

# Downtown grocery/apartment plan comes into focus

By DAN HEATH

Oct 25, 2007



This is a preliminary rendition of Keystone Place, a grocery store and apartment complex planned by Burlington-based developer Rick Bove and Drs. Joseph and Carolyn Clauss at the corner of Margaret and Cornelia streets.

Staff Photo/Dan Heath  
The Press Republican

PLATTSBURGH -- More details about the grocery store and apartment complex proposed for downtown Plattsburgh were provided at a public meeting Wednesday.

Burlington-based developer Rick Bove is working with Drs. Joseph and Carolyn Clauss to develop Keystone Place, a 10,000-square-foot grocery store topped by 18 units of "working family" apartments near the northeast corner of Margaret and Cornelia streets.

"We've been trying to develop this property in many different ways for quite some time," Mr. Clauss said. "This would draw people who want to live downtown."

## DOWNTOWN BOOSTERS

The plan was unveiled at an informational meeting held at the Great Adirondack Soup

Company. Bove said it was held to get this out in front of the public right away, so people know what's happening in the community.

"Dr. Joe, Dr. Carolyn and myself are big proponents of bringing people downtown. A grocery store is a key portion of that," Bove said.

Mr. Clauss said discussions are under way with two grocery chains. Both are excited to bring a grocery store, which would include a deli and a bakery, to downtown Plattsburgh.

Mrs. Clauss said the name Keystone Place was chosen because the project is a keystone to jump-start redevelopment of downtown Plattsburgh.

## BUILDING PLACEMENT

The building would occupy the former Sunbrite Laundry property, presently a parking lot. Another parking lot would be built on the lot to the south, presently occupied by a one-story structure. Both properties are owned by Mr. and Mrs. Clauss.

The apartments would be available to families making between \$15,000 and \$30,000 per year. Tentative plans call for 14 two-bedroom apartments and four three-bedroom apartments.

The project would be financed by the sale of New York State Department of Housing and Community Renewal tax credits to investors. Bove said an application for tax credits will be made in February, and those awards are usually announced in late summer.

"If we don't get them then, we'll apply again the next year," he said.

## TAX SITUATION

A professional management team would conduct background and credit checks on tenants, Bove said, and income eligibility would be reviewed annually.

"The tax credits would be in jeopardy if we are renting to people who don't meet the income requirements."

Bove said the commercial portion of the property would pay taxes, the same as any other commercial property.

Clinton County Housing Committee Chairman David Valachovic said the residential portion's tax assessment would be based on its revenue, rather than its intrinsic value, for 45 years, according to New York state law.

"The investors who buy the tax credits own it (the residential portion) for 45 years," he

said.

At the end of that time, the property is transferred to a different ownership entity, which would be taxed just like any other property owner, Valachovic said.

Mr. Clauss said that as far as taxation is concerned, the city would get more from a 10,000-square-foot grocery store than it does from the parking lot currently on the property. The store would also generate sales-tax money.

## PROJECT TIMING

Valachovic said that even with all the approvals, it would be at least two years before the project was built. That could extend to three years if tax-credit reapplication is necessary.

Bove said a market study he commissioned showed the need for 100 units of new, affordable housing in the downtown area.

The city isn't going to get any bigger in terms of land, Valachovic noted, so its redevelopment strategy should be focused on bringing people downtown.

"This is the best way to go to revitalize downtown and the city."

The goal is to prevent people from spending more than 30 percent of their income on housing, Bove said, which would allow them to save toward buying a home in the future.

Plattsburgh Common Council Ward 6 candidate Chris Jackson said he lived that scenario 15 years ago.

"We do need a grocery store downtown. I've said that all along. I feel this is going to complement the (North Country) co-op, not compete with it."

## PROJECT CONCERNS

During a preliminary chat with the City Zoning Board of Appeals, three concerns were raised about the project, Bove said. Those were whether there would be enough parking, enough green space and the height of the building.

There would be 20 outside parking spaces for the grocery store and about 46 underground parking spaces for residential tenants. Bove said that leaves the project two parking spaces short.

Michael Kulik of Plattsburgh questioned why green space has become such an issue for downtown housing projects, as Trinity Park and Macdonough and Champlain monument parks are nearby.

The project is below the city's 35-foot height limit, but the three-story building exceeds its two-and-a-half-story limit.

The tax-credit application would be in competition with Bove's Cumberland Place project, the controversial retail and housing project planned for the corner of Margaret and Court streets. Bove said that project is ready to break ground if tax credits are awarded.

Keystone Place will go before the City of Plattsburgh Zoning Board of Appeals on Monday, Nov. 19, and the City Planning Board on Monday, Nov. 26.