



## Downtown Revitalization Initiative

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# APPLICATION

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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 should be submitted as Word documents and must be received by the appropriate Regional Council by 4:00 PM on June 1, 2018 at the email address provided at the end of this application. Application guidance is provided in the *Downtown Revitalization Initiative Guidebook* found on the DRI website at [www.ny.gov/dri](http://www.ny.gov/dri).

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### BASIC INFORMATION

Regional Economic Development Council (REDC) Region: Finger Lakes

Municipality Name: Village of Penn Yan

Downtown Name: Historic Penn Yan

County Name: Yates

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

Downtown Penn Yan is the key for future economic prosperity. As the center hub of business and recreational activity, the revitalization of Downtown is the key component of our economic development plan. We believe focusing on leveraging our natural assets, capitalizing on our craft food and beverage industry, using the local art scene as an economic engine and capturing the intellectual capital that lives and vacations here will drive short-term success and insure long term economic health and vitality.

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### JUSTIFICATION

Provide an overview of the downtown area nominated for the DRI program, 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.

Penn Yan is truly a unique community. A place that is largely an unknown entity within the Region and State but sought out by the rest of the World! It is a community surrounded by bucolic farms and trillions of gallons of fresh water but is far and away leading the Finger Lakes Region in manufacturing job growth. It is a community where you are likely to see a \$100,000 boat being trailered on its way to Keuka Lake passing a horse and buggy on Main Street. Penn Yan is a community where Mennonites share the same parking lot as Fortune 500 Executives and University Presidents. It is a place thought of as a small rural community in the middle of nowhere to many but is within an hour's drive of 750,000 people. A place that seems difficult to get to but nearly 1 million people annually find their way here to enjoy Keuka Lake or the 100+ craft beverage makers in and around Penn Yan. As Channel 8 News in Rochester stated last summer during their "Summer Tour" series; "You either don't know about Penn Yan and should or do and love it!" DRI designation would provide the funding, expertise and awareness to truly capitalize on a largely untapped market!

Penn Yan's historic downtown has a long history of significance in the development and progression of the eastern Finger Lakes region. The Downtown area has always been a center of industry starting with 40 mill sites

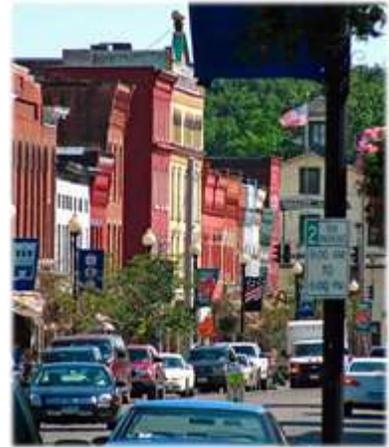


that located along the Keuka Outlet Canal that connects Keuka to Seneca Lake. In fact, Birkett Mills still operates today on the same site in Downtown where they started in 1797...George Washington's last year as President of the United States and two years before the formal settlement of Penn Yan! Pandemonium was once considered for the name of the area before settling on Penn Yan due to a scene most would represent as the wild, wild west at the time. While Pandemonium was ultimately not selected, it does point to the energy that was once held in Downtown.

Today Downtown Penn Yan is full of tree lined streets and historic buildings spared from the urban renewal movement that decimated many historic downtown buildings. Downtown is also still the center of commerce where so many other Main Streets have lost out to strip mall developments and big box retailers.

Epicenter of the Rochester, Syracuse, and Ithaca MSA's and their combined population of over 1.8 million, Penn Yan is a place full of potential that is just now starting to realize what it could become!

Penn Yan is ready for DRI funding as downtown revitalization has been the main focus of economic development for the Yates County Industrial Development Agency / Finger Lakes Economic Development Center (FLEDC) for nearly a decade. In fact, many communities have sought consult from the FLEDC on how to implement a successful downtown revitalization program. Norfolk County in the province of Ontario, Canada even won an award in 2016 from the Economic Development Council of Ontario for their collaboration with the FLEDC and has seen tremendous success with their own redevelopment efforts utilizing many of our strategies. Previous Finger Lakes DRI winners have met with the FLEDC to see how Penn Yan has been so successful with development efforts.



To that end, our buildings have been inventoried, comprehensive and strategic plans developed, zoning and codes updated, developers and building owners engaged, proven strategies established. The last piece needed is financial assistance to push private development forward!

Penn Yan is confronted, however, with several immediate and long-term challenges. Penn Yan has one of the highest poverty rates outside of the City of Rochester in the Finger Lakes region, receiving the lowest average weekly wage in the entire state of New York (US Bureau of Labor Statistics, 2015). Making this generational poverty more challenging is the rural location of Penn Yan where adequate public transportation simply doesn't exist. In 2014, we experienced a significant flood in and around the downtown area that destroyed both public and private property and will take years to fully recover from. Furthermore, there are a number of direct and identifiable barriers that are suppressing Penn Yan's full potential for leveraging private investment and increasing economic opportunity for all.

Housing: It has become apparent that there is a significant community-wide need for quality, housing stock across all income levels in Yates County. Penn Yan has historically been a primary location for meeting this need; however, the lack of new and available affordable and market-rate housing options has resulted in an imbalance of our housing stock and tenure. DRI funding would incentivize private investment in mixed-use, in-fill redevelopment properties, to address the housing market demand for quality low- and middle-income residential units as well as increase the overall quality of housing stock within Penn Yan.

Recreational and cultural activities: Penn Yan is the center of the tourism and hospitality industry for Yates County as well as the main business district. Tourism revenue per capita is double the average of the rest of the Rochester / Finger Lakes Region and continuing to grow. However recreational spending is just 1/3 the Regional average. DRI funding in targeted recreational and cultural activities will address this pent-up demand and bring immediate returns to both the State and private investors.

Four areas of concentration have been developed in partnership with the Finger Lakes Economic Development Center (FLEDC) that address these challenges and identify opportunities, with support from DRI funding, to catalyze sustained, year-round economic growth. There are four areas of concentration are: Craft Food and Beverage, Arts as an Economic Engine, Leveraging Natural Assets and Capturing Intellectual Assets. Each of these strategies are described later in this document.

Penn Yan's impeccable record of completing projects receiving funding assistance by New York State should give the decision makers behind this grant the comfort in knowing we have the experience and ability to see projects through to completion.

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## **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 *Downtown Revitalization Initiative Guidebook*.

**1) Boundaries of the proposed DRI area.** 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. 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 area to be included in the downtown revitalization area.

The designated downtown neighborhood boundary is outlined on the attached DRI Target Area Map (Appendix A) in a red line. The boundary covers the extent of Penn Yan's central business district as well as supporting areas of critical waterfront connections and commercial gateways to the historic downtown core. The DRI Target Area is generally defined as the boundaries of:

- Maiden Lane and Champlain Avenue to the north
- Lake Street to the East
- Delano Place to the South
- Liberty Street to the West

The plan also calls for critical investments on and along the Keuka Lake Outlet and Keuka Lake shorelines by opening up public access to the defined area from Keuka Lake and the public parks.

The established DRI Target Area captures a significant number of existing community destinations, businesses, and redevelopment opportunities. These include, but are not limited to:

- The Main Street central business district (containing 74 storefronts, of which 30% are retail);
- The Penn Yan Historic District (established in 1985);
- The Crooked Lake Outlet Historic District (established in 1996);
- NYS Route 14A, which serves as the primary travel route into downtown Penn Yan;
- The primary gateway to the downtown area at the intersection of NYS Route 14A and Elm Street;
- The Keuka Outlet and Outlet Trail;
- Birkett Mills production facility and corporate offices;
- 61 apartments (with over 80% occupied by low income residents);
- A Microtel Inn and Suites completed in 2016;
- Carey's Lumber (later referred to as the Lumber Yard; a prime redevelopment site); and
- NYSEG Gas Plant Clean Up Site;
- Penn Yan Municipal Offices;
- Municipal parking lots;
- A public boat launch and transient docking area;
- Two public beaches;
- Penn Yan athletic facility

It should also be noted that the Downtown Target Area is only 500 feet from the Yates County Governmental Center, serving as the County Seat.

**2) Description of catchment area.** Outline why the proposed DRI area, 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.

As the Yates County Seat, Penn Yan is located at the junction of, and made up of three townships; Milo, Benton and Jerusalem representing 41% of all employment in Yates County and over 13,000 year-round residents. Focusing on that number however is a mistake. The market size of Penn Yan is many multiples higher.

Penn Yan's location places it in the literal heart of the Finger Lakes, on the northern shore of Keuka Lake. We are directly in the Center of three metropolitan statistical areas in Rochester, Syracuse and Elmira and 1.8 million residents all of which are within an easy day trip. Additionally, 1,000,000 tourists visit annually.

Among the many designations Keuka Lake receives included being named the #1 Lakefront Destination in the World by Shermans Travel. Penn Yan is home to the original craft beverage industry in New York, situated between the Keuka and Seneca Lake wine



and craft beer trail and boasts over 100 craft beverage producers. Penn Yan also attracts thousands of bicyclists and boaters throughout the season and is home to numerous triathlons and other sporting events.



Penn Yan and Yates County lead the Rochester Finger Lakes 9 county region in total job growth, manufacturing job growth (29%), tourism revenue per capita all by wide margins since 2000. Job growth projections remain very strong with most of the larger employers continuing steady growth and new businesses and tele-commuters continuing to seek out a Penn Yan location. Our tourism industry continues to expand with new venues, events and attractions and an ever-increasing focus on the area from vacation and tourism publications. With the recent addition of two new hotels downtown, there are now nearly 1,500 rooms for

overnight guests within the County. The length of the tourism season also continues to expand evidenced by the fact October is now the largest sales tax revenue month for Yates County.

A recent NYS Tourism study showed Yates County is the most dependent on tourism spending and is the leader in terms of tourism sales tax revenue per capita in the Finger Lakes Region, direct proof of Penn Yan's potential. However, the County sees the least amount of recreational spending which points to a massive untapped potential for further growth. There is a need for the County and Penn Yan to incentivize retailers and developers to locate within Penn Yan's DRI Target Area to capture the sales leakage. Redevelopment of key buildings within Downtown will allow the attraction of new retailers to infill available storefronts and prevent further sales leakage.

Over the past decade, Downtown Penn Yan, and the quality of life it offers has begun to attract a wider variety of lifestyle segments. These include college students, middle-and upper-income families, young professionals, retirees, and empty nesters. The attraction of new cultural and recreational activities, restaurants and retail shopping is vital to maintain this growth.

(Excerpt from 2016 Comprehensive Plan)

*“ Attracting and retaining young families and Millennials will play an important role in sustaining the Village’s future population and tax base. ”*

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

**Nearby Investments Planned or Undertaken:**

Despite the many challenges facing Penn Yan, our community has seen a substantial share of private capital investment within the past 5 years. More than \$13,000,000 of private investment has been completed with more than \$25,000,000 currently in process all within the DRI district. This investment was not made by mistake. The investments were made with respect to Penn Yan's recently developed Master Comprehensive Plan, Waterfront Overlay Zoning and the Community led Vision 2020 Plan.

Several projects along Water Street, located within the DRI Target Area, leveraged a \$2.5 Million Restore NY grant in 2009, to incentivize private investment resulting in a total of \$10.1 Million to completely redesign and redevelop the properties along the Street and Keuka Outlet Canal.

Additional investments made along the Keuka Lake shoreline and along Main Street have Penn Yan poised for exceptional growth.

Water Street Redevelopment: Penn Yan partnered with New York State leveraging a \$2.5 Million Restore NY grant to catalyze an additional \$8 Million in private investment to redevelop the least sightly street in the historic downtown area. The results have been astonishing. The first of their kind in Penn Yan, 13 loft style apartments along Birkett Landing have been fully occupied since completion with a waiting list for vacancies. The completed residential and mixed-use component of this project (example photos below) received two design awards from the Rochester Landmark Society and Reshaping Rochester, celebrating its dedication to historic renovation and commitment to a quality project. A new Wine Bar and Craft Brewery have opened along the Canal and the façade improvement of the former Garret Winery building is complete. Currently NYSEG is nearing completion on an approximate \$15 Million cleanup and restoration of the historic gas plant that sits along the shore of the Outlet.



Water Street (Before)



(After)

Microtel Inn & Suites by Wyndham: Penn Yan had been vastly underserved in the number of available hotel accommodations relying too heavily on weekly cottage rentals and Bed & Breakfasts. In 2015, Indus Hospitality opened their 77 unit, \$5.5 Million Microtel Inn & Suites completing the environmental remediation and redevelopment of a vacant, former car dealership. The Village Planning Board and members from Vision 2020 worked with the Principals of Indus Hospitality (developer of the Microtel) on the design of the facility to make sure it fit in with the other historic structures of Downtown Penn Yan. The opening immediately brought a substantial increase in visitor traffic to restaurants and businesses Downtown.



Elm Street (Before)



(After)

Hampton Inn on Keuka Lake: The opening of the Microtel was followed by the grand opening of the 72 unit Hampton Inn on the shores of Keuka Lake in 2016. The \$9.2 Million construction project was assisted by New York State through a \$750,000 grant from the Finger Lakes Regional Economic Development Council. A number of festivals and outside meetings and conferences have already taken place at the hotel further driving visitors to the Downtown area!



Hampton Inn (Before)

(After)

More recently, Downtown was the recipient of another round of Restore NY funding for \$500,000 to help with the renovation of two historic structures; Opera House Apartments, site of a former small opera house vacant since the late 1800’s and The Belknapp, a vacant former used book store with upper floor apartments last lived in more than 60 years ago. The two mixed-use buildings will use the funding to assist with the \$1.8M rehabilitation of vacant upper floors by adding 10 market rate apartments.

The FLEDC was also recently awarded \$300,000 through the NY Main Street grant program in the latest round of the FLREDC. This money will go toward the renovation of nine (9) buildings along Main Street and Elm Street adding 11 mixed income apartments, overnight accommodations, and the build-out of two storefronts for retail and restaurant businesses. In full, the \$300,000 will help with the \$1.3M+ of redevelopment costs associated with the nine buildings.

Other private investments recently undertaken include the opening of a brand-new business and the renovation of one of the oldest businesses on Main Street. Bank of the Finger Lakes recently opened their first Penn Yan branch location on the corners of Main and Elm Streets bringing vibrancy to a vacant corner storefront. Pinckney’s Hardware, a 70+ year old hardware store located on the opposite corner from Bank of the Finger Lakes, recently completed renovation of their vacant second floor into a new showroom for kitchen appliances.

Municipality’s Current Investment & Commitment to Downtown:

The table below shows a listing of project investments made by Penn Yan since September of 2009, of which seven have been fully completed. Followed by investments made without benefit of grant or 0% interest funding from 2012 to date (May 2018).

Project	Grant/Loan Program Utilized	Total Investment (\$)
Brown Street Watermain Replacement	CDBG	415,800
Red Jacket & Outlet Trail Refurbishment	DOS	300,000
Urban Forestry Efforts (Street Trees)	DEC	75,000

Indian Pines & Outlet Trail Playgrounds	OHRPS	150,000
Waste Water Treatment Plant Overhaul	EFC	4,600,000
Composting Program	DEC	917,600
Waterfront Trail & Watermain Replacement	DOS	980,000
Waterfront Sewer Infrastructure	EFC	1,260,000
Seneca Street Watermain Replacement	CDBG	425,000
TAP – RR Trestle Bridge Replacements	DOT	670,400
<b>Total Investments:</b>		<b>\$9,793,800</b>

<b>Projects Completed without Grant Funding</b>	<b>Total Investment (\$)</b>
2012/2013 Capital Paving Plan	415,800
2013/2014 Capital Paving Plan	300,000
2014/2015 Capital Paving Plan	75,000
2015/2016 Capital Paving Plan	150,000
Construction of Charles Herrmann Way (Keuka Outlet Development)	235,000
Charles Herrmann Way Watermain Installation	26,000
Hicks Street & Waddell Avenue Rebuild (Keuka Outlet Development)	62,000
Delano Place Rebuild	28,000
Flood Related Expenses	1,700,000
<b>Total Investments:</b>	<b>\$2,991,800</b>

In addition to these direct capital investments, Penn Yan utilizes:

- A local development organization that administers a Façade Revitalization Program (FRP) for businesses and a housing improvement loan for residents within Penn Yan limits. The total funding available for the façade program is capped at \$30,000 per business with 50% of the funds going to the businesses in the form of a grant and the other 50% as a 7-year, 4% loan. A dozen plus Main Street properties have taken advantage of this program.
- A PILOT program for any structure located within Penn Yan limits classified as Historic. The program offers a 100% exemption from Penn Yan taxes on the increased assessed value resulting from any improvements made to the structure for 5 full years. Starting in year 6, the savings reduce by 20% increments ultimately terminating in year 10.

**Catalyzing Future Developments:**

With the success of these previous projects, Penn Yan is absolutely primed to capitalize on future planned investments. As of this application, there is nearly \$80 Million additional potential investment projects within the described boundary, but they will need significant financial assistance to move forward. There are four main areas where DRI funding will help catalyze future, sustainable growth: Craft Food and Beverage, Arts as an Economic Engine, Leveraging Natural Assets and Capturing Intellectual Assets.

**Leveraging Natural Assets:**

Penn Yan sits at the Northern shore of Keuka Lake, one of the most marketed and widely known and sought out of the Finger Lakes. Every year Keuka Lake is recognized by national and international media for it’s beauty and many of the 1 million annual visitors to the area come to see her. Keuka Lake was also the source of the initial

commerce for Penn Yan. Grapes from the hills around the Lake were transported by steamboats to the Keuka Outlet to be taken by horse and mule drawn barges to Seneca Lake and through the NYS Canal system to their end destination. The Outlet itself also had more than 40 mills along it at one point in its history also utilizing the barge system to distribute their goods. The trails used by the mules and horses to pull the barges still exist and is the base for the Outlet Trail.

Keuka Lake is widely recognized as the most active and social of the Finger Lakes. There are six restaurants on Keuka Lake you can access by boat, and public docks in Hammondsport on the southern end and Penn Yan at the northern end opening up dozens of additional entertainment options. Music abounds on the Lake during the Summer with each venue having bands every weekend. Unfortunately, over time the Outlet has become too shallow for most boats to navigate and needs to be dredged and the Outlet Trail is not easily accessed from the lake into the Downtown area. This lack of both boat and pedestrian access from Keuka Lake creates a massive bottleneck preventing this traffic from reaching Downtown businesses.



There are four municipal parks located along the Lake and the Outlet including a public boat launch (used mainly by fishing boats and small ski boats) and transient docking area, an athletic complex and two public beaches. These parks play an important role in future community development initiatives. As such, Cornell University’s Design Connect Team is currently putting the final touches on the Parks and Recreation Master Plan update taking a deep dive into current and future uses of the public parks and trail system to foster additional passive

and active recreational opportunities along the waterfront. Public docks are located at the boat launch and along the private businesses on the Outlet. An overlay zoning district was put in place in 2013 to encourage in-fill non-industrial developments at available properties. DRI funding could help with the costs of dredging the Outlet and removing the bottleneck to create an immediately flow of individuals on Keuka Lake.

The Outlet Trail, while naturally beautiful, is a straight-line trail with a missing section that would connect the recently built Hampton Inn and the municipal public parks of Red Jacket and Indian Pines to Downtown and the rest of the trail. Penn Yan is currently seeking estimates to “finish” the Outlet trail and complete this missing section. In addition, this finished trail would include a boardwalk that would extend around the perimeter of the “Keuka Marsh” creating both a circular aspect to the trail and an educational component allowing users to explore the Marsh and see first hand the natural habitat of the Marsh. DRI funding might be utilized for the construction of the boardwalk that when partnered with improved boat access in the Outlet, would create a one of a kind trail system connecting those enjoying Keuka Lake to Downtown Penn Yan!



## Craft Food and Beverage:



No other community is better set to capitalize on this proven development strategy than Penn Yan is. There are over 100 wineries, breweries, cideries and distilleries in and around Penn Yan. We are in the center of the largest organic farming County in all New York State and home to two organic grain mills. Thanks to our Mennonite residents, there are fresh produce stands everywhere you look and we are the only County in New York where the number of acres farmed and total farm establishments are increasing. Main Street is home to one of the longest running farmers market in New York held every Saturday morning.

Ironically, Penn Yan has a significant lack of properly sized and outfitted storefronts for restaurants and resources available to culinary entrepreneurs such as commercial kitchens and co-packing facilities. The lack of these entities significantly decreases tourism revenue and sales tax revenue as visitors and residents head outside of the County to eat, and employment opportunities when food entrepreneurs go elsewhere to establish their food-based businesses.

The Finger Lakes Economic Development Center created the State's first agriculture loan fund, now capitalized at \$2,000,000, that has helped numerous production farms, wineries, breweries and distilleries launch. They have now created a restaurant loan fund to help bridge the financing gap to getting new restaurants started by offering up to \$100,000 in 1% loan funds with a flexible repayment plan to building owners willing to purchase and build-out kitchens in their vacant downtown Penn Yan buildings. Building Owners who participate only need make payments on the loans while they have an active restaurant tenant in the facility. During the time it takes to attract a restaurant or if the unfortunate case that the restaurant closes, loan payments would be suspended until a new restaurant opens. Although just released, the program is already showing promise as it has attracted the first restaurant which hopes to be open in the Spring of 2019 and is projecting to have 50 full and part-time employees.



Yates County Workforce Development and Yates Cultural and Recreational Resources, Inc., have created a customer service training program titled "You're Welcome" that utilizes the "Guest Services Gold" national training curriculum. The goal of the program is to provide local restaurants and hospitality businesses with trained customer service individuals, capable of enhancing their customers experience increasing the likelihood of returning. With a ready stock of storefronts and trained labor, DRI funding could be leveraged to create a business plan competition to help attract new restaurants to Downtown that would add the variety of menus demanded by consumers.

Additionally, the Pinwheel Market, a non-profit operated by Milly's Food Pantry, operates a mixed-use facility downtown were retail sales go to fund the operations of the food pantry. The second floor has a small commercial kitchen that is underutilized due to a lack of an elevator in the facility. Local food entrepreneurs

have found the lack of an elevator a significant barrier in utilizing the kitchen. DRI funding could help install an elevator in the Pinwheel Market instantly providing a commercial grade kitchen to users.

### **Capturing Intellectual Assets:**

Yates County has seen a significant increase in tele-commuters largely due to the quality of life the area provides. As discussed throughout this application, the multiple lakes, craft beverage industry and active lifestyle is a natural draw for individuals who work remotely. However high-speed broadband internet access is still lacking throughout much of the rural areas of the County. To address this challenge, Yates County invested in bringing dark fiber into the County a few years ago and Downtown Penn Yan has been the benefactor of that. As such, many of the individuals who do work from home, are moving their offices into Downtown Penn Yan or utilizing coffee shop's or the FLEDC offices who have free Wi-Fi.

A significant opportunity exists for Penn Yan to market themselves to tele-commuters by offering free high-speed wireless internet connectivity throughout the DRI area. Many of these individuals tend to be professionals earning a higher income than the current income averages in Penn Yan. Penn Yan unfortunately has one of the highest poverty rates in the Finger Lakes outside of the City of Rochester and the lowest average weekly wages in all of New York State. Offering free wi-fi throughout the DRI area would incentivize a mix of income to Penn Yan while also offering lower income earners an ability to access high speed internet. Coupled with the free wi-fi, the FLEDC would work with building owners to offer co-work locations and maker spaces giving individuals more opportunities to work downtown. One such opportunity in the Arts is described later in this section. In addition to co-work locations, Yates Young Professionals would sponsor programming targeted at tele-commuters to actively engage them in the community and with one another.

Keuka College is expanding their nursing program by partnering with Finger Lakes Health College of Nursing, in Geneva, and brought a dual degree (associates and BS) in Nursing to Keuka College's home campus. Keuka is exploring possibilities to increase the number of students by utilizing a building owned by FLH near the local hospital, Soldiers and Sailors, in Penn Yan, and using the hospital for clinical work. Keuka is focusing on rural health and on educating local students that desire to stay and work in the area. This plays perfectly into the capturing intellectual assets strategy. In addition to the economic impact of having more students downtown there is the added benefit of retaining a higher percentage of students upon graduation. The opening up of more downtown apartments, free internet access and new restaurants and cultural amenities is sure to benefit both Keuka and Penn Yan.

### **Art as an Economic Engine:**



The need for more cultural and recreational activities is the most common request from visitors and residents alike. The renovation of the Sampson Theater, identified by the Landmark Society of Western New York as one of “Five to Revive”, noting it as “a highly visible anchor...one of the most important historic theaters in the Finger Lakes region.” would provide a much-needed answer to their requests. The Pennsylvania Yankee Theatre Company (PYTCo) proposes to rehabilitate the 1910 Sampson Theatre in the Village of Penn Yan's downtown commercial district and return it to a theatre venue. The

Sampson is an early 20th century landmark in the Village of Penn Yan and was the first building in the Village

constructed exclusively as an entertainment venue. The rehabilitated Sampson will return the Sampson to a fully functioning theatre venue, offering a much-needed auditorium venue for the Village, Keuka College, and Finger Lakes region.

The Sampson lies in one of the highest poverty neighborhoods in the Finger Lakes region (outside of Rochester). Recreational spending per capita in Yates County reflects just 1/3 of the regional per capita average indicating a void of cultural attractions in the County. The Sampson is a listed priority in the Village’s 2017 Comprehensive Plan and Community Vision 2020 Plan while Keuka College is eager to use the Sampson for its expanding Creative Arts program. The project is estimated to create 10 temporary and 2 permanent jobs. Project costs are estimated at \$437,108. DRI funding would help bring this iconic structure back to life!

Penn Yan is home to many gifted artists and many more visit every year to find their inspiration for their next creation. Sam Castner is one of those gifted artists whose larger than life metal sculptures dot the landscape throughout the Finger Lakes. Mr. Castner is partnering with the local school districts and the Friends of the Outlet to create a Sculpture Walk along the Keuka Outlet Trail. The Sculpture Walk is proposed to be a hands-on learning program where students will immerse themselves in learning about the natural habitat of the Outlet. Students will then take that education and create metal sculptures of the habitat. Students will use that education while learning design and fabrication techniques to create metal sculptures that will be located at key points along the Outlet. Funding is needed to help build-out the studio and to purchase the necessary equipment for the students.

The Arts Center of Yates County (ACYC), located on Main Street, would like to develop an Art Gym downtown. The Art Gym is a shared workspace that enables artists to create across many artistic platforms and disciplines. In addition to shared space, artists and inspiring artists will have the ability to learn from experts how to use various equipment to make their pieces.



Finally, ACYC repeatedly fields requests from artists for Downtown loft spaces where artists could live and work. Existing rental units Downtown are full and the cost to renovate centuries old buildings with vacant upper floor units would be cost prohibitive for this market. DRI funding could help reduce renovation costs to help bring this creative market to Downtown. The FLEDC would partner with building owners and the ACYC to market the lofts to artists who would then have select creations displayed at the Center.

The focus of additional planned investment focuses on increasing housing options and availability and enhancing recreational and cultural activities within Downtown, both of which are severely lacking. Housing, addressed through mixed-use opportunities, has been identified by all local employers as they most limiting factor to attracting and retaining employment. Case in point, a recent feasibility study for a proposed apartment complex in Penn Yan stated there is a current demand for over 700, one and two-bedroom apartments in Penn Yan. A recent study completed by the Center for Governmental Research shows

**Recreational Spending\***

- \$25/resident – Yates County
- \$70/resident – Region
- \$331/resident – Statewide

\* - tickets to events, amusement parks, movies, museums, etc....

Penn Yan and Yates County see just 35% of the amount of recreational spending per capita of the Regional Average and just 7.5% of the State average. This is due to an almost complete absence of recreational activities in Penn Yan.

The collision of creativity through the arts, vibrant culinary scene, active lifestyle (trails and parks), and affordable professional and living options is an encompassing approach to drive a sustainable, year-round economy in Downtown Penn Yan.

Throughout recent planning efforts, it has become clear that Penn Yan faces significant issues with regard to a high rate of poverty. Figure 6 below from the 2016 Comprehensive Plan Update includes a few key economic indicators that help to compare Penn Yan to that of Yates County as a whole with regard to economic opportunity.



**PENN YAN HAS THE LOWEST AVERAGE WEEKLY WAGE RATE IN THE STATE OF NEW YORK.**  
US Bureau of Labor Statistics

Indicator	Penn Yan	Yates County
Median Household Income	\$41,675	\$49,335
College Degree (Associates +)	27%	33%
Unemployment Rate	6.2%	6.9%
Poverty Rate (Individuals)	19%	15.9%

Figure 6: Key Economic Indicators (2013 ACS)

Penn Yan has a lower share of adults (25+) with college degrees (27%) than Yates County (33%). This is consistent with the fact that Penn Yan’s median household income level is below that of the County’s, as educational attainment levels within a community are often a primary driver of a community’s income level. Since the earning potential of college educated individuals is generally higher, a larger share of college educated adults is typically indicative of a higher median household income. Penn Yan’s share of population with a high school diploma, however, is on par with the County rate at 87%. Despite a slightly lower unemployment rate than

the County, Penn Yan has a higher rate of poverty among individuals and families. Of the poverty-stricken families within Penn Yan, single mothers with children less than 18 years of age are the largest group afflicted at 42%.

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

Job growth within Penn Yan is its strongest attribute in this application! Penn Yan is home to a number of the largest employers within Yates County, with over half of the top 20 employers located in Penn Yan and 41% of all employment within the County. The insert at right is provided by the Finger Lakes Economic Development Center, which lists the top employers in Penn Yan.

Clearly Penn Yan serves as an employment hub for the region. Net gains in Penn Yan’s employment industries have been made in Manufacturing and Health Care (according to Bureau of Labor Statistics).

According to the Rochester Area Community Foundation Annual Community Health Report Card, conducted by the Center of

Employer	FT Employees
Soldiers & Sailors Hospital*	578
Penn Yan Central Schools*	400
Keuka College	380
Yates County Government*	246
Finger Lakes Community Health*	210
ARC of Yates*	200
KanPak*	195
Silgan Plastics*	185
Dundee Central Schools	172
Coach & Equipment*	160
Ferro Corp	150
Glenora Winery	109
* - located in Penn Yan	

## Hundreds of Job Openings

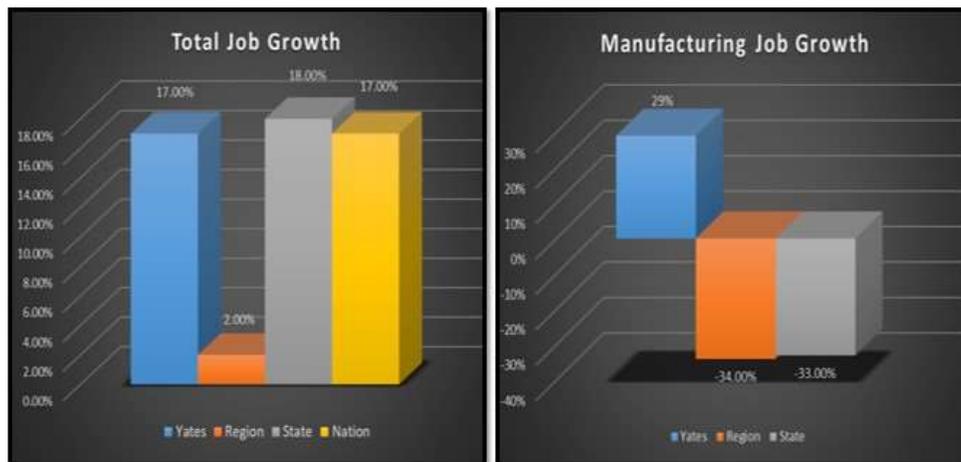
### FINGER LAKES ECONOMIC DEVELOPMENT CENTER AND YATES COUNTY WORKFORCE DEVELOPMENT FORECAST OVER 500 UNFILLED JOB OPENINGS IN NEXT 3-5 YEARS

Governmental Research, Yates County has led the Finger Lakes Region in total job creation (17% vs. 2%), manufacturing job creation (29% vs. -34%), and tourism per capita by wide margins. A summary of this study is attached in the image below. Most of that growth has taken place within Penn Yan. In addition to the strong existing job market, the FLEDC and Yates County

Workforce Development, project there are over 100 current job openings in Penn Yan with that number expected to grow to over 500 in the next three to five years fueled by growth in the manufacturing and health service field.

Representatives of local industries stated that while low wage hourly employees were available, it is often difficult to recruit skilled labor into Penn Yan citing the lack of available housing and retail establishments and cultural activities as the primary obstacles. Additionally, the lack of affordable housing options has increased their turnover as lower skilled employees cannot afford the commute and find jobs closer to their respective homes.

Further impacts to the downtown Penn Yan job market are supported by the planned investments detailed in Section 8, Local Support as well as the letters of support included in Appendix B.



- 5) **Attractiveness of physical environment.** Identify the properties or characteristics that the DRI area 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.

## Walkability & Downtown Streetscapes

Penn Yan's DRI Target Area provides an extremely walkable environment to its residents and visitors. Penn Yan's traditional building stock, interconnected street network, and street trees create an ideal setting for



pedestrians of all ages. Based upon the public input received during the last two years of Penn Yan's 2016 Comprehensive Plan Update process, it is clear that both Penn Yan and Town residents value the enhancement of Penn Yan's walkability. For example, 66% of Penn Yan respondents to the Plan's Community Survey effort identified "the tree lined streets, sidewalks, and overall walkability of Penn Yan" as the most important physical element that contributes to Penn Yan's character.

Recently, Cornell University completed a street tree inventory to determine the extent of species, condition, and other factors. The results of that inventory determined that Penn Yan has a large share of single species trees, which could result in significant loss in the case of a disease. Penn Yan has been awarded two urban forestry grants to replace poor condition trees with other species (detailed in the Table included in Section 3, Past & Future Investments). The DRI Award and Downtown Revitalization Strategy would also help to increase the impact of street tree replacement and planting.

### Housing & Affordability:

The biggest challenge limiting the growth of local businesses and the general growth of Penn Yan, is the lack of available housing options, the reason it is a main focus of our Downtown Revitalization efforts. Based on preliminary discussions with the Keuka Housing Council, it is clear that there is still significant demand for affordable units (a home priced under \$150,000 or monthly rent less than \$750), particularly units that are in good condition. According to the Keuka Housing Council there are extremely limited housing options for the \$30,000 to \$40,000



income level. Their office has over 200 people on waiting lists for affordable units. Currently the Housing Council is considering the development of a \$13 Million, 72-unit mixed-income housing project within walking distance to the DRI Target Area. Of the 72 units proposed, 40 will serve low-income residents at 30% to 80% of Area Median Income, with 10 of those reserved for residents who suffer from various disabilities.

Additionally, 16 townhomes and 8 single-family units will be built priced to suit the missing middle housing market in Penn Yan (\$150,000 to \$200,000).

Affordability in housing is an important factor to consider not only for the lower income families in Penn Yan, but also for households on fixed incomes like retirees and seniors. The Yates County Office for the Aging has cited that housing costs are one of the top burdens the community's senior population faces as they seek to age-in-place. Additionally, records maintained by the Penn Yan School District indicate that approximately 60% of Penn Yan's elementary students and 50% of its middle school students live in poverty. Families take advantage of a number of benefit programs such as employment earnings, retirement funds, social security, and food stamps or Supplemental Nutrition Assistance Program (SNAP) benefits. Much of the low-income

community currently lives within the DRI Target Area, as it is the location of a significant share of rental housing opportunities.

Several organizations within Penn Yan’s downtown are currently working to address these challenges and better serve the low-income populations of Penn Yan to reduce the rate of poverty. For example, Finger Lakes Community Health (FLCH), with headquarters on Maiden Lane, in the Downtown area continues to expand very rapidly throughout all New York State. FLCH will help provide job training and a focus on how to help the hard to employ and minority employees not just get jobs in Penn Yan, but have the opportunity for long term employment and success. FLCH is a recognized expert in this field with 55% of their current 206 employees being bi-lingual.

Downtown Penn Yan also needs to add middle to upper income level apartments to diversify its housing mix downtown. Downtown apartments have historically been limited to low-income residents while recent renovations have started to create a better mix of income levels of residents. A number of current buildings have been identified for potential DRI funding by their mixed-use ability. These buildings have a combination of retail and or professional office settings on street level and upper floor living quarters. Penn Yan has tried to attract housing developers in recent years in response to outcries from local business and community leaders. As previously stated, a recent housing feasibility study indicated Penn Yan has a current unmet need of over 700, one and two-bedroom residential units. A Shepstone Management study financed by the Finger Lakes Economic Development Center in 2008 suggested there was sufficient annual demand to fill 60 new single-family units. Since that time no single housing tract has been developed suggesting there is unfilled demand for over 500 units. That level of shortage is crippling for Penn Yan in its attempts to meet current employer growth needs!

Existing Traditional, Mixed-Use Environment:



The existing historic Main Street and central business district in the DRI Target Area provides an attractive starting point for increased development opportunities to capitalize on the dense, underutilized activity hub that exists today. At left is an image of the Main Street and Elm Street intersection, looking southeast, in the center of the DRI Target Area. The Main Street corridor within the Target Area provides a charming atmosphere with the opportunity for 74 storefronts to house small and local businesses, entertainment venues, retail and tourist destinations, and more. The multi-story structures also allow for the utilization of upper-floors for residential and office uses, much like their original use in the early 20<sup>th</sup> century.

The 2016 Comprehensive Plan Update identified the need for additional retail and entertainment options downtown, not only for residents, but for visitors and Keuka College students and staff. Furthermore, the removal of barriers to additional residential development (parking constraints and cost of historic building acquisition and/or renovation) will help to facilitate the development of affordable residential units, not just luxury or market-rate, creating a stable mixed-income downtown neighborhood.

A challenge exists, however, in the fact that a majority of downtown upper floors are currently classified as low-income, subsidized housing. The lack of disposable income of residents, places pressure on existing retailers and restaurants to attract customers from outside of the downtown area. Successful DRI funding would allow Penn Yan to assist in the development new, additional upper-floor rental units at mixed income levels, creating a more sustainable mix for local businesses.

Access to Healthy & Sustainable Food Market:

Due to Penn Yan's location in the center of a highly active and prosperous agricultural region of NYS, residents have direct access to locally-produced, healthy foods. Between the Mennonite community and thriving agribusinesses in the area, the supply of sustainable local food markets is a significant strength for the community. Residents have long been prideful and supportive of the rural character and agricultural resources of the greater Penn Yan community, and have expressed in the 2016 Comprehensive Plan Update process their intent to continue to capitalizing on and promoting the local farming assets.

Within the target DRI area, there are three grocery stores, all providing healthy and affordable food selections. Aldi's, Tops Grocery, and locally owned and operated Morgan's Grocery are all within two blocks of the targeted area and provide a great and readily accessible source of healthy food choices for downtown families and residents.

**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 plan, 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.

Among the greatest of our assets is the level of commitment that residents and stakeholders have towards our future. Our location along Keuka Lake and presence along the Outlet has also given us the role of steward to the diverse natural resources located within Penn Yan. Our traditional character – defined by quaint Penn Yan streets, walkable neighborhoods, and historic architecture – directly contributes to the economic and social fabric of our community. Penn Yan also has a long history of planning for its future, with the culmination of efforts leading to the completion of our Vision 2020 Design Plan and 2016 Comprehensive Plan Update. Both the Vision 2020 Plan and 2016 Plan Update are the result of efforts over the last four years to incorporate thoughtful public outreach, market analysis, and policy planning in the defining of our Penn Yan's future vision.

The community of Penn Yan very much values its downtown's history, proven by the efforts in 1985 to seek designation on the National and State Historic Registers. The formal Downtown Penn Yan Historic District includes 650 acres and 206 buildings dating back to as early as 1800. Over half of this District is included within the proposed DRI Target Area. Realizing the importance of preserving and protecting the properties located within this District, Penn Yan established a Preservation Ordinance in 1989, which set forth specific rules and regulations for any exterior environmental changes made to buildings within the District. Furthermore, the 2016 Comprehensive Plan Update outlined distinct preferred development practices to guide infill development along Main Street and within downtown.

As part of a Downtown Revitalization Strategy, Penn Yan could undertake an educational campaign with the support of local preservation enthusiast and historians, to increase awareness and make property owners aware

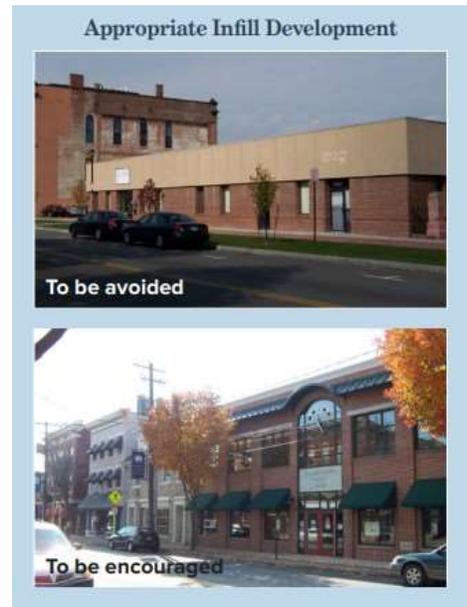
of the NYS and national tax incentives available for projects that are consistent with historical preservation and rehabilitation standards.

It is our belief that great places are those that balance the maintenance of community foundations like infrastructure and day-to-day operations with the pursuit of a unique vision and identity that elevates the community for the benefit of all. The foundations of Penn Yan are those that are essential to the health, safety, and wellbeing of our residents. Our foundations include our natural resources, our public infrastructure, and our community services. At the heart of our community is our walkable, historic Penn Yan center, surrounded by well-established, traditional neighborhoods that provide our residents with convenient access to our highly valued community resources and waterfront. The DRI award and subsequent Downtown Revitalization Strategy would not only provide us with an opportunity to build upon the existing foundations of Penn Yan center, but also capitalize on our greatest assets, redevelopment opportunities, and existing planning tools within the DRI Target Area in a way we would not be able to pursue on our own.

The recent draft 2016 Comprehensive Plan Update reflects these beliefs in the Policy Framework Section (beginning on page 35 of the 2016 Draft Comprehensive Plan included in Appendix C) with a vision statement and community foundation and enhancement policies. This section highlights several key tasks for Penn Yan to complete with regard to the improvement and enhancement of quality of life both within and around the DRI Target Area. Additionally, this section summarizes the existing planning policy tools Penn Yan has to help guide DRI implementation decision-making. These tools include the following:

### **(1) Penn Yan Zoning Code**

The existing Penn Yan Zoning Code includes a Penn Yan Center (VC) District that is intended to foster traditional, mixed-use and multi-story infill opportunities in the heart of the DRI Target Area. The VC District permits the mixing of uses in structures, including upper-floor residential units, and a maximum building height of five stories. Additionally, Penn Yan recently amended its Waterfront Development and Conservation District, a portion of which is included in the DRI Target Area, to require a higher level of consideration for the character and context of Penn Yan downtown and waterfront commercial and mixed-use areas. The District aims to encourage appropriate land development, including the utilization of vacant land and buildings and the adaptive reuse of existing structures, which is in harmony with the maintenance of the district’s recreational and open space areas and the conservation of the historic environmental areas adjacent to the Keuka Outlet and Keuka Lakefront. In general, Penn Yan’s Zoning Code supports the vision of the DRI Target Area and would help to ensure investments positively contribute to the overall quality of life in the area.



### **(2) Penn Yan Community Vision Plan (2015)**

Commonly referred to as the “Vision 2020 Plan,” this Plan (completed by the Community Design Center of Rochester) contains guiding policies and graphics for future streetscape and development improvements within Penn Yan. The recommendations of this Plan include a detailed overview of the

issues and opportunities for the enhancement of the waterfront and downtown core, both included in the DRI Target Area. The Vision 2020 Plan highlights specific steps for the reuse and enhancement of the historic Main Street Arcade building, Main Street Connector Park, and reorganization of Penn Yan parking in the DRI Target Area. The entirety of the DRI Target Area has been reimagined within the Vision 2020 Plan in policy and graphically as shown in the excerpts below, where the purple indicates areas of potential infill development.

Proposed Plan for the Inner Outlet



Proposed Plan for the Inner Outlet Hub



### **(3) Penn Yan Parks and Recreation Master Plan (2018)**

A comprehensive analysis of existing parks and recreation resources in Penn Yan, conducted in partnership with Cornell Design Connect, as well as recommendations for improvement. Relevant parks and recreation spaces within the DRI Target Area include the Main Street Mini Park, Keuka Outlet Trail, Keuka Street Boat Launch, and Keuka Outlet playground facilities.

### **(4) Penn Yan Local Waterfront Revitalization Strategy (2007)**

The Penn Yan Local Waterfront Revitalization Strategy was the result of a grant from Department of State to create a vision plan and series of recommendations and guidelines to improve the aesthetics and use of Penn Yan's waterfront areas. The southernmost portion of the DRI Target Area along the waterfront is addressed in this Strategy, including the DRI area's direct connections to the Keuka Lake and Keuka Lake Outlet waterfront areas also within Penn Yan.

### **(5) Penn Yan Infrastructure Improvement Strategic Plan (2003)**

This document is the first step of many over the last decade for Penn Yan to take a proactive approach to infrastructure improvement. The comprehensive document outlines the issues, opportunities, and recommendations for future growth of Penn Yan's water, sewer, transportation, electric parking, and trail systems. Updates to Penn Yan infrastructure are monitored and managed through Penn Yan's Department of Public Works.

### **(6) Penn Yan Comprehensive Master Plan (2016)**

The primary purpose of the Comprehensive Plan is to put the community's vision for its future on the record. Any development proposal or action, whether private or public, will take into consideration the Village's vision as expressed in this Plan, and attempt to be consistent with these stated priorities. The Comprehensive Plan serves as an update of the Village of Penn Yan's 2000 Comprehensive Master Plan.

**(7) Penn Yan Commercial District Streetscape Development Plan (1998)**

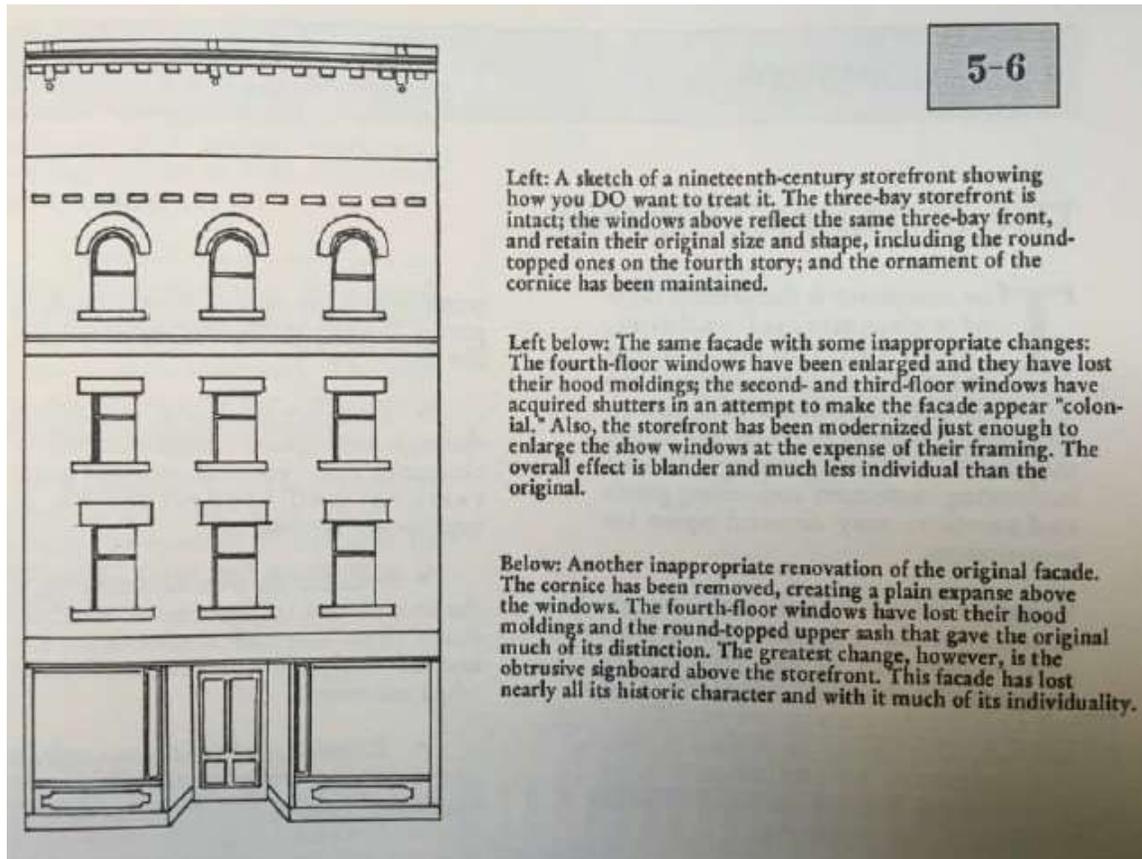
The Streetscape Plan is a comprehensive study of Penn Yan’s existing streetscape elements within the downtown area, including guiding principles and recommendations for parking, sidewalks, crosswalks, gateways, and the street wall, trees, lights, and furnishings.

**(8) Penn Yan Penn Yan Center Façade Revitalization Program (1994)**

One of Penn Yan’s most successful programs is the Façade Revitalization Program (FRP), which has consistently been utilized over the last two decades by local property owners. The FIP is aimed at providing incentives to encourage property owners to restore or enhance historic facades in downtown, leveraging public dollars for an amplified private investment and restoration effort within the central business district.

**(9) Penn Yan’s Historic Preservation Commission and District Guidelines (1993)**

Penn Yan currently has one of the most comprehensive and detailed guidebooks for downtown development design and historic preservation. Entitled “An Inheritance of Time,” this document was formally adopted as part of Penn Yan’s Preservation Ordinance to establish a Historic Preservation Commission and District Design Guidelines. Not only does this document provide ample guidance for the restoration or renovation of historic properties, it also serves as an inventory of architectural styles and structures within the historic core. The image below is an example of the type of standards guiding historic renovation projects; however, there is little interest in taking on such large investments by the private community due to the lack of parking and incentives.



An excerpt from “An Inheritance of Time,” Penn Yan’s Guidelines for the Historic Preservation District.

Although Penn Yan has invested public time and capital in the development of these significant planning tools and policies, the barriers to public development continue to suppress their capacity for increasing the quality of life for residents and visitors in the downtown area. One way we feel that Penn Yan may be able to utilize the DRI Award to increase private investment interest is to establish a local land bank or other public entity or community development approach that would help to address each barrier—housing, parking, and storm water management. Each of these barriers may be surmounted under the management of a local land bank that could acquire property and make public investments that then leverage private support. The following are two examples of how a land bank could operate:

- The land bank could acquire key parcels for the development of public parking. The costs of construction and maintenance could be recouped through a PILOT fund from future investments and developments in the DRI Target Area based on their parking requirements.
- The land bank could target areas where there is a significant risk of flooding, such as the parking lot on the eastern side of Main Street north of East Elm Street. In this area Jacob’s Brook was once paved over, amplifying the flooding potential of the area, which was experienced in full force during the flood event of 2014 (photo below). By acquiring this property, the land bank could utilize DRI monies to daylight Jacob’s Brook and spark redevelopment interest in this critical area of downtown Penn Yan (a project considered and sketched in the Vision 2020 Plan).



Aftermath of the 2014 Flood.  
Photo: Spencer Tulis photos/Finger Lakes Times

**7) Public Support.** Describe the public participation and engagement process conducted to develop 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 DRI Local Planning Committee to oversee the plan.

With the recent completion of Penn Yan’s Vision 2020 Design Plan and draft 2016 Comprehensive Plan Update, local leaders, stakeholders, and residents alike are eager to begin the implementation of a targeted, purposeful investment plan for the downtown area and greater Penn Yan community.

Public Outreach Opportunity	Total Participants
Vision 2020 Plan Charettes	160+
Vision 2020 Plan Committee	30 Residents
2015 Community Survey	400+
2015 Keuka College Survey	150+
2016 Plan Community Workshop	50+
2016 Plan Youth Workshops	30+
2018 Parks and Recreation Master Plan	50+

(Excerpts of results from the Community Survey conducted as part of the 2016 Comprehensive Plan)

### Top 5 Priorities for the Village into 2025:

1. *Fill vacancies in the Downtown area*
2. *Foster additional employment opportunities*
3. *Attract additional commercial and retail development*
4. *Improve the appearance of Downtown*
5. *Preserve and rehab historic building stock*

Throughout this submission the high level of engagement of the greater Penn Yan community has been highlighted. Not only were residents of Penn Yan and greater Penn Yan community surveyed as part of both the Vision 2020 and 2016 Comprehensive Plan Update processes, Keuka College students and faculty were also engaged as well as stakeholder interviews held with various Penn Yan stakeholders, departments, partners, and investors. The collective vision, thoughts, and ideas of these constituents are well-represented in each planning document Penn Yan has pursued, including a community meeting for the purposes of developing this submission for the DRI Award.



The previous table summarizes the participants in a number of key public outreach opportunities conducted with Penn Yan’s recent planning efforts.

There are several local public and private entities committed to the revitalization of downtown Penn Yan. Below is a summary of the current and planned investments by the public and private entities that have submitted letters in support of the Penn Yan DRI application. The letters of support are contained in Appendix B of this submission.

- 1) Matt Horn - Deputy Director, Local Government Solutions / Former Geneva City Manager
- 2) Jorge Diaz-Herrera - President of Keuka College
- 3) Renee Bloom - Executive Director of Keuka Housing Council
- 4) Jeffrey S. Gifford - Downtown Property Owner
- 5) Christopher N. Iversen - President of Chrisantha, Inc.
- 6) Joshua Rosenbloom – Rose in Bloom Restaurant Group
- 7) Thomas O’Mara - NYS Senator, 58<sup>th</sup> District
- 8) Leslie Church - Yates County Legislator Vice Chairman
- 9) Stephen Griffin - CEO of Finger Lakes Economic Development Center
- 10) Jessica Bacher - Executive Director, Yates County Chamber of Commerce

- 11) Philip Palmesano, NYS Assemblyman 132<sup>nd</sup> District
- 12) Mary Zelazny, CEO, Finger Lakes Community Health
- 13) Mary Zelazny, Chair of the Vision 2020 Plan Committee
- 14) Carol Genecco – Manager of Keuka Estates Mobile Home Park
- 15) Ray and Sandi Spencer – Owners, Water Street Wines & Spirits

Should Penn Yan be awarded the DRI funding and have the opportunity to implement a Downtown Revitalization Strategy, the Mayor of Penn Yan and the CEO of the FLEDC will serve to lead the project in partnership with local leaders and stakeholders.

**8) Project List to Demonstrate Readiness:** Describe opportunities to build on the strengths described above by providing a list 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 most projects proposed for DRI funding demonstrate their readiness for implementation.

Project readiness is among the strongest attribute of Penn Yan’s DRI application. We have developers ready to move forward if we are selected as the DRI community. At the time of writing this submission, Penn Yan currently has projects totaling \$79 Million in various stages of planning proposed for the downtown area and surrounding catchment area. The cumulative impact of private investment within the DRI Target Area would be increasingly competitive and would help to multiply the direct economic impacts to downtown as well as the community as a whole.

Penn Yan has identified key projects that would benefit from DRI funding, but that also meet the goals and strategies of our recently completed Comprehensive Plan, Waterfront Overlay Zoning and Vision 2020. Careful thought, planning and prioritization was put into these projects and our not only most ready to move forward with financial assistance but would also be the most economically impactful to our residents and visitors.



The table below contains those projects ready to move forward along with the timeframes given by the property owners. The projects have demonstrated their readiness in multiple manners. Many have started initial phases of their developments but need additional funding in order to complete. Those that have not started have put together initial design plans and/or received construction estimates from local contractors. The larger design-oriented projects, namely Sampson Theater, have worked with industry consultants on their estimates and timeframes to implement. The project start dates are reliant on the ability to receive DRI funding in order to proceed.

Current & Potential New Projects:	Location:	Description:		Project Start Date:	Project Cost:
<b>Residential Projects</b>					
Keuka Gardens	Brown Street	Construction of 42 affordable income housing units. Home Leasing has an accepted offer on the land contingent on receiving grant funding toward project costs.	Construction	2018	\$10,000,000
Keuka Outlet Development	Lake Street	Continued development of Keuka Waterfront Development. Planned 42-unit high income housing units.	Construction	2017 Site work begun	\$20,000,000
Water Street Townhomes	Water Street	Construction of 18 middle income condominiums.	Construction	2019	\$3,200,000
Keuka Estates	Lake Street	Construction of 72 affordable, senior living apartment units and 44 townhomes directly across Lake Street from Village of Penn Yan's Red Jacket Community Park on Keuka Lake.	Construction	2020	\$15,000,000
Vineyard Hill	Elm Street	Construction of 40, 1&2 bedroom apartments, 12 townhomes, 10 single family residents all at 30-80% of AMI	Construction	2019	\$13,000,000
Keuka College Student Housing	TBD	Construction of off campus college housing for up to 200 Keuka Students	Construction	2019	TBD
<b>Mixed-use Projects</b>					
NYSEG Gas Plant Remediation	Water Street	Major remediation of historic NYSEG gas plant located on Keuka Outlet. Remediation includes dredging of soil in Keuka Outlet. Investment figure is for remediation only. Redevelopment is thought to	Construction, Professional, Retail. Low, Mid, High Skilled	2017-2019 Work has begun	\$15,000,000

		consist of office and retail uses.			
Opera House Apartments	Main Street	Renovation of second floor of historic building in downtown adding 7 upper floor apartment units in what was a small live performance theater.	Construction, Retail	2018	\$1,000,000
The Belknapp	Main Street	Renovation of long vacant downtown building into mixed use property. First floor will be an accounting office with four apartments built in upper two floors.	Construction & Office/ Professional	2018	\$750,000
126 Main Street	Main Street	Renovation of historic building in downtown adding at least 3 upper floor apartment units and professional offices. A pharmacy occupies the first floor.	Construction & Retail	2018	\$200,000
11 Main Street	Main Street	Renovation of historic building in downtown. First floor targeting restaurant. Upper floors will be residential units.	Construction & Retail	2018	\$250,000
Knapp Hotel	Main Street	Renovation of original hotel in Downtown Penn Yan	Housing & Professional, Retail	2019	\$600,000
Struble Arcade	Main Street	Renovation of historic building in downtown.	Housing & Retail	2019	\$1,500,000
111 Liberty	Water Street	Mixed-use project with 5 high end apartments on upper two floors. Targeting craft beverage and food for ground level.	Housing & Retail	2018-2019	\$250,000
The Lumber Yard	Delano Place	Current lumber yard located on shores of Keuka Outlet. Targeting mixed-use development of property to include residential, retail and office.	Housing, Retail and Professional Office	2019	TBD
Cultural & Recreational Projects					

Sampson Theater	East Elm Street	Phase 1 renovation of historic Sampson Theater. Named of one 5 to Revive in 2013 by Rochester Landmark Society	Construction	2018	\$390,000. \$10,000,000 full project
Keuka Outlet Boardwalk	Keuka Lake Outlet	The construction of a boardwalk around the perimeter of the Keuka Lake Outlet Marshlands. Would provide recreational and educational experiences.	Planning, Construction	2018 Design / 2019 Construction	TBD
The Sculpture Walk	Keuka Lake Outlet Trail	An educational program centered on educating young adults on natural habitat along the Outlet and the design and fabricating of large sculptures representing that habitat to be placed along the Outlet itself.	Planning and Design	2018-2019	TBD
The Art Gym	Main Street	Shared workspace environment that enables artists to create across many artistic platforms and disciplines. In addition to shared space, artists of all skill set and experiences will have the ability to learn from experts how to use various equipment to make their pieces.	Planning and Design	2019	TBD
Private Industry Projects					
Barrington Distillers	Main Street	Renovation of historic Main Street structure to accommodate distillery tasting room and speak easy	Construction, Service, Food	2018	\$287,000
Nano-Brewery	Basin Street	Renovation of vacant jail into a Nano brewery.	Craft Beverage	2018	\$400,000
132 Water Street	Water Street	Targeting the attraction of a restaurant in the basement of a mixed-use property. A wine and spirits store occupy the first floor with residences on upper floors.	Craft Food	2018-2019	\$175,000
Municipal Projects					

Downtown Free Wi-Fi	Main, Elm & Water Streets	Installation of wireless high-speed internet access to accommodate remote workers and residents	Design	2019	TBD
Keuka Outlet Dredging	Keuka Outlet	Opening up boat access to Downtown Penn Yan by dredging the Outlet to the Main Street bridge.	Construction	2018	TBD
Bicycle and Horse & Buggy Lanes	Downtown Penn Yan	Design study to enhance transportation for alternative methods of travel and improve safety.	Design	2018	TBD

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

The Village of Penn Yan has a strong working relationship with the Finger Lakes Economic Development Center (FLEDC). While no formal partnership is in place, the FLEDC is the sole economic development entity in Yates County and works with the Village as the lead on a majority of downtown development projects, initiatives, and planning. Recent examples of this non-formal partnership include managing development efforts and state grant awards for projects on Main Street (Restore NY & NY Main Street Grants), Water Street (Restore NY Grant), Lake Street (REDC), and the Keuka Waterfront Development (REDC). If awarded funding, the FLEDC would be the lead with New York State on any planning and funding efforts. The FLEDC has also managed State grant funding for their agricultural loan fund (\$2.0 Million) which was the first of its kind in New York State which as such required in-depth communication and partnership with Empire State Development on the implementation and reporting of the award.

The FLEDC has been named by the International Economic Development Council as one of the seven most highly productive economic development organizations in the World and their CEO, Stephen Griffin, was named the 2017 New York State Economic Developer of the Year by the New York State Economic Development Council. Other regional, state, national and international economic development organizations have sought guidance from the FLEDC on downtown and rural development efforts.

Their expertise and awards are examples of the organizations ability to manage the project should Penn Yan receive DRI funding.

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

Although the Vision 2020 Plan and 2016 Comprehensive Plan Update are referenced throughout this submission, a complete review of each document would further show how strongly aligned Penn Yan’s downtown vision is with the intent of the DRI Award. For ease of reference the 2016 Comprehensive Plan submitted to Empire State Development for their internal review (as part of funding agreement) has been included as Appendix C. Below the overall intent and purpose of the completed Vision 2020 Plan.

Vision 2020 Plan

Completed in 2015 as a vision for the next 20-30 years, this Plan was developed to articulate the greater Penn Yan community's collective vision. The Plan is a combination of thoughts and ideas from Penn Yan residents, business owners, and other stakeholders, along with the Vision 20/20 Steering Committee.

Much of these ideas were gathered from a Community Charrette conducted in Penn Yan that was attended by over 125 people. The document and recommendations were distilled by the Community Design Center of Rochester to address the unique needs of Penn Yan in a visual form that contains maps, images and text. The Plan focused on seven areas: gateways and wayfinding, waterfront development and connections, the downtown core, housing and mixed-use development, newer commercial and community development, preservation—architectural and environmental design guidelines, and transportations and connections. A set of guiding principles were developed by the Vision Committee from reoccurring themes at the design charrette that include the following:

- Preserve, cultivate, celebrate historic ambiance: preservation, history, culture, Main Street
- Provide, enhance, expand connectivity: gateways, waterfront, parking, region
- Demand good design: public realm, design guidelines, signage
- Focus on the pedestrian: balance between auto, multi-modal, trails, parks, safety, walkability
- Enhance with natural elements: vistas, waterfront, parks, trees, trails
- Promote appropriate growth, housing, land use, building use, planning, fighting sprawl
- Develop civic pride: Stewardship, property maintenance, partnerships, diversity, identity
- Destination Penn Yan: tourism, history, waterfront, public realm, identity

Included below are pictures taken from the public charrettes conducted as part of the Vision 2020 Plan process and some of the visioning materials that resulted from them.



In addition to the residential population growth potential for the Penn Yan DRI Target Area, Penn Yan is well positioned to be a year-round destination for local, regional, and national visitors. The market analysis completed as part of the draft 2016 Comprehensive Plan Update indicates that in 2015, Yates County saw over \$76,292,331 in retail sales lost (retail leakage) to outer markets, with Penn Yan specifically losing nearly \$38,000,000 in annual retail sales. The largest share of leakage included the food and beverage, clothing and clothing accessories, and general merchandise retail sectors.

According to the retail sales versus spending, and retail gap analysis included in the 2016 Comprehensive Plan Update (table shown below), Penn Yan has the potential to capture its own share of the Yates County retail leakage values to support an additional 80,000 square feet of various retail uses. Much of this square footage could be gained in the vacant and underutilized storefronts within the DRI Target Area, provided Penn Yan has the capital to invest in the downtown and leverage private development interests. The DRI funds would be critical to removing the barriers limiting the Target Area’s full economic and population growth potential.

Retail Category	Yates County Sales	Penn Yan Sales	Penn Yan % of Sales	Yates County Leakage	Penn Yan Share of Leakage	Potential Penn Yan Space (SF)
Furniture & Home Furnishings Stores	\$1,327,147	\$99,600	8%	\$3,570,019	\$267,924	1,000
Electronics & Appliance Stores	\$1,361,523	\$284,333	21%	\$5,489,642	\$1,146,427	2,000
Bldg Materials, Garden Equip. & Supply Stores	\$6,113,173	\$2,379,289	39%	\$1,530,785	\$595,792	2,000
Food & Beverage Stores	\$19,951,567	\$10,782,599	54%	\$23,438,306	\$12,666,968	21,000
Health & Personal Care Stores	\$58,677,281	\$53,794,664	92%	\$0	\$0	0
Clothing & Clothing Accessories Stores	\$2,064,257	\$1,338,545	65%	\$12,284,067	\$7,965,470	20,000
Sporting Goods, Hobby, Book & Music Stores	\$1,129,236	\$241,979	21%	\$3,824,103	\$819,450	2,000
General Merchandise Stores	\$3,194,119	\$1,801,995	56%	\$21,187,372	\$11,953,073	30,000
Miscellaneous Store Retailers	\$7,019,103	\$1,549,007	22%	\$435,457	\$96,099	0
Food Services & Drinking Places	\$17,231,058	\$8,463,301	49%	\$4,532,580	\$2,226,247	5,000
<b>Total Retail</b>	<b>\$118,068,464</b>	<b>\$80,735,312</b>	<b>68%</b>	<b>\$76,292,331</b>	<b>\$37,737,449</b>	<b>83,000</b>

Figure 18: Retail Development Opportunity by Category  
Source: ESRI BAO & Urban Advisors Ltd

\*Don’t forget to attach a map that clearly delineates the proposed DRI Area. (See item 1.)

## EMAIL SUBMISSION ADDRESSES

Please submit your application as a Word Document to the Regional Council for your region.

Capital Region [NYS-CapitalDist@esd.ny.gov](mailto:NYS-CapitalDist@esd.ny.gov)

Central New York [NYS-CentralNY@esd.ny.gov](mailto:NYS-CentralNY@esd.ny.gov)

Finger Lakes [NYS-FingerLakes@esd.ny.gov](mailto:NYS-FingerLakes@esd.ny.gov)

Long Island [LIREDC@esd.ny.gov](mailto:LIREDC@esd.ny.gov)

Mid-Hudson	<a href="mailto:NYS-MidHudson@esd.ny.gov">NYS-MidHudson@esd.ny.gov</a>
Mohawk Valley	<a href="mailto:NYS-MohawkVal@esd.ny.gov">NYS-MohawkVal@esd.ny.gov</a>
New York City	<a href="mailto:NYC-DRI@esd.ny.gov">NYC-DRI@esd.ny.gov</a>
North Country	<a href="mailto:NYS-NorthCountry@esd.ny.gov">NYS-NorthCountry@esd.ny.gov</a>
Southern Tier	<a href="mailto:NYS-SouthernTier@esd.ny.gov">NYS-SouthernTier@esd.ny.gov</a>
Western New York	<a href="mailto:NYS-WNY-REDC@esd.ny.gov">NYS-WNY-REDC@esd.ny.gov</a>

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- ⋯ Proposed Boardwalk
- ⋯ Outlet Trail
- Points of Interest
- DRI Area



ID	Location
1	Sampson Theater
2	Opera House Apartments
3	Struble Arcade Building
4	126 Main St. - Mixed Use
5	The Belknapp Apartments
6	11 Main St. - Mixed Use
7	7 Main St. - Barrington Distillers
8	1 Basin St.
9	The Knapp Hotel
10	Water Street Town Homes
11	The Union Block - 132 Water St.
12	NYSEG Gas Plant
13	111 Liberty St. - Mixed Use
14	Keuka Outlet Trail
15	The Lumber Yard
16	Board Walk
17	Outlet Dredging
18	Red Jacket Park - Public Beach
19	Indian Pines Park - Public Beach
20	Elm St. Park
21	Tops Friendly Market
22	Aldi Food Market
23	Penn Yan Village Office
24	Lake St. Park - Public Park
25	Farmers Market

1 inch = 450 feet



Map produced by  
Yates County Soil & Water  
Conservation District GIS