

IN THE REGION/Westchester

Reclaiming a River, and a Downtown

By ELSA BRENNER

YONKERS

IN the first phase of a stunningly ambitious \$3.6 billion plan intended to transform swaths of this dated industrial city into a sleek metropolis, developers plan to undertake four million square feet of new construction in the next three years. After razing sections of the downtown, they plan to build stores, condominiums, a minor league baseball park, parking garages and a movie theater.

Details of the first phase, which is to cost \$1.6 billion, were formally presented to the City Council on Oct. 24 by the developers, Struever Fidelco Cappelli — a partnership of three major East Coast firms.

As part of this phase, the developers plan to uncover a total of 1,900 feet of the Saw Mill River, a tributary of the Hudson that was paved over during the early 20th century to make room for factories.

That section, which now runs beneath Getty Square and Larkin Plaza downtown, will be exposed again, and the riverbed will be cleaned of years of accumulated debris. Along the newly exposed riverfront, stores and restaurants will be built along new walkways.

The Yonkers project represents a rare New York State use of a procedure known as tax-incremental financing — an urban-redevelopment tool popular throughout the country. Such financing enables local governments to borrow against tax revenues anticipated from a major redevelopment to raise the money for infrastructure needed for the development — roads and sewers, for example.

For tax-incremental financing to work, the school district and the city must be the same taxing entity, which is the case in Yonkers. Elsewhere in New York, other than in New York City, most school districts are independent taxing authorities.

For Yonkers, the first phase of the redevelopment is expected to generate \$14.8 million annually in tax revenues; \$150 million in bonds will be issued and used to build new garages, repair sewers, install new water mains and improve roadways and bridges. Without those improvements, according to Peter Klein, a project manager for Fidelco, the project could not move forward.

If the approval process proceeds



Design Development

UNPAVING THE WATER

A vision of the Saw Mill River uncovered and lined with stores and restaurants, and the area now, at the corner of School and Elm Streets.



G. Paul Burnett/The New York Times

on schedule, construction of the first phase will begin in the spring and will take about two years. So far, the reaction from the City Council, which is the lead agency, has been positive.

"It's an extraordinary opportunity for Yonkers to redevelop its downtown and open up the Saw Mill River," said Chuck Lesnick, the City Council president. "It will bring workers and residents downtown and create an environment in which businesses can thrive."

The Planning Board also has to approve a handful of zoning changes.

Plans for the initial phase call for a mix of functions in a downtown area to be called River Park Center, bordered by Nepperhan Avenue to the south, New Main Street to the west, Palisade Avenue to the north and Elm Street to the east. It includes 465,000 square feet of street-level retail space — intended for big-box discounters as well as smaller stores — and 475,000 square feet of office

space in three buildings; dozens of restaurants; and a 16-screen movie theater.

Framing the area, there will be two residential towers with 950 condo apartments and public and private parking. A 6,500-seat ballpark will be surrounded by the stores and the theater.

In another 4.3-acre downtown area, near the Cacace Justice Center, redevelopment plans call for a 150,000-square-foot office building, about six stories tall, and a 75,000 square-foot, 17-story hotel with 150 rooms. More than half of the space in the new office building will be occupied by city agencies currently in a 100,000-square-foot building that would be demolished.

In a section that the developers are calling Palisades Point, on two Hudson River waterfront sites south of the Yonkers train station in Getty Square, the proposal calls for two more residential buildings, with 436

condominiums, 8,000 square feet of ground-level retail and restaurant space and two parking garages.

The condos will be built of brick and glass, with floor-to-ceiling windows offering views of the New York City skyline to the south and the Tappan Zee Bridge to the north. They will look down on the rooftop garden of a shorter building housing restaurants and a parking lot.

While the gritty cityscape around it is transformed into modern glass and steel structures and riverfront paths, City Hall itself, a 99-year-old Beaux-Arts brick structure where the City Council meets beneath a stained-glass rotunda, will remain physically unchanged.

Mr. Lesnick, the City Council president, said he and his fellow council members welcomed most of the changes, but were concerned that downtown gentrification could force out some of the city's poorer residents. "It's not that anyone will be directly displaced by the new construction," he said, "but the halo effect of the redevelopment could cause property values to rise throughout the city. And that's something we have to pay attention to."

The first phase of the project would be completed in 2009. Plans for the second and third phases, which include areas throughout the downtown and industrial sections on the west side of Yonkers, are to be presented to the City Council at mid-month.

The Yonkers project is the largest for each of the partners in the development company, said Mr. Klein of Fidelco. All are major players in the realm of mixed-used development.

Cappelli Enterprises, in Valhalla, is building \$2 billion in residential and commercial projects in White Plains and New Rochelle. Struever Brothers Eccles & Rouse of Baltimore is active on that city's waterfront and was selected this fall to develop Washington's southwest waterfront. Fidelco Realty Group in Millburn, N.J., is redeveloping the former Military Ocean Terminal in Bayonne, N.J., and has several projects under way in Newark.

The project in Yonkers is almost as large as the development proposed for the Atlantic Yards in downtown Brooklyn, which has been described as the biggest project in that borough's history and is one of the biggest ever in New York City.