

# Tompkins County Industrial Development Agency

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ADMINISTRATION PROVIDED BY 

## **Carpenter Park Mixed Use/Residential & Commercial (PG Carpenter Park Mixed Use, LLC) – Community Benefits Overview**

*October 14, 2020*

### **Project Overview**

Two mixed use buildings totaling 303,255 square feet will be constructed on 5.662 acres of a broader transformational development on an 8.9-acre parcel in the City of Ithaca. The entire project that will include the two mixed used buildings, a 42-unit affordable housing building, and a 64,000 square foot medical office building unified by neighborhood streets, pedestrian connections, transit connections, shared parking, and green space. The majority of the site is vacant, and the parcel has never seen a major development. There are significant development impediments associated with the site- specifically NYSEG easements and poor soils conditions that limit buildability and create increased development costs.

The current 8.9-acre parcel will be subdivided into 3 separate parcels. The two mixed-use buildings will occupy the center parcel. The mixed-use buildings will be six floors in height and include ground floor commercial space facing Route 13 and dedicated residential parking on the back side of the ground floor and the entire second floor. Market rate residential units will occupy floors 3-6. Units will consist of studios, 1, 2, and 3-bedrooms ranging from approximately 500-1,300 square feet per unit. In total, the mixed-use buildings will include approximately 166 market rate units, 23,000 square feet of commercial space, and 187 internal parking spaces.

The project will also include a reconfiguration of the Community Gardens that will enhance the gardens and the entire neighborhood. The mixed-use buildings will be a centerpiece for community engagement on the site, with a plaza for events and outdoor dining space. The redevelopment project will transform this space into a new urban neighborhood that is sustainable and walkable with important medical services, affordable housing, market rate housing, commercial space and community gardens.

The applicant is requesting the CIITAP Financial Need/Enhanced Energy incentive outlined in the IDA's Uniform Tax Exemption Policy as well as a sales tax exemption and partial mortgage recording tax exemption. The applicant is requesting an administrative fee to be ¾ of a percent of project costs to help offset the high cost of development on this site.

### **Cost-Benefit Analysis**

- Extent to which project would create and/or retain private sector jobs – There are projected to be three full time equivalent positions created by the residential management company. There will be an undetermined number of jobs created by future commercial tenants that are not currently secured.

- Estimated value of tax exemption

Property Tax (10 years)	\$4,172,103
Sales Tax	\$2,400,000
Mortgage Recording Tax	\$95,000
<u>Total</u>	<u>\$6,667,108</u>

- Estimate of private sector investment to be generated by the project - \$47,146,487

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- Likelihood of completing project in a timely manner – Site plan approval has been secured. The development team has experience and a track record of successfully completing projects.
- Extent to which project would generate additional sources of revenue for local taxing jurisdictions – The project will support an estimated \$2,083,571 in new property tax payments to the County, City and school district over 10 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 166 new market rate housing units, and sales tax revenue from the commercial spaces on the site.

- 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.

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.

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.

Community Gardens – The project provides upgrades to the community gardens that have long been associated with this site and provides long term stability for their continued use.

Green Building and Design – The developer is seeking the enhanced energy incentive for non-residential buildings, aiming to meet the 2025 requirements of the City of Ithaca’s stretch code.