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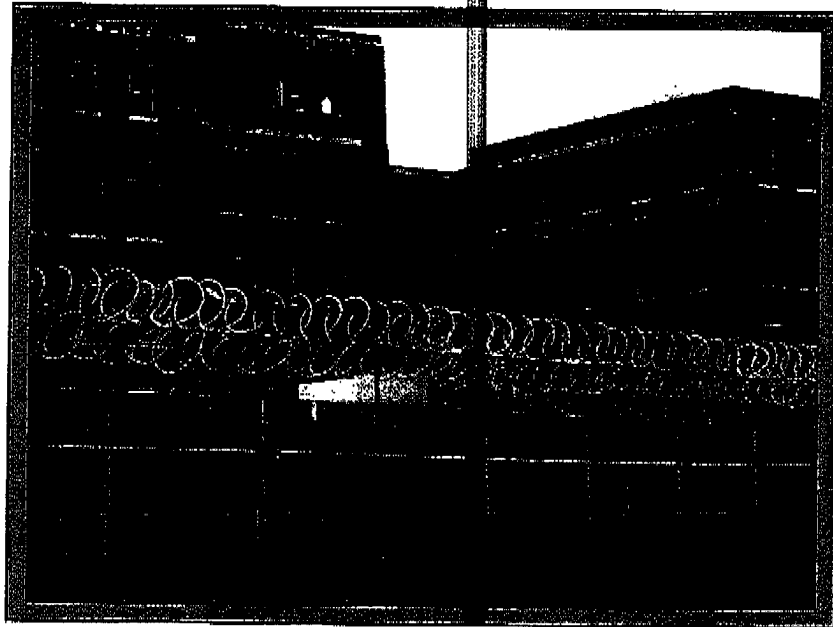
FEB 02 2009

**TOWN CLERKS OFFICE
TOWN OF DOVER**

PRELIMINARY APPLICATION
under the American Recovery and Reinvestment Act of 2009
for Local Infrastructure Project

DEMOLITION OF ABANDONED BUILDINGS
at the
FORMER HARLEM VALLEY PSYCHIATRIC CENTER
(HVPC)

A Public-Private Partnership between the
Town of Dover, New York
and the
Dover Knolls Development Company II, LLC



Contact:

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Dover Knolls Development Company II, LLC

January 2009

I. Objectives

The Town of Dover seeks funding under the American Recovery and Reinvestment Act of 2009 (ARRA) to jump-start a major redevelopment project of a deteriorated former state property. Demolition of selected buildings on the site, including a former prison, would remove a blighting influence and allow redevelopment of the site to occur. Demolition would result immediately in approximately 355 jobs and significant economic activity within Dutchess County. Long-term economic benefits from redevelopment of the site are projected to include approximately 6,000 jobs and \$818 million in economic activity within Dutchess County and New York State. The Town believes strongly that application of ARRA funding for this project meets a number of the criteria for projects to be included in stimulus funding including: eliminating an existing blighting condition, creating and preserving good jobs, modernizing our infrastructure and cleaning our environment.

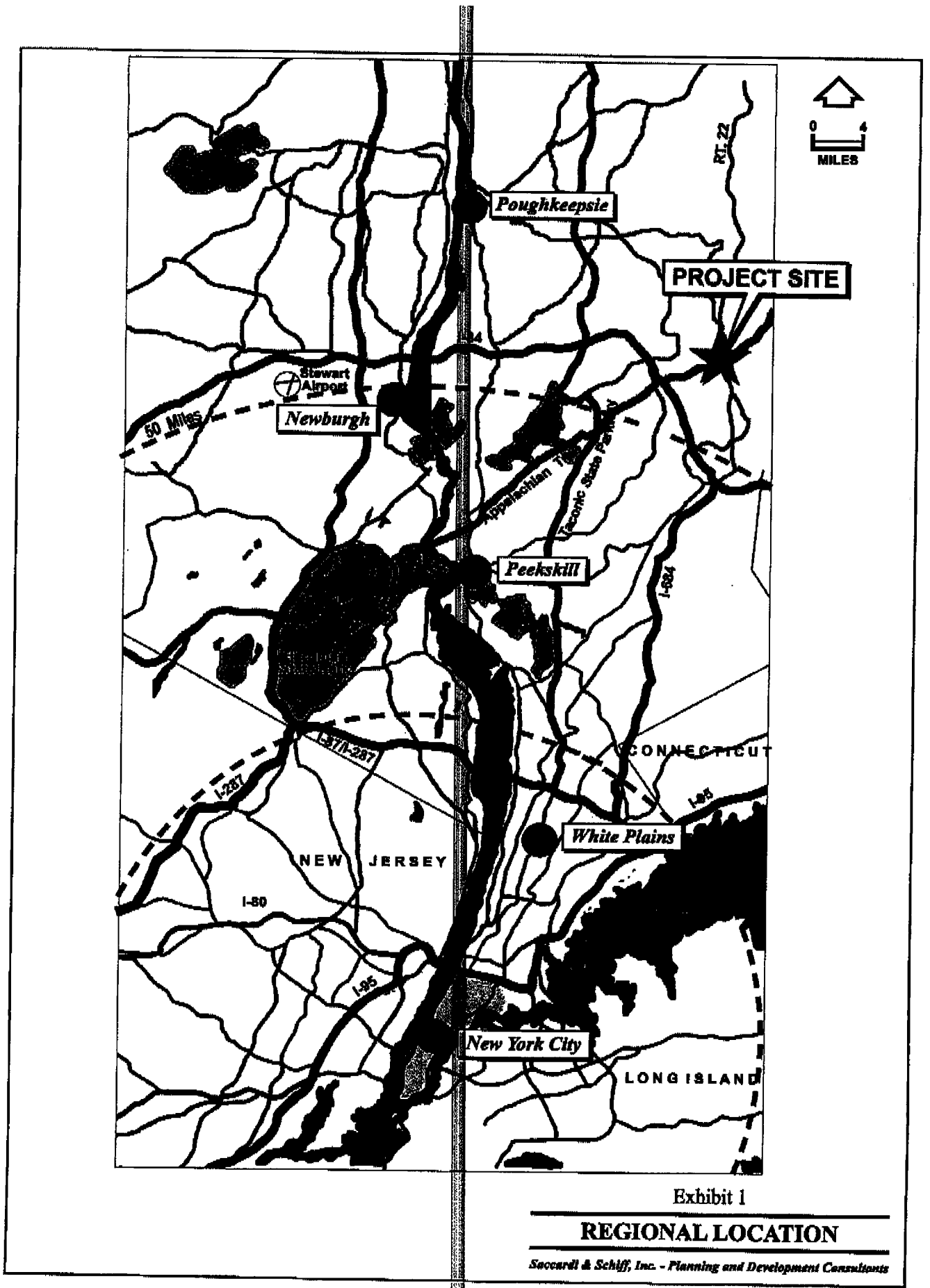
II. Project Description

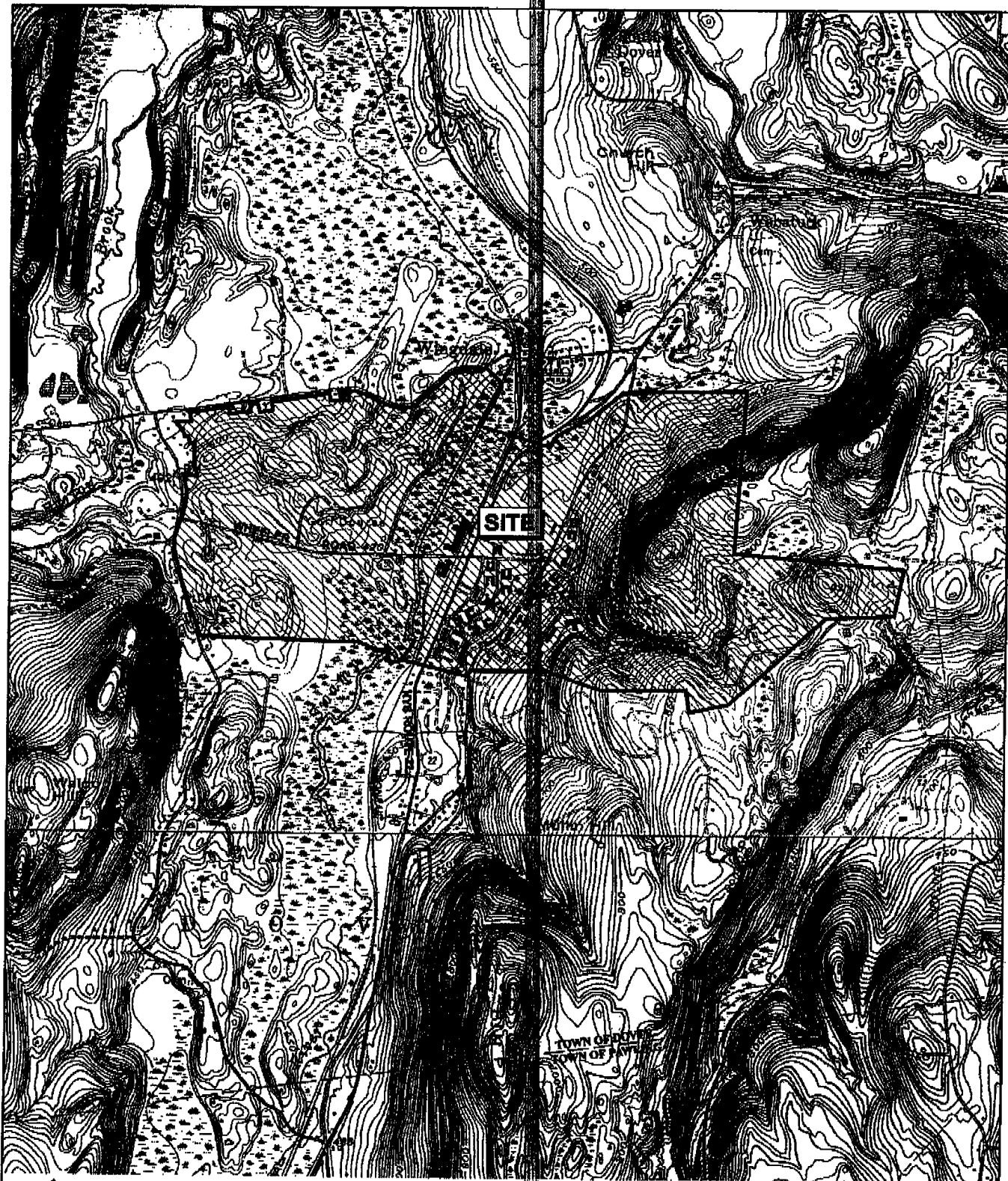
The proposed Demolition Project involves the demolition of eleven (11) abandoned, deteriorated and blighted buildings, including, a prison and psychiatric hospital, located on the campus of the former Harlem Valley Psychiatric Center (HVPC) in Dover, New York. The Demolition Project would accelerate the pace of cleanup at the closed Psychiatric Center, providing not only short-term job-creation, but also aiding the Town in its efforts to redevelop the site for economically productive uses.

Totals funds needed for the Demolition Project would equal \$20.5 million, which is approximately 37 percent of the funds required for asbestos remediation and demolition for the entire site (estimated at \$55.2 million). The buildings and property are owned by the Dover Knolls Development Corporation II, LLC, which is engaged in a public-private redevelopment effort with the Town of Dover. Many of these buildings require significant environmental cleanup, including, asbestos and lead abatement. Regional and Project location maps are included as Exhibits 1 and 2. The buildings and their condition present a significant visual blight on the area, have created critical safety, health and security conditions, and are curtailing private investment and economic development in this distressed low-moderate income region/community.

The labor required for the Demolition Project is estimated at 275 direct and 80 indirect jobs including: machine operators, electricians, plumbers, transport of materials and construction debris, remediation specialists, engineers, architects, etc. Local contractors, construction workers and other construction related personnel would be utilized to the greatest extent possible. The Demolition Project is expected to generate employment immediately and last approximately 12 months.

The building demolition would be confined to the structures located on the east side of Old Route 22, known as Hutchinson Avenue. No historically designated or historically eligible buildings would be affected. Exhibit 3 presents a map and photographs of the buildings considered for demolition. Exhibit 4 presents photographs of the blighted and deteriorated conditions on the project site.





BASE MAP SOURCE: USGS - Pawling, NY and
Dover Plains, NY Quadrangles

Exhibit 2

PROJECT LOCATION

Saccardi & Schiff, Inc. - Planning and Development Consultants

This is a ready to go project and can be started and completed expeditiously. The Demolition Project can be started within 120 days of the enactment of the appropriation of funding under the Act. The Town will be prepared to subcontract with Dover Knolls or another entity and obligate the funds to commence the demolition immediately upon the receipt of said funding. All necessary approvals are being processed.

The Demolition Project would accelerate the pace of cleanup at the closed Psychiatric Center, providing not only short-term job-creation, but also aid the Town in its efforts to redevelop the site for economically productive uses.

A. Demolition Schedule

It is estimated that the remediation and demolition of the 11 buildings would take approximately twelve (12) months. The remediation and demolition schedule for the entire site is estimated at approximately 30 months.

B. Demolition Budget

Totals funds required for the Demolition Project, including remediation and demolition would equal \$20.5 million. Total funds required for the remediation and demolition for the entire site are estimated at \$55.2 million.

C. Job Creation during Demolition

Labor required for the Demolition Project is estimated at 275 direct and 80 indirect jobs including: machine operators, electricians, plumbers, transport of materials and construction debris, remediation specialists, engineers, architects, and other construction related specialty personnel. Total labor required for the remediation and demolition for the entire site is estimated at 510 direct, and 16 indirect jobs.

D. Remediation Prior to Demolition

As previously noted, the total cost for the Demolition Project is estimated at \$20.5 million. Of that, approximately \$6.5 million would be allocated toward the remediation of asbestos, lead, mold and other potentially hazardous materials present in the buildings on site.

A key component of the Demolition Project is environmental cleanup at the closed Psychiatric Center. The buildings and subsurface tunnels currently contain significant asbestos, lead paint, mold, and other contaminants. Asbestos will be abated and removed as part of the Demolition Project in accordance with the regulations promulgated under New York State Department of Labor under Industrial Code Rule 56. Code Rule 56 covers installation, removal, encapsulation, application or enclosure of asbestos material. Construction and demolition debris would be disposed offsite at a regulated solid waste facility. To the extent practical, non-regulated construction and demolition materials, such as concrete and brick, would be recycled for use as fill and base material. Demolition procedures would also include creation of a stabilized construction entrance, and exit area comprised of a clean gravel roadway. The public roadways surrounding the demolition site would be cleaned periodically with a street sweeper and water truck. Fixed air monitoring stations would be established at locations along the perimeter to

monitor for particulates and volatile organics using direct-reading in accordance with regulatory requirements.

In addition to the labor required for demolition of the buildings on site, additional labor would be required for trucking of materials, demolition equipment and other demolition related personnel, which are included in the estimate of 355 total demolition related jobs.

The Redevelopment Project would leverage approximately \$600 million in private investment at the site. This private investment would assist in the transformation of the abandoned Psychiatric Center into a productive mixed-used community. Dover Knolls currently has a public-private redevelopment proposal before the Town of Dover to develop 1,376 dwellings in a wide variety of unit-types, approximately 245,500 square feet of commercial space, and approximately 77,000 square feet of community facility or recreation center space. Redevelopment of the HVPC cannot proceed until most of the dilapidated and abandoned buildings and infrastructure are demolished and removed, and the environmental conditions remediated. Completion of the approval process for the overall redevelopment of the site is scheduled for on or about fall 2009. It is estimated that Redevelopment Project will result in the creation of approximately 6,000 jobs and the one-time total economic output supported by Dover Knolls would be roughly \$818 million in Dutchess County, including nearly \$534 million in direct spending and \$285 million in indirect and induced spending.

The project site consists of approximately 937 acres, which includes the former HVPC property and a neighboring parcel. The project site straddles NYS Route 22 in Wingdale, the southern end of the Town of Dover, which is located approximately half-way between Albany and New York City, and approximately 2.5 miles from the Connecticut border. The site contains the Harlem Valley-Wingdale Metro-North Railroad commuter station and as such, a proposed redevelopment project on the site has been designated a Transit Oriented Development (TOD).

It is anticipated that both the Demolition and Redevelopment Projects would result in significant job creation for the Town of Dover, a low-moderate income area. It should also be noted a portion of the site is located with a Dutchess County designated Empire Zone. The Demolition Project would promote a faster recovery by improving prospects for the redevelopment of the closed and abandoned Psychiatric Center, which is having a severe blighting influence on the area.

III. Background

The Town of Dover has long sought the redevelopment of the closed Psychiatric Center. Operations at the now vacant Harlem Valley Psychiatric Center (HVPC) peaked in the 1950's with 5,000 patients and 5,000 around-the-clock employees at the site. It continued at that level until the state began downsizing the facility in the 1970's. At that time, the NYS Division for Youth (DFY) leased some of the emptied buildings from New York State Office of Mental Health. When the HVPC closed on February 1, 1994, the remaining patients and staff were transferred to other state facilities, creating a 45 million dollar payroll loss for the region. The state decommissioned the majority of the buildings and those buildings have remained vacant since 1994. DFY moved their operations from the property in March 2004.

In 1993, the Town of Dover joined the Harlem Valley Partnership, a not-for-profit economic development corporation directed by board members from both the public and private sectors of the seven communities in eastern Dutchess County, in an effort to address the job loss and vacated space resulting from the closure of the HVPC. It was funded by the State Aid to Localities Program and Dutchess County.

The Partnership commissioned a market feasibility study for HVPC in 1994, a reuse action plan in 1995 and managed the state-mandated HVPC Task Force in 1996. The information and recommendations from all those plans and public hearings were combined with assistance from Dutchess County Planning into the HVPC Reuse Plan in 1996. The Partnership continuously provided tours of the state property to developers over a ten year period, though the cost of dealing with the existing buildings and grounds was a large liability.

The Dover Town Board adopted a new Town Zoning Code in 1999. The Code included a specific effort to address reuse of the vacated state property called the Mixed-Use Institutional Conversion Overlay District. This new District included density bonuses and flexibility as incentives to attract a buyer for the site. Town officials lobbied for the abandoned state facility to be included in the Dutchess County Empire Zone as another incentive to bring business and jobs back to the Harlem Valley. A portion of the east side of the property was granted Empire Zone status.

In the spring of 2003, Town representatives met with the principals of the Benjamin Companies, and toured its two other successful state facility redevelopment projects on Long Island, New York. The Benjamin Companies purchased the HVPC property in October 2003.

The Dover Knolls Development Company II, LLC was created by the Benjamin Companies to work with the Town on the redevelopment of the closed Psychiatric Center. Dover Knolls currently has a public-private redevelopment proposal before the Town to develop 1,376 dwellings in a wide variety of unit-types, approximately 245,500 square feet of commercial space, and approximately 77,000 square feet of community facility or recreation center space. This proposal is undergoing comprehensive environmental review under the New York State Environmental Quality Review Act (SEQRA). Dover Knolls recently submitted a Draft Environmental Impact Statement (DEIS) to the Town Board.

IV. Project Conformance with Recovery and Reinvestment Stimulus Plan Objectives

A. Job Creation in a Low/Moderate Income Area

The Demolition Project will have the short-term benefit of preserving and creating jobs in the construction industry, which has been particularly hard hit by the recession. The Demolition Project offers maximum prospects for job creation because it can be started expeditiously.

As of the 2000 Census, the Town of Dover included two low-moderate income Block Groups. A Block Group is considered low -moderate income if 47.5 percent (or more) of the population is low/moderate income. The HVPC encompasses one of those Block Groups. Per the 2000 Census, the median income for a household in the Town of Dover was \$50,361, and the median

income for a family was \$57,979. Males had a median income of \$40,885 versus \$28,542 for females. The per capita income for the town was \$21,250. About 6.3 percent of families and 8.4 percent of the population are below the poverty line, including 10.6 percent of those under age 18 and 6.5 percent of those aged 65 or over.

The average unemployment rate for Dutchess County was 5.4 percent for the fourth quarter of 2008, which is just slightly below the rate of 5.4 percent for New York State as measured in the third quarter of 2008. Retail establishments in the Town of Dover continue to struggle in current economic conditions, and as such, the provision of additional jobs is crucial to the overall well being of the Town.

As previously noted, labor required for the Demolition Project is estimated at 275 direct and 80 indirect jobs including: machine operators, electricians, plumbers, transport of materials and construction debris, remediation specialists, engineers, architects, and other construction related specialty personnel.

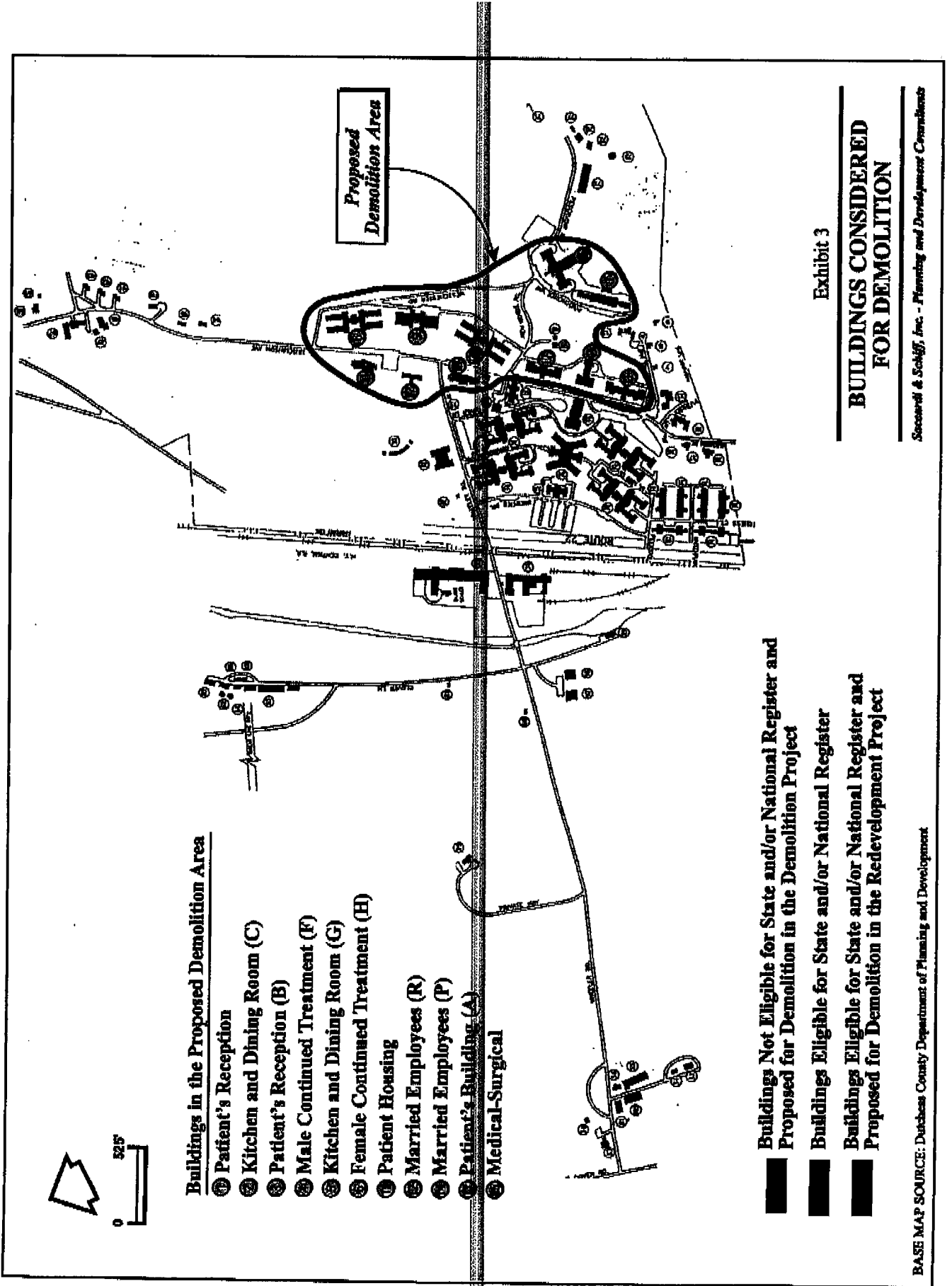
The Demolition Project would lead to immediate direct spending because it can be started and completed expeditiously. Demolition of the blighted and deteriorated buildings on the proposed project site will require a demolition permit from the Town of Dover. Once the permit is received, remediation of lead, asbestos and mold within the buildings to be demolished and bidding for demolition would begin immediately. All appropriate SEQRA documentation and processing for the demolition permit has been initiated. Any additional redevelopment of the project would occur as an independent project initiative, requiring additional permits and approvals from the relevant local and state approval and permitting authorities.

B. Promoting Transformation of Abandoned Psychiatric Center into Economically Productive Uses through Environmental Cleanup and Elimination of a Slum or Blighted Condition

In addition to its short-term job creation benefits, the Demolition Project will have the long term benefit of accelerating environmental cleanup at the closed Psychiatric Center and promoting the transformation of the site into a productive mixed-use project.

1. Deteriorated and Blighted Buildings

The former HVPC contains principal and accessory structures, totaling approximately 2.15 million square feet of floor area. The majority of these buildings were constructed during the 1920's and 1930's. Some were constructed closer to the turn of the century. Eleven (11) of the most blighted and deteriorated buildings located on the east side of Old Route 22 would be demolished with Stimulus Funds. These buildings have a total of approximately 831,000 gross square feet, which is approximately 39 percent of the required demolition on the site. The demolition of these buildings and the associated remediation would begin immediately. Table 1 presents details on the buildings proposed to be demolished. Exhibits 3 and 4 present a map and photographs of the designated buildings, and their blighted condition. It should be noted that this Application only addresses deteriorated and blighted buildings on the site, which are not eligible for listing. If additional structural funds are available in the



Buildings in the Proposed Demolition Area

- ① Patient's Reception
- ② Kitchen and Dining Room (C)
- ③ Patient's Reception (B)
- ④ Male Continued Treatment (F)
- ⑤ Kitchen and Dining Room (G)
- ⑥ Female Continued Treatment (H)
- ⑦ Patient Housing
- ⑧ Married Employees (R)
- ⑨ Married Employees (P)
- ⑩ Patient's Building (A)
- ⑪ Medical-Surgical

█ Buildings Not Eligible for State and/or National Register and Proposed for Demolition in the Demolition Project

█ Buildings Eligible for State and/or National Register

█ Buildings Eligible for State and/or National Register and Proposed for Demolition in the Redevelopment Project

Exhibit 3

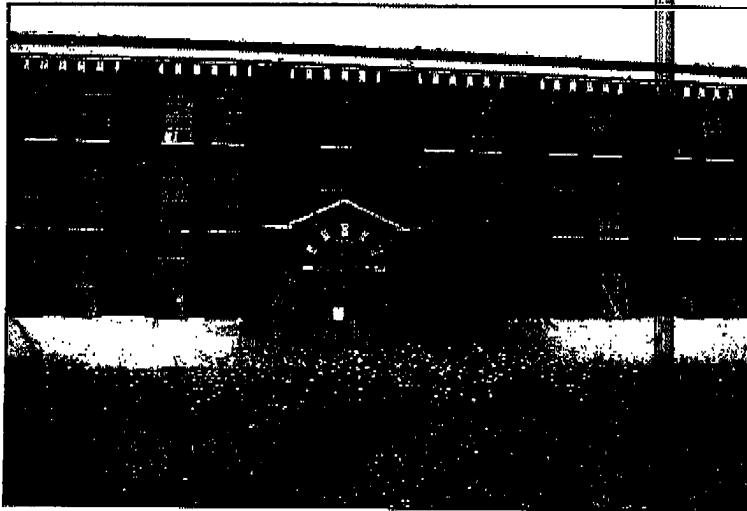
BUILDINGS CONSIDERED FOR DEMOLITION



Building 1



Building 2

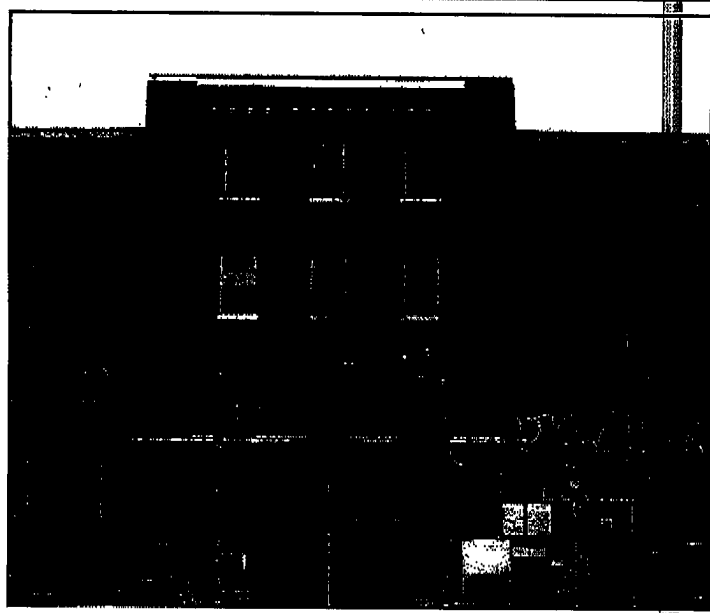


Building 3

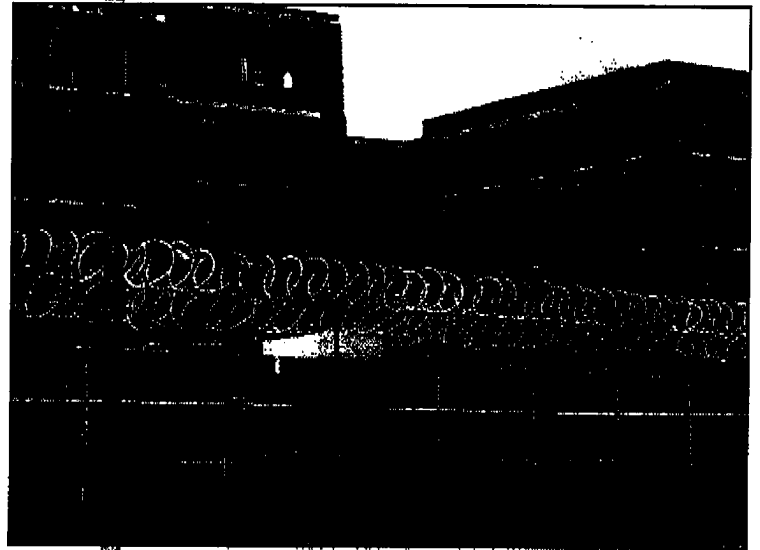
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**BUILDINGS CONSIDERED
FOR DEMOLITION**

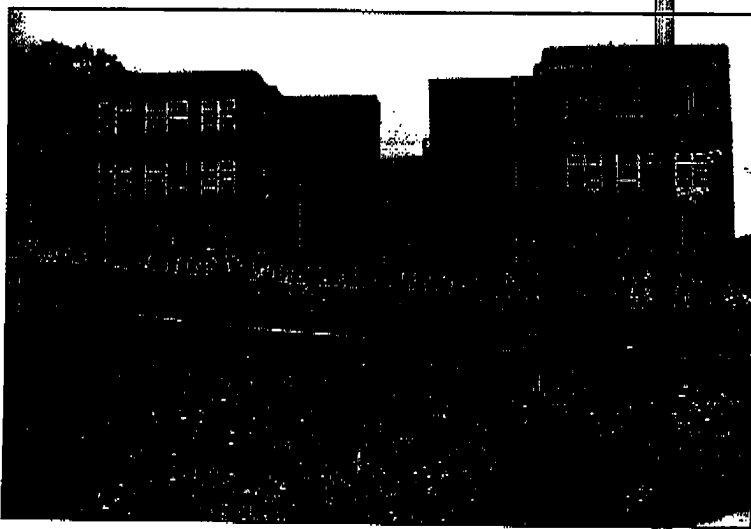
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Building 4



Building 5

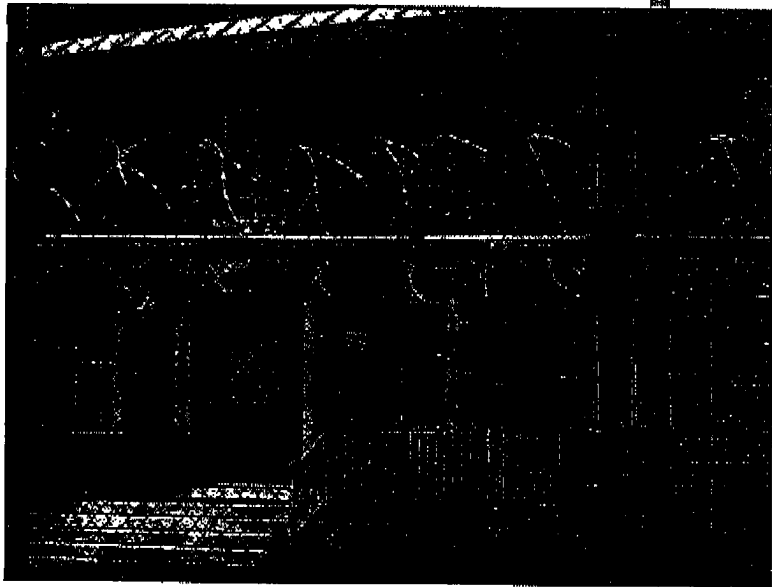


Building 6

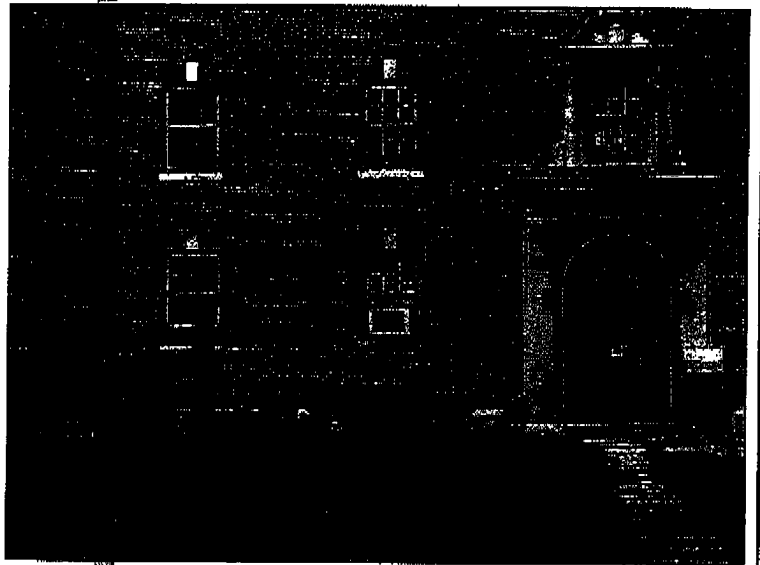
Exhibit 3

**BUILDINGS CONSIDERED
FOR DEMOLITION**

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Building 11



Building 12

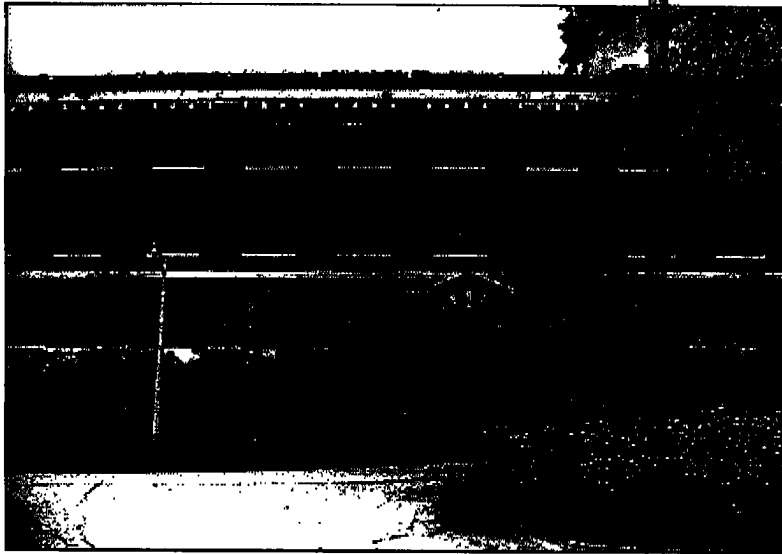


Building 14

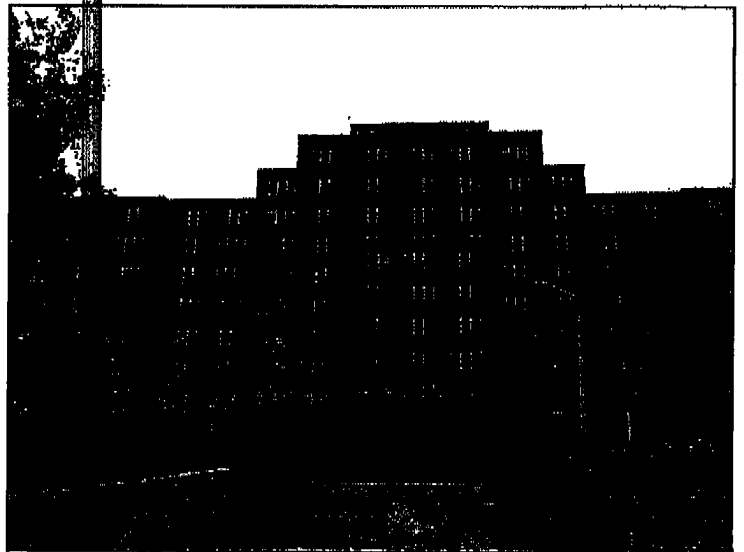
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**BUILDINGS CONSIDERED
FOR DEMOLITION**

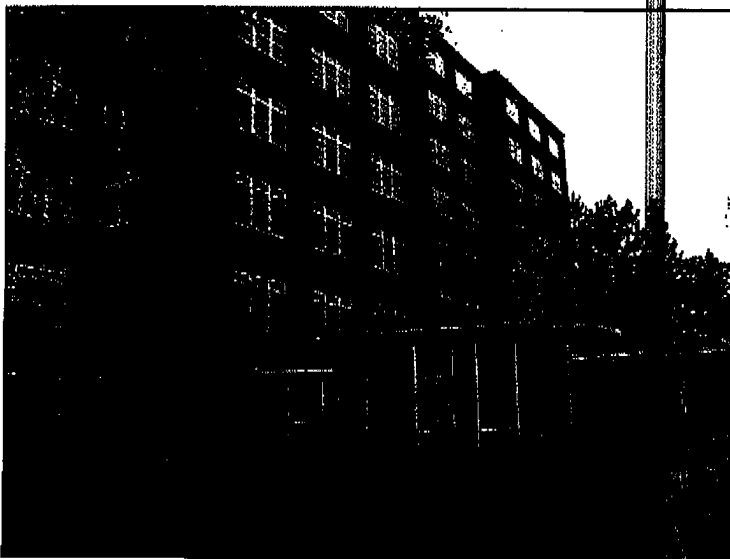
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Building 17



***Building 85
(Medical Surgical Building - Front Elevation)***



***Building 85
(Medical Surgical Building - Front View)***

Exhibit 3

**BUILDINGS CONSIDERED
FOR DEMOLITION**

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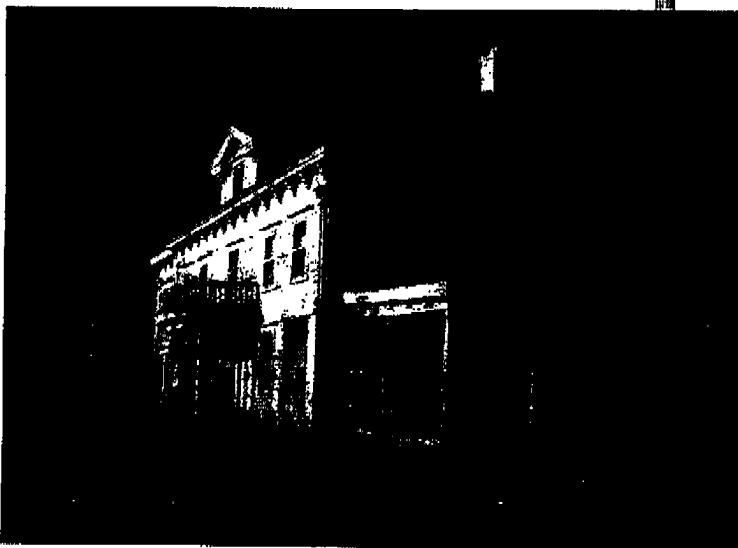
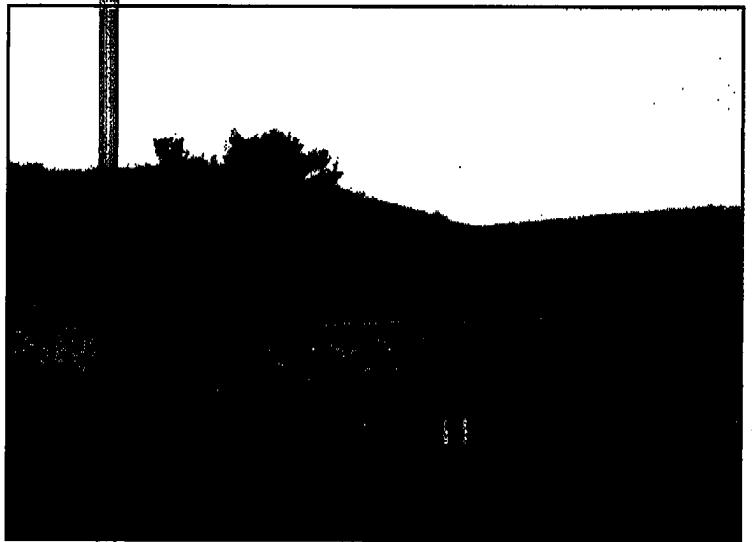
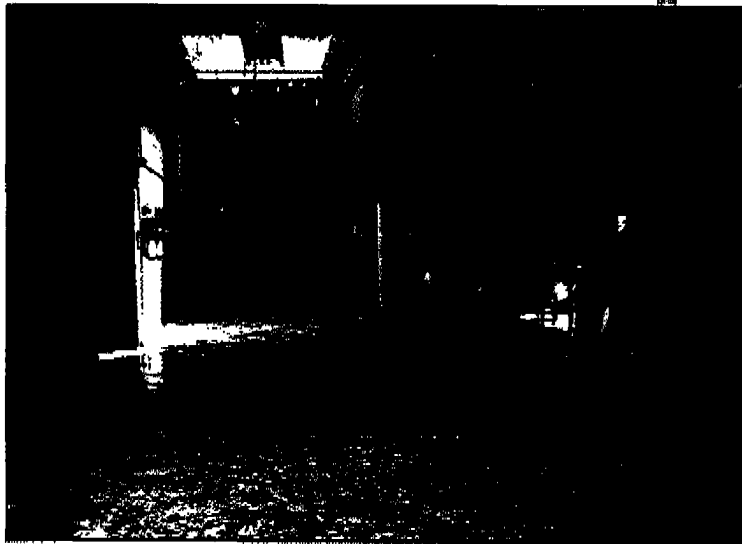


Exhibit 4

**EXAMPLES OF
DETERIORATION**

Saccardi & Schiff, Inc. - Planning and Development Consultants

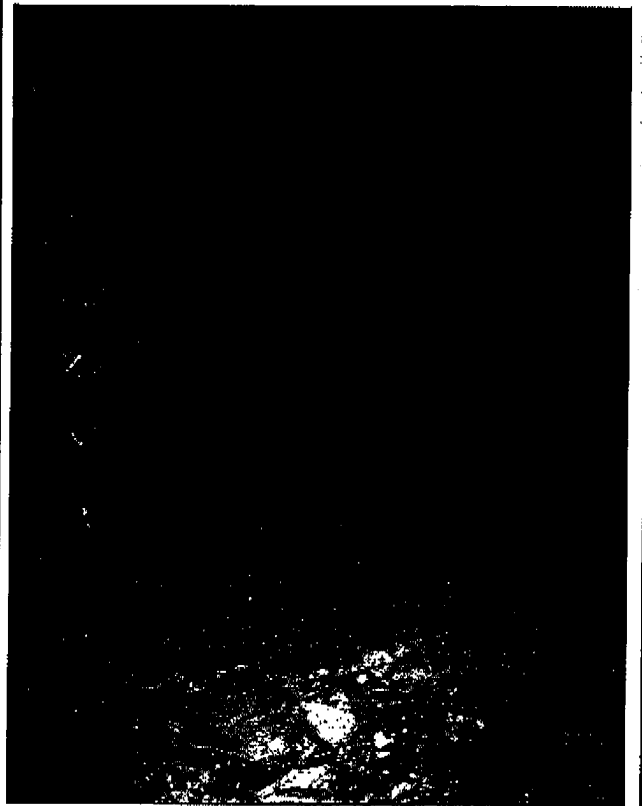
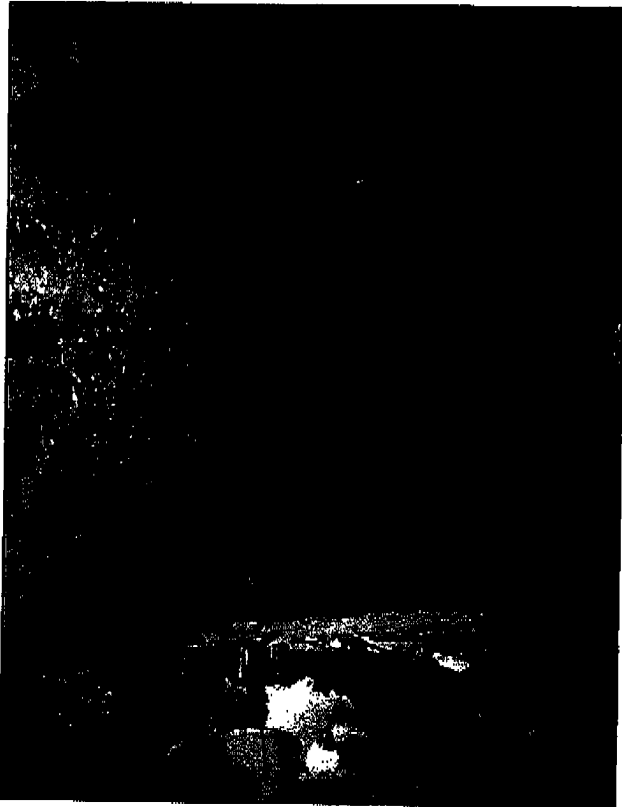


Exhibit 4

**EXAMPLES OF
DETERIORATION**

Saccardi & Schiff, Inc. - Planning and Development Consultants

future, other on-site buildings slated for demolition could also be considered, subject to determination by the New York State Office of Parks, Recreation and Historic Preservation, that such action would be acceptable.

**Table 1
Buildings Slated to be Demolished on the HVPC Site**

Build- ing No.	Original Name	Use Since 1991	Year Built	Sum of Rooms
1	Patient's Reception Building	Rizzolo Annex - Pt. Housing, offices	1931	64,964
2	Kitchen and Dining Room Building "C"	Kitchen (C) WDC	1930	25,024
3	Patient's Building "B"	Patient Programming WDC	1924	69,025
4	Male Continued Treatment Building "F"	Housing - DFY (F)	1928	143,270
5	Kitchen and Dining Room Building "G"	Kitchen DFY (G)	1926	56,102
6	Female Continued Treatment Building "H"	DFY (H)	1928	143,270
11	Patient Housing	DFY	1926	20,830
12	Married Employee's Building "R"	DFY Administration Building	1930	20,458
14	Married Employee's Building "P"	School of Nursing (P)	1927	25,752
17	Patient's Building "A"	Laundry Distribution - WDC & Wass. DC	1924	51,296
85	Medical - Surgical Building	Sullivan Tower - Pt. Housing, clinic	1964	211,012
Total				831,003

2. Environmental Cleanup

The Demolition Project includes environmental cleanup at the closed Psychiatric Center. The buildings and subsurface tunnels currently contain significant asbestos, lead paint, mold, and other contaminants. The Demolition Project will comply with all laws, rules, and regulations applicable to site cleanup.

C. New York State Empire Zone Program

The long-term economic benefit to the community of redeveloping the closed Psychiatric Center has been recognized by the State of New York, which designated a portion of the site as an Empire Zone. New York State's Empire Zone program was created to stimulate economic growth through a variety of State tax incentives designed to attract new businesses to New York State and to enable existing businesses to expand and create more jobs.

D. Dutchess County Consolidated Plan

The long-term economic benefit to the community of redeveloping the closed Psychiatric Center is a centerpiece of Dutchess County's officially accepted revitalization efforts. The Demolition Project would aid the Town in its efforts to transform the site into economically productive uses, which will promote economic recovery in the area.

As part of the 2007-2012 Consolidated Plan, Dutchess County identified the broad planning and revitalization initiatives that it is pursuing. These initiatives form the overall framework for the County's development goals. The redevelopment of the HVPC was identified in that plan as one of the County's "Overall Community Development Needs." The Plan outlines long-term development goals, including efforts to:

1. Redevelop the closed Psychiatric Center, with some adaptive reuse of existing buildings, as well as new development that addresses housing and economic development needs
2. Promote transit-oriented development (TOD) at railroad station locations where higher densities of development are appropriate, given multiple transportation options.
3. Upgrade older downtown centers, including improvements to existing buildings, businesses and infrastructure, and support the creation of new mixed-use downtown areas, consistent with local planning objectives.
4. Advocate the use of traditional neighborhood design techniques to help create walkable, higher density communities with a variety of housing types and prices, and with appropriately scaled commercial activities and public amenities.
5. Provide workforce housing for young families, firefighters, teachers, municipal employees, etc. who cannot afford ever-increasing housing costs. Also, provide a variety of housing options for seniors and near-seniors including active adult communities, independent living, assisted housing and life care communities.
6. Protect the environment and eliminate or reduce safety hazards, including flooding, brownfields, etc.
7. Foster economic development opportunities in built-up communities, within designated New York State zones, as part of downtown development programs and where public transportation is readily available.

The demolition of the blighted and deteriorated buildings on the proposed project site will assist the redevelopment of the closed Psychiatric Center into economically productive uses through a potential public-private partnership, which will accomplish many of these stated goals.

E. Public/Private Partnership will Leverage Significant Economic Development

While this application only addresses the demolition of the blighted and deteriorated buildings on the project site, it presents a significant opportunity to promote economic recovery in the Harlem Valley. The Demolition Project would increase the local economy's potential output by substantially assisting in the transformation of the closed Psychiatric Center into economically productive uses. Through a partnership between the Town of Dover and the Benjamin Companies, the site has tremendous potential for development as a vibrant mixed use-residential community. An application is currently being processed in front of the Town of Dover Town Board, to redevelop the project site. If realized, the benefits of this partnership include:

- Economic recovery through a dramatic expansion of housing opportunities, including live-work lofts, townhouses, apartments, single-family homes, and dedicated age-restricted and workforce housing units, providing a variety of living options not currently available in the area.
- Economic recovery through an expansion of the area's shopping offerings and a reduction in the need for lengthy shopping trips by area residents through the establishment of a new, viable retail center, which has been designed and sized to create a distinct sense of "place" and reflect market demand.
- Economic recovery through the creation of attractive recreational opportunities, including the improvement and expansion of recreational amenities and public access opportunities, including an enhanced 9-hole golf course with new clubhouse, a renovated Smith Hall, a better link to the Appalachian Trail, improved public access to the Swamp River, and access to newly created green spaces and parks within the project site.
- A substantial increase in employment opportunities resulting from the creation of approximately 245,000 square feet of new retail and commercial space on the site.
- Substantial property tax revenue generation, which is anticipated to result in a net fiscal surplus for the municipality and the public school district.
- Additional direct spending on goods and services at local businesses by project residents, employees, shoppers, and visitors attracted to the Town by the project, and the capture of associated ripple effect spending in the local economy.
- A significant economic impact during project build-out from construction-related jobs and wages, the purchase of materials, discretionary worker spending and sales tax generation.
- The permanent protection of approximately 2/3 of the property as open space

1. Economic Impact of Proposed Dover Knolls Development on the Project Site

The transformation of the closed Psychiatric Center into economically productive uses will have long-term benefits for the Harlem Valley. The Applicant's economic planning consultant, Economics Research Associates ("ERA"), projects that the planning, financing, and construction of the Dover Knolls project will support a total of 6,000 jobs with associated earnings of more than \$291 million in Dutchess County. These jobs and associated income will be spread out over the development time horizon. For example, if development of Dover Knolls is completed over a ten-year period, the total annual employment supported by the project would be about 600 with associated annual compensation of about \$29 million. It is estimated that the one-time total economic output supported by Dover Knolls would be roughly \$818 million in Dutchess County, including nearly \$534 million in direct spending and \$285 million in indirect and induced spending.

When built out and fully operational, Dover Knolls would generate total employment of approximately 1,120 jobs with associated annual earnings of approximately \$38 million in Dutchess County. Analysis indicates that the recurring total annual economic output generated by Dover Knolls would be nearly \$101 million in Dutchess County, including over \$66 million in direct spending and nearly \$35 million in indirect and induced spending.

In addition to regional economic impacts, Dover Knolls would generate significant tax revenues for the Town of Dover, Dutchess County, and New York State. There will be one-

time fiscal benefits from construction, including sales tax revenue and income tax revenue, which accrues to Dutchess County and New York State. In addition, there will be permanent fiscal impacts including revenues from real property taxes that benefit the Town of Dover and Dutchess County, sales tax revenues accruing to Dutchess County and New York State, and New York State income tax revenues from jobs created by the Redevelopment Project.

Construction materials spending are estimated to generate approximately \$8.0 million in sales tax revenue for Dutchess County and \$8.6 million for New York State. The retail component of Dover Knolls would generate permanent sales tax revenues for Dutchess County and New York State. Based on retail sales of \$200 per square foot, retail uses are estimated to generate about \$881,000 in sales tax revenue for Dutchess County and \$940,000 for New York State, annually. Property tax revenue estimates predict Dover Knolls will generate roughly \$9.8 million in property tax revenue. Of this amount, the Town will retain nearly \$8.6 million and the County will retain about \$1.3 million.

In addition, to the general economic "halo" effects, Dover Knolls would be anticipated to influence development conditions along the Route 22 corridor in proximity to the site. The Redevelopment Project has the potential to increase the value of neighboring parcels by removing a blighting influence from the area, creating a new local and regional destination, and by supplying additional customers. Increases in property values could lead to the possible redevelopment of properties with new uses and/or repositioning of businesses to capture the new market created by Dover Knolls.

V. Performance Measures

A. Short Term Effects

1. Demolition of Blighted and Deteriorated Buildings

The Demolition Project will lead to direct spending in the construction industry, which has been hardest hit by the recession, including increasing the demand for goods and services in this struggling community. Moreover, the Demolition Project will promote recovery in the area by removing blighting influences. The demolition of deteriorated and blighted buildings would be a significant improvement to the environment on and around the project site. The presence of vacant derelict structures, which have been destroyed through vandalism and lack of upkeep, creates blight upon the surrounding area. This property is located along the main thoroughfare (NYS Route 22) in the Town of Dover and dominates the visual environment. Vandalism is an ongoing problem as are safety and security concerns with individuals illegally accessing the property and posing a safety hazard to themselves. As such, significant effort is made to patrol the area and the buildings to prevent injury to persons who break in. The Demolition Project also offers a significant opportunity to promote environmental cleanup. As previously noted, there is potential for some asbestos and lead paint within the interior and exterior of the structures as well as mold due to water damage in the buildings. Proper remediation prior to demolition, would remove an existing potential hazard.

B. Long Term Effects

1. Public-Private Partnership for Redevelopment

The Demolition Project will promote a stronger recovery in the area by removing a major encumbrance to redevelopment of the site. As previously noted, once the demolition of the blighted and deteriorated structures has been completed, the project site could be redeveloped. An application is currently in front of the Town of Dover Town Board to redevelop the property into a mixed-use residential community.

As stated in Dutchess County 2007-2012 Consolidated Plan, the redevelopment of the HVPC:

“offers a unique opportunity to address multiple community development needs and to achieve a variety of planning objectives relating to traditional neighborhood design, transit oriented development and adaptive reuse. Redevelopment of these centers can also address affordable housing and economic development needs, recognizing, however, the economic issues associated with large-scale redevelopment of these blighted properties.”

The Redevelopment Project currently being evaluated by the Town of Dover, proposes a mixed-use community centering on an existing train station and exhibiting traditional neighborhood design principles. The development program includes 1,376 dwellings in a wide variety of unit-types, approximately 245,500 square feet of commercial space, and approximately 77,000 square feet of community facility or recreation center space.

a. Provision of Workforce Housing

The Redevelopment Project would also promote economic recovery by allowing planning for workforce housing. Dover Knolls is proposed to include approximately ten percent of the residential units as “workforce” housing. These units would be targeted to provide a housing resource for local community service providers (e.g., teachers, police officers, etc.) or young, first-time home buyers who would otherwise be challenged to find appropriate and affordable housing alternatives in the existing market. This would also provide an opportunity for young people who grew up in Dover to continue to live there, or move back, and find an affordable home with a variety of amenities including recreation, Main Street shops, and transit. Eligibility requirements for these units would be established in cooperation with the Town, but is anticipated that the likely target would be households with incomes ranging between 80-120 percent of the area median income. Precise locations for such units have not yet been identified, although it is anticipated that the units would be mixed throughout the neighborhoods in both Phases 1 and 2, rather than concentrated in one specific location.

b. Creating Economic Opportunities

The Redevelopment Project would support jobs beyond those directly generated by construction and on-site operations. In total, the fiscal analysis estimates that the planning, financing and construction of the Redevelopment Project would support a total

of 6,000 jobs with associated earnings of more than \$291 million in Dutchess County. Of this total, approximately 2,600 jobs would be attributed to indirect/induced impacts (resulting from industry to industry transactions and employee spending in the regional economy). At full build-out, Dover Knolls would be estimated to generate a total employment of approximately 1,120 jobs, 310 of which would be attributed to indirect/induced economic impact. Total economic output generated by Dover Knolls is estimated at nearly \$101 million annually in Dutchess County, including almost \$35 million in indirect and induced economic output.

At full build-out and occupancy, Dover Knolls would be anticipated to support 810 on-site jobs. It is assumed that most employees would reside in Dutchess County.

VI. Project Development and Timing

The Demolition Project will lead to direct spending because it can begin almost immediately. The site is currently privately owned, and is being evaluated for redevelopment through a successful public private partnership with the Town of Dover. The Town Board is prepared to fast-track the review of the demolition and/or remediation from its review of Dover Knolls, such that the Demolition Project would only require a Demolition Permit from the Dover Code Enforcement Officer.

Evaluation and inspection of the site during demolition will be managed by the property owner, engineering personnel selected by the Town of Dover and any other required personnel from advisory or supervisory agencies. All demolition and remediation work on the project site will be performed in accordance with applicable Local, State and Federal regulations.

VII. Environmental Considerations

A. State Environmental Quality Review Process

The demolition of blighted and deteriorated structures on the HVPC site is not anticipated to have any significant environmental impacts. The following section provides a brief description of the relevant impact categories. A complete SEQRA analysis of the Redevelopment Project is underway with the Town Board acting as Lead Agency. That SEQRA analysis will consider all potential impacts of the Redevelopment Project, including potential impacts of the removal of the eleven buildings considered for demolition under this application. The Town Board believes that this action constitutes permissible segmentation under SEQRA as the Demolition Project would occur whether or not the Redevelopment Project occurs.

1. Flood Prone Area and Floodplains

The Demolition Project site is not located within a floodplain. Therefore no buildings slated for demolition are located within a floodplain.

2. New York State Designated Wetlands

A portion of the Great Swamp, a Class I NYDEC wetland, traverses the site along the banks of the Swamp River. The Great Swamp stretches nearly 20 miles across portions of both Dutchess and Putnam Counties, and is the second largest freshwater wetland system in the state. Several other NYDEC-regulated wetlands are also present on the site including an elongated corridor running along Route 22 in the northern part of the property, an area adjacent to the on-site reservoir, and smaller wetlands near the property edge in the western portion of the site. The total acreage of these wetlands is approximately 185 acres.

No buildings slated for demolition are located within NYS designated or local delineated wetlands or wetlands buffers.

3. State/Federally Designated Coastal Zone

The Demolition Project site is not located within a State or Federally Designated Coastal Zone.

4. Critical Environmental Areas (CEA)

The Deuel Hollow Critical Environmental Area covers approximately 1,050 acres in the southeastern corner of the Town, and follows most of the watershed boundary of Deuel Hollow Brook. A portion of the CEA extends onto the eastern portion of the project site to include the watershed of the reservoir. As described above, the Great Swamp is a large freshwater wetland complex, which has been identified as a CEA. A portion of the Great Swamp passes through the middle of the project site. None of the buildings slated for demolition are located within the CEA.

5. Demolition Project Site Location Relative to State or County Roads

The primary road access to the site is via NYS Route 22, a major north-south corridor and truck route, which provides a connection to Interstate 684 and more intensely developed areas to the south. In addition to Route 22, the project site perimeter has frontage onto, and access from, other primary and secondary roads, including NYS Route 55 (as it splits from NYS 22), Pleasant Ridge Road (County Route 21), Hoags Corners Road and Old Pawling Road. The site is also served by an existing internal network of private roads. Wheeler Road, which is privately owned, runs perpendicular to Route 22, providing the principal east/west access across the site and the only existing transportation link between the two halves of the property. It traverses the entire western half of the site, intersects with Route 22 adjacent to the Metro-North train station, and terminates on the eastern side of the site at Hutchinson Avenue. Hutchinson Avenue, also privately owned, runs parallel to NYS Route 22, creating a spine through the east side of the property and linking Route 55 in the north to local streets and Route 22 in the south.

The site is also traversed by the Metro-North Railroad Harlem line, a commuter rail service, with the Harlem Valley-Wingdale station located in the heart of the project at the intersection of NYS Route 22 and Wheeler Road. Travel time from the Harlem Valley-Wingdale station to White Plains is just over one hour and express service available during peak travel hours to Grand Central Station in Midtown Manhattan is 1¼ hours. Current weekday rail service

consists of 13 southbound trains, including four during the morning peak commute period, and 14 northbound trains, with five during the afternoon peak commute period.

6. Historic Preservation Considerations

Several buildings on-site, which have been identified as eligible for State or National Register listing would be protected and restored as part of the Redevelopment Project. Preservation of these buildings would maintain the site's historic presence and help preserve the key public historic visual component of the former HVPC facility. The institutional campus buildings proposed to be demolished under this application are removed are generally set further back from Route 22 and views of some of them from the public right-of-way are blocked by existing buildings.

Exhibit 3 presents the buildings considered for demolition as part of the Demolition Project (in black). As shown, none of these buildings are eligible for or listed on the State or National Registers of Historic Places. Exhibit 3 also shows buildings eligible for the State or National Register not slated for demolition (in green), and buildings eligible for the State or National Register slated for demolition in the Redevelopment Project (in red). It should be noted that this Application only addresses deteriorated and blighted buildings on the site, which are not eligible for listing. If additional structural funds are available in the future, other on-site buildings slated for demolition could also be considered, subject to determination by the New York State Office of Parks, Recreation and Historic Preservation, that such action would be acceptable. Adjacent eligible buildings would be monitored during the demolition period for any vibration related impacts and would be protected from unintentional damage.

7. Hazardous Materials

a. Lead

Interior paints associated with the majority of the unoccupied/inactive buildings on the property show moderate to severe evidence of chipping/peeling paint, related to the effects of vandalism and/or general neglect with significantly magnified effects in areas damaged by water. The exteriors of the on-site residences and several smaller structures were painted, with the painted surfaces in fair to poor condition, similar to the interior surfaces. The exteriors of the main hospital buildings consisted of unpainted brick, with some of the smaller farm, water plant, sewage plant buildings and residential garages comprised of unpainted wood, concrete or stucco. The lead contents of the paints are unknown, but due to the ages of the buildings, the presence of lead based paint is possible. The disposal of lead paint waste resulting from renovation or demolition activities may be subject to federal and State regulations.

b. Asbestos

Various suspect asbestos containing materials (ACM) was identified throughout most of the site buildings, including, but not limited to floor tile, ceiling tile, pipe insulation, boiler insulation, fireproofing and roofing materials. Generally, the suspect materials were in good to fair shape except for areas which were damaged by vandalism and/or

water damage. A New York State-licensed contractor will be retained to remove the asbestos in accordance with federal and State regulations.

c. **Mold and Water Damage**

As show in Exhibit 4, many of the buildings are affected by water damage, and mold growth. All evidence of mold will be cleaned and removed in accordance with the NYSDOH Guidelines on Assessment & Remediation of Fungi in Indoor Environments prior to demolition.

8. Air Quality

The primary anticipated air quality impacts from demolition and construction activities are related to fugitive dust and mobile source emissions. Fugitive dust can result from land clearing, construction materials or debris handling, excavation, demolition, compaction, short term storage and vehicle motion over unpaved areas. Mobile sources, such as construction equipment and construction worker vehicles, would produce emissions including CO, VOCs, and NO2. Exhaust emission of particulate matter may also result from the use of diesel-powered vehicles. Given the scale of the site and that most construction activity would occur in the interior of the site and relatively distant from neighboring uses, significant air quality impacts on surrounding uses are not anticipated. Best management practices would be employed on site to control any impacts during demolition.

9. Noise

Temporary, localized noise increases may also be expected from demolition activities and vehicles during the construction period. The short-term nature and small expected magnitude of the potential construction noise impacts do not warrant any mitigation measures. However, as a general good construction practice to reduce construction noise to the greatest extent possible and practical, functional mufflers will be maintained on all construction equipment. No adverse or long term noise impacts from construction noise are anticipated.

All activities would be subject to Section 107 of the Town's municipal Code, which prohibits construction, demolition or excavation after 9:00 pm and before 7:00 am. As previously mentioned with air quality impacts, the size of the Project site and the concentration of construction activity towards the interior would be expected to minimize the potential for significant noise impacts on surrounding uses. In addition, equipment is not generally operated continuously or simultaneously. There would be times when no equipment is operating and noise would be at ambient levels.

10. Traffic during Demolition

The demolition will involve on site crushing and transport of material off site to suitable disposal sites. This activity alone would create significant trucking and related transport jobs. It is not anticipated that demolition related truck traffic would create any decrease in levels of service on adjacent roads.

11. Stormwater Management during Demolition

During demolition, the extent and duration of soil exposure will be minimized in accordance with the New York Standards and Specifications for Erosion and Sediment Controls.

Erosion and sediment control devices and measures will be installed prior to the commencement of activities. Some measures, such as stabilized construction entrances, perimeter sediment controls, and protection of existing vegetation, will be installed during the initial mobilization and layout and staking steps. All erosion and sediment control devices will be monitored and adjusted to correspond with the progression of work, with all devices maintained through the full stabilization of the project with respect to infrastructure and separately with respect to improvement of each lot. Stormwater management during demolition will be conducted in accordance with all applicable criteria.