

RIVERHEAD Comprehensive Plan Update



Chapter 4: Economic Development Working Draft

This document is presented in its current form as a preliminary draft for public review. We encourage all stakeholders to provide comments as your input will play a vital role in shaping the final version of the Comprehensive Plan. Please email comments to compplan@townofriverheadny.gov.

Please note that the document will be further refined once comments are received from the community. Since it is an interim document, it is in a raw formatted form. The revised draft will be arranged in a more graphic format with photos, figures, and other visual elements to enhance clarity and understanding. Thank you for your time and participation in this important planning process.

Submitted by BFJ Planning

February 15, 2024

CHAPTER 4: ECONOMIC DEVELOPMENT

Introduction

This chapter explores the economic and social dimensions of Riverhead, emphasizing the symbiotic relationship between fostering prosperity and safeguarding the town's agricultural legacy. It provides a comprehensive overview of current economic conditions, including employment trends, labor resources, and growth patterns at both local and regional levels.

Riverhead boasts a robust and diverse economic foundation, poised for significant future growth. The primary avenue for expansion lies in tourism, with the North Fork emerging as a prominent destination in the 1990s. Attractions such as the Long Island wine country, historic downtown, outdoor recreational activities, the Long Island Aquarium, Splish Splash, the Suffolk Theater, and Tanger Mall have attracted a steady influx of day-trippers, weekenders, and vacationers. To maximize these opportunities, Riverhead can employ various strategies to encourage longer stays and increased spending by visitors. There is also significant potential to draw more visitors to the downtown area, particularly in light of new development and other improvements to the public realm.

In the last 20 years, Route 58 has witnessed a surge in commercial development, attracting major retail players and transforming into a prime destination for shopping. Tanger Outlets is a significant draw, and other retail establishments have contributed to the corridor's emergence as a key commercial artery for the East End. However, the retail environment has changed with the emergence of e-commerce and new strategies are needed to adapt to the evolving landscape.

Additionally, there is anticipated demand for expanded office and industrial development in Riverhead, with shifting development pressures from western Long Island to the more available lands in western Riverhead. Riverhead is encouraged to maintain a resilient economic foundation by promoting diverse sectors such as office and industrial development, agriculture, retail expansion, and fostering entrepreneurial and small-business activities in appropriate locations.

Despite being the county's primary hub for agricultural activity, Riverhead grapples with the vulnerability of its agricultural industry due to land depletion from suburban sprawl. This chapter underscores the importance of aligning economic development initiatives with the conservation policies articulated in other sections of this plan. The Agriculture Chapter provides a comprehensive strategy for farmland preservation to ensure the continued viability of the agriculture industry.

Socioeconomic Trends

The analysis in this chapter includes data from a variety of sources. An Economic and Housing Trends Analysis was developed by AKRF in 2022 as an interim document during the formulation of this Plan. Data in that report was supplemented with more current data from other sources including ESRI Business Analyst, US Census Bureau’s OnTheMap longitudinal employer household dataset (LEHD), the New York State Department of Labor’s (NYDOL) Local Area Unemployment Statistics (LAUS) and Quarterly Census of Employment and Wages (QCEW), and the Decennial Census and American Community Survey (ACS). The ACS data are estimates which rely on population samples and are thus susceptible to error. The data should be used as a general description of trends rather than precise counts. They should also be tempered with the community’s observations of changing social and economic characteristics.

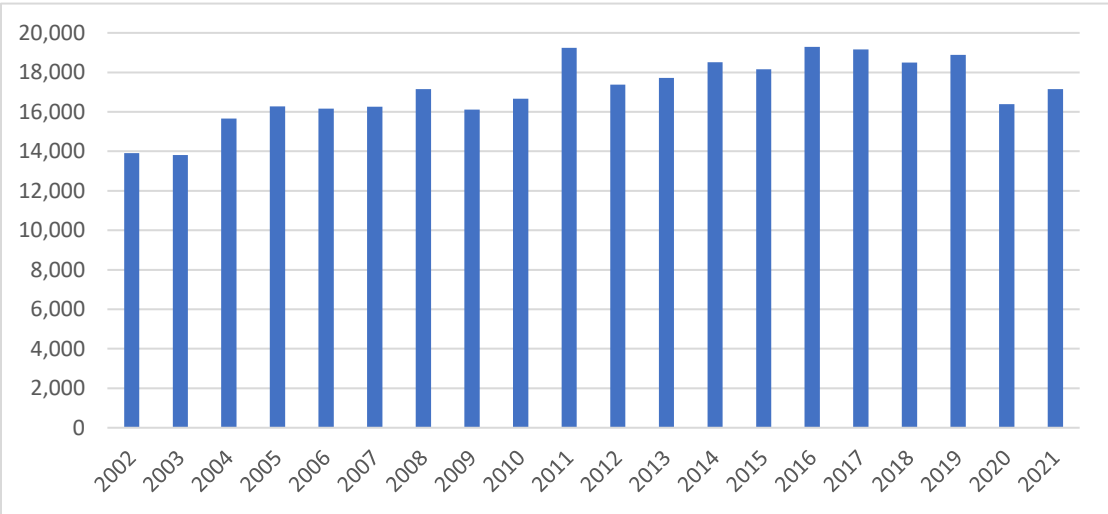
A snapshot of key trends and important takeaways are summarized below.

Jobs:

There are 17,160 jobs in the Town; the majority of which are located in Calverton or Downtown. 19% of jobs are held by Riverhead residents, while 81% commute into town. While most workers come from surrounding areas in Suffolk County, 6.5% of workers live in NYC.

Job growth has been strong overall. Even with cyclical fluctuations in employment, there was 23.3% increase in jobs in Riverhead between 2002-2021, compared to only 4.5% growth in the County.

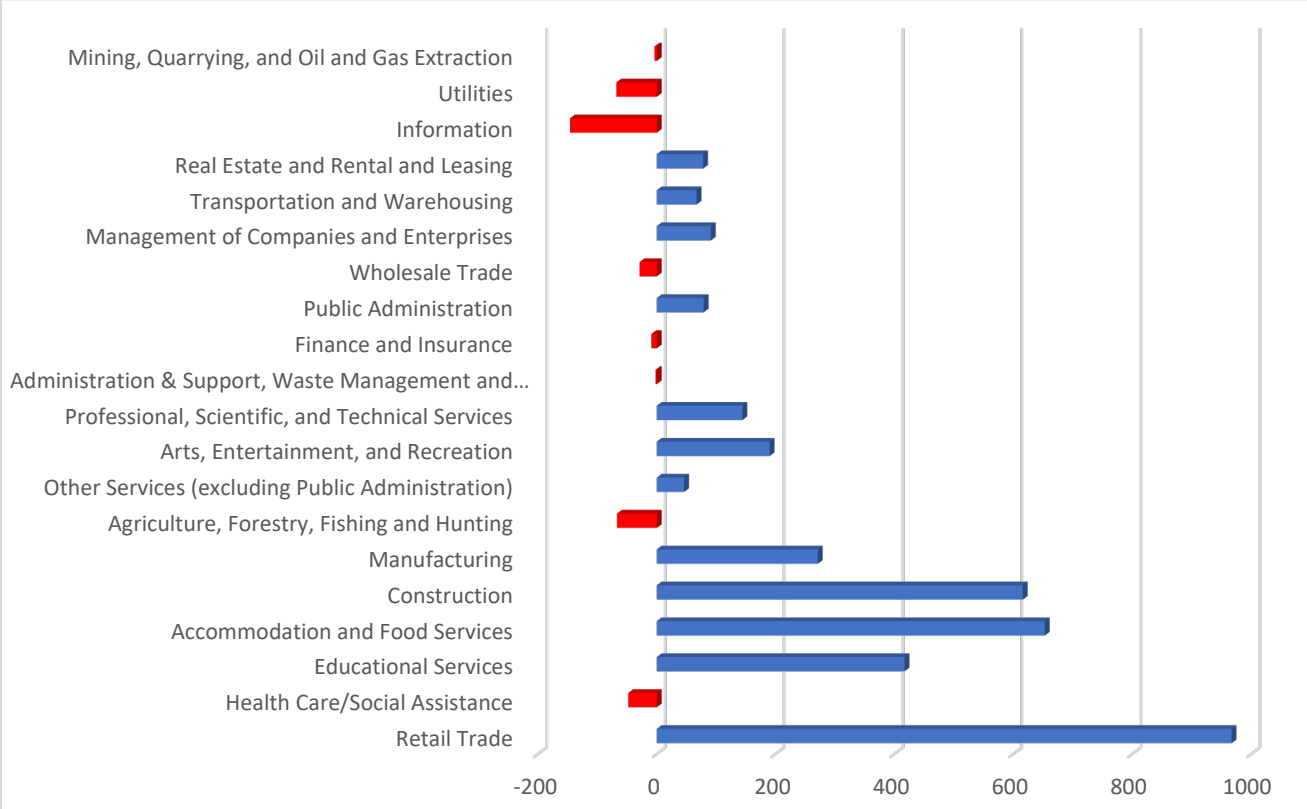
Figure 1. All Jobs in Riverhead 2002-2021



Source: US Census OnTheMap LEHD

Between 2002 and 2021, sectors that have shown the most growth are retail, accommodation/food services, construction, educational services, and manufacturing.

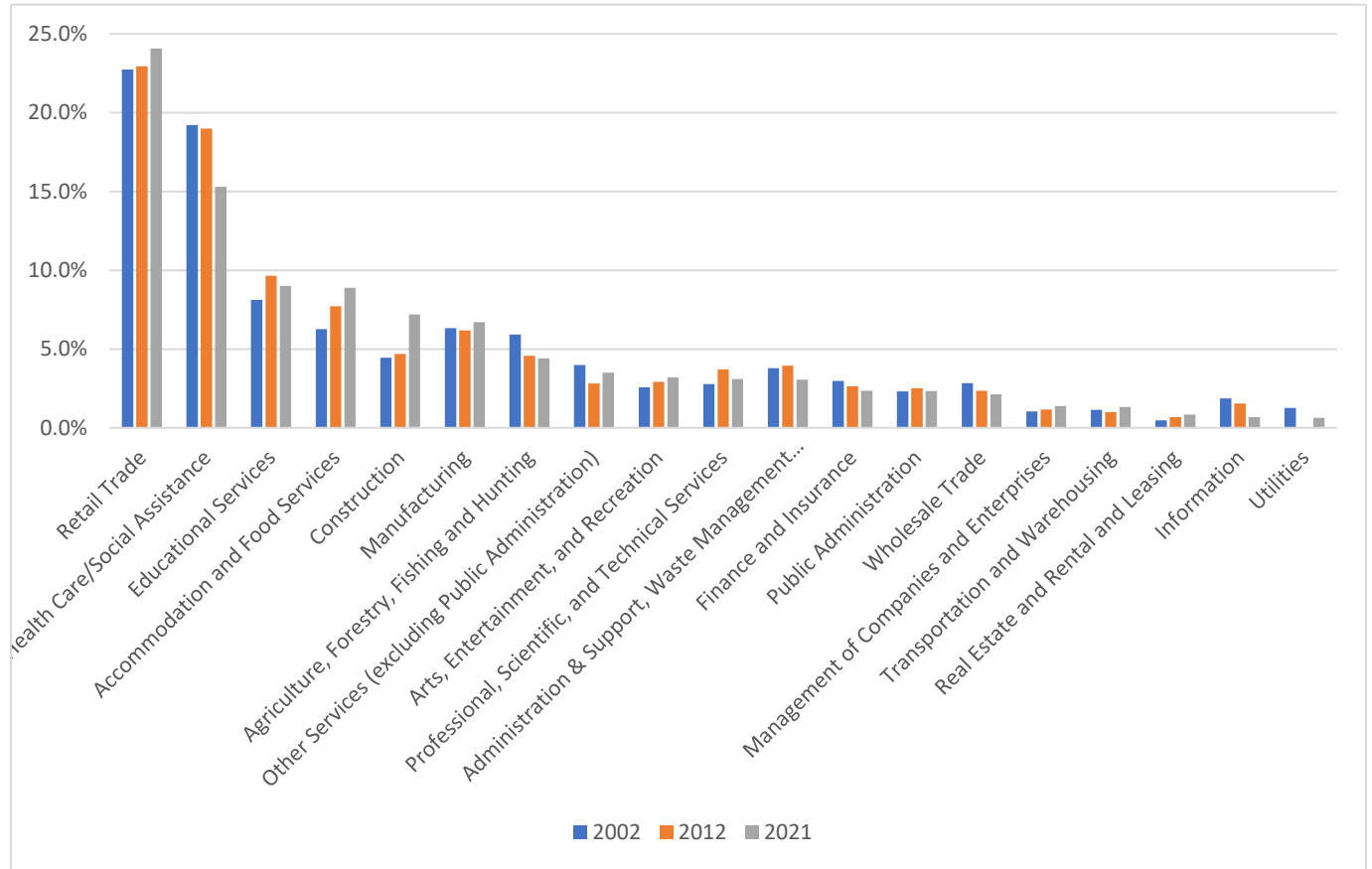
Figure 2. Change in Riverhead Jobs by Industry: 2002-2021



Source: US Census OnTheMap LEHD

The most common jobs in Riverhead over the past twenty years have been retail, followed by health care and social assistance and educational services. However, the overall share of local employment by industry has shifted over time. The following industries make up greater shares of employment than 20 years ago: retail, accommodation and food services, construction, manufacturing, arts, entertainment & recreation, professional, scientific & technical services, and to a lesser extent, management of companies & enterprises and transportation & warehousing.

Figure 3. Riverhead Jobs by Industry as Share of Total: 2002, 2012, 2021

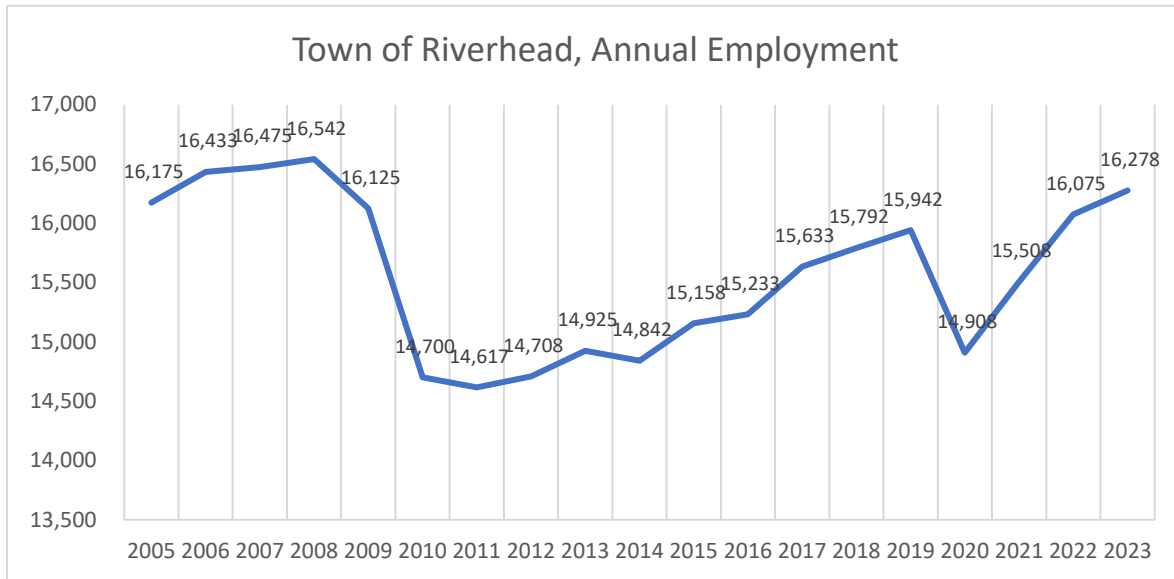


Source: US Census OnTheMap LEHD

Employed residents

The NYDOL estimated annual average resident employment in Riverhead at 16,278, the highest local employment has been since 2008. 20.7 % of employed Riverhead residents work in the Town of Riverhead; 15.9% in Brookhaven; 15.3% in NYC; and 10% in Southampton.

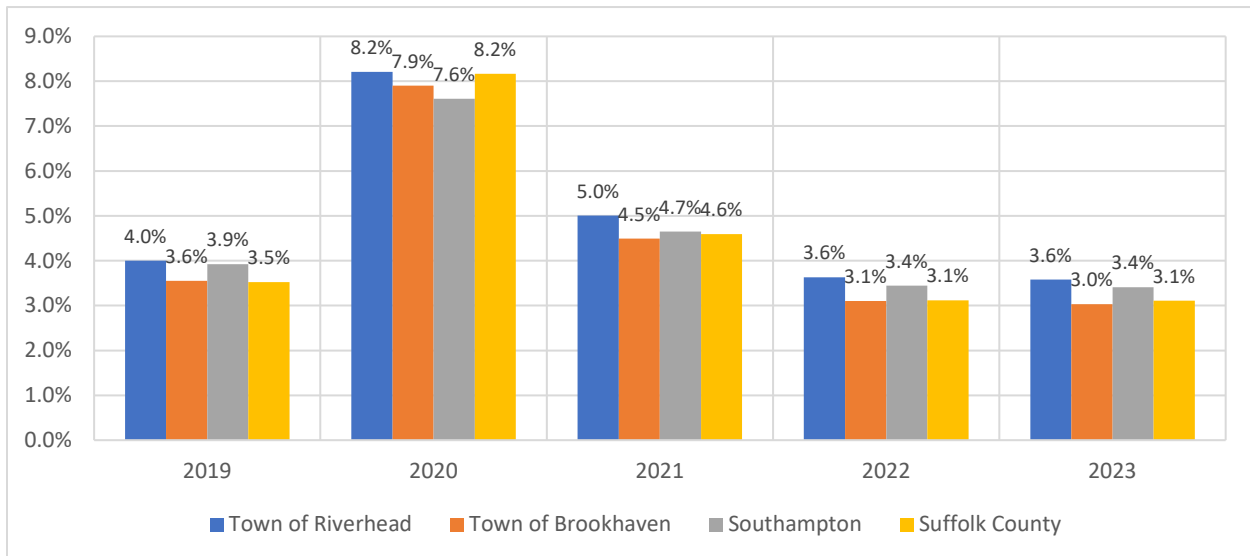
Figure 4. Annual Average Employment 2005-2023



Source: NYDOL, LAUS Program

After peaking in 2020, the unemployment rate throughout Suffolk County has decreased as shown in Figure 5. As of 2022, the local area unemployment rates are lower than they were in 2019, the pre-pandemic economic peak of the last decade. At 3.6%, Riverhead’s unemployment rate is and consistently has been, slightly higher than the surrounding communities and Suffolk County as a whole. In addition to higher unemployment rates, Riverhead also has a lower share of residents participating in the labor force.

Figure 5. Annual Unemployment: Riverhead, Brookhaven, Southampton, Suffolk County: 2019-2023

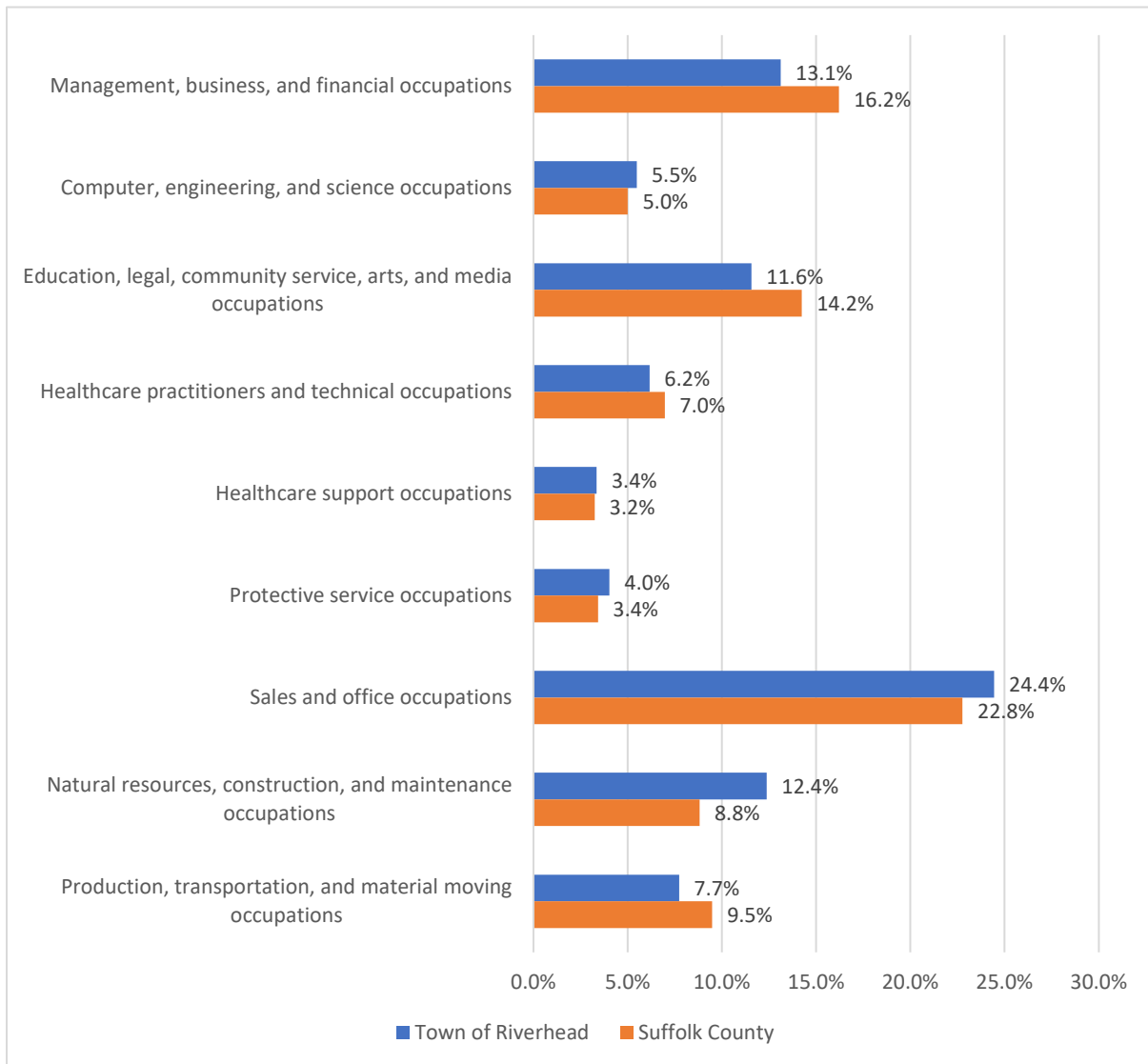


Source: NYDOL, LAUS Program

Occupations

There are many different occupations within a single industry; for example, a person can work as a custodian within the financial industry. To better understand the types of jobs performed by Riverhead residents, occupation data from the US Census' ACS is shown in Figure 6, below. For both Riverhead and the County, sales and office occupations were most common, followed by management, business, and financial occupations. However, Riverhead residents were more likely to work in often lower-paying sales, natural resources, construction & maintenance, protective services, and healthcare support occupations than Suffolk County residents as a whole.

Figure 6. Occupations of Riverhead and Suffolk County Resident Population, 2021



Source: US Census Bureau, ACS, 2017-2021 5-Year Estimate

Industry Clusters:

Employment in Riverhead is diverse, reflecting the town's multifaceted economic landscape. Key sectors contributing to employment include retail, health care, accommodation and food services, and education.

The commercial corridor along Route 58, featuring major retail outlets and the Tanger Outlets, has been a significant source of jobs, drawing employees from both within Riverhead and neighboring areas.

The hospitality sector plays a crucial role in Riverhead's employment scene, driven by the town's appeal as a tourist destination. Hotels, restaurants, and other service-oriented businesses cater to the influx of visitors drawn to attractions like the Long Island Aquarium and Exhibition Center. Additionally, the town's position within the North Fork wine region has led to employment opportunities in the flourishing local wineries, with roles ranging from vineyard management to tasting room staff.

Healthcare is another prominent sector, with Peconic Bay Medical Center serving as a major healthcare provider and employer in the region.

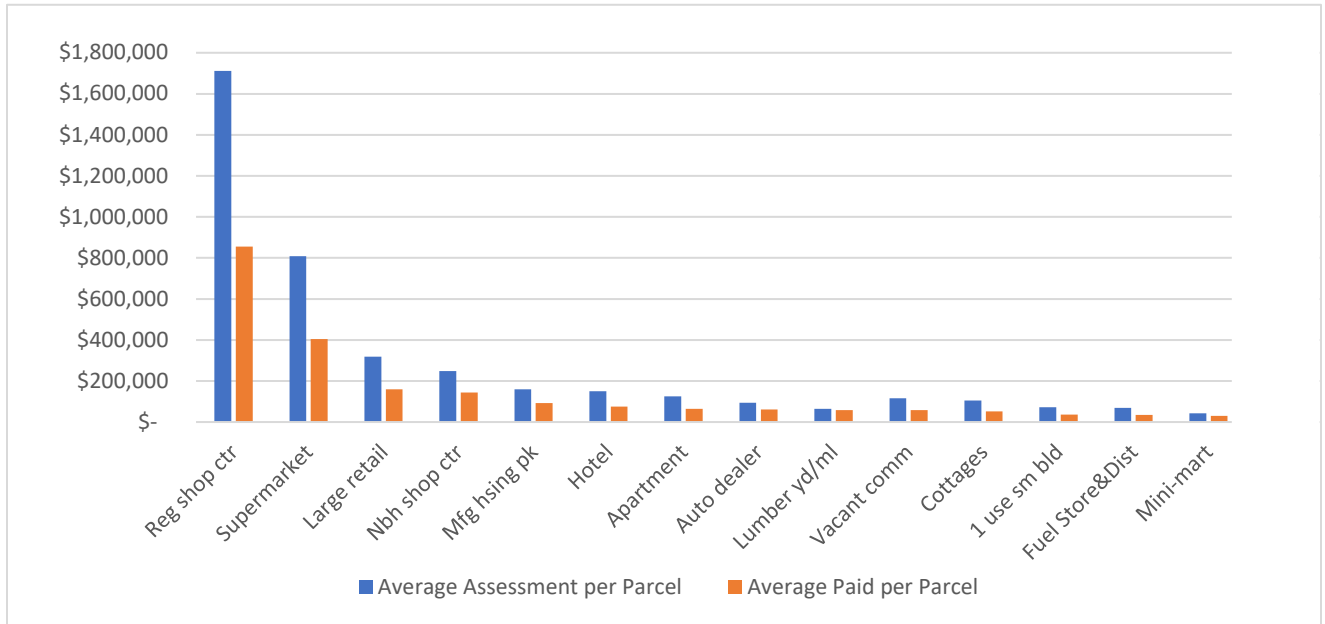
Empire State Development has identified advanced manufacturing, biotech & life sciences, cleantech & renewable energy, craft beverage, tourism, and agribusiness as priority growth industries on Long Island. Riverhead already has a solid foundation in tourism and agribusiness as well as a strengthened position in advanced manufacturing. By aligning with the Office of Strategic Workforce Development, Riverhead has the opportunity to increase its regional share of expected growth.

Fiscal Conditions and Tax Base

As of 2023, population growth in the Town is not substantive enough to cause major issues with respect to the ability of the Town to provide services. The Riverhead School District, which draws students from outside of Riverhead as well, has reported being capacity-constrained for more than 10 years.

According to commercial tax data received from the assessor's office, the average commercial property in Riverhead is assessed at \$52,136 per parcel; with an average paid of \$28,021. As shown in the figure that follows, retail land uses are 7 of the 14 above average taxpayers, including the top 4. Commercial residential properties are also above-average contributors to Riverhead's tax revenues including manufactured housing parks, hotels, apartment buildings, and [vacation] cottages. Vacant commercial properties and small, single use buildings round out the highest contributors to the tax base on a per-parcel basis. Commercial properties, even those with residential uses, typically pay their share of municipal and school district taxes. However, in specific instances, tax benefits and subsidies may offset this imbalance to prioritize other economic development objectives.

Figure 7. Above Average Assessment and Tax Payments per Parcel by Land Use, 2023



Source: Riverhead Assessor's office, 2023

Federal Opportunity Zones:

Opportunity Zones are designated in areas of Calverton and Downtown Riverhead. This designation helps to encourage investment in low-income and rural communities defined as having a poverty rate of at least 20% and median family income no greater than 80% of AMI.



Opportunity Zone

Employment

According to AKRF's Market Trends Analysis report, there is a need for job growth in the Town, particularly in high-paying professional and finance jobs that can retain young professionals who want to live/work on Long Island. There is a need to increase access to job training and vocational resources. Suffolk County has been focused on enhancing its capacity to encourage and support technology-related business. There is also an opportunity to coordinate with Riverhead IDA to attract and retain new employment and vocational opportunities at EPCAL.

Tourism

As the gateway to the North and South Forks, Riverhead is uniquely situated to capture tourists who would otherwise go farther east. Some of Riverhead's assets that attract tourists include:

- Agri-Tourism and Farm Stands: Roadside farm stands and markets in Town sell local products and beverages.
- Long Island Aquarium: This popular attraction is known for its diverse range of aquatic species and educational programs.
- Craft Beverage Industry: Local breweries provide a diverse range of craft beers, attracting both locals and tourists. Some establishments may offer tasting rooms, tours, and events to showcase their brewing processes and products.
- Unique Festivals and Events: The town hosts various festivals and events throughout the year, celebrating local culture, agriculture, and the arts.
- Wineries: The North Fork is a famous region for vineyards and wineries. Tourists visit local wineries to sample wines, enjoy scenic landscapes, and experience the charm of the countryside.
- Riverhead Raceway: The Raceway hosts regular racing events and draws crowds of spectators.
- Riverhead's Downtown Area: The downtown area has undergone revitalization efforts, with shops, restaurants, and cultural venues contributing to the town's appeal.
- The Peconic Riverfront is a picturesque spot for visitors to stroll and enjoy the scenery.
- Town Beaches offer opportunities for relaxation, recreation, and enjoyment of natural surroundings.
- Suffolk Theater: Originally opened in 1933, the theater underwent extensive renovations and reopened in 2013. It now hosts a diverse array of performances, including live music, theatrical productions, comedy shows, and special events.
- Historical Sites: Riverhead has several historical sites that attract visitors interested in the area's past.
- Unique Hamlet Centers: There are several unique hamlet centers, each with its distinct character, offering visitors with a range of experiences.
- Route 58: Hosts several major retail destinations, including big-box stores, furniture outlets, and automobile dealerships.
- Tanger Outlets: This expansive outlet complex attracts shoppers from both the local community and the region.

- Splish Splash and Island Water Park: These parks in Calverton are popular summer destinations for tourists coming from the wider the Long Island region.

Retail Environment

The retail landscape in Riverhead boasts several strengths, including prominent retail destinations like Tanger Outlets and a high demand for retail in areas such as Wading River Hamlet. Additionally, the town benefits from tourism, attracting visitors who contribute to the local economy. However, weaknesses persist, particularly in the downtown area where retail offerings fail to adequately serve residents, potentially hindering local patronage.

Nevertheless, Riverhead presents numerous opportunities for growth and revitalization. These include the potential redevelopment or adaptive reuse of vacant retail spaces along Route 58, the introduction of new residential developments in the downtown area, and the expansion of outdoor dining options to meet unmet retail demand. Furthermore, the Town serves as a gateway to both the North and South Forks, positioning it to capitalize on the trend of "close to home" tourism. Despite these opportunities, threats loom, such as the decline of brick-and-mortar retail due to the rise of online shopping, competition between Route 58 and downtown, and the presence of big box stores and shopping malls, which may divert consumer spending away from local businesses.

Retail Real Estate:

In February 2023, retail real estate listings in Riverhead were concentrated in Downtown on Main Street and on Route 58. Within the Town of Riverhead, 180,134 sf of retail space was listed for lease on Loopnet.com. The largest of these listings was the Serota Plaza with 55,210 sf of retail space. The average listing price was \$25 per sf. The listing with the highest asking price is 20 W Main Street with a 2023 asking rent of \$42 per sf, significantly higher than other Downtown listings that averaged \$19.50 per sf.

Pandemic Related Concerns

Some economic challenges were brought to light by the COVID-19 pandemic, including issues like the vitality of small businesses, farm workforce reductions, and delayed capital improvements. Notably, downtown businesses faced vacancies, and the relocation of employment centers to remote work settings presented uncertainties about the future of office spaces. The shift towards online shopping, initially driven by the pandemic, has raised questions about sustained market demand. Moreover, contemplations on the future of retail, encompassing department stores, aging strip commercial malls, and large-scale retailers, became crucial considerations.

Outdoor dining emerged as a lifeline for many establishments during the pandemic, leading to the Town Board's authorization of a permanent waiver for downtown zoning limitations on outdoor dining. While this measure supported businesses, ongoing challenges such as litter, pedestrian safety, and noise necessitate vigilant monitoring. Retail industry leaders posit that the pandemic is fostering innovative solutions, including curbside pickup, providing more experiential retail experiences, and strategies ways to make the retail experience more desirable.

Downtown

Downtown Riverhead has many assets that a lot of assets that work in its favor. There is an attractive waterfront, lively main street corridor, entertainment venues, and cultural institutions. There have been many recent planning initiatives, investments, and programs designed to promote downtown revitalization, including the Railroad Avenue URA TOD development (2021), the Pattern Book (2021), the Downtown Riverfront Activation Plan, and the DRI Strategic Investment Plan (2022). Potential and proposed housing developments are listed below. According to the Pattern Book, potential new development could effectively double the built square footage in Downtown Riverhead. In the past few years, over 900 new multifamily units have recently been built or have been proposed for Riverhead's downtown. See Chapter 3 for details on recent multi-family projects.

In addition, there are several planned public space improvements for the Downtown area which are in various stages of development including, but not limited to the following:

- Improved pedestrian and bicycle connections between Downtown and the train station
- Creation of a new Town Square to connect the Downtown to the Riverfront
- Develop of new active recreation uses along the waterfront, like a playground, amphitheater, and boathouse. The Town received grant funding for design of these projects and has contracted firms to start the design process.
- Other traffic calming techniques on Main Street

Downtown Issues and Opportunities:

The Economic Market Trends Analysis found that Riverhead's Downtown is a destination for people living outside of Riverhead Hamlet for shopping and restaurants. There is limited unmet retail demand in the downtown besides a high demand for specialty food stores and services. Interviewed stakeholders stated that residents do not shop in local stores due to affordability, and prefer to shop on Route 58, which provides more affordable big-box stores and national chains. Mixed-use, market rate housing developments in the downtown are expected to provide a built-in customer base and promote a vibrant downtown commercial market.

There has been a concern about the viability of downtown businesses. The pandemic and trends towards online shopping have seen reduction in brick-and-mortar retail demand. It has been suggested that downtown businesses focus more on dining, entertainment, and boutique shops that will appeal to tourists and tenants of market-rate apartments in the downtown who have more disposable income. The Streetsense Market Study, completed in 2021, suggests there could be growth in retail with the implementation of a successful placemaking strategy and that there is strong demand for hotels.

The Downtown Riverhead Business Improvement District (BID) is an association of over 75 businesses who contribute a special tax and their time to attract customers and visitors to the Town center. The Town Board provides an annual budget for the BID Management Association, which is a non-profit organization of members who own or rent property in the district. The BID utilizes a limited budget, which has historically increased a nominal amount annually. Additional resources are needed to expand the BID's capacity to facilitate tenanting of smaller local businesses, market

events, and address trends in food services, entertainment, and retail. Additional opportunities to partner with the BID to promote economic growth are discussed in the recommendations at the end of this chapter.

Public engagement participants pointed out issues of improper disposal of garbage, traffic safety, and building vacancies in the downtown. Improper dumping has become more widespread with the closure of the last two landfills on Long Island. The Town works with the Police Department and the BID to address many different quality of life issues.

Route 58

The Route 58 corridor is a major commercial thoroughfare that plays a pivotal role in the town's economic landscape. Also known as Old Country Road, this corridor serves as a primary retail district, hosting a diverse array of businesses, shopping centers, and restaurants. In addition to the Tanger Outlets, the Route 58 corridor features various other retail establishments, including big-box retailers, auto dealerships, and dining options. Its strategic location and accessibility make it a hub for commercial activities. The corridor has undergone significant development and expansion over the years, transforming into a bustling commercial area. However, with this growth comes considerations related to traffic management, infrastructure, and the overall impact on the surrounding community. Revitalization of Route 58 was one of the top priorities identified by participants public survey for this Plan. Participants expressed the need to improve the look and feel of the corridor.

While vacancies have been an issue in the past 10 years, in the past two years many underutilized buildings have been filled with new businesses including, including:

- Restaurant Depot (former Walmart Building)
- Sephora (in Riverhead Centre)
- Suffolk County Social Services, Ollie's, and Furniture 51 (former Walmart Building)
- Lidl Supermarket (former Toy's R'Us building)
- Barnes and Noble (former Pier 1), and
- A site plan has been approved to fill vacant space in the former Kmart building with an indoor pickleball facility, restaurant, retail, and offices.

The landscape in retail has changed drastically with online purchasing becoming a much greater market share. The Town will need to think about creative alternatives for reuse to compensate for the changes in the market which may occur down the road. The existing zoning controls may not be flexible enough to provide room for growth and change to ensure the long-term vitality of the corridor. Flexibility should be provided to help Route 58 become a lifestyle corridor with a mix of uses including mixed senior/assisted living/medical complexes, medical and office space, personal care services, and recreation and entertainment uses. The addition of office workers and visitors would in turn provide a customer base for other retail uses.

Members of the public voiced some concerns about overdevelopment along the corridor and how that would exacerbate sprawl and congestion. Residents also noted that there is little mature woodland remaining; clearcutting of trees for retail should be strongly discouraged. Strategies to

improve the streetscape and minimize impacts the impacts on new development are discussed in the recommendations section of this chapter.

Most people who participated in the survey said that they shop along Route 58, rather than in Downtown Riverhead. There is an opportunity to encourage more visitors along route 58 to visit Downtown. This could be done with wayfinding signage. Uses along Route 58 should not compete with those found Downtown. In contrast, the large lots on Route 58 can provide a different type and scale of businesses that meet other needs.

The Peconic Bay Medical Center on Route 58 is a trusted source of healthcare for the five East End towns, not just Riverhead residents. Its employees frequent the businesses on Route 58 and provide demand for affordable housing in Riverhead. The Medical Center has expressed interest in expanding its footprint to provide a wellness related district around the Hospital. There is also the potential to add assisted care facilities in the vicinity of the hospital.

Route 25A (Wading River Corridor)

The commercial corridor along Route 25A in Wading River is characterized by a mix of small businesses, shops, and services catering to the local community and passing motorists. Commercial offerings include local restaurants, convenience stores, professional services, and small retail establishments.

The rezoning following the 2012 Route 25A-Wading River Planning and Zoning Report eliminated the potential for up to 142,877 sf of existing retail but allows for the capture of 200,000 sf for future retail growth. A Retail Gap Analysis conducted for this plan (see Appendix X) found that if the remaining allowable square footage were developed, this corridor could capture local resident spending with uses for which there is a demand. The retail gap is entirely in the retail trade sector. In particular, building materials/lawn and garden supplies stores and clothing stores are lacking. Food and drink businesses have a surplus, indicating that those businesses are drawing visitors from outside of the hamlet.

Economic Development Goals and Strategies

The economic development goals and strategies for Riverhead align with supporting existing businesses, diversifying local employment, increasing the tax base, and maintaining quality of life as guiding tenets.

Goal 1. Reassess the development strategy for EPCAL to ensure the economic and community benefits of proposed projects align with local needs and that impacts are proactively addressed.

Riverhead's substantial industrially zoned areas offer great opportunities for economic development. Enterprise Park (EPCAL) is uniquely suited for office, industrial, and commercial recreation development, due to its central location and convenient access from the LIE and existing essential infrastructure. The Town's ownership of the property provides it with the ability to effectuate appropriate development in emerging industries and bring the property back onto the tax rolls through its sale. This increased revenue stream can help ease the tax burden on existing residents and businesses, provide funds for essential public services, and support local infrastructure improvements.

1.1. Continue to promote economic development opportunities in the EPCAL area, while creating a framework to make sure potential negative impacts are addressed.

In light of the recent unsuccessful development proposal at the Enterprise Park at Calverton (EPCAL), it is recommended that the Town revisit zoning regulations for the Planned Development (PD) district. The existing district is fairly liberal with regard to land uses, and it may be appropriate to limit some activities which the community did not support. Air cargo was recently eliminated through a Town code amendment. Systematically re-evaluating the potential impacts of other types of industrial development will help the Town to make more informed decisions and take steps to address concerns effectively while fostering responsible and sustainable development in the area. Certain intensive uses such as an air cargo terminal should be eliminated. A reevaluation of the potential impacts should ensure that roads, utilities, and public services can accommodate the increased demand from the proposed development.

Recognizing the community's desire for a collaborative planning approach, a comprehensive study involving residents, NYSDEC, and other stakeholders should be initiated. This study would formulate a collective vision, identify desirable economically viable uses, explore subdivision plans, and address environmental considerations. This approach would also enhance eligibility for grant funding.

One of the biggest concerns was the need to ensure that roads, utilities, and public services can accommodate the increased demand from the proposed development. A plan for roadway improvements needs to be proactively established. The Town should also explore options for public transportation services that can serve industrial areas and reduce the need for additional road development. Chapter 5: Transportation and mobility discusses transportation issues in more detail. This chapter also includes the potential to activate the existing rail spur which could potentially be used for freight and/or passenger service.

Goal 2. Encourage appropriately scaled and designed development in industrial areas that better aligns with the character and needs of the surrounding areas.

Many residents expressed the need to reduce potential impacts of industrially zoned properties, as they threaten to impact the surrounding rural and residential landscape. The Town must continue to promote economic development, whilst carefully managing and minimizing potential impacts to surrounding residential communities.

2.1. Continue to promote and encourage additional opportunities for private and public indoor and outdoor recreational opportunities in Calverton, along Route 58, and Downtown.

Expanding the presence of commercial recreational activities in Riverhead is an opportunity to energize the economy and enrich the leisure options available to residents and visitors. Commercial recreation activities including theme parks will not only enhance the vibrancy of the area but also create job opportunities, stimulate business growth, and establish Riverhead as a destination for entertainment and relaxation.

2.2. Scale back allowable density of industrial development to be more responsive to surrounding uses.

The Town recognizes that it is essential to carefully manage the permitted density of development within industrial districts. This Comprehensive Plan recommends a reduction in the allowable density from 0.4 FAR to 0.25 FAR with the potential to increase to 0.3 with the use of TDR credits. This measured approach addresses concerns about aesthetics, overcrowding, and environmental impacts. Lowering the FAR threshold can curtail excessive development while promoting thoughtful land use planning that ensures the long-term sustainability of industrial areas. Zoning strategies are further discussed in Chapter 13: Future Land Use Plan.

2.3. Provide some flexibility for building heights in industrial districts provided aesthetic impacts are mitigated.

To accommodate the evolving needs of industrial districts while preserving the aesthetics of the Town, it is crucial to consider allowing slightly higher building heights (up to 40 feet), provided buildings are appropriately set back from the street. This approach supports innovation and expansion within industrial areas, creating opportunities for businesses to thrive without compromising the overall character of the community. This zoning strategy is further discussed in Chapter 13: Future Land Use Plan.

2.4. Strengthen design standards for industrial development to promote aesthetics, green building practices, and architectural harmony with the town's rural character.

The FAR adjustment discussed above is also aligned with other zoning strategies to preserve setbacks and manage heights. This approach will encourage developers to prioritize quality over quantity, focus on sustainable practices, and contribute to a community that values both economic prosperity and environmental stewardship. For example, the zoning for light industrial areas could include design guidance to exhibit design elements that harmonize with the urban environment, such as facades, materials, and landscaping to limit visual impact from roads. Zoning strategies are further discussed in Chapter 13.

2.5. Transition existing industrial districts in more sensitive areas into light industrial zones with specific design and landscaping requirements to minimize visual and environmental impacts.

This recommendation acknowledges the need for zoning code revisions that will encourage a gradual shift from heavy industrial and other traditional industrial uses (in industrial districts) to those that are enclosed and more compatible with the evolving urban landscape which is not well-suited to industrial development. This would apply to all industrially zoned properties outside of the core industrial area in Calverton (generally west of LIE interchange and between Route 25 and River Road). Zoning standards could be strengthened to ensure that industrial activities are conducted in a manner that is safe, environmentally responsible, and compatible with surrounding land uses. By introducing specific design, performance (i.e., noise, emissions, effluent, glare), and landscaping standards, the Town can ensure that new developments integrate seamlessly into their surroundings, while still providing opportunities for economic expansion.

Goal 3. Emphasize downtown as the civic, cultural, specialty shopping, and historic center of Riverhead.

Riverhead's downtown boasts many assets including its local businesses, mixed of uses, regional attractions, historic built environment, and riverfront location. The recent 2022 Downtown Revitalization Initiative (DRI) was a collaborative process that helped identify several issues and opportunities in the downtown including vacant properties, riverfront access, public realm improvements, diverse population needs, and an expanding tourism market. Goals and strategies from the DRI Plan are incorporated into this section.

3.1. Continue to advance the vision, goals, and strategies established in the Downtown Revitalization Initiative (DRI) Plan.

These goals were crafted through a collaborative effort with the community to help achieve the implementation of the DRI vision. The projects proposed in the DRI Plan are aligned with the chosen goals.

3.2. Make the Peconic River a central feature of Downtown Riverhead's identity with new connections, activities, and development (DRI Goal #1).

Specific strategies include Improving pedestrian connections to the Riverfront, creating a new Town Square to connect Main Street to the River, and creating a shared mobility path along Heidi Behr Way.

3.3. Capitalize on opportunities of underutilized and blighted properties to create new catalysis Downtown (DRI Goal #2).

The vacant and blighted properties within Downtown Riverhead create a negative impression on residents and visitors and gives the perception that the Downtown is unsafe. Activating or developing these properties will bring new businesses and residents to the Downtown and improve the character and environment within the Downtown. Specific strategies include placemaking to improve the public realm and attract new development, exploring development opportunities on Town-owned parking lots, and developing the Town Square and surrounding vacant sites into a mixed-use destination.

3.4. Build on the previous outreach efforts and engage the diverse local community and organizations to address social and environmental justice needs (DRI Goal #3).

Riverhead is home to a very diverse population in terms of age, race, and socioeconomic status, and that population should be well served by the Downtown. Some residents have expressed concerns that there aren't activities for younger people or families in Downtown, while others felt priced out of Downtown's attractions. Ensuring that Downtown is welcoming to everyone will be critical to achieving the Town's Vision. This includes the creation of new programs and activities for the Town Square area and throughout Downtown that serve to engage all populations

3.5. Create opportunities for new business investment and increased tourism and economic activity (DRI Goal #4).

This goal addresses the need to bring in new investment and attract a larger tourist market. As the population in Downtown continues to grow, there will need to be increased investment to provide the supporting uses for these new residents. Additionally, improvements to the public realm will help existing business owners and residents. Specific streetscape improvement strategies include beautification and pedestrian safety improvements that make strolling more inviting, creating multi-modal linkages to connect key destinations, and improving the nighttime environment and public safety perception. It also includes the revitalization through the addition of mixed-use buildings.

3.6. Create new and expand existing transit and pedestrian connections, as well as environmental, public space, and recreational improvements (DRI Goal #5).

A significant number of new residents are expected to be Downtown with the anticipated development on Main Street and in the TOD Area. The Town should advocate MTA for increased LIRR service for residents, commuters, and visitors. Riverhead participated in the Metropolitan Transportation Agency's First Mile/Last Mile pilot program, which resulted in a plan to improve access to the Riverhead station for bicyclists. These pedestrian and bike improvements are needed to make Downtown more accessible. Within the Town, stronger connections between key anchors can bring more people into the Downtown and keep them around longer as they journey between different destinations. Improvements to the pedestrian realm and recreational amenities within the Downtown are crucial to the Town's vision for a dynamic and walkable neighborhood. This includes strategies to improve downtown's accessibility. The Town should continue to enhance safety and improve pedestrian and bicycle connections to the train station, which are being studied as part of MTA's First Mile/Last Mile pilot program. This strategy includes other public realm improvements and programming such as the Town Square and recreation uses along the waterfront.

3.7. Implement strategies for flood mitigation integrated with the Downtown plan and new projects (DRI Goal #6).

Climate change and the prospect of higher sea levels and stronger storms presents a significant threat to the future of Downtown. Major improvements are needed to ensure that Downtown can adapt to the risks of a changing climate. This topic is further discussed in Chapter 12: Sustainability and Resilience.

3.8. Adopt the Downtown Riverhead Pattern Book and continue to advance its recommendations.

The Downtown Riverhead Pattern Book provides direction for policies and projects proposed within the Main Street (DC-1) Zoning Use District. The document addresses the proper siting and massing of new buildings, the enhancement of the public realm, and the issues of resiliency and adaptability in terms of public policy. The pattern book should be formally adopted by the Town to give it more authority as a guiding document for developers, land use boards, the Town Board, and Town staff.

Goal 4. Enhance the Route 58 Corridor to create a more attractive destination, improve accessibility, and cultivate a hospitable environment for regional and local traffic.

The Route 58 Corridor is a vital commercial hub for the Town and the east end region. It is also an unpleasant gateway to Riverhead as the commercial strip generally lacks aesthetic appeal and is consistently congested. While vacancies are down in recent years, the long-term prospect for big box retail is uncertain. Zoning guidance is needed to ensure that future development contributes positively to various aspects including aesthetics, infrastructure, traffic flow, and stormwater reduction.

4.1. Promote area business revitalization through placemaking, beautification, and transportation improvements.

This recommendation focuses on making Route 58 a more appealing destination, improving its accessibility, and creating a welcoming atmosphere for both regional and local traffic. This can be achieved with design guidelines that would provide a clear and cohesive vision for the corridor's development. The guidelines would specify the use of landscaping to soften the built environment, enhance walkability, and contribute to a more inviting atmosphere. Guidelines would also encourage site planning, building design, and parking lot design that is both viable for the marketplace, aesthetically attractive, and compatible with the Town's character. Roadways and parking lots should be designed not just with automobile circulation in mind, but also pedestrian, bicycle, and bus circulation.

Chapter 5: Transportation and Mobility also discusses other concepts to improve the Route 58 roadway such as a landscaped median, improved bus pull-out areas, and necessary pedestrian infrastructure.

4.2. Provide a flexible zoning framework that allows for the repurposing of vacant and underutilized properties.

The Route 58 commercial corridor is a key economic driver in Riverhead. Promoting infill development and adaptive reuse of vacant and underutilized areas represent a sustainable and responsible approach to help maximize economic development while minimizing urban sprawl. Zoning flexibility for infill development would providing opportunities for new businesses, housing, and amenities while maintaining a sense of place. Flexibility should also be provided to allow for adaptive reuse of existing structures. For example, vacant big box retail can be repurposed into office or mixed commercial/entertainment uses. The addition of office workers and visitors would in turn provide a customer base for other retail uses. Reuse of smaller vacant buildings on Route 58

may be suited for restaurant/entertainment/recreational fee-pay uses. In addition, the increase in value of TDR credits in commercial areas will further incentivize redevelopment on Route 58.

4.3. Revisit commercial parking requirements to maximize the efficiency of land.

Current parking requirements encourage vast parking areas, much of which is underutilized. Reducing these requirements and encouraging shared parking enhances pedestrian friendliness and allows for more green space. Reducing requirements can also provide opportunities for adaptive reuse or infill development with new uses, which would help to make the corridor a more dynamic commercial center.

Goal 5. Guide responsible land use planning in hamlet centers.

The Town has several hamlet-oriented commercial areas where residents can access essential goods and services without needing to travel long distances. Each hamlet has its own unique character, history, and community aspirations. The Town should coordinate economic development efforts with neighboring towns, local businesses, and non-profit agencies.

5.1. Encourage the creation hamlet studies for Aquebogue, Jamesport, Calverton, and Polish Town.

It is recommended that the Town work with residents in several hamlet areas such as Aquebogue, Jamesport, Calverton, and Polish Town, to develop hamlet studies with design guidelines or a pattern book for new development. Each of these hamlet areas offers different opportunities for growth. The creation of tailored hamlet studies would allow for a detailed examination of the distinct needs and priorities of each area, ensuring that any future development aligns with the local context and character. The hamlet studies would specify allowable land uses, building heights, parking requirements, landscaping requirements, building design, transportation improvements, public space opportunities, and other factors that fit the specific requirements of each center.

5.2. Balance growth and greenery along West Main Street, a gateway to Riverhead.

West Main Street is closely connected to the heart of Downtown Riverhead, making it a desirable location for residential and small-scaled commercial development. The area benefits from easy access to shops, restaurants, and cultural attractions. Nonetheless, the existing development landscape remains a patchwork of disparate uses, characterized by numerous non-conforming and industrial properties that clash with the surrounding urban fabric and are inconsistent with the intent of the WSRR overlay district.

Tailoring zoning provisions is an important strategy to ensure that future development provides for a balanced blend of residential and small-scale commercial endeavors, including retail and dining establishments. These zoning adjustments could also encompass the implementation of a greenbelt program, focusing on enhancing the Peconic river waterfront vicinity. By embracing these zoning adaptations, prospective developments can play a pivotal role in creating a seamless green corridor or network, fostering wildlife habitats, presenting recreational opportunities, and contributing to the amelioration of air and water quality. It is essential to recognize that this zone is

subject to specific land use constraints, particularly in sections governed by the WSRR overlay, regulated by the DEC.

The Town may also consider developing a pattern book or hamlet study for this area to develop more specific design guidance for new development. This would allow for the examination of how buildings should relate to the street as well as to the Peconic River, including where opportunities may exist to improve public access to the waterside.

Goal 6. Balance fiscal and community benefits when considering new development and zoning decisions.

Economic development initiatives are necessary to increase the tax base and fund essential public services, infrastructure improvements, and quality of life enhancements. Commercial and industrial development provide high ratables that offset residential property taxes and provide funding for the school district and other essential town services. Multi-family development can also have a positive fiscal impact on a community. Attracting investment with incentives should be balanced with community benefits that align with the Town's broader vision for sustainable growth, quality of life, economic prosperity, and the well-being of its residents.

6.1. Achieve a sustainable balance between economic and industrial development and land preservation.

Riverhead's scenic landscapes and agricultural lands are a key component of the Town's unique character, natural beauty, and economy. The preservation of open land helps protect the environment, promotes a healthy and attractive living environment, and preserves historical and cultural assets. However, preserved properties typically do not expand the tax base to the same degree that developed properties do. Given the Town's expansive amount of preserved land, economic development initiatives are necessary to fund essential public services, infrastructure improvements, and quality of life enhancements. This balance encourages smart growth that respects the Town's natural resources, minimizes environmental impact, and supports a diverse local economy.

6.2. Establish a fiscal framework for the evaluation of development proposals and zoning decisions.

The financial implications of major zoning changes and development decisions are an important factor for the Town to consider. For projects of a certain scale, it would be helpful to have a well-defined, and standardized framework to evaluate tax revenues, infrastructure costs, and other financial factors, to determine whether these impacts align with the town's long-term fiscal health and sustainability goals. This will also help to identify alternative financial strategies, such as impact fees or public-private partnerships, to mitigate any adverse effects on the budget. Development of this framework would require close collaboration with the assessor's office.

The establishment of a fiscal framework can enhance transparency and accountability in the decision-making process. The Town can foster a more predictable environment for developers and the community by providing clear guidelines and standards for evaluating development proposals

6.3. Work with IDA to maximize both fiscal and community benefits.

The IDA plays a pivotal role in promoting economic development, job creation, and investment within the town. Collaboration between the Town and the IDA can be a powerful catalyst for achieving the community's long-term goals and objectives. By focusing on coordinated efforts, the town can ensure that projects approved by the IDA align with its broader vision for sustainable growth, economic prosperity, and the well-being of its residents and the school district.

To maximize fiscal benefits, it is essential for the Town to work closely with the IDA to strike a balance between incentivizing businesses and ensuring that the incentives provided result in substantial returns for the Town's treasury. This can be achieved through transparent negotiations, well-defined performance metrics, and regular assessments of the economic impact of approved projects. Simultaneously, the Town must emphasize the importance of community benefits in its collaborations with the IDA. As Riverhead grows and evolves, it is essential to maintain the Town's unique character and quality of life. Collaboration with the IDA can be an opportunity to incorporate community-focused objectives into development projects, such as workforce housing, public spaces, and roadway or other infrastructure improvements.

Goal 7. Continue to work with local partners on economic development initiatives.

The BID and Chamber of Commerce organizations serve as vital partners in the pursuit of economic development opportunities, working in unison with the local government to enhance the Town's business environment. Riverhead is also uniquely situated as the gateway to the North and South Forks and can do more to capture tourists heading further east. As a result, the Town's economic wellbeing is intricately connected to neighboring East End Towns.

7.1. Continue to work with the Business Improvement District (BID) and the Chamber of Commerce on Economic Development Opportunities.

The BID plays a pivotal role in enhancing the physical and commercial aspects of downtown Riverhead, and the Chamber of Commerce serves as a dynamic force for local business advocacy and promotion. These organizations serve as vital partners in the pursuit of economic development opportunities, working in unison with the local government to enhance the town's business environment. By continuing to build upon these partnerships, Riverhead can leverage collective expertise, resources, and community engagement to drive growth and prosperity.

It is important to note that the BID has limited financial resources, and initiatives are often subsidized by the Town. The BID has its own funding mechanism which includes an assessment on commercial properties within the district. The 2% assessment rate is determined by the State of New York. The Town should consider working with the BID to appeal to the state legislature to change the law to slightly increase the assessment rate. This initiative would first need support from commercial property owners.

7.2. Foster synergy help coordinate economic development in the North Fork.

The economic well-being of the Town is intricately connected to the broader North Fork community. To harness the full potential of this connection, the Town should coordinate economic development efforts with neighboring towns, local businesses, and non-profit agencies.

One approach could involve the participation in a North Fork Cooperative, which would be a collaborative platform where collective strategies for sustainable economic growth can be designed and executed. Through this cooperative, the town can explore initiatives, such as idea a "2-Day Fun Pass" which could link various businesses and destinations, enticing visitors and residents to explore the full range of offerings in the region. This coordinated approach would not only boost tourism and consumer spending but also strengthen the economic resilience of local businesses and ensure a cohesive, memorable experience for visitors to the area.

7.3. Actively Market Development/Redevelopment Sites Aligned with the Town's Vision.

This recommendation includes a variety of strategies to proactively market development sites.

- **Establish a Unique Riverhead Brand:** A compelling and unique brand identity will help to distinguish Riverhead from other East End communities. This branding should encapsulate the essence of the town, emphasizing its distinct character, heritage, and aspirations, making it stand out as a desirable place to invest, live, and visit.
- **Develop Comprehensive Marketing Materials:** Craft comprehensive marketing materials that showcase the town's strengths and assets. This should include highlighting its status as a Federal Opportunity Zone, existing businesses, pedestrian and traffic counts, and a snapshot of the community's socioeconomic profile. It might also mention recent and anticipated development as well as other commercial trends such as Riverhead's emergence as the brewery capital of the East End.

Goal 8. Promote sustainable economic growth and development and foster the creation of employment opportunities.

Investing in workforce development is vital for the economic growth and sustainability of Riverhead. Regional institutions such as Suffolk County Community College and Cornell Cooperative extension, and local employers including Peconic Bay Medical Center, are partners in the growth and development of a diverse job market. The development of EPCAL also has the potential further diversify the job market in fields such as technology, sustainability, and other industries.

8.1. Partner with local educational institutions and workforce development agencies to provide training programs and resources.

Work with employers and institutions of higher learning to include the Suffolk County Community College and Boards of Cooperative Educational Services (BOCES) to develop continuing education and certificate programs that align with expected job growth in emerging industries such as health care and senior services. These should include programs with achievement levels that correspond

to industry qualification requirements, allowing the student to increase their earning power as they work their way up through the program.

The Town should partner with training institutes being developed on Long Island to leverage job opportunities for residents related to renewable energy.

8.2. Promote apprenticeship programs and partnerships between local businesses and educational institutions to create a pipeline of skilled workers.

The Town should partner with local businesses, such as Peconic Bay Medical Center, to establish apprenticeship programs that offer hands-on experience and training aligned with the needs of local industries. Partnerships between local businesses and educational institutions will ensure that training is aligned with the specific needs of local industries, creating a skilled labor force that's well-prepared to meet the demands of the job market.

8.3. Enhance digital infrastructure, including high-speed internet access, to support the growth of employment and knowledge-based industries.

Robust digital infrastructure is fundamental for economic development and the promotion of knowledge-based industries. By investing in high-speed internet access, Riverhead can create a more competitive and dynamic economic environment but also supports the creation of high-quality jobs

8.4. Carefully consider EPCAL development proposals to maximize living wage job creation and workforce training opportunities.

This recommendation urges a meticulous approach in evaluating EPCAL development proposals, with a focus on job creation and workforce development. Giving priority to projects that create living wage jobs and training opportunities for Riverhead residents provides a pathway to economic stability and growth for community members.

Goal 9. Achieve a harmonious blend of tourism and rural charm, making Riverhead an attractive destination while upholding residents' quality of life.

Agritourism activities, including tastings at wineries and pick-your own fruits and vegetables, have grown popular in Riverhead, especially during the fall months. It is important for the Town to support agrotourism as a source of alternative income for farms, while ensuring that regulations prevent negative impacts such as traffic and noise. Clear definitions of agritourism activities should be established in regulations to differentiate genuine agricultural experiences from commercial events with limited agricultural relevance. Private events, such as weddings, and short-term rentals bring visitors to Riverhead, but can present noise, light, and safety concerns.

9.1. Continue to promote agriculture and agrotourism but strengthen monitoring to minimize impacts.

The Town should develop a permitting process and transparent regulations that address private event space and size to mitigate traffic and safety issues. This strategy is discussed more extensively in Chapter 6: Agriculture Lands.

9.2. Regulate short term rentals to balance the benefits of tourism with the impacts on residential areas.

The Town currently has a minimum rental period of 28 days in order to limit the impact of short-term rentals (i.e. AirBnB) on the housing market and the associated noise and neighborhood impacts that can occur with these rentals. However, the Town may consider allowing shorter-term rentals in more touristy areas such as near the downtown and beaches. Allowing shorter-term rentals in these areas can boost and sustain local businesses, such as restaurants, shops, and attractions.

Balancing the economic benefits of tourism with the needs and concerns of permanent residents requires careful consideration and community engagement. Regulations related to short-term rentals should also be regularly reviewed and adjusted as necessary to address changing market conditions and community priorities.

Goal 10. Promote more environmentally friendly businesses.

Aligning economic growth with environmental stewardship creates a sustainable and balanced framework that benefits businesses, residents, and the environment.

10.1. Encourage industries to adopt environmentally friendly practices, such as recycling, waste reduction, and energy efficiency measures.

Encouraging the adoption of eco-friendly practices, such as recycling, waste reduction, and energy efficiency measures, can help protect the local environment, conserve resources, and enhance the long-term resilience of the community. This recommendation is discussed more extensively in Chapter 12: Sustainability and Resilience.

10.2. Promote more sustainable design.

Sustainable design practices in industrial and business zones reduces the environmental footprint of commercial areas. This includes the incorporation of natural and native vegetation, permeable surfaces, and effective stormwater management systems, which collectively enhance water quality, reduce flooding risks, and preserve the ecological health of the community.

Furthermore, the Town should push developments to incorporate more sustainable and energy-efficient construction practices. Green buildings are designed to minimize environmental impact, promote resource conservation, and can help the Town meet its sustainability goals. One example is the encouragement of rooftop solar panels, which is an effective way to generate renewable energy on developed land. Promoting rooftop solar facilities will also help to improve the efficiency of the electricity grid and support New York State and Long Island's clean energy initiatives. This recommendation is discussed more extensively in Chapter 12: Sustainability and Resilience.