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FINAL ENVIRONMENTAL IMPACT STATEMENT FOR CHAPPAQUA CROSSING IS SUBMITTED TO TOWN OF NEW CASTLE

Developer Unveils New Lower-Density Alternative Plan

CHAPPAQUA, NY (July 23, 2010) -- The plan to redevelop the former Reader's Digest property in the Chappaqua area of New Castle took a major step forward today with the submission of the revised Final Environmental Impact Statement (FEIS.) The submission marks the culmination of more than two years of intensive review, study and refinement of all aspects of the proposal to develop Chappaqua Crossing, a mixed-use project that includes re-use of the former Reader's Digest headquarters building and the construction of market rate and affordable housing on the 120-acre site.

The three-volume document includes a new alternative by Summit Development, the project's developer, in response to Town Board and public comments on the developer's original proposal, which included more flexible multi-tenant use of 520,000 square feet of office space at the former Reader's Digest headquarters and 278 units of senior and affordable housing. The new alternative increases the amount of existing office space to be retained to 662,000 square feet while decreasing the number of residential units to 199, none of which would be age-restricted. The new alternative would include more than 50 acres of open space – including a 44-acre perimeter buffer – and a 6.5-acre donation to the Town. Approximately 45% of the property would remain open space.

In making the submission, Summit Development, which acquired the property from Reader's Digest in December 2004, said they are willing to proceed with either the original proposal or the new alternative if it is selected by the Town Board.

The new “Modified Project” meets the community’s concerns in the following ways:

- Eliminating the age restriction requiring home buyers to be 55 or older and not permitting residents under age 18.
- Reducing the number of housing units from 278 to 199. The original Proposed Action calls for 222 market rate units for seniors 55 and over, 24 affordable senior units and 32 workforce units for families. The Modified Project includes 179 market rate units and 20 affordable units meeting the requirements of the County’s stipulation settling its federal lawsuit.
- The Modified Project retains 662,000 square feet of the existing office building (versus 520,000 in the original Proposed Action). The retention of the additional 142,000 square feet of space would accommodate low-impact data center/disaster recovery facility uses.
- Increasing the area to be donated to the Town for future municipal use from 2 to 6.5 acres.

While the Modified Plan differs from the Proposed Action in substantive ways, it does not alter basic elements of the overall proposal. Among the key aspects of the overall plan are:

- Preservation of open space.
- Substantial improvements to traffic flow at the intersection of Bedford Road (Route 117) and Roaring Brook Road.
- Preservation of the architectural character of the original Reader's Digest building.
- Creation of attractively designed, maintenance-free housing for empty nesters wishing to continue living in Chappaqua.

Summit Development said it believes that the Modified Project with its increased commercial space, reduced residential density, reduced site disturbance and absence of age and access restrictions responds effectively to community and Town Board concerns and would, if approved, advance the Town’s fiscal, land use, housing, community facility and planning goals while minimizing potential environmental impacts.

The Modified Project would also contribute positively to the fiscal health of the Town, its special districts and the Chappaqua Central School District, as shown using two different analytic methods in the FEIS. Detailed analyses found that the Modified Project could add 58 school students to the Chappaqua School System, which has substantial excess capacity and faces declining enrollment in future years. The Modified Project would add an average of 5 students per grade, or 1 per section.

Last year’s bankruptcy of Reader’s Digest followed by its pull-out from Chappaqua will have significant impact on the Town’s taxes. The ability adaptively to re-use the building

for multiple tenants is a crucially important factor in assuring that the largest single taxpaying property in the Town and the School District can be fully utilized. The FEIS includes an updated tax analysis showing the effects of the Modified Project, which would generate higher tax revenue for both the Town and School District than the original proposal.

Both the Proposed Action and the Modified Project call for expansion of the County Sewer District that already includes the existing office building to take in the balance of the property. The petition requesting that the county expand the sewer district must be made by the municipality.

As with the Proposed Action, the Modified Project calls for the subdivision of the main parcel into two parcels that would follow the proposed zoning boundaries for a reduced commercial district and a new MFPD multi-family residential district. A supplemental petition seeking the zoning and other approvals necessary to implement the Modified Project is also being submitted. If the Town Board approves the Modified Project, Summit Development will withdraw its pending MFPD petition for the Proposed Action and its variance application that is now before the Town Zoning Board of Appeals.

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