

REAL ESTATE IN-DEPTH WESTCHESTER SUPPLEMENT

A New Vision



A Conversation with Westchester County Executive George Latimer CE Discusses Economic Development, Co-Op Bill, Budget Deficit

By John Jordan

WHITE PLAINS— *Real Estate In-Depth* recently sat down with Westchester County Executive George Latimer at his offices in White Plains to discuss his views on some of the critical issues he faces in his first term of office.

Latimer, a third generation Westches-



ter native, was born on Nov. 22, 1953 in Mount Vernon. After attending Mount Vernon public schools, he graduated with a B.A. from Fordham University and earned a Master's Degree in Public Administration from New York University's Wagner School.

A resident of the City of Rye for nearly 30 years, Latimer began his public service on the the Rye City Council, where he served for four years before being elected to the Westchester County Board of Legislators. During the 13 years he was a member of that chamber, he served as the Minority Leader and then as the first Democratic Chairman of the Board of Legislators in Westchester history. From 1998 to 2001 as the chairman of the County Board of Legislators, property taxes decreased in three consecutive years by nearly 7%.

He was elected in 2004 to the State Assembly, and during his time in Albany was the author of more than 20 new laws.

Latimer also spent more than 20 years in the private sector as a marketing executive at major corporate subsidiaries of Nestle and ITT, with on-site responsibilities for projects with AT&T, IBM and Shearson Lehman. During that time, Latimer had direct involvement with project development in numerous sites nationwide.

Q: *What are your main objectives in your first year of office?*

Latimer: Well I think the first thing we are trying to do is stabilize the economics, the budget of the county. We inherited a deficit that was not clear necessarily on Jan. 1, but as we closed out the 2017 fiscal year our auditors have made it clear that we had a \$32-million deficit, meaning \$32 million more in expenditures than revenue. It is more of a revenue problem than it was an expenditure problem. The expenditures were actually lower than projected, but the revenues were much lower.

And there are two basic reasons for that... the money that was budgeted in which the prior administration pivoted a balanced budget on doing the airport (privatization), really was bad public policy. You are presuming that the legislature is going to approve something before they have done it and they just rejected it the year before. That represented a \$20-million hit and then there were a number of union contracts that were agreed upon, for which money was not budgeted. Those deals were cut between Election Day and Inauguration Day (by the Astorino administration) so they should have been reflected in

changing the levels of funding in the budget. There was also a retro piece that should have been accounted for in the budget and it was not. So, it aggregated to a \$32-million gap...

The bottom line is we went a long time without an increase in the tax levy. We reduced the workforce by roughly 1,000 positions. We have changed the delivery of services dramatically. We reduced the support for various not-for-profits, who provide services for us. And with all of that, we had one-shot deals to finance budgets year-to-year—Austin Avenue, the North 60 arrangement, and things like Playland and the airport represented additional one-shot deals.

When you look at that amalgam of (past) decision-making it tells you we have a structural budget problem and we have got to address it. Now, we are not going to address it in a single year. The budget that we have yet to present to the Board (of Legislators), which will come out in mid-November, will reflect how we plan to budget in '19, but it will take a multiple-year effort to straighten out the finances of the county.

We tend to be pragmatic about it, but that is clearly job one, because no



matter what our positions are on a host of different issues, if you don't budget money to accomplish an end, then how serious really are you about the public policy side of this...

The second thing is we have to re-establish a relationship between the county government and all players in the county. We need to develop a cooperative, low-key, friendly, work with you relationship with the business community, the not-for-profit community, with the labor community, with the development community and with municipal and state governments. I would argue that we spent time (in the past) thinking about the narrow corporate interest of Westchester County as we budgeted and advanced policy. Was it in the interest of Westchester County to say we didn't raise taxes—to make that political statement? When you do that you wind up fraying all those relationships because you are not taking their needs into account with making public policy. You are just thinking about your needs. So, you close a facility that treats homeless people. Well, the homeless people still have to go someplace so they go onto the streets of a community and the local government picks up the cost. But, you don't need to show it anymore on your bottom line, so you have done for your corporate entity what you think is sufficient. But, it is not sufficient for the other players in the game, so they resent that.

Q: *What role do you believe the county can play in terms of business attraction and economic development and are you looking to implement any new policies to try and ramp up invest-*

ment in Westchester?

Latimer: I think the first thing to understand is that our philosophy is not to create a separate system outside of the tools that exist. Many times, you will see governments create in an economic development plan a host of separate activities that don't involve the existing business community and my sense is that we are not the best judges of what are the things that incentivize business growth. To the greater extent, the folks that are in the government sphere do not have the same sensitivities as people who have spent their life in the business sphere. I don't want to set up an office in the city (New York City) and I don't want us going after clients outside of the efforts already being made by the real estate companies.

So, my vision is that we take the resources of the county—where we have them—the IDA and LDC pieces—the fact that we have infrastructure money to improve capital projects, which could in fact in a particular situation be an essential part of a company growing or staying (in Westchester County)...

Editor's Note: County Executive Latimer said that the county's economic development efforts, currently being led by Deputy Economic Development Director Bridget Gibbons and Director of Operations Joan McDonald, have included multiple meetings with real estate developers and brokers to discuss their needs. In addition, the county staged its first Incubator Summit (see coverage on page 5) as part of its efforts to assist small business. Latimer said he expects to name the new director of the county's economic development department in the next few weeks.

Q: *The Westchester County Board of Legislators is currently debating a Co-Op transparency law that would mandate co-op boards to give reasons behind an applicant's denial as well as spell out a specific time frame to make a decision on an application. What is your position on co-op disclosure and transparency?*

Latimer: This is one of those issues that is properly given to a legislature to debate all the different nuances. This bill has got two to three distinct pieces to it. What is the time in which an applicant's application would be reviewed and resolved and there is an element in it that has to do with having a reason for a rejection. You can look at it also from the standpoint if a person feels they have been aggrieved, because they are part of one of the (protected) demographic classes in the society. What tools exist—from the county's perspective there is the Human Rights Commission—that we can deal with the discrimination?

When I look at the issue, I am not a legislator anymore. I spent 30 years doing that, now I am seven months doing this. I am not going to go downstairs and engage myself in the legislative debate—there are 17 legislators. When I was a legislator downstairs, I did not really want the county executive to poke his nose around. I (as County Executive) have tremendous authority within my own sphere, this is an area in their sphere.

What I would argue is that the legislature has to listen to all voices in this. There are proponents that feel very strongly on it, but there are opponents that feel very strongly about it. And if you don't listen to the full side of the

debate, you might miss the intensity with which people feel about this. So, I would say what I hope the Board passes, if they do pass something, would be something that I could sign into law and as we get closer to a public hearing, we will make sure the Executive Branch is involved in it. I don't want to step on their prerogatives...

When I was in the State Legislature I had a position that said that you could look at the time frame position on this really as sort of the cutting edge. The real position for the Realtors is the time frame and if it is just open-ended it could be six months or more. The bill as it stands now says 45 days (to decide on a co-op applicant). It is not up to me to say here is a better number, but it is up



to me to opine on a personal level that discussion of that number is a productive thing to have so that the more time you allow or the less time you allow will change the way the law is implemented in practical terms. And I think there is a sweet spot in there on the timing issues.

On the reason issue, it is pretty hard. You are going to have somebody say, 'I didn't like him,' 'I didn't like the way he spoke.' There are legitimate reasons (for a denial of a co-op application). For example, if I am going for a co-op and somebody says, 'George, you know you are the County Executive and you might make a decision and people might not like it and they may come and protest in front of our building and we don't want that.' I can't promise you that is not going to happen, but realistically that might be the reason you don't let me come into the building in the first place. The classic story is the story of Madonna. She wanted in on a co-op and they (the board) said 'We don't want that circus.' It was not a question of her money, it wasn't because she was female... they made a judgment, they made a lifestyle judgment. Whether you put that down on paper or not could be hard to do.

You have two separate business interests colliding here. You have the Realtors who I think want there to be a speedy and accurate assessment of whether this is the right client for these shares that get them into this apartment. And at the same time, you have the Building & Realty Institute, representing the co-op owners and boards, saying, 'Hey, you are opening the door for us to get sued on every little reason. If I give you the honest reason why I didn't pick you, and you don't like it, then you can sue me for some reason and I will be tied up in court all the time and I don't want to be a co-op leader if that is the case.'

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On the cover: A rendering of The Collection, a mixed-use project to be developed on Westchester Avenue in White Plains.

Source: Sabre Real Estate Investors, LLC.

Danone North America Presents a New Way to Work

By Mary T. Prenon

What if you could wake up each morning and decide where you want to work that day? Your selections include New York, Denver, Barcelona, Paris, Montreal or Amsterdam. Well, employees of Danone North America are able to make that choice every day—their new 80,000-square-foot headquarters at The Source at White Plains (1 Maple Ave.) is divided into six international “neighborhoods” based on Danone’s worldwide office locations.

Not only can they choose their destination, but they can also choose their work stations—

only 25% of its employees have assigned desks or offices. Each “neighborhood” offers an open floor plan with desks that convert from sitting to standing, desktop and laptop computers, and “soft phones” integrated with the computers to indicate when calls come in. There are 59 conference rooms scattered through the “neighborhoods,” as well as small offices that are available on an “as needed” basis.

Kim Cassano, HR Organization Development Project Associate, played a major role in the company’s move from its former location at 100 Hillside Avenue, across from the Greenburgh Town

Hall. “We had been there for about 12 years—we used to refer to that location as ‘the beast,’” she quipped.

The planning process began about two years ago, and one of the company’s main objectives in moving was to have everything on one floor. They also



Danone’s spacious lunch room with huge windows overlooking White Plains.

wanted plenty of parking for the company’s more than 350 headquarters’ employees, as well as a central location that was easy to access.

Relocating the nation’s 15th largest food and beverage firm was no easy task. It required the expertise of Jones Lang LaSalle commercial real estate brokers, with offices in White Plains, Stamford, CT and Manhattan, as well as CPG Architects and Pavarini Construction, both located in Stamford, CT. Herman Miller, noted modern furniture retailer, provided the office fixtures.

“In addition, we got all of our employees involved,” said Cassano, whose job title also included “Project Oz Team

Core Member,” a witty referral to the Land of Oz from the renowned movie. “We started out with brainstorming sessions, then met with small focus groups, followed by larger groups and ended with voting. We wanted everyone to feel like we built this house together.”

Michael Neuwirth, senior director, external communications, said Danone had incorporated the “open office” model about 10 years ago. “This concept stimulates conversation between various departments” he explained. “The fewer walls, the better.”

The main hallway leading from the lobby is named “Inspiration Drive” and features a huge mural with the company’s tagline, “One Planet, One Health.” Emanating from there are crossroads to other “neighborhoods,” along with various nooks and crannies offering tables and chairs for impromptu meetings or even bean bag chairs.

A mountainous group of risers by the cafeteria is also a popular work spot, as are the sofas and chairs situated throughout the building. Employees can take their coffee breaks or lunch at any time, and there are food stations stockpiled with yogurt and other healthy snacks in every “neighborhood.”

Another big difference from the traditional office is the lack of printers and trash cans at every desk. “We have one printer for each neighborhood, so it cuts down on the paper usage,” said Neuwirth. “As for the trash cans, we found if you have them you just make more garbage.” Instead, there are centralized waste and recycling centers.

Clean desks are also encouraged. Lockers are available for coats, purses and other belongings, and employees keep images of loved ones or pets on their screensavers in place of desk photos.

“It was an adjustment, but everyone seems to love the open space. Some say it’s surreal or very ‘Google-esque,’” said Cassano. “The focus is all about how the individual wants to work.”

It’s also rare to find anyone dressed in suits or other typical business attire, and it’s unlikely you’ll hear the clacking of high heels going down “Inspiration Drive.” The dress code at Danone is very casual. “We want people to feel comfortable coming to work,” added Cassano.



A cow greets visitors at the Danone reception area.

Adding to that comfort zone is the company’s Wellness Area, which includes two “Mothers Rooms” for new moms to relax, plus a Recharge Room and Zen room, both designed for meditation or relaxation with a “zero-gravity wellness chair.”

“One of our employees recently had dental work done and wasn’t feeling well, so this was the perfect place for a ‘time out,’” explained Cassano. The rooms are booked in advance for half-hour sessions.

Kate Lister, president of Global Workplace Analytics in California, believes open office plans will continue to be a popular trend in the future. Global Workplace Analytics helps organizations and communities understand how new

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County Launches Municipal Planning Cooperation Initiative

WHITE PLAINS—As part of Westchester County Executive George Latimer’s ongoing initiative to keep open lines of communication between the county and local municipalities, he announced on July 26 the launch of the Community Liaison initiative through the Westchester County Department of Planning.

The program provides a link between the County Planning Department and local municipalities to help them meet their needs, including planning and zoning, grant applications, identifying best practices and providing referrals to other county government services.

Latimer said, “This Community Liaison initiative ties directly into my Good Neighbor Policy, in keeping an open line of communication between county government and our 45 municipalities. I want our local communities to feel like they are supported, and can get the answers that they need about government services and best practices.”

Commissioner of the Westchester County Department of Planning Norma Drummond said, “This initiative benefits everyone involved. The Planning Department staff all volunteered to take on the various communities they had

knowledge of, and are looking forward to expanding that knowledge and establishing a working relationship with each municipality.”

The initiative was praised by a number of municipal leaders, including New Rochelle Mayor Noam Bramson, who said, “Thoughtful regional planning is essential to our economy, environment and quality of life. I applaud the county executive for his commitment to building a capable and visionary Planning Department and am confident that the county’s enhanced planning resources and relationships will be an important asset for Westchester’s cities, towns and villages.”

Mayor of Ossining Victoria Gearity said, “Ossining’s success is deeply impacted by decisions made by our neighbors. We are grateful that the County Department of Planning has re-established the Community Liaison Initiative to help facilitate inter-municipal relationships for the benefit of all our communities.”

Each municipality in the county has been contacted by their County Community Liaison and the program is now in effect.

Yale New Haven, Greenwich Hospital Open New Multispecialty Center in Rye Brook

RYE BROOK—The unprecedented growth of the health care sector continues in Westchester County. A host of local dignitaries, including Westchester County Executive George Latimer, were on hand recently for the ribbon cutting of the new Northeast Medical Group Multispecialty Center here.

The ribbon cutting event for the new remodeled 15,000-square-foot outpatient facility at 90 South Ridge St. was hosted by Yale New Haven Health Northeast Medical Group in collaboration with Greenwich Hospital.

Approximately 60 people attended the July 23rd event. The new Rye Brook facility now offers a variety of services including pediatrics, primary care and walk-in with x-ray imaging. Additional specialty care services will include cardiology, pediatric urology, rheumatology, podiatry and sleep medicine. Lab services will be provided by Greenwich Hospital.

"We are excited to expand our current array of services in Rye Brook. Our goal is to bring outpatient services to the community, which enables area residents to access high-quality medical care close to home," said Dr. Prathibha Varkey, MBBS, president and chief executive officer for NEMG. "We have more than 880 clinicians serving Connecticut, New York

and Rhode Island. We are proud that our physicians are consistently rated high in patient satisfaction, and many are recognized as Top Doctors in the state."

Norman G. Roth, Greenwich Hospital president and chief executive officer, said patients will receive the same quality care in Rye Brook that has become the hospital's hallmark. Fifty-three percent of Greenwich Hospital's patients reside in New York State.

"We are focused on creating a superior patient experience, which results in a more engaged patient and better outcomes," Roth said. "We want to bring our high level of care to Westchester and provide care that will keep our communities healthy and thriving." Greenwich Hospital has been part of the Westchester community for years, providing community health programs and wellness programs in Rye Brook, Rye and Port Chester.

Elected officials attending Monday's event included George Latimer, Westchester County executive; Nancy Barr, Westchester County legislator; Susan Epstein, Trustee, Rye Brook Village Board; and Steven Otis, New York Assembly. Also present were Rye Brook community leaders Christopher Bradbury, Rye Brook Village Administrator and Gregg Howells, Rye YMCA execu-



The mood was festive at the Northeast Medical Group Multispecialty Center in Rye Brook as elected officials, community leaders and representatives from Yale New Haven Health gathered for a ribbon-cutting ceremony. The newly renovated center at 90 South Ridge St. is a collaborative effort between Northeast Medical Group and Greenwich Hospital, which are both part of Yale New Haven Health.

tive director.

Northeast Medical Group (NEMG) is a not-for-profit multispecialty medical foundation established in 2010. NEMG integrates physicians across Yale New Haven Health and helps provide more coordinated, comprehensive, safe and high-quality health care for patients across the entire continuum—primary, specialty, inpatient, outpatient, rehabilitative and preventive care. NEMG repre-

sents more than 120 locations and 835 physicians and medical professionals affiliated with Bridgeport, Greenwich, Lawrence + Memorial, Westerly and Yale New Haven hospitals.

Greenwich Hospital is a member of Yale New Haven Health System and is a 206-bed (includes 32 isolettes) community hospital serving lower Fairfield County, CT and Westchester County.

Danone North America Presents a New Way to Work

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ways of working can impact people, the planet, and profits.

"A recent study indicated that 50% to 60% of people in the workplace are not at their desks regularly," said Lister. The study included the banking, finance, healthcare, insurance and many other industries. "It found that for the majority of time, people are in conferences, meeting with customers or working remotely."

What motivates employers to initiate these workplace changes, Lister notes, is a combination of saving money and being able to attract and retain employees. "Younger people especially expect to be more mobile, they want to be trusted and they want to work in a place that gives them flexibility," she said. "People are 10 to 15 times more costly than the buildings they occupy. So, if they lose time during the day because they can't work well in an environment, it offsets the gain you think you had."

Another continuing trend that Global Workplace Analytics is following is "activity-based work," which is built around individual and team tasks. "Throughout the day, people are doing different kinds of work, so it stands to reason they probably shouldn't be sitting in just one place all day," said Lister.

The Danone office has already incorporated this "activity-based workplace," and has identified five activity modes:

- **Focus:** Individual work devoted to a particular task or project;
- **Partner:** Activity or conversation with another individual to achieve common goals;
- **Collaborate:** Working with another person or group in person/via technology to achieve a common goal;

- **Socialize:** Interactions that create trust, share values and build productive relationships; and

- **Learn:** Acquiring or developing through combined learning activities.

To help employees recognize the various areas, Cassano has developed "activity mode" coasters that are placed on tables and desks throughout the facility.

Contributing to the whole "open feel-



From left, Michael Neuwirth, senior director, external communications, and Kim Cassano, HR organization development project associate for Danone

ing" throughout the building are high ceilings with soft lighting. The ceilings are also coated to reduce noise and control the temperature. In addition, there's a large lounge area known as the "Quiet Car" that serves as a conversation-free area for quiet reflections.

"People need a place to relax and get away," added Lister. "Brain research shows that part of the creative process requires that kind of 'Zen time.' Employers need to pay more attention to how to optimize human behavior and performance."

Many of Danone's White Plains employees commute to work by car, while others rely on buses or trains. The company provides daily shuttle service to and from the White Plains Metro-North station.

Today, the Danone North America team is comprised of some 6,000 people with offices the U.S. and Canada and

more than 15 manufacturing facilities across North America. The company is also committed to community outreach and designates a month when employee teams go out into the local communities to volunteer their services to various causes or non-profit organizations.

In-house, the company's Inclusion Council helps to foster a diverse culture and has initiated a variety of employee resource groups. In addition, Danone offers ongoing professional development opportunities for employees.

Danone North America is a subsidiary of Danone, a French multinational food products corporation based in Paris and founded in Barcelona, Spain. Danone North America's brands include: Dannon®, Silk®, So Delicious®, Horizon®, Vega®, Wallaby®, Earthbound Farm®, International Delight®, Activia®, DanActive®, Danimals®, Danino®, Light & Fit® and Oikos®.

So, what does the future of office work look like? "There are

some firms now where even the CEO doesn't have an assigned desk," said Lister. She also described a firm in the Netherlands that is so technologically-advanced that it coordinates with your navigation system to direct you to a parking spot, automatically adjusts the

temperature in your work space, and its kitchen even remembers the type of coffee you like. "I think that's just a bit 'Big Brother' for us here in the U.S. now,



"Inspiration Drive," the main hallway, citing Danone's tagline.

but who knows, it may be coming soon," Laster said.

Editor's Note: The Westchester



The "Quiet Car," a conversation and mobile phone-free area for quiet reflection.

County IDA granted approximately \$1.273 million in incentives for the project that involved Danone's headquarters relocation from Greenburgh to Downtown White Plains that the company estimated would cost more than \$30 million to complete.

Westchester County Holds First Incubator Summit

By John Jordan

VALHALLA—As part of its efforts to enhance county government support of small business, Westchester County staged its first “Incubator Summit” on Aug. 2 at Westchester Community College.

The well-attended event featured presentations by county government officials, as well as approximately 40 representatives of the business, education and investment communities who discussed the merits of incubators and whether there is a need for the development of new incubator facilities in Westchester County.

“Incubators” are business development centers that assist new businesses and normally offer an array of services, including seed funding, marketing, legal, and accounting services, office space, mentoring and technical assistance.

Bridget Gibbons, deputy director, economic development for Westchester County, explained that the genesis for the Incubator Summit came from conversations with about 25 business leaders who contacted the new Latimer Administration about the need to cultivate fresh ideas and turn those ideas into action that can help grow the Westchester economy.

Gibbons said the goal of the Incubator Summit was to obtain feedback from the business community about incubators and then later ascertain how county government can provide assistance to start-up businesses.

She stressed that the county plans to convert the “talk” at the summit “into action.”

“This is a first step in a series of conversations with current and potential business leaders about the county’s role in turning Westchester into a hotbed of incubator activity,” Gibbons said. “We have the diverse workforce companies want, we have access to vibrant downtowns to attract new customers and we have the office space available to house those who want to succeed here. This summit is all about how we can connect the dots and help Westchester become the place to be for new, innovative ideas.”

The “incubator” summit was held in conjunction with the Business Council of Westchester and was hosted by Westchester Community College.

BCW President and CEO Marsha Gordon noted that there are a number of highly successful incubators in New York State and the metro region. She also shared about a recent U.S. Chamber of Commerce-sponsored business trip to Israel where she learned that there are 22 incubators and 78 accelerators there that support approximately 5,800 innovative and start-up companies in a variety of fields, including high-tech. Those Israeli incubators and accelerators are supported by government as well as private business.

Dr. Gordon said Westchester should be developing more incubator space, but warned, “Incubators are more than just getting small businesses together. We have to really think about what are our strengths, what we should focus on and what investments are we going to make and what are we able to get back?”

She added, “When I reflect back on my work over the years with incubators, I think about a conversation I had about 17 years ago with Westchester Community College about starting an incubator. This is an idea that exists here in Westchester County and I look forward to partnering with county government to foster an environment that can help some of these small start-ups who want to call Westchester home have the opportunity to do so.”



Business Council of Westchester President and CEO Marsha Gordon believes more incubator space is needed in Westchester County.



Approximately 40 people attended the first Westchester County Incubator Summit at Westchester Community College in Valhalla.

WCC Assistant Dean of Workforce Development Jeanne Maloney characterized the discussion at the Incubator Summit as “really significant to us because here at the college we have been working in this field and always welcome input on best practices and how to utilize the resources we have here in Westchester. We thank the county and BCW for holding this important discussion.”

Sandy Wollman, co-founder of the Westchester Angels, an investment group focused on entrepreneurial businesses, said that while incubators are worthwhile, 85% to 90% fail. He said the two major causes for incubator failures are the lack of consistent funding as well as a lack of a sufficient pipeline of start-up businesses.

Wollman, who told the attendees that “this is the right time to get this thing done,” said the structure of the incubator could prove critical.

“Incubators that fail the most are sponsored by government entities,” Wollman said. “Why, respectfully, governments are not good at running businesses and an incubator or an accelerator is a business.”

He concluded his remarks by stressing that the key to the success of an incubator

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Visitor Spending Hits Record \$1.9 Billion in 2017 Tourism is Big Business in Westchester County

WHITE PLAINS—Numbers don't lie and the latest statistics prove beyond a shadow of a doubt that tourism is a major revenue producer for Westchester County. Tourists have flocked to Westchester to enjoy the Long Island Sound and the Hudson River. They also come to the county to hike its mountains, tour its museums and ride the Dragon Coaster at Playland, as well as enjoy its top-rated restaurants and cutting-edge breweries.

Westchester County's tourism industry, which ranks third in the state behind New York City and Long Island, represents 51% of all visitor spending in the Hudson Valley region, according to a report released on Aug. 14 by the Westchester County Tourism & Film Office.

The county's travel and tourism industry continued to grow in 2017 with visitor spending up 3% to a record of \$1.9 billion. Last year visitor spending directly and indirectly supported 24,527 jobs in Westchester, 5% of all jobs in the county. And, at the same time travel and tourism generated \$227 million in tax revenue for state and local municipalities.

"Thanks to the hard work of everyone involved in this ever-growing sector of our economy, Westchester County continues to shine as a premier regional destination for business and leisure travelers in New York State," said Westchester County Executive George Latimer. "With the building of new hotels and upgrades being made by existing properties, new restaurants, breweries, and attractions, we are excited to see the tourism industry continue to flourish here in our beautiful county."

Spending in the Food & Beverage sector increased 3% to \$543,284,000,

a testament to the exceptional hospitality and quality of dining throughout the county. Notable newcomers in this emerging growth sector include Southern Table in Pleasantville and Fin & Brew, a New American restaurant overlooking the Hudson River in The Factoria at Charles Point in Peekskill.

The recreation sector also posted gains in visitor spending last year, rising 4% to \$178,330,000. This sector benefited from lively arts and culture venues, visual and performing arts events and attractions taking place year-round throughout the county. New attractions include Boundless Adventures, an outdoor adventure park set on the campus of SUNY Purchase College and the New York Liberty, New York's very own WNBA team that now plays its home games at the Westchester County Center in White Plains.

"These numbers are great news for the hotel industry here in Westchester," said Sean Meade, president of the Westchester Hotel Association and General Manager of Cambria Suites in White Plains. "Our members work hard to put forth their very best and attract new business to the region. Features like Westchester County Airport and our proximity to New York City help us continue this growth year after year."

Spending in the lodging sector totaled \$424,056,000, up 2% from 2016, with room demand, as measured by hotel room nights filled, was up 4% to 1.6 million. Most recent highlights in the lodging sector include major renovations at the Westchester Marriott in Tarrytown and the Hyatt House in White Plains, and the opening of the Hilton Garden Inn Westchester in Dobbs Ferry.



Rye Playland has long been a tourist attraction for people of all ages.

A Conversation with Westchester County Executive George Latimer

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So, I think there is some negotiation ahead of us. I think if you get a robust turnout for these hearings, then I think the Board will have a chance to truly assess all of these issues fully. When they do that and then they are ready for the final product, then I am going to start to draw judgement and talk to the people up here as to whether I can support it or not...

I prefer to have negotiations. If there is compromise to be had, find the compromise. Let it be bipartisan if it can be and then build off of that for what they actually send upstairs as a voted for piece of legislation for my signature.

Q: A recent independent audit estimated the budget deficit you inherited at \$32 million. How are you planning to close that deficit and will you be instituting layoffs or perhaps enacting revenue raisers to bridge the gap? If you do plan to increase revenue, can you provide some possible measures you might be considering?

Editor's Note: The County Executive said that the \$32-million budget gap will likely get larger once the county reaches an agreement with its largest union—the Civil Service Employees Association (CSEA) contract. The union has not had a new contract in seven years.

Latimer: Once the CSEA contract is finalized) then we go to the revenues. Number one, how much will the sale tax overperform the projections? Number two, how robust will our shared services

program be and can we get the (state) match so we can put it on the books for next year? Number three, we are looking at an energy-demand model that we can contract with, in essence Con Edison, to get payments for not using electricity during peak periods of time. We are a big government and we can shut things down and turn certain things off and avoid the draw from the grid. That profits them and they are happy to give us money to enact that.

Editor's Note: Other possible revenue raisers cited by the County Executive included: the collection of fees currently not collected from Airbnb; proceeds from the opioid settlement and other sources, including red light cameras, which was not approved in Albany.

He added that the county is set to embark on an office space consolidation plan from leased to owned space or enter into sublease arrangements for excess county leased space if possible, as well as a possible consolidation of county departments.

Latimer: At the end of the day, the property tax piece is the last piece. We are not walking into the budget saying, 'OK, we are going to raise property taxes X percent and now let's go from there.' We are doing the exact opposite, we are looking for every source of revenue we think we can find, and see if we can close the budget gap or narrow it dramatically and then have the discussion about property taxes.

Westchester County Holds First Incubator Summit

Continued from page 5

tor or an accelerator is funding and also suggested that a fund be established to attract and help finance new start-up businesses to the county. Wollman said that this fund could be financed by both public and private corporate sources.

"We have had success in the past attracting major corporations who chose to call Westchester home—but future business ideas are coming from smaller organizations, start-ups, and entrepreneurs who have an interesting idea and are able to turn it into a profitable business," Westchester County Executive George Latimer said. "We must figure out how we in government can shift what incentives we can offer to help these new businesses take off—and that is what the point of this summit was."

There have been a number of small business and industry-oriented incubators operating in Westchester County and the surrounding metro area, including the Biotech@NYMC biotechnology

incubator at the New York Medical College campus in Valhalla. Biolnc@NYMC occupies a 10,000-square-foot wing of a 129,000-square-foot campus building at the campus.

Late last year, New York Medical College was awarded \$1.25 million by Empire State Development and the Mid-Hudson Regional Development Council to support operations of Biolnc@NYMC

Launched in October 2014, Biolnc@NYMC is the Hudson Valley's only biotechnology incubator offering shared resources, turnkey wet lab space, and sponsored professional services to promising, high-potential entrepreneurs and start-ups.

In addition to providing best-in-class infrastructure and operational services, Biolnc@NYMC assists its members in refining their business strategies, conserving capital, building strong teams, and achieving development and funding milestones.

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GDC Opens Gateway Townhomes; Continues Construction On Fort Hill Apartments Site

PEEKSKILL—The revitalization of Downtown Peekskill is moving forward with a host of projects underway.

On July 26, Ginsburg Development Companies joined with Peekskill Mayor Andre K. Rainey and Deputy County Executive Ken Jenkins and other city and county officials to celebrate the Grand Opening of GDC's Gateway Townhomes development.

Meanwhile, GDC has commenced construction on another significant development—the \$64.5-million mixed-use Fort Hill Apartments at the Abbey Inn development that is transforming the former St. Mary's convent property into a resort-style tourist destination. When completed, Fort Hill will feature 178 luxury rental apartment units, as well as a spa, inn and restaurant.

Located at the "Gateway" to Peekskill at 700 Main St., Gateway Townhomes is the first new construction in this area of Main Street in more than 65 years. The \$5.2-million development features 16 rowhouse townhome-style condominiums with a selection of triplex three-bedroom homes ranging in size from 1,756 square feet to 1,915 square feet. Fourteen of the townhomes will be sold at market rate prices, starting at \$335,000. Two two-bedroom units will be offered as affordable workforce housing for those making up to 80% of the Westchester County Median Income, with the sales price pending notification of certain grants.

The first floor of each townhome features an entrance hall, home office/guest room and a two-car garage. The second floor consists of the living and dining rooms with a large eat-in kitchen, with the top floor featuring two or three

bedrooms. The townhomes are within walking distance to downtown restaurants and shops. Residents of Gateway Townhomes will share a shuttle bus to the Peekskill Metro-North Station with GDC's nearby Fort Hill development.

"The Peekskill we dream of still lies ahead. Housing, power, water and sanitation for all; bank accounts and insurance for every citizen; connected and prosperous, smart and sustainable cities. The Gateway is one of the first projects that welcomes this dream come true," said Peekskill Mayor Andre Rainey.

"This wonderful new residential development will provide an attractive gateway to the City of Peekskill, which is undergoing an exciting renaissance. We are particularly pleased to offer reasonably priced condominium living that is convenient to Downtown Peekskill and its many great restaurants and shops. We look forward to continuing our commitment to Peekskill's revitalization with the grand opening soon of our new Fort Hill Apartments development, which is just up the road from this project," said Martin Ginsburg, principal of GDC.

Joining the grand opening ceremony were several county officials including Deputy County Executive Ken Jenkins, Deputy Director of Economic Development Bridget Gibbons, County Department of Planning Commissioner Norma Drummond and County Legislator John Testa. Westchester County assisted the City of Peekskill in purchasing the site prior to GDC's involvement in the project.

GDC is anticipating a grand opening in September of the first phase of Fort Hill Apartments at the Abbey Inn.



From left, County Department of Planning Commissioner Norma Drummond; Deputy Director of Economic Development Bridget Gibbons; Peekskill Mayor Andre Rainey; Peekskill Deputy Mayor Kathleen Talbot; GDC Principal Martin Ginsburg; Deputy County Executive Ken Jenkins and County Legislator John Testa.



Exterior of the Gateway Townhomes

County Looks to Create New Vision for Economic Development

By John Jordan

WHITE PLAINS—Officials with the Latimer Administration say they plan to be engaged with the business community and other stakeholders to pivot the county's economic development efforts to the needs of both small and large businesses in Westchester.

Since taking office in January, the county's Office of Economic Development and its Industrial Development Agency and Local Development Corp. have seen a host of new development projects seeking county assistance, including a plan for a \$300-million senior housing development at SUNY Purchase and major mixed-use projects in Downtown White Plains by Lennar Multifamily on a site on Mamaroneck Ave. and a transformative mixed-use development on Westchester Avenue called "The Collection." The \$136-million project, to be built across the street from the Westchester mall by Sabre Chauncy, WP, LLC will feature 276 units of rental housing and nearly 25,000 square feet of retail space.

At press time, the county's economic development efforts are being led by Director of Operations Joan McDonald and Deputy Director of the Office of Economic Development Bridget Gibbons. The Office of Economic Development is currently developing a new marketing campaign that it hopes to launch in the spring of 2019.

McDonald and Gibbons said that since taking office the administration has undertaken a number of initiatives, including meeting with real estate developers and brokers and other business leaders to help determine priorities.

They both stressed that in addition to the work of the IDA and LDC, which seeks to provide assistance to business and non-profit organizations respec-



Bridget Gibbons

tively, the county is focused on assisting small businesses. Gibbons related that 80% of the businesses in Westchester employ 10 workers or less.

As part of that effort, the county staged its first "Westchester Incubator Summit" earlier this month, which was highly successful and generated a host of opinions on how Westchester could foster additional incubator operations in the county (see coverage of event beginning on page 5).

In addition, as part of an outreach effort to make non-profits aware of the LDC's benefits, Gibbons said the county met with representatives of approximately 40 non-profits and based on those sessions, she expects five or six projects to come before the LDC based on those meetings.

Gibbons related that the county's economy is in good shape as it enters the third quarter of 2018. The unemployment rate in Westchester as of May 2018



Joan McDonald

was 3.8%, down from 4.3% a year earlier. Private sector job growth in the Hudson Valley increased by 12,700 positions to 822,100, the highest total for any month since January 1990.

Gibbons said the administration is "thrilled" with the low unemployment rate and while pleased with the private sector job growth, is hoping to increase job creation going forward. She noted the top industries for job growth in the county have been education, health services, leisure and hospitality.

She noted that the low unemployment rate, while good news, also presents a challenge to county government and the business community to develop programs in economic development to attract and retain young talent, as well as talent that is returning to the workforce.

"Among the things we are doing include developing a new website, and a new branding and marketing campaign to really reach out to our young talent

that is going to resonate with them that paints a picture of what a great place Westchester is to live work and play," Gibbons said.

She said that research has shown that the sought-after millennial demographic desires to live and work in small cities and Westchester offers a host of these environments for young talent.

"They can have a better lifestyle, a bigger apartment, for less rent and still be less than 30 minutes from the city," Gibbons related.

McDonald added that in her experience the key drivers to corporate location decisions for both large and small businesses are access to talent, affordability, cultural institutions and open space.

She added that statistically 34% of the workforce works remotely either full-time or part time, "The fact that many of our cities are a half an hour from Grand Central is a huge advantage," McDonald stressed.

The Office of Economic Development's biggest challenge Gibbons adds, "Is to get the word out on what a great lifestyle you can have here as a young person. I think Westchester is sometimes seen as the place your parents live and where you go to raise kids."

On the commercial real estate side, feedback from commercial brokers has been that there is a short supply of quality commercial office space in downtown districts near transportation, while there continues to be an oversupply of Class B or outdated office space in mostly suburban locales.

One possible means for the county to help remedy this situation is to offer commercial landlords IDA assistance to foster capital investment to upgrade Class B properties, Gibbons noted.

Westchester County



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For more information, contact the Westchester County Office of Economic Development at (914) 995-2952 or visit westchestergov.com



Westchester
gov.com

George Latimer
Westchester County Executive