

## Downtown Revitalization Initiative

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### Application Template

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Applications for the Downtown Revitalization Initiative will be received by the Regional Councils. Applicant responses for each section should be as complete and succinct as possible. Applications must be received by the New York City Regional Economic Development Council by **4:00 PM on June 14, 2017**. Submit your application as a Word Document to [nys-midhudson@esd.ny.gov](mailto:nys-midhudson@esd.ny.gov).

#### **BASIC INFORMATION**

Regional Economic Development Council (REDC) Region: Mid-Hudson

Municipality Name: Town of Cortlandt

Downtown Name: Cortlandt Medical Oriented District (MOD)

County: Westchester

#### **Vision for Downtown. Provide a brief statement of the municipality's vision for downtown revitalization.**

Cortlandt's vision for its Medical Oriented District (MOD) is to create a vibrant, diverse, and economically resilient downtown that provides a range of housing options and a continuum of care where patients can access a range of health services (in partnerships between hospitals, private practices, commercial entities and municipalities) and other complementary uses in one central area. The intent of the MOD is to build on the existing medical institutions in Town and create a healthy, mixed-use, neighborhood-scale district that benefits residents and employees of the district as well as patients and families visiting the MOD. The vision for our downtown includes smart growth practices such as compact mixed-use development, walkable neighborhoods, and quality public transportation options. The goal of the MOD is to create an economically, environmentally, and socially sustainable downtown with a strong sense of place while reducing auto-dependence, traffic congestion, air pollution, and greenhouse gas emissions.

#### **Justification. Provide an overview of the downtown, highlighting the area's defining characteristics and the reasons for its selection. Explain why the downtown is ready for Downtown Revitalization Initiative (DRI) investment, and how that investment would serve as a catalyst to bring about revitalization.**

The existing MOD area is largely characterized by the New York Presbyterian Hudson Valley Hospital and the medical offices immediately surrounding the hospital. The hospital campus abuts the Peekskill municipal boundary and is surrounded by medical, residential, and commercial uses as well as vacant under-utilized parcels. New York Presbyterian Hospital is one of the Town's largest employers and has added approximately 50 doctors in the past year. The Town's recently adopted sustainable comprehensive plan (March 2016) identified this area as a downtown center due to its existing medical institutions and economic importance as one of the Town's largest employers as well as its potential to provide a range of housing options and a continuum of care for residents. The Comprehensive Plan recognized the hospital's recent change in ownership as a potential catalyst for economic growth in this area due to the new private investment in the hospital. The Comprehensive Plan also recommended zoning changes that would allow the Town to leverage this private investment and support the continued economic development of the MOD. The proposed MOD zoning, currently under consideration by the Town

Board, would expand the types of uses permitted around the hospital and would permit a number of complementary uses that are not currently allowed under the existing zoning. The zoning also includes design guidelines and requires sidewalk and streetscape improvements.

During the comprehensive planning process, a number of MOD stakeholders were identified. Three of the stakeholders currently have active development proposals before the Town that include a mix of the following uses:

- 200 millennial housing units
- 100-room hotel
- 140 assisted living units
- 100,000 sf of new medical office
- Parking structures
- 70 multi-family residential units
- 29,000 sf of retail and restaurant uses
- 25,000 sf of other medical uses

It should be noted that the City of Peekskill is currently reviewing a development proposal for a 5-story 52-unit senior housing project less than a quarter mile from the MOD. The SEQR review for this project touts the project's consistency with the goals of the MOD and identifies the MOD as a downtown center within walking distance of the project.

DRI investment in the MOD would allow the Town to invest in the infrastructure (road improvements, stormwater management, sewer/water improvements, relocation of power lines, parking structures, streetscape, sidewalks and public open spaces) necessary to advance the development proposals that are currently under consideration by the Town in a way that is consistent with our vision for the MOD.

## **DOWNTOWN IDENTIFICATION**

This section should be filled out with reference to the list of desired attributes for participation in the DRI as set forth in the DRI program description.

- 1) Boundaries of the Downtown Neighborhood.** Detail the boundaries of the targeted neighborhood, keeping in mind that there is no minimum or maximum size, but that the neighborhood should be concentrated and well-defined. Core neighborhoods beyond a traditional downtown or central business district are eligible, if they can meet other criteria making them ripe for investment. Attach a map that clearly delineates the downtown neighborhood.

Cortlandt's Medical Oriented District is defined by the boundaries of the MOD zoning and extends from the City of Peekskill municipal boundary on the west to Whitier Avenue on the east and includes all parcels fronting on Route 202. The MOD is a compact area surrounding the hospital and encompasses 75 tax parcels on 118 acres.

The existing land uses within the MOD include the NYPH Campus, Cortlandt Medical Center, Church of the Holy Spirit, several small medical office buildings, single-family residential development, and vacant parcels.

As described above, the downtown MOD boundary to the west is the City of Peekskill municipal boundary. Land uses in the City of Peekskill adjacent to the proposed MOD include several multi-family housing developments and a commercial shopping center (Beach Shopping Center) located immediately north of the Hospital.

- 2) Catchment area.** Outline why the downtown, or its catchment area, is of a size sufficient to support a vibrant, year-round downtown, with consideration of whether there is a sizeable existing or increasing population within easy reach for whom this would be the primary downtown destination.

The MOD and its immediate environs contain a mix of medical, residential, institutional, and commercial uses. The proposed downtown MOD is within easy walking/biking distance of numerous multi-family developments and single family residential neighborhoods both within the Town of Cortlandt and the City of Peekskill. The area is anchored by NYPH which provides medical services to the region and is one of the largest employers in the Town of Cortlandt (currently employing approximately 1,300 personnel). The MOD also contains the Cortlandt Medical Center with approximately 31,000 sf of medical office space located directly across the street from the hospital. NYPH is actively seeking to expand its services and add physicians. The hospital has submitted an application to develop a new 36,000 sf medical office building on the site which is anticipated to create an additional 65 jobs. According to the 2010 Census, the Town of Cortlandt has an estimated population of 31,292 persons and the adjacent City of Peekskill has a population of 23,570. The Town's population has remained relatively constant since the last census.

The Town has been working with NYPH and other major stakeholders in the proposed MOD district on developing a concept plan for the MOD that includes millennial housing, an assisted living facility, a hotel, additional medical office space and complementary restaurant and retail uses. In addition, the City of Peekskill is currently reviewing an application for a 4 to 5 story 52-unit affordable multi-family senior housing or assisted living project located within 0.3 miles of the Hospital Campus. This development would be closer to the MOD Campus downtown area than to downtown Peekskill and could be connected to the MOD by way of a shuttle.

- 3) Past Investment, future investment potential.** Describe how this downtown will be able to capitalize on prior or catalyze future private and public investment in the neighborhood and its surrounding areas.

The proposed MOD Campus (downtown area) is would capitalize on prior, and catalyze future public and private investment by:

- Supporting and leveraging the Town's major economic institutions and job centers for continued economic growth and resiliency;
- Providing better housing options that provide for all life stages as well as a continuum of care (aging in place);
- Providing sufficient density of employees, residents and recreational users to support infrastructure investment and transit;
- Allowing for a mix of uses to create an environment that engages people at the pedestrian scale;
- Achieving a compact pattern of development with a high level of amenities that encourages people to walk, ride a bike or use transit.
- Maintaining an adequate level of parking and access for automobiles;
- Creating fine-grained detail in architectural and urban form that provides interest and complexity at the level of the pedestrian and bicyclist;

- Creating a sense of place and a greater sense of community;
- Providing a positive fiscal impact on residential property values;
- Providing more attractive non-residential development;
- Generating a relatively high percentage of trips serviceable by transit.

With regard to catalyzing future investment, the MOD has already created significant interest in the development/redevelopment within the area. Since September 2015, the Town has been actively meeting with major stakeholders within the proposed MOD District and has developed a concept plan for the MOD. Three of the stakeholders have proposed development concepts to the Town. These three stakeholders include:

- 1) New York Presbyterian Hospital (NYPH)—current owner of the existing Hospital Campus and two smaller parcels adjacent to the campus as well as the former Toddville School located within the MOD Corridor. NYPH has immediate need of 36,000 square feet of additional medical office space including a specialty pharmacy. Additional medical office (approx. 25,000 sf expansion of the existing hospital building) has also been identified.
- 2) Gyrodyne Company of America Inc.— current owner of the Cortlandt Medical Center located at 1985 Crompond Road, directly across the street from NYPH as well as a number of smaller parcels contiguous to the Cortlandt Medical Center site. Gyrodyne became a publicly traded REIT in 2006 and is focused on the healthcare related real estate sector. Gyrodyne is proposing to redevelop the Cortlandt Medical Center site and associated parcels with 200 millennial housing units, 100,000 sf of Class A medical office space, and 4,000 square feet of retail. Gyrodyne is also proposing a parking structure, public plazas as well as a green courtyard/ public space as part of their development concept.
- 3) VS Construction—current owner of two contiguous parcels totaling approximately 26 acres of largely undeveloped land on Route 202 across from the Pataki Center on the NYPH Campus and less than 1,000 feet from the Gyrodyne properties. Former site of the Evergreen Hotel. VS Construction is proposing a 140 bed assisted living facility, 100-room hotel, 25,000 square feet of ground floor retail, and 70 multi-family residential units.

The Town of Cortlandt has actively engaged the major stakeholders in the MOD planning area as part of a collaborative public-private partnership and is currently reviewing the site plan applications for the three development proposals described above. The Town is also concurrently conducting an environmental review of the proposed MOD zoning. The Town completed a due diligence traffic study of the MOD Campus area funded by the three stakeholders and the Town. On April 6, 2016, Town staff and representatives of the stakeholders met with the NYSDOT to introduce the MOD and share results of the initial due diligence traffic study. A follow-up meeting with NYSDOT was held on June 7<sup>th</sup>, 2017 to discuss the scope and extent of the full traffic study which is currently underway for the MOD zoning and the three development proposals described above.

Town staff have also met with and discussed the MOD with representatives of Senator Terrence Murphy, Assemblywoman Sandy Galef, and County Executive Rob Astorino as well as the New York Metropolitan Transportation Council (NYMTC). Since the proposed MOD planning area borders the City of Peekskill and the Hospital Center services city residents, the Town has also initiated discussions with the City about the MOD and is proposing to create transit and pedestrian linkages between the MOD planning area, the Peekskill Train Station, and other surrounding residential and commercial areas in Peekskill such as the Beach Shopping Center.

**4) Recent or impending job growth.** Describe how recent or impending job growth within, or in close proximity to, the downtown will attract professionals to an active life in the downtown, support redevelopment, and make growth sustainable in the long-term.

NYPH recently acquired the Hudson Valley Hospital Campus and is seeking to construct additional Class A medical office space on the Hospital Campus to attract new doctors, nurses and both medical and non-medical support staff to provide additional services at the Hospital. For over a year, the Town of Cortlandt has actively engaged the major stakeholders in the MOD planning area including NYPH as part of a collaborative public-private partnership to leverage the anticipated investment in the Hospital and create a downtown around the NYPH Center. The stakeholders have been working cooperatively to propose uses for the proposed MOD Campus area that are compatible with, and supportive of, the existing Hospital Center while also providing services for existing residents in the surrounding areas.

Three concepts have been proposed by stakeholders that include a mix of uses and a diverse range of job opportunities. The proposed uses include additional medical office, specialty pharmacy, retail, restaurants, millennial housing, assisted living and a hotel. NYPH estimates that Phase 1 (36,000 sf medical office building and specialty pharmacy) would generate approximately 65 new jobs. Gyrodyne estimates that for the proposed Phase 1 build-out (100,000 sf medical office space, 200 millennial housing units and 4,000 sf of retail) would generate 300 permanent jobs. In terms of construction, Gyrodyne has also estimated approximately 270 person-years (assuming construction takes 2 years) or about 135 jobs a year for two years not including any off-site improvements or the proposed shared infrastructure between the stakeholders (such as a proposed pedestrian overpass to connect the Gyrodyne property and NYPH). VS Construction is conservatively estimating approximately 155 new jobs for the 100 room hotel, 140 bed assisted living facility and 25,000 sf of retail.

Currently, there is a lack of walkable restaurant and complementary retail (such as pharmacies) to service the employees and visitors of the Hospital Center as well as the existing surrounding residential neighborhoods. It is anticipated that proposed hospital expansion would result in additional demand for restaurants, walkable housing, and other services in close proximity to the hospital. Opportunities for shared parking, and other infrastructure have also been discussed among the stakeholders. Since the proposed MOD planning area borders the City of Peekskill and the hospital services City residents, the Town is hoping to work with the City to create transit and pedestrian linkages between the MOD planning area, the Peekskill Train Station, and other surrounding residential and commercial areas in Peekskill such as the Beach Shopping Center. The Town is also actively pursuing the creation of a shuttle service to link the MOD with the Peekskill Train Station and potentially other major land uses in the immediate vicinity.

**5) Attractiveness of physical environment.** Identify the properties or characteristics that the downtown possesses that contribute, or could contribute if enhanced, to the attractiveness and livability of the downtown for a diverse population of varying ages, income, gender identity, ability, mobility, and cultural background. Consider, for example, the presence of developable mixed-use spaces, varied housing types at different levels of affordability, walkability and bikeability, healthy and affordable food markets, and public parks and gathering spaces.

The downtown MOD is surrounded by numerous residential neighborhoods and housing developments within walking and/or biking distance of the Hospital and the MOD. These diverse residential neighborhoods include a range of housing types and affordability and are not currently served by a walkable/bikeable downtown. The goal of the MOD is to create an attractive, compact, walkable/bikeable downtown centered around the Hospital that will service employees, visitors, and residents of the MOD and surrounding neighborhoods. The proposed new zoning will allow for a mix of uses with ground-floor retail and restaurants fronting Route 202 and will include amenities such as public courtyards and pocket parks to engage people at the pedestrian scale.

A number of underutilized or vacant parcels are located across the street and within 1,000 feet of the Hospital. These parcels are proposed to be redeveloped with a mix of uses to create a compact commercial center. These parcels include the Gyrodyne parcel and the former Evergreen Hotel site currently owned by VS Construction. In addition, the Route 202 right-of-way in the vicinity of the hospital is unusually wide and provides a unique opportunity to incorporate public open spaces (plazas), sidewalks and other pedestrian amenities along this section of Route 202. The Gyrodyne proposal has incorporated public open space and pedestrian amenities along the properties Route 202 frontage. The Town has also been working with the stakeholders to incorporate a pedestrian bridge across Route 202 to connect NYPH with the complementary medical, residential, and commercial uses currently proposed on the Gyrodyne property. The stakeholders have also been discussing the potential for shared parking and infrastructure such as a new parking structure on the Gyrodyne property that would also service NYPH.

For the past five years, the Hospital has hosted a bi-monthly Farmers' Market on the Campus. The Hospital provides free taxi service to residents within a five-mile radius of the facility who are in need of transportation, providing disadvantaged residents easy access to fresh, wholesome food.

**6) Quality of Life policies.** Articulate the policies in place that increase the livability and quality of life of the downtown. Examples include the use of local land banks, modern zoning codes, comprehensive plans, complete streets plans, transit-oriented development, non-discrimination laws, age-friendly policies, and a downtown management structure. If policies achieving this goal are not currently in place, describe the ability of the municipality to create and implement such policies.

The MOD concept was first advanced in May 2014 at a monthly Master Plan Committee meeting. The recommendation from the committee was to create a mixed-use district that would allow for a continuum in care near the hospital center, centralize medical uses, support and attract new medical uses, and allow for complementary uses around the hospital center. The concept evolved to include residential, retail, and office uses. On March 15, 2106, the Town Board adopted *Envision Cortlandt*, the Town's 2016 Sustainable Comprehensive Plan which includes 29 goals, 205 policies, and 61 metrics. The proposed MOD is one of the four key planning strategies of *Envision Cortlandt* which were developed to proactively address sustainability, climate resiliency, energy efficiency, and economic development through innovative community planning efforts. The Town has been actively working with stakeholders in the MOD Planning Area since September 2015 to implement this sustainable economic development and job creation strategy. In the Fall of 2015, the Town hired planning consultants to develop a concept plan for the MOD and began outlining a new form-based code for the MOD which includes plans for Complete Streets, compact and transit oriented development as well as design guidelines for the area. The Town is currently working on a draft form-based code for the MOD. It is anticipated that the Town Board will initiate SEQR for the proposed new zoning and Phase 1 MOD projects in June 2016.

- 7) Support for the local vision.** Describe the public participation and engagement process conducted to support the DRI application, and the support of local leaders and stakeholders for pursuing a vision of downtown revitalization. Describe the commitment among local leaders and stakeholders to preparing and implementing a strategic investment plan. Identify an initial local lead for the program that will work with outside experts to convene a local DRI Planning Committee to oversee the plan.

The MOD has generated a large amount of local and community support. The lead for the program is Linda Puglisi, the Town Supervisor. Other local support and community support includes the Town Board, the Master Plan Committee (MPC), the Master Plan Implementation Committee (MPIC), and the Planning Board. In addition, as described above, the Town has been actively meeting with major stakeholders within the proposed MOD District. The Town and three of the stakeholders funded the initial due diligence traffic study and a follow-up traffic study to evaluate potential traffic improvements. The three stakeholders include:

- 4) New York Presbyterian Hospital (NYPH)—current owner of the existing Hospital Campus and two smaller parcels adjacent to the campus as well as the former Toddville School located within the MOD Corridor.
- 5) Gyrodyne Company of America Inc.— current owner of the Cortlandt Medical Center located at 1985 Crompond Road, directly across the street from NYPH as well as a number of smaller parcels contiguous to the Cortlandt Medical Center site. Gyrodyne became a publicly traded REIT in 2006 and is focused on the healthcare related real estate sector.
- 6) VS Construction—a local developer, well known in Cortlandt that has completed a number of project within the Town. VS Construction currently owns or has development rights to two contiguous parcels totaling approximately 26 acres of largely undeveloped land on Route 202 across from the Pataki Center on the NYPH Campus and less than 1,000 feet from the Gyrodyne properties.

The Town of Cortlandt has also engaged other major stakeholders in the MOD planning area as part of a collaborative public-private partnership. The Town has also initiated discussions with the City of Peekskill and is proposing to create transit and pedestrian linkages between the MOD planning area, the Peekskill Train Station, and other surrounding residential and commercial areas in Peekskill such as the Beach Shopping Center.

- 8) Readiness:** Describe opportunities to build on the strengths described above, including a range of transformative projects that will be ready for implementation with an infusion of DRI funds within the first one to two years (depending on the scope and complexity of the project) and which may leverage DRI funding with private investment or other funds. Such projects could address economic development, transportation, housing, and community development needs. While such projects should have demonstrated public support, it is recognized that projects will ultimately be vetted by the Local Planning Committee and the State. Explain how the majority of projects proposed for DRI funding demonstrate their readiness for implementation.

Traffic along the Route 202 corridor is a major concern for the Town, the residents, and the three stakeholders. Existing capacity issues along the corridor will require major roadway improvements and investment in sidewalks and other pedestrian amenities to achieve the MOD vision. The Town has identified

several projects that would immediately support the economic revitalization of the MOD including the following:

- Pedestrian Bridge/underpass crossing Route 202 to connect NYPH with the Gyrodyne and former Evergreen Hotel site
- Jitney/shuttle connecting the MOD to areas train stations and other surrounding land uses such as Jocab's Hill and the Beach Shopping Plaza. DRI funds could be used to purchase an electric shuttle.
- Streetscape Improvements including lighting, landscaping, and street furniture as well as wayfinding signage
- Public bus shelter
- Sewer and water infrastructure
- Public parking structure

The Town has been working with the stakeholders to incorporate many smart growth strategies and elements into their site plans including public plazas, sidewalks, streetscape and open space. We have also been working with NYSDOT to better understand the extent of the roadway improvements that would be necessary to accommodate the stakeholders build programs and improve the connectivity and walkability in the downtown MOD. While the stakeholders have committed to implementing reasonable mitigation for the traffic impacts, it is anticipated that the required improvements will necessitate additional funding beyond the means of the stakeholders. A preliminary design for the sidewalks connecting the three stakeholder properties has been developed by the Town's Department of Technical Services.

**9) Administrative Capacity.** Describe the extent of the existing local administrative capacity to manage this initiative, including potential oversight of concurrent contracts.

The Town of Cortlandt has a fully staffed comptroller's office with a full-time comptroller and accountant as well as several administrative support staff. The Town Comptroller provides overall management supervision of the financial activities and Management Information services for Town offices upon direction of the Supervisor and Town Board. The Comptroller's Office is responsible for meeting the many challenges of financial reporting, including the preparation of the comprehensive annual financial report (CAFR). The Town of Cortlandt has received a Certificate of Achievement for Excellence in Financial Reporting, presented by the Government Finance Officers Association of the United States and Canada for every Fiscal Year to date since the 1980's. The Town also has extensive technical resources including a fully staffed Department of Technical Services (DOTS) that includes an Engineering Division, Planning Division, and Code Enforcement. Between the Department of Environmental Services and DOTS, the Town employs six professional engineers and three planners along with numerous support staff. It should be noted that one of the staff planners was hired in 2016 specifically to work towards implementing the four planning initiatives recommended as part of the Town's recently adopted Sustainable Comprehensive Plan. These planning initiatives include the establishment of the downtown Medical Oriented District.

The Town has a long history of receiving and successfully administrating grant funding for a wide range of projects. Town Staff works closely with grant administrators to comply with all deliverables and reporting requirements. A few examples of recent grant awards to the Town of Cortlandt include:

- Route 202/Lafayette Avenue Intersection Improvement Project--\$2,000,000 New York State Department of Transportation Reverse Betterment Grant
- Phase I, Broadway Sidewalk Project--\$600,000, New York State Parks Department Grant
- Phase II, Broadway Sidewalk Project, \$800,000, New York State Department of Transportation Grant
- 2016 Comprehensive Planning Grant, \$175,000, New York State Energy Research and Development Authority (NYSERDA) Cleaner, Greener Communities (CGC) grant in the amount of \$175,000 to complete Cortlandt's 2016 Sustainable Comprehensive Plan (Envision Cortlandt).

**10) Other.** Provide any other information that informed the nomination of this downtown for a DRI award.

- The Town of Cortlandt received two planning awards for our 2016 Sustainable Comprehensive Plan (Envision Cortlandt) from the Westchester Municipal Planning Federation and the New York Planning Federation. A major focus of Envision Cortlandt is on economic growth and resilience. The MOD is one of the Plan's four key economic planning strategies.
- These strategies have taken on greater significance for Cortlandt as a result of the recently announced plans to close the Indian Point Nuclear Power Plant by 2021. Indian Point is located in the Town of Cortlandt and employs 1,200 permanent workers, along with hundreds of contractors and part-time employees. The loss of jobs and tax revenues anticipated to result from the Indian Point Closure will have a significant impact on the Town.) Cortlandt is actively working to offset these potential economic losses through a renewed focus on creating vibrant downtown centers such as the MOD.
- The Town is actively pursuing a shuttle to link the MOD with the Peekskill Train Station and potentially other major land uses such as Jacob's Hill Senior Housing.
- The Town of Cortlandt is a certified Climate Smart Community and one of the first six Climate Smart Communities to achieve certification in New York State. Envision Cortlandt and its planning strategies including the MOD represent Cortlandt's continued commitment to Smart Growth, sustainability, climate resiliency, and energy efficiency.
- The Town has continually maintained its Aa2 bond rating, as determined by Moody's, reflecting its well managed financial operations, ample reserves, strong socioeconomic profile and healthy economic base. A full credit review was performed by Moody's in November of 2016. Financial statements for fiscal year 2016 are currently in draft form, but report a General Fund Balance of \$5,192,795, with unassigned fund balance being \$3,585,844. The unassigned fund balance increased in 2016, by \$787,191. Total General Fund Balance represents 43.5% of the general fund expenditures and transfers out, while unassigned fund balance represents 30%.
- Total outstanding debt for the Town at December 31, 2016 was \$7,951,000, which is approximately 1.26% of the Town's constitutional debt limit. Town property tax increases have been minimal over the past 25 years, with the Town consistently remaining within the NYS tax cap. Furthermore, the Town has promoted shared services, working with Westchester County, City of Peekskill, Villages of Croton-on-Hudson and Buchanan and the Town of Yorktown.

\*Don't forget to attach a map that clearly delineates the downtown neighborhood. (See item 1.)



Town of Cortlandt

Legend

- Parcels
- Parcel Labels
- Road Labels
- Town Boundary

Notes

Area=118 acres



1,066.7 0 533.33 1,066.7 Feet

Map produced by: user

Disclaimer: "The information contained in this data is NOT to be construed as a "legal description"/ The Town and its consultants do NOT provide any guarantee of accuracy or completeness and will NOT be held liable for any damages or losses due to its use."