

The Village of Nyack

Community Presentation

November 30, 2010

HR&A Advisors

with

H3

Saccardi & Schiff

John Collins Engineers

Feasibility Study Process

Market Scan

Property Value Assessment

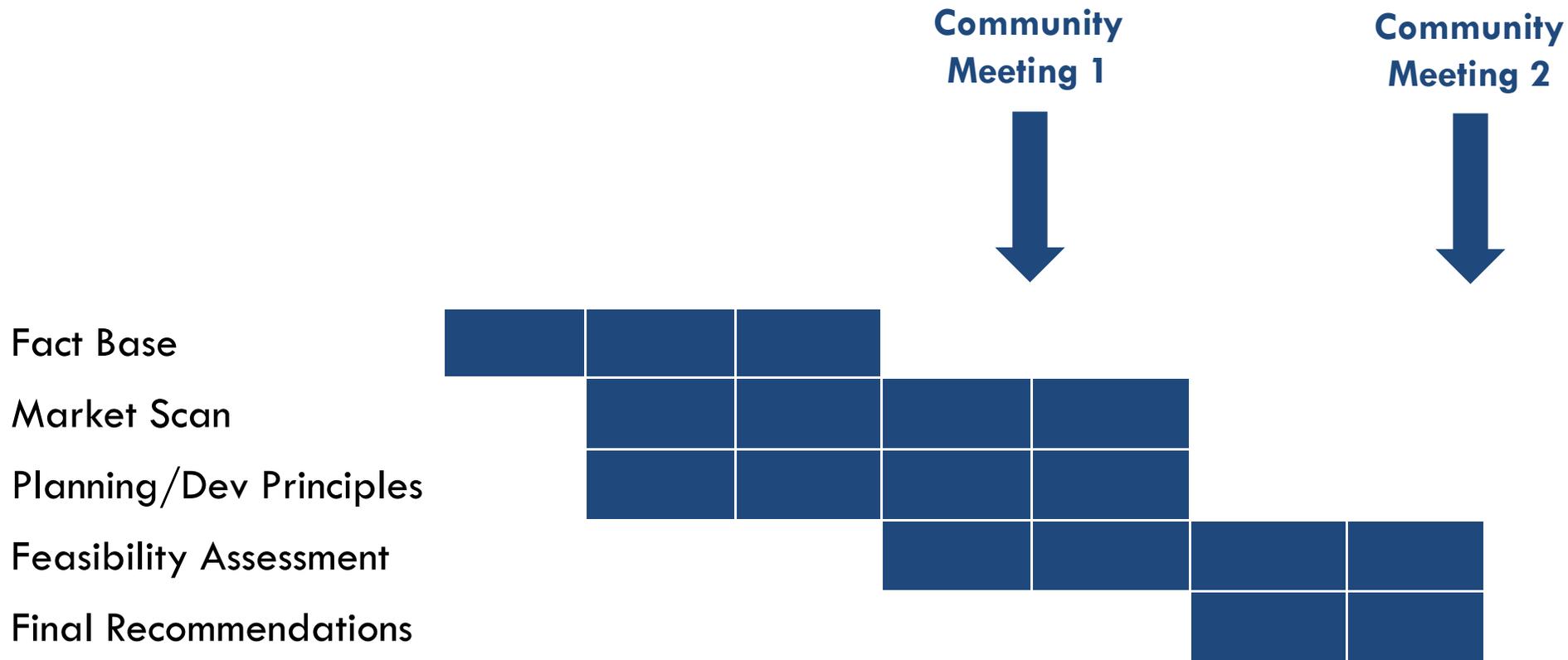
Parking Strategies

Financial Feasibility for 5 Development Scenarios

Gap Financing Options

Implementation Strategy

Questions



Objective of HR&A's work.

To determine how
redevelopment
on the Superblock Site can enhance the
physical character and economic vitality
of the Village of Nyack as well as evaluate opportunities for a
cultural arts venue
to be funded, in part, through such a development.

The Purpose of Tonight's Meeting.

Brief the community on HR&A's financial feasibility analysis of five redevelopment scenarios.

Review potential funding gaps for each scenario.

Discuss possible sources of "gap financing."

Review Implementation options: land assemblage, P3s

Gauge preferences for program, plan, costs, implementation strategy

Feasibility Study Process

Market Scan

Property Value Assessment

Parking Strategies

Financial Feasibility for 5 Development Scenarios

Gap Financing Options

Implementation Strategy

Questions

Key Demographics for the Village

	2000	2010 Estimation	% Change
Total Population	6,737	6,614	-1.8%
Population Density/Mi	8,749	8,590	-1.8%
Total Households	3188	3,167	-0.7%
Avg Household Size	2	2	0.0%
Per Capita Income	\$32,699	\$46,721	42.9%
Median HH Income	\$53,951	\$80,892	49.9%
Median Age	38.5	41.7	8.3%
Aggregate Income	\$219,017,200	\$309,014,368	41.1%

Source: Census & ESRI Business Analyst Online

Visitors and Visitor Spending in Nyack

150,000

Annual event-driven visits to
Nyack

83%

Visitors within 20 Miles

15%

Tri-State Visitors

2%

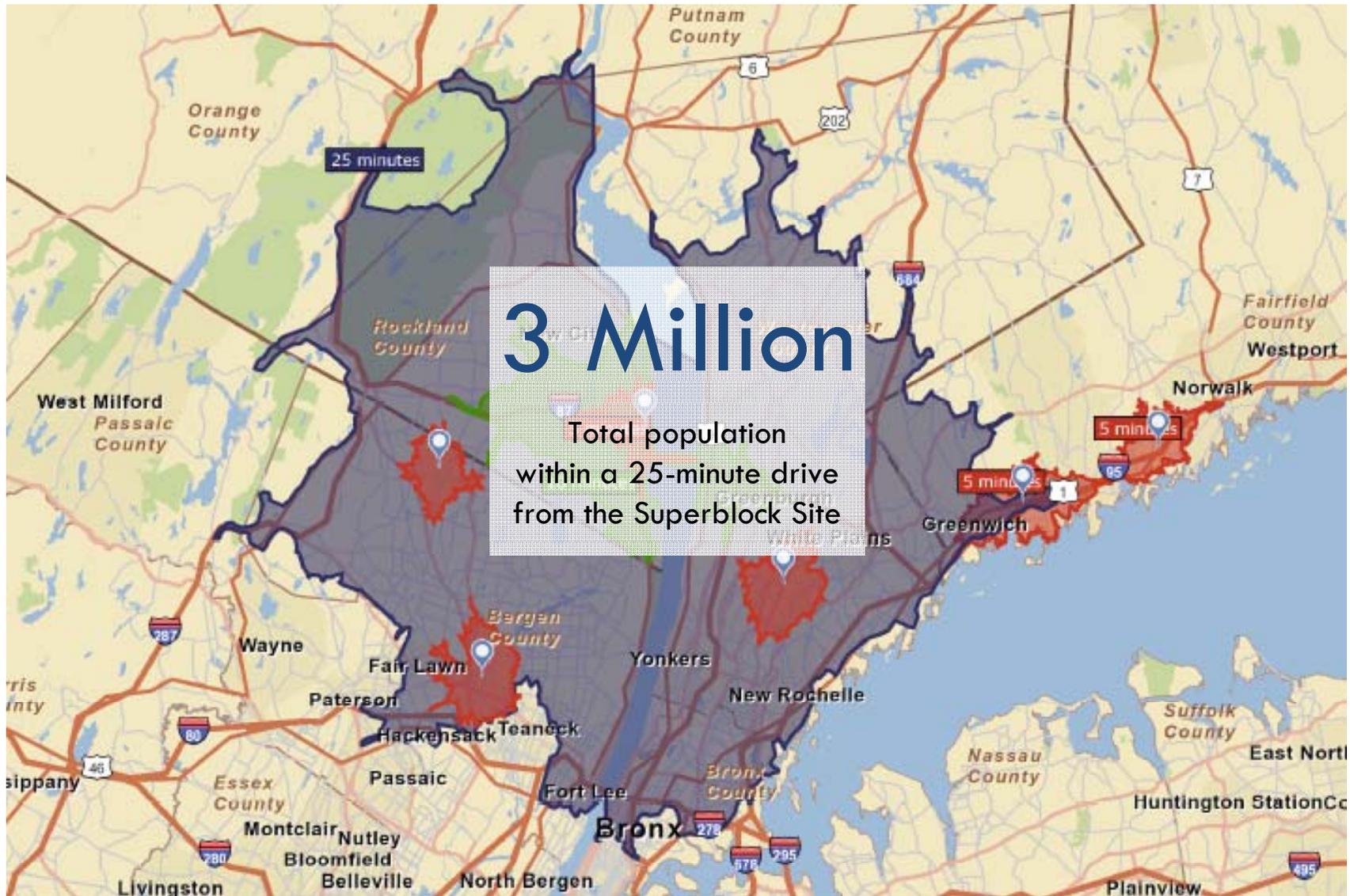
Outside Tri-State Area
Visitors

\$9.3M

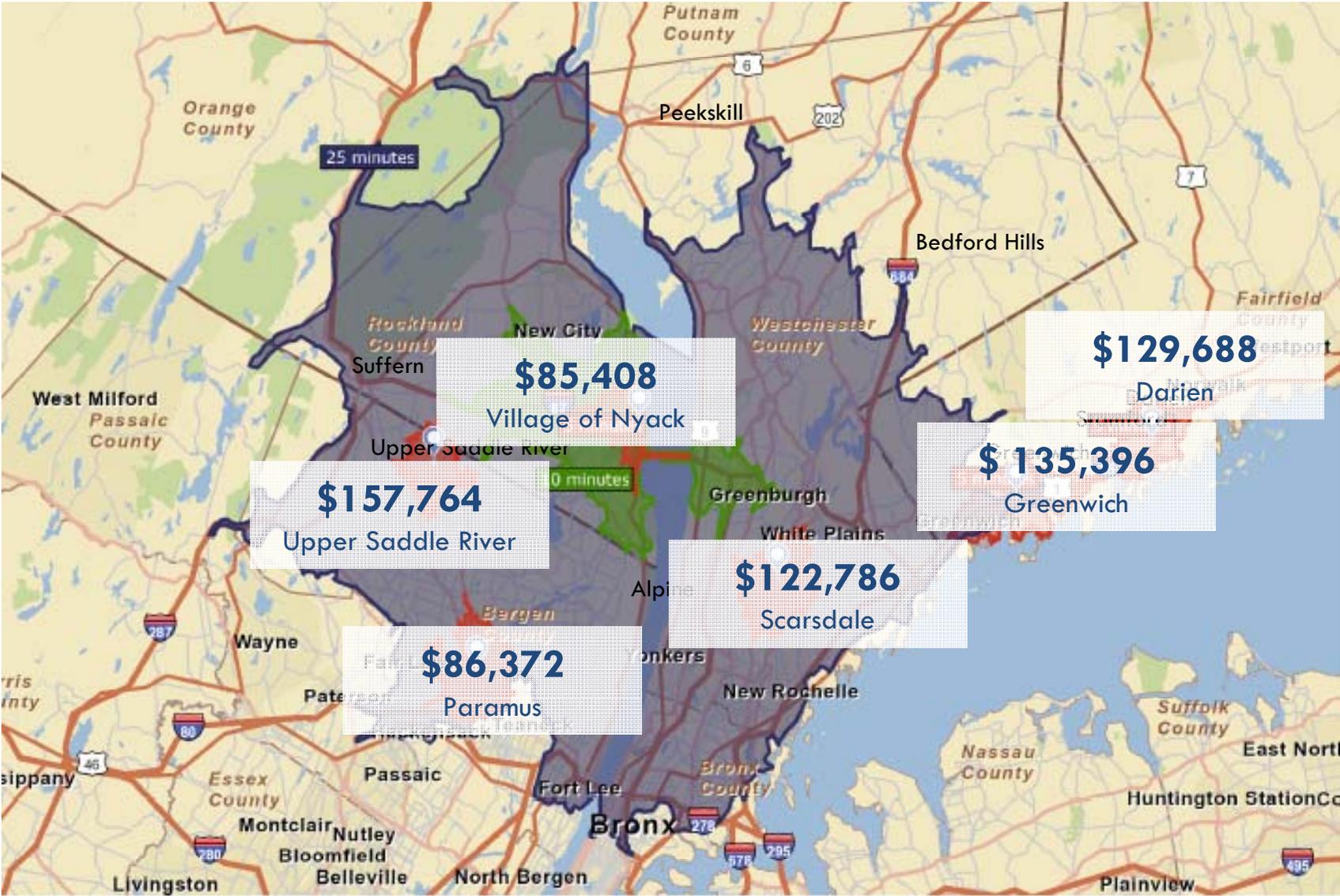
Estimated Annual Event-
Driven Spending in Nyack

Source: Rockland County Office of Tourism

Nyack benefits from a large population within a short driving distance.



Strong median incomes within surrounding towns and villages.



Cultural arts institutions tend to capture attendees from approximately 5% of local population.

In-State Population Capture for a Sample Season

In-State Population Capture for sample season	Saratoga Performing Arts Center	Albright-Knox Art Gallery	Purchase College Performing Arts Center	Shea's Performing Arts Center	Jacob Burns Firm Center	Riverspace Cultural Center
Location	Saratoga	Buffalo	Westchester	Buffalo	Pleasantville Nyack	
Attendance from within 20 Miles	5.07%	7.33%	0.17%	8.87%	7.17%	0.93%
Attendance from Within State outside of 20 Miles	0.14%	0.08%	0.32%	0.29%	0.04%	0.12%

Captures rates suggest potential seasonal attendance between 6 to 200 thousand people, dependant on strategic programming.

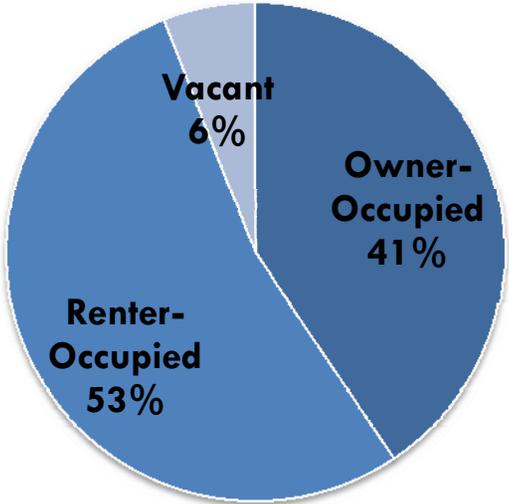
Potential Seasonal Attendance Capture Rates for the Superblock Site
Local population = 25-minute drive-time = 3 Million

	Low Capture		High Capture	
Local Attendance	0.10%	0.20%	0.50%	1.00%
Attendance within State, outside of Local Area	0.20%	0.25%	0.30%	0.35%
Local Attendance for Superblock Site	2,975	5,950	14,875	29,751
Regional Attendance for Superblock Site	30,177	37,721	45,265	52,809
Total Potential Attendance	33,152	43,671	60,140	82,560

Residential Inventory in the Village.

3,368

Total Housing Units

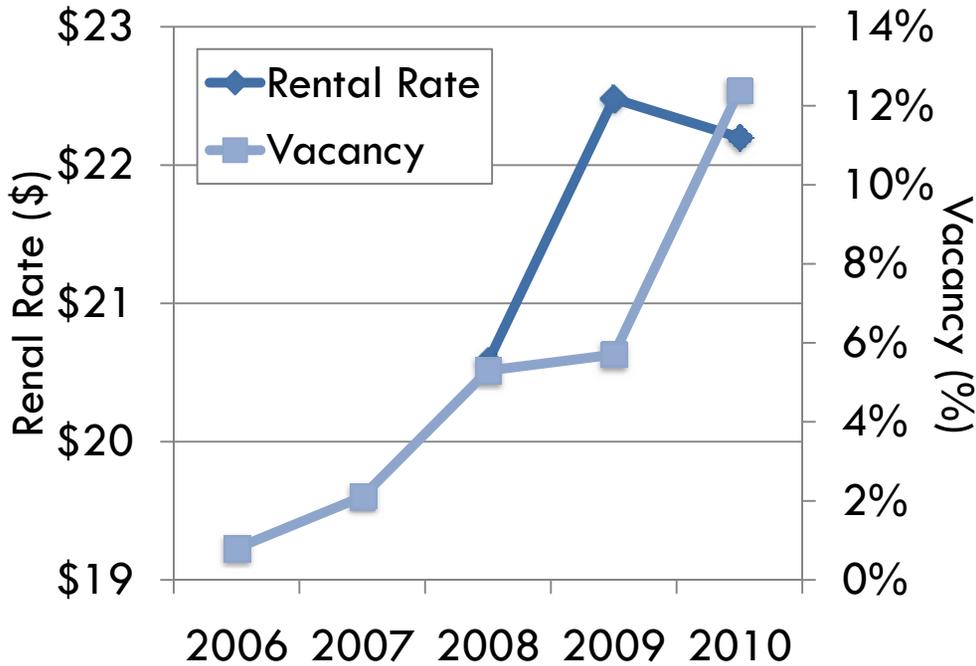


High End Condo Market

Median Price	\$533,500
Median Bedrooms	2
Median SF	1,531
Median List Price/SF	\$330



Retail Market in Nyack Village



Retail Market

YTD Avg. Rental Rate	\$22.20
Inventory in SF	239,146
Vacancy	12.4%
YTD Net Absorption	(18,943)



Hotels in Nyack and Comparable Villages

	Nyack	Spring Valley	Haverstraw	Paramus	Upper Saddle River
Hotels	2	3	1	3	3
Avg. ADR	\$ 89.47	\$ 110.65	\$ 141.67	\$ 127.84	\$ 134.83
Avg. Rooms	62	104	4	146	256

Best Western Nyack



Super 8 Nyack



Feasibility Study Process

Market Scan

Property Value Assessment

Parking Strategies

Financial Feasibility for 5 Development Scenarios

Gap Financing Options

Implementation Strategy

Questions

Assessing the value of the privately-owned Superblock parcels

Millbrook Property

Appraised Value:	\$3.85M
Existing Cash Flow Analysis:	\$2.16M
<u>Residual Land Value Analysis:</u>	<u>\$3.85M</u>
HR&A's Estimate	\$3.3M

M&T Property

Appraised Value:	\$2.74M
Existing Cash Flow Analysis:	\$1.93M
<u>Residual Land Value Analysis:</u>	<u>\$3.87M</u>
HR&A's Estimate	\$2.8M

Assessing the value of the privately-owned Superblock parcels

$$\begin{array}{r} \$3.3M \\ \text{Estimated Value of Millbrook} \\ + \\ \$2.8M \\ \text{Estimated Value of M\&T} \\ = \\ \$6.1M \\ \text{Estimated Value of the Nyack} \\ \text{Superblock Site} \end{array}$$

Feasibility Study Process

Market Scan

Property Value Assessment

Parking Strategies

Financial Feasibility for 5 Development Scenarios

Gap Financing Options

Implementation Strategy

Questions

Parking Capacity and Design

- John Collins Parking Analysis
- Surface parking versus structured parking

Existing Parking Capacity

Of particular importance is the parking available in Zone 4 (location of the Superblock) and is summarized below for peak Saturday period (7:00-9:00pm)

Location	Available Spaces (Unoccupied)
On-Street	50
Catherine Street Lot*	30
River Club Lot	73
Presidential Lot	36
Private Lots (HSBC, Bank of NY)	64
Main Street Lot	20
Total	273

*Catherine Street is included due to its close proximity to Zone 4

Parking Resources for Superblock

- On-site surface spaces
 - Option 1 = 235
 - Option 2 = 180
 - Options 3-5 = 160
- On-site structure spaces = 200
- Off-site = as needed

Managing Parking Supply and Demand

- Price Points
- Employee Parking
- Valet
- Shuttles

Parking Deck Precedent

Westport, CT

A COMMUNITY FRIENDLY DESIGN

A VALUE-ADD TO THE SITE

Parking Deck Precedent

Westport, CT

A COMMUNITY FRIENDLY DESIGN
A VALUE-ADD TO THE SITE

Feasibility Study Process

Market Scan

Property Value Assessment

Parking Strategies

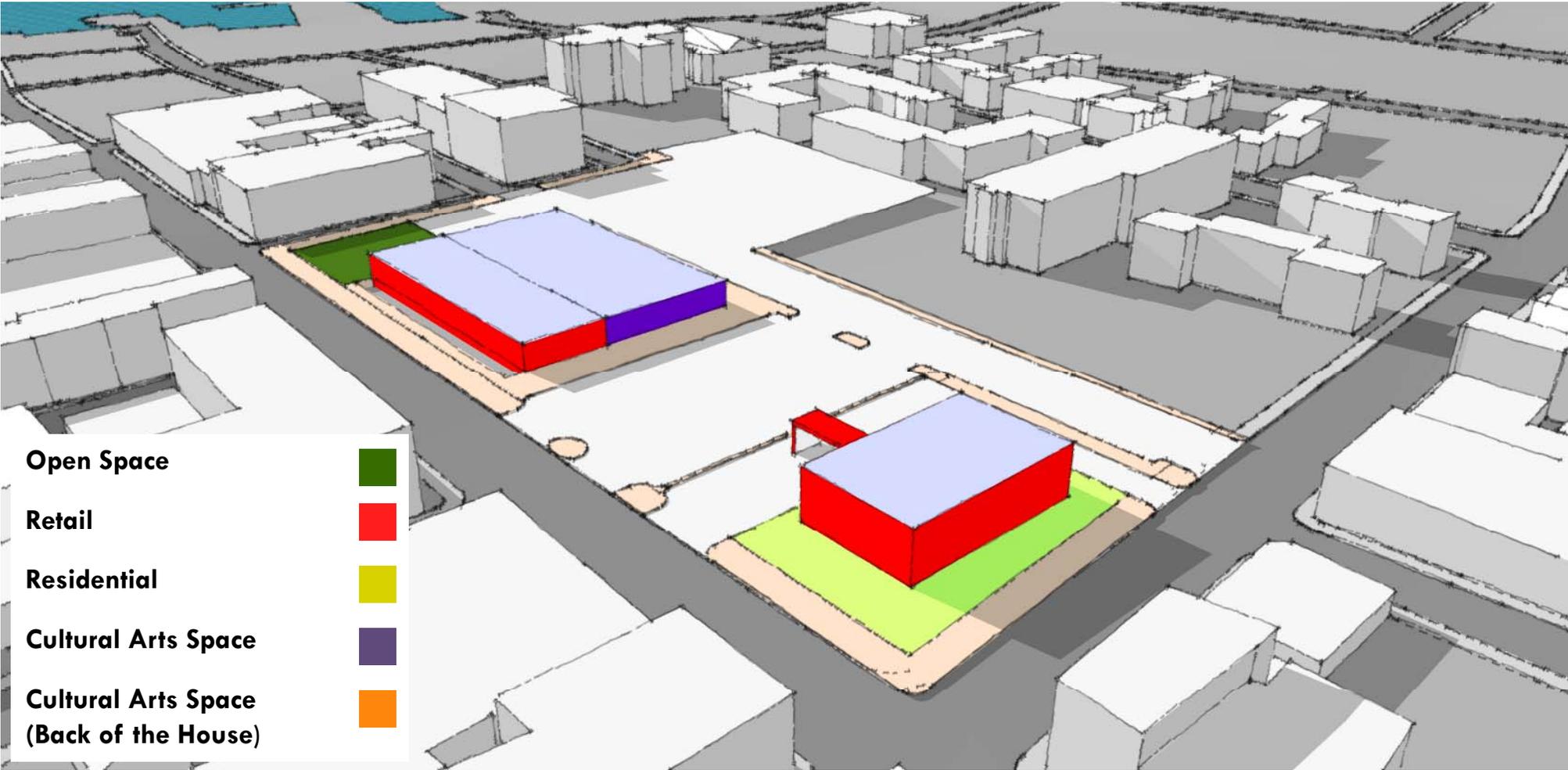
Financial Feasibility for 5 Development Scenarios

Gap Financing Options

Implementation Strategy

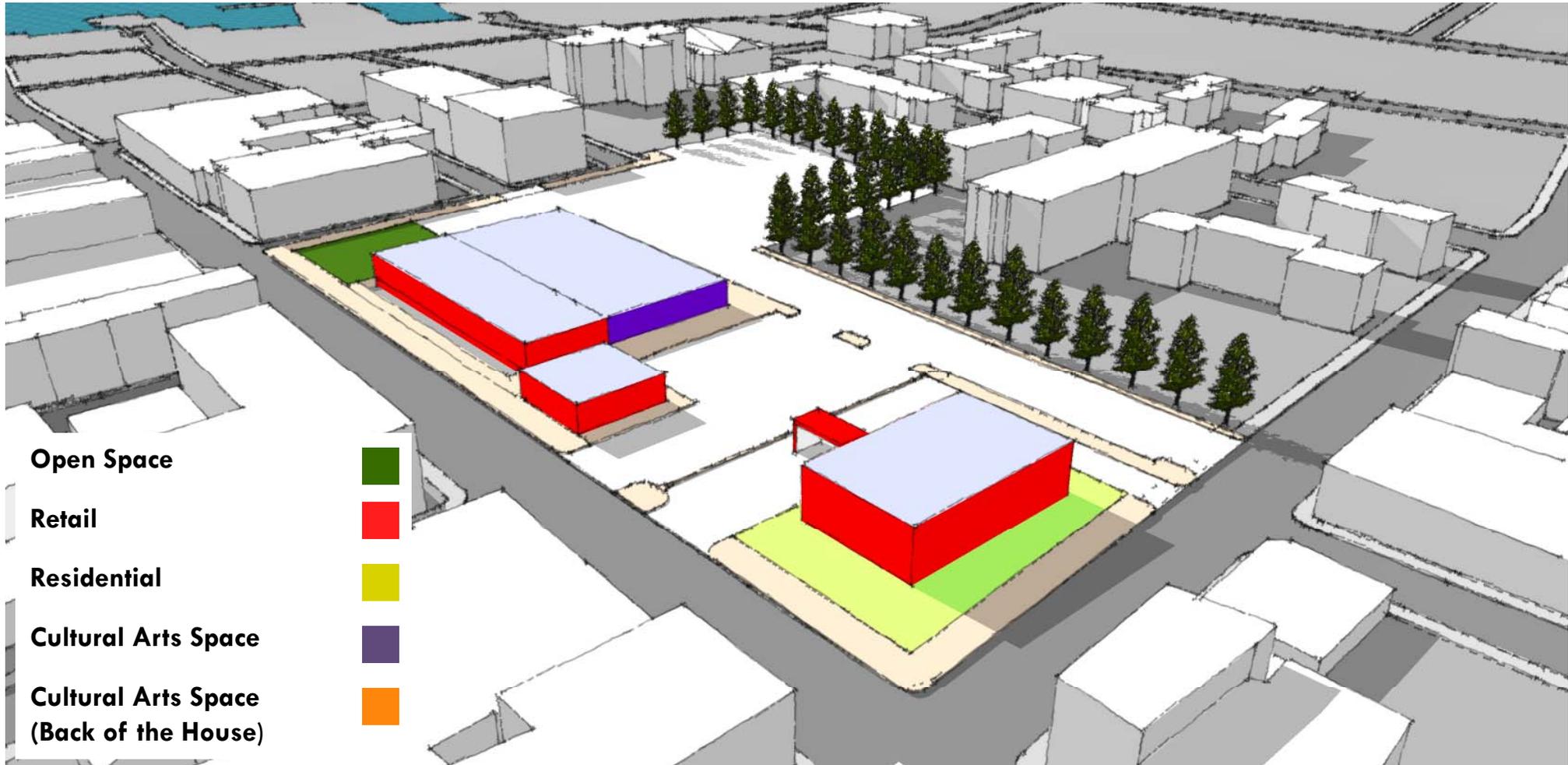
Questions

Existing Site Configuration



Option 1 : Develop Only Publicly Owned Land

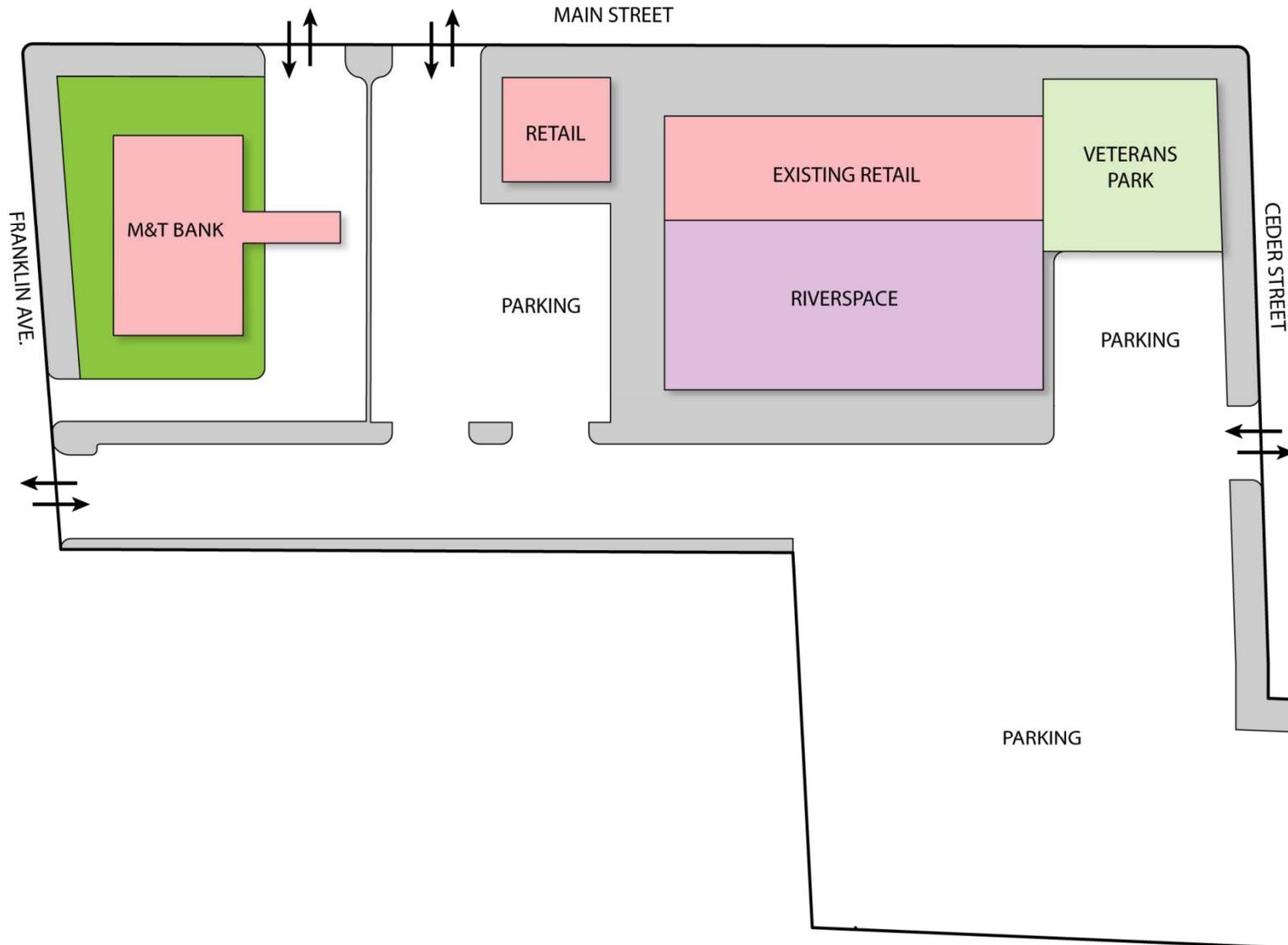
No Acquisition of Private Land, No New Parking Needed, Public Space Unchanged



230 parking spaces needed – 235 surface spaces on site = no new spaces, 5-space surplus

Option 1 : Develop Only Publicly Owned Land

No Acquisition of Private Land, No New Parking Needed, Public Space Unchanged



Option 1 : Develop Only Publicly Owned Land

No Acquisition of Private Land, No New Parking Needed, Public Space Unchanged

Program: 2,400 square feet of new retail development

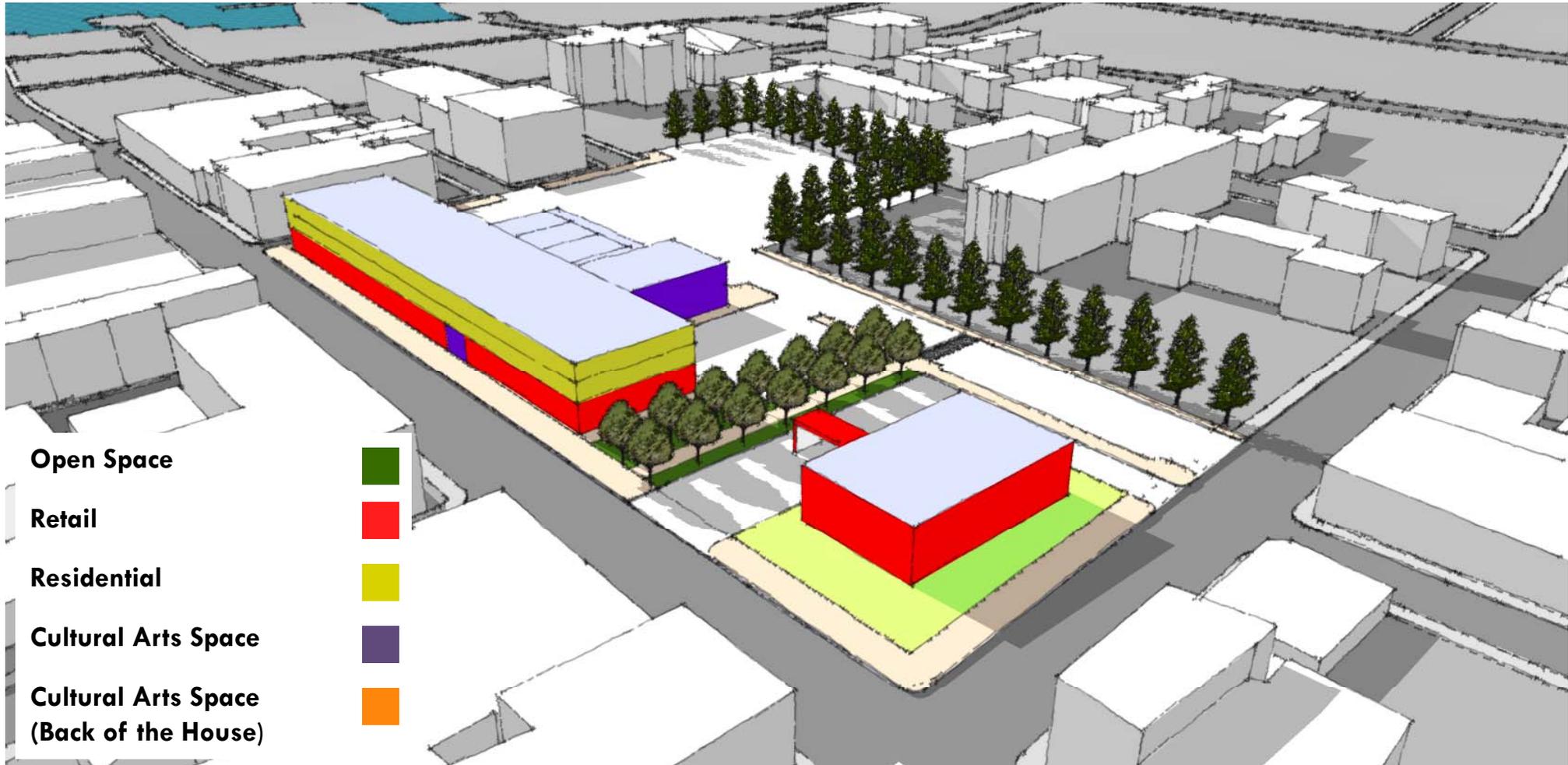
Cost & Financing: \$360,000 development cost of new retail space

Pricing & Return: \$35 PSF retail rents

Positive NPV = Feasible Development Project

Option 2: Renovate Riverspace into Multiplex Cinema

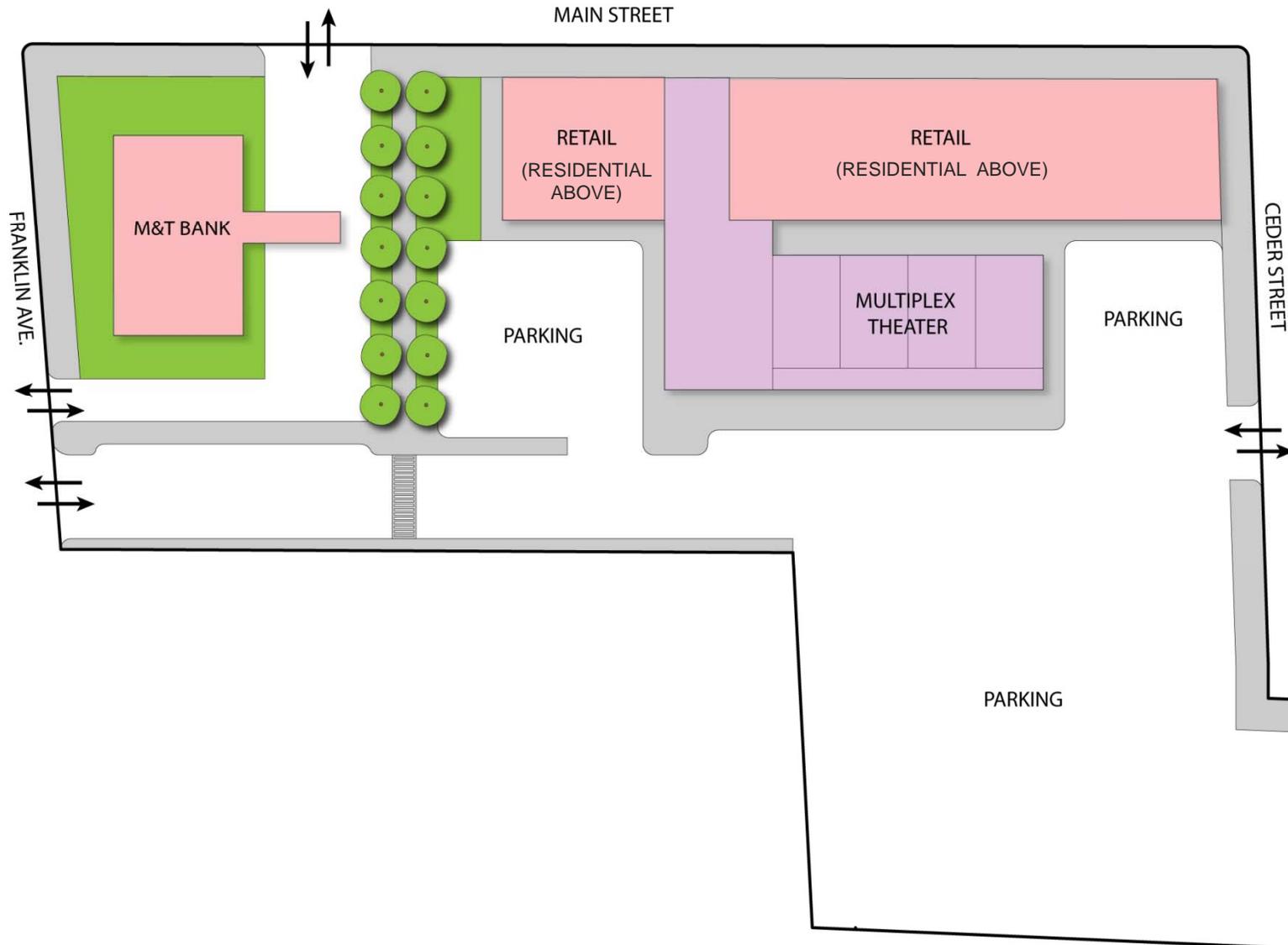
Riverspace Acquired, 112 Additional Parking Spaces Needed, Public Space Relocated



492 spaces needed – 180 surface spaces on site – 200 structure spaces on site = 112 off-site spaces

Option 2: Renovate Riverspace into Multiplex Cinema

Riverspace Acquired, 112 Additional Parking Spaces Needed, Public Space Relocated



Option 2: Renovate Riverspace into Multiplex Cinema

Riverspace Acquired, 112 Additional Parking Spaces Needed, Public Space Relocated

Program: 13,800 SF of cultural arts space, 30,400 SF of retail, and 85,000 SF of residential

Cost & Financing: \$27.4M development costs
(\$4.1M for cultural arts space)

Pricing & Return: \$35 PSF retail rents; \$425 PSF residential rents (\$125 PSF rent for affordable housing); \$5.3M for parking

Yields a NPV **deficit of \$7,461,791** for the project

Option 3: Arts and Media Incubator

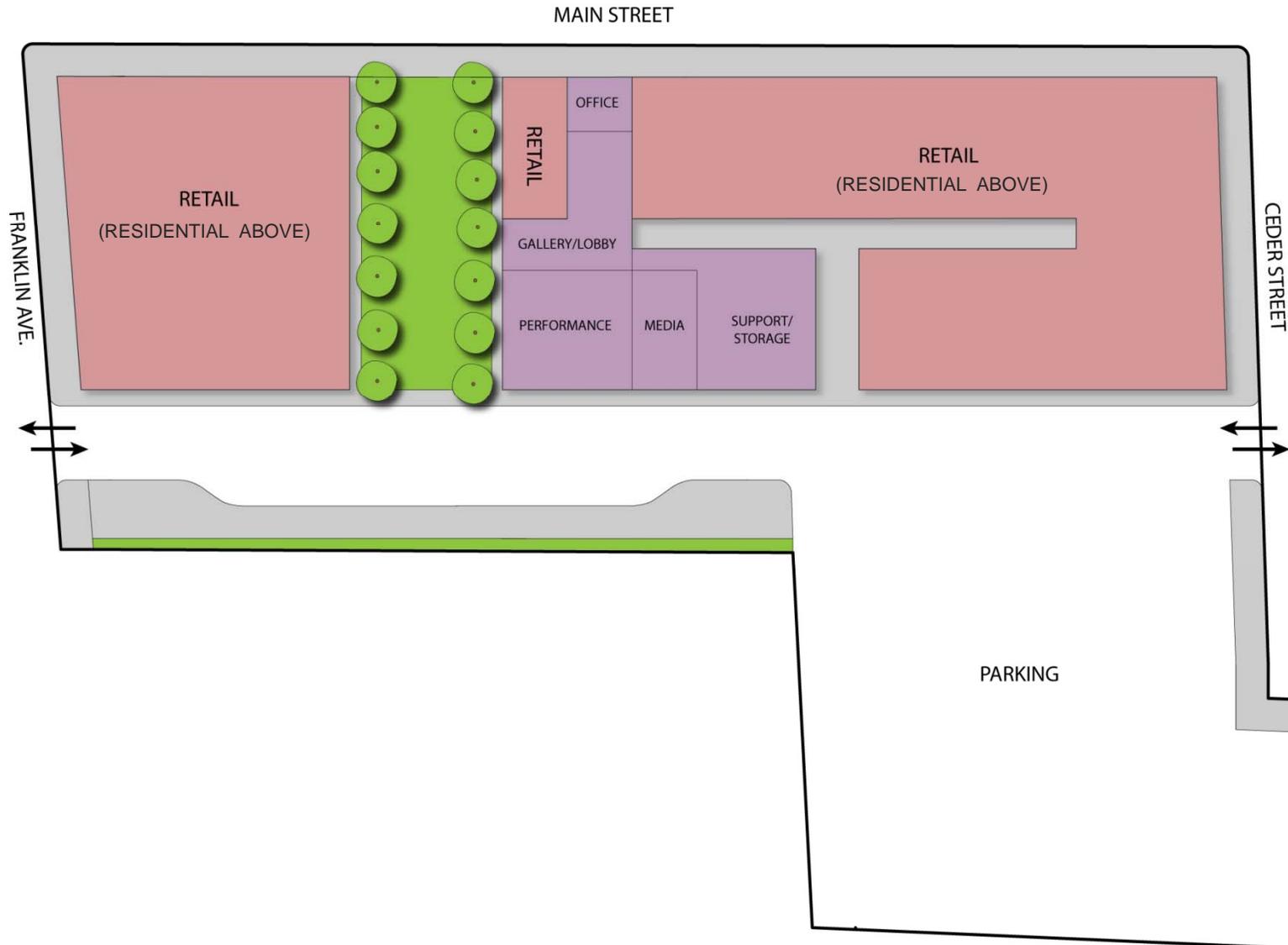
Single Landowner, 166 Additional Parking Spaces Needed, Public Space Relocated



526 spaces needed – 160 surface spaces on site – 200 structure spaces on site = 166 off-site spaces

Option 3: Arts and Media Incubator

Single Landowner, 166 Additional Parking Spaces Needed, Public Space Relocated



Option 3: Arts and Media Incubator

Single Landowner, 166 Additional Parking Spaces Needed, Public Space Relocated

Program: 13,000 SF of cultural arts space, 49,000 SF of retail, and 100,000 SF of residential

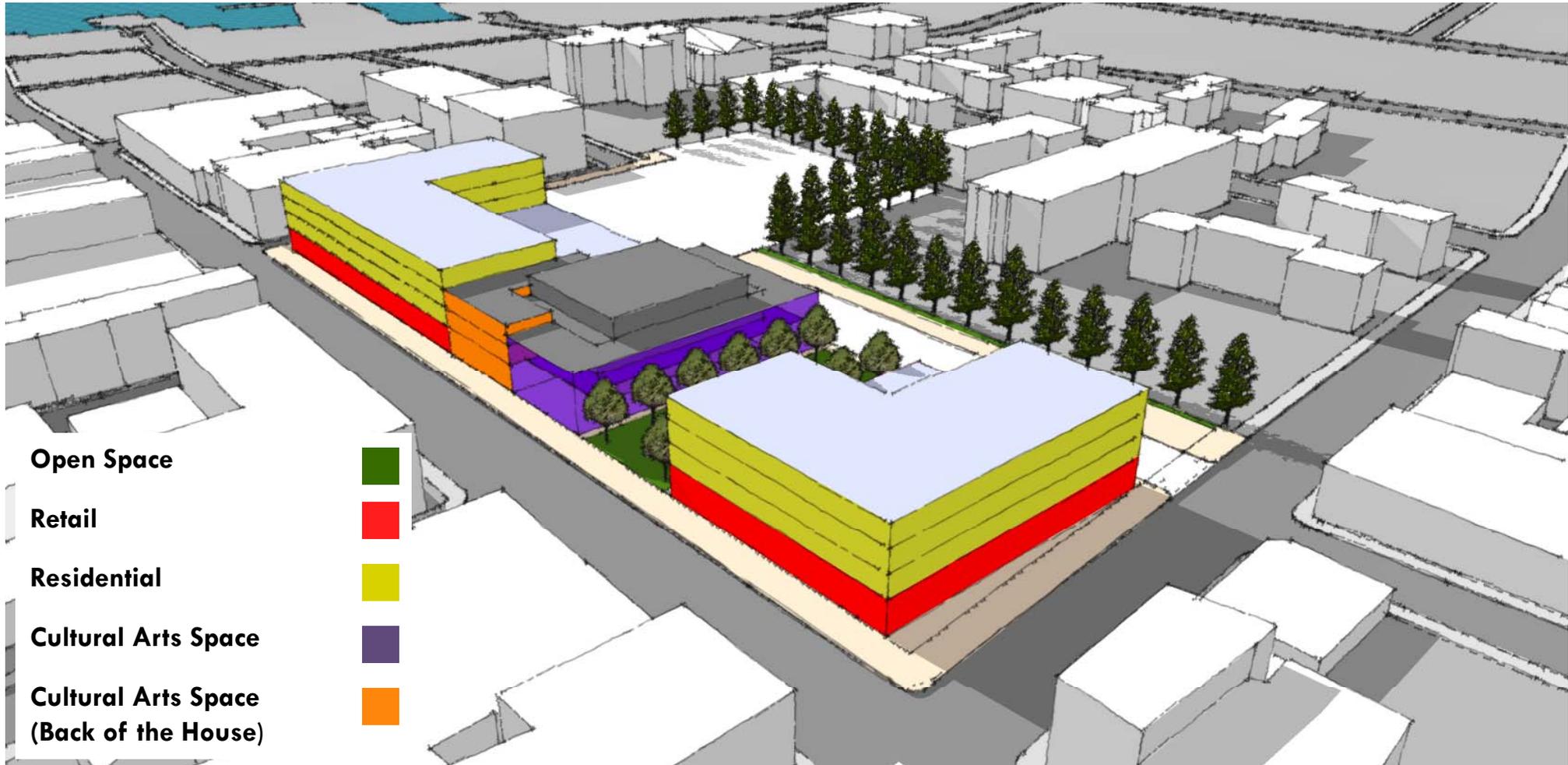
Cost & Financing: \$33.4M development costs
(\$4.6M for cultural arts space)

Pricing & Return: \$35 PSF retail rents; \$425 PSF residential rents (\$125 PSF for affordable housing); \$5.3M for parking

Yields a NPV **deficit of \$4,479,185** for the project

Option 4: 300 Seat Black Box Theater

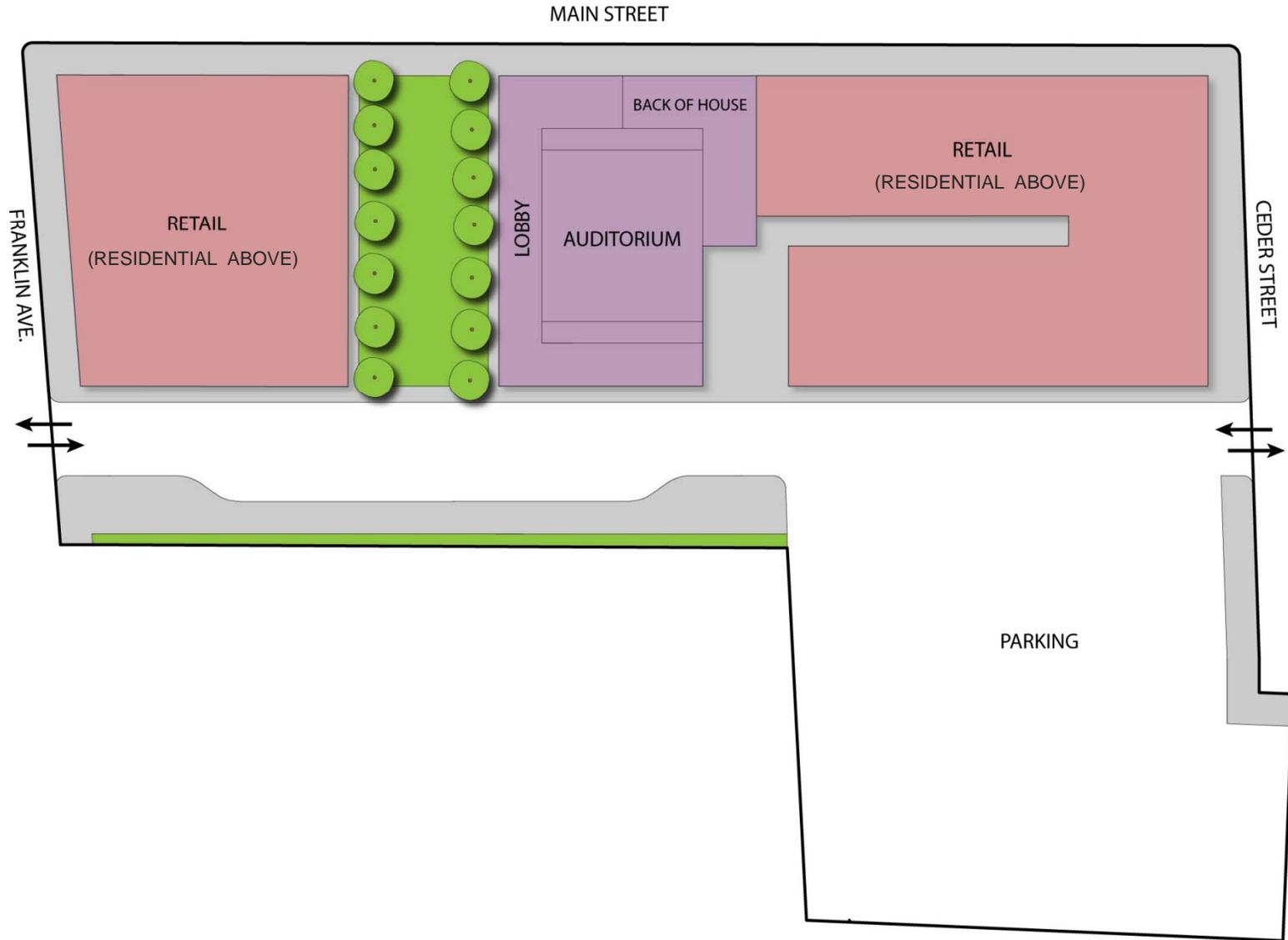
Single Landowner, 188 Additional Parking Spaces Needed, Public Space Relocated



548 spaces needed – 160 surface spaces on site – 200 structure spaces on site = 188 off-site spaces

Option 4: 300 Seat Black Box Theater

Single Landowner, 188 Additional Parking Spaces Needed, Public Space Relocated



Option 4: 300 Seat Black Box Theater

Single Landowner, 188 Additional Parking Spaces Needed, Public Space Relocated

Program: 31,500 SF of cultural arts space, 48,000 SF of retail, and 100,000 SF of residential

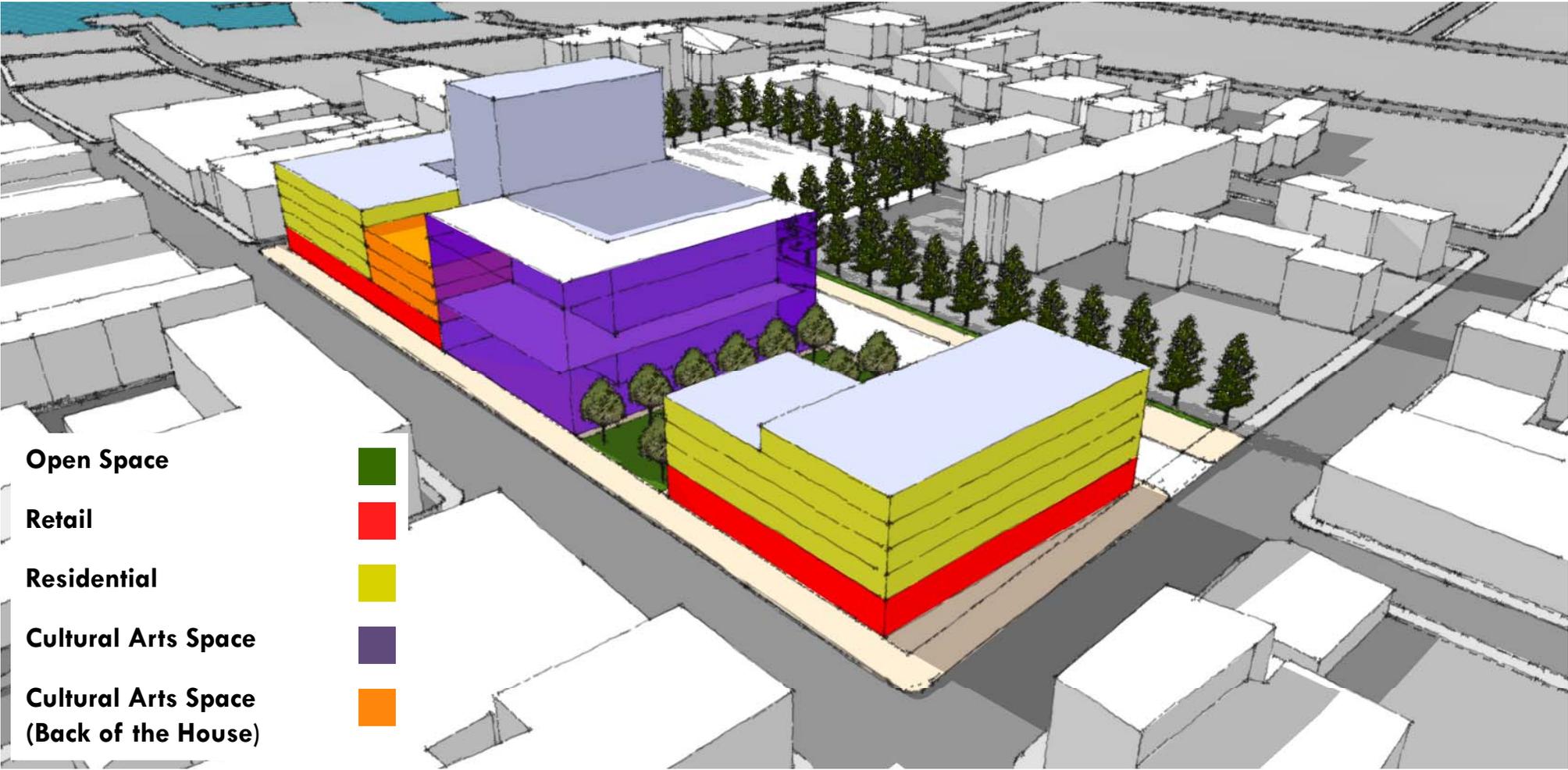
Cost & Financing: \$46.6M development costs
(\$18.9M for cultural arts space)

Pricing & Return: \$35 PSF retail rents; \$425 PSF residential rents (\$125 PSF for affordable housing); \$5.3M for parking

Yields a NPV **deficit of \$20,172,666** for the project

Option 5: 1000 Seat Regional Roadhouse

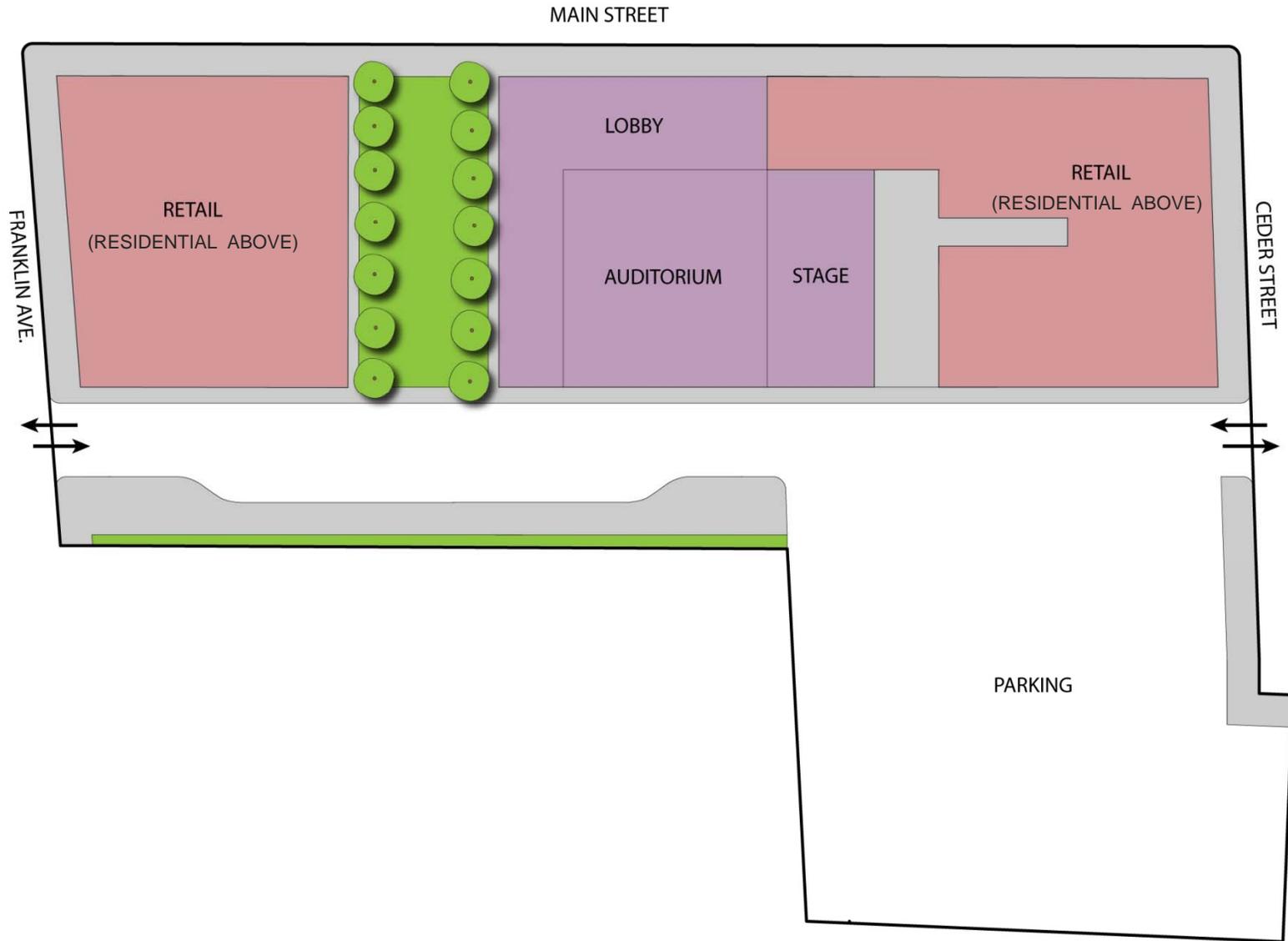
Single Landowner, 419 Additional Parking Spaces Needed, Public Space Relocated



754 spaces needed – 160 surface spaces on site – 200 structure spaces on site = 419 off-site spaces

Option 5: 1000 Seat Regional Roadhouse

Single Landowner, 419 Additional Parking Spaces Needed, Public Space Relocated



Option 5: 1000 Seat Regional Roadhouse

Single Landowner, 419 Additional Parking Spaces Needed, Public Space Relocated

Program: 71,000 SF of cultural arts space, 36,000 SF of retail, and 100,000 SF of residential

Cost & Financing: \$66.9M development costs
(\$42.6M for cultural arts space)

Pricing & Return: \$35 PSF retail rents; \$425 PSF residential rents (\$125 PSF for affordable housing); \$5.3M for parking

Yields a NPV **deficit of \$45,457,442** for the project

Feasibility Study Process

Market Scan

Property Value Assessment

Parking Strategies

Financial Feasibility for 5 Development Scenarios

Gap Financing Options

Implementation Strategy

Questions

Making the project work

Potential Sources of Gap Funding

- Philanthropic Contributions
- Government Grants
- Other

Funding Source A

Philanthropic Contributions

- Cultural Arts (varied)
- Public Open Space (TBD)

Philanthropic Contributions

The Jacob Burns Film Center – Pleasantville, NY

**A SMALL GROUP OF DEDICATED INDIVIDUALS,
UNITED BEHIND A CLEAR VISION FOR THE SITE.**

RAISED \$7M TO OPEN THE THEATER. (18,000 SF)

**RAISED AN ADDITIONAL \$20M
TO OPEN THE MEDIA ARTS LAB (27,000 SF)**

Funding Source B

Government Grants

- Structured Parking (**\$7.2M**)
- Site Infrastructure (**\$2.5M**)
- Streetscape Improvements (TBD)

Summary



	Option 1	Option 2	Option 3	Option 4	Option 5
Program	New retail on public land; 235 surface parking spaces	14k SF Multiplex theater; 34,000 SF retail; 85,000 SF residential; 160 surface parking spaces; 200 garage spaces	13k SF Arts & media incubator; 49,000 SF retail; 100,000 SF residential; 160 surface parking spaces; 200 garage spaces	32k SF Black box theater; 48,000 SF retail; 100,000 SF residential; 160 surface parking spaces; 200 garage spaces	71k SF Regional Roadhouse; 36,000 SF retail; 100,000 SF residential; 160 surface parking spaces; 200 garage spaces
TDC	\$360,000	\$46.6M	\$56.2M	\$76.4M	\$107.5M
Gap	-	\$7.5M	\$6.5M	\$20.2M	\$45.5M
Gap Funding	Public Funding: \$0.00 Private Capital Campaign: \$0.00	Public Funding: \$9.7M Private Capital Campaign: \$0.00 Excess value: \$2M	Public Funding: \$9.7M Private Capital Campaign: \$0.00 Excess value: \$3M	Public Funding: \$9.7M Private Capital Campaign: \$11.5M	Public Funding: \$9.7M Private Capital Campaign: \$37.8M

Feasibility Study Process

Market Scan

Property Value Assessment

Parking Strategies

Financial Feasibility for 5 Development Scenarios

Gap Financing Options

Implementation Strategy

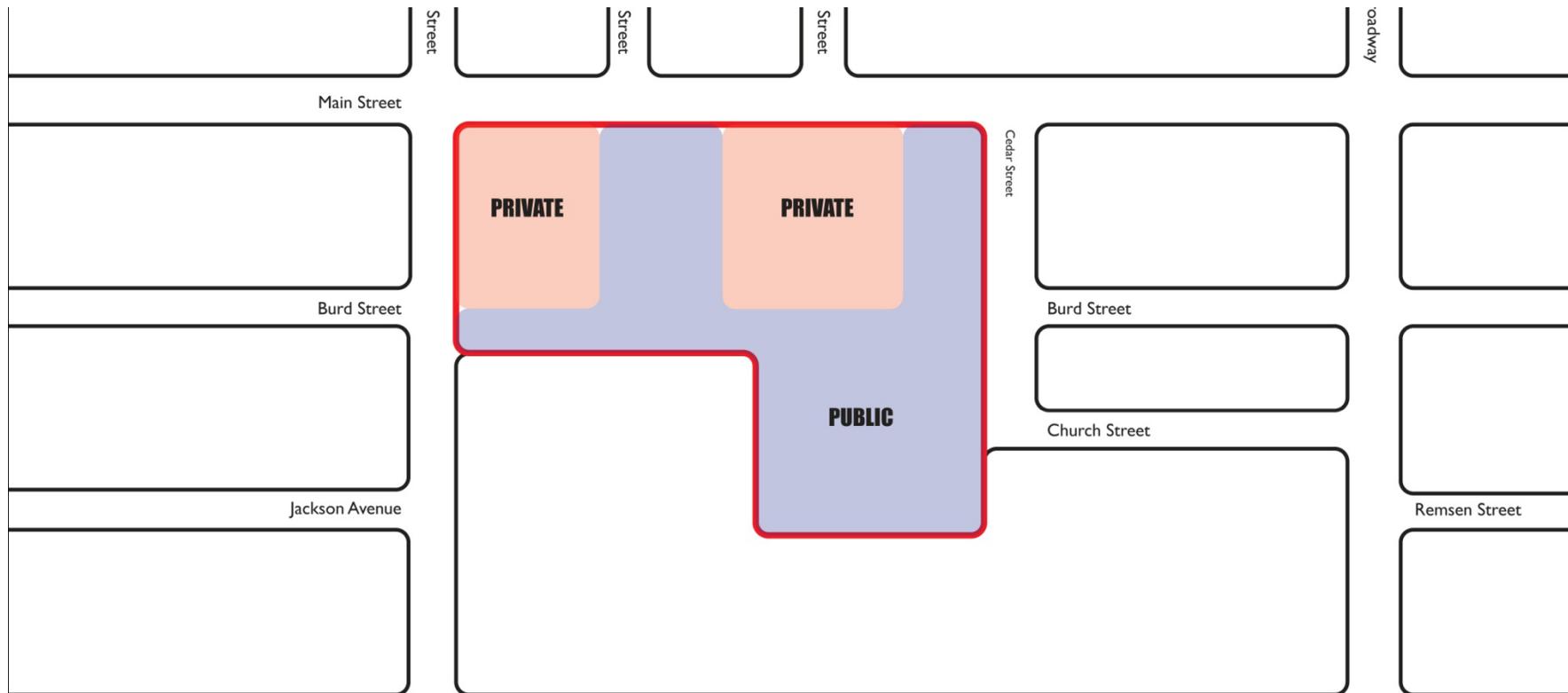
Questions

Village Needs to Decide How to Move Forward: Weighing Options



	Option 1	Option 2	Option 3	Option 4	Option 5
Stronger Destination		✓	✓	✓	✓
Meet Residents' Needs		✓	✓	✓	
Strengthen Local Econ.		✓	✓	✓	
Address Parking Demand		✓	✓	✓	
Add Residents Downtown			✓	✓	✓
Create Attractive Civic Space		✓	✓	✓	✓
Connect with Community		✓	✓	✓	✓
Flooding Management		✓	✓	✓	✓
Minimize Execution Risk	✓	✓	✓		
Stronger Mkt Response		✓	✓		

Site Assemblage



- Private developer purchases all
- Not-for-profit conduit
- Village assembles
- Joint venture with existing ownership

RFQ vs RFP

Triggering the Strongest Market Response

Clarity of Public Goals

Predictability

Limited Business Risk

Scale

RFEI vs RFP

RFEI	RFP
Solicits Qualifications of a Development Team	Solicits Qualifications of a Development Team
Seeks Schematic, Programming and Planning Ideas	Seeks Detailed Development Proposals
Requires Clear Vision and Goals from Public Entity	Requires Detailed Program and Financing Scheme from Public Entity
Typically Followed by an Invitation-Only RFP	Typically Followed by Developer Designation
<i>Governors Island, Anacostia, Willets Point, Seward Park</i>	<i>Cooper Square, Arverne East</i>

Why an RFEI?

- Strong Location
- Leverage City-owned Property
- Large-scale Development
- Multiple Owners
- Emerging Agreement on Area Land Use Plan

Why not an RFP?

- Program & Plan Not Fully Formed
- Market to Inform Program & Plan
- Tap into Design & Development Creativity
- Understand Market Value Prior to Outlining Deal Structure

Feasibility Study Process

Market Scan

Property Value Assessment

Parking Strategies

Financial Feasibility for 5 Development Scenarios

Gap Financing Options

Implementation Strategy

Questions
