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LaGrange Town Center: See what the massive development would include, what comes next



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Poughkeepsie Journal

Published 5:02 a.m. ET Feb. 3, 2022 | Updated 6:20 a.m. ET Feb. 3, 2022

Every so often, Dave Hunt will look at rental housing availability in the town of LaGrange.

He owns a jewelry store in the town center, a business he's grown over the past 11 years in the same building as the town's library.

A few years ago, Hunt and his wife had searched for rentals nearby, but nothing was available. So they ended up moving to Fishkill.

"That was kind of a last resort," he said. "We tried and tried up here and there was nothing."

But that could change as the town inches closer to fulfilling its decades' old vision to build out its town center, which would not only become a "commercial hub" with shops, restaurants, offices but would also include a community of 608 apartments, houses and townhomes.

BRH Land, an affiliate of Rieger Homes, intends to build on 194 acres, most of which is open land, off Route 55 to the south behind the LaGrange library.

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Project: Pawling affordable housing development sparks debate

The location was chosen because of its access to expressways. Officials say improvements to Route 55 in recent years will help reduce expectations of additional traffic in the area, which also neighbors Arlington High School.

The development is projected to increase LaGrange's population by roughly 9%; the scale of the housing is needed to support the additional commercial properties, developers Rieger Homes

says. And, it comes as the Mid Hudson Valley has experienced a sustained housing boom during the pandemic, in which sales prices continue to rise and inventory is scarce.

As estimated, the project could generate nearly \$7.8 million in annual taxes, including \$5.5 million in school taxes.

Rieger Homes is known for building smaller, single-family home developments, such as Cliffdale in the town of Poughkeepsie and Lennon Farms in the town of Wappinger, with typical starting prices of over \$500,000.

"I wish (the developers) had built this six, seven years ago. It would have been perfect. I could have lived back here and walked to work," Hunt said, though noting he is content with his 20-minute commute.

After being put on hold for several years, the project picked up speed in December when the town passed the final environmental impact statement. The developer anticipates site plan review may start in the next few months.

However, the town's planning department would not say what the next step is for the project and declined to speak about it.

Once approved, the full scope of the project is expected to take another decade.

"We are going to create a very upscale and attractive mixed-use community, meaning residential, retail, commercial, office and civic service area," said Steven Rieger, vice president of Rieger Homes. "For example, the library is one of our largest tenants on the property so far, and there's going to be a new town green."

The plan calls for roughly 100,000-square-feet of commercial and restaurant space. Fifty-four percent of the property would remain natural open space, and include wildlife corridors and turtle nesting areas.

LaGrange was home to 15,975 residents as of 2020, according to the U.S. Census. Since 2010, the town has increased by 245 residents. This project is expected to add 1,497 residents, including 178 students in the Arlington school system, according to the final environmental impact survey.

Rieger said the cost of the units will depend on building costs. While there will be no low-income housing built, he said he hopes to provide a range of affordability.

The project will not receive official public funding or be subsidized, but Rieger will be seeking a PILOT, or payment in lieu of taxes, agreement from the county.

The town has tried to mitigate traffic issues in recent years by realigning roadways and adding roundabouts on a section of Route 55 that ends a busy stretch connecting the Taconic State Parkway to the city of Poughkeepsie, and features Dutchess' largest high school and a Tops Friendly Markets location.

The plan also calls for access to the site from Lauer and Todd Hill roads.

"It'll benefit the community by providing commercial expansion of businesses which adds to the tax base and provides employment opportunities for the community as well as a variety of different kinds of housing" said Town Supervisor Alan Bell.

Why there is need

The concept of the town center has been in the works for years. It came from a need for housing, but also to break away from the strip mall model of development the county had fallen into since the 1960s.

The "strip and sprawl pattern" is where commercial spaces are built along expressways and residential development is built into the countryside, leaving residents to depend on cars and buses for transportation.

"It's always been a bit of a disaster from an environmental land preservation perspective, but now we're finding out it's increasingly detrimental from an economic point of view and energy point of view," said John Clarke, a development and design coordinator for the county's planning department, according to the transcript from the 2009 public hearing for the town center.

While the need for housing was present then, it's come into clearer focus over the last two years, as city-bound residents have sought bucolic relief during the pandemic.

According to the Mid-Hudson Multiple Listing Service, a real estate agency that gathers data from most home sales across Dutchess, there were 184 detached single-family homes sold in LaGrange in 2019, with a median sale price of \$325,000. Last year, there were 204 such homes sold, with a median price of more than \$401,200.

LaGrange is among the more affluent areas of Dutchess, with a median household income of \$117,229 and a 2.7% poverty rate.

The need for housing comes as seniors are looking to downsize and young families and individuals are seeking housing that's affordable in order to stay in the area, said the town's supervisor.

The town, like many municipalities, has struggled not only with meeting the needs of that housing market but also bringing in new commercial businesses. It's a problem that has gone hand-in-hand: Commercial tenants often look for population growth when deciding where to locate.

However, residents have also voiced a desire to keep the rural characteristic of the town, with its open space and farms.

Long history for project

The town first introduced the desire to create a town center that marries residential and commercial development in its 1987 comprehensive plan.

One of the reasons why the town center project has taken so long is because the town needed to create zoning that would allow such a project. Like most housing projects, it also stalled after 2008's market crash, which slowed the demand for housing.

"The way the zoning was put together was somewhat different than zoning normally takes place in towns," Bell said.

"To some degree, that was a discussion between the developer and the town, so the town could ensure that the zoning was not only what they wanted, but it was something that somebody wanted to build," Bell said, adding that there was also a "sizable amount of public input."

Rieger Homes submitted a site plan in 2006. That went through the State Environmental Quality Review process and was given a positive declaration, which means it would have a negative impact and required an environmental impact statement. A public hearing on the draft environmental impact survey was held in 2009.

Primary areas of concern raised by the review process included:

- preserving wetland;
- protecting the Indiana Bat and Blanding Turtle species;
- Traffic build up on the Route 55.

The wetland issues were remedied by purchasing and preserving land for bat migration in other parts of New York, and putting protective measures in place for the turtle habitat on the

property. Certain areas of the town near the town center have signs warning residents to watch for the turtles.

Changes were made to the plan for the FEIS, such as eliminating a proposed hotel and creating more apartments. While the number of housing units stayed the same, the number of apartment units increased. And, concerns raised regarding the flow of water have also been resolved, with fire hydrants planned with input from the LaGrange Fire District.

Over the past several years, the state Department of Transportation has implemented several improvements on Route 55, including the roundabouts, extending Skidmore Road, building sidewalks and realigning Route 55 and Stringham Road.

The town will be extending a water and sewer line, which will be paid for by the developer. The sewer main will be extended by about two miles.

The plans must be "dynamic" because a project of this size is built over a long period of time, in which market forces can change.

"And so the market will change, demand will change, and we will have to change with it in order for it to be a viable project going forward," Rieger said.

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