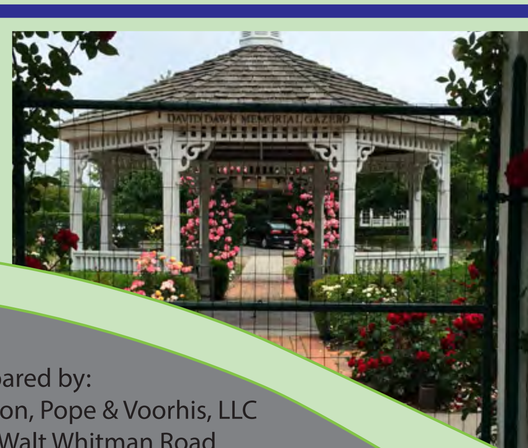
Village of Southampton North Sea Road Windmill Lane Office Business District Zoning Study



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1.0 INTRODUCTION

1.1 Purpose

The purpose of the North Sea Road-Windmill Lane Office Business District Zoning Study is to inventory existing conditions, perform a comprehensive assessment of the adequacy of the district's zoning regulations, identify issues or obstacles to address land use needs, and develop a viable strategy that resolves identified deficiencies and provides a blueprint for future success. The result of this study, once adopted by the Village Trustees, will be an amendment to the Village Comprehensive Plan, and a framework for future Zoning Code amendments that will improve future land development within the Study Area. **Figure 1** shows the Study Area boundaries. (All maps are provided in **Appendix A** of this report).

1.2 Need

Currently there are several pre-existing nonconforming retail land uses in the Study Area. Some of these land uses have been operating for many years and have had considerable success in providing necessary goods and services to the community and maintaining a valued presence. Moreover, a recent retail market study conducted by the Gibbs Planning Group (2013) on behalf of the Village revealed additional unmet demand for approximately 109,000 square feet of retail space in the local market area. Due to limited available land (or building space) for retail and personal service business development in the Village Business ("VB") and Highway Business ("HB") zoning districts, few opportunities currently exist to meet this demand.

According to the Village Code, the primary purpose of the Village's Office Business District (hereafter "OD") is to allow a mix of essential office uses that are of a scale, density, intensity and design that is compatible with adjoining residential neighborhoods. Several medical and professional offices currently exist in the OD. Many of these office uses have been quite successful and have maintained a solid presence in the Village as indicated by their longevity; however, the demand for retail business space in the area is much stronger. A carefully considered long-term zoning strategy is required to integrate properly scaled, adequately designed and compatible, retail uses into the fabric of the OD.

The Village currently has seven zoning districts that allow offices as a permitted use, including four business districts (two office business districts and two general/mixed business districts), a hospital district, medical district, and a light industry district. The OD, of which there are two discrete areas (one along North Sea Road/Windmill Lane, and another much smaller zone containing a single office building, located off of Flying Point Road), and the Hampton Road Office (HRO) district comprise the main office business zones in the Village. The primary intent of these office districts is to allow for a variety of business, utility, professional, and medical offices that serve the needs of the community, and provide business and employment opportunities for residents.

The VB and HB districts each allow a broad spectrum of commercial uses, as well as professional and medical offices, thereby contributing to the supply of office-zoned land in the

Village. The Village's Hospital Accessory (HA) and Medical District (MD) zones are designed to support or supplement Southampton Hospital's operations and provide necessary medical services to the region, including the provision of medical offices. Permitted uses in the Light Industry (LI) district include offices and shops for plumbers, electricians, and home improvement businesses, in addition to a variety of light industrial uses. Finally, all but one of the Village's zoning districts allows home professional offices as an accessory use (i.e., 14 districts permit this use "as-of-right" and one district which allows it through the Special Exception (SE) permit process).

Office uses are an important part of the Village. They are typically easily integrated into the fabric of the community and tend to have limited adverse impact on adjacent neighborhoods. Since the Village's office and other zoning districts provide significant opportunity for establishing office space, but little to no additional opportunity for establishing common retail and personal service type uses, especially in light of near build-out conditions in its business districts, the prospect of the Village satisfying current unmet retail demand for year round residents under existing zoning laws is unlikely.

The "Future Land Use Map" provided in the Village's 2000 Comprehensive Plan shows a large portion of the OD, south of the Long Island Railroad (LIRR) overpass in the Study Area as future "commercial" use, as opposed to office, as currently zoned. This land use designation exemplifies the long recognized need for converting the OD to more of a mixed business zone. The Comprehensive Plan also expresses a need for additional study of the functioning of the OD as a mixed-use district and the belief by many that the Village should accommodate more "low-end" as opposed to "high-end" businesses that are characteristic of the VB retail zone, while avoiding the establishment of large chain stores.

The Village, in recent years, has specifically considered: 1) a preliminary plan for the creation of a special exception use overlay district that could be applied to the OD zone to promote greater land use flexibility including retail uses; 2) amendments to the Village's Comprehensive Plan to address identified land use issues and clear the way to effect positive land use changes; and a possible rezoning to an entirely different zoning district. Applicable findings and recommendations of past planning studies are addressed in greater detail in **Section 2.3**.

The intent of the current study, therefore, is to further explore and create a formalized, easily understood and implementable plan that addresses the issues, concerns and needs of the North Sea Road-Windmill Lane OD, especially with regard to those parcels within the Study Area that have direct frontage on these two major roadways.

1.3 Goals

The goals of the study are as follows:

- Identify the most appropriate land uses for the Study Area based on past planning initiatives, demographic and economic/market data, projections, and analyses, land use trends, input from local realtors and the community, the presence of viable and sustainable infrastructure to support development, and other pertinent information;
- Ensure compatibility between adjacent land uses and zoning districts to prevent land use conflicts and nuisance conditions, protect property values, and foster harmonious and supportive interaction among uses;
- Promote orderly and efficient development within the Study Area to ensure the general health, safety, and welfare of the public;
- Prevent or avoid unnecessary and undesirable competition between business uses in the Village and along CR 39 that could jeopardize long-term economic sustainability;
- Support local economic development, business and employment opportunities, and tax base enhancements to bolster the local economy and the overall welfare of Village residents;
- Provide opportunity for small business enterprises which meet the day to day needs of the residents and visitors of the Village; and,
- Identify appropriate dimensional zoning standards that will maintain and enhance the overall building pattern of the Study Area and greater Southampton community, provide appropriate setbacks, building scales and development density and design, allow for convenient parking and customer access, support safe and orderly traffic flow and pedestrian activity, provide appropriate public spaces, and enhance the gateway to the Village center consistent with the Village's historic character, unique sense of place, and quality of life for current residents and future generations.

1.4 Methodology

Project methodology for this study is based on a multi-pronged planning approach that is consistent with the standards and practices of professional land use, zoning, traffic assessment, and market analyses.

One of the first steps in the study process was to meet with Village representatives to further define the project's purpose, goals, and scope, and to discuss initial project phases, procedures, and timelines. Land use and traffic observations were conducted in-field to identify and assess actual conditions including: inventorying existing land uses and development patterns; identifying existing property and building vacancies; determining the general size, scale, and spacing of structures; ascertaining the availability of parking, sidewalks, utilities, infrastructure, signage, and public amenities; and observing general traffic conditions, intersection operations, vehicle and pedestrian infrastructure and amenities, and activities and circulation patterns during peak summer hours. Numerous photographs were taken during field investigations and maps were generated to graphically depict existing conditions and provide a permanent record of existing conditions. Maps are provided in **Appendix A**. Photographs are provided in **Appendix B**.

In addition, real property tax maps, zoning, and historic districts maps were reviewed and the Village Code and the codes of other local communities were examined. Several maps of the Study Area were then developed to provide graphic representations of key information including the Study Area's location and boundaries, development and street network patterns as shown on recent aerial photographs, existing zoning and land use patterns with parcel identification numbers (for reference in the text), and locations and geographic boundaries of the Village Historic District.

Compiled data were carefully reviewed, interpreted, and organized into tables and summarized in the following sections. Relevant studies, plans, zoning regulations, and economic and demographic data were also collected and examined to further assess past and present conditions in and around the Study Area and region to identify trends and possible deficiencies in the context, form and functioning of the OD. Existing conditions, future trends, and community input were thoroughly examined, and land use, zoning, market, and traffic analyses were performed. Available data were used to provide the basis for projecting future economic and demographic trends, determining important traffic and transportation issues, and identifying land development opportunities, constraints and community needs.

Input was provided from Village officials regarding current conditions, pending development, current planning activities and community concerns. Interviews were conducted with local real estate professionals to discuss trends in the office market, demand for other uses in the area, existing constraints to meeting this demand, and their knowledge of available properties in the Village.

Conceptual site plan sketches were prepared to consider possible layouts for new development on vacant or underdeveloped properties to provide the project team with a greater understanding of future development potential and associated design issues and concerns.

Finally, conclusions were reached and recommendations developed to address identified concerns. Supporting or explanatory documentation are provided as figures, tables and appendices.

1.5 Study Area and Regional Context

The Incorporated Village of Southampton is a small 6.3 square-mile suburban community located east of the Shinnecock Canal on the South Fork of Long Island. The community has an estimated year-round population of 3,149 and a population density of approximately 500 persons per square mile[1]. The Village and other South Fork communities receive an influx of second homeowners, vacationers, 'day trippers' and weekenders in the summer, causing the summer population to swell by as much as three times that of the year round or "off-season" population. This influx of second homeowners, vacationers and visitors, results in corresponding increases in the demand for goods and services, while placing strain on public services and community infrastructure. To further this point, in the Village of Southampton there were 3,314 housing

[1] 2013 projections, from the US Census Bureau

units in 2010, with 1,765 of these (or 53.3%) defined as "Seasonal/Recreational/Occasional Use" and 1,263 (38.1%) listed as occupied[2].

The Village is considered one of the Hampton's premiere summer destinations for those seeking a traditional village atmosphere with fine dining and upscale shopping, outdoor recreation (particularly its beaches/waterways, nearby golf courses and equestrian attractions), the arts, and a quaint scenic, historic and coastal community ambiance.
The area also experiences a significant volume of daily through-traffic which includes workers/tradespersons that travel along the major traffic corridors of County Road 39 and Montauk Highway (known locally as Hill Street, Main Street, or Hampton Road), particularly during the peak morning and evening commutes. This pattern of travel often causes congestion, vehicle queuing and delays in traffic flow along CR 39, especially in the summer or when vehicle accidents occur along the highway.

The project Study Area includes land with frontage along sections of North Sea Road, Windmill Lane, and a very small section of North Main Street which are generally oriented north-south, and minor segments of several east-west neighborhood side streets within the Village's North Sea Road Office District (OD) in the north-central section of the Incorporated Village. The Study Area and OD are located south of County Road 39 ("CR 39") and the Village's HB district and north of Cooper's Farm Road, Nugent Street, Hampton Road, and the Village's VB district. The Town of Southampton's North Sea, Water Mill, and Shinnecock Hills communities are located north, east and west of the Village, respectively, and the Atlantic Ocean is to its south (see **Figure 1**).

The Study Area comprises a total of 60.43 acres or 48.27 acres excluding public streets and right-of-ways. There are a total of 77 tax lots within the Study Area with an average lot size of 0.63 acre.[3] The total length of roadway along the three major streets within the Study Area (North Sea Road, Windmill Lane, and North Main Street) is approximately 5,500 linear feet (1.04 miles). This includes ±3,600 feet along North Sea Road, ±1,725 feet along Windmill Lane, and ±180 feet along North Main Street.

[2] Other categories of "Housing Units by Occupancy" include units for sale, rent, or other vacant units which total 286 units and make up the balance.
[3] Several of the largest (i.e., longest) lots in the Study Area are split zoned. Portions of split zoned lots that are not zoned OD have been excluded from the Study Area and acreage calculations.

2.0 EXISTING CONDITIONS

2.1 Land Use

The Village of Southampton contains a diverse mix of land uses consisting primarily of single-family residential development but also containing significant office and business development, some light industrial uses, a hospital, a number of institutional uses, such as fire, police, public library, Village Hall, etc., as well as recreational, transportation, and public utility uses. **Figure 2** illustrates the Zoning Districts surrounding the Study Area and OD.

Existing land uses within the OD/Study Area include the following:

- Utility, institutional and public uses (dog park, post office, library, police station, and church, cemetery, public electrical utility; the site of the African American Museum of the East End);
- professional, medical and dental offices;
- restaurants/catering;
- service businesses and offices (mosquito and tick control, fuel oil sales, garden/landscaping office/shops);
- bakery;
- bank;
- three markets;
- large garden center;
- small social club;
- small warehouse or mini-storage facility;
- newspaper publisher; and
- vacant publicly and privately owned land.

The types and proportions of land uses by acre are provided in **Table 1**.

TABLE 1
LAND USE BY LAND USE CLASSIFICATION AND ACREAGE
NORTH SEA ROAD-WINDMILL LANE OFFICE DISTRICT STUDY AREA

Land Use Classification	Acres
Institutional	13.3
Office	11.48
Commercial	9.9
Residential	5.86
Open Space	3.47
Vacant	1.87
Utility	1.26
Home Business	1.13
Total (Lots)	**48.27**
Transportation (streets and right of ways, railroad, Bowden Square right of way)	*12.16*
Total (Study Area)	**60.43**

Figure 3 illustrates the existing land use pattern within the Study Area and provides the parcel identification numbers used to facilitate discussion in following sections.

Six lots within the Study Area totaling 1.86 acres (3.9% of the area of all lots combined) are currently vacant (one of these lots is owned by a utility and is just 0.089 of an acre). Three buildings were also identified as vacant or had the appearance of being vacant. Two of these structures were small residences that appeared to be undergoing renovations or restoration and one appeared to be a small empty retail store or office located on the same lot as Tate's Bake Shop (#53) (SCTM 904-5-1-18). Another structure, a moderate sized office building located south of the post office (#44) (SCTM 904-5-1-14.1), was "pending sale" at the time of the field investigation, according to a sign on the property, but is now occupied by a bank. The status of four other buildings could not be determined in the field but may currently be vacant or inactive, including Sons of Gideon social club (#58), the African American Museum of the East End (#9 and #10), a small warehouse or ministorage building west of Bridgehampton National Bank (#45), and a small building abutting the street at the southeast corner of the Lynch's Garden Center property (#26). Vacant and privately owned lots are summarized in **Table 2**.

Location 58: Looking northwest at Sons of Gidgeon Lodge 47, located along west side of Windmill Lane

Locations 9/10: Future African American Museum of the East End and adjacent lot to the south at North Sea Road and Hillcrest Avenue

Location 45: Looking north at warehouse storage & parking, west of BNB and south of new bank

Location 26: Looking west at building on North Sea Road near Garden Center

TABLE 2
PRIVATELY OWNED VACANT LAND

Tax Map No.	Parcel ID Number (See Figure 3)	Acreage	Frontage Width
SCTM 904-5-1-19	63	±0.57	±115 feet along both North Sea Road Windmill Ln
SCTM 904-5-1-28.2	51	±0.34	±141 feet along Whites Street
SCTM 904-5-1-9	35	±0.65	±100 along North Sea Road
SCTM 904-5-1-31	57	±0.14	No frontage, shared driveway off Windmill Lane
SCTM 904-4-1-73	8	±0.07	±44 feet off of North Sea Road
SCTM 904-3-1-46	16	±0.09	±12 feet off of North Sea Road and adjacent to LIRR

A total of 9 lots with a combined total of ±15.16 acres (31.4%) are publicly owned including property under the ownership of the Village of Southampton, the Village and the Town of Southampton jointly (#2, #4), the U.S. government (i.e., Southampton Post Office) (#38), or other public entity.[4]

Location 2: Looking east across vacant field owned by Village and Town, between Aldrich Lane and Southampton Immediate Care

Location 4: Looking east across publicly owned field toward overhead utilities, east side of North Sea road, across from SCNB

Location 38: Looking northwest at Southampton Post Office, located on west side of North Sea Road

[4] Acreage estimates include lots that are entirely within the Study Area, or in the case of larger properties that extend beyond the Study Area boundaries, just the portion with the Study Area.

TABLE 3
MUNICIPAL OR OTHER GOVERNMENT OWNED LAND

Tax Map No.	Parcel ID Number (See Figure 3)	Acreage	Existing Use
SCTM 904-4-2-34	2	±0.56*	Vacant
SCTM 904-4-2-36.1	4	±0.44*	Vacant
SCTM 904-6-1-1	68	±2.48	Lola Prentice Memorial Park (dog park)
SCTM 904-6-1-3.1	75	±3.99	Southampton Police Department
SCTM 904-6-11-5.26	77	±3.43	Rogers Memorial Library
SCTM 904-4-1-72	9	±0.04	African American Museum of the East End (AAMEE)
SCTM 904-4-1-71	10	±0.10	AAMEE
SCTM 904-5-1-12.1	38	±2.25	Southampton Post Office
SCTM 904-6-2-1	69	±1.87	North End Burial Ground

*Indicates the portion of the lot within the Study Area

Two parcels in the Study Area are owned by the utility provider Public Service Enterprise Group (PSEG). One property located west of North Sea Road and north of West Prospect Street (#18), is ±8.7 acres, however, only ±1.27 acres of this property are within the OD and the subject Study Area. PSEG also owns another small lot that has frontage along the west side of North Sea Road within the Study Area (#16) that is 0.09 of an acre and is vacant and unimproved (See also **Table 2**).


Location 18: Looking west at PSEG facility located at northwest corner of North Sea Road and West Prospect Street

2.2 Development in Nearby Districts

In order to understand land use and zoning patterns in the Village and around the Study Area and provide a basis for ensuring that future land use is compatible with adjacent uses and not overly competitive with other uses and districts, it is important to understand the greater land use context of the area.

<u>Highway Business District</u>
The Village's HB district which is adjacent to the north of the Study Area currently contains a fast food restaurant, coffee/donut shop, convenience store, filling station, tire sales and service business, a bank, law office, realtor's office, and a large nursing and rehabilitation center. These uses, with the exception of the nursing and rehabilitation center, primarily cater to vehicle oriented local, seasonal, and trade traffic passing by along CR 39, which is the most heavily travelled traffic corridor in the Village and a major arterial connection between western Long Island and Southampton. The Town of Southampton also has a small contiguous highway business zoning district along the northwest side of the intersection of CR 39 and North Sea Road. This district serves motorists who live in the area or are passing through and contains some

similar uses as the Village's HB district, which includes a fast food restaurant, filling station, and auto repair shops.

Village Business District

Adjacent to the south end of the Study Area and OD is the Village Business District (VB). The VB encompasses land with frontage along Nugent Street, Hampton Road, Jagger Lane, lower (south) Windmill Lane, Jobs Lane, Hill Street, and South Main Street. Existing land uses in this area consist of a mix of "high end" specialty shops, food shops, sit down restaurants, and art galleries that primarily target seasonal residents and tourists, as well as a grocery store, a pharmacy, banks, offices, a laundromat, second-floor apartments, a movie theater, and municipal land uses (Village Hall, fire station).

Businesses in the VB are highly patronized and successful during the summer season (considered to be from Memorial Day through Labor Day) but experience a decline in activity in the off-season and considerable turnover in leaseholds between seasons. The district is compact, has broad sidewalks, and vibrant pedestrian activity in the summer, and an appealing physical form and architectural character. The VB also comprises a portion of one of the Village's Historic Districts which contains many structures that are reminiscent of days past, and enriches the area's charm, ambiance and unique sense of place. The VB district has both on-street parallel and diagonal parking and off-street municipally owned public parking areas. **Table 4** provides a summary of the specific land uses inventoried within the VB district in late summer of 2014. The majority of these uses are high end retail or service related businesses.

TABLE 4
SUMMARY OF LAND USES
SOUTHAMPTON VILLAGE BUSINESS (VB) DISTRICT

Use Classification	Number of Uses	Percent total
Apparel, Women's	67	25
Retail, Other	46	17
Other (General)	26	10
Vacant	19	7
Restaurant	17	6
Home Goods	17	6
Jewelry	15	6
Health Care	12	5
Financial	12	5
Professional	11	4
Real Estate Sales	8	3
Apparel, Men's	7	3
Deli	4	2
Market (Food)	3	1
Total	**264**	**100**

Source: Village of Southampton Land Use Inventory of VB District (September 2014)

Other Nearby Development

Land adjacent to the east and west of the North Sea Road Study Area is generally developed with moderate-density single-family residential neighborhoods which are at or very close to build-out capacity under current zoning. Persons living in these neighborhoods are more likely to be year round residents than persons living in areas south of Montauk Highway/Main Street/Hampton Road who are more likely to be weekend and/or summer residents.

2.3 Village Comprehensive Plan

The Village Zoning Code and Official Zoning Map, along with the 2000 "Village of Southampton Comprehensive Plan" provide the framework for development in the Village. This section of the study discusses applicable goals, findings, and recommendations of the Village Comprehensive Plan as they relate to the Study Area and goals of this study. The Village Zoning Code and Official Zoning Map are discussed in **Section 2.4**.

A comprehensive plan is an official planning document or documents, including maps, charts, studies, reports, plans, resolutions, and other materials serving as a blueprint for the long-range development of a municipality or designated planning area. It is a "living" document, meaning that it may be periodically reviewed and updated as necessary to account for changing conditions, trends, and community needs. Comprehensive plans typically identify existing conditions and include community goals, objectives, principles, guidelines, policies, recommendations and performance standards.

2000 Comprehensive Plan

The Village's 2000 Comprehensive Plan is the primary component of its overall long-range planning efforts and is used in developing its zoning policies. The Village Comprehensive Plan provides few specific plans for the OD but identifies six (6) general issues or topics that should be addressed by future plans and studies:

1) Determining how well the OD functions as a mixed-use (commercial/residential) zone;
2) Identifying techniques for better protecting the residential properties from impacts created by commercial uses;
3) Limiting the district to the arterials and replacing the zoning on the side streets with residential zoning, possibly R-20;
4) Allowing residences as-of-right and businesses by special exception permit;
5) Developing design controls requiring the commercial conversion of a residential property to maintain the house-like character of the structure and lot; and
6) Determining whether allowable land uses should be restricted on the side streets and broadened on the arterials.

The following additional issues, concerns concepts and recommendations were extracted from various sections of the Comprehensive Plan. In some instances, these items are linked directly to the OD, but most often they are general statements, goals and visions for the Village or nonresidential districts as a whole. Nevertheless, inherent in these concepts, are the general sentiments of the community as they relate to future land use:

- Perform an OD study to determine necessary land use controls;
- Allow a mix of uses in OD districts but discourage big-box development[5];
- Convenience shops are preferred over comparison shopping businesses that are common in the VB;
- Focus on the needs of year round Village residents, not out-of-town visitors and tourists;
- Improve the function, appearance and quality of office areas;
- Provide suitable buffers between nonresidential and residential zones;
- Protect property values of adjacent residential properties;
- Maintain and enhance the Village's community and historic character, its aesthetic qualities, and its unique sense of place;
- Control traffic and ensure suitable parking for business uses;
- Provide a balance between pedestrian and automobile activity and ensure the safety of pedestrians;
- Maintain efficient traffic flows along North Sea Road and North Main Street;
- Enhance aesthetic qualities and pedestrian access and safety at the intersection of North Sea Road and North Main Street;
- Create and retain developments that are at a human scale from the standpoint of buildings, streets, parking lots, and open spaces;
- Develop and codify design guidelines for future developments and redevelopment; and
- Make sure that signage is attractive, unobtrusive, and limited in number.

The 2000 Comprehensive Plan also provides insight into some development and redevelopment trends in the recent past, including the documentation of a trend toward residence-to-office conversions on the east side of North Sea Road between CR 39 and the LIRR. It notes that south of the LIRR there is significant residential development that is interspersed with commercial uses and that the west side of the street had experienced residential-to-commercial conversions.

2.4 Zoning

The purpose of zoning is to promote the orderly growth, development and redevelopment of a municipality in order to protect the health, safety, and general welfare of its people. Zoning reflects public goals and interests through standards developed by research, planning, and public outreach. It provides the means by which to implement a comprehensive land use strategy that reflects the community's vision for the future and the sensible use of land based on established planning practices. Specifically, it seeks the utilization of land for the purposes for which it is

[5] It is noted that following adoption of the Comprehensive Plan, the Village initiated maximum building sizes for one and two story buildings within the commercial districts to prevent big box type development in the Village.

most suited and strives to protect and enhance the established character, aesthetics, land values, economic conditions, and environmental qualities of the community. It encourages the social and economic well-being of its residents, and regulates land use to promote compatibility between adjacent land uses and other zoning districts. Zoning can also provide a more diverse housing stock that meets the needs of current and future residents and provides business and employment opportunities, essential goods and services, recreational and entertainment opportunities, and basic utilities that provide for long-term sustainability.

The Village of Southampton and its empowered boards regulate land use through the implementation of its duly adopted and periodically amended Official Zoning Map and Zoning Ordinance (Chapter 116 of the Village Code), and like other municipalities, provides a variance appeals process which is administered by its Zoning Board of Appeals (ZBA). The Village has established a total of fifteen (15) separate and distinct zoning classifications (i.e. “zones”) to serve the social, economic, and habitational needs of its citizens, which are as follows:

- six (6) single-family residence zones (R-120, R-80, R-40, R-20, R-12.5, R-7.5);
- two (2) multi-family residence zones (MF-20, MF-25)
- two (2) business zones (Highway Business (HB) and Village Business (VB)),
- two (2) office zones (Office Business District (OD) and Hampton Road Office District (HRO)),
- one (1) light industry zone (LI),
- one (1) hospital accessory zone (HA), and
- one (1) medical zone (MD).

Figure 2 provides a map of the zoning districts in and around the Study Area.

<u>Village Overlay Districts</u>
Overlay districts are zoning districts superimposed over existing zones to provide an additional level of review and control or opportunity, subject to applicable standards and restrictions. Overlay districts generally strive to meet identified community goals such as the provision of affordable housing, mixed-use developments, uses that are not otherwise permitted in a zone, or to protect sensitive environmental resources such as wetlands. The Village Code and Zoning Map contain three overlay districts, which are the: Accessory Apartment Overlay (AAO), Tidal Floodplain Overlay (TFO) and Tidal Wetland and the Ocean Beach Overlay (TWOBO).

The Village’s AAO is a “floating zone” which differs from other types of overlay districts in the way they are established and applied. A floating zone is a zoning district that is guided by a set of codified zoning standards similar to any other zoning district but remains geographically undefined until such time as it is established either through the submission of an application by a developer that conforms to the standards and specifications of the district, and is approved by the respective board. Floating zones can also be created by the governing authority (municipality) on its own motion to achieve a public good or goal. The primary purpose of the AAO district is to provide a suitable mechanism for providing affordable housing at appropriate locations where needed, subject to conformance to codified standards, and a special review process leading to the issuance of an accessory apartment permit. There are currently no AAOs in the Study Area.

Unlike the AAO, the TFO and TWOBO are actual mapped overlay districts that trigger requirements for conformance to a set of specific supplemental standards and procedures for certain types of actions that take place within their boundaries. The Village's TFO district coincides geographically with the limits of the Federal Emergency Management Agency's (FEMA) A7 and A8 and V7 and V8 flood zones as shown on Flood Insurance Rate Maps (FIRMs), while the Tidal Wetland and Ocean Beach Overlay District boundaries correspond to the actual limits of tidal wetland and ocean beach features. Since the Study Area (OD) does not fall within the boundaries of the aforementioned, they are not applicable to this Study Area.

The Village also has three established Historic Districts which are in essence overlay districts intended to protect and preserve important historic resources and maintain and enhance the Village's unique character and cherished identity. These historic districts are not zoning districts *per se*; but nevertheless trigger a requirement for review and issuance of a "Certificate of Appropriateness" from the Board of Architectural Review and Historic Preservation for certain development or demolition activities within their boundaries.

A portion of the Study Area is within one of the Village's Historic Districts. This particular district centers on the intersection of North Sea Road and Windmill Lane and extends from near the southerly property lines of the Southampton Post Office (#38, **Figure 3**) and Schmidt's Market (#36), south, to the northern property boundaries of the Southampton Police Station (#75) and Stop & Shop shopping center, and along Post Crossing at the southeastern end of the Study Area. The historic district encompasses approximately 20.37 acres of the OD Study Area and affects 27 of the lots within the Study Area. **Figure 4** depicts the geographic boundaries of this historic district.

Chapter 65, "Historic and Landmark Preservation," of the Village Code outlines the policies and procedures for protecting local cultural resources in designated Historic Districts, including applicable legislative findings; responsibilities of the Board of Architectural Review and Historic Preservation; protocols for landmark and historic district designations; standards and procedures for issuance of Certificates of Appropriateness or hardship exemptions; and enforcement, penalties and remedies.

According to § 65-4 of the Village Code, …*any exterior alteration, restoration, construction, reconstruction, demolition or moving of a structure, land, trees or plantings upon property designated a landmark or property within a historic district, any material change in the appearance of such a property, to the extent that it is visible from a public street, other rights-of-way or park and which shall affect the appearance and cohesiveness of the historic district…*shall require Certificate of Appropriateness review.

2.5 North Sea Road Office District (OD) Standards and Requirements

The Village OD District provides the mechanisms for establishing a variety of professional and medical offices that deliver business and employment opportunities and medical and other essential public and private services to support and care for a municipality having a moderate-density suburban village scale.

Permitted OD Uses

Land use controls are used primarily to promote compatibility among uses, prevent potential nuisance impacts that can degrade property values, diminish land use functions, and reduce the quality of life for residents. They also help to achieve community land use goals such as providing a mixture of housing to serve diverse residential needs, increasing employment opportunities for residents, and satisfying demand for essential products and services.

Specific land uses permitted as-of-right in the Village's OD include:

> business, utility, and professional offices; offices of licensed health care professionals; medical arts facilities; accessory home professional offices in legally existing residences; banks; funeral homes; mortuaries; chapels; parks, playgrounds and other recreational facilities when operated or authorized by the Village; libraries; museums; and agriculture, with the exception of animal husbandry.

Special Exception OD Uses

Special Exception (SE) uses are land uses that a municipality finds appropriate or desirable for an area but may potentially conflict with nearby land uses unless the developer can demonstrate consistency with a specific set of thresholds, standards and restrictions that ensure that potential adverse impacts will be prevented or adequately mitigated. SE use laws, therefore, provide a mechanism for allowing certain land uses that may be suitable for the community for social, economic or other recognized benefits, but require conformance to SE standards or conditions of approval to ensure that the proposed use is compatible with other uses and will not negatively impact the community. SE review provides an additional level of protection against anticipated impacts by ensuring proper design, while also providing opportunities for development and the achievement of certain municipal land use goals.

Article IV of Chapter 116 of the Village Code lists the land uses and the standards and procedures for issuance of SE permits. SE permits are administered by the Village Board of Appeals (BA) with possible input from the Village Planning Board, and must demonstrate compliance with the "general standards" and "special conditions and safeguards for certain uses" as provided under §§ 116-22 and 116-23 of the Village Zoning Code, respectively. The Village's SE standards, conditions, and safeguards were specifically designed to prevent or otherwise sufficiently mitigate land use impacts, promote land use compatibility between future SE uses and existing and future as-of-right OD uses, and ensure that the general layout and design of projects fit seamlessly into the fabric of its district while maintaining consistency with the Village's land development goals. SE reviews and conformance to their standards are therefore of particular importance where a proposed SE use adjoins a residential use.

Uses allowed in the OD through SE review and approval process include: one- and two-family detached residences and multifamily dwellings; places of worship; nursery schools; public and private schools; country clubs, golf clubs, membership clubs, and not-for-profit organizations; nursing homes or rest homes; social educational, fraternal or philanthropic organizations; public utilities; transportation stations and terminals; greenhouses and nurseries; restaurants; and offices with shops for plumbers, electricians, and home improvement contractors.

OD Dimensional Standards and Study Area Form and Pattern

Dimensional standards control building height, massing and bulk; lot coverage; the siting of principal and accessory structures; and guide the overall development pattern of a zoning district. They help to ensure adequate light, air, and convenience of access. They also control or promote development density by preventing overcrowding of land and buildings in order to prevent undue concentration of population and traffic congestion, or conversely, promote the centralization of development in suitable areas to support economic growth, promote economies of scale, achieve walkable communities, and guide the smart and efficient use of land and infrastructure. Dimensional standards, along with land use controls and design guidelines, also help in achieving a desired district character. As with land use controls, dimensional regulations are designed to achieve a particular community vision of form, space, and scale and address various identified issues and needs.

The dimensional standards for the Village's OD zoning district are provided in **Table 5**.

TABLE 5
VILLAGE OF SOUTHAMPTON
OFFICE DISTRICT (OD) DIMENSIONAL REGULATIONS

Dimension	Requirement
1. Lot Area[1]	---
Minimum (square feet)	20,000
Minimum per dwelling unit (square feet)	20,000[2]
Lot coverage, maximum coverage by main and accessory buildings and structures (percent)	25
3. Lot width, minimum (feet)	100
4. Height, maximum	---
Stories	$2^1/_2$
Feet[3]	35
5. Yards, principal building, minimum (feet)	---
Front	35
Side, minimum for 1	35[4]
Side, total for both on interior lot	60[4]
Side, abutting side street on corner lot (on the street designated by the Planning Board)	35
Rear	30[4]
6. Yards, accessory buildings and structures, minimum (feet)	---
Distance from street	40
Distance from rear line	20
Distance from side line	20
7. Lot coverage, maximum coverage by a one-story building (square feet)[5]	4,000
8. Lot coverage, maximum coverage by a two-story building (square feet)[5]	3,500

NOTES:

1-Where public sewerage is not available, no lot shall be built upon which has insufficient space for a private sanitary waste disposal system, as determined by the municipality and the Suffolk County Health Department.

2-Editor's Note: This local law also provided that in the case of a site plan approval granted by the Planning Board prior to July 8, 2005, application for a building permit with respect thereto shall be exempt from the provisions of this local law (and the construction authorized by such building permit shall be exempt from the provisions of this local law), provided that application for a building permit is diligently prosecuted.

3-Notwithstanding the maximum height in feet dimension set forth in the above table, the maximum height in feet dimension shall be 25 feet for any building with an overall roof pitch of less than 33% from eave to highest ridge.

4-Article III, “Supplemental Use and Dimensional Regulations”, §116-11 D. (7) (a) of the Village Code requires 50-foot side and rear transitional yards when side and rear yards in nonresidential districts abut a residential district.

5-This regulation shall not be applicable to a building used for any use classified in the Table of Use Regulations as a residential community facilities use (Use Category B in said table). This regulation shall not be applicable to a building used for a hospital use.

Chapter 116, Article III of the Southampton Village Zoning Code contains additional supplemental use and dimensional regulations, including requirements for broader side and rear yard setbacks or “transition yards” in conjunction with screening in nonresidential zones that adjoin residential districts (see Footnote 4 in the OD dimensional regulations table above). The purpose of transition yards is to provide suitable separation, buffering, and screening between zones of differing use and intensity in order to mitigate potential land use conflicts such as noise, impacts on residential privacy, or other negative encroachments that may affect the use and enjoyment of adjacent land. These transition yards are particularly relevant to the subject Study Area as its eastern and western boundaries abut several single-family residential districts.

Existing Nonconforming Land Uses

A nonconforming land use is simply a land use that is not currently permitted in a zoning district or allowed subject to a SE permit. Typically, existing nonconforming uses are what are described as “legally pre-existing nonconforming land uses”. A pre-existing nonconforming use is a use that was established before the adoption of the zoning regulations or the amendments that made them nonconforming, and therefore, is considered “pre-existing,” “legally-existing” or lawful (i.e., “grandfathered”). Legally pre-existing nonconforming land uses may be enlarged and are permitted to continue to operate until such time they are discontinued for a specified period of time promulgated by a municipality’s Zoning Code. Legally pre-existing nonconforming uses differ from nonconforming land uses that were established after the adoption of the zoning or applicable amendments and would, therefore, existing without Village authorization, unless appropriate variances are in place.

Existing land uses within the Study Area that are not expressly permitted or allowable in the OD through the Village’s special exception process include three (3) markets (i.e., a meat market (#12), seafood market (#12), and general food market (#36)), a bakery (#53), a small home furnishings store (#66), and an antique shop (#48), which all involve the sale of goods. The tick and mosquito control company (#17) and fuel oil services company (#15) that currently operate within the Study Area may or may not be consistent with current OD use guidelines, depending on the exact nature of these uses (e.g., use as an office or handling or storage of potentially hazardous materials).[6] Also, the warehouse or ministorage building (#45) located west of the intersection of North Sea Road/Bowden Square and Windmill Lane is clearly not a permitted use under the current OD use requirements. Since all of the above land uses have been operating for an extended period of time without any apparent revocation of their Certificate of Occupancy or enforcement action, they are considered to be legally pre-existing uses, have been approved

[6] Offices and shops for plumbers, electricians, and home improvement contractors are permitted in the OD subject to the issuance of an SE permit.

through the variance process or have been interpreted as being consistent with the Village Code based on available information.

2.6 Hampton Road Office District (HRO)

It is important to examine the general nature of other office districts in the Village to understand the types of offices that exist and may be permitted in the Village, the supply and demand of office zoned properties, the potential scale, pattern and character of these districts, and how the existence of other office districts may impact the North Sea Road OD when developing a strategy for improving the Study Area.

Review of the Village's Official Zoning Map shows three distinct geographic areas within the Village that are specifically zoned for office uses (two OD district areas and one district along Hampton Road designated the Hampton Road Office District (HRO). The largest of the three office district areas is the OD located along sections of North Sea Road and Windmill Lane between CR 39 and Hampton Road, which is the primary focus of this Study (**Figure 2**). This OD area connects to a small HB zone located along CR 39 to its north and the Village's single VB district to its south. A second and very small OD area, which is currently improved with one two-story office building, is located along the west side of Flying Point Road, southwest of the intersection of CR 39/Flying Point Road and Hampton Road/Montauk Highway. The third geographic area in the Village zoned primarily for office uses, and second largest of the office zones, is the Village's HRO district. This zoning district includes lots with frontage on Hampton Road beginning approximately mid-block between North Sea Road and Elm Street at its west end, extending in an easterly direction to the Hampton Road/Leland Lane/David White's Lane intersection. This district is separated from the North Sea Road by just a few tax parcels.

The HRO is similar to the OD in many respects. The two zoning districts are nearly identical in terms of the uses that are permitted by right or allowed through the special exception review process, and by default, those that are prohibited. In fact, a comparison of the uses allowed in the HRO and OD districts reveal that property within the HRO include the same land uses as the OD, except that an office and shop for plumbers, electricians, and home improvement contractors is allowed in the OD through the SE review process, but is not allowed at all within the HRO.[7]

The OD and HRO are also similar in that they are geographically linear-shaped "corridor" districts containing lots fronting on relatively heavily travelled roads and have a close geographic proximity and connection to the VB or downtown. Development within the two districts is subject to the same maximum lot coverage (25%), minimum lot width (100 feet), maximum building height (35 feet), maximum number of stories (2.5), minimum front yard setback (35 feet), minimum side yard setback abutting side streets on corner lots (35 feet), and accessory building/structure setback requirements (40 feet from street and 20 feet from side and rear lot lines). The two districts, however, differ in terms of minimum lot area, minimum total side yard

[7] Business, utility, and professional offices are also permitted in the Village's VB and HB zones and medical offices are also allowed in the VB, HB, HA and MD zones. Home offices are permitted in all districts as-of-right with the exception of the VB (by SE only) and HA (prohibited).

setback on an interior lot, minimum rear yard setback, and maximum lot coverage requirements as illustrated in the table below.

TABLE 6
DIFFERENCES BETWEEN OD AND HRO DIMENSIONAL STANDARDS

Standard	OD	HRO
Minimum lot area (square feet)	20,000	12,500
Minimum total of side yard setbacks on an interior lot (feet)	60[1]	40[1]
Minimum rear yard setback (feet)	30[1]	40[1]
Maximum lot coverage for a one-story building (square feet)	4,000	2,500
Maximum lot coverage for a two-story building (square feet)	3,500	2,000

1-Article III, "Supplemental Use and Dimensional Regulations", §116-11 D. (7) (a) of the Village Code requires 50-foot side and rear transitional yards when side and rear yards in nonresidential districts abut a residential district.

As shown above, the primary difference in the dimensional requirements of the two office districts is that the HRO, with its smaller minimum lot area, lot coverage, and side yard setback standards is designed to promote smaller, more closely spaced land uses and buildings. The larger HRO rear yard setback seems contrary to the notion of a more compact office district as it is deeper (40 feet in the HRO as compared to 30 feet in the OD); however, since the rear yards of some OD properties in the Study Area and all of the HRO zoned properties abut residentially zoned land, the OD and HRO districts in several instances, are subject to the same 50-foot nonresidential-to-residential transition yard.

<u>Village Business (VB) and Highway Business (HB) Districts</u>
The Village's business districts include the OD, VB, HB, LI, HRO, HA and MD zones. The VB and HB have particular significance to this study as these districts not only adjoin and therefore transition to and from the OD, but also directly influence or are directly influenced by the OD due to their proximity and the general nature of permitted uses. How these districts influence or are influenced by one another can determine whether they will support, enhance, synergize or detract from one another and the overall health of the local business community and character of the Village. Of particular concern is the potential for over saturation of similar land uses and excessive competition for clients and patrons due to low use diversity. This could negatively affect the ability of businesses to thrive or remain viable, impact district sustainability, and potentially increase vacancies or other associated impacts, if not properly evaluated.

The OD differs from the VB and HB districts in its permitted mix of uses and its overall form and function. The primary distinction between HB and OD is that the North Sea Road OD is a more loosely spaced lower density mixed use corridor that excludes many types of business uses; whereas the VB is a more tightly spaced compact and more walkable central "Main Street" style business district that currently caters largely to a summer clientele and allows a variety of small retail uses, many of which sell specialty or luxury items. Many businesses in the VB are seasonal in nature, differing from uses in the OD that are more likely to furnish the day to day products and services sought by year round residents.

The HB at the north end of North Sea Road, when considered with the small adjacent Town HB district to the northwest is more of a small discrete intersection-oriented zoning district but when considered in context of the larger/longer commercial corridor between Shinnecock Hills and Flying Point, is more akin to a highway business corridor district.[8] The HB tends to be more oriented toward the driving public than the OD as it caters to a much higher volume of passersby, commuting tradespersons, and others from the commuting or traveling public who might wish to make a quick stop for gasoline, fast food, donuts and coffee, other convenience goods and services on the way to other destinations. The greater CR 39 HB corridor also offers auto repair and personal services and more costly and durable goods such as automobiles, household appliances, and home furnishings which tend to have a wider market area or "draw" than convenience goods.

The dimensional requirements of the HB tend to allow for larger, more intensive, and generally more widely spaced development than that of the OD and allow certain uses that are less compatible with residential development.

[8] A small Village HB district also exists at the northwest side of the intersection of CR 39 and Hampton road/Montauk Highway. This HB district currently contains various businesses including a pet shop, retail apparel store, a hair stylist, nail salon, building contractor's office, motorsports business and swimming pools sales office, and medical offices.

3.0 LAND USE AND ZONING ANALYSIS

Currently, the Village has four zoning districts which allow professional office uses; 6 that permit medical offices; 3 that allow a shop and office for tradespersons (1 as-of-right and 2 by SE permit); 6 that allow medical arts buildings (5 as-of-right and 1 by SE permit); and 15 that allow home offices as accessory uses (14 as-of-right and 1 by SE permit). By comparison, the Village has just one zoning district that permits retail (i.e. the VB district) and two that permit personal services uses (i.e. the VB and HB). These districts are each at or very close to their maximum build-out capacity under current zoning and therefore have limited potential for absorbing additional retail and personal service growth demand. The abundance of property zoned for offices in the Village and greater availability of land that can be developed or expanded, coupled with a trend toward greater retail demand according to market analyses prepared by NP&V (2014) and the Gibbs Planning Group (2013), indicate that additional retail and personal service type businesses should be accommodated at other appropriate locations in the Village.

3.1 Assessment of Zoning in Similar Communities

A review of the zoning codes of several east end communities was performed to provide a more detailed investigation of the types of land development policies that exist for managing small office and/or business district growth. The analysis included an examination of the use and dimensional standards of the Village of East Hampton and the Towns of East Hampton, Southold and Southampton. These communities have much in common with the Village of Southampton as they have similar geographies, demographics, land uses, development densities and patterns, economic markets, environmental resources, and goals and development practices, and therefore, provide examples of potentially viable approaches to enhancing land management practices in the Village. It should be noted that each community is also somewhat unique, therefore requiring standards and regulations be specifically tailored to their individual needs through the process of a “ground up” assessment of the community and actual physical, demographic, and social characteristics, needs, plans, aspirations, and existing regulatory framework.

3.2 Assessment of Uses in the OD

A comparison of existing and permissible land uses in the OD to existing land uses in the Study Area revealed a mix of permitted, SE, and pre-existing nonconforming type uses. Several commercial uses, including three food markets, a bakery, a small retail specialty shop (home furnishings), an antique shop, a warehouse/ministorage building, and possibly pest control and fuel oil businesses that might be construed as inconsistent depending on the exact nature of these uses and one’s interpretation of the Code, are currently considered to be generally inconsistent with the Village’s current land use table. This translates to potentially 9 inconsistent land uses out of 71 lots (excluding vacant lots) in the Study Area or 12.6% of the uses. The first several uses listed above (i.e., the three markets and bakery) are for the most part small retail grocery uses that residents from the immediate area are likely to frequent. The small home furnishings store and antiques shop are retail businesses that sell more durable goods and are likely to be patronized by both year round and seasonal residents, while the antique store may also attract visitors to the area. The fuel oil and tick and mosquito control services would be patronized by local businesses and both year round and seasonal residents. The warehouse/ministorage building is clearly inconsistent with the current land use table. The land uses listed above, with the exception of the warehouse, are in summary, retail or service uses that serve local year round residents.

This mixture of uses, specifically the pre-existing retail uses in the Study Area, results from changes to the Village Zoning Code. Under the original Village Zoning Code of December 7, 1930, the area along both sides of North Sea Road from the village center to Hillcrest Avenue was zoned commercial or retail. The area north of Hillcrest Avenue to CR 39 on both sides of the road was zoned residential, requiring a minimum lot size of 5,000 square feet. A 1963 zoning amendment unified the area creating a retail zone from the south side of Jobs Lane, to the west side of Windmill Lane, to the east side of North Main Street and along both sides of North Sea Road to the railroad right-of-way. The area north of the railroad to Hillcrest Avenue to CR 39 was zoned residential.

A major zoning change in 1973 rezoned the properties along North Sea Road, in the Study Area, to the present OD zone. In 1973, all sites presently identified as pre-existing retail existed as retail businesses. Since the zone change in 1973, only two properties fronting on the road have been developed as an office, a law office and a medical office. The medical office has now been abandoned and replaced in part by a retail bank and the remaining space is vacant. **Appendix C** contains past zoning maps showing historic zoning patterns.

Based on the above analysis, it appears that the Study Area is most suited for a mix of professional and medical offices, personal service business, public or institutional land uses, and small to moderate sized retail establishments that will not significantly compete with other established or future businesses in the Village. Land uses should strive to meet the unmet daily demands of the year round population in terms of providing the source for essential goods, personal, professional, and public services, and health care, while demonstrating a level of economic viability and sustainability. Preferred land uses are also those that will provide reasonably priced products and services, that again, supply local year round resident's needs, rather than the high-end luxury and up-scale shops and boutiques that cater to seasonal clientele in the VB zone. Land uses should be of the type having small to moderate sized buildings that can be accommodated on existing lots that are already platted, easily integrated into the fabric and character of the Village, and transition nicely into other business districts, without causing adverse impacts on adjacent residential neighborhoods or diminishing the high quality of life Village residents currently enjoy. The density, intensity and character of these uses should be such that they fit seamlessly into the district, transition well, and function harmoniously with adjacent neighborhood land uses.

Since the Village is not served by a municipal sewerage system, land uses must also be of a type, size, and scale that will not exceed Suffolk County Department of Health Services (SCDHS) wastewater discharge requirements and which can accommodate the level of parking demanded on-site without generating excessive traffic or parking and circulation issues (See **Section 3.3.1**, below). Uses and operations should be of the types that are consistent, if not supportive, of one another rather than detracting from uses in other Village districts, although some competition between uses in and among districts is likely to occur and would be considered beneficial.

Big box stores are not appropriate for this district due to the size and scale and parking and traffic demands associated with these uses. Building designs of locally owned "Mom and Pop" businesses that fit into the character of the area are generally preferred over "formula" building designs and accompanying signage that are common to nationwide or regional chain stores.

3.3 Assessment of Dimensional Controls, Form, Pattern and Design

Density

Development density in the Study Area portion of the OD should be the same or slightly higher (more dense) than that of the more widely spaced, large lot, high volume, vehicle oriented HB district which provides for more intensive vehicle accessible business uses but lower density than the compact, small lot, walkable traditional mixed use VB district comprising the Village's central business district. This intermediate development density will promote the establishment of a business district that is unique in terms of its density, form and pattern, building massing, parking and access arrangements, and the particular types and scale of uses it attracts. An intermediate density will provide a smooth transition between the outlying HB district and the central VB district as one approaches the Village center, and will help in maintaining densities that conform to SCDHS regulations.

Density is largely controlled by minimum lot size, lot coverage, and lot width standards, in conjunction with principle building setback requirements, and maximum height and number of stories that are permitted. Minimum lot size for any new lot that might be created in the OD is 20,000 SF[9] and building coverage is restricted to a total of 25% of lot area except that individual buildings may not exceed 4,000 SF of coverage for single-story buildings and 3,500 SF for two-story buildings. Minimum lot width is 100 feet in the OD for a newly created lot, and the maximum building height and number of stories are 35 feet and $2^1/_2$ stories, respectively. Since few lots are large enough to be subdivided in the Study Area, the size, shape, and width of the existing lots, along with the building coverage and setbacks control the existing development density and are not reflective of current OD standards.

Since the Village is not served by a public wastewater treatment facility at the current time, and there are no known immediate plans to service the North Sea Road, upper Windmill Lane area, future development must not exceed the maximum wastewater discharge standards of the SCDHS which are based on land use type and size.[10] The Study Area falls within the SCDHS's Groundwater Management Zone V.[11] Commercial development in Zone V must not exceed a wastewater population density equivalent of 300 gpd/acre (43,560 SF). It is noted, however, that if the current lot configuration existed prior to adoption of these standards in 1981, than properties are grandfathered and are assigned a maximum density load of 300 gpd for undersized lots (this is the case for most of the properties within the Study Area). **Table 7** presents the estimated maximum development density permitted by the SCDHS for various types of businesses in

[9] The average lot size (or portion of a lot within the Study Area) is 0.63 of an acre (27,443 SF) and the median is 0.34 of an acre (14,810 SF).

[10] The SCDHS allows up to two times the permissible density when development rights (or "wastewater credits" by the SCDHS) are transferred to a site. Such transfers, however, must be approved by the municipality. For the purposes of this analysis, it is assumed that no development rights are being transferred.

[11] The VB district falls within Groundwater Management IV which allows a density load of up to 600 gpd/acre and therefore greater development density than the OD under the SCDHS standards.

Groundwater Management Zone V and the OD Study Area before an advanced sewage treatment form of wastewater disposal is required. Based on the data below, it is projected that a retail use on a 20,000 SF (0.46-acre) lot (i.e., the minimum lot size in the OD) could accommodate a structure with 4,600 SF of floor space under SCDHS standards.

TABLE 7
MAXIMUM DEVELOPMENT DENSITY PERMITTED PER ACRE BY THE SCDHS FOR VARIOUS TYPES OF BUSINESSES GROUNDWATER MANAGEMENT ZONE V

Land Use	Standard (Density Load)	Estimated Maximum Gross Floor Area (SF) per acre
Non-medical office	0.06 gpd/sf	5,000
Medical office	0.10 gpd/sf	3,000
Dry store	0.03 gpd/sf	10,000
Wet store w/food	0.03 gpd/sf	10,000
Convenience store	0.03 gpd/sf	10,000
Restaurant	10 gpd/seat[1]	1,050

Source: SCDHS (1995 and 2008)
1 - Based on 35 SF per seat
2 - The maximum lot coverage requirement for a use in the OD is 4,000 SF for a single-story building and 3,500 SF for a two-story building.

Another factor affecting density is the number of parking spaces that must be accommodated on-site which is based on parking formulas set forth in the Village Code and typically require considerably more land than actual on-site building improvements. Section 116-14 of the Village Code outlines the parking requirements for various land uses including, offices, medical offices, and retail each of which are all one space per 180 square feet (SF) of gross floor area (GFA) and restaurants which require one space per 3 permanent seats or the floor area equivalent, plus one per employee. Using the single space per 180 SF of GFA parking standard and assuming 180 SF per space (10′ x 18′) and a 24-foot wide aisle (120 SF of aisle area per space) a minimum of 300 SF is required for each space for a 90-degree double-stacked parking lot. This indicates that for every 180 SF of GFA, an absolute minimum of 300 SF must be provided for parking. This does not include landscaping, additional space required for ADA accessible parking spaces, access driveways, parking lot landscaping, and the like or the actual sizes and configurations of lots which can result in inefficient parking layouts.

Currently, there is limited intermittent on-street parking along North Sea Road and on-street parking along Bowden Square but no public parking. There is the potential for shared parking within the Study Area, however, at a mid-sized off-street parking lot on a separate undeveloped lot at the northeast end of Bowden Square that currently serves the Publick House restaurant and its catering activities. Assuming the standard comfortable and convenient walking distance of one-quarter mile (1,320 feet), this parking lot could potentially serve some nearby land uses within a quarter mile radius of the property. This would include land uses within the Study Area between Post Crossing and Prospect Street. The practicality of the use of this lot, however, would depend upon an agreement with the property owner, the public's knowledge of the existence of the lot (i.e., signage), the type of use that is being visited, its draw and weather conditions. Since there are limited on-street parking and a lower development density than in the VB, most sites utilize private on-site parking. Required parking and the space to accommodate it, therefore, is largely related to the type of use and size of a building which are determined during site plan reviews.

Other limits on density may include requirements for broad transitional setbacks and landscaping that are necessary to protect adjacent residentially zoned land. Based on the land use analysis, the types of uses desired, and community character, a moderate density business corridor is recommended.

Lot Coverage

Lot coverage standards are closely tied to development density and are therefore another tool for achieving desired land use patterns. They can provide a level of uniformity and an envisioned scale and character to districts and can help to ensure suitable areas for landscaping that beautify sites and provide shade to reduce the "heat island effect," allow public space and areas for stormwater recharge. Lot coverage is also closely tied to building height and the maximum number of stories that are permitted. For example, buildings that have two-stories tend to provide greater land efficiency when compared to single-story structures having the same GFA. This is because the larger footprint of an equally sized single-story building will occupy more of the land that could otherwise be used for parking if the building were two stories.

Lot coverage standards are typically based on a percentage of the total lot area; however, the Village's coverage standard is set at a maximum of 4,000 SF for a single-story building and 3,500 SF for a two story building, regardless of lot size. These standards promote small- to moderate-sized office buildings and prevent the establishment of overly large structures that require large lots and numerous parking spaces and exacerbate traffic congestion and large buildings are inconsistent with the general character of the OD. The current coverage standard maintains a level of consistency in terms of building size; however, does not take the relative building size to lot area into consideration.

Lot Width

Minimum lot width requirements help ensure lots that are suitable in terms of their size, shape, and street frontage. They help to ensure adequate spacing of lots, foster the creation of suitable building envelopes, after consideration of required yard setbacks, and can contribute to a desired physical form in an area. Typically, the more vehicle-oriented a district is, the faster the speeds along the commercial or office corridor, and the larger and more intensive the uses are. When lots are narrow and accesses are not shared, there can be numerous curb cuts along the street. Numerous individual access/egress points can cause traffic conflict points and reduced flow efficiencies. More walkable commercial districts usually have narrower lots and more compact development to maximize pedestrian accessibility, and 2 or 3 stories to maximize building occupancy and street activity. However, numerous access points/curb cuts result in a greater number of vehicle/pedestrian conflict points. Since the Study Area consists of existing lots, lot width primarily comes into play when a parcel is subdivided. Lot width is measured from side property line to side property line at the front lot line. The current lot width standard is 100 feet. Actual lot widths are quite variable throughout the Study Area.

Yard Setbacks

Yard setbacks control the locations of principal and accessory structures. They provide separation between uses thereby preventing encroachment of land use activities on adjacent properties, and in dense developments, ensure exposure to sunlight and circulating air. Like lot width and density standards, yard setbacks can also contribute to the physical form of a district and in establishing a unique physical character. Of particular relevance to the current study, are transitional yard setbacks. Transition yards are typically applied to nonresidential properties when they adjoin residential properties, as is the case with many parcels/land uses in the OD. Transition yards provide additional space, buffering, and screening (when fully or partially vegetated or fenced) necessary to prevent adverse impacts and ensure harmonious development. Since a number of lots in the OD abut residential properties, it is important to continue to apply transitional yard setback requirements to protect adjacent residential properties from encroachment and ensure the continuation of a quality living environment. In districts where compatibility is less of an issue, setbacks may be of lesser depth, depending on a number of other factors. Yard setback standards in the OD are as follows: 35 feet for the front yard; 35 feet for the side yard; no less than 60 feet for both side yards combined; 35 feet when the side fronts on a side street; and 30 feet for the rear yard. Actual existing building setbacks in the OD are quite variable due to platting and construction that occurred before the current zoning was in place, including a number of structures that have what appear to be "zero" front yard setbacks or very shallow setbacks and others that are more consistent with the currently required 35-foot setback.

Build to Lines

Build to lines or maximum setbacks are a technique to move buildings closer to the street, they provide a level of district uniformity, greater space in the backs of properties for rear yard parking, and conserve space. They can also provide more consistent space in front of buildings and allow for a uniform landscaped front yard along a street. The Village currently does not have "build to lines" or maximum setback requirements, except in the VB District, where the maximum front yard setback is three feet for the first floor.

Parking

Parking demand and spacing and its relationship to development was previously discussed under the section entitled "Density" and is discussed further in **Section 3.3.1**. However, the location of parking on a lot is also important. Current thinking in the planning profession is that off-street parking should be provided to the rear of commercial buildings and sometimes along the side, but typically not in front. Locating parking behind buildings can help to improve the overall visual appearance of business districts by hiding parking lots behind buildings while providing adequate screening, and allowing the buildings and storefronts to address the street and be the most prominent visible feature in pedestrians' and motorists' line of sight. "Build to lines", as discussed above, can also help to provide some level of consistency with community form and character. Requirements for transition yards can again come into play when parking lots are provided to the rear of buildings to mitigate potential impacts and encroachment on neighboring residences. When transition yards are combined with fencing and enhanced landscaping (particularly evergreen species) or existing vegetation is retained, suitable buffering and screening can be provided.

Building Height and Number of Stories

The heights and number of stories of buildings, and thus their contribution to gross floor area on a lot in the OD should be based on the needs of future land uses, the space required to accommodate on-site parking for the use, anticipated traffic generation, the ability of the site to absorb wastewater flows produced by the use, and the desired physical character of the built environment, including historical and architectural considerations. Retail uses typically occupy single-story buildings or the first floor storefront of taller buildings. Two- or three-story retail or mixed use buildings are more commonly found in central or "Main Street" business districts on Long Island (e.g., the VB district) with office and/or apartments on upper floors, whereas highway business corridors tend to consist primarily of single-story retail buildings. Office uses in the Village typically occupy one- or two-story buildings or occupy the upper floor of a two-story mixed use building.

Based on the existing character of surrounding residential and business development in the area, the types of uses envisioned, limitations on on-site sewage discharge, and the desire to maintain or construct buildings consistent with the area's residential character, the existing maximum number of stories and building height standards of 2.5 stories and 35 feet appear reasonable and appropriate.

Design

Building design and appearance are important factors to consider. Quality design can help in enhancing community character, business district function, success and sustainability. Many goals and recommendations from the Village's Comprehensive Plan, which are based on input from the community, clearly reflect this, and promote quality design:

- Develop design controls requiring commercial conversions of a residential property [in the OD] to maintain the house-like character of the structure and lot.
- Maintain and enhance the Village's community and historic character, its aesthetic qualities, and its unique sense of place.

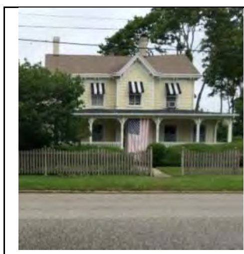
Architectural design (building form, style, height, massing, and scale, rooflines, building materials used), development patterns and density, yard setbacks, mix of uses, locations and design of site accesses and building entrances; location of parking; site connectivity and circulation patterns, and landscaping and screening can enhance the appearance of the OD, soften or screen views of otherwise objectionable features, help in maintaining historic character, and make for a more desirable place to work, shop and conduct business.

The North Sea Road corridor between CR 39 and the Village Business District serves as a gateway into the Village's historic center. Further, the southerly end of the Study Area is situated within the Southampton Village National Register Historic District which contains buildings that contribute to this historic character. Several of the buildings along the corridor date to the early 1900s, and many buildings and properties, including some of which have been converted to office or other nonresidential land uses, still reflect their former residential character. North Sea Road offers an attractive streetscape, and adaptive reuse and redevelopment in accordance with design guidelines which protect and enhance these positive historic and aesthetic attributes and guide the

ARB in its review processes would be helpful in many respects. Current building design and character is mixed in the in the Study Area but is summarized as follows:

- There are many styles represented along the corridor and most generally fall within the New Traditional and Styled American Vernacular,[12] with much Colonial Revival and Shingle style influences.
- There are also several standouts which are illustrated in the photos below with styles noted.

		
Location 3: Colonial Revival (with a window that is influenced by the Queen Anne style)	Location 5: Colonial Revival with styled vernacular appointments	Location 53 Greek Revival

			
Location 47: Italianate	Location 48: Federal	Location 77: New Traditional with Shingle Influence	Location 58: Gothic Revival - Sons of Gidgeon Lodge

[12] Vernacular architecture is a category of architecture exhibiting individual character that reflects local trends, traditions and available materials and thus defines its own local vernacular.

- Many buildings are wood frame with shingle or wood cladding (see Photos #3, #5, #6, #11, #26, #27, #28, #53, #73, #77), and several are brick (#19, #44, #45[13], #46, #66, #70/71, #78).

		
Location 72: The office known as AML Architects provides an example of a structure with wood clapboard cladding	Location 26: Structure near the Lynch Garden Center is an example of a building with wood shingles	Location 19: Former Keezler Gallery–current law office is an example of one of several brick buildings in the Study Area

- Some buildings have architectural features consistent within their architectural style including dormers (#11, #21, #, 24, #25, #26, #38, #44, #49, #50), bay windows (#22, #23, #53), window shutters (#5, #12, #28, #39, #44, #77), porches, porticos, colonnades or verandas supported by posts or columns (#27, #38, #44, #46, #47, #77), turrets (#77), balustrades (#11, #45, and #77), parapets (#73), awnings (#47), and other elements that enhance the aesthetic quality of the building and add to the character along the corridor. Many but not all of these elements are reminiscent of residential structures, which, based on the Village's Comprehensive Plan, is considered desirable. Other features are reminiscent of small local "Mom and Pop" businesses.

		
Location 44: New Bank building on North Sea Road. Building has dormers, window shutters, gable and cross gable roof, multi-pane windows, porch/portico area, porch roof supported by posts	Location 53: Tate's Bake Shop on west side of North Sea Road provides an example of a multi-pane bay window; also wood shingles, gable roof, window shutters, and trellises	Location 5: Looking east toward Eye & Vision office which offers an example of a residential style building uses as a business with gable roof, porch, and window shutters.

[13] There are two buildings on this site. This reference refers to the brick bank building.

Location 46: Looking north from White's Lane: Bennett & Read law office, brick building, roof over-hang/ porch area supported by posts, gable roofs, multi-pane windows

Location 77: Looking west from Windmill Lane at Rogers Memorial Library; wood shingle siding, gable roof line, dormers, turret, porch, posts, and balustrades

Location 45: Looking southeast at Bridgehampton National Bank, two-story brick building with gable roof, and balustrades

Location 73: Looking southeast from east side of Main Street at Design House, single-story parapet with wall sign, multi-pane storefront windows, wood shingles

Location 47: Looking northeast across North Sea Road at Southampton Publick House, residential style structure, gable roof, porch area, roof supported by posts, window awnings

- Many buildings are two stories with gable front or side roofs. Large roofs are punctuated by dormers to break up roof expanses. A few flat roofs are also present; however, in general, roofs in the district are distinct as most are not flat, which is typical with conventional commercial buildings (**Appendix B** provides numerous photos of buildings and rooflines).

- Windows are oriented vertically with double hung windows and mullions dividing the glass into multiple panes. Ground level nonresidential uses also exhibit larger fixed multi-pane windows (#6, #26, #44, #45, #46, #47, #48, #50, #53, #73, and #77).

	Location 48: Looking east from the intersection of White's Lane and Windmill Lane at English Country Antiques; gable roof, multi-pane windows and doors

- Buildings are mostly set back from the sidewalk with a small landscaped front yard (#5, #6, #11, #38, #44, #49, #75, #77, #78), and separated from adjoining properties with landscaped side yards (#11, #27, #45, #49, #75, #77, #78), although some buildings are located on or very near their front lot lines (#7, #9, #10, #26, #46, #48, #53, #58, #66, and #71-72).

		
Location 11: Looking northeast at O'Shea, Marcincuk & Bruyn Law firm, gable roof, dormers, balustrade, window shutters, wood shingles	Location 27: Looking east toward Sabel & Oplinger, PC CPA Office, gable roof, wood shingle siding, entry roof supported by posts	Location 53: Looking northwest at Tate's Bake Shop on west side of North Sea Road, little or no front setback

- In some instances, picket or solid fences (#9, #10, #28, #39, and #47) or privet hedges (#3, #5, #6, #7, #11, #21, #24, #25, #26, #27, #28, and #77) are present to define the boundary between the public and private realm.

	
Locations 9/10: Looking west at AAMEE and adjacent land to south owned by Village, one of a few examples of picket (and other fences and low walls) in Study Area	Locations 21/24/25/26: Looking northwest at Lynch's Garden Center, one of a few sites including both residential and non-residential land uses that have privet, hedge, or other considerable landscaping along its frontage

- Most buildings converted to nonresidential uses have been developed with parking behind the building, although some have parking on the side or the side and rear, and a few have parking in the front or on the street (parking and site layouts can be viewed in **Figure 2**). Building size has been controlled by regulations which limit building footprint size or coverage to maintain this pattern.

- Sidewalks are present on both sides of the street, and separated from the road by a grassy verge within which street trees have been planted (#21, #24, #25, #26 #44, #45, #70, #71). Because of the number of side streets from which properties can gain street access, and the presence of primary or secondary access driveways off of these streets, there are fewer accesses from North Sea Road than might otherwise be expected, which further strengthens the attractiveness of the streetscape and helps with traffic issues (**Appendix B** provides many views of landscaping and streetscaping; locations of site accesses can be viewed in **Figure 2** in **Appendix A**).

Locations #21, 24, 25 and 26: Looking south at Lynch's Garden Center at street, curb, grass utility strip, street trees, and low hedge

Additional screening around dumpster enclosures and in off-loading/delivery areas, landscaping and shade trees to smooth the edges of buildings and enhance the appearance of parking lots and properties, and outdoor lighting that is properly designed, aesthetically pleasing, consistent with the desired character of the district, and prevents excessive glare, light trespass, and skyglow are essential to good planning and proper integration of businesses into the community. Similarly, appropriate signage controls can also enhance the aesthetic qualities and character of a business district and lessen any potential adverse impacts. Signage is also an important element of design, especially in an historic district where a particular style and character is being sought.

4.0 ECONOMIC AND MARKET TRENDS ANALYSIS

4.1 Introduction

The intent of the Economic and Market Analysis section of this report is to evaluate demand and supply of several sectors of the economy in consideration of the areas strengths and assets, and to identify issues and opportunities for the Study Area in terms of possible land use. The long term economic health of the Village of Southampton and surrounding area will depend in part on the Village's ability to create an economic environment to attract uses and provide opportunities to meet the current and future demand for goods and services.

This chapter provides analyses for two (2) major economic categories – "Retail Market Analysis" and "Office Market Analysis." A Retail Market Analysis is performed to identify specific retail uses that are underrepresented and in demand in a selected market area and the amount of additional floor space that is needed to satisfy the unmet demand. An Office Market Analysis is performed to understand the general market trends in the office sector, and market indicators, such as vacancy rate, are reviewed. To understand current market trends in office and retail sectors, local realtors were interviewed. Their feedback was sought for identification of major obstacles in office development and leasing. Discussions and key findings from the realtors' feedback are provided in the later sections of this chapter. Past planning documents were also reviewed and key findings from these reports are noted in the later sections of this chapter. Lastly, a list of recommendations is provided specific to the properties within the Study Area.

4.2 Retail Market Analysis

A retail market analysis was conducted to identify potential needs in the retail and service business sector that may be underserved in the Study Area. The retail gap analysis identifies uses that are needed in the area and the amount of retail square feet that could be supported within the market area. The analysis of local retail market potential identifies and quantifies the existing uses to be used in the analysis of retail demand by residents, visitors and others in the local market. The analysis and recommendations are intended to function as a planning tool, providing the Village with assistance in planning and zoning along the North Sea Road corridor to facilitate business attraction and retention efforts based on the types of uses recommended in this analysis.

4.3 Methodology

Various data and information from national, state, local and private sources were used to conduct the analysis of local retail market potential for the Study Area. Methodology specific to various sections of this analysis are outlined in greater detail where applicable. This form of analysis conforms to standards of the industry, with methods, information, numerical data and sources that are considered the industry standard for the preparation of market analyses.

- The United States Census Bureau was consulted for pertinent demographic data, including population trends, household trends and median household income from 1990, 2000 and/or 2010 for the target market area. These data were utilized to examine the trends in demand for various types of uses for the Study Area.

- International Council of Shopping Centers and Urban Land Institute both publish standards pertaining to trade areas for various types of shopping venues. Moreover, these sources provide median sales revenues per square foot among various types of shopping places and specific types of retail establishments within a sample of shopping-place protocols in the United States. These data were useful in projecting the absorption and the amount of retail space that could be supported throughout the Study Area.

- Environmental Systems Research Institute, Inc. (ESRI) generated on-demand demographic reports specific to the target market areas. Various reports were created for each of the geographic areas under study (including the 10-minute and the 20-minute drive-time radii), with demographic factors in these profiles including those pertaining to age, average household size, median household income, per capita income, and employment, among others. Data were collected for 2000 and 2010 as well as current estimates and projections, where available. In addition, reports were created for the purpose of preparing an analysis of local retail market potential to measure supply and demand. This allows for an understanding of whether existing goods and service providers adequately meet the needs of the local consumers. All estimates and projections provided by this source draw upon data from sources including the Current Population Survey, American Community Survey, Census of Retail Trade (all via the United States Census Bureau), Consumer Expenditure Survey (via the United States Bureau of Labor Statistics), United States Postal Service, Internal Revenue Service, National Bureau of Economic Research, and other commercial and federal data sources.

4.4 Market Areas

In planning for the most economically-sustainable uses within the Study Area it is important to assess various considerations affecting market potential in this location. The first step is to identify target market areas. A target market area establishes the boundary within which the majority of consumer interest will be drawn. The target market areas for this study were calculated based upon two drive times (10 and 20 minutes) from a central point in the Study Area along North Sea Road.

An average 10-minute drive time radius was calculated (through the ESRI Business Analyst program) to determine the Primary Market Area. The Primary Market Area was chosen to represent the area for which local residents' daily needs could be met. An average 20-minute drive time radius was calculated to determine a Secondary Market Area, to represent a reasonable drive time for those goods and services that may not be immediately available in surrounding communities. The Target Market Areas including Primary (red/inner) and Secondary (blue/outer) are shown below.

TARGET MARKET AREA

Source: ESRI Business Analyst, 2013

It is noted that other retail and office centers are present within the 20 minute drive time area, specifically Hampton Bays, Water Mill, and Bridgehampton with smaller retail cluster areas in Flanders, East Quogue, and Noyack. Since these nearby business centers are likely to absorb some if not all excess demand for retail in the Town and much of the focus of this study is on serving year-round residents of the Village, the Secondary Market was not considered. The downtown area of Southampton Village and the CR 39 corridor are within the 10 minute drive time area. Consequently, the types of retail uses that may be underserved in the existing market area and the supply/demand for office use must be considered.

It is also important to note that residents of the Primary Market area do not represent the only consumers projected to support additional business within the community. Other consumers residing outside the target market area support retailers in the Study Area since the Village of Southampton is a destination in itself and is within close proximity to other attractions in the area. Likewise, it cannot be assumed that all persons residing within the target market area will patronize new business and industry within the Study Area. However, the target market area represents a trade area from which the majority of support will be drawn. As such, this analysis will apply a conservative projection of the population that would likely support additional retail space in the community as described in subsequent sections of this analysis.

4.5 Market Demand

In order to determine the amount and type of uses that can be supported in the local market, it is necessary to conduct an analysis of market demand. This section will examine the demand for new business and industry in the Primary Market Area. The demand is based on several determining demographic and socioeconomic characteristics of the residential population located within the target market area. Key findings are provided in **Table 8**.

TABLE 8
DEMOGRAPHIC INFORMATION

Parameter	Primary Market Area
Population (2010 Census)	12,551
Population (2014)	12,798
Population (2019 Projection)	13,033
Number of Households (2010 Census)	4,764
Average Household Size (2010)	2.54
Number of Households (2014)	4,846
Average Household Size (2014)	2.54
Number of Households (2019 Projection)	4,924
Average Household Size (2018 Projection)	2.55
Projected Growth in Number of Households: 2014 – 2019	0.32%
Median Household Income (2014)	$84,794
Median Household Income (2019 Projection)	$103,921
Average Household Income (2014)	$120,896
Average Household Income (2019 Projection)	$149,036
Per Capita Income (2014)	$46,523
Per Capita Income (2019 Projection)	$57,211

Source: ESRI Business Analyst, 2013

Table 9 provides a summary of retail goods and services expenditures for the Primary Market Area for 2013. These data are useful in understanding how money is spent, and the percentage spent on major items. In the Primary Market Area, the total retail goods and services expenditures are $114.8 million per year with an average of $24,014 per year/household. Household budget expenditure data for retail goods and services are provided in **Appendix D**.

TABLE 9
RETAIL GOODS & SERVICES EXPENDITURES

	PRIMARY MARKET (10 Min.) **2013 Expenditure** (No. of HH: 4,781) (Median HH Income: $82,871)	
	Average Amount Spent per HH	**Estimated Total spent by HH within Primary Market Area**
Apparel and Services	$2,469.99	$11,809,022
Computer	$426.42	$2,038,714
Entertainment & Recreation	$5,661.09	$27,065,671
Food	$9,772.27	$46,721,223
Health	$1,159.05	$5,541,418
Household Furnishings and Equipment	$1,761.82	$8,423,261
Household Operations	$2,763.37	$13,211,672
TOTAL	**$24,014.01**	**$114,810,982**

Source: ESRI Business Analyst, 2013
Note: Not all categories of expenditures are included in the above table. For a complete breakdown, see data provided included in **Appendix D**.

4.6 Retail Gap Analysis

In order to quantify the potential opportunity for new business development within the Study Area, a gap analysis was conducted. Such an analysis examines the demand for and supply of various industry sub-sectors to determine if the existing businesses located within the target market area are capturing the full retail sales potential.

While much of the demand for goods and services is satisfied by the existing retailers in the Village Center (VB zone) and the retail corridors along CR 39, there are numerous business segments where demand is quite strong, as reflected in significant gaps between consumer spending and sales – extending beyond the primary market area. Full data for the gap analysis for the Primary Market Area is provided in **Appendix E**. These gaps indicate success potential for existing and new businesses, with demand that is likely large enough to support additional establishment(s) within the target market area. Industries in the primary market area that exhibit a retail gap include:[14]

[14] There are other industry sectors (Gasoline Stations, Electronic Shopping & Mail-Order Houses, and Vending Machine Operators) that exhibit retail gaps in the Primary Market Area. A gas station may not be suitable along North Sea Road considering the surrounding land uses and character of the area. The other industry sectors (Electronic Shopping & Mail-Order Houses and Vending Machine Operators) are considered "nonstore retailers." Therefore, the retail gap exhibited by these industry sectors (Gasoline Stations, Electronic Shopping & Mail-Order Houses, and Vending Machine Operators) has not been further analyzed in this report.

- Auto Parts, Accessories and Tire Stores;
- Grocery Stores;
- Health and Personal Care Stores;
- Shoe Stores;
- Sporting Goods/ Hobby/ Musical Instrument Stores;
- Department Stores Excluding Leased Departments;
- Other General Merchandise Stores;
- Office Supplies, Stationery & Gift Stores; and
- Limited-Service Eating Places (including restaurants where patrons generally order or select items and pay before eating, cafeterias, grill buffets, and snack and nonalcoholic beverage bars such as ice cream stores and coffee shops).

TABLE 10
SUPPORTABLE RETAIL IN PRIMARY MARKET

	PRIMARY MARKET (10 Min.)			Sales/ SF[15]	Supportable Retail (SF)
	2013 Demand	2013 Supply	Retail Gap		
Auto Parts, Accessories & Tire Stores	$2,731,169	$310,447	$2,420,722	$172.90	14,001
Grocery Stores	$31,293,550	$9,737,757	$21,555,793	$485.75	44,376
Health & Personal Care Stores	$16,679,908	$12,415,238	$4,258,670	$429.07	9,925
Shoe Stores	$1,933,665	$1,850,712	$82,953	$189.77	437
Sporting Goods/ Hobby/ Musical Instrument Stores	$4,155,091	$2,050,015	$2,105,076	$220.87	9,531
Department Stores	$9,705,971	$2,988,788	$6,717,183	$243.25	27,614
Other General Merchandise Stores	$12,843,181	$1,717,995	$11,125,186	$205.64	54,100
Office Supplies, Stationery & Gift Stores	$1,338,314	$814,236	$524,078	$202.35	2,590
Limited-Service Eating Places	$7,759,751	$5,061,470	$2,698,281	$278.42	9,691
TOTAL	**$88,440,600**	**$36,946,658**	**$51,487,942**	-	**172,266**

Source: ESRI Business Analyst, 2013 and Dollar & Cents of Shopping Centers/The Score 2008

[15] Median sales per square foot for each retail sector is obtained from the study titled Dollar & Cents of Shopping Centers/ The Score 2008 published by Urban Land Institute (ULI) and International Council of Shopping Center (ICSC). The figures listed are for U.S. Super Community/ Community Shopping Centers.

Table 10 depicts the additional square footage of retail that can be supported within the Primary Market Area. Approximately 172,266 SF of additional retail can be supported within the Primary Market Area. This calculation assumes the 100% capture within the trade market area. This analysis indicates that the Study Area has the potential to absorb additional retail and services currently (2013 data). Demand for additional retail and services are expected to continue and grow in next 4-5 years with population as the median household income is expected to grow 18% - 22% by 2019.

4.7 Office Market Analysis

The real estate market for office space in the Study Area and surrounding area is based upon data published quarterly by Cushman & Wakefield (C&W) for the leased office spaces they track.[16] In analyzing the trends in office availability, the vacancy rate is the key indicator based on which certain conclusions can be made (please refer to **Appendix F** for the last six C&W quarterly reports). The office market inventory and vacancy rates published by C& W (for the first quarter of comparative years) are provided in **Table 11**. For comparison, the inventory located in in Nassau is approximately 21.2 Million Square Feet (MSF) which is almost twice that of the Suffolk inventory (+/- 12.3 MSF). The overall C&W vacancy for the 1st quarter for Long Island in 2010 was reported at 17.6% which increased to 19.2% by 2011. During this period, the Suffolk County vacancy rate increased from 20.0% to 22.0%. The higher vacancy rate was due to the economic downturn and a high unemployment rate of 7.8% to 8.3% on Long Island. From 2011 to 2012, the vacancy rate reduced slightly due to the overall economic recovery and by the first quarter of 2012, approximately 20,800 jobs were added in Long Island. By the first quarter of 2013, overall vacancy in Long Island further grew to 18.1% which was reportedly in part related to loss of jobs related to closures due to Superstorm Sandy.[17] The overall vacancy in Long Island decreased from 18.1% in 2013 to 17.3% in 2014, however during the same time period the vacancies in Suffolk County actually increased from 16.9% in 2013 to 18.1% in 2014. Therefore, the overall vacancy reduction in the first quarter of 2014 is the result of a vacancy decrease in Nassau County that offset the increase in Suffolk County vacancies. By the first quarter of 2015, vacancies decreased in Nassau County and increased in Suffolk County, which resulted in a slight decrease for the total vacancies on Long Island. Since 2013, the trend has been an increase in Suffolk County vacancies and a decrease in Nassau County vacancies.

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[16] Cushman & Wakefield is a real estate firm that was founded in 1917 in New York. The firm has expanded throughout the US and has offices in 60 countries. The Long Island C&W office is located in Melville which includes a research division that publishes quarterly reports on the office and industrial market in Nassau and Suffolk Counties.

[17] The office market for all of Long Island was greatly affected during late 2012 by Superstorm Sandy which hit Long Island on October 27, 2012. Approximately 5,100 jobs were lost in late October and November of 2012 that were directly attributed to the storm.

TABLE 11
LONG ISLAND OFFICE MARKET INVENTORY

Submarket	Inventory as of (1st Quarter of 2015)	Overall Vacancy Rate (1st Quarter)					
		2010	2011	2012	2013	2014	2015
Nassau County	21,162,834 SF	16.2%	17.4%	16.2%	18.8%	16.8%	15.5%
Suffolk County	12,221,857 SF	20.0%	22.0%	18.0%	16.9%	18.1%	18.8%
Total Long Island	**33,324,691 SF**	**17.6%**	**19.2%**	**16.9%**	**18.1%**	**17.3%**	**17.0%**

Source: Cushman & Wakefield, 2015

The quarterly report released by C&W for the 1st quarter of 2015 indicated an overall vacancy rate of 17.0% for Long Island and 18.8% for Suffolk County despite a low unemployment rate of 4.6% (and an increase of over 11,000 jobs above the prior year). The report also indicated that demand for Class-A[18] office space accounted for 70% of the total Long Island leasing activity in the office market.

This analysis indicates that the office market in Suffolk County and rest of Long Island is generally deficient. However, there is a demand for "new" Class-A type office space especially in the parts of region which has greater potential to attract high-tech companies and is located near major research and educational facilities and has access to public transit. However, there is no indication that there will be a great need for smaller and Class B office space in the coming years.

4.8 Interviews of Local Realtors

Local realtors in Southampton were contacted and interviewed to understand the existing retail and office market performance and also to understand what the limitations and barriers in existing real estate are and to identify opportunities for future growth. Some of the key points are listed below:

- The demand for office space has been light. During the bad economy, many small office-based businesses were working out of their homes.

[18] Class A Buildings: A classification used to describe an office building with asking gross rents based on a specified range between the top 30-40% of the office rents in the marketplace. Class A buildings are well located relative to the needs of major tenant sectors in the marketplace. Building systems (mechanical, HVAC, elevator and utility) have capacities that meet both tenant current requirements as well as anticipated future needs. Building services are characterized by above average maintenance, management and upkeep. Buildings must exhibit more than one of the characteristics but need not exhibit all of the characteristics to be considered Class A. Because property characteristics in different markets vary dramatically, property class definitions will remain subjective.

- The most expensive rent found on Main Street is over $100/SF. The average rental rate on Main Street varies between $75/SF to $90/SF. The average rental rate along Jobs Lane varies from $65/ SF to $70/ SF. The rental rate in other parts of the Village (i.e. Jagger Lane, Hampton Road, Office District) is much lower and varies between $25/SF to $40/SF.
- Rental rate in the downtown is comparatively high and "mom and pop" stores are typically unable to afford it. National chains can only afford such high rents which is driving the rental rate in downtown.
- There is need for more retail in the Village, both in the downtown and outside of the downtown. Retail along North Sea Road could be desirable since the rents are lower and the establishment of such uses is unlikely to affect businesses in downtown.

4.9 Key Findings

- Strong spending power exists within the Primary Market area. Within the primary market area (10 minute drive radius) the average household expenditure on retail goods and services is estimated at approximately $24,014 per year with total expenditure of $114.8 million per year.
- There are numerous business segments where demand is quite strong and significant gaps exist between consumer spending and sales in the Primary Market Area. These gaps indicate success potential, with demand that is likely large enough to support additional establishments within the following business segments:
    - Auto Parts, Accessories and Tire Stores;
    - Grocery Stores;
    - Health and Personal Care Stores;
    - Shoe Stores;
    - Sporting Goods/ Hobby/ Musical Instrument Stores;
    - Department Stores Excluding Leased Departments;
    - Other General Merchandise Stores;
    - Office Supplies, Stationery & Gift Stores; and,
    - Limited-Service Eating Places (including restaurants where patrons generally order or select items and pay before eating, cafeterias, grill buffets, and snack and nonalcoholic beverage bars such as ice cream stores and coffee shops).

- None of the above listed land uses are currently permitted in the OD, with the exception of restaurants, which are permitted by SE. Despite the apparent demand for department stores, existing property sizes, past visioning processes, the overall intent of the OD, the character of the area, and other factors, a department store does not appear feasible or desirable in the Study Area. Also, current maximum coverage requirements would not permit the development of a standard-sized grocery store, few lots in the study would be large enough to support such a use without the assembly of additional adjacent land, and "supermarket" and "grocery store" are not currently listed as permissible or SE uses in the any of the Village's districts. All of the remaining land uses listed above would likely fall under the Village's "retail store or shop" category, which are currently only permitted in the VB.
- Based on retail gaps, an additional 172,266 SF of retail could be supported within the Primary Market Area.
- Office market in Suffolk County and rest of Long Island is generally lagging with high vacancy rate ranging 17.0% for Long Island and 18.8% in Suffolk County. However, there is

a demand for "new" Class-A type office space especially in the parts of region which has greater potential to attract high-tech companies and is located near major research and educational facilities and has access to public transit.

- Demand for office space in the Village has been light and there is more demand for retail, both in downtown and outside of downtown.

5.0 TRAFFIC AND TRANSPORTATION

5.1 Purpose

The purpose of this section of the report is to identify existing traffic and transportation systems and related conditions within the area, assess the adequacy of these systems for serving the OD, and identify issues and opportunities for improving access, circulation, public safety, motorist and pedestrian convenience, alternative and multimodal transportation, and enhancement of the overall utility and functionality of the OD. This analysis specifically involves the:

- Identification and analysis of existing transportation systems, including street infrastructure; road geometry; speed limits; lane designations; intersection designs; and traffic controls;
- Observation of peak seasonal traffic conditions and identification of areas having reduced flow or compromised safety due to excessive traffic congestion and queuing, frequent ubiquitous and uncontrolled turning movements, and vehicle to vehicle and/or vehicle-pedestrian conflicts;
- Identification and analysis of existing and potential cross accesses, shared accesses, and the relative distribution or spacing of curb cuts;
- Consideration of the need, benefit, advantages and disadvantages of widening North Sea Road to increase capacity;
- Availability of parking including public parking lots, on-street parallel or angled parking, and private off-street parking;
- Availability or potential for augmented alternative and multimodal transportation opportunities including pedestrian and bicycle amenities and public transit facilities; and,
- Formulation of final traffic and transportation related conclusions and recommendations for the OD.

5.2 Methodology

An experienced traffic engineer from Nelson and Pope (N&P) Engineers and Surveyors, conducted a field inspection of the North Sea Road and Windmill Lane corridors to observe and document traffic conditions during peak season activity. The field work for the traffic/transportation inventory and assessment was conducted during the first week of July 2014 when visitation to the Village may be at its highest. Special attention was paid to existing transportation infrastructure, the functioning of the street system during peak traffic periods, site accesses, parking and circulation patterns, and the availability of alternative modes of transportation.

5.3 Existing Conditions

<u>North Sea Road</u>

North Sea Road is the primary north-south traffic corridor in the Village of Southampton. It serves the OD, a number of secondary residential cross streets, as well as two (2) north-south collector streets (Windmill Lane and North Main Street). North Sea Road also links two major east-west arterial highways (CR 39 and Montauk Highway) which cut through the Village and link eastern Long Island to western Long Island. CR 39 and Montauk Highway (CR 80) (also known as “Hill Street,” “Nugent Street” and “Hampton Road” within the Village) accommodate large volumes of traffic, particularly during the summer months. Year round and seasonal residents, as well as commuting tradespersons, “daytrippers” and “weekenders,” comprise most of the traffic flow along the two arterial highways, and much of this traffic is “through-traffic” or “pass-by traffic” i.e., motorists passing through on their way to other destinations. Due to the very high volume of traffic through the area, there is significant opportunity for local businesses to not only capture year round and seasonal residential markets, but to also capture business from this pass-through traffic if the proper mix of land uses and convenient access are provided.

North Sea Road is also of critical importance as it provides a simple and direct connection between the Village’s HB, VB, and HRO districts. As with the two major east-west arterials, North Sea Road is relatively active during the summer season as the area’s population swells by as much as 3 times its year round population. The section of North Sea Road within the Study Area extends from a point just south of its intersection with CR 39 to its intersection with Post Crossing. The posted speed limit along North Sea Road is 30 miles per hour and the street is maintained by the Village. **Figure 1** shows the street and highway pattern in and around the Study Area.

Intersections

North Sea Road is a two-lane road (a single travel lane in each direction); however, additional left and right turning lanes are provided at several intersections to reduce backup and promote travel efficiency. Traffic signalization, additional turn lanes, crosswalks, and pedestrian crossing devices are available at the following intersections:

- North Sea Road/CR 39;
- North Sea Road/Prospect Street;
- North Sea Road/Windmill Lane/Bowden Square; and
- North Sea Road/Jaeger Lane/Post Crossing.

Separate turn lanes are also provided at the North Sea Road/Willow Street/Hillcrest Avenue intersection, although traffic and pedestrian signalization is not provided at this location. A short vegetated median with low plantings located to the north of the intersection does, however, enhance the appearance of the streetscape in this area, and this feature, along with posted caution signs, provides a physical and psychological barrier between pedestrians and motorists thereby providing a traffic calming effect, and facilitating safe pedestrian crossing at the mid-block cross walk located at the north end of the median. A left/right center turn lane is also provided between Prospect Street and Schmidts Market (#36) where traffic activity and vehicle turning movements are relatively high and unmanaged by traffic signalization.

Access and Circulation

Most of the businesses along North Sea Road within the Study Area have just one access point, with the exception of Lynch's Garden Center (#21-26), PSEG (#18), Schmidts Market (#36), Bridgehampton National Bank (#45), United Methodist Church (#74), the Southampton Post Office (#38), Tate's Bake Shop (#53), The Clamman (12), and Peconic Meats (#12)[19]. Each of these uses, with the exception of the post office and Tate's Bake Shop, are corner lots that have access/egress from North Sea Road as well as an adjacent side street; whereas, the post office has two access/egresses from North Sea Road (one for customers and a separate one for mail delivery vehicles), and Tate's Bake Shop has access from both North Sea Road, along the front of the lot, and Windmill Lane, along the rear of the lot (**Figure 2**). The only businesses along North Sea Road that share an access are Bridgehampton National Bank, which shares it with a small adjacent warehouse or mini-storage building; a small grouping of professional and medical offices located across from Lynch's Garden Center, and The Clamman and Peconic Meats. Most businesses have at least one access/curb cut off of North Sea Road. Exceptions include a law office which has access from Willow Street, a group of offices on the north and south sides of Prospect Street, and a dental office near the intersection of North Sea Road and North Main Street, which has access from Jennings Street.

Parking

Several land uses within the Study Area along North Sea Road either do not have off-street parking or have very limited off-street parking and therefore rely either partly or entirely on on-street parking. Land uses with no or limited off-street parking include the African American Museum (#9 and #10), the Southampton Publick House (#47),[20] several small businesses and offices at the intersection of North Sea Road and North Main Street, Stellar Union (#66), and English Country Antiques (#48).

Parking is permitted along North Sea Road except where street width precludes it, turning lanes exist or where intersection sight line issues exist. Locations where on-street parking is prohibited are posted. Sidewalks exist along both the east and west sides of North Sea Road except for a section on the east side of the road, north of North Main Street.

Windmill Lane

Windmill Lane is also a relatively significant north-south traffic corridor that, along with North Sea Road, accommodates traffic flow between Montauk Highway and CR 39 and links the HB with the VB. Windmill Lane begins at (i.e., splits off of) North Sea Road at the North Sea Road/Bowden Square intersection and continues due south into the VB where it intersects Nugent Street, Jobs Lane and Hill Street. The section of Windmill Lane within the Study Area leads from the North Sea Road/Bowden Square intersection to the Coopers Farm Road/Nugent Street intersection. Like North Sea Road, Windmill Lane serves both retail and office uses; however, it also provides access to several institutional land uses including the Southampton Village Police station (#75), Rogers Memorial Library (#77), and further south and outside of the Study Area, the Southampton Volunteer Fire Department. The Village is also currently considering plans for the relocation of the Southampton Volunteer Ambulance Corps to this area (next to the police

[19] The Clamman and Peconic Meats are on the same lot.

[20] Many patrons of the Publick House also utilize an off-street satellite parking lot located at the northeast end of Bowden Square.

station) as well as the possible construction of a small sewage treatment plant (STP) to serve the VB and reduce nitrogen loading to local ground and surface waters including Lake Agawam. Lola Prentice Memorial Park (#68), Sons of Gideon (#58) (a small social club), and the historic North End Cemetery (#69) are other noncommercial/nonresidential land uses along Windmill Lane. Windmill Lane is a posted truck route leading to CR39/SR27 and the posted speed limit along the street is 25 mph.

Location 75: Looking west from Windmill Lane at Southampton Police Station

Location 77: Looking west from Windmill Lane at Rogers Memorial Library

Location 68: Looking west, from west side of Windmill Lane across Lola Prentice Memorial Dog Park

Location 58: Looking northwest at Sons of Gidgeon Lodge 47, located along west side of Windmill Lane

Location 69: Looking west at the Village's historic cemetery, "North End Graveyard"

Intersections

Turning lanes, crosswalks, and traffic and pedestrian signalization are provided at both the Windmill Lane/North Sea Road/Bowden Square and Windmill Lane/Jaeger Lane/Coopers Farm Road intersections. Windmill Lane/North Sea Road/Bowden Square is a relatively major three-way intersection; while the Windmill Lane/Nugent Street/Coopers Farm Road intersection, is a four-way intersection that has the potential for pedestrian and bicycle activity due to the presence of the public library, a designated bike route that runs between Hill Street and Nugent Street, and the compact development and dense walkable streets of the VB to the south and east.

Access and Circulation

Access to individual land uses along Windmill Lane in the Study Area is taken primarily from single curb cuts along Windmill Lane. Exceptions include Lola Prentice dog park (#68) which has separate access and egress points on and off Windmill Lane and a one-way site circulation pattern from north to south; several small office buildings and a warehouse that have individual or shared access from White Street; one office building that has access from both Windmill Lane and White Street; Tate's Bake Shop (#53) which has access off of both Windmill Lane and North Sea Road; and Rogers Memorial Library (#77) which has access from Coopers Farm Road only.

A sidewalk currently exists along the entire length of the west shoulder of Windmill Lane providing direct pedestrian access and linkage from North Sea Road, to Coopers Farm Road, to Hills Street, and on to Jobs Lane, as well as access to Jaeger Lane and Nugent Street with one street crossing. There are no sidewalks on the east side of Windmill Lane. A designated/posted bike route currently exists south of the Study Area. The route runs along Hill Street, north on to Windmill Lane to Nugent Street (i.e., Montauk Highway) and continues east along Nugent Street toward the center of the VB district. Although the bike route does not pass through the Study Area, it does provide relatively direct access to Rogers Memorial Library which is located at the northwest corner of the Windmill Lane/Coopers Farm Road/Nugent Street intersection.

Parking

Some retail businesses located between North Sea Road and Windmill Lane within the Study Area (e.g., Stellar Union (#66) and English Country Antiques (#48)) have limited off-street parking and appear to rely somewhat on on-street parallel parking available along North Sea Road; while Tate's Bake Shop (#53) has more off-street parking and direct access from both Windmill Lane and North Sea Road. Several small office buildings at the northwest end of Windmill Lane and along White Street take access off of White Street and have off-street/on-site parking. A two-story office building (#52) located at the southeast corner of White Street and Windmill Lane enjoys access off of both Windmill Lane and White Street; while Bridgehampton National Bank together with a small warehouse or mini storage building (#45) have shared access from White Street and North Sea Road. Off-street diagonal parking is available at Lola Prentice Park (#68) and the Southampton Police Station (#75), Southampton Press (#76), and Rogers Memorial Library (#77) each appear to have ample parking spaces to accommodate demand on-site. It is unclear where persons visiting the Sons of Gideon Lodge (#58) park as there does not appear to be any off-street parking at this location. Although there is a vacant lot located behind the lodge, formal parking is not provided. Aside from this one land use, parking appears to be generally sufficient to serve the current land uses along Windmill Lane in the Study area and there does not appear to be a need now or in the near future for on-street parking along the section of Windmill Lane in the Study Area. **Figure 2** shows the parking arrangement in the Study Area.

<u>Transit Service</u>

The Study Area is served by the S92 and 10A bus routes as well as the LIRR. The S92 runs between East Hampton, Southampton, Riverhead, Greenport and Orient Point while the 10A runs between Long Island University's Southampton Campus to Southampton Village, Sag Harbor, and on to the Shelter Island Ferry terminal in North Haven. Bus stops within the Study Area, between CR 39 and Hillcrest Avenue, are heavily utilized.

Hampton Jitney provides year round luxury motor coach line services between eastern Long Island and Metro New York, including service to area airports. Hampton Jitney's headquarters and one of its terminals is located at the OMNI, 395 CR 39 in Southampton, just west of the intersection of CR 39 and David Whites Lane.

The LIRR crosses over North Sea Road between Prospect Street and Miller Road via an above grade crossing. Southampton Station is located approximately 1,800 feet (0.34 of a mile) to the east and access to the station is via North Main Street to Railroad Plaza or by direct bus service provided by the A10. Railroad service in the area is somewhat limited, compared to other central and western Long Island destinations, likely due to less population, lower ridership and/or lesser demand on the east end for this service.

5.4 Traffic Assessment

Land Use and Trip Generation

Types of land use, GFAs, number of stories of buildings, and compactness of development (i.e., development density) are major factors in traffic generation. Mixed use developments tend to generate traffic activity throughout the course of a day, week, and even season as peak trip generation differs among land uses. For example, the peak travel time for an office building would likely be weekdays when employees arrive in the morning and depart in the evening; a deli that makes sandwiches may generate more trips around noontime/lunch time during the week, and a fine restaurant would be expected to generate more trips on Friday and Saturday evenings. Moreover, certain land uses tend to serve seasonal markets or at least generate increased patronage during peak seasons, while others serve trades people, or year round residents seeking day to day goods and services. Some land uses are considered “destinations;” while others are more typically visited by persons on their way to a destination (e.g., stopping for coffee on the way to work or picking up groceries on the way home from work). Finally, the type of traffic that is generated can be affected by land size and type use. For example, increased truck traffic may be necessary for deliveries to larger high-volume retail uses which require on-site loading facilities.

Currently, retail land uses are not permitted within the OD, yet several preexisting retail uses, particularly, those serving primarily the local year round residential community appear to be doing quite well based on seemingly high levels of patronage and longevity. The market analysis performed for this project also supports this conclusion and identified the following types of land uses as having excess demand in the market area to be supported.

- Auto Parts, Accessories and Tire Stores;
- Grocery Stores;
- Health and Personal Care Stores;
- Shoe Stores;
- Sporting Goods/ Hobby/ Musical Instrument Stores;
- Department Stores Excluding Leased Departments;
- Other General Merchandise Stores;
- Office Supplies, Stationery & Gift Stores; and
- Limited-Service Eating Places (including restaurants where patrons generally order or select items and pay before eating, cafeterias, grill buffets, and snack and nonalcoholic beverage bars such as ice cream stores and coffee shops).

The above uses, if permitted on lots fronting on North Sea Road, subject to conformance to certain SE conditions to mitigate potential impacts and facilitate the integration of these uses into the fabric of the OD, is advised. Clustering several small specialty retail stores in proximity to one another or within a zoning district can have a lower traffic impact than a single larger retail activity due to frequency by pass-by traffic, rather than drawing individuals in from greater distances.

Access and Circulation

The use of side streets for primary and/or secondary access to and from corner lots can help to reduce the number of access points and direct vehicle turning movements on and off North Sea Road, alleviate traffic conflicts, and promote more orderly trip distribution and enhanced flow. Currently many corner lots in the Study Area rely on such access arrangements. Continued or future use of side streets for primary or secondary access to corner lots would help to address problems associated with a relatively highly traveled corridor and numerous individual curb cuts and side streets that intersect North Sea Road, especially if some of the larger lots in the Study Area are subdivided in the future. If cross accesses are provided between adjacent land uses and these side accesses were to be shared, increased connectivity for automobiles, bicyclists, and pedestrians would result. The use of side streets is especially effective where its intersection with North Sea Road is controlled by traffic signalization and pedestrian crossing facilities and access is set back far enough from intersections to prevent excessive backup behind turning vehicles, while at the same time maintaining suitable separation distances from nearby residential properties.

Lynch's Garden Center (#21-26), PSEG (#18), Schmidts Market (#36), Peconic Prime Meats/ Clamman Seafood Market and Catering (#12), and a few office buildings along North Sea Road utilize side streets for either primary or secondary site access and/or egress (**Figure 2**). Shared access by the Southampton Police Department and Southampton Village Volunteer Ambulance Corps, as proposed, would help to limit the number of curb cuts along Windmill Lane.

Pedestrian access is generally good in the Study Area as there are sidewalks along both North Sea Road and Windmill Lane with the exception of one section along the east side of North Sea Road between North Main Street and Bowden Square. A crosswalk could be provided at this location to facilitate pedestrian crossing and linkage to the sidewalk on the west side of North Sea Road.

Narrow alleys, pathways and/or sidewalks along the frontages of businesses on residential side streets that would provide connections to pedestrian crosswalks and signalization on North Sea Road, would promote pedestrian access. Vehicle cross access agreements may also be appropriate at some locations; particularly where adjacent businesses have a supportive, complimentary or synergistic relationship.

Parking

Most of the parking within the Study Area is private off-street parking serving individual land uses; however, several areas along North Sea Road do accommodate on-street parking. On-street parking use is generally associated with small lots having insufficient space for off-street parking and that often contain buildings constructed at or very close to the street. Other than on-street parking along sections of North Sea Road, there is no shared off-street public parking in the OD and few instances of privately shared parking and access. The Clamman Seafood Market (#12) and Peconic Prime Meats (#12), and a small grouping of professional offices located across from Lynch's Garden Center are examples of businesses that appear to share parking, although on-street parking is also available along this section of North Sea Road. Shared parking is especially effective when the benefiting uses operate at different hours of the day, days of the week, or have differing business hours and suitable agreements are worked out and appropriate legal instruments outlining the conditions of a cross access agreement are drafted, executed and filed.

Pedestrian Activity and Facilities

The VB district has a relatively high level of pedestrian activity, especially during the summer season due to its regional draw, compact walkable streets, storefronts, and a large number of convenient on-street and off-street public parking spaces; however, the North Sea Road-Windmill Lane corridors is more spread out, provides different types of goods and services that tend to serve locals more than visitors, is unique in terms of its dimensional zoning requirements, is not served by large off-street public parking lots, and is lacking in ambiance and connectivity to provide the level of pedestrian access and walkability that the VB provides. While it is not the intent of the OD to be a compact high density central business district like the VB, there are opportunities for infill development along the corridor which would enhance the cohesiveness of the district, provide prospects for enhanced pedestrian activity, while maintaining a uniquely functioning and aesthetically desirable district character.

Since the OD is adjacent to residential neighborhoods, and many residences are within a comfortable walking distance (0.25 of a mile) of the OD, the busy pedestrian oriented VB district, and available public transportation (bus, rail and bike route) in the area, there may be a benefit to enhancing residential/commercial connectivity. Facilitation of a safe, convenient, and visually appealing pedestrian environment could help to reduce (albeit, to a small degree) traffic activity and associated impacts, enhance community connectivity, promote public health, and bolster the community experience and "quality of life" for Southampton residents. Pedestrian facilities that are commonly considered beneficial include sidewalks, landscaping, attractive and useful street lighting, bike racks, benches, bus shelters, signage that fits into the desired character of the business district (including consistency with the historic character of historic districts), crosswalks and pedestrian signalization. Attractive building facades, pocket parks/Village greens, street trees, and relocation of overhead utilities underground can also enhance the pedestrian environment and make the business district more walkable, enjoyable and pedestrian friendly.

Bicycle Activity and Facilities

There is currently a posted bike route at the south end of Windmill Lane, outside of the Study Area which connects Hill Street with Nugent Street and leads into the heart of the VB. This route provides a connection to one key destination in the Study Area (Rogers Memorial Library) which is on the northwest corner of the intersection of Windmill Lane/Nugent Street/Coopers Farm Road. Safety is a critical factor for consideration when establishing bike routes or on-street bike lanes and caution must be exercised to ensure that there are limited conflicts between truck traffic, numerous curb cuts, speeding vehicles, or sight distance issues. Extending the bike route along North Sea Road would be helpful. Public spaces, a safe biking environment, and the provision of bicycle racks at strategic locations can promote the use of bicycles, multi-modal forms of transportation, and foster a more healthy community.

Bus Activity and Facilities

The Study Area is served by the S92 and 10A bus routes. Enhancements, amenities such as bike racks and bus shelters, proper lighting, policing, and expansion of service in the area could help promote the use of this alternative means of transportation and potentially open up opportunities for multimodal trips that could include the use of cars, bicycles, the Long Island Railroad, and buses in conjunction with walking. While the benefits in terms of reducing traffic or traffic congestion may be small, alternative travel options have the potential to attract additional people to the area without added vehicle traffic which may become more and more important as growth continues in the district and region. Moreover, the costs of minor pedestrian and bicycle improvements are relatively limited and may be funded through grants such as the safe routes to schools and intermodal transportation funding. Hampton Jitney also provides year round luxury motor coach line services between eastern Long Island and Metro New York, including area airports and can help to support activity in the area.

Rail Activity and Facilities

The LIRR crosses over North Sea Road via a railroad bridge between Miller Road and Prospect Street. Southampton Station is located approximately 1,800 feet (0.34 of a mile) due east of the railroad overpass. Bus service is provided to and from the station. Since it is expected that most land uses with the OD (e.g., offices, markets, possibly stores, etc. would serve the local residential market, more than tourists), rail would not be expected to provide significant additional benefit to the district.

Traffic/Road Improvements/Street Widening

CR 39 at North Sea Road has recently been widened to provide two north-to-west left turn lanes, a through-lane and a right turn lane to enhance flow in that area; however, road widening and additional travel lanes may be needed along North Sea Road south of the intersection in the future. The need for widening or additional lanes will depend on the rate of local and regional growth, buildout of the community, and the future success, vitality, and visitation of the Village's business districts. Future widening may require additional narrow strips of land along the North Sea Road right-of-way in certain stretches of the road. Road widths should be determined along the frontages of properties on North Sea Road as part of future site plan reviews to ensure that ample space is available to accommodate one additional lane on both sides of the road for future widening. If the width of the right-of-way is insufficient, the Village should consider requesting the dedication of land for this purpose.

6.0 RECOMMENDATIONS

Based on the goals of this study and the preceding inventories and analyses, the following land planning strategy is recommended.

6.1 Land Use

Create a new “Office-Limited Retail” Overlay District (OLR Overlay District) over a portion of the OD (**Figure 5** in **Appendix A**) and amend the Village Code to create this overlay district and allow small specialty retail business uses that will serve the Village’s year round population, provide a greater mix of uses, goods, services and activities in the OLR, and that are suitable for integration into the district. Uses that should be allowed in the OLR include those that have been demonstrated by this study to be in high demand in the local market area based on market studies and realtor and past community input, that have been determined appropriate through rigorous zoning analyses, and that are or can be shown to be compatible with existing adjacent land uses and adjoining zoning districts, while enhancing the overall quality and functionality of the OD and Village. Certain existing nonconforming uses such as food markets that have served the community well and are considered assets to the district, are also appropriate as they have been demonstrated to play an important role in the OD and greater community.

To control any potential negative externalities from such uses and to more easily facilitate the assimilation of these uses into the OLR Overlay District, additional land use options should only be permissible through the SE permit process to be administered by the Village Trustees and should be limited to those properties having direct frontage on North Sea Road. The following additional land uses are recommended to be included as SE uses in the OLR.

- Small market or food stores;
- Health and personal care stores;
- Shoe stores;
- Hardware stores;
- Office supplies, stationery and gift stores;
- Sporting goods/ hobby/ musical instrument stores;
- Other general merchandise stores or retail shops providing essential goods and services for locals;
- Limited-service eating establishments (including restaurants where patrons generally order or select items and pay before eating, delis, bakeries, grill buffets, ice cream stores and coffee shops);
- Personal service shops including barber shops, beauty parlors, dry cleaning or laundry services employing not more than 5 persons, professional studios, travel agencies or similar shops; and
- Exercise clubs, yoga, or similar studios.

It is noted also that convenience stores would not be an appropriate use in the OLR Overlay District due to the high level of vehicle activity and turnover. Extended hours and 24/7 businesses should also be prohibited.

6.2 Special Exception Standards

SE standards for future retail uses in the recommended OLR Overlay District should address the following site development factors to ensure the above listed uses are compatible with adjacent residential districts and uses, and that establishment of such uses promotes the goal of orderly and harmonious development. The final standards will be drafted by the Village Attorney in accordance with the spirit and intent of the standard/concept/issue below, to ensure a proper fit into the Code, and to provide the guidance necessary for the Village Trustees to render decisions. Drafting of final standards and the holding of one or more public hearings would be required prior to adoption SE standards amendments.

- Truck deliveries and loading/unloading should be restricted to daylight hours and excessive/long term idling of delivery vehicles on-site should be prohibited, perhaps through loading area signage and filed covenants and restrictions. Loading facilities, if required, should be located in rear yards behind buildings and be properly screened from the public and adjacent residents through the use of evergreen landscaping, architectural features, and or fencing as determined by the Planning Board, to guarantee a suitable level of concealment. Consistent with the Village's existing transition yard requirements, such facilities should be restricted from being any closer than 50 feet from any adjacent residential district but should also take into consideration the presence of any existing adjacent residence regardless of district designation and provide adequate buffering and screening. Signage restricting truck traffic along adjacent residential streets beyond the frontage of retail lots should be provided, where such signage does not already exist.
- The number of access points or driveways along North Sea Road and Windmill Lane should be limited to preserve the capacity of the street and ensure adequate spacing between access/egress points to prevent excessive on- and off-site turning and stop-and-go movements, potential traffic conflicts and impacts on adjacent land uses.
- Shared access, secondary cross/side street access and on-site cross access agreements should be encouraged and actively sought where appropriate to promote adequate circulation and to reduce traffic conflicts to the extent practicable.
- Environmental assessments under the State Environmental Quality Review Act (SEQRA) should include an evaluation of site access, circulation and traffic and if a potential moderate to large impact is possible, a traffic impact study should be performed.
- Off-street parking should be suitable to accommodate anticipated demand and be located no closer than 25 feet from any rear yard lot line that abuts a residential district. Vegetative screening must be provided along the rears of yards abutting existing residences or residentially zoned land and a six-foot opaque fence should also be installed.
- New retail plans should include the construction or extension of sidewalks along all road frontages where a sidewalk does not currently exist, including any frontages on residential side streets in the case of corner lots, to maximize connectivity and ensure public access and safety. Street trees should also be provided along frontages of residential streets at 40-feet on center where no trees exist and building design, placement, and orientation as well as landscaping should be sensitive to the character of the adjacent residential community.

- Extended (late night) hours and 24/7 retail shall not be permitted.
- Outdoor lighting should be directed downward to prevent artificial skyglow and fixtures should be shielded to prevent light trespass and glare. Light poles should also be limited in height to provide the minimum illumination necessary to ensure a safe and secure environment and to prevent nuisance conditions without over-illumination. Light fixtures and poles should be consistent with OD and Historic District character, as applicable. Lighting that is not necessary to guarantee a safe and secure environment should be shut down after hours through the use of timers or light sensing devices.
- Signage must be consistent with historic and the OD character and consistent in scale with the proposed development and Village requirements. Signs should be unobtrusive and comply with the standards set forth under § 116-1, "Sign regulations" of the Village Code. Signage should not be permitted along residential side streets if the use has frontage on North Sea Road or Windmill Lane.
- All dumpster areas should be enclosed by 6-foot-high opaque fencing/dumpster enclosures, screened from public view, and should not be closer than 30 feet from any adjacent residential district.
- Outdoor speaker systems, public address systems, and "drive thru" services should be prohibited, except in the case of banks, which is currently a permitted use in the OD.
- Require additional analysis for those properties where access is currently from a side street when a retail use is proposed, such as an analysis of traffic impacts, access feasibility, and additional protections for residential neighbors.

6.3 Recommended Dimensional Zoning Requirements

The following modifications to OD dimensional requirements are recommended for the North Sea Road OLR Overlay District:

- Increase the rear yard principle structure setback from 30 to 35 feet and decrease the front yard setback from 35 to 25 feet.
- Relax the total aggregate side yard setback from 60 feet to 50 feet and the minimum side yard should be 20 feet.
- Minimum side yards for corner lots should also be 20 feet.
- Overall maximum coverage should remain the same at 25%.
- Maximum lot coverage for one story buildings should be modified, however, from the existing maximum cap of 4,000 SF to no greater than 5,000 SF for single story structures.
- No individual retail use shall be greater than 5,000 SF. New uses proposing to locate within existing buildings that are larger than 5,000 shall be partitioned so that no individual use occupies more than 5,000 SF of space.
- Maximum lot coverage for two-story buildings should be amended from a maximum of 3,500 SF to a maximum of 4,000 SF footprint.

- Transition yards should remain the same (i.e., 50-feet in side and rear yards when adjacent to a residential district.

The above standards will have the effect of drawing development closer to the street and farther from adjacent land uses to their rear that are typically residential. Reduction in the side yard setbacks will provide greater flexibility in the placement and orientation of structures on properties, especially on existing lots that are substandard in size and are unlikely to be merged with adjacent lots for future development. These modifications will make the district slightly more compact and walkable, allow building facades and storefronts to more effectively address the street, and provide for more efficient use of rear yard space, particularly for parking—without sacrificing the unique spatial character of the OD. Adjustment of the rear yard setback also lessens physical encroachment of principle and accessory structures on adjacent nonretail sites such as property containing small offices, and offers greater opportunities for buffering and stormwater recharge. The existing coverage standard of 25% promotes building sizes that are relative to the size of the lot on which they are proposed, rather than a "one size building fits all size lots" approach. Instituting a slightly larger cap on the maximum permitted building footprint size to 4,000 SF for two-story buildings and 5,000 SF for one-story buildings) rather than the current 3,500 SF and 4,000 SF, respectively, especially on lots that are much larger than the minimum 20,000 SF lot area standard of the OD, will help to maintain proper scaling while also incentivizing the subdivision of larger lots to create parcels and buildings that are more in keeping with the desired scale, form and character of the OD.

6.4 Vacant or Underutilized Sites Where New Infill Development is Possible

Infill development is needed in the OD to make it more compact, walkable, accessible, and vibrant, and to allow for additional economic growth that addresses the land use needs of the community. The following are recommendations for specific vacant or underutilized lots within the OD identified by "Study lot number" (**Figure 3**), tax map number, and general location.

- Study Lot #51 (see **Figure 3** Land Use Map for lot locations) (SCTM No. 904-5-1-28.2) is a small (0.34-acre) vacant property on the south side of White Street between two existing office buildings. This property is ideal for office use; however, a small retail use to serve area offices and surrounding residential community is also possible.
- Study Lot #63 (SCTM No. 904-5-3-42) is a vacant 0.57-acre parcel located south of Tate's Bakery between Windmill Lane and North Sea Road which has frontage along both streets. This property should be developed as a business (office or retail) use similar to adjacent uses. Primary access should be taken from North Sea Road and if the building is to face any of the two streets it should face North Sea Road. Any truck traffic that a new use might generate should utilize Windmill Lane which is a posted/designated truck route. Off-street parking should be provided on-site to accommodate the full demand of a future use. The Village should work with the owner to provide additional public parking, perhaps in concert with a relaxed front yard setback that would be more consistent with the nature of the existing development in this portion of the OD, which is similar to the VB and HRO.

- The mini-storage building/warehouse located on Study Lot #45 (SCTM No. 904-5-1-15) could be replaced or adaptively reused at some point in the future as an office, retail or a mixed office/retail use. There is also a possibility for further subdivision of this property to create a third conforming lot that could be developed for a similar office/retail use. Shared access with Bridgehampton National Bank is currently available from North Sea Road and White Street and shared parking is a possibility. The existing access/egress on and off White Street has separate left and right turn lanes indicating a design that anticipates the full development of the site. Off-street parking can and should be fully accommodated on this site and parking could be shared. Buffering of residential property to the west is warranted and such green space would help in reducing impervious cover and promoting stormwater recharge. Additional public parking spaces may also be possible on the site.

- Study Lot #35 (SCTM No. 904-5-1-9) is a narrow parcel that is suited for office or retail use. While this property has the required lot width (100 feet) at the front lot line and a lot area (±28,163 SF where a minimum of 20,000 SF is required), the long narrow nature of the lot which narrows from east to west, in conjunction with required setbacks, restricts the building envelope. Ideally, this lot would be combined with the tax lot that is immediately adjacent to the north to create a more buildable property; however, in the absence of such an arrangement, development of this property as infill would be beneficial to the district. The site, by itself, lends itself to a more-linear (east-west orientated) development with the future building facing north or south and an attractive facade facing North Sea Road.

- The Village is exploring the possibility of using its four-acre Southampton Police Station property (Study Lot #75) (SCTM 904-6-1-3.1) for additional essential services, including the possible construction of a Southampton Volunteer Ambulance station on this site, as well as a VB sewage treatment plant (STP). The STP would help to promote further economic development in the area and mitigate environmental impacts to local surface and ground waters from wastewater discharges and nitrogen enrichment. This property is ideally suited for a Village public/institutional use due to its central location, without being in the center of the business district where business is more appropriate, large size and available vacant space, the current use of the property and presence of other emergency services (i.e., police department and fire department) and institutional uses (i.e., library) in the area.

6.5 Parking

- There is a need for off-street parking to serve some of the existing land uses south of the North Sea Road/Windmill Lane intersection. One possibility is to create additional off-street public parking by purchasing land for this purpose and funding the improvements through the assessment of fees on businesses that do not have or cannot provide ample parking (i.e., fees in lieu of parking). This approach can also be achieved through the creation of a Business Improvement District (BID) and assessment of district fees if desired. Another possibility would be to negotiate agreements with private land owners (i.e., the filing of easements and covenants and restrictions) to provide additional space for public parking through the issuance of zoning incentives or variance relief. Possible locations for public parking include the existing privately owned parking lot off of Bowden Square or all or a portion of Study Lot #63 (SCTM No. 904-5-1-19) which is currently vacant and situated within a more compactly developed and centralized location containing retail uses.

- Off-street parking should be provided to the rear and/or side of buildings and should be discouraged within front yards.

6.6 Access and Circulation

- The current levels of service along North Sea Road and Windmill Lane can be maintained for the time being by controlling the number of new access points for future development and by restricting additional left turn activity. This is especially practical on corner lots where left turns can be made at signalized intersections of existing residential cross streets or stop controlled intersections. Parking area cross access easements and limitations on access to North Sea Road at parcels with frontage on other roads should be considered as part of future plans for the area. Despite current conditions, road widening and additional travel lanes may be needed along North Sea Road south of the intersection of CR 39 and North Sea Road in the future, depending on various factors. Future widening may require additional land along the North Sea Road right-of-way in some areas. Road widths should be determined along the frontages of properties on North Sea Road as part of future site plan reviews to ensure that ample space is available to accommodate one additional lane on both sides of the road for future widening. If the width of the right-of-way is insufficient, the Village should consider requesting the dedication of land for this purpose. Environmental assessments should consider whether a traffic impact study is needed to assess access, on-site circulation and traffic impacts.

- Extend the center two-way left turn lane on North Sea Road to enhance access to existing and future businesses. The center median can be improved and expanded to provide left turn storage for future access as the vacant properties develop for retail or office use. Special features providing plantings or decorative surface treatments are possible.

- Shared or coordinated access should be considered where possible, especially where individual accesses would be so close to one another as to create traffic conflicts and safety hazards.

- The large publically owned parcel on the southeast corner of North Sea Road and Aldrich Lane should be served by Aldrich Lane.

- Land to the east and west of the OD is primarily built out with suburban moderate- to high-density single-family residential neighborhoods. The North Sea Road corridor is considered to be primarily an auto-oriented/auto-accessible district; however, many nearby residences are within the standard walking distance of (0.25 of a mile or 1,320 feet) and many others are within convenient biking distance. There appears to be a broad sidewalk along the west side of North Sea Road that could be used to incorporate side by side bike and pedestrian facilities that could enhance prospects for non-vehicular traffic. A shared vehicle/bike facility would be necessary under the LIRR overpass near Miller Road.

- A sidewalk could be provided along the east side of Windmill Lane to increase connectivity and promote pedestrian activity. The relocation of overhead utilities underground could be coordinated with future sidewalk construction to enhance the aesthetic quality of the OD. Crosswalks containing pavers of a different color and texture (assuming consistency with ADA requirements) can be provided to promote traffic calming.
- Provide bus shelters at the bus stops located on the east and west sides of North Sea Road between CR 39 and Hillcrest Avenue. Provide bike racks at the bus stops/shelters to promote use by persons who originate from outside the typical walking distance of one-quarter ($^1/_4$) mile. The Village's Business Districts Table of Use Regulations would have to be revised or a variance granted to allow a shelter on the east side of North Sea Road as it is currently prohibited in the OD.
- All residential side streets should be provided with "No truck traffic" signs. Signs should be posted beyond the limits of commercial properties that have frontage on both North Sea Road and the side street.

6.7 Design Guidelines

The North Sea Road corridor between CR 39 and the Village Business District serves as a gateway into the community's historic center while the southerly end of the Study Area, along North Sea Road and part of Windmill Lane, is situated within a designated Historic District which contains several buildings with historic character. Several of the buildings along the corridor date to the early 1900s, and many buildings and properties, including some of which have been converted to office or other nonresidential land uses, still reflect their original residential character. North Sea Road provides a relatively attractive streetscape and every effort should be made to ensure that the desirable aspects of the OD's character are perpetuated and enhanced. Therefore, future development and redevelopment pursuant to the recommended overlay zone should be conducted in accordance with design guidelines that will protect and enhance these positive attributes, achieve community goals, and guide the ARB in its future reviews.

Future site plan reviews for projects in the OLR Overlay District should consider the following design factors, among other considerations as warranted, in order to promote and enhance the positive and desirable attributes of the existing built environment along North Sea Road and properly integrate future development and redevelopment into the fabric of the district:

- Require buildings which are consistent with other styles found along the corridor including New Traditional, Styled American Vernacular, with Colonial revival and Shingle influence (or building upon specific examples found within the Study Area), as well as the use of traditional building materials (wood shingles, wood cladding or brick).
- Require use of design elements, roof lines and heights consistent with the chosen architectural style. Windows should be provided at a scale and orientation consistent with style - use of double hung windows and mullions dividing the glass into multiple panes. Include standards for use of larger fixed multi-pane windows for non-residential uses.

- Provide consistent setback from the sidewalk with a small landscaped front yard, and separated from adjoining properties with landscaped side yards (however, where appropriate and consistent with surrounding uses, allow reduced setbacks to orient building to the sidewalk).
- Encourage use of picket fences or low hedges to define the boundary between the public and private realm and build upon the existing character of the streetscape.
- Ideally, parking should be provided behind the building, although it may be desirable or even necessary to allow some parking on the side.
- Building size is regulated by the code which limits maximum building footprint and should be adhered to in order to maintain the existing small-scale building character.
- Maintain and improve sidewalks where appropriate with street trees and a grass strip between sidewalk and roadway.

6.8 Public Spaces

Create or enhance Village greenspace at Bowden Square and at the Village/Town-owned land located at the northeast corner of the intersection of Windmill Lane and Nugent Street (SCTM 904-6-2-13.3). Gardens and other landscaping enhancements could be provided at these locations to make the area more welcoming and visually interesting and appealing.

Although the property at Windmill Lane and Nugent Street is outside of the Study Area, it is, nevertheless, adjacent to the Study Area and is discussed here as it appears to be an underutilized space with significant potential for use and/or visual enhancement that could benefit the OD, OLR Overlay District and VB District. This ±0.6-acre property has no physical improvements, contains only lawn, and has significant frontage on both Windmill Lane and Nugent Street. A broad sidewalk containing several brick planters currently exists along the east side of Windmill Lane and west side of the property and a standard-width sidewalk is available along its frontage on Nugent Street. Installation of a bike rack at the southwest corner of this property or at its southeast end near the bus stop on Nugent Street would facilitate bicycle and pedestrian activity in the area as the property and bus stop are located along a posted bike route, are in close proximity to Rogers Memorial Library, and are publically owned spaces. Benches, street trees and decorative street lighting could be provided along the Windmill Lane sidewalk and special landscaping treatments that would greatly enhance the visual quality of this property and provide a spectacular entrance to the Village center is possible. While this property may not be as large and suitable for public outdoor activities as Agawam Lake Park, to the south, it does have the potential to accommodate public activities and community gatherings such as a farmers' market, library book fairs or arts and crafts shows which promote social interaction and economic activity.

Another option for this site is to provide a public or institutional use such as a small museum to draw people into the downtown, encourage them to get out of their vehicles, and perhaps walk into the heart of the VB to shop or dine. Locating a small visitor center/information booth on this site is another possibility. Access to the property could be coordinated with the adjacent bank property which has access off both Windmill Lane and Nugent Street. Utilizing the site as a public or cultural center would be consistent with surrounding land uses such as the library and would make good use of an underutilized but important property on the corner of two major streets in the VB District. A small Village green, garden or landscape treatments could also be incorporated into the site should it be used as a cultural amenity.

6.9 Miscellaneous Recommendations

- Some of the street lights along North Sea Road and Windmill Lane are traditional modern fixtures, while others are more decorative street lamps. Replace the modern style lights with decorative lights that may be more in keeping with the historic district and provide consistency throughout the district.
- Consider developing architectural design guidelines for the district to control impacts from conflicting prototype building designs, façade treatments, and signage commonly associated with chain stores, and ensure that buildings are of a suitable style, bulk, and massing, exhibit proper façade articulation, fenestration, and rooflines, and utilize appropriate materials to integrate into the district.
- During the public meeting of the Planning Commission on March 3, 2016, there was the suggestion that the recommended OLR District be expanded to include OD zoned properties along the side streets. It is not recommended that retail as a primary use be permitted, even by special permit on the side streets, as many of these lots adjoin residential areas. However, consideration to expanding permitted uses or special exception uses within the OD District to allow additional services that are not permitted in any district in the Village should be considered. One specific use that was requested for our consideration was to allow for a dog grooming business (service use). It is believed that this use would be acceptable, however, it is recommended that the use be restricted to daytime grooming services to occur indoors and that no overnight services (e.g., kennel use, dog-sitting, caring for animals while owners are away, etc.) be permitted to ensure this use will be compatible with adjacent residential uses. The table of use regulations would have to be amended to include such a use. Therefore, it is recommended that the Village study the potential for adding a list of service uses appropriate adjacent to a residential setting to the uses that could be permitted under a SE within the OD District.

7.0 References

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APPENDIX A

Figures

NELSON, POPE & VOORHIS, LLC
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FIGURE 1
SITE LOCATION MAP

Source: NYS Orthoimagery Program 2013
1 inch = 600 feet

North Sea Road & Windmill Lane Office Business District Zoning Study

Village of Southampton

NELSON, POPE & VOORHIS, LLC
ENVIRONMENTAL • PLANNING • CONSULTING

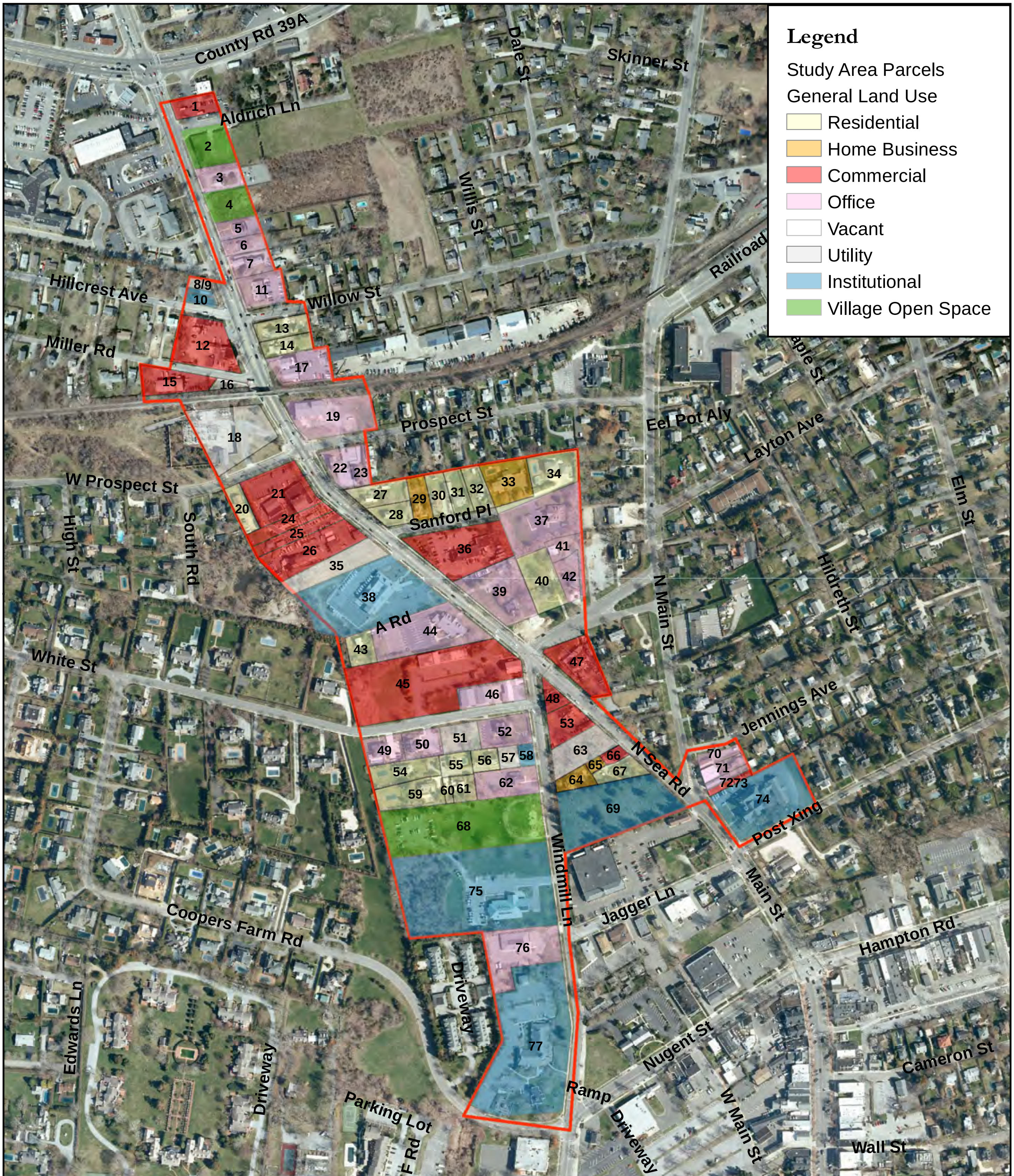
FIGURE 2
ZONING MAP

Source: NYS Orthophotography Program, 2013
Scale: 1 inch = 500 feet

N

North Sea Road & Windmill Lane Office Business District Zoning Study

Village of Southampton



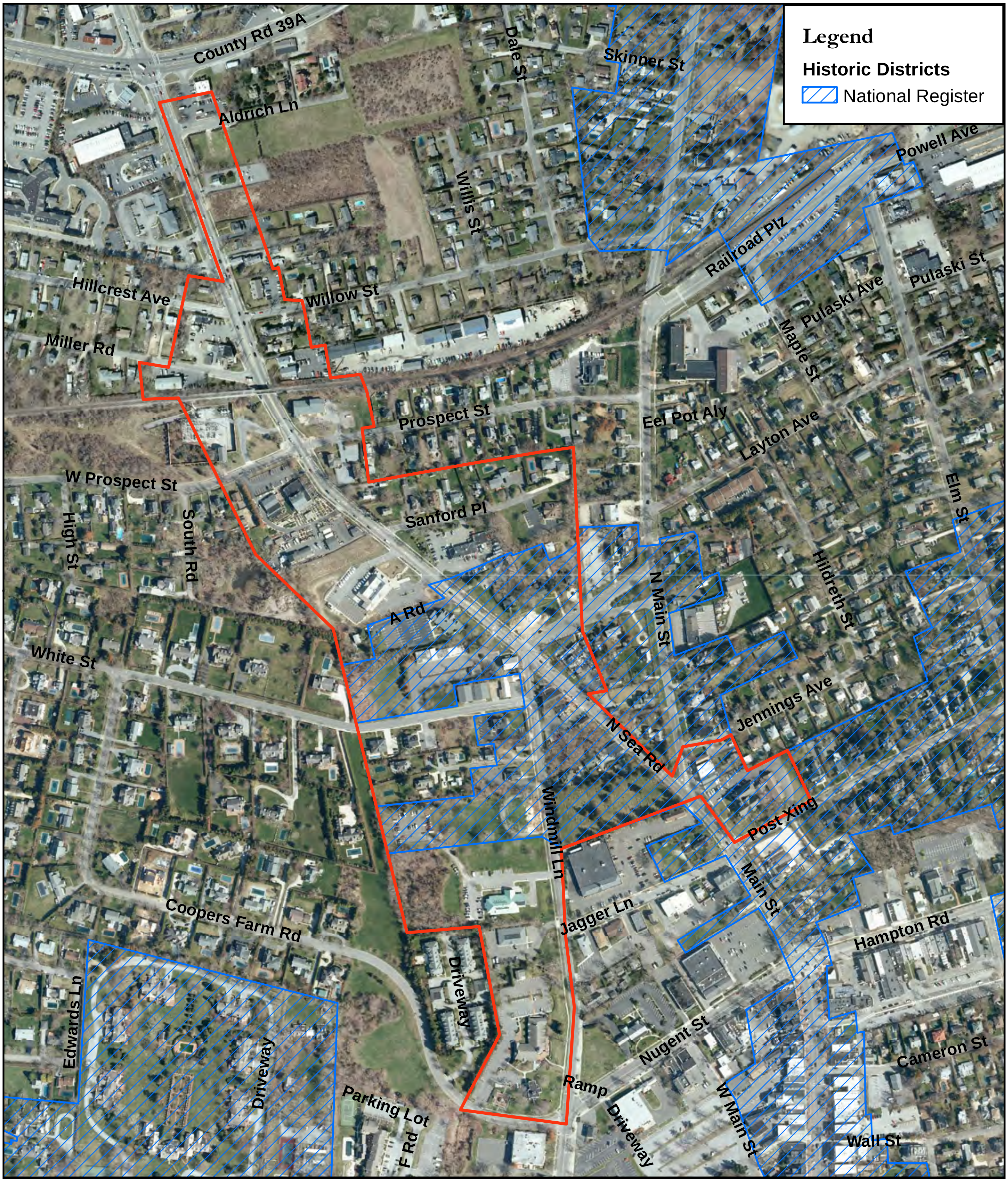
NELSON, POPE & VOORHIS, LLC
ENVIRONMENTAL • PLANNING • CONSULTING

FIGURE 3
LAND USE MAP

Source: NYS Orthophotography Program, 2013
Scale: 1 inch = 500 feet

North Sea Road & Windmill Lane Office Business District Zoning Study

Village of Southampton



NELSON, POPE & VOORHIS, LLC
ENVIRONMENTAL • PLANNING • CONSULTING

FIGURE 4
HISTORIC DISTRICT MAP

Source: NYS Orthophotography Program, 2013

Scale: 1 inch = 500 feet

N

North Sea Road & Windmill Lane Office Business District Zoning Study

Village of Southampton

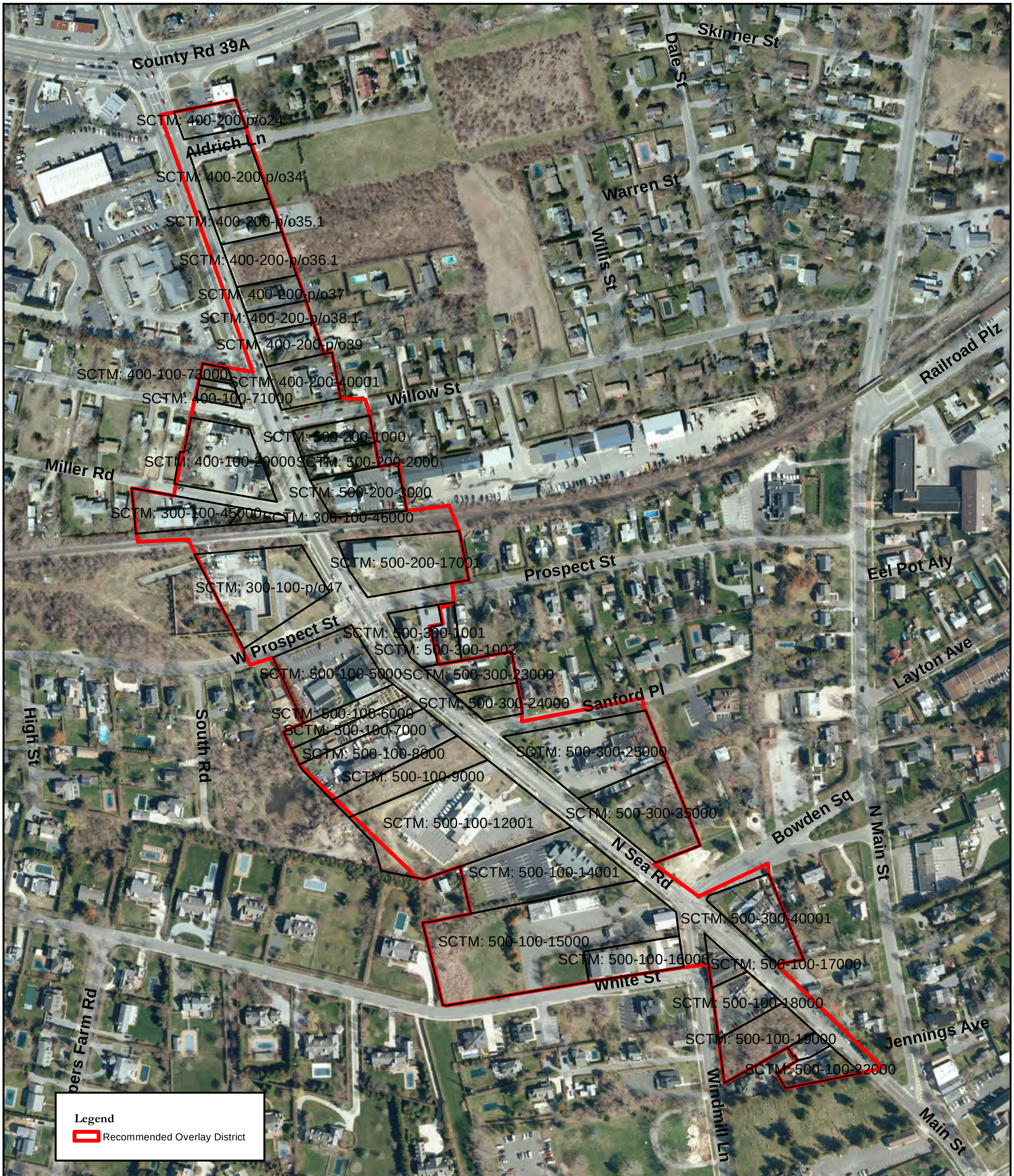


FIGURE 5
NORTH SEA ROAD
RECOMMENDED OFFICE & LIMITED RETAIL
OVERLAY DISTRICT

Source: NYS Orthophotography Program, 2013

Scale: 1 inch = 350 feet

N

NELSON, POPE & VOORHIS, LLC
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North Sea Road &
Windmill Lane
Office Business District
Zoning Study

Village of
Southampton

APPENDIX B

Photo Key Map and Photographs

NP&V NELSON POPE & VOORHIS, LLC ENVIRONMENTAL • PLANNING • CONSULTING

PHOTO KEY MAP

Source: NYS Orthophotography Program, 2013

Scale: 1 inch = 500 feet

North Sea Road & Windmill Lane Office Business District Zoning Study

Village of Southampton

Location 1: Looking south at 7-11 from CR 39

Location 2: Looking east across vacant field owned by Village & Town between Aldrich Ln & Southampton Immediate Care

Location 3: Looking east toward Southampton Immediate Care

Location 4: Looking east across publicly owned field toward overhead utilities, across from SCNB

Location 5: Looking east toward Eye & Vision

Locations 6 & 7: Looking east toward Dormer Medical Spa (#6) and O'Donaghue Realty (#7)

Location 6: Looking east at Dormer Medical Spa

Locations 9 & 10: Looking west at AAMEE and adjacent land to south owned by Village, Hillcrest Ave in background

Locations 9 & 10: Looking west at the future African American Museum (AAMEE) of the East End and adjacent lot to the south

Location 11: Looking east at O'Shea, Marcincuk & Bruyn Law firm, high hedge

Location 11: Looking northeast at O'Shea, Marcincuk & Bruyn Law firm

Location 12: Looking west at Peconic Prime Meats

Location 12: Looking west toward Clamman Seafood Market & Caterers

Location 15: Looking south at Hampton Fuel & Bellow Gardens, Inc. from Miller Road

Location 17: Looking east at East End Tick & Mosquito Control

Location 18: Looking west at PSEG facility located at northwest corner of North Sea Road & West Prospect Street

Location 19: Looking east toward former Keezler Gallery– current law office

Locations 21, 24, 25 & 26: Looking northwest at Lynch's Garden Center

Locations 21, 24, 25 & 26: Looking south at Lynch's Garden Center

Locations 21, 24, 25 & 26: Looking southeast at Lynch's Garden Center

Locations 22 & 23: Looking to the east at law and chiropractic offices at southeast corner of Prospect & North Sea Road

Location 26: Looking west at building near Garden Center

Location 27: Looking east toward Sabel & Opligner, PC CPA Office

Location 28: Looking east at home at northeast corner of North Sea Road and Sanford Place

Location 36: Looking west toward Schmidt's Market

Location 38: Looking northwest at Southampton Post Office

Location 39: Looking east at residence on east side of North Sea Road, north of Bowden Square

Location 44: Looking northwest along North Sea Road at new bank

Location 44: Looking west at new bank on west side of North Sea Road, south of post office

Location 45: Looking southeast at Bridgehampton National Bank at North Sea Road & Windmill Lane

Location 45: Looking north at warehouse storage & parking, west of BNB & south of new bank

Location 46: Looking north from White's Lane at Bennett & Read law office

Location 46: Looking northeast across White's Lane new residential buildings & law office in background

Location 47: Looking northeast across North Sea Road at Southampton Publick House

Location 48: Looking east from the intersection of White's Lane & Windmill Lane at English Country Antiques

Location 48: Looking southeast at English Country Antiques, Tate's Bake Shop in background

Location 49: Looking south across White's Street at Southampton Building Corp., health & Wellness, Farrell Law & home care, north of financial services

Location 50: Looking south across White's Street at CPA & Financial Services office

Location 52: Looking southeast from south side of White's Lane, doctor's office fronting on Windmill Lane

Location 53: Looking northwest at Tate's Bake Shop on west side of North Sea Road

Location 53: Looking west at vacant commercial building on west side of North Sea Road, south of Tate's Bake Shop

Location 58: Looking northwest at Sons of Gidgeon Lodge 47, located along west side of Windmill Lane

Location 62: Looking northwest at medical offices on west side of Windmill Lane, south side of Sons of Gidgeon

Location 66: Looking west at retail store, Stellar Union, on west side of North Sea Road

Location 68: Looking west across Lola Prentice Memorial Dog Park

Location 69: Looking west at North End Graveyard

Locations 70 & 71: Looking southeast at dental office (#70) and Hampton Interiors, Inc. (#71)

Locations 70-74: Looking east across North Sea Road & Main Street at United Methodist Church (#74), Design Home (#73_, A+M+L Architecture (#72), Hampton Interiors (#71) & dental office (#70)

Location 71-72: Looking north at Hampton Interiors, Inc. (#71) & A+M+L Archictecture (#72) on North Main Street

Location 73: Looking southeast from east side of Main Street at Design House

Location 74: Looking east from Main Street at the United Methodist Church

Location 75: Looking northwest at Southampton Police Station south of Lola Prentice dog park

Location 75: Looking west from Windmill Lane at Southampton Police Station

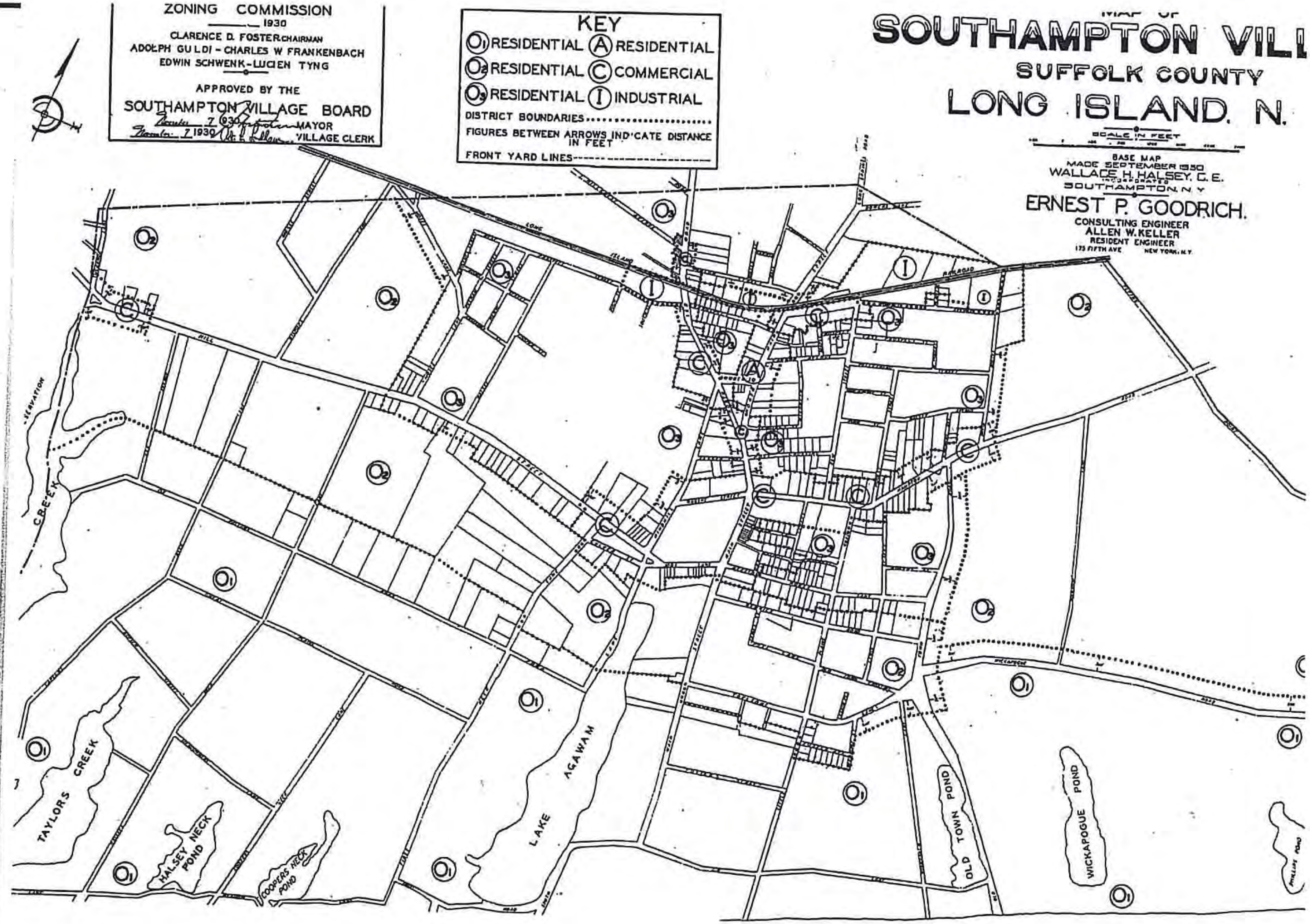
Location 77: Looking at the north façade of Cooper Hall from Coopers Farm Road

Location 77: Looking west from Windmill Lane at Rogers Memorial Library

Location 78: Looking west at Southampton Press, south of police station on west side of Windmill Lane

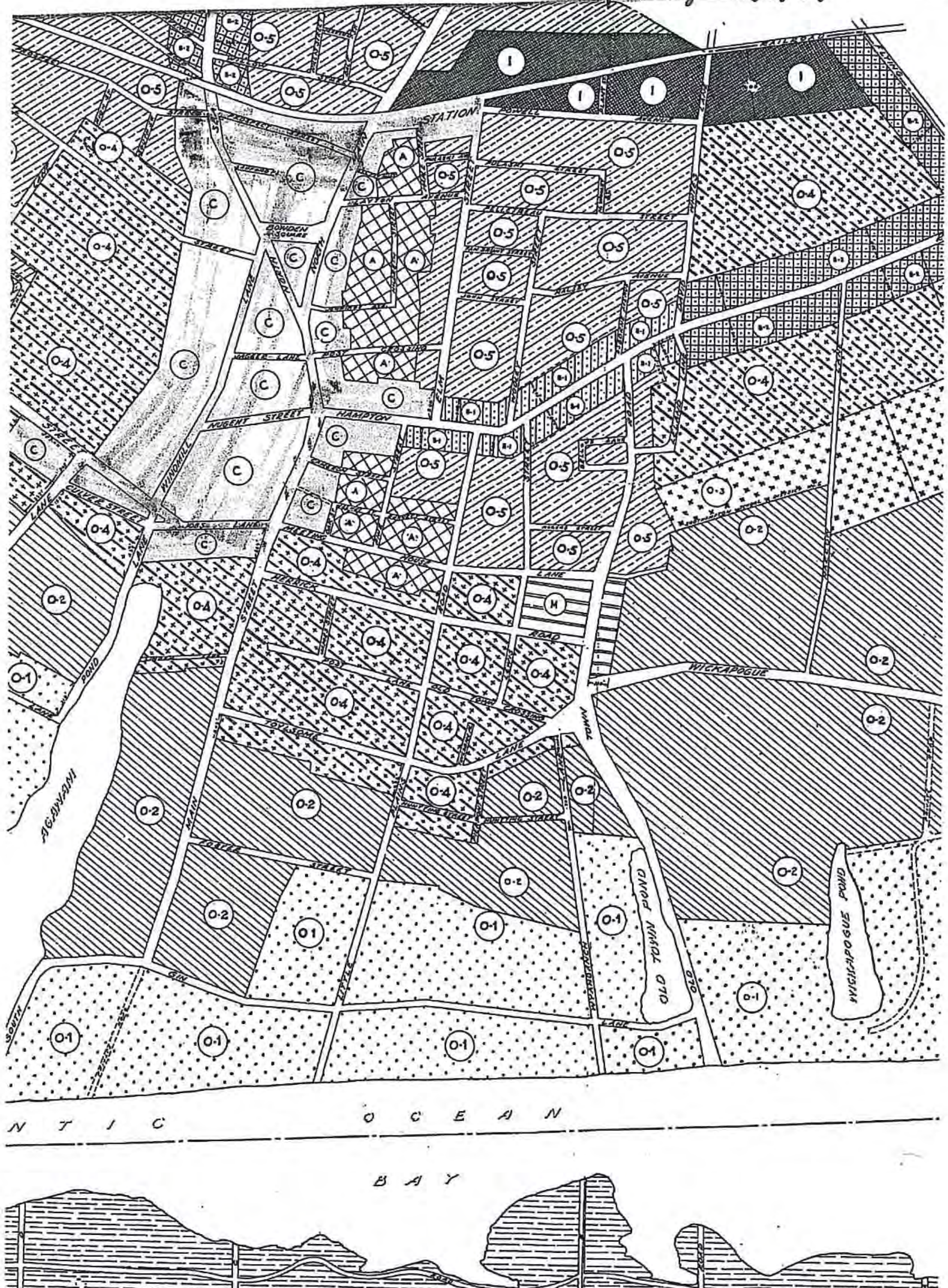
APPENDIX C

Historic Zoning Maps



MAP OF
SOUTHAMPTON VILL
SUFFOLK COUNTY
LONG ISLAND. N.
SCALE IN FEET
BASE MAP
MADE SEPTEMBER 1930
WALLACE H. HALSEY, C.E.
SOUTHAMPTON, N.Y.
ERNEST P. GOODRICH.
CONSULTING ENGINEER
ALLEN W. KELLER
RESIDENT ENGINEER
175 FIFTH AVE NEW YORK, N.Y.
ZONING COMMISSION
1930
CLARENCE D. FOSTER CHAIRMAN
ADOLPH GULDI - CHARLES W FRANKENBACH
EDWIN SCHWENK - LUCIEN TYNG
APPROVED BY THE
SOUTHAMPTON VILLAGE BOARD
7 1930 MAYOR
7 1930 VILLAGE CLERK
KEY
O1 RESIDENTIAL
O2 RESIDENTIAL
O3 RESIDENTIAL
A RESIDENTIAL
C COMMERCIAL
I INDUSTRIAL
DISTRICT BOUNDARIES
FIGURES BETWEEN ARROWS INDICATE DISTANCE IN FEET
FRONT YARD LINES
LONG ISLAND RAILROAD
HILL
STREET
CREEK
TAYLORS CREEK
HALSEY NECK POND
COOPERS NECK POND
LAKE AGAWAM
OLD TOWN POND
WICKAPOGUE POND

1963 MAP



STATION
POWELL
HAMPTON
NUGENT STREET
WINDMILL
BOWDEN SQUARE
MEETING
HOUSE
HERRICK
LANE
ROAD
WICKAPOGUE
POND
AGAWAM
MAIN
STREET
FOSTER
STREET
GIN
LANE
SOUTH
OLD TOWN POND
WICKAPOGUE POND
OCEAN
BAY
MEADOW
O-1
O-2
O-3
O-4
O-5
A
B
C
I
M

APPENDIX D

Retail Goods and Services Expenditures
Primary & Secondary Market Areas

Retail Goods and Services Expenditures

Market Areas - N Sea Road Study Area
145 N Sea Rd, Southampton, New York, 11968
Drive Time: 10 minute radius

Latitude: 40.89147
Longitude: -72.39514

Top Tapestry Segments	Percent	Demographic Summary	2013	2018
Urban Chic	51.8%	Population	12,620	12,757
Rural Resort Dwellers	17.6%	Households	4,781	4,826
Connoisseurs	12.3%	Families	3,002	3,010
Pleasant-Ville	7.4%	Median Age	43.6	44.3
City Lights	5.4%	Median Household Income	$82,871	$99,205

	Spending Potential Index	Average Amount Spent	Total
Apparel and Services	109	$2,469.98	$11,808,980
Men's	106	$447.48	$2,139,392
Women's	96	$763.90	$3,652,201
Children's	110	$407.16	$1,946,631
Footwear	79	$337.34	$1,612,802
Watches & Jewelry	178	$266.34	$1,273,351
Apparel Products and Services (1)	261	$247.77	$1,184,603
Computer			
Computers and Hardware for Home Use	172	$351.67	$1,681,352
Portable Memory	152	$11.62	$55,560
Computer Software	177	$35.00	$167,356
Computer Accessories	169	$28.13	$134,505
Entertainment & Recreation	174	$5,661.11	$27,065,771
Fees and Admissions	182	$1,143.71	$5,468,064
Membership Fees for Clubs (2)	179	$299.15	$1,430,259
Fees for Participant Sports, excl. Trips	189	$223.20	$1,067,115
Admission to Movie/Theatre/Opera/Ballet	178	$279.47	$1,336,159
Admission to Sporting Events, excl. Trips	167	$105.22	$503,079
Fees for Recreational Lessons	190	$235.93	$1,127,981
Dating Services	170	$0.73	$3,470
TV/Video/Audio	157	$2,024.62	$9,679,708
Cable and Satellite Television Services	157	$1,356.50	$6,485,430
Televisions	154	$244.06	$1,166,861
Satellite Dishes	134	$2.11	$10,085
VCRs, Video Cameras, and DVD Players	161	$20.74	$99,153
Miscellaneous Video Equipment	140	$10.80	$51,624
Video Cassettes and DVDs	157	$55.55	$265,601
Video Game Hardware/Accessories	142	$38.26	$182,912
Video Game Software	144	$42.99	$205,534
Streaming/Downloaded Video	188	$7.02	$33,546
Rental of Video Cassettes and DVDs	164	$44.77	$214,064
Installation of Televisions	184	$1.58	$7,571
Audio (3)	166	$191.62	$916,138
Rental and Repair of TV/Radio/Sound Equipment	179	$8.61	$41,188
Pets	201	$1,071.72	$5,123,901
Toys and Games (4)	162	$224.86	$1,075,044
Recreational Vehicles and Fees (5)	205	$462.59	$2,211,660
Sports/Recreation/Exercise Equipment (6)	153	$273.13	$1,305,846
Photo Equipment and Supplies (7)	170	$132.76	$634,706
Reading (8)	181	$278.38	$1,330,940
Catered Affairs (9)	187	$49.34	$235,904
Food	162	$13,329.83	$63,729,931
Food at Home	161	$8,113.25	$38,789,455
Bakery and Cereal Products	161	$1,134.21	$5,422,639
Meats, Poultry, Fish, and Eggs	160	$1,762.33	$8,425,686
Dairy Products	164	$880.75	$4,210,875
Fruits and Vegetables	165	$1,572.57	$7,518,470
Snacks and Other Food at Home (10)	159	$2,763.39	$13,211,786
Food Away from Home	163	$5,216.58	$24,940,476
Alcoholic Beverages	172	$915.00	$4,374,622
Nonalcoholic Beverages at Home	157	$744.02	$3,557,156

Data Note: The Spending Potential Index (SPI) is household-based, and represents the amount spent for a product or service relative to a national average of 100. Detail may not sum to totals due to rounding.
Source: Esri forecasts for 2013 and 2018; Consumer Spending data are derived from the 2010 and 2011 Consumer Expenditure Surveys, Bureau of Labor Statistics.

July 10, 2014

Retail Goods and Services Expenditures

Market Areas - N Sea Road Study Area
145 N Sea Rd, Southampton, New York, 11968
Drive Time: 10 minute radius

Latitude: 40.89147
Longitude: -72.39514

	Spending Potential Index	Average Amount Spent	Total
Financial			
Investments	301	$6,241.76	$29,841,837
Vehicle Loans	150	$5,755.56	$27,517,330
Health			
Nonprescription Drugs	165	$205.11	$980,638
Prescription Drugs	166	$806.40	$3,855,413
Eyeglasses and Contact Lenses	171	$147.54	$705,387
Home			
Mortgage Payment and Basics (11)	182	$17,205.63	$82,260,119
Maintenance and Remodeling Services	192	$3,108.46	$14,861,546
Maintenance and Remodeling Materials (12)	176	$510.42	$2,440,313
Utilities, Fuel, and Public Services	157	$7,936.48	$37,944,332
Household Furnishings and Equipment			
Household Textiles (13)	173	$182.03	$870,268
Furniture	163	$782.53	$3,741,274
Rugs	183	$46.42	$221,939
Major Appliances (14)	171	$470.81	$2,250,949
Housewares (15)	150	$111.77	$534,379
Small Appliances	171	$76.49	$365,696
Luggage	180	$16.01	$76,553
Telephones and Accessories	141	$75.76	$362,201
Household Operations			
Child Care	162	$718.95	$3,437,308
Lawn and Garden (16)	184	$783.08	$3,743,917
Moving/Storage/Freight Express	174	$113.57	$542,969
Housekeeping Supplies (17)	161	$1,147.77	$5,487,467
Insurance			
Owners and Renters Insurance	166	$819.39	$3,917,480
Vehicle Insurance	160	$1,902.00	$9,093,445
Life/Other Insurance	171	$748.20	$3,577,158
Health Insurance	167	$4,147.04	$19,827,004
Personal Care Products (18)	165	$735.37	$3,515,825
School Books and Supplies (19)	151	$282.92	$1,352,618
Smoking Products	145	$705.98	$3,375,299
Transportation			
Vehicle Purchases (Net Outlay) (20)	157	$5,673.17	$27,123,416
Gasoline and Motor Oil	153	$4,750.87	$22,713,912
Vehicle Maintenance and Repairs	168	$1,841.67	$8,805,022
Travel			
Airline Fares	191	$880.17	$4,208,103
Lodging on Trips	186	$788.78	$3,771,138
Auto/Truck/Van Rental on Trips	201	$67.85	$324,400
Food and Drink on Trips	183	$800.55	$3,827,413

Data Note: The Spending Potential Index (SPI) is household-based, and represents the amount spent for a product or service relative to a national average of 100. Detail may not sum to totals due to rounding.
Source: Esri forecasts for 2013 and 2018; Consumer Spending data are derived from the 2010 and 2011 Consumer Expenditure Surveys, Bureau of Labor Statistics.

July 10, 2014

(1) Apparel Products and Services includes material for making clothes, sewing patterns and notions, shoe repair and other shoe services, apparel laundry and dry cleaning, alteration, repair and tailoring of apparel, clothing rental and storage, and watch and jewelry repair.

(2) Membership Fees for Clubs includes membership fees for social, recreational, and civic clubs.

(3) Audio includes satellite radio service, sound components and systems, digital audio players, records, CDs, audio tapes, streaming/downloaded audio, tape recorders, radios, musical instruments and accessories, and rental and repair of musical instruments.

(4) Toys and Games includes toys, games, arts and crafts, tricycles, playground equipment, arcade games, and online entertainment and games.

(5) Recreational Vehicles & Fees includes docking and landing fees for boats and planes, purchase and rental of RVs or boats, and camp fees.

(6) Sports/Recreation/Exercise Equipment includes exercise equipment and gear, game tables, bicycles, camping equipment, hunting and fishing equipment, winter sports equipment, water sports equipment, other sports equipment, and rental/repair of sports/recreation/exercise equipment.

(7) Photo Equipment and Supplies includes film, film processing, photographic equipment, rental and repair of photo equipment, and photographer fees.

(8) Reading includes digital book readers, books, magazine and newspaper subscriptions, and single copies of magazines and newspapers..

(9) Catered Affairs includes expenses associated with live entertainment and rental of party supplies.

(10) Snacks and Other Food at Home includes candy, chewing gum, sugar, artificial sweeteners, jam, jelly, preserves, margarine, fat, oil, salad dressing, nondairy cream and milk, peanut butter, frozen prepared food, potato chips, nuts, salt, spices, seasonings, olives, pickles, relishes, sauces, gravy, other condiments, soup, prepared salad, prepared dessert, baby food, miscellaneous prepared food, and nonalcoholic beverages.

(11) Mortgage Payment and Basics includes mortgage interest, mortgage principal, property taxes, homeowners insurance, and ground rent.

(12) Maintenance and Remodeling Materials includes supplies/tools/equipment for painting and wallpapering, plumbing supplies and equipment, electrical/heating/AC supplies, materials for hard surface flooring, materials for roofing/gutters, materials for plaster/panel/siding, materials for patio/fence/brick work, landscaping materials, and insulation materials for owned homes.

(13) Household Textiles includes bathroom linens, bedroom linens, kitchen linens, dining room linens, other linens, curtains, draperies, slipcovers, decorative pillows, and materials for slipcovers and curtains.

(14) Major Appliances includes dishwashers, disposals, refrigerators, freezers, washers, dryers, stoves, ovens, microwaves, window air conditioners, electric floor cleaning equipment, sewing machines, and miscellaneous appliances.

(15) Housewares includes plastic dinnerware, china, flatware, glassware, serving pieces, nonelectric cookware, and tableware.

(16) Lawn and Garden includes lawn and garden supplies, equipment and care service, indoor plants, fresh flowers, and repair/rental of lawn and garden equipment.

(17) Housekeeping Supplies includes soaps and laundry detergents, cleaning products, toilet tissue, paper towels, napkins, paper/plastic/foil products, stationery, giftwrap supplies, postage, and delivery services.

(18) Personal Care Products includes hair care products, nonelectric articles for hair, wigs, hairpieces, oral hygiene products, shaving needs, perfume, cosmetics, skincare, bath products, nail products, deodorant, feminine hygiene products, adult diapers, and personal care appliances.

(19) School Books and Supplies includes school books and supplies for College, Elementary school, High school, Vocational/Technical School, Preschool/Other Schools, and Other School Supplies.

(20) Vehicle Purchases (Net Outlay) includes net outlay for new and used cars, trucks, vans, motorcycles, and motor scooters.

Data Note: The Spending Potential Index (SPI) is household-based, and represents the amount spent for a product or service relative to a national average of 100. Detail may not sum to totals due to rounding.
Source: Esri forecasts for 2013 and 2018; Consumer Spending data are derived from the 2010 and 2011 Consumer Expenditure Surveys, Bureau of Labor Statistics.

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APPENDIX E

Gap Analysis Data

Retail MarketPlace Profile

Market Areas - N Sea Road Study Area
145 N Sea Rd, Southampton, New York, 11968
Drive Time: 10 minute radius

Latitude: 40.89147
Longitude: -72.39514

Summary Demographics	
2013 Population	12,620
2013 Households	4,781
2013 Median Disposable Income	$61,715
2013 Per Capita Income	$46,503

Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	$215,515,971	$381,357,531	-$165,841,560	-27.8	271
Total Retail Trade	44-45	$194,667,680	$353,109,785	-$158,442,105	-28.9	235
Total Food & Drink	722	$20,848,290	$28,247,746	-$7,399,456	-15.1	35

Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	$35,700,725	$140,065,907	-$104,365,182	-59.4	15
Automobile Dealers	4411	$30,866,251	$136,602,430	-$105,736,179	-63.1	6
Other Motor Vehicle Dealers	4412	$2,103,304	$3,153,030	-$1,049,726	-20	8
Auto Parts, Accessories & Tire Stores	4413	$2,731,169	$310,447	$2,420,722	79.6	1
Furniture & Home Furnishings Stores	442	$4,874,660	$27,879,119	-$23,004,459	-70.2	17
Furniture Stores	4421	$2,398,258	$19,788,347	-$17,390,089	-78.4	7
Home Furnishings Stores	4422	$2,476,401	$8,090,771	-$5,614,370	-53.1	10
Electronics & Appliance Stores	443	$6,836,694	$12,318,789	-$5,482,095	-28.6	7
Bldg Materials, Garden Equip. & Supply Stores	444	$7,405,766	$21,055,957	-$13,650,191	-48.0	23
Bldg Material & Supplies Dealers	4441	$6,573,532	$18,882,655	-$12,309,123	-48.4	21
Lawn & Garden Equip & Supply Stores	4442	$832,234	$2,173,302	-$1,341,068	-44.6	2
Food & Beverage Stores	445	$36,105,571	$24,505,766	$11,599,805	19.1	23
Grocery Stores	4451	$31,293,550	$9,737,757	$21,555,793	52.5	11
Specialty Food Stores	4452	$1,722,679	$5,038,212	-$3,315,533	-49.0	8
Beer, Wine & Liquor Stores	4453	$3,089,342	$9,729,797	-$6,640,455	-51.8	5
Health & Personal Care Stores	446,4461	$16,673,908	$12,415,238	$4,258,670	14.6	13
Gasoline Stations	447,4471	$18,348,538	$3,888,113	$14,460,425	65.0	5
Clothing & Clothing Accessories Stores	448	$14,755,629	$50,143,452	-$35,387,823	-54.5	54
Clothing Stores	4481	$10,929,029	$42,767,621	-$31,838,592	-59.3	39
Shoe Stores	4482	$1,933,665	$1,850,712	$82,953	2.2	3
Jewelry, Luggage & Leather Goods Stores	4483	$1,892,935	$5,525,118	-$3,632,183	-49.0	12
Sporting Goods, Hobby, Book & Music Stores	451	$4,760,007	$3,094,782	$1,665,225	21.2	12
Sporting Goods/Hobby/Musical Instr Stores	4511	$4,155,091	$2,050,015	$2,105,076	33.9	9
Book, Periodical & Music Stores	4512	$604,916	$1,044,768	-$439,852	-26.7	3
General Merchandise Stores	452	$22,549,152	$4,706,783	$17,842,369	65.5	3
Department Stores Excluding Leased Depts.	4521	$9,705,971	$2,988,788	$6,717,183	52.9	1
Other General Merchandise Stores	4529	$12,843,181	$1,717,995	$11,125,186	76.4	2
Miscellaneous Store Retailers	453	$5,941,520	$15,945,172	-$10,003,652	-45.7	51
Florists	4531	$543,598	$594,969	-$51,371	-4.5	5
Office Supplies, Stationery & Gift Stores	4532	$1,338,314	$814,236	$524,078	24.3	9
Used Merchandise Stores	4533	$655,611	$3,596,303	-$2,940,692	-69.2	18
Other Miscellaneous Store Retailers	4539	$3,403,997	$10,939,664	-$7,535,667	-52.5	19
Nonstore Retailers	454	$20,715,510	$37,090,706	-$16,375,196	-28.3	12
Electronic Shopping & Mail-Order Houses	4541	$17,106,080	$1,243,484	$15,862,596	86.4	2
Vending Machine Operators	4542	$380,249	$0	$380,249	100.0	0
Direct Selling Establishments	4543	$3,229,181	$35,847,222	-$32,618,041	-83.5	10
Food Services & Drinking Places	722	$20,848,290	$28,247,746	-$7,399,456	-15.1	35
Full-Service Restaurants	7221	$10,707,277	$20,407,468	-$9,700,191	-31.2	23
Limited-Service Eating Places	7222	$7,759,751	$5,061,470	$2,698,281	21.0	7
Special Food Services	7223	$1,728,262	$571,065	$1,157,197	50.3	2
Drinking Places - Alcoholic Beverages	7224	$653,001	$2,207,743	-$1,554,742	-54.3	4

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf.

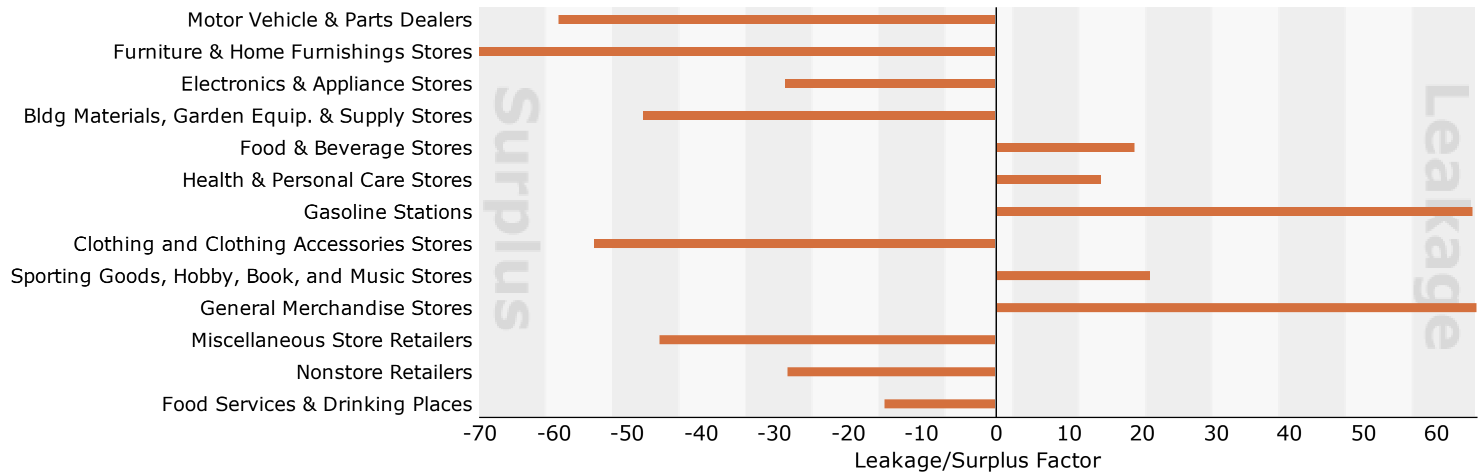
Source: Esri and Dun & Bradstreet.

July 10, 2014

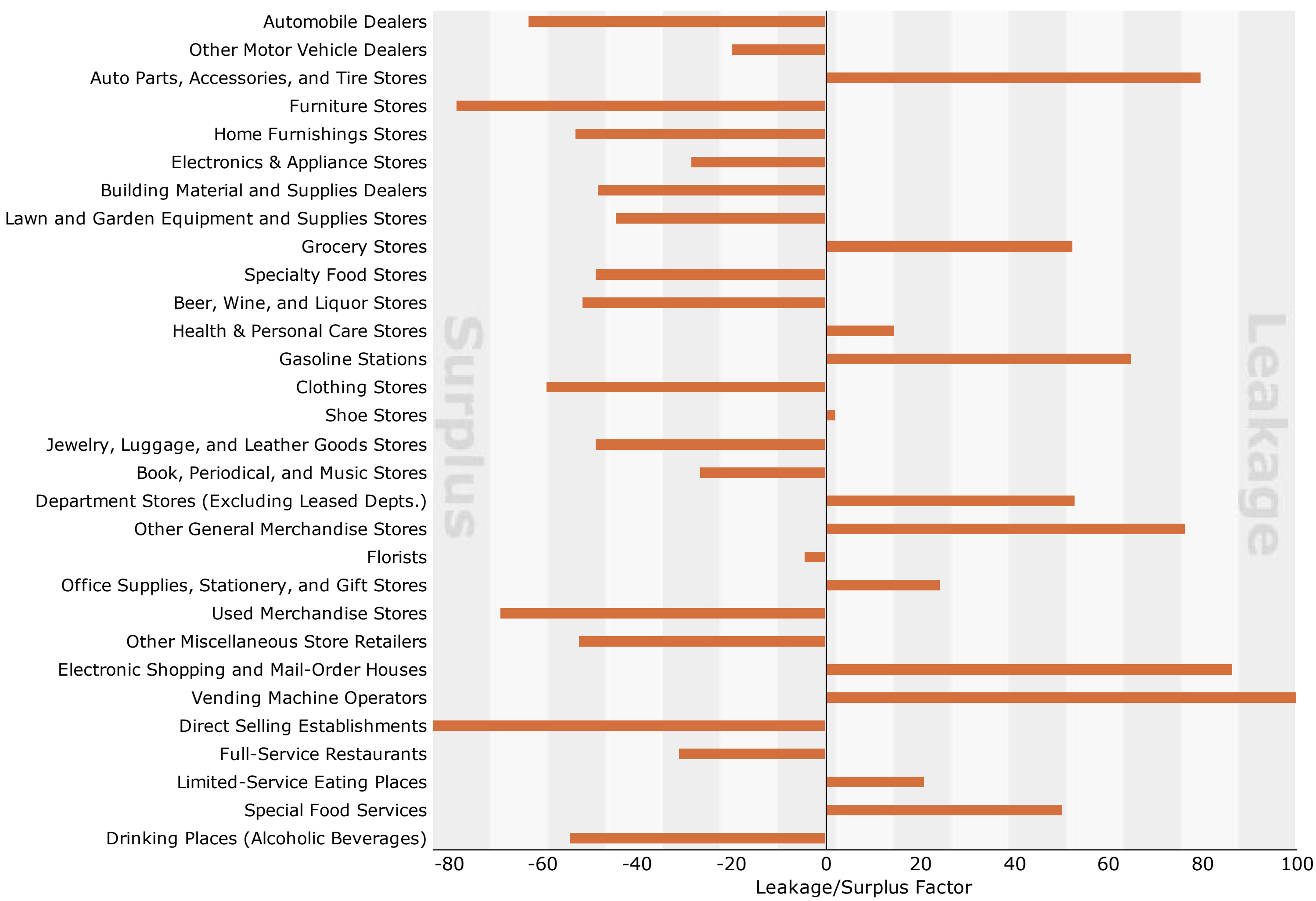
Market Areas - N Sea Road Study Area
145 N Sea Rd, Southampton, New York, 11968
Drive Time: 10 minute radius

Latitude: 40.89147
Longitude: -72.39514

Leakage/Surplus Factor by Industry Subsector



Leakage/Surplus Factor by Industry Group



Source: Esri and Dun & Bradstreet.

July 10, 2014

APPENDIX F

Long Island Office Quarterly Report
from Cushman & Wakefield Research Publication

MARKETBEAT

LONG ISLAND OFFICE REPORT

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

CUSHMAN & WAKEFIELD®
Global Real Estate Solutions℠

1Q10

ECONOMY

According to *Moody's | Economy.com*, Long Island's first quarter 2010 unemployment rate was 7.8%, an increase of 1.4 percentage points from a year ago. Since a year ago Long Island has shed 3,670 office using jobs. According to the New York State Department of Labor, Education & Health Services and Leisure & Hospitality were the only employment sectors to add jobs since a year ago.

OVERVIEW

The Long Island market showed mixed signals throughout the first quarter of 2010. The vacancy rate increased slightly; but at the same time leasing activity was strong. Also, average asking rates remained relatively stable only down 2.8% from a year ago and flat compared to the previous quarter. Long Island's overall vacancy rate was 17.6%, up 22% from a year ago. In Nassau County, the overall vacancy rate was 16.2%, up 17% from a year ago. The largest block of new space, in the county, was 35,768 square feet (sf) at 1981 Marcus Avenue, Lake Success. The Suffolk County overall vacancy rate increased to 20.0%, up 31% from a year ago. In Suffolk, the largest new block of space was a 34,800 sf sublet placed on the market by Arrow Electronics at 50 Marcus Drive, Melville. Although the overall vacancy rate continues to increase the velocity of new space to the market is slower and the average size of the space added was smaller.

Overall leasing activity closed the first quarter up 171% from the prior year first quarter with a total of 608,863 sf leased. Nassau County had the lion's share of activity with 438,547 sf recorded. Specifically, the Eastern Nassau submarket recorded the most activity among all Long Island submarkets with 184,395 sf leased. The submarket was led by two deals at 999 Stewart Avenue, Bethpage, the United States Internal Revenue Service leased 47,000 sf and Comforce Corporation committed to 37,000 sf. Suffolk County recorded 170,316 sf of new leases, a 50% increase from a year ago. The bulk of the activity for the county occurred in Western Suffolk where 153,704 sf was leased. TD Bank's lease at 324 South Service Road, Melville was the largest new transaction recorded in Suffolk and on Long Island for the quarter.

Average asking rents across Long Island remained stable compared to the rest of the country. The overall average asking rental rate is $29.56 per square foot (psf), only a 2.8% decrease from a year ago. The Nassau County overall average asking rent was $31.45 psf; while Suffolk County came in at $26.88 psf. The Western Nassau submarket continues to post the highest average asking rents at $32.05 psf, while the Central Suffolk submarket posts the lowest at $25.44 psf.

Long Island ended the first quarter with negative overall absorption of 92,634 sf. Compared to the first quarter 2009's figure of negative 832,606 sf, the office market showed significant improvement.

FORECAST

The Long Island office market will continue to show mixed signals throughout the year. The velocity of new space coming to the market will continue to slow as the economy continues to stabilize and show signs of improvement. Leasing activity will remain over 2009 levels due to pent up demand and companies entering the market early to take advantage of current market conditions. Pricing will encounter continued downward pressure due to the abundance of options in the market.

BEAT ON THE STREET

"Tenants entered the market early in order to ink favorable lease terms. We expect tenants will continue to take advantage of favorable market conditions thus producing increased leasing actvity for the first half of 2010."

–David Leviton, Executive Director

ECONOMIC INDICATORS

National	2009	2010F	2011F
GDP Growth	-2.4%	2.8%	3.7%
CPI Growth	-0.3%	1.9%	2.1%
Regional			
Unemployment	7.1%	7.9%	7.9%
Employment Growth	-2.2%	-0.8%	0.0%

Source: Moody's | Economy.com

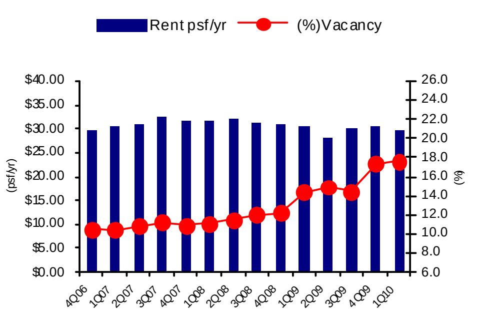
MARKET FORECAST

LEASING ACTIVITY increased from the first quarter of 2009 and will remain above the lows established last year.

ASKING RENTAL RATE is expected to remain stable through 2010.

SUBLEASE VACANCY is expected to decrease as companies have already adjusted their inventory of excess space in the previous year.

OVERALL RENTAL RATE VS. VACANCY RATES



MARKETBEAT

LONG ISLAND OFFICE REPORT 1Q10

MARKET/SUBMARKET STATISTICS

MARKET/ SUBMARKET	INVENTORY	NO. OF BLDGS.	OVERALL VACANCY RATE	DIRECT VACANCY RATE	YTD LEASING ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD OVERALL ABSORPTION	DIRECT WTD. AVG. NET CLASS A RENTAL RATE*
Nassau County	19,938,606	164	16.2%	12.9%	438,547	0	0	(116,959)	$34.21
Western Nassau	5,560,002	49	13.0%	10.9%	134,821	0	0	14,735	$33.75
Central Nassau	8,627,309	65	17.6%	13.8%	119,331	0	0	(252,314)	$33.95
Eastern Nassau	5,751,295	50	17.2%	13.6%	184,395	0	0	120,620	$35.25
Suffolk County	12,025,289	131	20.0%	16.7%	170,316	0	0	24,325	$29.70
Western Suffolk	7,718,880	59	18.0%	15.7%	153,704	0	0	106,054	$29.62
Central Suffolk	4,306,409	72	23.5%	18.5%	16,612	0	0	(81,729)	$29.95
LONG ISLAND TOTAL	31,963,895	295	17.6%	14.3%	608,863	0	0	(92,634)	$32.54

* Rental rates reflect $psf/year

MARKET HIGHLIGHTS

SIGNIFICANT 1Q10 NEW LEASE TRANSACTIONS

BUILDING	SUBMARKET	TENANT	SQUARE FEET	BLDG CLASS
1985 Marcus Avenue	Eastern Nassau	State Farm Insurance	55,109	A
1985 Marcus Avenue	Eastern Nassau	Crawford & Co.	49,927	A
999 Stewart Avenue	Eastern Nassau	U.S. Internal Revenue Service	47,000	B
999 Stewart Avenue	Eastern Nassau	Comforce Corporation	37,000	B
100 Sunnyside Boulevard	Eastern Nassau	HUB International Limited*	31,000	B
501 Franklin Avenue	Central Nassau	WebAir	25,262	A

SIGNIFICANT 1Q10 SALE TRANSACTIONS

BUILDING	SUBMARKET	Buyer	SQUARE FEET	PURCHASE PRICE
1103 Stewart Avenue	Central Nassau	1103 Realty LLP	33,000	$9,600,000

SIGNIFICANT 1Q10 CONSTRUCTION COMPLETIONS

BUILDING	SUBMARKET	MAJOR TENANT	SQUARE FEET	COMPLETION DATE
N/A				

SIGNIFICANT PROJECTS UNDER CONSTRUCTION/RENOVATION

BUILDING	SUBMARKET	MAJOR TENANT	SQUARE FEET	COMPLETION DATE
N/A				

*Denotes Renewal

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Cushman & Wakefield of Long Island, Inc.
401 Broad Hollow Road
Melville, NY 11747
(631) 425-1200

Please consider your environmental responsibility before printing this report.

*Market terms & definitions based on BOMA and NAIOP standards.

MARKETBEAT

CUSHMAN & WAKEFIELD®

LONG ISLAND OFFICE REPORT

1Q11

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

WWW.CUSHWAKE.COM/KNOWLEDGE

Overview

Over the past year the private sector job count on Long Island rose by over 12,000, representing a 0.9% increase. Educational & Health services led the way in adding over 5,000 jobs, followed by Leisure & Hospitality, Professional & Business Services, Trade, Transportation & Utilities, and other services. Both Nassau and Suffolk County showed a positive increase in office-using employment since 2010, with Nassau County up 0.9% and Suffolk County up 1.6% since last year.

In terms of unemployment, the most recent data from the New York State Department of Labor showed that Long Island's unemployment rate was at 7.8% in the first quarter of 2011, a significant decrease from the 8.3% unemployment rate reported at this time last year.

Leasing & Vacancy

The first quarter of 2011 closed with overall leasing transactions totaling 296,452 square feet (sf). When compared with first quarter 2010 leasing activity this represents a 51.3% decrease. The only office deal over 30,000 sf this quarter was MBS Insight's 31,561-sf sublease at 265 Broad Hollow Road in Melville; there were four deals over 30,000 sf in the first quarter of 2010. The largest deal of the quarter and in Suffolk County was the aforementioned sublease in Melville, while two smaller yet significant deals were Aramis Inc.'s 18,240-sf sublease at 105 Maxess Road in Melville in addition to Winthrop University Hospital's 13,000-sf lease at 1000 Franklin Avenue in Garden City.

Overall vacancy is currently at 19.2%, up by 9.1% from a year ago, yet down by 1.5% from last quarter. In comparison with the first quarter of 2010, Nassau County's vacancy rate has increased by 7.4% to 17.4%, while Suffolk County's vacancy has increased by 10% to 22%. The only submarket to post a decreased vacancy rate was Central Suffolk County, down by 21.3% with a current vacancy of 18.5%.

Rents & Absorption

The overall average asking rental rate on Long Island is $29.15 per square foot (psf), a 1.4% decrease from last year's $29.56 psf and a 0.6% increase from last quarter's average rent of $28.98 psf. Nassau County's overall average asking rent is currently at $30.72 psf while Suffolk County's overall average asking rent is at $26.94 psf. The only two submarkets to show increased rental rates compared with first quarter 2010 rental rates are Western Nassau County and Western Suffolk County.

Long Island closed the first quarter of 2011 with positive overall absorption of 303,751 sf. The last time the Long Island office market recorded positive absorption was four years ago, in the first quarter of 2007.

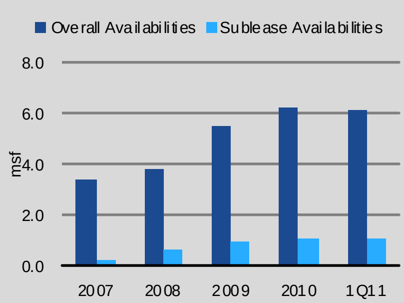
Outlook

The Long Island office market will continue to show signs of recovery through 2011. Vacancy rates are forecasted to decrease as tenants are anticipated to take advantage of the still tenant-favorable market. Rental rates are expected to remain level and gradually increase as the economy shows signs of improvement.

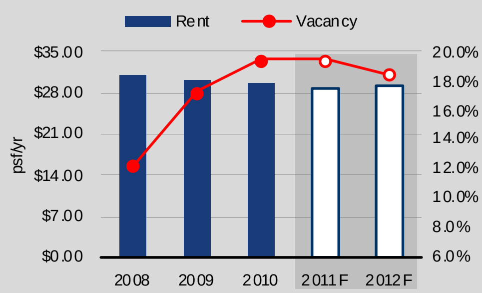
Stats on the Go

	1Q10	1Q11	Y-o-Y Change	12 month Forecast
Overall Vacancy	17.60%	19.20%	1.60 pp	▼
Direct Asking Rents	$29.82	$29.64	0.60%	▲
YTD Leasing Activity (sf)	608,863	296,452	58.30%	▲

Overall Availabilities vs. Sublease Availabilities



Overall Rental vs. Vacancy Rates



Market/Submarket Statistics

Market / Submarket	Inventory	Overall Vacancy Rate	Direct Vacancy Rate	YTD Leasing Activity**	Under Construction	YTD Construction Completions	YTD Direct Absorption	YTD Overall Absorption	Overall Wtd. Avg. All Classes Gross Rental Rate*	Direct Wtd. Avg. Class A Gross Rental Rate*
Western Nassau	5,610,002	15.8%	13.7%	38,187	0	0	(3,295)	(15,027)	$32.95	$34.94
Central Nassau	8,646,709	18.4%	15.2%	55,219	0	0	70,495	58,528	$29.98	$33.98
Eastern Nassau	5,759,037	17.5%	13.7%	94,302	0	0	259,635	321,031	$30.23	$33.97
Nassau County	**20,015,748**	**17.4%**	**14.3%**	**187,708**	**0**	**0**	**326,835**	**364,532**	**$30.72**	**$34.30**
Western Suffolk	7,718,880	22.7%	19.4%	90,675	0	0	(40,670)	11,560	$28.29	$30.15
Central Suffolk	4,306,409	20.9%	17.0%	18,069	0	0	(40,305)	(72,341)	$23.85	$28.64
Suffolk County	**12,025,289**	**22.0%**	**18.6%**	**108,744**	**0**	**0**	**(80,975)**	**(60,781)**	**$26.94**	**$29.95**
LONG ISLAND TOTAL	**32,041,037**	**19.2%**	**15.9%**	**296,452**	**0**	**0**	**245,860**	**303,751**	**$29.15**	**$32.67**

* Rental rates reflect asking $psf/year.

** Leasing activity revised after the close of statistics.

Market Highlights

SIGNIFICANT 1Q11 LEASE TRANSACTIONS

BUILDING	SUBMARKET	TENANT	SQUARE FEET	BUILDING CLASS
265 Broad Hollow Road	Western Suffolk	MBS Insight	31,561	A
538 Broad Hollow Road	Western Suffolk	Franklin First Financial	25,000	A
105 Maxess Road	Western Suffolk	Aramis Inc.	18,240	A
1000 Franklin Avenue	Central Nassau	Winthrop University Hospital	13,000	A

SIGNIFICANT 1Q11 SALE TRANSACTIONS

BUILDING	MARKET	BUYER	SQUARE FEET	PURCHASE PRICE
183 S Broadway	Eastern Nassau	RBL Hicksville, LLC	21,600	$3,180,000

SIGNIFICANT 1Q11 CONSTRUCTION COMPLETIONS

BUILDING	MARKET	MAJOR TENANT	SQUARE FEET	COMPLETION DATE
N/A				

SIGNIFICANT PROJECTS UNDER CONSTRUCTION/RENOVATION

BUILDING	MARKET	MAJOR TENANT	SQUARE FEET	COMPLETION DATE
S Service Road / Walt Whitman Road	Western Suffolk	Canon	668,300	3Q12

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MARKETBEAT
OFFICE SNAPSHOT

LONG ISLAND, NY
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Q1 2012

ECONOMIC OVERVIEW
Since last year, the private sector job count on Long Island increased by 20,800 jobs, while the unemployment rate remained unchanged at 7.8%. Professional and business services saw the greatest increase in employment, adding 9,800 jobs. Health care and social assistance remained a vigorous industry, adding 5,000 jobs over the past year. Although the Long Island market continues to show improvement, Government and Retail sectors remained weak, according to the New York State Department of Labor.

LEASING & VACANCY
The first quarter of 2012 closed with overall leasing transactions totaling 316,693 square feet (sf), representing a 6.8% year-over-year increase. The only office deal over 20,000 sf this quarter was North Shore LIJ's 50,967-sf sublease at 3 Huntington Quadrangle in Melville. Following that was a 19,500-sf lease inked by USI at 333 Earle Ovington Boulevard in Uniondale.

In addition, there were two significant renewals that were not included in leasing activity. The larger of the two was Morgan Stanley's 50,359-sf renewal expansion at 58 South Service Road in Melville, followed by Sbarro's 30,000-sf renewal at 401 Broad Hollow Road also in Melville.

The overall vacancy rate is currently at 16.9%, down 4.5% from 4Q11. The largest decrease in vacancy from last quarter occurred in Nassau County from 17.4% to 16.2%, with a leasing activity total of 210,100-sf. The Central Nassau submarket was responsible for 49.3% of the total leasing activity for Long Island. Subsequently, Central Nassau vacancy fell by 3.8 percentage points from 18.6% to 14.8%.

RENTS & ABOSRPTION
The overall weighted average rental rate on Long Island is $29.55 per square foot (psf), a 1.4% increase from last year's $29.15 psf. and a 0.2% decrease from last quarter's $29.62 psf. Nassau County's overall weighted average rental rate is currently $31.17 psf while Suffolk County's overall weighted average rental rate is $27.17 psf.

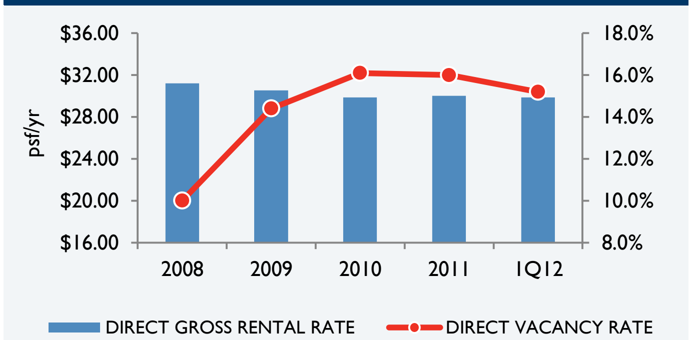
The first quarter of 2012 closed with a positive overall absorption of 234,831-sf. 1Q12 represented the fifth straight quarter of positive absorption for Long Island.

OUTLOOK
There are several large leases currently in progress which will give the second quarter a healthy start. Despite last year's substantial job growth for Long Island, companies remain cautious about the uncertainty of the economy. As so, vacancy rates should remain somewhat flat, decreasing slightly throughout the course of 2012. Overall weighted average rental rates will remain steady and gradually increase as Long Island continues its recovery.

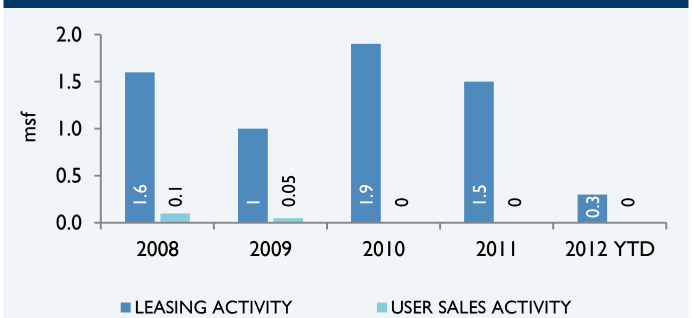
STATS ON THE GO

	1Q11	1Q12	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	19.2%	16.9%	-2.3pp	
Direct Asking Rents (psf/yr)	$29.64	$29.86	0.7%	
YTD Leasing Activity (sf)	296,452	316,693	6.8%	

DIRECT RENTAL VS. VACANCY RATES



OVERALL OCCUPIER ACTIVITY



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LONG ISLAND, NY

SUBMARKET	INVENTORY	OVERALL VACANCY RATE	DIRECT VACANCY RATE	YTD LEASING ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD DIRECT NET ABSORPTION	YTD OVERALL NET ABSORPTION	OVERALL WTD. AVG ALL CLASSES GROSS RENTAL RATE*	DIRECT WTD. AVG. CLASS A GROSS RENTAL RATE*
Western Nassau	5,930,002	18.2%	17.1%	35,534	0	0	(163,232)	(149,641)	$33.03	$33.68
Central Nassau	8,646,709	14.8%	13.3%	156,207	0	0	361,414	333,596	$30.55	$33.34
Eastern Nassau	5,759,037	16.2%	13.6%	18,359	0	0	(16,810)	11,912	$29.88	$37.96
NASSAU COUNTY	20,335,748	16.2%	14.5%	210,100	0	0	181,372	195,867	$31.17	$34.00
Western Suffolk	7,669,448	18.6%	17.5%	89,033	0	0	(2,102)	18,854	$28.85	$30.70
Central Suffolk	4,306,409	17.1%	14.7%	17,560	0	0	20,110	20,110	$23.95	$27.40
SUFFOLK COUNTY	11,975,857	18.0%	16.5%	106,593	0	0	18,008	38,964	$27.17	$30.17
TOTALS	**32,311,605**	**16.9%**	**15.2%**	**316,693**	**0**	**0**	**199,380**	**234,831**	**$29.55**	**$32.68**

* RENTAL RATES REFLECT ASKING $PSF/YEAR

MARKET HIGHLIGHTS

Significant 1Q12 Lease Transactions	SUBMARKET	TENANT/BUYER	BUILDING CLASS	SQUARE FEET
3 Huntington Quadrangle, Melville	Western Suffolk	North Shore LIJ	B	50,967
333 Earle Ovington Boulevards, Uniondale	Central Nassau	USI	A	19,500
1122 Franklin Avenue, Garden City	Central Nassau	Bank Direct Capital Finance	B	12,260
330 Old Country Road, Mineola	Central Nassau	Nationwide Mutual Insurance Co.	A	11,409

Significant 1Q12 Sale Transactions	SUBMARKET	BUYER	PURCHASE PRICE / $PSF	SQUARE FEET
2410 North Ocean Avenue, Farmingville	Central Suffolk	Soundview Realty Group	$4,600,000 / $10.20 psf	45,650
333 North Broadway, Jericho	Eastern Nassau	Malachite Group Ltd.	$1,550,000 / $37.80 psf	41,000
3001 Expressway Drive North, Islandia	Western Suffolk	Damianos Realty Group, LLC	$3,850,000 / $96.25 psf	40,000

Significant 1Q12 Construction Completions	SUBMARKET	MAJOR TENANT	COMPLETION DATE	SQUARE FEET
** 2200 Northern Boulevard, East Hills	Western Nassau	Kliger-Weiss Infosystems	1Q12	315,000

Significant Projects Under Construction	SUBMARKET	MAJOR TENANT	COMPLETION DATE	SQUARE FEET
*** S. Service Road / Walt Whitman Road, Melville	Western Suffolk	Canon	3Q12	668,300

* RENEWAL - NOT INCLUDED IN LEASING ACTIVITY STATISTICS

** RENOVATION - NOT INCLUDED IN CONSTRUCTION STATISTICS

*** OWNER OCCUPIED - NOT INCLUDED IN VACANCY STATISTICS

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The market terms and definitions in this report are based on NAIOP standards.

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LONG ISLAND NY
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Q1 2013

ECONOMIC OVERVIEW
The Long Island unemployment rate is currently at 7.6%, down 0.3 percentage points from one year ago. As of February, the number of private sector jobs increased by 20,000 since February 2012. Compared to last year, six of the nine private industry sectors of Long Island saw gains in employment. The top three performers for job growth of office-using employers included education and health services, professional and business services, and leisure and hospitality. These areas added 5,400, 4,800, and 4,400 jobs, respectively. The government sector, on the other hand, lost 3,800 jobs during the same time period.

LEASING & VACANCY
Leasing activity for the first quarter of 2013 recorded just over 467,000 square feet (sf), up 47.5% from last year and well above the five year average of about 383,000 sf. At the close of the first quarter, there were seven deals greater than 20,000 sf. In comparison, at this time last year, there were only two deals that broke the 20,000-sf benchmark. Class A leasing activity continued to drive demand in the first quarter of 2013, representing 62% of total new leasing for the island. Suffolk County was responsible for only 34% of total leasing this time last year. However, so far this year it took the lion's share of leasing, accounting for nearly 70% of total new activity. Renewals remained a dominant player in the market, totaling just over 800,000 sf. Included in that figure is a 700,000-sf renewal by Broadridge Financial at the Heartland Business Park in Edgewood.

The overall vacancy rate was held untouched from the close of 2012 at 18.1%, but up 1.2 percentage points from 16.9% one year ago. Western Nassau County continued to boast the highest vacancy rate for the island at 24.1%. Large vacant blocks, like newly renovated 2000 Marcus Drive and 2200 Northern Boulevard, lingered stagnant on the market. Suffolk County continued to experience an increase in leasing and decrease in available space.

RENTS & ABSORPTION
The overall average asking rental rate is currently priced at $30.37 per square foot (psf), up 2.8% from last year. Each submarket of Nassau County experienced a year-over-year increase in rental rates, mostly due to newly renovated and high quality space on the market. At the same time, Suffolk County experienced the opposite effect with lower overall rental rates for both Western and Central Suffolk.

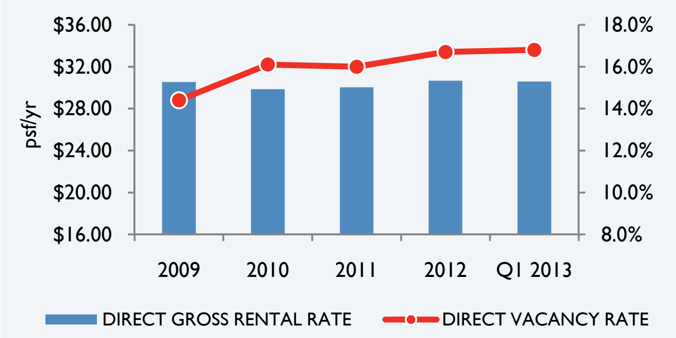
Positive absorption is a difficult feat as larger firms have the ability to swing the market. Recently, 98,000 sf was shed at 1055 Stewart Avenue in Bethpage by the well-known defense contractor, Northrop Grumman. The first quarter of 2013 closed with negative overall absorption of (32,962) sf. While Nassau County was plagued with negative overall absorption, both submarkets of Suffolk County experienced positive absorption, with activity in class A buildings responsible for most of the upswing.

OUTLOOK
As larger tenants, like Northrop Grumman, Interdigital, Verizon and State Farm Insurance, are reducing their footprint on Long Island, strong new leasing and renewal activity will continue to show signs of improvements. We expect to see similar market conditions, with slightly decreasing vacancy, for the remainder of 2013.

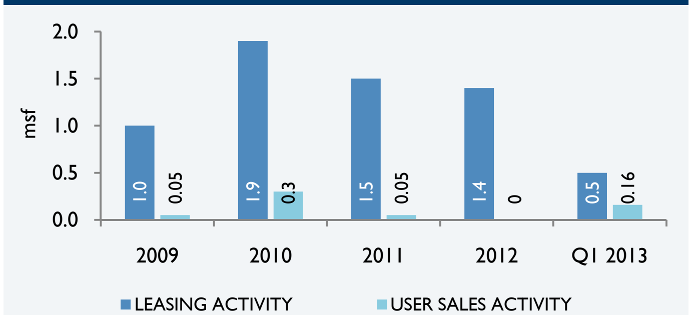
STATS ON THE GO

	Q1 2012	Q1 2013	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	16.9%	18.1%	1.2pp	▲
Direct Asking Rents (psf/yr)	$29.86	$30.58	2.4%	▲
YTD Leasing Activity (sf)	316,693	467,129	47.5%	▲

DIRECT RENTAL VS. VACANCY RATES



OVERALL OCCUPIER ACTIVITY



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LONG ISLAND, NY

SUBMARKET	INVENTORY	OVERALL VACANCY RATE	DIRECT VACANCY RATE	YTD LEASING ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD DIRECT NET ABSORPTION	YTD OVERALL NET ABSORPTION	OVERALL WTD. AVG ALL CLASSES GROSS RENTAL RATE*	DIRECT WTD. AVG. CLASS A GROSS RENTAL RATE*
Western Nassau	6,281,459	24.1%	23.3%	5,073	0	0	10,615	(13,560)	$33.73	$34.18
Central Nassau	8,679,709	16.1%	15.0%	75,037	0	0	(54,537)	(71,306)	$31.13	$33.51
Eastern Nassau	5,851,427	17.3%	14.7%	60,090	0	0	(72,794)	(86,539)	$30.28	$39.75
Nassau County	21,012,595	18.8%	17.4%	140,200	0	0	(116,716)	(171,405)	$32.23	$34.26
Western Suffolk	7,669,448	18.0%	17.4%	168,281	0	0	3,736	68,951	$28.66	$31.31
Central Suffolk	4,552,406	15.1%	13.0%	158,648	70,000	0	80,018	65,569	$23.39	$26.32
Suffolk County	12,221,857	16.9%	15.8%	326,929	70,000	0	83,754	134,520	$26.74	$30.36
TOTALS	**33,234,452**	**18.1%**	**16.8%**	**467,129**	**70,000**	**0**	**(32,962)**	**(36,885)**	**$30.37**	**$33.19**

* RENTAL RATES REFLECT ASKING $PSF/YEAR

MARKET HIGHLIGHTS

Significant 2013 Lease Transactions	SUBMARKET	TENANT	BUILDING CLASS	SQUARE FEET
Heartland Business Park, Edgewood *	Central Suffolk	Broadridge Financial	B	700,000
Veterans Highway, Hauppauge **	Central Suffolk	Allstate Insurance	A	70,000
333 Earle Ovington Boulevard, Uniondale *	Central Nassau	Chubb Insurance	A	49,291
2 Huntington Quadrangle, Melville *	Western Suffolk	Interdigital	B	44,810
201 Old Country Road, Melville	Western Suffolk	Reliance First Capital	A	29,080
3 Huntington Quadrangle, Melville	Western Suffolk	North Shore LIJ	B	25,000
43-45 Crossways Park Drive, Woodbury	Eastern Nassau	Orlin & Cohen Orthopedic Assoc.	B	22,871
2929 Expressway Drive North, Hauppauge	Central Suffolk	Bohler Engineering	B	20,961
88 Froehlich Farm Boulevard, Woodbury	Eastern Nassau	Verizon	A	18,000

Significant 2013 Sale Transactions	SUBMARKET	BUYER	PURCHASE PRICE / $PSF	SQUARE FEET
102 Duffy Avenue, Hicksville	Eastern Nassau	New York Community Bank	$12,000,000 / $75.00	160,000
80 Cuttermill Road, Great Neck	Western Nassau	First Quality Products	$27,440,000 / $343.00	80,000

Significant 2013 Construction Completions	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET
S. Service Road / Walt Whitman Road, Melville ***	Western Suffolk	Canon USA	Q1 2013	668,300

Significant Projects Under Construction	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET
Veterans Highway, Hauppauge	Central Suffolk	Allstate Insurance	Q4 2014	70,000

* RENEWAL - NOT INCLUDED IN LEASING ACTIVITY STATISTICS

** UNDER CONSTRUCTION – NOT INCLUDED IN ABSORPTION CALCULATION

*** OWNER OCCUPIED – NOT INCLUDED IN CONSTRUCTION DATA

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LONG ISLAND NY
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Q1 2014

ECONOMIC OVERVIEW

The Long Island unemployment rate is currently 6.2%, down 0.9 percentage points from one year ago and 1.7 percentage points lower than New York State's rate. Both the Nassau and Suffolk County unemployment rate dropped 0.9 percentage points from one year ago to 5.8% and 6.6%, respectively. From February 2013-February 2014, the private sector added 17,300 jobs. The top industry performers for job growth included trade, transportation and utilities; education and health services; and retail trade.

CLASS A DEMAND DRIVES LEASING

While first quarter 2014 leasing activity only increased modestly from Q1 2013, class A leasing rose 43.2% over the same time period. This pushed the class A vacancy rate downward 1.2 percentage points from last quarter. Meanwhile, the class B vacancy rate remained flat from year-end 2013 at 18.7%. The disparity between the class A and B vacancy rate is now 3.0 percentage points, the highest it has been since 2004. The recent flight to quality by tenants has helped tighten the class A market as the five largest leases signed during Q1 were all concentrated within class A buildings.

Nassau County drove leasing in Q1, representing 75.0% of all leasing and exhibiting a 177.5% year-over-year spike. The strong demand within Nassau dropped the vacancy rate to its lowest point since 2009. At the end of 2013 the Suffolk County vacancy rate dipped below Nassau County for the first time since 1997. However, tepid demand during Q1 coupled with the addition of almost 45,000 sf at 100 Baylis Road in Melville, caused a 1.0 percentage point up-tick in the county's vacancy rate.

SUFFOLK COUNTY RENTS DECLINE

The Suffolk County direct average asking rental rates dropped 2.8% to $26.43 per square foot (psf) since the end on 2013. There were five spaces over 10,000 square feet that came online this quarter in Suffolk County totaling over 110,000 square feet. These spaces posted an average asking rent of $22.92 psf, well below the average for the county. Meanwhile, Nassau County's average direct asking rent ended Q1 at $32.01 psf, a 0.5% increase from the previous quarter. This was mainly due to the tightening of class A available space.

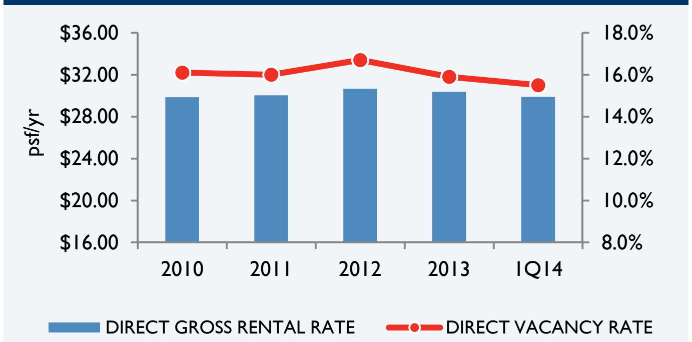
OUTLOOK

The strong performance seen during much of 2013 and early 2014 should continue as the year progresses. With the economy expected to further recover and private-sector employment projected to expand, tenant demand should remain healthy. Furthermore, occupancy levels within quality product are anticipated to improve.

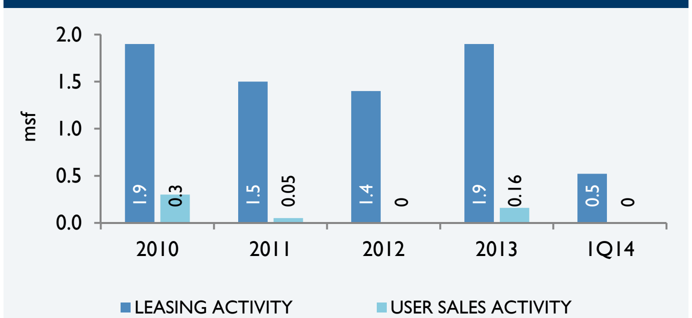
STATS ON THE GO

	Q1 2013	Q1 2014	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	18.1%	17.3%	-0.8 pp	
Direct Asking Rents (psf/yr)	$30.58	$29.88	-2.1%	
YTD Leasing Activity (sf)	467,129	508,864	8.9%	

DIRECT RENTAL VS. VACANCY RATES



OVERALL OCCUPIER ACTIVITY



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LONG ISLAND, NY

SUBMARKET	INVENTORY	OVERALL VACANCY RATE	DIRECT VACANCY RATE	YTD LEASING ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD DIRECT NET ABSORPTION	YTD OVERALL NET ABSORPTION	OVERALL WTD. AVG ALL CLASSES GROSS RENTAL RATE*	DIRECT WTD. AVG. CLASS A GROSS RENTAL RATE*
Western Nassau	6,281,459	19.3%	19.1%	164,550	0	0	137,633	155,538	$32.46	$33.71
Central Nassau	8,969,948	14.2%	12.8%	175,445	0	0	147,026	184,385	$31.85	$34.15
Eastern Nassau	5,851,427	18.2%	13.8%	49,037	0	0	(4,544)	(33,332)	$30.07	$40.27
Nassau County	21,102,834	16.8%	15.0%	389,032	0	0	280,115	306,591	$31.83	$34.52
Western Suffolk	7,669,448	17.1%	16.0%	50,142	0	0	(63,605)	(45,185)	$27.73	$31.55
Central Suffolk	4,552,406	19.7%	17.0%	82,690	70,000	0	(68,968)	(74,668)	$23.51	$27.06
Suffolk County	12,221,857	18.1%	16.3%	132,832	70,000	0	(132,573)	(119,853)	$26.08	$30.30
TOTALS	**33,324,691**	**17.3%**	**15.5%**	**508,864**	**70,000**	**0**	**147,542**	**186,738**	**$29.56**	**$33.27**

* RENTAL RATES REFLECT ASKING $PSF/YEAR

MARKET HIGHLIGHTS

Significant Q1 2014 Lease Transactions	SUBMARKET	TENANT	BUILDING CLASS	SQUARE FEET
3333 New Hyde Park Road, New Hyde Park *	Western Nassau	Kimco Realty	A	71,000
2200 Northern Boulevard, East Hills	Western Nassau	Metlife	A	70,000
100 Motor Parkway, Hauppauge	Central Suffolk	First Empire Securities	A	29,113
898 Veterans Memorial Highway, Hauppauge*	Central Suffolk	Crawford & Company	A	23,548
1000 Woodbury Road, Woodbury*	Eastern Nassau	Milber, Makris, Plousadis and Seiden	A	21,000
2200 Northern Boulevard, East Hills	Western Nassau	Saint Francis	A	20,000
2 Jericho Plaza, Jericho	Eastern Nassau	AIG	A	16,383
711 Stewart Avenue, Garden City	Central Nassau	Sanford-Brown	B	13,500
58 S Service Road, Melville	Western Suffolk	CBRE	A	13,000
1 Corporate Drive, Bohemia	Central Suffolk	Progressive Insurance	A	12,080

Significant Q1 2014 Sale Transactions	SUBMARKET	BUYER	PURCHASE PRICE / $PSF	SQUARE FEET
41 Pinelawn Road, Melville	Western Suffolk	Damianos Realty Group/ Little Rock Construction	$6,000,000/$96.41	62,234

Significant 2014 Construction Completions	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET
N/A				

Significant Projects Under Construction	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET
878 Veterans Highway, Hauppauge	Central Suffolk	Allstate Insurance	Q4 2014	70,000

* RENEWAL - NOT INCLUDED IN LEASING ACTIVITY STATISTICS

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LONG ISLAND NY
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Q1 2015

ECONOMIC OVERVIEW

As of February, Long Island's unemployment rate stood at 4.6%, down 60 basis points (bp) from a year ago. Private sector employment in Long Island increased a moderate 2,500 jobs in the first two months of 2015, but as of February stood more than 11,000 jobs above the year-ago level. The fastest growth this year has been in the professional and business services sector which has added more than 3,500 jobs since December. Office-using employment has been relatively flat ranging between 260,000 and 265,000 for the past 14 months.

AN INCREASE IN AVAILABLE SPACE IS OFFSET BY HEALTHY LEASING IN NASSAU COUNTY

Although overall available space increased slightly from year-end 2014, it is more than 12.0% lower than at this time last year. The decline is primarily due to strong leasing activity in Central and Western Nassau which pushed the region's overall vacancy rate down 0.3 percentage points' year-over-year to 17.0%. New space totaling nearly 100,000 sf that entered the market at 2 Huntington Quadrangle, led to an increase in Suffolk County's class B vacancy rate which at 22.1% is 2.0 percentage points higher than year-end 2014. Class A product in Nassau County declined nearly 4.0% over the past quarter as more than 75.0% of leasing activity consisted of class A quality. This kept Long Island's class A vacancy rate flat 14.5%. Overall absorption was positive at 265,149 sf, which helped to offset the addition of 400,000 sf in Suffolk County.

Overall asking rents have remained stable over the past year and finished the quarter at $29.30 per square foot (psf). Nassau County's overall asking rent registered $31.63 psf, a 20.6% premium over Suffolk County's $26.22 psf average. Eastern Nassau's class A average asking rent of $37.30 psf is the highest priced rent of the major markets and is on par with the level of one year ago. Central Suffolk's class A asking rent rate grew more than 8.0% to $27.11 psf, representing the highest year-over-year increase in the region.

WESTERN NASSAU IS MOST ACTIVE LEASING MARKET

Nearly 300,000 square feet (sf) was leased across Nassau County during the quarter, accounting for close to 72.0% of the region's total leasing, Healthy leasing in Western Nassau reached 152,219 sf, outpacing all of Suffolk county's activity by almost 32.0%, Western Suffolk was the only market that produced a year-over-year increase in activity with 54,000 sf of completed transactions. Class A leasing accounted for the bulk of activity with 284,677 sf, or 70.0% of total Long Island Q1 2015 leasing.

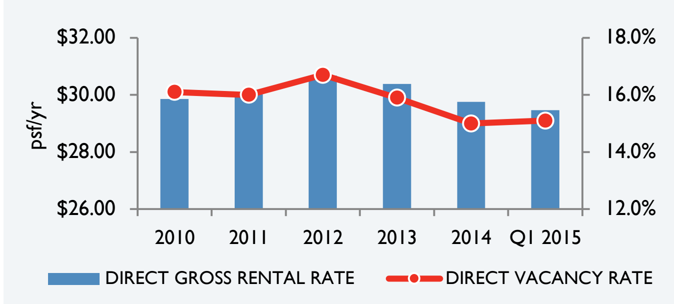
OUTLOOK

Despite some large availabilities that entered the market, healthy demand has kept the Long Island office market stable in the first quarter of 2015. As the Long Island unemployment rate continues to decline, we anticipate leasing volume to remain healthy throughout much of 2015 and occupancy to improve, albeit modestly.

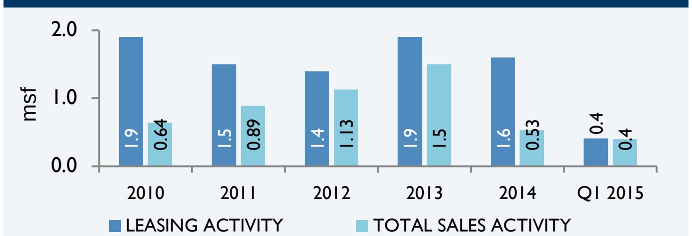
STATS ON THE GO

	Q1 2014	Q1 2015	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	17.3%	17.0%	-0.3pp	
Direct Asking Rents (psf/yr)	$29.88	$29.47	-1.7%	
YTD Leasing Activity (sf)	508,864	408,230	-19.8%	

DIRECT RENTAL VS. VACANCY RATES



OVERALL OCCUPIER ACTIVITY



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LONG ISLAND, NY

SUBMARKET	INVENTORY	OVERALL VACANCY RATE	DIRECT VACANCY RATE	YTD LEASING ACTIVITY	UNDER CONSTRUCTION	YTD CONSTRUCTION COMPLETIONS	YTD DIRECT NET ABSORPTION	YTD OVERALL NET ABSORPTION	OVERALL WTD. AVG ALL CLASSES GROSS RENTAL RATE*	DIRECT WTD. AVG. CLASS A GROSS RENTAL RATE*
Western Nassau	6,321,459	18.7%	17.4%	152,219	0	0	232,550	185,161	$31.91	$32.59
Central Nassau	8,989,948	12.6%	11.4%	62,489	0	0	272,629	326,109	$31.51	$33.47
Eastern Nassau	5,851,427	15.0%	12.3%	77,819	0	0	83,776	151,091	$30.94	$37.70
Nassau County	21,162,834	15.5%	13.5%	292,527	0	0	588,955	662,361	$31.63	$33.56
Western Suffolk	7,669,448	20.9%	19.2%	53,294	0	0	(309,412)	(333,818)	$27.57	$31.08
Central Suffolk	4,622,409	19.1%	16.0%	62,409	0	0	(34,295)	(63,394)	$23.34	$26.96
Suffolk County	12,221,857	18.8%	16.7%	115,703	0	0	(343,707)	(397,212)	$26.22	$30.28
TOTALS	**33,454,691**	**17.0%**	**15.1%**	**408,230**	**0**	**0**	**245,248**	**265,149**	**$29.30**	**$32.52**

* RENTAL RATES REFLECT ASKING $PSF/YEAR

MARKET HIGHLIGHTS

Significant Q1 2015 Lease Transactions	SUBMARKET	TENANT	BUILDING CLASS	SQUARE FEET
600 Community Drive, Lake Success	Western Nassau	*North Shore LIJ	A	144,000
90 Merrick Avenue, East Meadow	Central Nassau	Farmers Insurance	A	25,000
6800 Jericho Turnpike, Syosset	Eastern Nassau	Nielsen	B	20,550
One Jericho Plaza, Jericho	Eastern Nassau	UBS	A	16,654
888 Veterans Memorial Hwy, Hauppauge	Central Suffolk	Urban Financial	A	12,625
400 Broad hollow Road Melville	Western Suffolk	Stifel Nicolaus & Company	A	12,000
80 Arkay Drive, Hauppauge	Central Suffolk	Gemini Fund Services	B	11,258
1305 Walt Whitman Rd, Melville	Western Suffolk	Trinet	A	11,000

*Expansion

Significant Q1 2015 Sale Transactions	SUBMARKET	BUYER	Purchase Price / $PSF	SQUARE FEET
1001 Franklin Avenue, Garden City	Central Nassau	Salrum Associates LLC	$33,500,000/$335.00	100,000
185 Great Neck Road, Great Neck	Western Nassau	LeVian Corporation	$11,500,000/$335.00	47,271

Significant Q1 2015 Construction Completions	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET
N/A				

Significant Projects Under Construction	SUBMARKET	MAJOR TENANT	COMPLETION DATE	BUILDING SQUARE FEET
N/A				

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