mix of national and local tenants. A wide range of store sizes is available, with larger floorplates located primarily in newer commercial buildings. Store types include restaurants, personal services (nail/hair salon, dry cleaners), banks, apparel, home furnishings, and professional service providers. Vacant space is limited to units fronting interior parking lots or courtyards with no pedestrian visibility; while street facing store fronts all appear occupied. There are some buildings over one-story, with commercial uses on the upper floors.

South Moger and Main Street are separated by surface parking lots and a small creek. As a result, the two corridors are somewhat separated.



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The primary entertainment use in the Village is a movie theater, although live music is available at the Winston restaurant, both on Main Street.

### **Parking**

Metered parking is available in surface lots and in parallel spots along commercial streets. There is no enforcement after 6pm to encourage shoppers to come downtown. There are 600 parking spots at the train station with 350 permit parking, 100 long term spaces, and the remainder open but not fully utilized.

### **Retail Demand Drivers/Anchors**

Village representatives indicate that having an anchor within the town helps support local restaurants and shops, but also identified various demand drivers. They viewed the following as important anchors and retail demand drivers for their shopping district.

- Movie theater – draws from within the region, closest theaters are along I-287 or Lake Mohegan.
- Events and some better restaurants/stores and personal services attract people from Bedford Village, Chappaqua, Armonk, Katonah, Somers, Yorktown, Millwood, Pleasantville, up to a 30-minute drive for uses including hair salons.
- RR Station – has similar frequency of service as Chappaqua.
- Local residents and workers, including those from Northern Westchester Hospital, shopping smaller stores and restaurants, convenience items and personal services.

### **Significant Events**

Mount Kisco has the following significant events:

- September Fest – by Chamber of Commerce, 3 evenings, carnival rides, music, food and beverage, and sidewalk shopping
- Parades – Firemen’s Parade, St. Patrick’s Day
- Mt. Kisco Arts Council – Free concerts in Fountain Park 2x a month during the summer
- “Cops and Cones” at the Green Street Firehouse – by WCPD
- Food Truck Festival behind Village Hall in May

### **Zoning Changes and Public Sector Responsibilities**

The Village updated their 2003 Comprehensive Plan for downtown and other commercial areas in February 2019, reactivating sidewalks and retail dead zones, adding residential use to their two commercial zones, increasing building heights and reducing parking

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requirements. They amended their zoning with a form-based overlay for downtown, which allows residential in CB1 and 2, for up to 5 stories or 50 feet. If you add floors to an existing building, the building owner must comply with the design standards for the ground floor, and up to 3 stories can be added to an existing building. Also, as part of the plan they will soon be improving all of the landscaping downtown.

To facilitate investment in the downtown area, the Building Department (approvals and permits) was restructured and simplified. The Village assists applicants free of charge to expedite the process and ensures that applications are complete. The Planning Board membership was changed to have a transparent and predictable approval process.

The Village Manager performs multiple roles and facilitates economic development within the downtown. For example, the Village and Chamber hosted an “open house” with realtors last year to introduce potential tenants to Mount Kisco and highlight available storefronts. The Village also worked closely with a property owner to obtain Home Goods as a tenant on North Moger Avenue, just outside the main shopping district. In more of a capacity as economic development, the Village Manager helps to negotiate solutions that will improve and facilitate development including taking a proactive role in keeping Party City and Modells in town.

The Village is also in the process of reviewing and negotiating the selection of a developer for two publicly owned train station parking lots for redevelopment of mixed-use residential and retail. They will seek to ensure that the project does not negatively impact existing retailers by limiting the amount of new square footage. (see New Development below)

Mount Kisco made parking times consistent between their many different surface lots, with a four-hour limit now in most, and 12 hours near the RR station. Fees were eliminated on Thursdays to assist local merchants/restaurants on what was historically one of their slower days.

### **New Development**

Mount Kisco issued an RFP for redevelopment of two parking lots near the RR station in November of 2018 and will be likely announcing a selection of a developer in the fall of 2019. There was significant interest from the private sector, with developers proposing between 220 and 350 units, with retail ranging from 4,000 to 50,000 SF, and structured parking that will continue to be operated by the Village for its RR customers. The Village is requiring that they remain financially whole, continuing to receive the

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current \$1.2 million in parking revenue. Various types of public private partnerships are under discussion with the City continuing to lease the ground for 99 years.

There is also a new retail/office building under construction for financial services firm on South Moger (8,000 sf, two-story building).

**Retail Streets Detail:**

The following tables provide additional detail on the two retail corridors.

**Table 6 – South Moger Avenue, Mount Kisco**

Street	Blocks	Types of Stores	Chain or Local Tenants	Store Footprints	Vacancy
South Moger Ave.	2 blocks single side 1 block both sides	Restaurants (sit-down and takeout); banks; grocer/bodega; nail salons; dry cleaners; apparel; home design/decorators; jewelry; cellular phones; fitness studio; day spa; dance studio	<b>Chains:</b> Starbucks, Gap, Banana Republic, Chop't, Citibank, Bank of America, Chico's, Pure Barre <b>Local:</b> Fred Astaire Dance Studio, Great Wall, Mt. Kisco Farm, Donna Nail Salon, Pure Joy Performing Arts	Various (nail salon to the Gap)	Limited – units facing parking lot without street frontage

**Table 7 – Main Street, Mount Kisco**

Street	Blocks	Types of Stores	Chain or Local Tenants	Store Footprints	Vacancy
Main Street	1 block single side 4 blocks both sides	Restaurants/foodservice (sit-down and takeout); banks; nail and hair salons; movie theater; apparel; home design; jewelry; day spas; check cashing; pawn shops; bike shop; sporting goods; fitness studios; smoke shop; dance studio; deli	<b>Chains:</b> Party City, Bow Tie Cinemas, TD Bank, Chase, Edible Arrangements, Arthur Murray Dance Studio <b>Local:</b> New England Antique Lumber, Mt. Kisco Sporting Goods, Bicycle World, Frannie's Goodie Shop	Various (nail salon to the Gap)	Limited – units facing parking lot without street frontage

## Pleasantville

Pleasantville is two miles southwest of Chappaqua, and has three primary retail corridors: Wheeler Avenue, Washington Avenue, and Bedford Road. The RR station is located within the shopping district, and the Village is easily accessible from Exits 28 and 29 on the Saw Mill Parkway. Due to the locations of the State and County roads through the Village, many drivers are forced to travel through downtown and often decide to stop or return to experience the quaint shopping district.

### History

Retail within the downtown area struggled as a result of the last recession and the impact of internet shopping, with vacancies peaking in the late 2000s. However, the Jacob Burns Film Center, which opened in 2001 with three movie screens, saw increasing attendance as the economy recovered and its facilities in Pleasantville expanded. The Iron Horse restaurant on Wheeler became a popular place to dine and became an attraction as well. In 2008, the Film Center added a \$15 million Media Arts Lab to further expand its capacity.

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Currently, the Film Center is an important anchor for downtown, drawing guests from throughout and beyond the four-town area, and generating strong demand for local restaurants. Pleasantville's attraction as a restaurant location increased as more restaurants opened, with eating establishments at a variety of price points and service levels. Many of the existing retailers have realized the benefits of working together- the Brewery coordinates with the restaurants, the bakery coordinates with the restaurants, and support one another. As such, retail vacancy levels are currently low due to demand from these different food-oriented businesses, who occupy an increasing percentage of storefronts. Demand for other types of retail stores has remained flat, with the exception of a local online clothing retailer (Candylicious) that opened a small brick and mortar "showroom" to help drive online sales. Other than the theatre and restaurants, the downtown is still quiet at night. The hope is that the new residential development on Washington Avenue will change those dynamics increasing evening activity in the area.

One of the recent challenges noted was the repurposing of Chappaqua's Readers Digest ("Chappaqua Crossing") site with a Whole Foods and a Lifetime Fitness which they feel has had a negative impact on the Pleasantville downtown, particularly for the groceries and smaller gyms in town. It has been attracting Pleasantville residents, which has caused the Key Foods to renovate to compete; something it would not have done otherwise.

### **Demographics**

As presented above, the following demographics were noted for Pleasantville.

- Residential Population – 3,666 within ½ mile, 8,772 within 1 mile, higher than Chappaqua
- Daytime Population – 5,036 within ½ mile, 10,421 within 1 mile, higher than Chappaqua

A variety of housing formats at a wide range of prices are within walking distance of the town, which is cited as one of the primary attractions of the community.

### **Retail Snapshot**

Of Pleasantville's three primary retail corridors, Wheeler Avenue, Washington Street, and Bedford Road, Wheeler Avenue is the only one-way street. All three corridors primarily have retail on both street sides. The area is larger and more densely developed than Chappaqua, and buildings range from one- to three-stories, with commercial and some residential space on upper floors. Stores are primarily local tenants, with a few national convenience food chains. Store types include restaurants, delis/bodegas, personal services

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(nail/hair salon, barber, dry cleaners), banks, professional services, jewelry, and fitness studios. Store formats are primarily smaller, as buildings along the shopping corridors are generally older.

Entertainment uses include the Jacob Burns Film Center and a live theater (ARC Stages/Little Village Playhouse, also Axial Theatre, both outside the retail district). Live music is performed at Lucy's Lounge which also features comedy performances.

With the exception of Memorial Plaza, which functions primarily as commuter parking, there is limited open green space in the downtown area.

### **Parking**

Metered parking is available in angled and parallel spaces along commercial streets, and in small lots behind the stores.

### **Retail Demand Drivers/Anchors**

Village representatives largely credit the Film Center and the town's walkability for drawing consumers to the downtown. They viewed the following as important anchors and retail demand drivers for their shopping district.

- Jacob Burns Film Center – draws from within the region, closest theaters are along I-287 or Lake Mohegan.
- Notable restaurants like Iron Horse Grill and wide range of ethnic restaurants attracts both local residents and those from nearby communities.
- RR Station – less frequent service than Chappaqua but a higher ratio of commuters who walk and do not drive to the train. The commuter parking is more limited than Chappaqua or Mt. Kisco. Also, all three retail corridors are within ½ mile of the station house.
- Live music and live theater is also available, at the ARC Stages and Lucy's Lounge, respectively.

### **Significant Events**

Pleasantville has the following significant events:

- Farmers Market – The Village contracts with a non-profit run by a group of local residents to organize and manage the weekly market. One of the best in Westchester, the Saturday market is located on Memorial Plaza, across from the Metro



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North station in the downtown, during warmer months and moves indoors to the Middle School between November and April.

- Pleasantville Music Fest – 15 years running, the festival occurs at Parkway Field in mid-July, attracting 4-5,000 people. The function offers free shuttle service to Pace University's surface lots to handle overflow parking.
- Events may not necessarily drive demand to local stores and restaurants but act as a "branding opportunity" to market the area to potential customers, encouraging visitors to come back and visit the downtown.
- The train is a big driver of sales in town and within the last few years has attracted many visitors to shop from Brooklyn and the other boroughs for a weekend outing.

### **Zoning Changes and Public Sector Responsibilities**

The only significant zoning change that was recently made was adding a 4<sup>th</sup> story to the A-1 Zone, but only in the block directly west of Memorial Plaza. This has encouraged new residential development with an 82-loft style apartment building seeking approvals as of June 2019. Most of the new developments must acquire multiple adjacent parcels to create a large enough footprint to make a new project financially feasible.

The building department is very positive about development making the approval process dependable and predictable.

### **New Development**

New development in Pleasantville is primarily residential and driven by increasing demand for denser housing formats in walkable neighborhoods with train service to Manhattan and good schools. Residential development includes 14 affordable housing units at 98 Washington Avenue (50 to 60% AMI), and 23 market rate loft apartments at 39 Washington Avenue, which will include four retail stores, a fitness center, 24 hour doorman, and parking garage with 105 spaces (was built on the site of a former parking lot) – both buildings are three stories.

The developer of 39 Washington Avenue is also proposing 82 units on Memorial Plaza, within a block of the RR station and across from the site of the Farmers Market. The 4-story project will include 7,500 square feet of ground floor retail space and underground parking.

### **Retail Streets Detail:**

The following tables provide additional detail on the two retail corridors.

**Table 8 - Wheeler Avenue, Pleasantville**

Street	Blocks	Types of Stores	Chain or Local Tenants	Store Footprints	Vacancy
Wheeler Avenue	1 block, retail on both sides (except for northern portion by RR station)	Restaurants (sit-down and takeout); banks; nail salons; barber; dog groomer; dry cleaners; jewelry; day spa; deli; insurance; pharmacy; music studio;	<b>Chains:</b> Allstate Insurance <b>Local:</b> Pleasantville Pizzeria, Pleasantville Grooming, Rhododendron, Frank and Joe's Deli, Pleasantville Pharmacy	Mostly small (<5,000 SF)	Limited

**Table 9 - Washington Avenue, Pleasantville**

Street	Blocks	Types of Stores	Chain or Local Tenants	Store Footprints	Vacancy
Washington Avenue	1 block, retail primarily on west side, some on east	Restaurants (sit-down and takeout); banks; housewares; fitness studios; chocolate shop; ice cream; bookstores; pet store; pizza	<b>Chains:</b> Wells Fargo, Chase, Cold Stone Creamery, Anytime Fitness <b>Local:</b> Glass Onion, Village Bookstore, Aardvark Pet Supply, etc.	Mostly small (<5,000 SF)	Limited

**Table 10 – Bedford Road, Pleasantville**

Street	Blocks	Types of Stores	Chain or Local Tenants	Store Footprints	Vacancy
Bedford Road	1 block both sides	Restaurants/foodservice (sit-down and takeout); nail salons; delis; ethnic food market/takeout; liquor store; carpeting; copying/delivery; tattoo shop; bar; Lucy's Lounge (live music and comedy)	<b>Chains:</b> Subway, Sir Speedy Printers <b>Local:</b> Little Mumbai Market, Pleasantville Deli, Art of Wine, Next Stop Deli	Predominantly <2,000 SF	Limited

## Tarrytown

Over seven miles southwest of Chappaqua is downtown Tarrytown. The Village of Tarrytown is accessible from Exits 8 and 9 on the New York State Thruway (I-287) and the Tarrytown RR station is located within walking distance of the shopping district (although the topography rises significantly between the station and the downtown).

### History

Due to the last recession, and changes in shopping and eating habits, Tarrytown's primary shopping areas have evolved to include more restaurants. These restaurants attract residents as well as those attending performances at the Tarrytown Music Hall. Retail has evolved to focus more on commuters who walk to the train station, providing convenience items, personal services, prepared foods and other items these customers need. A few stores cater to tourists visiting nearby attractions like Kykuit and the Philipsburg Manor (see below).

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While vacancy on Main Street is currently low, it is higher on North Broadway due to the closure of a grocery store and of nearby buildings that were planned as a development site. However, the developer's plan was not approved due to height concerns, and the developer is reportedly looking to lease the vacant retail spaces in his parcels.

### **Demographics**

As presented above, the following demographics were noted for Tarrytown.

- Residential Population – 9,255 within ½ mile, 17,511 within 1 mile, significantly higher than Chappaqua
- Daytime Population – 8,224 within ½ mile, 15,166 within 1 mile, significantly higher than Chappaqua

Tarrytown is the largest of the four downtowns analyzed in both residential population and daytime population.

Multi-family, two- and three-family homes dominate within walking distance of the shopping areas, although topography changes significantly between neighborhoods. Residences are at a broad range of quality levels and suggest that goods and services targeting a variety of household types are needed.

### **Retail Snapshot**

Tarrytown has two primary retail corridors: Main Street and North Broadway. While Main Street has retail on both sides of the street and features primarily local independent restaurants in smaller format spaces, North Broadway has retail primarily on the west side of the street and has more national chains and some large format spaces (a moderate sized grocery store is currently vacant). Store types include restaurants, personal services (nail/hair salon, barber), banks, cellular phones, fitness studios, and home furnishings. Vacant space is limited along Main Street, but North Broadway has some large vacant spaces. Buildings along Main Street are two- to three-stories, with residential units above ground floor retail. North Broadway features one- to three-story buildings with ground floor retail and a mix of commercial or residential uses on the upper floors. Most of these stores are geared to commuters and residents.

Main Street and North Broadway intersect, and are within easy walking distance of each other. While there are many grade changes within Tarrytown, the two retail corridors are at a similar grade. There are some interesting retailers doing well that are geared towards commuters- one sells sleek E-Bikes for commuting to the train which have become quite popular. Another is a soccer equipment store attracting from throughout the region, but recently feeling the impact of online shopping. A new toy store is trying to tap into the "tourist" population which makes up as much as 40% of its customer base.

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The primary entertainment use in the village is the Tarrytown Music Hall, which hosts live music and comedy performances approximately 180 days a year attracting visitors from the region. The Hall also features a Music Hall Academy instructing children in all aspects of the theater arts. Reportedly 35% to 40% of Music Hall concert goers come from NYC and arrive primarily by train. There are at least 3 dozen restaurants tied to the Music Hall which is a non-profit entity. Many of these restaurants work in partnership with the Music Hall to attract attendees with “dine and a show” coupons, to market for each other.

There have been some vacancies on Broadway and Main Street due to retailers being unable to afford the parking fees. If they cannot provide sufficient parking, they pay \$1,000 per space for the first five spaces, \$2,000 per space for the next five spaces, and \$3,000 per space for the next five spaces. Between the parking fee and sprinkler requirements, some stores can’t afford to reinvest in their buildings.

Patriot’s Park is just to the north of the retail areas within walking distance and is a focal point for many of the public events in Tarrytown.

### **Parking**

Metered parking is available in parallel spaces along commercial streets and in smaller lots behind stores.

### **Retail Demand Drivers/Anchors**

Village representatives indicate that the Tarrytown Music Hall is a significant anchor for the village, as are the historic attractions and annual events. The train is in closer proximity to NYC and has more frequent train service, than Chappaqua and the other 3 towns appealing to visitors and residents commuting to NYC.

- Tarrytown Music Hall – attracts locals but also NYC residents.
- Events such as the Halloween Parade and the Village’s annual Duck Derby, Street Fair, 4<sup>th</sup> of July Fireworks, and Tree Lighting draw from within Westchester and NYC depending on the event.
- RR Station – has higher frequency of service than Chappaqua and many commuters do walk to the train station. Retail within the downtown has evolved to cater significantly towards daily commuters.
- Local residents and workers drive business for the smaller stores and restaurants, convenience items and personal services.

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- Regional attractions like Kykuit, the Rockefeller Estate, and the historic Philipsburg Manor attract visitors to the village looking for a meal or a souvenir from their visit.

### **Significant Events**

Tarrytown has the following significant events:

- Halloween Parade – Starting in 2002, the parade attracts thousands of visitors from throughout the region. It starts in Patriot’s Park and ends at Main Street.
- Duck Derby – Attracts nearly 1,000 every spring and is held by the Rotary Club, YMCA, and Village, featuring a rubber duck race with 2,000 duckies, music and dance performances, inflatable rides, and other activities to encourage children to be active.
- Tree Lighting – The Village of Tarrytown hosts the annual event to kick-off the holiday season. The event features favorites from the local farmers market, musical performances, and ends with the tree lighting. Approximately 500 to 600 attend this event.
- Farmers Market – The market with 25 + vendors is held every Saturday between Memorial Day and the last Saturday before Thanksgiving.
- 4<sup>th</sup> of July Fireworks – The Village cohosts this event on the waterfront every year.
- Annual Tarrytown Street Fair – This annual June event features food, vendors, and dance performances and is held by the local Chamber of Commerce

### **Zoning Changes and Public Sector Responsibilities**

In November 2018 the Village proposed changes to their comprehensive plan for the Station area that also included changes to the entire Village. Its focus was on developing underutilized parcels such as commuter parking lots, and open tracts of land that act as pedestrian barriers. The Plan envisions a Station Overlay that provides additional density for priorities such as affordable housing, and sustainability allowing a 10-story maximum height. Mixed-use development with residential uses above ground floor retail will be encouraged. There are three existing buildings with up to 10 stories, and the new plan will ensure that Tarrytown has a much denser downtown than Chappaqua.

The Planning Board is in favor of allowing density and using parking structures to consolidate parking. They understand that the cost of parking will need to increase to pay for debt service.



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### New Development

There is currently no new development along Main Street and North Broadway in the downtown, although the Village's new plan will likely spur developer interest in underutilized parcels near the RR station. Sites to the northeast of the station, and approximately ¼ to ½ mile from the downtown, have been intensely developed with mid-rise, mixed use retail buildings with some ground floor retail.

### Retail Streets Detail:

The following tables provide additional detail on the two retail corridors.

**Table 11 – Main Street, Tarrytown**

Street	Blocks	Types of Stores	Chain or Local Tenants	Store Footprints	Vacancy
Main Street	3 blocks, both sides	Restaurants (sit-down and takeout); bars; deli/grocery stores; nail salons; jewelry; cellular phones; gift stores; sporting goods; furniture	<b>Chains:</b> 7-11, AT&T, YMCA  <b>Local:</b> The Taco Project, Taste of China, Tarry Tavern, Heritage Frame and Picture, Coffee Labs Roasters, Holston Jewelers	Small, located primarily in older mixed-use buildings with upper floor residences.	Limited

**Table 12 – North Broadway, Tarrytown**

Street	Blocks	Types of Stores	Chain or Local Tenants	Store Footprints	Vacancy
North Broadway	3 blocks, one side of street	Restaurants (sit-down and takeout); barber shop; drug store; cellular phones; deli/grocery; insurance; fitness studio	<b>Chains:</b> Allstate, Chase, Verizon Wireless, T-Mobile, CVS <b>Local:</b> Barber Pole, Lefteris Gyro, Yoga Shivaya, Mr. Nicks Brick Oven Pizza	Smaller stores in older mixed-use structures, but many larger stores in commercial buildings	Significant vacancies of larger format stores, due to development assemblage

## Findings and Recommendations

Based on the tasks performed in the four-town analysis, the following Lessons Learned were identified and provide a basis for recommending possible actions for Chappaqua to further enhance their downtown shopping area.

### Finding #1: Anchors

While anchors serve the local community, they can also regularly attract visitors from the larger community and act as branding opportunities to market the downtowns. Movie theaters, film centers, music halls, and destination retailers (like DeCiccos) increase foot traffic and spending in local retail shops, particularly in restaurants while creating a more regional awareness of a retail district. Having a train station was also beneficial, increasing the number of regular visitors from a local area, but also providing access from NYC, or those taking the train from the surrounding towns.

Anchors that don't draw from outside the community are less catalytic but can attract local residents currently not frequenting the downtown. Uses such as a community center, pools, libraries, senior centers could increase foot traffic and improve spending at downtown businesses.

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## Recommendation

The Lower King Street area lacks an anchor that can attract visitors from both the community, and from the larger area on a consistent basis. Recent discussions have focused on a new Community Recreation and Wellness Center that could be located on the Town Hall site which would include programming such as a community pool, yoga, indoor sports, youth programs, senior programs, meeting rooms, etc., to replace the existing Community Center located off of King Street. This could increase the frequency of visits to the hamlet by residents, increasing the potential to capture retail spending.

Having another type of anchor to attract non-residents to the hamlet would increase the number of potential shoppers to support existing and new shops. The best location for this anchor would be at the train station as this location would be extremely accessible, and, combined with additional development, it would create a connection to the existing shopping areas. Some additional ideas for consideration may include:

- Farm to Table Culinary Center – extend the season for the highly successful Chappaqua Farmers Market with an enhanced indoor location that could include a demonstration kitchen (tie-in with local college if has culinary or restaurant programs), event space, space for pop-up restaurants, classes on healthy eating, etc.
- STEM Education Center – partnering with a local pharmaceutical company or college to create an education center for children and young adults; environmental awareness; research.
- Privately owned Food Hall- Market with high end specialty food vendors/restaurant. This could be at the Train Station or on the northern end of Greeley Avenue on privately owned property, if feasible.
- Live-work gallery space building – creating a strong arts community attracts outsiders to visit and provides ground floor retail, as has happened in Peekskill although this is a lower cost environment. Most of these types of spaces cannot afford to pay market rent and may need some type of public support but can create an attraction for visitors. Live-work space allows artists to afford a place to live, create and show their artwork. This would expand upon the existing Art Around Town event and extend to art classes and education. Chappaqua Crossing has an entertainment venue. Although not on Lower King Street this theater could be a source of visitors if the shuttle service operates to coincide with the theatre events bringing people to the RR station, restaurants and stores before and after a show. This could also encourage people to take the train rather than drive directly to Chappaqua Crossing.

## Finding #2- Events

Events can attract visitors from both the local community and the region depending on the type of event. While they may not directly increase the number of shoppers during event days, they can increase awareness of the hamlet, encouraging a return

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visit. They can also provide a vehicle to promote local retailers by allowing them to set up food tents, or marketing opportunities with signage. While many of the events are located in public parks such as summer concerts and holiday festivities, others are organized as parades or events around Lower King Street with participation of the local retailers. Parades are useful in bringing residents to the Lower King Street area, particularly when local retailers are involved in activating the sidewalks or participating in “games”.

### **Recommendation**

Chappaqua has many events organized by the Recreation Department for local sports as well as the Summer Concert Series at the Recreation Field Gazebo, and the Ragamuffin Parade. The Hamlet benefits from the numerous local organizations organizing and sponsoring other events with some signature events attracting over 1,000 visitors (Strawberry Festival and the Chappaqua Children’s Book Festival). Adding more of these large-scale events can attract visitors and residents more often and could be unique to the Hamlet. Feedback from Stakeholders have noted that while these events bring people to the Lower King Street area, they mostly do not shop before or afterwards. This is a lost opportunity that will be improved partially by the public improvements underway connecting pedestrians from the Middle School and Recreation Field to the main shopping area. However, marketing the Hamlet to the visitors through coupons from local stores, allowing the retailers to set up tents, etc., may encourage more people to linger and shop. More retail and additions of other destination retail venues and restaurants will also support greater attraction of visitors. Coordinating the hours of the retailers to remain open later on certain days could encourage people to remain and shop/eat, increasing activity.

### **Finding #3- Retail Downturns are Not Unique to Chappaqua**

The last recession combined with the impact of internet shopping has changed the way people shop and spend money. This has narrowed the mix of the retail types that can succeed in a main street environment. The most successful retail businesses currently are experiential or provide services that cannot be obtained on-line such as restaurants and other food-oriented retailers (bakeries, breweries, ice cream stores, cafes), salons, fitness oriented retailers, dog groomers, or art galleries that can create a sense of place. Attracting internet stores seeking a hands-on experience or brick and mortar location to show their products has worked in some communities.

Restaurateurs feel that they are more successful in locations with a critical mass of other restaurants, with a range of service types, price points, and meal periods. Where restaurateurs support and promote one another, they have found more success.

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Locations with other anchors/destinations are also preferred since they drive additional patronage (dinner and movie, concert or other activity).

### **Recommendations**

While the Lower King Street area does have a mix of stores, adding more restaurants at varying price points, breweries (which could be permitted under new zoning), or experiential retailers could attract more frequent visits. Events such as Restaurant Week or special shopper days would also bring awareness. While the current floorplates are small this may support smaller restaurateurs as start-ups. While these may be more risky tenants from a landlord's perspective, they can enliven a downtown and further increase its appeal to other restaurants. The Town may consider providing some type of support for these start-up businesses (façade improvement grants, tenant fit-out low -cost loans, etc.) to offset the risk for the landlord.

Any of the above-mentioned retailers could help to improve the mix of stores in the Downtown.

### **Finding #4: Transit Oriented Development ("TODs")**

Railroad stations increase awareness of and traffic through the town, and benefit retail/restaurants most in locations where commuters can walk to the station from their homes. Without proximity to the retailers or a mix of stores to get them to shop, those who drive will leave directly from the parking lot without spending time in the town. The train can also be marketed as a means of travel for event days, reducing traffic and the parking burden during those times, or marketed to visitors who want a quaint shopping or dining experience on a weekend.

Most communities do not have the advantage of owning the land around their stations. This opportunity provides the Town of New Castle with the opportunity to control the type and pace of development around the transit station including height, type of retail use, square footage of development, parking, etc.

### **Recommendation**

The Chappaqua Hamlet has the opportunity to develop the parking lots in a way that will achieve the Town's goals as stated in the Comprehensive Plan, increasing opportunities for empty nesters to remain in the Town, attracting young professionals who will eventually have families and fill the many single family homes, and adding an anchor or retail destination stores needing larger format space. A mixed-use development in accordance with the community's goals (and reflected in the form-

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based code), will ensure that any private development occurs to meet the Towns expectations. The addition of retail could enhance the existing retailers by creating more destinations in the hamlet and encouraging commuters and visitors to walk from the train the one or two blocks to South Greeley Avenue to shop, eat or utilize the services in the main shopping area.

Daytime populations from the new development would also be an important support for the types of restaurants and retailers that appeal to local workers and spouses/families of single earner households. A mix of stores serving these segments of the population such as restaurants, health and fitness retailers, salons etc. have been successful.

#### **Finding #5 – Zoning and Permitting**

A user-friendly, predictable permitting and approval process attracts developers since it can reduce the uncertainty, time and cost of obtaining approvals for projects. This business-friendly approach helps business owners improve and maintain their spaces and buildings and attracts investment in new projects by developers or existing landowners.

In other locations where zoning did not allow for greater density and a mix of-uses (residential above commercial use), changes were implemented to allow for housing types preferred by younger residents and empty nesters. Height limits were increased, parking requirements were reduced, and residential use was allowed to entice new development and make it financially feasible

#### **Recommendation**

With the creation and implementation of a form-based code which would result in expedited approval if requirements are met, the Hamlet will be very competitive with the other surrounding communities in creating a predictable and timely development approval process. This will allow developers with proposals for redevelopment and new development to move forward quickly, obtain financing and develop mixed use projects taking advantage of the current real estate market cycle.

#### **Finding #6 – Mixed-use Downtowns**

Residential units within a downtown help drive retail demand and activate streets during evenings and other off-peak periods with pedestrian activity. Increased foot traffic helps attract more restaurants and retail stores. Towns or Villages may be sensitive about adding new retail with these projects due to the potential impact on existing (and sometimes struggling) retailers, but they recognize that some retail which links the development with the existing downtown may be required to ensure pedestrian activity and provide additional services.

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**Recommendation**

The form-based code should allow increased residential density to create more housing units within the downtown area. Given current market conditions, new projects could quickly be developed, increasing foot traffic in the Hamlet. New Hamlet residents, combined with existing residents, would also likely support nearby public investments, such as a new community center or an enhanced Farmers Market. Retail opportunities in new buildings should be viewed as an opportunity to extend continuous retail frontage, provide services for building residents, or create new retail opportunities that don't already exist in the Hamlet. This concept was also supported by the interviews conducted with developers and brokers in the area as discussed in the market scan. Specifically, a representative of Chappaqua Crossing would favor an expansion of retail and residential development in the Lower King Street area.

**Finding #7 – Parking**

Parking was an issue in all of the communities that were investigated, with many implementing strategies that help attract shoppers including standardizing hours of operation and pricing for all publicly owned lots and eliminating parking fees on slow retail days. Insufficient parking to support new development is being resolved by creating public-private partnerships for new development on publicly owned land. Municipalities are utilizing developers to construct parking structures on existing lot sites in return for increased development rights for mixed use projects, or lower land costs to offset the cost of structured parking construction.

**Recommendation**

Free street and lot parking is already a competitive advantage for the Lower King Street area. However, redevelopment opportunities of any of the publicly owned parking lots would likely need to provide structured parking to ensure that the number of spaces available for shopping/business customers is not decreased. Depending upon the ownership and financial structure, increased parking fees may be required, or imposition of parking fees at locations that previously were free may need to impose a nominal fee to support parking improvements.

**Finding #8 – Local Organizations**

Smaller towns do not have a Business Improvement District ("BID") due to their cost and complexity. However, marketing and events in locations with strong Chambers of Commerce can be successful. Representatives from the 4 communities analyzed did not view their Chambers as particularly active, but most did sponsor events and help their membership businesses in particular. Those with

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strong Village/Town leadership have had success in more of an economic development role encouraging new development, attracting retail tenants and making improvements to support the attraction of shoppers and retailers. With strong public leadership acting in the role of “economic development”, creative solutions have been found to encourage business growth in smaller communities similar to Chappaqua.

**Recommendation**

The Town should consider providing economic development services to support local businesses in the Hamlet. This role could be added to an existing position or could be provided through a new position. The role of this position would include being an “ombudsman” to respond to developers and businesses interested in locating or expanding in the Hamlet. That person would also be responsible for being proactive- attracting new businesses, working with existing businesses/landowners, creating incentives/financing programs to improve facades, attracting innovative retailers, and promoting the Hamlet through coordinated marketing and programming other events.



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## Appendix

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## Comparable Land Sales

### Residential Land Sale 1

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**Property Type:** Mixed-use retail with apartments for redevelopment

**Property Location:**

Street: 61 North Greeley Ave

Hamlet: Chappaqua

Town: New Castle

Tax ID: Section 100.11, Block 3 , Lot 7

**Sale Information:**

Date of Sale: 7/23/18

Grantor: 61 North Greeley LLC

Grantee: THE CHAPPAQUA LLC and 44 MORNINGSIDE AVENUE LLC

Control #: 5520832915

Property Rights: Leased Fee

Sale Price: **\$1,150,000**

**Property Information:**

Zoning: B-RP

New Downtown Mixed-Use District

Zoning Description:

Business retail with apartments above. Building height 2 stories (min. and max.) or between 30 and 35 feet.

Floor Area Ratio: n/a

Land Area (acres): 0.213

Total Potential Floor Area (SF): n/a

# of Units per Site Plan App: n/a

# of Planned Units: n/a

**Value Indicators:**

Price per SF of Land: **\$123.70**

Sale Price per Approved Unit: **n/a**

Sale Price per Estimated FAR: **n/a**

**Financial Considerations**

Unusual Conditions of Sale: N/A

Financing: N/A

## Residential Land Sale 1 Continued

### Physical Considerations

Property Description:

The property contains an existing retail store and apartments above with substantial shell value.

Visibility/View: Good

Access: Good

Topography: Level

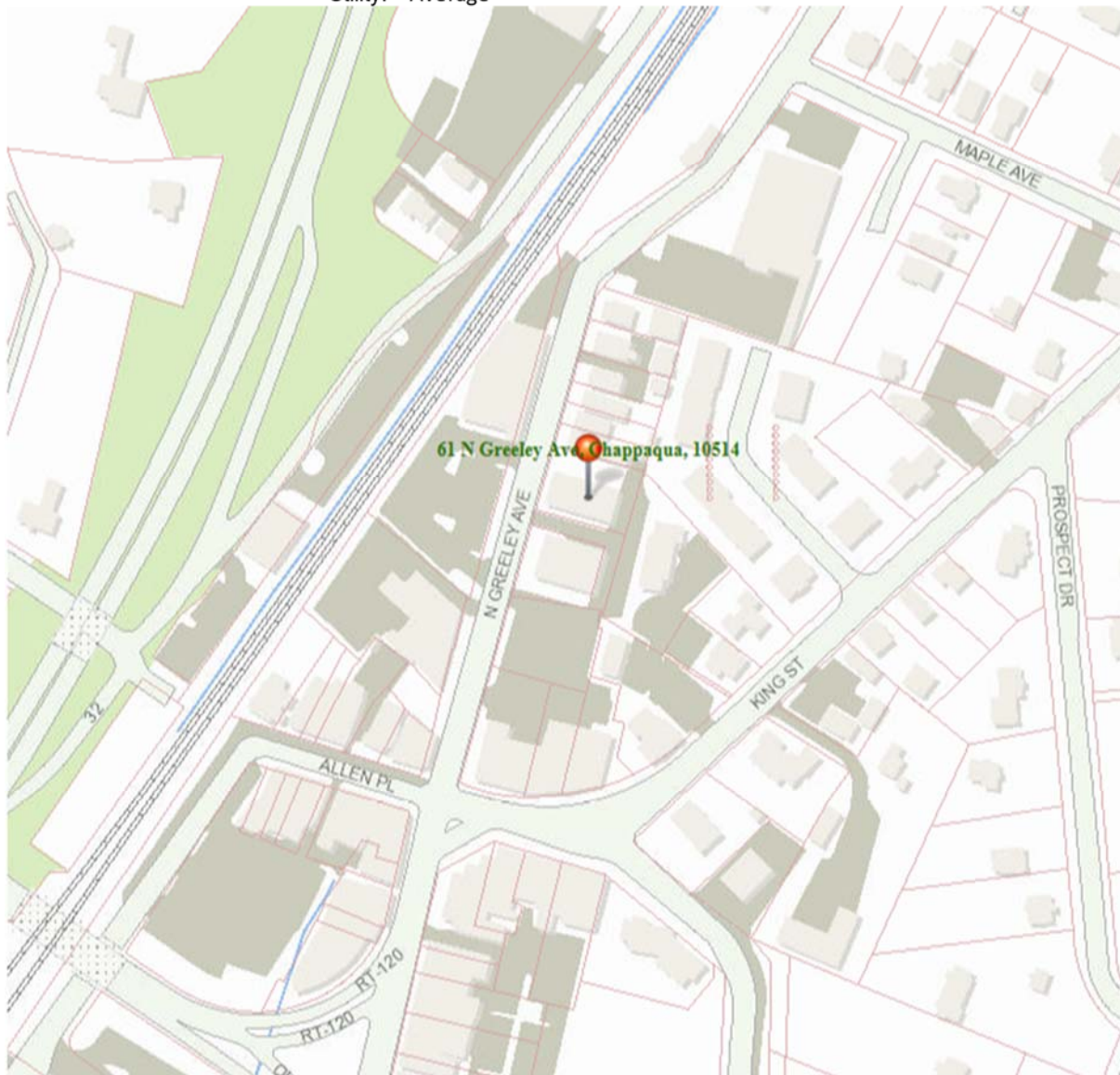
Configuration/Shape: Generally rectangular

Contributory Shell Value: \$100,000 estimated

Cost to Complete Assemblage: \$0

Expenditures Immediately After Sale: \$50,000 Demolition (estimated)

Utility: Average



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## Residential Land Sale 2

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**Property Type:** Former animal hospital

**Property Location:**

Street: n/s King Street      Across from Elm Street  
Hamlet: Chappaqua      Town: New Castle  
Tax ID: Section 100.12, Block 1, Lot 48

**Sale Information:**

Date of Sale: 5/11/17  
Grantor: CHAPPAQUA ANIMAL HOSPITAL PLLC  
Grantee: TOWN OF NEW CASTLE FIRE DISTRICT NO. 1  
Control #: 571143162  
Property Rights: Fee Simple  
Sale Price: **\$1,620,000**

**Property Information:**

Zoning: B-R      Business Retail  
Zoning:  
Zoning Description: Business retail with apartments above. No apartment to exceed 1,000 SF.  
Building height between 2 and 3 stories or 30 to 35 feet.

Floor Area Ratio: n/a  
Land Area (acres): 0.490  
Total Potential Floor Area (Residential): n/a  
Total Potential Floor Area (SF): **n/a**  
# of Units per Site Plan App: n/a  
# of Planned Units: n/a

**Value Indicators:**

Price per SF of Land: **\$75.90**  
Sale Price per Unit: n/a  
Sale Price per Residential FAR SF: **n/a**

**Financial Considerations**

Unusual Conditions of Sale: None  
Financing: Did not affect sale price

## Residential Land Sale 2 Continued

### Physical Considerations

#### Property Description:

The property contained an animal hospital that was subsequently demolished to allow for expansion of the adjacent fire station.

Visibility/View: Average

Access: Good

Topography: Level

Configuration/Shape: Rectangular

Contributory Shell Value: \$0

Cost to Complete Assemblage: \$0

Expenditures Immediately After Sale: \$50,000

Utility: Average



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### Residential Land Sale 3

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**Property Type:** Demolition for Residential Mixed Use

**Property Location:**

Street: 91 Bedford Rd

Hamlet: Chappaqua

Town: New Castle

Tax ID: 100.12/1/57

**Sale Information:**

Date of Sale: 7/29/2015

Grantor: Sheridan Family Limited Partnership

Grantee: **91 Bedford Rd LLC**

Deed Control #: 552083291

Property Rights: Fee Simple

Sale Price Components: \$1,275,000

Total Sale Price: **\$1,275,000**

**Property Information:**

Zoning: B-R

**Zoning Description:**

Business retail with apartments above. No apartment to exceed 1,000 SF. Building height between 2 and 3 stories or 30 to 35 feet. Plans call for 3-story plus basement parking; 14 units (6 one-BR, 8 two-BR) with 2 stores and a cafe for a total of 3,965 SF of retail.

**Floor Area Ratio:**

Land Area (acres): 0.812 (per site plan)

Total Potential Floor Area (SF): 23,533 (per site plan)

# of Units per Site Plan App: 14 with 56 parking spaces

# of Planned Units: 14

**Value Indicators:**

Price per SF of Land: **\$36.05**

Price per Unit: **\$91,071**

Sale Price per Estimated FAR: **\$54.18**

**Financial Considerations**

Unusual Conditions of Sale: N/A

Financing: N/A



### Residential Land Sale 3 Continued

#### Physical Considerations

##### Property Description:

Property contained 2 structures, one of which was damaged in a fire. Structures were subsequently demolished in preparation for new development. Developer did not want to include retail; would have preferred to replace with residential.

Visibility/View: Good

Access: Good

Topography: Sloping downward to east

Configuration/Shape: Good

Contributory Shell Value: \$0

Cost to Complete Assemblage: \$0

Expenditures Immediately After Sale: \$50,000 Demolition (estimated)

Utility: Average, as-of-right



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## Residential Land Sale 4

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**Property Type:** Former nursery for redevelopment

**Property Location:**

Street: 45 Bedford Road

Hamlet: Armonk

Town: North Castle

Tax ID: Section 108.3, Block 1, Lot 65

**Sale Information:**

Date of Sale: 3/1/18

Grantor: Mark Real Estate, LLC

Grantee: 45 Bedford Road, LLC

Control #: 580583183

Property Rights: Fee Simple

Sale Price: **\$4,425,000**

**Property Information:**

Zoning: NB

Nursury Business

Zoning Description:

The buyer ultimately obtained a zoning change and a revision to the comprehensive plan to allow multi-family development, but the property was purchased in speculation of the change.

Floor Area Ratio: n/a

Land Area (acres): 4.140

Total Potential Floor Area (SF): **n/a**

# of Units per Site Plan App: n/a

# of Planned Units: n/a

**Value Indicators:**

Price per SF of Land: **\$24.54**

Sale Price per Unit: n/a

Sale Price per Residential FAR SF: **n/a**

**Financial Considerations**

Unusual Conditions of Sale: None

Financing: Did not affect sale price



## Residential Land Sale 4 Continued

### Physical Considerations

#### Property Description:

Existing nursery to be demolished for construction of 43 units including 24 1-BR; 9 2-BR; 6 3-BR; and 4 4-BR. Approvals obtained June, 2019.

Visibility/View: Good

Access: Good

Topography: Level

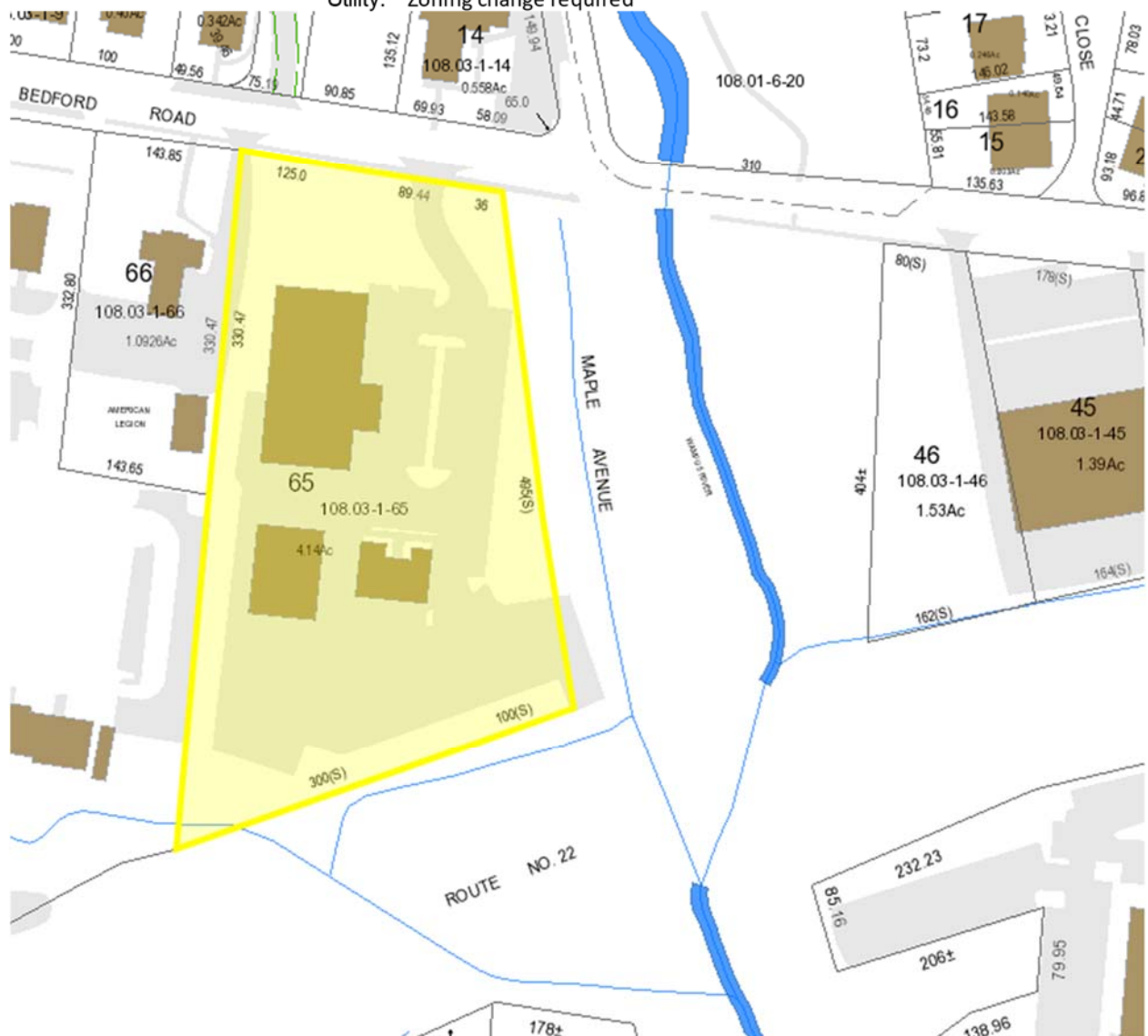
Configuration/Shape: Generally Rectangular

Contributory Shell Value: \$0

Cost to Complete Assemblage: \$0

Expenditures Immediately After Sale: \$0

Utility: Zoning change required



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## Residential Land Sale 5

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**Property Type:** 1-story building for redevelopment

**Property Location:**

Street: 77 S Moger Ave.

Village: Mt. Kisco

Town: Mt. Kisco

Tax ID: Section 80.25, Block 1, Lot 2

**Sale Information:**

Date of Sale: 11/29/17

Grantor: Edward and Rose Lubic

Grantee: Win-Mf, LLC and 77 South Moger Partners, LLC

Control #: 573033252

Property Rights: Fee Simple

Sale Price: **\$2,211,310**

**Property Information:**

Zoning: CB-1

Central Business

**Zoning Description:**

Small-scale to medium-scale commercial activities with residences above stores. Maximum building coverage: 90%; maximum building height 3-stories or 40 feet, whichever is less.

Floor Area Ratio: 2.70 Estimated

Land Area (acres): 0.274

Total Potential Floor Area (Residential): 21,499

Total Potential Floor Area (SF): 32,249

# of Units per Site Plan App: none

# of Planned Units: none

**Value Indicators:**

Price per SF of Land: **\$185.14**

Sale Price per Unit: n/a

Sale Price per Residential FAR SF: **\$68.57**

**Financial Considerations**

Unusual Conditions of Sale: None

Financing: Did not affect sale price

## Residential Land Sale 5 Continued

### Physical Considerations

#### Property Description:

A small single-story structure was demolished to make way for the new project, which would eventually obtain special permit for the total size of the proposed structure (8,000 SF total on two floors) and for inadequate parking.

Visibility/View: Very Good

Access: Very Good

Topography: Level

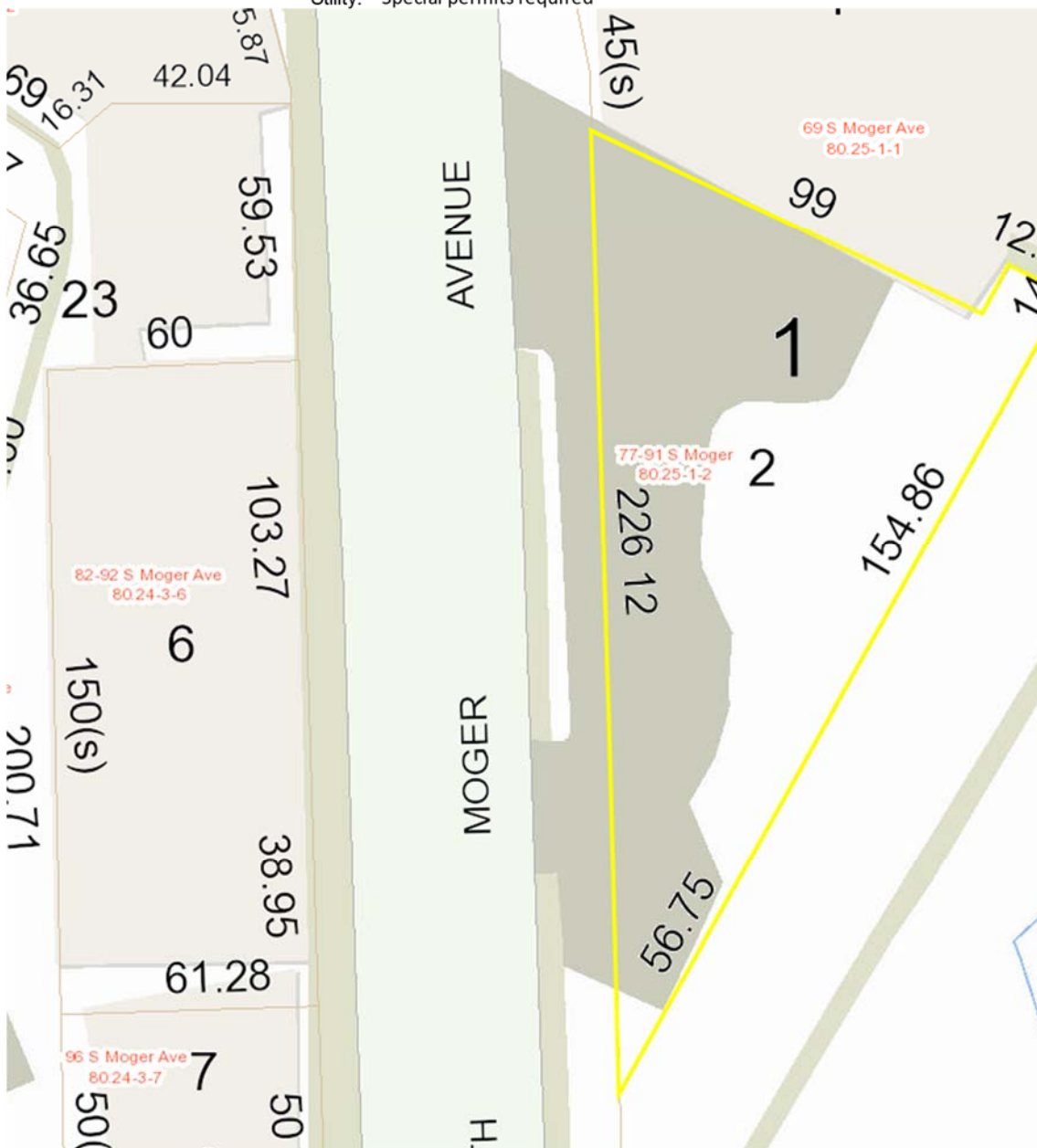
Configuration/Shape: Triangular

Contributory Shell Value: \$0

Cost to Complete Assemblage: \$0

Expenditures Immediately After Sale: \$20,000 Demolition (estimated)

Utility: Special permits required



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## Residential Land Sale 6

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**Property Type:** 1-story building for redevelopment

**Property Location:**

Street: 39 Washington Ave

Village: Pleasantville

Town: Mt. Pleasant

Tax ID: Section 106.6, Block 1, Lot 37, 38, 39

**Sale Information:**

Date of Sale: 5/25/17

Grantor: Schloat Properties, Inc.

Grantee: Washington Avenue Lofts LLC

Control #: 571453005

Property Rights: Fee Simple

Sale Price: **\$6,350,000**

**Property Information:**

Zoning: A-1

Central Business (Partly with a Central Business Parking overlay)

Zoning Description: Allows for a wide mix of commercial and business uses with apartments above. The Central Business Parking overlay waives off-street parking requirements associated with ground-level retail space for a portion (approximately 1/3) of the property.

Floor Area Ratio: n/a

Land Area (acres): 1.149

Total Potential Floor Area (Residential): n/a

Total Potential Floor Area (SF): n/a

# of Units per Site Plan App: 23 Plus 4 retail spaces and parking for 105 spaces

# of Planned Units: 23 Plus 4 retail spaces and parking for 105 spaces

**Value Indicators:**

Price per SF of Land: **\$126.87**

Sale Price per Unit: 276,087

Sale Price per Residential FAR SF: **n/a**

**Financial Considerations**

Unusual Conditions of Sale: None

Financing: Did not affect sale price

## Residential Land Sale 6 Continued

### Physical Considerations

#### Property Description:

Purchased with a single-family home that was demolished subsequent to purchase. Developer plans a loft project with 23 units ranging from studios to 2 bedrooms, plus 4 retail spaces and a parking deck for 105 spaces.

Visibility/View: Very Good

Access: Very Good

Topography: Level

Configuration/Shape: Rectangular

Contributory Shell Value: \$0

Cost to Complete Assemblage: \$0

Expenditures Immediately After Sale: \$10,000 Demolition (estimated)

Utility: Good, as-of-right with some relief from parking requirements

