

BASIC INFORMATION

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

Municipality Name: City of Poughkeepsie

Downtown Name: Main Street Corridor

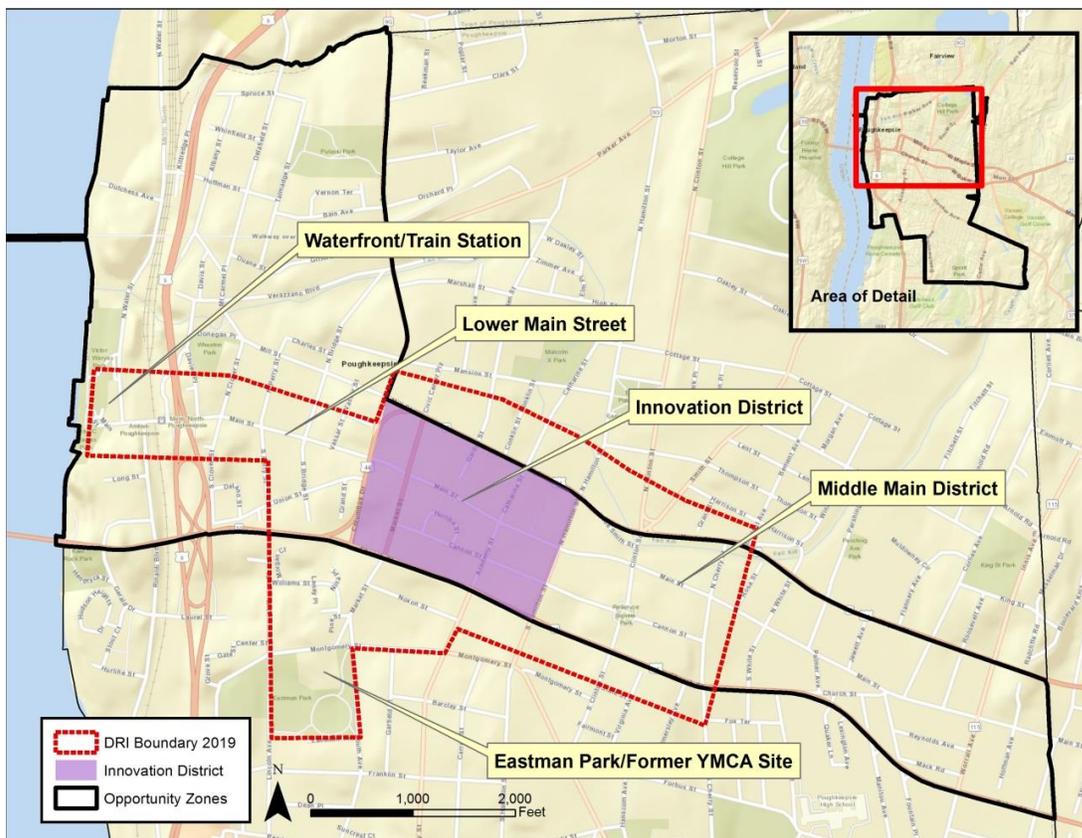
County Name: Dutchess

Applicant Contact(s) Name and Title: Rob Rolison, Mayor

Applicant Contact(s) Email Address and Secondary Email Address: RRolison@cityofpoughkeepsie.com, NQuinn@cityofpoughkeepsie.com

Vision for Downtown

The City of Poughkeepsie is poised to build upon its historic roots as an epicenter of New York State trade, transportation, and technological innovation. By implementing new policies that provide private investors with strong incentives for urban investment—such as the creation of the visionary Poughkeepsie Innovation District and the offering of Opportunity Zone tax incentives—Poughkeepsie foresees robust entrepreneurial activity throughout the downtown corridor in coming years. Filling long vacant buildings with commerce and housing will help return Main Street to its roots as a focus of employment and enjoyment for its diverse citizenry while serving as a draw to the nearly 75,000 people living in and around the city. Because of its unique position as the terminus of the Metro North Hudson Line, we see Poughkeepsie flourishing as more millennials flock to an affordable alternative to the New York City Metro Region. Like the microgreens being grown and sold to eateries throughout the Northeast from a former downtown office building by Indoor Organic Gardens of Poughkeepsie, new ideas are sprouting in downtown Poughkeepsie. With continued care and nourishment, we see more of everything—tech, hospitality, housing, makers, and millennials—growing in the city center for decades to come.



Justification

Reader's Digest recently featured Poughkeepsie as one of the “15 Best Places to Move in the U.S. (Before They Get Too Crowded).” The article captures much about why the city is about to catch fire: “A new energy is fueling the Hudson riverfront City of Poughkeepsie, bolstered by people and businesses, captivated by the new urbanism of the upstate New York town. The city, with its great transportation options, is a draw for commuters to Manhattan, who enjoy the open spaces and affordable housing options offered here. There's plenty to keep them in Poughkeepsie though, with a new downtown revitalization that includes artist studio space, cafes and coffee shops, and the Walkway Over the Hudson, a recreation area with spectacular views down the Hudson River.”

From more than 1,200 new housing units either completed or in the pipeline to a massive 750,000 SF, \$500 million expansion of the Vassar Brother's Medical Center and the unveiling of exciting plans to create the new Marist Health Quest School of Medicine, the City of Poughkeepsie is brimming with new ventures. Urban planners and city leaders agree that the positive impacts of these far-reaching developments must be harnessed to re-development of the city's central business district in order to fully revitalize Poughkeepsie. The Main Street Corridor targeted in the city's DRI proposal correlates closely with both the city's recently created Poughkeepsie Innovation District, which relaxes zoning regulations to encourage targeted uses and provides support for an array of creative, tech, and hospitality firms, and its two federal Opportunity Zones, which provide substantial capital gains tax incentives to developers of projects in impoverished census tracts. Poughkeepsie is partnering with Dutchess County to assess market conditions within the two zones and work with property owners and the investment community to explore partnerships and catalytic development opportunities. A forum was held in April 2019 with nearly 30 local property owners and regional investors that will help inform a prospectus package to be used in a nationwide marketing program offering the opportunity to investors who can take advantage of the program's tax benefits by investing in Poughkeepsie. The city has been at the forefront of the Opportunity Zone program, and there are clear synergies between a DRI investment and expected Opportunity Zone-driven investment. The Innovation District and Opportunity Zones identify specific properties for strategic improvement in the downtown economy, such as underutilized city-owned lots and vacant buildings that once housed large commercial and hospitality venues. Through collaborations with Mass Design Group, Scenic Hudson, and Pattern for Progress, the city has completed analyses and recommendations for targeted private redevelopment of key downtown parcels as well as streetscape and infrastructure improvements that will help “feather the nest” as re-development occurs.

These efforts are already beginning to bear fruit. The Kearney Realty & Development Company is finalizing plans to purchase the underutilized Crannell Street parking lot from the city to construct 75 affordable apartment units. The Crannell Square project not only transfers an unproductive city-owned parcel to private ownership, but will provide the growing city center with increasingly needed mixed-income housing opportunities. Additionally, the city is engaged in negotiations with a well-known cinema chain on an ambitious plan to redevelop the adjacent underutilized city lot within the Main Street Corridor. In addition to state-of-the-art cinemas and an array of retail and office space, this plan could result in the construction of a multi-level parking garage that will further enhance the development potential of other downtown properties.

While the famed Bardavon Theater continues to attract tens of thousands of patrons and students to downtown Poughkeepsie annually, the rest of the Main Street Corridor is beginning to flourish as a number of newer, smaller creative spaces have emerged in recent years, attracting outside interest in

the Queen City. From the Poughkeepsie Underwear Factory and the Trolley Barn to Cryptic Gallery and Art Centro—all recently completed Main Street arts centers—downtown Poughkeepsie is brimming with the kinds of creative enterprises that have helped to rejuvenate and reinvent other formerly industrial locations. Complementing this transformation are affordable housing options being offered to established and aspiring artists such as Queen City Lofts, another Kearney Realty development that opened on Main Street in 2019 and offers reduced rent for artists. This and live-work loft apartments offered in the upper floors of downtown commercial buildings provide artists with affordable opportunities to live where they ply their creative arts.

DOWNTOWN IDENTIFICATION

1) Boundaries of the proposed DRI area.

The Main Street Corridor encompasses 270 acres of walkable, compact, historic urban fabric in the heart of Poughkeepsie. The proposed area focuses on the city’s historic Central Business District (CBD), while extending west down lower Main Street to the Poughkeepsie Train Station and waterfront and east to the edge of Middle Main Street and the Poughkeepsie Underwear Factory. The Corridor boundary also extends for nearly two blocks along southern Market Street to include much of Eastman Park and the long-vacant YMCA property, a site of significant public interest. Thus, the targeted Main Street Corridor connects pockets of strength and activity at either end. The Main Street Corridor is bordered on the north by the city’s primarily residential North Side neighborhoods, including a significant portion of the Fallkill Creek, and the Walkway Over the Hudson State Historic Park, which attracts nearly 500,000 visitors annually. To its south, the Main Street Corridor is bordered by an area featuring residential neighborhoods and some of the city’s largest employers and commercial institutions, including the Vassar Brothers Medical Center and the Central Hudson Gas & Electric Corporation. The roughly mile-long corridor encompasses three distinct but compact subdistricts – the waterfront, CBD, and Middle Main – and includes a rich and diverse array of housing, offices, restaurants, nonprofits, retail establishments, arts venues, and government services.

The Main Street Corridor serves as the civic, commercial, entertainment, and transportation heart for Dutchess County and much of the Mid-Hudson Valley. In this regard, the Corridor not only serves the nearly 75,000 residents living in the City and Town of Poughkeepsie, but hundreds of thousands from beyond their borders. Thousands of commuters converge on the Poughkeepsie Train Station daily to travel to jobs in the New York City metro region. As the Dutchess County seat, the downtown corridor provides a range of governmental services, from Department of Motor Vehicles to the County Clerk’s office to County Court facilities. Main Street Corridor entertainment and hospitality venues—including the Bardavon, the Mid-Hudson Civic Center, and the Poughkeepsie Grand Hotel—bring thousands here throughout the year. Nearly 100 downtown restaurants of every size and type offer a rich blend of cuisines (American, French, Greek, Mexican, Chinese, etc.) to appeal to every palate, attracting many more visitors to downtown Poughkeepsie. In short, while the Main Street Corridor’s eclectic blend of attractions and services provide for the day-to-day needs of greater Poughkeepsie’s inhabitants, Poughkeepsie’s downtown also serves as a cultural, civic, and commercial magnet drawing visits from hundreds of thousands of Mid-Hudson Valley residents.

Poughkeepsie’s institutional employers include IBM, Vassar Brothers Medical Center, MidHudson Regional Hospital of Westchester Medical Center, and Central Hudson Gas & Electric. Four thriving institutions of higher learning—Marist College, Vassar College, Culinary Institute of America and Dutchess Community College—are located within this catchment area and provide substantial employment and economic contributions to the local and regional economy. Furthermore, employees of these anchor institutions tend to reside within the greater Poughkeepsie metropolitan area. For

example, Health Quest, the parent company for Vassar Brothers Medical Center, reports that over 1,100 current employees live within the city or town of Poughkeepsie—providing a robust customer base within the commercial core and, of late, contributing to the low vacancy rates for apartments that have spurred a wave of new rental housing development. Poughkeepsie also serves as a primary regional transportation hub with rail and bus routes converging at the Poughkeepsie Train Station and where busy state highways cross the Mid-Hudson Bridge. As the northernmost terminus of Metro North’s Hudson Line the Poughkeepsie Train Station connects Poughkeepsie to New York City, Amtrak serves the broader region with stops in Albany and western New York. Nearly 30% of city residents travel more than 50 miles to get to work – half of whom commute to NYC.

2) Past Investment, future investment potential.

Poughkeepsie’s current revitalization can be traced to contributions from all sectors—government, nonprofit, business, and community stakeholders—toward a shared vision of a new and rejuvenated 21st Century city. The strategic planning and community engagement of the recent past have led to real projects and substantial investments that have repurposed long-vacant buildings and constructed exciting new structures on empty lots. In the last three years alone:

- More than 1,280 new housing units have been built or are in the development pipeline.
- Nearly \$1.1 billion in public and private investment in residential, commercial, and institutional development is either under regulatory review, under construction, or completed.
- The city has initiated more than \$30 million in public infrastructure improvements designed to support the demands of new investment.
- A new medical college—Marist Health Quest School of Medicine—will be begin accepting students in 2022.

The city is committed and focused on partnerships in all forms in order to make sure that its strides forward into the 21st Century are sustainable, collaborative, and resilient. New York State and the MHREDC have aided significantly with this mission thus far, contributing pivotal funding in support of many visionary projects, both public and private. Past MHREDC investments are indicated with an asterisk (*).

Major public infrastructure investments over the past five years include a city-wide water and sewer infrastructure upgrade (\$22M), essential new vehicles for first responders and public works (\$1.5M), and the upgrading of street lights with LED bulbs to improve energy efficiency and enhance security in the downtown (\$4.5M). Upcoming improvements in the planning stage include Walkway over the Hudson East Side Visitor Center (\$3M*), general parks improvements (\$1M), College Hill Park restoration (>\$1M), parking infrastructure and bus service improvements (\$2M), and the coordination and improvement of youth programs (>\$1M). To advance the vision of a safe and walkable downtown, the city was recently awarded funds through the NYS DOT Pedestrian Safety Action Plan (\$2.4M).

In addition to infrastructure improvements, Poughkeepsie is experiencing a transformative wave of commercial, institutional, and residential development that promises to generate jobs and economic resurgence in the coming decade. Over 30 redevelopment, expansion, or new construction projects, collectively valued at more than \$1.1B, are either under review by local regulatory agencies or under construction. A survey of these projects indicates just under 1,300 new residential units and nearly 1.1M SF of commercial space are expected to come online city-wide in the next two years.

Transformative projects recently completed, under construction, or moving through the approval

process are highlighted below. While some projects are located just outside the corridor, their scale and proximity will contribute significantly to the vitality of the downtown core.

- **Water Club (\$27M/Completed 2016)** - luxury apartment building with 136 units overlooking the City of Poughkeepsie's southern waterfront, which is now fully rented.
- **Poughkeepsie Underwear Factory (\$7.2M/ Completed 2017)** - Adaptive reuse of a long vacant former factory along middle Main Street, including 22,000 SF of mixed-use space, two thirds consisting of loft apartments and artist studios, and one third as a commercial community hub. Within its first year of operation, the project boasts a 95% occupancy rate, is home to the offices of Art Effect (youth arts programming) and serves over 20 small businesses and individual operations through the Poughkeepsie Open Kitchen, a shared commercial kitchen space. This priority project of the MHREDC was spearheaded by nonprofit housing advocacy organization Hudson River Housing, receiving nearly \$4M in state and federal funding.
- **Vassar Brothers Medical Center Expansion Project (\$500M/ Completion Expected Spring 2020)** - Currently under construction, the project will retain 1,650 jobs and create 65 new positions. This ongoing project has received two ESD grant awards.
- **Queen City Lofts (\$22.6M/ Completed 2019)**—A mixed-used development on lower Main Street, Queen City Lofts provides 70 residential units, with 50 units designed to support artists and their work in the heart of the Main Street Corridor. One of three projects chosen to participate in the state's new and highly-selective middle income program, Queen City Lofts was awarded a \$300,000 ESD grant as a priority project in 2015.
- **One Dutchess Avenue (\$80M/Phase 1 Completion Expected Spring 2019)**—A mixed-use development along the city's northern waterfront, currently under construction. The project will construct more than 300 residential units and approximately 14,000 SF of commercial space as well as a public waterfront promenade.
- **Fallkill Commons on Rose (\$22 M / Expected Completion 2020)** - Fallkill Commons on Rose will consist of 78 units and broke ground in the Fall 2018. Half of the units will be subsidized by Empire State Supportive Housing Initiative funding and will include robust services on-site, including care management by healthcare professionals. The project was awarded \$20.2 million in funding from the New York State LIHTC program and Supportive Housing Opportunity Program.
- **The Hive (\$10M/Approved)**. This inventive adaptive re-use of a long vacant downtown structure at 33-35 Academy Street will create 28 apartment units and nearly 24,000 SF of commercial space, featuring a micro-brewery and restaurant. Named a priority project by the MHREDC, The Hive received ESD funding in 2018.

Collaboration between engaged partners has fueled many of the signature projects that can serve as examples for future investments. The city hopes to build upon the following three budding partnerships in its vision for downtown redevelopment:

Trolley Barn Redevelopment & Textiles Initiative (\$5 M / Phase 1 Under Construction). The Poughkeepsie Trolley Barn redevelopment calls for the adaptive reuse of a long vacant and blighted building at 489 Main Street. Envisioned as the cornerstone of what will eventually become an innovation campus, the building is located two doors down from the Poughkeepsie Underwear Factory and adjacent to Art Centro, which provide spaces for the community to develop creative skills in

ceramics and printmaking. The Trolley Barn, currently under development, will have a community-based studio for textile design and production, in collaboration with staff from Marist College and the Fashion Institute of Technology. In addition, staff at Vassar College have proposed a lab at the Trolley Barn for teaching digital imaging/design technologies and applications. The project consists of two phases and is funded in part by NeighborWorks America and ESD's Restore NY program.

Collocation of Anchor Institutions of Higher Learning in Downtown (Pre-Planning Stage).

Poughkeepsie's three anchor institutions of higher learning—Marist College, Vassar College, and Dutchess County Community College—are exploring creative ways to engage their students and faculty in the myriad social, educational, and economic challenges Poughkeepsie residents face daily. The colleges' "Community Engaged Learning" initiatives can serve as a nexus between the missions of the institutions and the current needs of the city. One strategy under consideration is locating shared operations in a central community hub, from which the colleges can work collaboratively to develop innovative solutions to some of Poughkeepsie's key challenges. Once this physical space is established, it will attract students and faculty from local colleges to the downtown neighborhoods and provide opportunities for partnerships with local community agencies and the City of Poughkeepsie School District. Types of programming that could reside in this space include: college fairs and recruitment opportunities for students and parents of the City of Poughkeepsie School District, business plan competitions with high school and college students focused on innovative ideas to be implemented in the city, and focused tutoring for city students.

40 Cannon Street & Workforce Development (\$6.4 M/Fully Occupied). This adaptive re-use of the former Kings Court Hotel stands out for its utilization of local under-employed labor and commitment to improving the surrounding neighborhood. Developer James Sullivan's 10th and largest renovation in the city, 40 Cannon Street includes 49 residential units and 7,000 SF of commercial space, including the King's Court Brewery, 1915 Wine Cellar, Gallery 40, and coffee shop. The \$6.4M project was assisted by the New York Main Street Downtown Anchor program, being nominated by the city largely due to the developer's commitment to hire local, hard-to-place workers. Approximately 50 resident workers were hired over the life of the project, paired with experienced and licensed mentors, and trained in both hard and soft skills in order to prepare them to acquire and maintain future work within the construction industry. This type of local employment and on-site skills development program is a model the city hopes to encourage in all projects assisted through the state's DRI investment.

While Poughkeepsie is experiencing resurgent investment activity, the Main Street Corridor remains well positioned to accommodate future growth and business development. An analysis done as part of the 2018 Downtown Parking Study shows that approximately 50 vacant storefronts exist in the city's downtown, representing a 14% commercial vacancy rate. Furthermore, approximately 70 housing units in existing buildings are available with significantly more under development to provide for downtown housing needs. When added to the existing and pipeline development, close to 300 housing units and approximately 100,000 SF of commercial space could be activated within the city's downtown within the next year alone. Existing vacancy, combined with ample surface parking and numerous vacant developable lots, will enable the city to absorb new businesses and their employees seamlessly.

3) Recent or impending job growth.

Poughkeepsie is experiencing job growth in many sectors, from the massive 750,000 SF expansion of the Vassar Brothers Medical Center, which is expected to retain 1,600 positions while creating an

additional 65 jobs, to the related announcement of the creation of the Marist Health Quest School of Medicine, which projects up to 100 new full time employees by the time the college opens in 2022. Another large potential employer is currently negotiating a preferred developer agreement with the city concerning an underutilized downtown parking lot. The \$11M downtown development plan calls for up to 40 new employees. In addition to these gains, there is robust employment growth in numerous smaller downtown enterprises that is less quantifiable but nonetheless expected to provide significant cumulative gains in the future.

The city is vigorously encouraging these small enterprises through its recently enacted Poughkeepsie Innovation District (PID), which provides incentives to an array of small tech, hospitality, and creative businesses to locate in the downtown corridor. Supported by re-zoning that allows live-work operations, businesses locating in the district can obtain expedited and discounted financing from Rhinebeck Bank Small Business Loan Fund. This effort to stimulate new business in the downtown corridor is complemented by initiatives to create new centers of innovation in evolving fields that are attractive to millennials. Without doubt, because of its strategic position as the last stop on the Metro North Hudson Line, Poughkeepsie is increasingly emerging as a haven for millennials seeking opportunity and a lower cost of living while still maintaining accessibility to NYC's amenities.

Job composition in Poughkeepsie mirrors sectoral strengths seen throughout the region. Roughly 52% of jobs in the city fall within healthcare and education, 11% in public administration and government positions, and 6% in hospitality and food service. The remaining 30% of local jobs are scattered across industries such as manufacturing, retail, information, and professional services. Within the boundary of the City of Poughkeepsie, there are more than 2,600 jobs per square mile, and nearly half of the City's residents travel less than 10 miles to get to work.

Within a ten-mile catchment area of the downtown, there are just under 16,000 jobs in the healthcare industry sector, nearly 40% of which are located in the City of Poughkeepsie. This fast-growing industry has expanded by 22.5% since 2002. With two hospitals – Mid-Hudson Regional Hospital of Westchester Medical Center and Health Quest's Vassar Brothers Medical Center (VBMC) – along with a variety of associated specialists and urgent care facilities, Poughkeepsie has become a regional center for healthcare. The VBMC expansion will position the medical center as a destination hospital for the broader Hudson Valley region. Complementing the growth of this industry, Marist Health Quest School of Medicine will establish connections with the rapidly growing healthcare sector to encourage young professionals to stay and establish practices after graduation. The construction of quality affordable housing units within the downtown area and citywide are creating more opportunities for healthcare workers to live and work in the area.

The Arts, Entertainment and Recreation sector has shown tremendous growth in recent years, increasing 144% since 2002. The NYS Department of Labor projects this industry sector to be the fastest growing in the Hudson Valley, expected to grow more than 35% in the next ten years. Downtown Poughkeepsie is home to a strong arts and cultural network that is ready to provide a platform for future growth. With the Bardavon, Chance Theater, and over 15 gallery spaces throughout the downtown corridor, the venues are in place. Arts advocacy organizations such as the Mid-Hudson Arts Coalition, Mid-Hudson Heritage Center, the newly established Public Arts Commission, the city and its partners are working diligently to establish downtown Poughkeepsie as a cultural epicenter. The Arts Centro Clay Studio, PUF Printmaking Studio, and forthcoming Trolley Barn textile initiative – all located within the downtown corridor – is teaching and inspiring the city's next generation of tactile artists.

In keeping with Food and Beverage Industry growth trends observed throughout the Mid-Hudson Valley, Poughkeepsie has seen a surge in the number and variety of restaurants and food service venues locating in many of its vacant and underutilized downtown buildings. The City has experienced a 15% increase in jobs in this sector since 2002, with the downtown corridor and surrounding area boasting three breweries, the Poughkeepsie Open Kitchen (with its 24 rotating chefs), and a number of local restaurants and food producers looking to expand to accommodate increasing sales. The popular Mill House Brewery, established in 2013, has expanded operations to a wholesale manufacturing facility in a vacant industrial building on the city's north side while still maintaining its taproom on Mill Street. King's Court Brewery, located in the heart of downtown, joined Mill House and the established Blue Collar Brewery in 2018. Artisanal beverage manufacturers North River Roasters and Queen City Farm Distillery have each decided to locate their new businesses in the PID. And, Indoor Organic Gardens of Poughkeepsie (IGOP) repurposed vacant building space on Main Street to grow microgreens, a type of produce in great demand by farm-to-table restaurants throughout the Hudson Valley and New York City. Featured in several publications as an innovative and successful venture in urban agriculture, IGOP also hires hard-to-place workers from Poughkeepsie and is currently searching for the right location to expand their operation within the city. A long time City of Poughkeepsie firm, EFCO, best known for their production of jelly used in Dunkin Donuts, recently expanded with the assistance of a \$200,000 grant from ESD. Finally, the Poughkeepsie Open Kitchen has been so successful at the Poughkeepsie Underwear Factory, operator Hudson River Housing is exploring plans to expand the model to assist with location placement. Using the kitchen as a launch pad for entrepreneurs, the program will help new food businesses locate in storefronts on Main Street, simultaneously decreasing commercial vacancy.

Manufacturing and Maker businesses are appearing in and around Poughkeepsie as well. MPI Inc., a worldwide leading manufacturer of wax injection equipment located on Poughkeepsie's north side, is expanding its physical plant and labor force. MPI has been working with the mechanical engineering program at SUNY New Paltz to develop a talent pipeline to meet the company's specialized skills requirements. While traditional manufacturing like MPI still exists, artisanal manufacturing is a growing niche. Fourth State Metals, a metal fabricating firm concentrating in art, architecture, and furniture making, recently relocated from Brooklyn to an industrial building on Poughkeepsie's north side. In addition to larger operations like MPI and Fourth State, Poughkeepsie is home to a number of smaller makers, including Hudson Valley Office Furniture; C&F Shoe Repair, which not only repairs shoes but also makes colorful custom shoe soles; Stamell Stringed Instruments, maker of exquisite mandolins and other string instruments; and Pledgehard LLC that specializes in embroidery, screen-printing, and other textile work for fraternal organizations.

4) Attractiveness of physical environment.

Poughkeepsie's Main Street corridor features a classic late 19th Century urban design with broad sidewalks, tree-lined streets, and attractive three- and four-story red brick Victorian buildings interspersed with more contemporary designs. Throughout the nearly ten blocks comprising the downtown corridor pedestrians encounter numerous opportunities to access an array of businesses, offices, and services. Strolling a few blocks along Main Street presents a visitor with numerous dining options—from French and Italian to Japanese and Mexican—as well as access to galleries, professional offices, human service agencies, government offices, and entertainment venues. This eclectic mix of uses makes for a compelling downtown experience reminiscent of an earlier, simpler time where

people from all socioeconomic and cultural backgrounds mingled comfortably.

Because of its traditional urban design, Poughkeepsie is already a compact, walkable, and bikeable city, one that is ready to serve those who either prefer or are unable to utilize automobiles in their day-to-day lives. This makes the city an ideal location for both the millennial and senior populations, which are increasingly looking to urban centers as alternatives to suburban and rural living. With unparalleled access to local and regional transit, sidewalks on both sides of Main Street, and a planned bicycle network with improved biking infrastructure, people looking for an urban environment where car dependency is less critical have found Poughkeepsie to be accommodating.

Much of the city's population lives either in or within walking distance of the downtown corridor. The Market Street Transit Hub, which is adjacent to major downtown draws such as the Poughkeepsie Grand Hotel, the Mid-Hudson Civic Center, and the Poughkeepsie Train Station, are (agreement error here) each easily accessed by residents and visitors alike. The Corridor is in close proximity to Poughkeepsie's world-class recreational opportunities such as the Dutchess Rail Trail and Walkway Over the Hudson State Historic Park.

The Downtown Corridor links to the west with Poughkeepsie's Hudson River waterfront and a rapidly evolving shoreline park system soon to be peerless in the region for its nearly 2.5 miles of interconnected and direct river access. Along with a new southern waterfront promenade being planned as part of the Poughkeepsie Landing redevelopment project, the city is seeking funding for an innovative trail around the Kaal Rock promontory—utilizing an award winning design supported by state funds—that will link the southern and northern waterfront parks to create an incredible destination unto itself. Nearly 20 public parks dot the City of Poughkeepsie, all of which are located within walking distance of the Downtown Corridor. Some notable examples include:

- Walkway Over the Hudson State Historic Park
- Upper Landing Park
- Waryas Park
- Kaal Rock Park
- Eastman Park & Recreational Fields
- College Hill Park & Public Golf Course
- Mansion Square Park

The Main Street Corridor boasts significant housing options including market rate, workforce housing and housing for low-income residents. This includes specialized residential facilities such as Queen City Lofts, which offers discounted rents to artists, and Interfaith Towers, which provides a mix of senior and market rate rental units. Much of this housing is located in traditional mixed-use buildings, but a significant number of new residential development projects have either been completed or are expected in the coming year to provide an impressive array of new residential options. These include the Crannell Square affordable housing development and the One Dutchess Avenue development located along the city's northern waterfront. Developers are responding to low vacancy rates and high demand for apartments close to the city center and transportation connections.

In addition to the city's green spaces, art and murals are transforming the downtown's hardscape into quality gathering spaces, such as Mural Square in the heart of the DRI area, and the highly celebrated Gateway Mural, which connects the waterfront to lower Main Street by transforming the unwelcoming Route 9 underpass into a life-size art experience. The city's parks and public spaces are increasingly

used to host celebrations. Poughkeepsie’s First Friday events have become a monthly attraction, drawing visitors and residents from every walk of life to downtown for culture, dining, and entertainment. The O+ Festival will be back for its third year this Summer after successful 2017 and 2018 events. Other recurring events include the Jazz in the Valley Festival, Bike New York’s Discover Hudson Valley Ride, and Festival of Lights, which draws thousands to Poughkeepsie’s parks and streets every year.

With its wealth of established entertainment and hospitality venues, the Main Street Corridor hosts many cultural attractions and renowned performers that draw visitors into the city center throughout the year. These include larger, regionally significant venues like the Mid-Hudson Civic Center, Mid-Hudson Children’s Museum, the Poughkeepsie Grand Hotel, and the Bardavon Opera House as well as smaller mainstays such as the Chance Theater, Cunneen Hackett Arts Center, Barrett Arts Center, Arts Centro and the Mid-Hudson Heritage Center. The Dutchess County Historical Society is also located on Main Street at the 18th-century era Clinton House. Significantly, numerous smaller, but impactful galleries and arts hubs—such as hipster haven Cryptic Gallery—are springing up in spaces along Main Street, appealing to millennial audiences.

From Poughkeepsie’s Italian heritage to the growing Latino population, the city hosts numerous cultural and ethnic institutions and features many events that reflect its strong immigrant tradition. The annual Festa Italiana and La Guelaguetza festivals draw thousands to Poughkeepsie to celebrate the rich diversity of the city, which also hosts annual Greek and Polish festivals and marches. The African American community celebrates its traditions in many events throughout the year, including the annual Martin Luther King Jr. celebration and breakfast hosted by the Catharine Street Community Center, an engaged nonprofit human service agency that has served city residents for over a hundred years. In 2017, the city hosted its first ever Juneteenth event, celebrating the end of slavery.

5) Quality of Life policies.

Poughkeepsie strives to provide the highest quality of life for its residents. To achieve this, over the last several years the city has introduced a number of policies, including equitable development and inclusivity, youth enrichment, anti-blight, mental health services, public space improvements and modern zoning, as discussed in more detail below.

Inclusive Community Initiatives. Poughkeepsie is a welcoming place with a population rich in cultural, ethnic, racial, and socioeconomic diversity. This is reflected in the city’s inclusive policies, demonstrating acceptance, tolerance and appreciation of all who call Poughkeepsie home. In the last two years the city has declared June to be “Pride Month” in perpetuity; passed a “safe city” policy, acknowledging the value that immigrants bring to the community; and the city continues to support people with developmental disabilities, notably through the annual Think Differently Dash. The city established a municipal identification card program in 2019 to improve safety for its valued residents and foster easier police-community relations.

Youth Programs Initiatives. Mayor Rolison’s Youth Activities & Opportunities Program, inaugurated in 2018, will allow local organizations to apply for funding to support opportunities for Poughkeepsie youth to participate in community-based programs. These programs will emphasize active lifestyles, provide instructional guidance and build long-lasting relationships so important to personal growth.

Supportive Child Care Programs. The City of Poughkeepsie is partnering with Poughkeepsie Central School District, Vassar College, Dutchess Community College and several nonprofits to provide childcare

and educational resources to the community. Some of these programs include: Day One, which will expand and strengthen affordable childcare and early childhood education, and Strive Together, which will coordinate community resources to provide “Cradle to Career” programs.

Anti-blight Initiative. An essential component of this initiative, announced in 2018, is the creation of an Anti- Blight Task Force comprised of key city staff as well as stakeholders from the private sector and non-profit community. The task force is implementing a multi-faceted plan that includes high-profile demolitions of long- time problem properties; the transfer of identified properties to redevelopment partners; strategic use of the city’s Community Development Block Grant funding; and legislative changes to the local tax law, allowing homeowners the ability to pay tax arrears through payment plans in order to preserve homeownership and eliminate one of the causes of properties becoming ‘zombies’ and falling into disrepair.

Poughkeepsie Affordable Housing Coalition (PAHC). The PAHC is a consortium comprised of the city’s local housing advocacy organizations, including Habitat for Humanity, Hudson River Housing, and Rebuilding Together, all members of the City’s Anti-Blight Task Force. With support from the city, this group is working to ensure long-term affordable housing accessibility and to decrease the number of vacant and abandoned properties, particularly on the city’s north side.

Mental Health Services. In 2018 the City Police Department implemented the BEAT (Behavior Evaluation Action Team) Initiative, which pairs a county-trained mental health professional on patrol with a PD unit specially trained in crisis intervention. The program engages with the city’s at-risk population directly, right on the street, in an innovative plan to fit individuals with existing programs at the state or county level.

Safe Streets, Complete Streets, Sustainability. With a large segment of Poughkeepsie’s population not having access to a car, the city is committed to making its streets safer for pedestrians. A recent award of \$2.4M through the NYSDOT’s Pedestrian Safety Action Plan will result in upgrades to the city’s most utilized crosswalks and intersections. The city has also created a “Complete Streets” working group, focused creating streets designed for all users, including pedestrians, bicyclists, transit users, persons with limited mobility and motorists. The group is working toward a city-wide Complete Streets policy. Lastly, the city and Dutchess County Transportation Council are working closely with the State’s Department of Transportation and the Town of Poughkeepsie to embark on a study of the arterial highways to consider modifications and take meaningful steps to improve pedestrian safety for residents.

Zoning and Transit Oriented Development. The Poughkeepsie Innovation District includes not only new policies for promoting downtown, but also new zoning that encourages redevelopment projects that promote active streets in a mixed-use environment. Through this new form-based code, the city allows maximum flexibility in land use while ensuring a high-quality public realm through design. By implementing recommendations from the city’s recent downtown parking study, the city will ease its parking requirements within the downtown, enabling developers to save costs and increase density.

6) Public Support.

The City of Poughkeepsie has built upon its previous efforts to gain public feedback in anticipation of a fourth round of DRI funding. The working group that had been convened in 2018 to evaluate the city’s past application efforts and to develop a community outreach strategy was reconvened this year to

engage the public on specific elements to be included in this year’s proposal. The working group consisted of the Mayor, key staff from the city planning office, the Development Director, the city’s new Director of Community Engagement, as well as other outside stakeholders. The city hosted three public input sessions in order to discuss key elements of this year’s DRI application. These included:

- 1) A public hearing in October, 2018, on the Poughkeepsie Innovation District Policy Framework and Zoning where a number of residents offered suggested and aired concerns. Comments were also submitted through a dedicated email address, and all comments were consolidated and answered, a copy of which was provided to the Common Council. City staff continued to work with the Council to address questions about the new policy and zoning through January 2019, and in February 2019, the Council adopted the plan which has become a centerpiece of the city’s downtown corridor redevelopment efforts.
- 2) On March 7, 2019, the city held its second Public Engagement Event for the Local Waterfront Revitalization Program (LWRP) Update. Held at the Mid-Hudson Children’s Museum, the event drew 60 members of the public. Participants were invited to discuss potential projects to be included in the LWRP and, in some cases, the DRI application. In addition to shoreline projects, discussions included elements of the Fall Kill Creek restoration project, a collaborative effort to beautify and increase access to the creek which runs throughout the north side of the city.
- 3) On May 23, 2019, the City held a public meeting on possible future uses for the former YMCA site, which closed its doors in 2009 and devolved into the largest blighted property in Poughkeepsie. A key DRI redevelopment goal, the City has issued an RFEI for development proposals for the more than 3-acre site located at 35 Montgomery Street. Approximately 80 members of the public attended the meeting where city officials took questions from the public for about 90 minutes. The prevailing view expressed at the meeting was that the former YMCA site should be used again for youth activities in some respect.

Enthusiastic support for the city is evident in the attached genuine and unique letters of support. The initial local lead that will work with the state’s consultant team to convene a DRI Local Planning Committee to oversee the plan will be the city’s Planning & Development Department, including Paul Calogerakis, Economic Development Director, and Natalie Quinn, Planning Director.

7) Transformative Opportunities.

The following section identifies a number of transformative projects that are ready for implementation with assistance of DRI funds. The mix of exciting, capital-intensive projects along with strategic programmatic investments can further catalyze the revitalization of the Main Street Corridor.

Preferred Downtown Developer & Parking Garage. The City of Poughkeepsie is currently negotiating the terms of a preferred developer agreement with a major Northeast entertainment firm. The proposed new construction involved in the project would fall within the PID and the DRI catchment area. Once completed, the \$11 million development will include up to 40 new jobs and create an anchor destination with an estimated 300,000 annual attendance, significantly increasing week-night and weekend pedestrian traffic in the city and benefits to other businesses, particularly restaurants. The development of a complementary multi-tier parking garage that would serve both the new facility and other downtown operations is under consideration. DRI funds could contribute to this investment in downtown infrastructure.

Redevelopment of the Former YMCA. The City has prioritized the redevelopment of the long vacant and blighted YMCA property. Following a period of significant public engagement where input and recommendations were received, the city issued a “Request for Expressions of Interest” to renovate and return the key downtown parcel to a new purpose. DRI funding could be utilized in a plan to adaptively reuse the YMCA building and property.

Kaal Rock Connector. Building off the success of the Walkway Over the Hudson, the city plans to unite the northern and southern waterfront, which is currently bisected by a sixty-foot rock outcropping, with an elevated walkway around the rock. This walkway would connect the popular Waryas Park with the parks and public promenades existing or in the planning stages to the south, creating a continuous greenway along the city’s waterfront from north of the Walkway to the Poughkeepsie Landing site. This project has enjoyed ongoing support from the state, with nearly \$600k secured in grant funding.

Implementation of Complete Market Street Plan. Market Street, a key downtown cross street, has been studied extensively over the last two years for vehicular and pedestrian improvements and will serve as the city’s first model complete street. A pilot program on Market Street was implemented to much fanfare and excitement, demonstrating how complete streets solutions could benefit everyday users. With the plan and community support in place, DRI funding for implementation would enhance pedestrian accommodations, make the street safer and the user experience more pleasurable, and encourage people to spend more time patronizing businesses.

Implementation of Parking Study Recommendations. Recommendations from the 2018 parking study include upgrades to parking meter infrastructure with smart technology, allowing for convenient payment methods and dynamic pricing in order to manage parking usage. Other recommendations include physical improvements to parking facilities, which will be coupled with streetscape improvements, including street trees, lighting, trash receptacles and seating in order to make residents and visitors more comfortable exploring downtown on foot.

Installation of Public WiFi/5G Infrastructure. Through public outreach efforts in preparation for the DRI application, public WiFi was identified by businesses and residents as a priority in the downtown. Public WiFi enhances the experience of Poughkeepsie’s public spaces, and it will be a key component in the implementation of the Poughkeepsie Innovation District by providing high-speed and readily accessible internet to our burgeoning entrepreneur community. As the city upgrades its parking meter inventory, DRI funding can be utilized to incorporate WiFi access points into these upgrades. Additionally, the city is embarking on a Master Licensing Agreement with Verizon to install “small cell” 5G infrastructure throughout the city, making Poughkeepsie one of the first communities in the region to embrace such a partnership and positioning Poughkeepsie to accommodate the next generation of wireless technology.

Pedestrian and Ecological Improvements to Fall Kill. The Fall Kill Trail will provide recreational and pedestrian access to this long-underutilized resource traversing the city’s North Side neighborhoods. The trail will connect the Hudson River near the Mid-Hudson Children’s Museum to the city’s North Side and the Middle Main neighborhoods. With planned pocket parks in key locations along the way, the Fall Kill Trail will connect people to nature, transit and employment centers. Community engagement facilitated by Mass Design Group began last year and resulted in a schematic design for 4,000 linear feet of the trail between Rose Street and Catharine Street, bordering the Main Street Corridor. With DRI funding, this community-driven concept will become a reality.

Improvements to Mid-Hudson Civic Center & Pedestrian Plaza. The Mid-Hudson Civic Center is a regional private not-for-profit community facility dedicated to providing cultural, recreational and

educational opportunities to Poughkeepsie in a dual venue comprised of 3,000+ seat Mair Hall and McCann Ice Arena. The Civic Center is an anchor of downtown Poughkeepsie located on Market Street between the Dutchess County office complex and the Poughkeepsie Grand Hotel and City Hall. The center attracts 200,000 visitors each year. Given its 41 years of age, the Civic Center is in need of upgrades and repairs including equipment, acoustics, façade repairs, and updated space configuration to accommodate more events with modern technology demands. To this goal, IBM Corporation has committed to working with the Civic Center to develop a strategic plan. Additionally, area developers, the Nesheiwat family, have pledged philanthropic support of efforts to sustain the important facility. With DRI support, the Mid-Hudson Civic Center can execute the strategic plan, complete repairs and upgrades.

8) Administrative Capacity.

Now in its fourth year, the administration of Mayor Robert Rolison has achieved many of its first term objectives, including restoring fiscal stability, attracting top talent to key government positions, enacting measures to encourage commercial redevelopment, and seeking solutions to residents' problems at every level. The Mayor and Common Council have partnered on many initiatives designed to lay the groundwork for revitalization while preserving the city's many unique cultural and environmental attributes. Some of these efforts are being recognized and lauded by peers statewide. For two years in a row, the Rolison Administration received the New York Conference of Mayors Award for Government Efficiency in recognition of its innovative approach to making city government more efficient and lessening the burden on taxpayers. In May, 2019, the city was honored at the Westchester County Association/Hudson Valley Economic Development Corporation's 3rd Annual Real Estate Summit for "Best Practice in Zoning" for the implementation of the Poughkeepsie Innovation District. This recognition took place before more than 300 real estate and planning professionals, a clear signal to future developers that Poughkeepsie is serious about downtown redevelopment. Through the last two years, the city has focused on rebuilding and stabilizing key city hall departments. With funding awarded by the state's Financial Restructuring Board in 2017 for economic development, the city began assembling an expert team to encourage development activity and streamline the land use approval process. New additions include an economic development director, director of community engagement, and a planning director, filling positions that had been vacant for over five years. Additionally, the assignment of deputy zoning administrator to the Planning Department has made significant strides in bridging communication between the Building and Planning Departments in the city. The city has augmented public works staff, hiring a part-time parks and recreation director, in order to maintain and improve the city's cherished public parks. As a result of this 'capacity-building, key leadership is now in place to steer Poughkeepsie's revitalization efforts forward.

9) Other. Poughkeepsie is abuzz with the new ideas and energy needed to catapult the city into an exciting new 21st Century version of itself. Perhaps no one symbolized that feeling more than Jessica O. Matthews, a Poughkeepsie native and Harvard University graduate who burst onto the international scene when, at just 22, she launched Uncharted Power, a revolutionary power infrastructure company. She was named *Fortune Magazine's* "Most Promising Women Entrepreneurs" and "10 Most Powerful Women Entrepreneurs," *Forbes* "30 Under 30," and the Harvard Foundation for Intercultural and Race Relation's "Scientist of the Year." Former President Bill Clinton said of Matthews, "If ever there was an innovator, she's it." In April 2019, Ms. Matthews returned to her roots to address an enthusiastic audience at the Bardavon for the debut of PKGO Getters speaker series, a new city initiative designed

to encourage a new wave of optimism in the City of Poughkeepsie. Ms. Matthews demonstrates to many the power of disruptive thinking, exciting optimism among Poughkeepsie’s residents for what could be.

Early in Mayor Rolison’s administration a seasonal series of downtown celebrations called “First Fridays”, (where every first Friday of the month residents, workers, visitors and other downtown denizens gather to celebrate at one or more of Poughkeepsie’s signature theaters, galleries, restaurants, or businesses) was launched. It was the first of many simple but impactful ways of creating a positive vibe which had been lacking for some time. First Friday has proven to be a refreshing example of the power of positive thinking. Earlier this year, the city built upon its First Friday series by embarking upon a new branding campaign: PKGO. The mission of PKGO is to highlight the City of Poughkeepsie as a thriving and growing city, and to create a positive sense of community amongst current and future residents, businesses and visitors. “PKGO Getters” is a planned event series that will celebrate the achievements of Poughkeepsie notables who have inspiring stories to share. All of this newfound buzz would lose steam if weren’t supported and nourished by a tightly knit group of stakeholders working together toward the common goal of rejuvenating downtown Poughkeepsie. These include: **Hudson River Housing (“HRH”) Middle Main Network**. The Middle Main Initiative represents a multifaceted effort including a community leadership program, a nationally recognized neighborhood branding strategy, Made-In-Middle Main small business alliance, and monthly community meetings. **Poughkeepsie Alliance**. The Alliance is a group of business, nonprofit and community leaders who are helping to improve the perception of Poughkeepsie. **Higher-Ed Institutional Partners**. Four renowned institutions of higher education—the Culinary Institute of America, Marist and Vassar Colleges, and Dutchess Community College—have demonstrated a commitment to working together to align their resources and efforts in the City of Poughkeepsie. **Poughkeepsie Youth Coalition**. The Youth Coalition is a consortium of over 300 individuals from the community and agencies that have been engaged over the last two years in workshops, forums and one-on-one conversations. **Workforce Development & Job Creation Initiatives**. Workforce development and mentoring programs by Dutchess One-stop, Workforce Investment Board, My Brother’s Keeper, Nubian Directions and Hudson River Housing provide essential resources to the youth and underemployed residents of the community. **Philanthropic and Regional Support Organizations**. Outside philanthropic and regional organizations that have long been invested and passionate about the revitalization of Poughkeepsie. Mass Design’s Hudson Valley Design Lab, Scenic Hudson, and Hudson Valley Pattern for Progress are all distinguished non-profit organizations that have recently focused considerable resources toward improving the quality of life in the City of Poughkeepsie.

Like a well-made quilt, Poughkeepsie’s downtown revitalization hinges upon many threads artfully woven to create something all-encompassing and beautiful. Many stakeholders, private business people, community leaders, and government officials are making connections every day to lead Poughkeepsie into a bright and promising 21st Century.

Poughkeepsie’s time has come.