Jeffrey Lease Mobile: 845-542-0345 Office: 845-565-2800 x1120

Zoning Board of Appeals FEB 0 8 2018 Town of Newburgh

8 February 2018

Zoning Board of Appeals

308 Gardnertown Road

Newburgh, New York 12550

Dear Sirs/Madam,

Please find enclosed Valuation Consultant's Appraisal of Value for the Darrigo Solar Farm variance request. Also included are updated photos of the fields showing the tree line without leaves.

Sincerely,

pregease

Associate Broker John J. Lease Realtors

Darrigo Solar Farm

26 January 2018 Photos



1. The road up to the upper fields from the barn and shed area.



2. The upper field looking north toward Meadow Hill Road.



3. The lower field looking north towards Patton Road.

Darrigo Solar Farm

26 January 2018 Photos



4. The D.E.C. Field looking east toward Amber Fields.



5. The tree-line at the D.E.C. Field looking east toward Amber Fields.



6. A close up of the 50-foot buffer looking east toward Amber Fields.



6 Front Street

Newburgh, New York

12550

Tel. 845-568-0600

Fax. 845-568-0699





February 8, 2018

James E. Manley Jr., Chairperson and Board Member Town of Newburgh Zoning Board of Appeals 308 Gardnertown Road Newburgh, New York 12550

RE: ZONING USE - VARIANCE REQUEST - OUR FILE NO. E802007
F & T DARRIGO SITE
84 LAKESIDE ROAD
SECTION 86, BLOCK 1, LOTS 96
ORANGE COUNTY, NEWBURGH, NEW YORK 12550

Dear Mr. Manley Jr. and Zoning Board Members:

I have been requested by the owner of the above referenced property to give my opinion as to whether uses currently permitted under the R-1 Zoning District in the Town of Newburgh will yield a reasonable return if developed on the subject property. Based on the analysis presented below, I have concluded that none of the residential uses permitted under the R-1 Zoning District could yield a reasonable return for the subject property. I have further concluded that development of 40 acres of the subject property for a Solar Farm would be the highest and best use of the subject property.

The subject is comprised of one tax lot; Section 86, Block 1, Lot 96. According to the assessor records and a map provided from D.J. Scalzo Associates Engineering and Planning, the lot totals 59.82 acres. It has improvements on approximately 5 acres and located in the R-1 zoning district.

The parcel has 1,102 feet of frontage on Lakeside Road with 165 feet of dry land and the remainder wetlands which can not be used, 50 feet of frontage on Meadow Hill Road and 223 feet on Patton Road. The property also borders I84 along the southern portion.

The purpose of this report is to support the Owner's request for a use variance to construct a Solar Farm on a 40 acre vacant parcel.

The solar farm will be will be constructed on mostly existing fields. The solar panels will comply with the zoning code in terms of setbacks, height and maintenance. They will be seven feet high, set back 100 feet from the property line and will include a 50 foot landscaped buffer. The project will retain the character of the farm as well as the existing buffer between the homes, I-84 and the airport.

The farm would remain in the Darrigo family with a lease agreement with a Solar Panel Operator. The remaining 20 acres will be used for the continuation of their existing business as a landscape supply and pay a separate tax for that remaining portion. The lease arrangement will be 25 years, triple-net for \$80,000 per year on the 40 acres with 2.5% annum increases. The rental also includes paying for the loss of the agriculture tax exemption which is estimated at about \$50,000.

The trust assumes that with the loss of 40 acres they will loose the agriculture tax exemption on the remaining 20 acres. The rental on the land to the revocable trust is \$100.00 per month for 99 years from Darrigo Brothers Landscape Suppliers, Inc. This agreement will remain in affect for the remainder 20 acres. The taxes with agriculture exemption on the entire property are 2018 county \$9,344.94, 2017 school: \$19,712.23.

The DEC has access to maintain monitoring of wells on a 8.86 acre portion of the property that was contaminated and having been remediated is undergoing testing. This cost varies from \$2,000-\$6,000 per year. They also have a right of way thru the balance of the property which must be maintained by the trust.

The R-1 District's principal permitted uses revolve around single family dwellings, municipal buildings and town activities.

There are some uses allowed in zoning via special permits from the Planning Board. They include conversion of existing dwellings for multi family use, cluster developments, membership clubs providing recreational facilities, places of worship, related parish houses, seminaries, dormitories and related activities, substance abuse rehabilitation homes, community residence for the disabled, marinas, public utility structure and rights-of-way, 2-family dwelling and semidetached dwellings.

There are no buildings on the 40 acre portion so converting existing buildings is not applicable. Cluster development will be discussed separately. There is no known demand for membership clubs, places of worship and dormitories as none have been built in the area for many years. The distance from services makes this location unlikely for rehabilitation homes and community residences for the disabled. Marinas are not applicable. Two family and semi detached dwellings appear to be physically possible.

COMPARABLE LAND SALES					
Location	Zoning	Acres	Sale Date	Sold Price	Price Per Acre
Route 211 West, Middletown	RA-Res Agricultural	34	09/20/17	\$275,000	\$8,088
Connors Rd, Middletown	R2-Suburban Res	71.8	01/30/18	\$212,500	\$2,960
St. Andrews Rd., Montgonery	RA5- Res Agricultural	36.9	12/21/17	\$250,000	\$6,775
Mountain Lodge Rd, Blooming Grove	RR-Rural Residential	75.3	12/07/17	\$300,000	\$3,984
Route 302, Crawford	RA-Res Agricultural	32.7	05/06/17	\$142,000	\$4,343
Pocatello Rd, Middletown	R2-Suburban Res	61.1	02/22/17	\$105,000	\$1,718
Primrose Ln, Blooming Grove	RR-Rural Residential	75.5	04/25/17	\$100,000	\$1,325

Comparing large parcels of residential land, as seen in the chart above, sales range from \$1,325 to \$8,088 per acre. We estimate a value of \$6,000 per acre multiplied by 40 acres equates to an estimated value of \$240,000.

Examining the market for sales of individual lots under 5 acres we found in the Hudson Gateway MLS, there were 22 lots sold from January 2016 till present. The average sale price was \$57,893 and a median price of \$57,000.

According to our market analysis, we have projected sales of 10 lots per year for years 4 & 5 and 11 lots per year for years 6 & 7, after the initial projected two year approval process and one year build out. We estimate selling the 42 lots in a four-year period, once the infrastructure in complete in year three. Our Value estimate is \$235,000. The present worth of the right to receive \$80,000 per year for five years at a 6% return rate is \$1,000,000.

DISCOUNTED CASH FLOW ANALYSIS AT 12.0% Darrigo Farm 42 Lots Building Lots Unapproved

LOT VALUES \$60,000 \$60.0 Land Sales \$60,000 \$60.0 Land Sales \$60.000 \$60.0 Indicates \$60.000 \$50.0 Remaining Lots \$42 \$42 Remaining Lots \$1,500 \$12,0 Intrastructure Cost per LF\$250 \$1,500 \$50 Sales Commission \$0,000 \$50 Closing Costs, per lot sale \$1,500 \$50 Profit 10.0% \$50 Miscellaneous \$5,000 \$5,000 OTAL EXPENSES \$5,000 \$5,000	\$60,000							
S \$60,000 s 42 ots 42 ot per year, +3% \$1,500 Iot per year, +3% \$1,500 inscion 3,0% sts. per lot sale \$1,500 ous \$5,000 ous \$5,000	60,000							
s 42 ots 42 lot per year, +3% \$1,500 ine Cost per LF\$250 4,200 mission 3.0% sts, per lot sale \$1,500 ous \$5,000 ensites \$5,000		\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	
ots 42 ot per year, +3% \$1,500 Int per year, +3% \$1,500 inte Cost per LF\$250 4,200 mission 3.0% sts, per lot sale \$1,500 ous \$5,000 ENSES \$5,000	0	0	0	10	10	11	11	42
ots 42 lot per year, +3% \$1,500 ine Cost per LF\$250 4,200 mission 3.0% sts, per lot sale \$1,500 ous \$5,000 ENSES \$5,000	\$0	\$0	\$0	\$600,000	\$600,000	\$660,000	\$660,000	\$2.520,000
Iot per year, +3% \$1,500 Ire Cost per LF\$250 4,200 mission 3.0% sts, per lot sale \$1,500 ous \$5,000	42	42	42	32	22	11	0	
year, +3% \$1,500 t per LF\$250 4,200 3.0% 1ot sale \$1,500 \$5,000								
t per LF\$250 4,200 3.0% lot sale \$1,500 \$5,000	\$12,000	\$12,000	\$40,000	\$63,000	\$48,000	\$33,000	\$16.500	\$224.500
3.0% iot sale \$1,500 \$5,000	\$0	\$0	\$1,050,000	\$0	\$0	\$0	\$0	\$1.050.000
lot sale \$1,500 10.0% \$5,000	\$0	\$0	\$0	\$18,000	\$18,000	\$19,800	\$19,800	\$75,600
10.0% \$5,000	\$0	\$0	\$0	\$15,000	\$15,000	\$16,500	\$16,500	\$63,000
\$5,000	\$0	\$0	\$0	\$60,000	\$60,000	\$66,000	\$66,000	\$252,000
	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$35,000
	\$17,000	\$17,000	\$1,095,000	\$161,000	\$146,000	\$140,300	\$123,800	\$1,700,100
NET OPERATING INCOME -\$17,0	-\$17,000	-\$17,000	-\$1,095,000	\$439,000	\$454,000	\$519,700	\$536,200	\$819,900
Present Worth: \$1/ 1.1200 0.892	0.892857	0.797194	0.711780	0.635518	0.567427	0.506631	0.452349	
NET INCOME -\$15, '	-\$15,179	-\$13,552	-\$779,399	\$278,992	\$257,612	\$263,296	\$242.550	\$234.320

Total DCF ROUNDED

\$234,320 \$235,000

Overall, the cost to subdivide the subject parcel is not economically feasible. The rents that could be obtained on a triple net basis, which is projected at \$80,000 year and maintaining the natural topography of the property is \$1,000,000.

Finally, it is my professional opinion that the proposed use of the property for a solar farm will not alter the character of the neighborhood.

In sum, granting a use variance that will permit the location of a solar farm development at the subject property will make it feasible for the property to derive a reasonable return and allow for its highest and best use.

Should you have any questions or need further information, please do not hesitate to contact me. Respectfully submitted,

GREGORY R. LANGER















EXISTING FARM SITE PLAN



PROPOSED SOLAR FARM SITE PLAN





ZONING SUMMARY

The subject property is located in the Town of Newburgh, County of Orange, State of New York, and is situated in a R-1 Zoning District. This is a Residence District. The following regulations shall apply in all R-1 Districts.

- A. Permitted Uses:
 - 1. Single family dwellings.
 - 2. Municipal buildings and town activities.
- B. Accessory Uses:
 - 1. Home occupations.
 - 2. Private garage or carport for not more than 4 vehicles.
 - 3. Garden houses, toolsheds, wading or swimming pool or tennis court in accordance with 185-43.
 - 4. Signs in accordance with 185-14:
 - a. Professional
 - b. Institutional
 - c. Identification
 - 5. Keeping of not more than five dogs and/or cats over six months of age.
 - 6. Keeping up to 2 horses on a lot of 2 acres or more.
 - 7. Off street parking as required by the principal use.
 - 8. Separate living quarters within the permitted uses for persons employed on the premises.
 - 9. Accessory apartments in accordance with 185-38.
 - 10. Satellite earth stations in accordance with 185-40.
 - 11. Nursery school or day care.
- C. Special Permitted Uses:
 - 1. Conversion of existing dwellings for multi family use in accordance with 185-25.
 - 2. Cluster developments in accordance with 185-26.
 - 3. Membership clubs providing recreational facilities in accordance with 185-29.
 - 4. Places of worship, related parish houses, seminaries, dormitories and related activities.
 - 5. Substance abuse rehabilitation homes.
 - 6. Community residence for the disabled.
 - 7. Marinas in accordance with 185-34.
 - 8. Public utility structure and rights-of-way
 - 9. 2-family dwelling, not to exceed 2 dwelling units per lot.
 - 10. Semidetached dwellings, not to exceed 2 dwelling units per lot.
- D. Building Height Limit:

No structure of building shall exceed 35 feet in height for all except marinas which shall not exceed 40 feet in height.

E. Required Lot Area:

There shall be a minimum lot size of 40,000 square feet for all except membership clubs which shall be 10 acres; places of worship which shall be two acres; substance abuse homes and community residence for the disabled which shall be 60,000 square feet; marinas which shall be five acres; and two-family and semidetached dwellings which shall be 100,000 square feet.

F. Required Lot Width:

There shall be a minimum lot width of 200 feet for all except conversion of existing dwellings for multifamily use, substance abuse homes, and community residence for the disabled which shall be 150 feet; and membership clubs which shall be 300 feet.

- G. Required Lot Depth: There shall be a minimum lot depth of 150 feet for all except membership clubs which shall be 300 feet; places of worship and marinas which shall be 200 feet.
- H. Front Yard: There shall be a front yard of not less than 50 feet for all except membership clubs which shall be not less than 200 feet.
- I. Rear Yard:

There shall be a rear yard of not less than 40 feet for all except membership clubs which shall be no less than 200 feet; places of worship which shall be no less than 60 feet; substance abuse rehabilitation homes and community residence for the disabled shall be no less than 50 feet; marinas are not required a rear yard at the shoreline.

J. Side Yard:

Each side yard must be a minimum of 30 feet and the total of both side yards must be a minimum of 80 feet for all except membership clubs which must be a minimum of 200 feet and a total of 400 feet; places of worship, substance abuse homes, community residences for the disabled, and marinas should be a minimum of 50 feet and a total of 100 feet.

K. Maximum Permitted Building Coverage:

There is a maximum coverage of 10% for all except municipal buildings, substance abuse homes, community residence for the disabled, and public utility structures which have a maximum of 20%; membership clubs and places of worship have a maximum of 15%; and marinas have a maximum of 40%.



GREGORY R. LANGER - APPRAISER'S QUALIFICATIONS	
EDUCATION:	
BA - Hartwick College, Oneonta, New York Undergraduate	1976
Newburgh Free Academy - Adult Education Principles of Real Estate Real Estate Law	1976 1977
New York State Association of Realtors Graduate Realtors Institute - Course I	1977
Marist College Society of Real Estate Appraisers Course 101 - An Introduction to Appraising Real Property	1980
Pennsylvania State University Society of Real Estate Appraisers Course 201 - Principles of Income Property Appraising	1981
Dartmouth College American Institute of Real Estate Appraisers Capitalization Theory and Techniques Parts II and III	1982
American Institute of Real Estate Appraisers Case Studies in Real Estate Valuation and Valuation Analysis and Report Writing	1983
Tampa, Florida American Institute of Real Estate Appraisers Standards of Professional Practice	1984
University of Florida American Institute of Real Estate Appraisers Real Estate Investment Analysis	1985
MEMBERSHIPS AND AFFILIATIONS: American Institute - Practicing Affiliate	
State of New York - Certified Real Estate General Appraiser - #46-43405	
COURSES/SEMINARS: Argus Seminar	1993
Appraisal Institute Consideration of Environmental Hazards in Real Estate Valuation	1994
Appraisal Institute Understanding Limited Appraisals	1994
Orange County Community College Environmental Law and The Planning Board	1995
Appraisal Institute New Industrial Valuation	1997
Appraisal Institute Appraisal of Local Retail Properties	1998

GREGORY R. LANGER - APPRAISER'S QUALIFICATIONS

е (

	21
Land Trust Alliance - Northeast Land Trust Conference Mapping Tools for Your Land Trust: Selecting and Evaluating Conservation Lands Using Online Mapping and GIS Resources	4/2009
Appraisal Institute - NYS Course #3452-07 Long Island Chapter of the Appraisal Institute Hotel Appraising- New Techniques for Today's Uncertain Times	9/2009
Appraisal Institute - NYS Code 3249-5.25 Business Practices and Ethics	11/2009
Appraisal Institute - Webinar Self Storage Buildings	01/2010
Appraisal Institute - Webinar Uniform Appraisal Standards for Federal Land Acquisitions	8/2010
Appraisal Institute - Webinar Strategies for Successfully Appealing a Real Estate Tax Assessment	9/2010
Appraisal Institute - Webinar A Debate on the Allocation of Hotel Total Assets	10/2010
Appraisal Institute - Webinar Understanding the New Interagency Appraisal and Evaluation Guidelines	2/2011
Appraisal Institute - Webinar Profiting from the New Estate Tax Law	5/2011
Appraisal Institute - Webinar Perspectives from Commercial Review Appraisers	7/2011
Appraisal Institute - Webinar The New Demand Reports	8/2011
Appraisal Institute - Webinar Understanding the Impact of the Interagency Appraisal and Evaluation Guidelines for Appraisers and Lenders	10/2011
Appraisal Institute Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets	2/2012
Appraisal Institute USPAP Equivalent Course	3/2012
Appraisal Institute - State Code: 2623-07 Online Small Hotel/Motel Valuation	3/2012
Appraisal Institute - Webinar Guides Notes 11 and 12 - What They Mean to You	6/2012
Appraisal Institute - Webinar IRS Valuation	7/2012
Appraisal Institute - Webinar	9/2012

, ,

Regression Analysis is Becoming Mainstream Are You Prepared?	
Appraisal Institute - Business Practices and Ethics	2/2013
Appraisal Institute - Webinar Property Taxation: Valuation & Consultation Services	7/2013
Appraisal Institute - State Code: 4102-07 The Discounted Cash Flow Model: Concepts, Issues and Applications	9/2013
Appraisal Institute - NYS Code 4101-07 Appraising the Appraisal: Appraisal Review-General	10/2013
Appraisal Institute - NYS Code: 4020-14 Residential & Commercial Valuation of Solar	11/2013
Appraisal Institute - Webinar Appraising Cell Towers	12/2013
Appraisal Institute 7 Hour USPAP Update Course	12/2013
Appraisal Institute - Webinar Trial Components Recipe for Success or Disaster	5/2014
Appraisal Institute - USPAP Update, 7 Hour National Uniform Standards of Professional Appraisal	11/2014 Practice
Appraisal Institute - Business Practices and Ethics	5/2015
Appraisal Institute - Webinar High Volatility Commercial Real Estate Valuation Consideration and Complexities	8/2015
Appraisal Institute - Webinar Contamination and the Valuation Process	9/2015
Appraisal Institute - Raising the Bar: Complex Properties A Risk Based Approach to Allocations and Investments	9/2015
Appraisal Institute - NYS Code 4395-07	
Mid Hudson Chanter -	
Mid Hudson Chapter - 1 st Annual Appraisal Case Studies Seminar Appraisal Institute - NYS Code 3625-28	10/2015
	10/2015 12/2015
1 st Annual Appraisal Case Studies Seminar Appraisal Institute – NYS Code 3625–28	
1 st Annual Appraisal Case Studies Seminar Appraisal Institute - NYS Code 3625-28 Advanced Concepts & Case Studies - Course 503GD Manfred Real Estate Learning Center, Inc Course Q-0332	12/2015
<pre>1st Annual Appraisal Case Studies Seminar Appraisal Institute - NYS Code 3625-28 Advanced Concepts & Case Studies - Course 503GD Manfred Real Estate Learning Center, Inc Course Q-0332 Supervisory/Appraiser/Trainee Appraiser Course Appraisal Institute - NY State Code #4530-07 Mid Hudson Chapter:</pre>	12/2015

22

. .

Drone Technology and Its Impact on the Appraisal Industry	6/2017
Appraisal Institute - NYS Code 4752-07 Mid Hudson Chapter: 3 rd Annual Appraisal Case Studies	10/2017
Appraisal Institute - NYS Code A4767-07 7 Hour National USPAP Update Course	12/2017

EXPERIENCE:

Valuation Consultants, Inc. 3/93 to Present Owner and Senior Commercial Appraiser

As an owner of the company, I will review and appraise all types of commercial appraisal reports.

H.F. Ahmanson and Company 11/86 to 2/93

Served in various positions including Senior Real Estate Financial Analyst, Chief Appraiser of the Bowery and Vice President-Loan Officer. Responsibilities and duties included valuation of the commercial real estate portfolio on the Eastern Seaboard, overseeing a full staff of commercial appraisers in the Manhattan office, portfolio valuation in the acquisition of Bowery Savings Bank and Home Savings Bank, and northeast lending operations.

10/85 to 11/86

<u>Eastern Savings Bank</u>

Served as an Assistant Vice President in lending, as well as an Appraiser

Appraisal Services Company 10/79 to 10/85

Worked as the Senior Commercial Appraiser after previously performing residential appraisals and overseeing the residential staff.

Sold Residential Real Estate 1976 to 1979

I have appraised all types of residential property, commercial and industrial buildings, farms and vacant land.

I have had experience in court testimonials for various cases.

I have made appraisals for financial institutions, attorneys, major corporations, home guarantee programs, insurance companies and others. I have worked on assignments for the following companies:

A. GENERAL EXPERIENCE

Abacus Bank Advent Valuation American Business Lenders Appraisal Management Astoria Bank of America Bank of America Bank of New York Bank of the West Bank of Greene County Bank United Berkshire Bank Bloom and Bloom Business Lending Catskill Hudson Bank Charles Brodie, Esquire

Chase Manhattan Bank Citizens Bank City National Bank City of Middletown City of Newburgh City of Poughkeepsie Community Bank Community Preservation Corporation Concorde Lending Country Bank County of Orange County of Dutchess Cumberland Farms Cumberland Gulf David Brodsky, Esquire Dormitory Authority of State of New York Dwight Joyce, Esquire Eastern Savings Bank First Niagara Bank Freedom Bank Greater Hudson Bank Hometown Bank of the Hudson Valley (formerly Walden Federal) HSBC Bank USA Hudson Heritage Federal Credit Union Hudson United Bank Hudson Valley Bank Hudson Valley Federal Credit Union Jacobowitz and Gubits, LLP Jeff Bank JP Morgan Chase Key Bank of New York Kingston City School District Lakeland Bank Lend Lease M&T Bank Metbank Mahopac National Bank Mid Hudson Valley Federal Credit Union National Valuation Services NBT Newburgh Central School District NYS Office of Mental Retardation & Developmental Disabilities Orange County Trust Orange County Land Trust Orange & Rockland Utilities Peoples United Putnam County National Bank Putnam County Savings Bank Richard Drake, Esq. Rhinebeck Savings Bank Riverside Bank Rondout Savings Salisbury Bank Sawyer Savings Bank SBU SI Bank and Trust Stanley Marks and Company, CPA Sterling National Bank (formerly Provident Bank) Stevan Nosonowitz, Esquire Stewart International Airport Summit Bank TD Banknorth, N.A.

Town of Chester Town of Newburgh Town of Wallkill Trust Company of New Jersey Ulster Savings Bank Union Savings Bank Vanacore, DeBenedictus, DiGiovanni & Weddell, CPA Valley National Bank Village of Walden Walden Savings Wallkill valley Federal Credit Union Warwick Valley School District Webster Bank Wells Fargo Wilber National Bank

B. AREAS OF APPRAISAL EXPERIENCE -<u>New York State</u> -COUNTIES: Orange, Dutchess, Putnam, Rockland, Sullivan, and Ulster

FACTUAL STATISTICAL AND REFERENCE INFORMATION

An up-to-date set of area Zoning Maps and Ordinances

City maps showing existence of underground utilities

Maintenance of sales transactions by subdivisions and street name, effective dates of sale and current listing

Current community statistics referring to retail sales, bank clearance, employment, transportation routes, construction activity, and mortgage recordings

Census Tract Maps, Flood Plain Maps, Wetland Maps

FIX many NIX 23 23 23 FOR OFFICE USE ONLY UNIQUE ID NUMBER Control State of New York 89572 46000043405 Department of State No. DIVISION OF LICENSING SERVICES EFFECTIVE DATE PURSUANT TO THE PROVISIONS OF ARTICLE 6E OF THE MO DAY YR 03 08 16 EXECUTIVE LAW AS IT RELATES TO R. E. APPRAISERS. LANGER GREGORY R EXPIHATION DATE C/O VALUATION CONSULTANTS INC 6 FRONT ST MO DAY YR 03 07 18 Ě 6 FRONT S NEWBURGH, NEWBURGH, NY 12250 HAS BEEN DULY CERTIFIED TO TRANSACT BUSINESS AS A R.E. GENERAL APPRAISER XX ··· XX 728 In Witness Whereof, The Constituent of State his caused its official seal to be hereouries affected CESAR A. PERALES SECRETARY OF STATE E 2.2 X DOS-1098 (Rev. 3/01) The second first out of the second first second first