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February 27, 2018

Hon. John Gunn, Chairman
And Member of the Planning Board
City of Beacon
1 Municipal Plaza
Beacon, New York 12508

Re: Beacon HIP Lofts (39 Front Street) – Submission cover letter and response to consultant comments

Dear Chairman Gunn and Members of the Planning Board:

On February 21, 2018, the Zoning Board of Appeals granted the requested height variance to allow building 16 to reach 66 feet in height. The Board considered the issues the Planning Board suggested, but did not impose further conditions relating to the setback of the 4th story or the height of the 4th story. We have not yet received the final ZBA Resolution, but I expect it will be sent directly to the Planning Board.

Since the variance has now been issued, it is appropriate for the Planning Board to consider its report to the City Council relating to the Special Permit. In order to provide a summary of the proceedings to date for the Council, I have enclosed our proposed letter to the Council, with exhibits, intended to accompany the Planning Board's report. We hereby request that the Planning Board issue its report to the Council at the March meeting and address the customary report requirements, including any recommendations of changes in the plan to meet the Special permit criteria.

Additionally, we hereby respond to the comments from Lanc and Tully.

LANC & TULLY COMMENT LETTER DATED FEBRUARY 4, 2018:

General Comments:

1. The applicant will require a variance for the proposed height of Building #16. If this variance is granted, it should be noted on the plans.

Response: The variance was granted at the ZBA meeting on February 21, 2018.



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Variance #2018-7. This has been noted on the Site Plan sheet.

2. We had previously noted that there were labels overlapping each other on Sheets I and 3 at several locations, and in other areas the labels blend into the hatch, making them illegible. Although the applicant states that these have been addressed, we are unable to verify this, as these sheets were not submitted. The applicant should submit these sheets for review.

Response: The label clarity was addressed. The Site Plan sheet is being submitted. These are the same notes and drawing file as the Landscape Plan (Sheet 3).

We look forward to further discussion with the Board at the March 14, 2018 meeting.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'JL Van Tuyl', is written over a light blue circular stamp.

Jennifer L. Van Tuyl



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February 27, 2018

Hon. Randy Casale, Mayor
and Members of the City Council
City of Beacon City Hall
1 Municipal Plaza
Beacon, New York 12508

Re: Beacon Lofts & Storage LLC –Special Permit Application for Multi-Family Development
Premises: 39 Front Street, Beacon, New York
Tax Parcel ID: 6055-04-590165

Dear Mayor Casale and Members of the City Council,

This is an application for an amended Special Use Permit to authorize 29 additional Artist Live-Work units in the LI District at Groveville Mills. The City Council granted a special permit for 143 such units in 2014.

The application for the amended Special Use Permit was submitted to the Planning Board, as the Council's agent, on July 25, 2017. The environmental review of the project is now complete, and the required height variance has been granted. The matter is before the Planning Board on March 14, 2018 to consider issuance of its Report under section 223-18 B. 1. At that point, the Special Permit application will be submitted for the Council's review.

This letter is intended to describe the history of the application and describe the manner in which the application meets the applicable standards for an amended special use permit for the addition of 29 Artist Live-Work units.

PROJECT DESCRIPTION:

Setting:

The subject parcel is an 8.75 acre parcel in the LI District. The project, known as Beacon HIP Lofts, is an ongoing, phased, mixed-use redevelopment of a portion of the former Groveville Mills industrial site. Due to its past historic use, the property is within the Historic District Overlay. Current uses on the site include storage, office/studio, and a commercial laundry, in addition to Artist Live/Work studios.

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Existing Approvals:

The plan to redevelop the Beacon HIP Lofts received initial approvals in 2014. In 2014, the City Council granted a special permit for 143 Artist Live work units, and the Planning Board thereafter granted site plan approval.

The Approved Site Plan:

A copy of the Approved Site Plan is attached as Exhibit A. Several features of the plan are notable:

1. The site plan takes advantage of the Creekside location to place a four-story new building, called Building 9A with 24 Artist Live/Work units. A height variance was granted for this building to be 4 stories and 42 feet tall.
2. The site plan includes a commercial laundry which has been very successful, although it is a very heavy water user, of almost 26,000 gpd.
3. The site plan places landbanked parking on an adjoining parcel.
4. The existing conditions as of 2014 included two very large factory buildings placed end to end, designated as buildings 10 and 16. These buildings are 3 stories/46 feet tall. Each building is approximately 225 feet long, making the two buildings together 450 feet long, the length of one and a-half football fields. A view of these buildings is attached as Exhibit B.
5. The site plan proposed that both buildings would be restored for Artist Live/Work units, with 36 units to be placed in the restored building 16.

Phase 1 of the Project was completed in 2013, and Phase 2 construction of Building 11 has also been completed. 87 of the approved 143 Live-work units have been built.¹

¹ 4 units have been completed in the last 2 months. As of the filing of the Special Permit application in July 2017, there were 83 completed units.



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Unforeseen circumstances:

During site development, engineering tests revealed that Building 16 was structurally unsound, and could not be renovated, but would have to be deconstructed and the entire building rebuilt.

When the applicant reached the point of preparing for the restoration of Building 16, he was informed that the building was beyond repair, due to extensive roof damage which had impacted the structural stability of the structure. The building could not be renovated, but would have to be deconstructed and the entire building rebuilt. (See Engineer's letter from Mark Day PE dated December 6, 2016, Exhibit C)

This news changed the economic picture for the project in a material way. Demolition and new construction adds materially to the costs of building. The demolition itself is costly, and would cost from \$500,000 to \$600,000 (\$13-15 per SF). The demolition would tend to run higher as much work must be done by hand to preserve the adjoining building and preserve the brick. The construction of a whole new building would also be more expensive than simply restoring an existing building. A new roof for a building of this size can cost a million dollars, and the cost of the roof is the same investment, independent of the height of the building. Overall, the costs of demolition and exterior construction would be expected to run approximately \$3 million.

This unexpected circumstance caused the applicant to explore ways to modify the project in a manner that was good for the community as well as offsetting, at least partially, these unanticipated costs.

The Amended Site Plan:

The proposed Amended Site Plan which is part of the present application, is attached as Exhibit D. This plan proposes major improvements in the approved site plan as follows.

- The amended plan eliminates the 3-building Commercial Laundry. The commercial laundry buildings are non-brick, non-historic additions (See drawings Exhibit E). This eliminates ugly and non-contributing structures, and also eliminates a heavy industrial water user.²
- The amended plan concentrates the dwelling units in Building 16, which is located in the center of the site, and eliminates the previous 4 story building 9A located right on the Creek. The 24 units previously located in building 9A have been transferred to Building

² The substantial water saving from elimination of this high water use was an important element in the Council's decision to allow this project to proceed for reviews during the moratorium.



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16. The proposed 29 additional units are also located in Building 16. The concentration of the development in the center of the site resulted in a taller building, with 3 full stories and a smaller, set back, 4th story with 9 units.³

- In place of a 4-story building on the Creek, there is a simple one-story addition to the existing building.
- Overall the changes allow the building footprint on the site to shrink, providing a small amount of additional open space, and also allow the site to fully meet its parking requirements on its own site, without placing landbanked parking on the adjoining site.

PROJECT REVIEW TO DATE AND EXISTING APPROVALS:

On July 25, 2017, the applicant filed applications for an amended special permit, amended site plan approval, and height variance, based upon the above described amended site plan.

Planning Board – Environmental Review & Negative Declaration:

The Planning Board was duly designated as Lead Agency under SEQR and conducted an environmental review of the whole action, including all elements of the development.

This review included consideration of a Phase 1A Literature Search and Sensitivity Assessment and a review letter by the State Historic Preservation Office (SHPO) dated January 5, 2018, that concluded that the proposed development, including the proposed taller building 16, was compatible with the historic setting of Groverville Mills. (Exhibit F)

A copy of the Planning Board’s SEQR Determination of Significance, finding that the project as proposed would not have a significant adverse impact on the environment, is attached as Exhibit G.

Zoning Board of Appeals – Area Variance Review:

After adoption of the SEQR Negative Declaration, the review proceeded to the Zoning Board of Appeals. The Zoning Board conducted public hearing sessions on January 17th and February 21st, 2018.

³ See discussion page 5-6 for details of the analysis resulting in a conclusion that the taller building was aesthetically compatible with the site and its historic buildings.



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The applicant showed that the requested floor to ceiling separations of 17 feet would not only allow mezzanines, but would also facilitate the transition in use of the building to non-residential use in the future, if the need arose. The applicant explained the manner in which the context of this height variance request differed completely from the situation of a building on Main Street, using the example of 344 Main Street. While the building at 344 Main Street and Building 16 are approximately the same length, the HIP Lofts property is 35 times larger than the lot at 344 Main Street, and therefore a 4-story building would look much different in the open context of an 8.75 acre site. The applicant further demonstrated that, because of the very large scale of buildings 10 and 16, with a total length of approximately 450 feet, the proposed height variance was not out-of scale with the buildings in the neighborhood. Moreover, the owner of the neighboring Groveville Mills property, John Milano, appeared and supported the requested variance.

The ZBA also took a further hard look at aesthetic and historic impacts. The applicant introduced an evaluation by an architectural historian from Hartgen Associates, concluding that the proposed reconstruction of building 16 was appropriate for the historic setting (Exhibit H). The applicant also introduced visual documentation of the existing setting with the unattractive commercial laundry that detracted from the historic setting, and views of the proposed Building 16 from Route 52 and across the Creek, showing that the views of the proposed new Building were compatible with the historic setting. (Exhibit I).

The applicant further introduced a section drawing (Exhibit J) showing that the location of building 16 sits in a “bowl” setting which is at elevation 146, fully 24 feet lower than the elevation of Route 52 (elevation 170 feet) and fully 25 feet lower than the elevation across the creek (elevation 175 feet). This elevation difference would further lessen the visual impact of the requested height variance for building 16. The applicant further described the other advantages of the proposed amended site plan, including the elimination of the commercial laundry and the elimination of the 4 story building close to the Creek.

The Planning Board reviewed the variance request extensively at its meeting on February 14th, 2018, and recommended that the requested height variance be granted. The Planning Board’s memorandum sent to the ZBA (Exhibit K) stated, in part:

At their last meeting, at the request of the applicant, the Planning Board performed a second detailed review of the requested height variance for construction of a new building on the HIP Lofts site. A lengthy discussion took place with the applicant’s representative who made a strong case for an increased building height for the proposed new building (#16) by presenting detailed plans and additional documentation for consideration. After much discussion, the board voted unanimously to make a new recommendation supporting the requested variance.

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The Planning Board further identified further measures that the ZBA may want to consider to mitigate any impacts of the height variance on the historic character of the site. At the February 21st ZBA meeting, the applicant stated that it would agree to these measures if found to be necessary. However, after detailed discussion, the ZBA determined that these measures were not required to eliminate or limit adverse impacts on the historic neighborhood, and did not impose them as conditions. However, in its resolution approving the variance to approve the height of the 3 story building at 52 feet, and the height of the recessed 4th story for 9 units at 66 feet, the ZBA imposed a condition, based upon the applicant's consent, that, upon construction of the proposed building 16, the applicant would surrender any rights to the previously issued variance for a 4-story building on the Creek, and would further agree that it would not apply for any additional live/work units on the parcel so long as the zoning remains LI with a maximum density of 172 units, even though there is theoretically residual available density of 71 live/work units under the existing LI zoning, and record a Declaration documenting same. The maximum permitted density on this site is 243 units, and the present plan proposes 172. While everyone agreed that the City Council certainly controls the density by virtue of its special permit power, the applicant offered these further agreements, and the recording of a Declaration, as a sign of its good faith and the Zoning Board of Appeals imposed compliance with these agreements as conditions of its area variance for building 16.

THE PROPOSED AMENDMENT SATISFIES THE GENERAL & PARTICULAR SPECIAL PERMIT CRITERIA; AND WILL NOT HAVE A NEGATIVE IMPACT ON THE NEIGHBORHOOD OR ENVIRONMENT

Artist Live/work spaces are permitted, by City Council Special Permit, in the LI District. Artist Live/work spaces are subject to both the general special permit criteria in section 223-18 and to the particular supplementary criteria that apply to Artist Live/Work spaces in section 223-24. Each will be separately considered:

The Proposed Project Satisfies the General Special Permit Criteria:

- (a) **The location and size of the use, the nature and intensity of the operations involved in or conducted in connection with it, the size of the site in relation to it and the location of the site with respect to streets giving access to it are such that it will be in harmony with the appropriate and orderly development of the district in which it is located;**

The proposed use, i.e. 29 additional Artist Live/Work units, is compatible with the site, which already features 143 approved such units. The new building 16 will also feature increased floor-to-ceiling heights which will make it possible to convert spaces in the building to non-residential uses if the need should arise in the future.

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- (b) The location, nature and height of buildings, walls and fences and the nature and extent of the landscaping on the site are such that the use will not hinder or discourage the appropriate development use of adjacent land and buildings;**

The location of the proposed additional units in new Building 16 is appropriate in the context of the site plan. The location is centrally located in a large 8.75 acre site. The proposed building is one of two adjoining buildings with a total length of 450 feet, which creates a context in which the building size and scale is appropriate. The views of the building from neighboring properties and nearby roadways shows that the building is in harmony with the neighborhood, based on all the factors recounted above. John Milano, the owner of adjoining property in Groveville Mills, appeared and supported the height variance for building 16.

The proposed amended site plan features less development near the creek and eliminates land use on adjoining properties. Because of all the factors relating to scale as recounted above, including having an elevation 24-29 feet below the elevation of Route 52 and the opposite side of the Creek, the additional height for building 16 will not hinder development of adjoining land.

- (c) Operations in connection with any special use will not be more objectionable to nearby properties by reason of noise, fumes, vibration or other characteristic than would be the operations of any permitted use, not requiring a special permit;**

The existing Artist Live/Work units have not created any problem for neighbors. The owner of the adjoining residential properties came to the ZBA hearing and supported the proposed height increase in building 16 to allow the construction of the 29 additional units. The increase in number of units is relatively small (29 additional and 143 already approved). In many ways, the requested use is actually less intense than some of the uses permitted as of right.

- (d) Parking areas will be of adequate size for the particular use and properly located and suitably screened from adjoining residential uses, and the entrance and exit drives shall be laid out so as to achieve maximum safety.**

The proposed amended site plan provides parking closer to the buildings than the previously approved plan. The Planning Board has already conducted preliminary review

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of the proposed site plan and in its final site plan review will assure that the landscaping and vehicular circulation are appropriate for the site.

The Proposed Project Satisfies the Particular Special Permit Criteria applicable to Artist Live-Work units:

Section 223-24.3 sets forth 19 detailed requirements relating to development standards for artist Live/Work units. These requirements, more fully set forth in Exhibit L, relate generally to the following categories:

1. Restrictions relating to layout of the units and restricting the percentage of the space devoted to residential use to 30%. (Items 1-7) The applicant agrees to continue to be bound by these requirements, as previously required in the initial special permit approval. Floor plans are provided which confirm that residential space does not exceed the permitted ratios.
2. Prohibition of certain uses, occupants, or activities within a space: (Items 8-14, 16) The applicant agrees to be bound by compliance with these requirements for the additional units. If requested, notes to that effect will be added to the site plan drawings, in addition to being incorporated as a condition of the amended special permit.
3. Requirements of compliance with building codes, certifications, inspections, and conditions of CO and rental agreements containing language relating to compliance with the requirements of section 223-24.3. (Items 15, 17-19) The applicant consents to these requirements. The rental agreements already require compliance with the zoning law and conditions of approval. See sample, Exhibit M)

CONCLUSION

For all of the reasons discussed above, we respectfully submit that the Application demonstrates that the requested Special Permit meets all of the applicable criteria for approval. Accordingly, we respectfully request that the City Council issue a favorable decision on the SUP Application. Additionally, we believe the plan accomplishes the following positive public purposes:

- It replaces an extremely unattractive decaying building (see slides 2-3 in the Beacon Lofts Drawing Handout submitted at the hearing) with a very attractive new building.
- The new building will feature floor-to-ceiling heights of 17 feet, which will facilitate any future transition of the building to non-residential use.

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- The new building fits into the historic setting (see letter of Walter Wheeler, architectural historian from Hartgen associates submitted at hearing)
- It eliminates the commercial laundry, a heavy water user of roughly 26,000 gpd, by not renewing the lease
- It eliminates construction of an already approved 4 story residential building on the creekbank, and will eliminate the previously granted variance for a 47 foot height.
- It results in a commitment by the applicant that there would be no further applications for future residential units on the site beyond the 172 contained in the application.

Thank you for your consideration in this matter. We look forward to discussing the Application with the City Council at an assigned Work Session Agenda, and to the timely scheduling of a public hearing on the application.

Very Truly Yours,

A handwritten signature in blue ink, appearing to read 'Jennifer L. Van Tuyl', is written over a light blue horizontal line.

Jennifer L. Van Tuyl

cc: Hon. John Gunn, Planning Board Chair and Members of the Board
Nicholas M. Ward-Willis, Esq., City Attorney—by email
Jennifer L. Gray, Esq., Attorney to the Planning Board—by email
Arthur R. Tully, P.E., City Engineer-by email
Lt. Timothy P. Dexter, Building Inspector-by email
John Clarke, Beacon Planning Consultant-by email

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