

2.2. POTENTIAL FUTURE LAND USES

A variety of potential land uses for currently vacant or possible future development parcels were evaluated in terms of market and economic potential.

These uses, defined by current or potential zoning and policies adopted with the comprehensive plan update (see section 1.3 of this report), include the following:

1) *Commercial Uses*

Retail

Current zoning allows specific magnitude and types of retail uses on remaining undeveloped site properties, as well as redevelopment of other properties.

On the incremental parcels to the east of Water Mill Square, the individual houses and barns can continue their current ad hoc relationship of mixed commercial and residential uses.

However, as an alternative, if the landowners in this area choose to coordinate their properties into an integrated development, these buildings could be renovated into an attractive complex similar to East Hampton's Amagansett Square-- an informal grouping of buildings and shops linked by pedestrian walkways with adjacent shared parking. If such an approach were attractive to the landowners (and it could be to their economic benefit), it appears that it would have the support of the remaining community.

On the 'Water Mill Village' development parcel (which could be potentially expanded by acquisition of adjacent individual parcels to the east and north), development proposals to date have been for a 30,000 sf grocery store and approximately 30,000 sf of associated ancillary retail shops and storage. However, this proposal is not only contrary to current zoning but contrary to previously described comprehensive plan policy in terms of type of use (the plan explicitly restricts a large supermarket from hamlet areas such as Water Mill and recommends office business use for the site area). Discussions with the project advisory committee emphasize that due to traffic and community character impacts it is opposed to additional retail and would prefer that another option be found.

The current retail/ restaurant owner to the rear of the Water Mill Shops parcel (the restaurant is located in an old train station) owns an adjacent property of similar size to the restaurant parcel to the east, and has examined a number of scenarios for the joint use of his properties. These have included expansion of the restaurant itself as well as other uses (possibly but not necessarily in conjunction with continued restaurant use), such as an artist's studio complex or a greenhouse/ garden center facility. The landowner is also interested in public recreational use of the property if an appropriate agreement can be reached with the Town or other entity (such a use would be especially attractive if combined with a similar recreational use on the Water Mill Village site to the south).

Based on year 2000 estimates from current local retail

operators (Water Mill Square and Water Mill Shops), retail rents averaged approximately \$25/ sf/ year. Parking is an issue for all sites. Although sharing between sites via cross-access agreements would help reduce numbers of overlapping trips, any major retail development, even at the 'hamlet center' scale, would substantially increase already onerous traffic congestion.

Office

Based on interviews, there seems to be both a longer-term need and demand for more office space in the area, especially for products similar to the lower-scale Deerfield Green project to the east (year 2000 rents of \$17-18/ sf/ year). There is a general lack of such uses in the immediate area, and provision of dispersed office sites throughout the Town can reduce commuting traffic and increase convenience for workers and residents. As stated in the Comprehensive Plan Update (p. 236), "...the Town should promote hamlet based office service centers at a variety of locations in the Town."

Office is the only other major permitted commercial use in the current Village Business (VB) zone, although it is also permitted in other potential zones such as Hamlet Office/ Residential (HO) proposed by the Comprehensive Plan Update.

Parking and traffic for office uses is substantially less than for retail—users tend to come early in the morning and leave at the evening with some circulation in and out at lunch time. Visitors come and go on a relatively low scale and intermittent basis. The impact on the highway as a destination and on the surrounding community is therefore minimal compared to retail uses.

Office uses, especially if at a lower residential scale, represent a good transition between hamlet commercial/

retail uses and nearby residential or highway business uses. Both need and demand can be enhanced by concentration on particular market niche related to other adjacent uses, such as the potential for medical offices in the village center, especially if nearby assisted living or other congregate care facilities are encouraged (see next section). As stated in the Comprehensive Plan Update, "To the extent possible, the Town should encourage medical offices and services to locate in village and hamlet centers. This would make these facilities more convenient to seniors and others dependent on public transportation; it would also help increase patronage of local stores." (p. 241)

2) *Residential Uses*

Market Housing

A possible use in the hamlet center should also be residential development-- either as apartments over stores (as recommended for hamlet centers by the 1999 Comprehensive Plan and by recent Town zoning revisions) or as townhouse-scale housing, if developed to minimize impacts on the surrounding area. Various market segments—'empty nesters', 'young professionals'—can be defined for townhouse or duplex apartment units at overall densities that would fit within circulation or utility constraints. Such development would reinforce comprehensive plan objectives for the hamlet center as an active mixed-use pedestrian area, and could be an

acceptable use to the community if traffic and other implications were appropriately mitigated.

Previous planning efforts such as the 1970 master plan and 1989 hamlet study delineated this need. The 1999 Comprehensive Plan Update specifically speaks to actions to respond to this need: “Promote housing and mixed uses around the core area.” (p. 345).

A particular source of demand could be that of ‘active seniors’—independent living units for 55 to 70 year olds, retired or semiretired (‘go-go’ residents, as opposed to ‘slow-go’ assisted living or ‘no-go’ nursing home residents). These are often structured as ‘cottages’ (townhouses) or condominiums (duplexes), possibly with adjacent included or shared nearby recreation facilities.

Assisted Living (Continuing Care Retirement Communities)

Another subset of market housing is the specialized ‘assisted living’/ nursing home market described in the 1999 Comprehensive Plan update as Continuing Care Retirement Communities (CCRC).

Compared to the independent living units described above, these include more structured programs, often associated with health care clinic facilities, for older, sometimes infirm seniors. Such a use can be particularly attractive for the site area because it is developed and operated by a single entity, generates little impact in terms of traffic and utilities, and fulfils both a community need and a market demand. Based

on recent interviews, indications are that such a use would also have the support of the community.

Typical market indicators used to define feasibility include the presence of ‘threshold’ demographics:

- *Threshold #1:* nearby population of 2,000 households with ages 75+ years old and incomes of \$35,000 or more;
- *Threshold #2:* nearby population of 5,000 households with ages 45-65 year-old and incomes of \$100,000 or more;
- *Threshold #3:* high median house values.

Feasibility is also a function of competitive facilities (of which there are few or none in the surrounding East End area). It would appear that the Town of Southampton and the East End would qualify under these market demand thresholds. However, the supply side of the market is at this point in time constrained by a lack of available financing and interested development entities, although this is expected to change as the economy improves.

The Comprehensive Plan Update encourages such development: “Clearly, there is a growing demand for senior facilities and housing as well as for health care that can be captured in Southampton. As important, these uses address the evolving needs of Southampton’s residents.” (p. 240) The plan includes recommendations for the promotion of such uses, including siting of such developments within one-half mile of hamlet centers and use of Planned

Development District zoning to build appropriately sited CCRC housing..

Typically such facilities are now being built in smaller scale modules of 70- 100 units. A number of such projects recently built in New Jersey, which as a state has encouraged their development, can serve as examples.

Inns

A third residential type is a particular subset of the overnight accommodations market-- a small, higher-end inn--for which there seems to be demand and interest on the part of potential developer/ operators.

The East End's tourist-oriented market is decreasingly seasonal, as spring and fall gain in attractiveness away from the traffic and bustle of summer in the Hamptons. The ability to have small-scale conferences and longer stays make such an inn use particularly well-suited for a hamlet center. Spa or internal recreation facilities can add market value.

The 1999 Comprehensive Plan Update responds to this demand in recommending that the Town "...explore means of allowing the necessary intensity of development to sustain small-scale conference centers, inns, or other overnight accommodations larger than B&B [beds and breakfasts]." (p. 228).

An inn development is also acceptable to the community, though with lesser enthusiasm—in other words, only if careful caveats are included to prevent any future changes in emphasis or type of use. Impacts on the hamlet center can be minimized by ensuring that associated or accessory facilities are scaled at an appropriate size, sized to serve primarily inn or restaurant customers. Water Mill's hamlet center should not be the site for any night club attraction.

Potential Residential Density

There is a density ceiling for any of the above residential-type uses, determined by the septic capacity of the site. This is a key factor in development feasibility, and implications and suggestions for resolution will be discussed in later sections of the report. It is anticipated that the density of any development will fit within a three-story maximum height limit for desired residential uses, as opposed to two-story for other commercial uses. The amount of land for associated parking is a further consideration.

3) Open Space/ Recreation Facilities

As an alternative to more built development in the hamlet center, there is considerable sentiment for additional usable open space within the center of the community. The Water Mill Community Club maintains an adjacent 7-acre recreation parcel that is 'strained to the limit' with adult and children's activities, and would welcome additional land for active play space. The desire for landscaped passive park space has also been discussed— many would like to see a

new park rather than any development, although acquisition costs are a major constraint.

The 1999 Comprehensive Plan Update included a specific recommendation for Water Mill to “Remain alert with regard to opportunities to expand the Community Club park’s size, amenities and visibility” (p. 345).

Over the course of the study, various community groups have recommended to the Town that major tracts (such as the proposed ‘Water Mill Village’ site) be bought in their entirety for designation as open space. This is always a possibility, were funds available from the Community Preservation Plan Project (CPPP) 2% real estate sales tax and the Town concurred with such an expenditure. However, based on land values within the hamlet center, available financial resources for Town-wide open space purchase and Town priorities for the effective Town-side use of these funds, this was not seen at this point in time as a likely scenario.

The approach of this current study was to define other means of achieving the same objectives of maximizing open space within the hamlet center. Such an approach investigates ways of achieving not only open space, but also other Comprehensive Plan Update objectives at the same time, such as provision of residential development in the hamlet center, and doing so by using real estate market dynamics, minimizing cost to the public.

In addition, interest has been expressed by both potential investors and by hamlet center representatives (including

Community Club members) in a health club facility that could serve the public at large. Such a facility could also provide new meeting space for the Community Club. This could free their current building for alternative uses, as well as provide desired (and supervised) public rest room facilities for the community (as recommended in the 1999 Comprehensive Plan Update, p. 348). Such a health facility would be a private use that could benefit in terms of approvals and operation from association with a public interest/ not-for-profit organization such as the Community Club.

4) Other Uses

The local US Post Office has expressed interest in additional space, but has renewed its lease in Market Square. The post office currently feels constrained by what it considers insufficient parking and access; circulation and traffic improvements can increase its viability.

Adjacent space may become available which would allow expansion of the existing facility, or opportunities for a new site within the hamlet center can facilitate creation of a new facility. What is critical is that the post office remain an integral part of the hamlet center and not relocate elsewhere in the community.

5) Mixed Uses

By combining the above opportunities, there are a variety of possible mixed-use approaches, responding to the need for open space but providing more intense development on a

portion of the site: either mixed residential/ open space (preferred by the community) or mixed commercial office/ open space. Each would combine development of the front of the site with open space to the rear, seen as an expansion of the existing Community Club space. Each vary in terms of being optimal uses for the community or the landowner, but all approaches can achieve multiple objectives for all parties concerned.

Such actions would respond to 1999 Comprehensive Plan Update ‘action item’ recommendations for Water Mill (p. 345)—to “promote housing and mixed uses around the core area” and to “expand the Community Club park’s size, amenities and visibility.”

