

Tompkins County Industrial Development Agency

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Carpenter Park Affordable Housing Project (Carpenter Park Apartments, LLC) – Community Benefits Overview

October 14, 2020

Project Overview

Carpenter Park Apartments is a proposed 42-unit state-of-the-art affordable building to be constructed on 0.831 acres as part of a broader transformational mixed-use development on an 8.9-acre parcel in the City of Ithaca. This affordable component is integral to the overall community that will include market rate apartments, commercial space, a new medical office building, and unified by neighborhood streets, pedestrian connections, transit connections, shared parking, and green space.

Carpenter Park Apartments will consist of 32 units (26, 1-bedroom and 6, 2-bedroom) serving those at 50% or below of area median income (AMI) and 10 units (8, 1-bedroom and 2, 2-bedroom) serving those at or below 60% of the AMI. The building will be built to the same level of quality and specifications as the two mixed use building on the Carpenter Park Site. The building will be a 4-story wood frame and the exterior of the building will be a combination of brick, cement board siding, and glass. The building will have a single elevator and central corridor on each floor. There will be a community room, manager's office, laundry room and a community patio and playground. Each unit will have a patio or balcony. 10% of the units will be designed as fully accessible and 4% will be designed for the hearing and visually impaired. Surface parking will be provided as a part of the overall project.

The applicant is requesting a 30-year PILOT, sales tax exemption, and exemption of the State share of the mortgage recording tax. The applicant has requested an administrative fee of ½ of a percent, which has been granted to affordable housing projects in the past. The PILOT will be at a fixed amount in each of the 30 years based on 12% of the projected net operating income and current tax rates in year one with a 2% annual increase.

The requested incentive deviates from the IDA's standard policy.

Cost-Benefit Analysis

- Extent to which project would create and/or retain private sector jobs – two part time positions on site (building maintenance and management).

- Estimated value of tax exemption

Property Tax (30 years)	\$701,434
Sales Tax	\$400,000
Mortgage Recording Tax	\$4,125
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Total	\$1,105,559

- Estimate of private sector investment to be generated by the project - \$10,084,214
- Likelihood of completing project in a timely manner – Site plan approval has been secured. An application for affordable housing tax credits is pending approval this fall and it is expected that construction will begin

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in the spring. The development team has an extensive track record delivering affordable projects.

- Extent to which project would generate additional sources of revenue for local taxing jurisdictions – The project will support an estimated 728,461 in new property tax payments to the County, City and school district over 30 years on a parcel that has been vacant for decades. There will likely be new sales tax revenues from spending by new residents with the addition of 42 new affordable housing units.
- Other benefits that might result from the project:

Neighborhood Development – The project will transform a long vacant lot near the City of Ithaca’s waterfront into a new urban neighborhood that is in close proximity to amenities and services.

Affordable Housing – 100% of the units will be affordable units.

Accessibility – Aldi’s grocery store is directly across the street and walkable to the project. The Ithaca Farmers Market is immediately adjacent to the site. This is the largest farmers market in Tompkins County and is well attended by local farmers throughout the Finger Lakes area. The local co-op grocery store, Greenstar, is located immediately south of the site. Greenstar and Aldi’s will present very convenient shopping and employment opportunities for residents. The site will provide easy access to much needed healthcare for income restricted households given the close proximity to Cayuga Medical Center’s proposed community medical center building.

Bike-Pedestrian Link – The site promotes a walkable, bikeable neighborhood with increased sidewalk footprints and traffic calming measures along Route 13. There is also proximate access to the Cayuga Waterfront Trail.

Green Building and Design – The building will conform to the US Green Building Council LEED and comply with New York State HCR’s mandatory energy efficiency strategies, and energy efficiency practices such as limiting lead exposure, radon mitigation, ENERGY STAR rated appliances, equipment and lighting, low-VOC building materials and integrated pest management. The Energy Efficiency Program is NYSERDA Low-Rise New Construction Program (LRNCP) and the Green Building Program is LEED version 4, BD+C Homes.