



The \$12 million stalemate of a former innovation hub, Philips Research campus, and a village

**David Propper Rockland/Westchester Journal News
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Bought for \$12.25 million in 2017 with dreams of becoming an active adult community, the former Philips Research campus in Briarcliff Manor is fenced off today with No Trespassing signs to greet passersby.

Beyond the metal security gates, a winding road leads to a large and empty office building that once housed researchers focused on technological advances in the health care field. Basketball and tennis courts dot the secluded property, though a game hasn't been played in years.

"It's your typical corporate campus," Briarcliff Mayor Steve Vescio said. "It's kind of tucked behind everything so you don't really notice it that much."

Where cutting edge innovation once took place, the nearly 100-acre property now sits idle, caught in the middle of a stalemate between village officials and a frustrated developer.

Ridgewood Real Estate Partners purchased the property at 345 Scarborough Road with hopes of building 180 units. But the village board had other ideas, approving a zoning change last month that would only allow commercial uses on the site, part of a broader push to address businesses campuses in Briarcliff.

The property has been vacant since 2015 when Philips Research North America moved its operation from Briarcliff to Massachusetts. And it appears that vacancy will continue as lofty plans for the campus don't align with the village's vision.

The situation unfolding in Briarcliff is not uncommon in some Westchester towns and villages. A developer, with a vision of residential housing, buys a swath of land but their vision fails to align with that of municipal's own image of what direction it prefers. What follows is acrimony and legal threats looming.

"We often deal with communities that are for whatever reason are resistant to building housing even when the current land is simply not being used," Builders Institute Executive Director Timothy Foley said, adding the county is starved for more housing, particularly for seniors. The institute is an independent trade association that serves building and reality industry.



In the latest version of this multi-act play, Ridgewood wants to build housing for people 55 years or older. CEO Jonathan Grebow believes there is a market for that type of residential housing in Westchester.

The proposal has never been officially submitted to the village because of a past 18-month moratorium and the ensuing zoning change prevented it. The parcel was not zoned residential, but rather commercial with less available uses, prior to the latest zoning update.

Vescio defended the zoning change as the best path forward for the village, opening up a suburban brawl between developer and village over one of largest parcels in the one of Westchester's smallest municipalities. His adversary disagrees.

"We are looking at all of our legal options and coming up with a strategy that could we could put forward," Grebow said. "That's one of our next steps."

'Welcome with open arms'

Grebow said an active adult community with an age restriction would be an ideal fit for the village. The proposal would ban school-age children and create some publicly accessible space while contributing tax revenue to the village and Ossining school system, he said.

The Philips Research parcel currently generates about \$430,000 in taxes. That would jump to \$3.2 million under Ridgewood's project, according to the development team.

Ridgewood's plan is less intrusive, Grebow argued, than some of the potential uses allowed under the new code.

Westchester could use housing options like Ridgewood's proposal, Grebow said, a project that any other community in the country would typically "welcome with open arms or at least a discussion." Instead Grebow said village officials are not open to an informal meeting, an "unheard of" response.

"I'm still holding out hope that one day the village is going to call me to say, 'Hey let's sit down and have a productive conversation,'" Grebow said. "But that hasn't happened in two years."

Vescio, who is in his first term as mayor, said the community isn't interested. A zoning amendment would have needed to be approved to allow the Ridgewood project to go forward prior to the updated zoning code, he noted.

"The residents have spoken loudly and clearly on this," Vescio said. "Residents did not want the additional residential tax burden, they understood this is not going to sustain us."

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When Ridgewood presented plans in an informal setting a couple years ago, Vescio said it was not well-received by residents. Vescio and two other first-term trustees won their election largely due to their opposition to this proposed project.

The village needs a better balance of commercial and residential to be financially strong in the long term, he said. Right now, 95% of all acres in the village are zoned residential, Vescio said, with 2,800 households and population of about 8,000 people. More housing means more costly village services are needed, he said, such as police and fire.

The Philips Research property is one of five large parcels in the village to face the zoning change that allows for a wide range of commercial uses. The others are: 600 Albany Post Road, 320 Old Briarcliff Road, 555 Pleasantville Road, 333 Albany Post Road.

In total, they account for 60% of total commercial acreage in the village, Vescio said.

Only one property is fully occupied and one is partially occupied, Vescio said. The other three are vacant.

'We need to preserve it'

Westchester County Association President and CEO Michael Romita said generally the COVID-19 pandemic has caused a "softening" of commercial real estate across the county. Meanwhile, residential real estate is "very hot," Romita said, including multi-unit developments.

Specific to Briarcliff, Romita said the village has a number of older office complexes that are functionally obsolete. Repurposing those buildings into residential and mixed-use development "is important for the vitality of the region," he said.

"Rather than sit idle, they should be repositioned and redeveloped," Romita said.

Attorney for Ridgewood, David Steinmetz, said the village's new zoning laws are "not based upon market reality" and it would be a waste for Ridgewood to attempt to conform to the new zoning.

Vescio said he'd rather wait longer for commercial projects to be proposed than quickly accept residential projects for those parcels. He said he's confident the new zoning would make the parcels more marketable because of the wide range of commercial uses allowed. Some of those uses include conference centers, medical offices, recreation facilities, fitness centers and data storage.

"We don't have a lot of commercial," Vescio said. "We need to preserve it."

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That preservation could lead to a legal battle. Steinmetz said Ridgewood could sue for monetary damages or request a federal or state court change the parcel's zoning. The village committed "public policy and actionable legal blunders," Steinmetz argued.

Vescio doesn't believe Ridgewood has been aggrieved. The village went through a multi-year process relying on experts and studies before enacting the new zoning, he stressed.

Left at a standstill, could Ridgewood abandon the proposal and resell the property? It's assessed for \$11.3 million, according to the village tax assessor's office, about \$1 million less than what Ridgewood bought it for.

"I mean, look everything's on the table," Grebow said. "We don't have an interest in walking away from an investment or selling a property. We buy them because we think they're great locations in good towns."

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