Poughkeepsie, NY: Ripe for Development
With Money Flowing In The Queen City Prepares for a New Chapter
By Jamie Larson
Post-industrial boom and post-IBM, the Dutchess County city of Poughkeepsie, NY struggled to find an economic and cultural foothold. The wave of revitalization that swept over other waterfront towns like Newburgh, Beacon, Kingston, and Hudson lagged in reaching the Queen City. But in the last couple years, the tides have started to change, and as this new decade starts, Poughkeepsie is positioned to burst into a new chapter.

In 2017, Cortlandt Toczylowski and Caroline Bergelin were looking for a location in the Hudson Valley to open a brewery. They were pretty sure they had settled on a great spot but had one more property to see in downtown Poughkeepsie. They entered an old brick structure on Cannon Street, met the building owner, and then shook the hand of another man they had not expected at the walkthrough, Poughkeepsie Mayor Rob Rolison. Bergelin said the personal touch and promise of support was integral to the couple’s decision to settle in Poughkeepsie. King’s Court Brewing Company opened in 2018. "We really felt there was a want for our business and it felt good to be wanted," says Bergelin. "We came to Poughkeepsie because the city made it easy for us."

It's not just small businesses feeling the economic development rub in Poughkeepsie these days. According to city figures, roughly $1 billion dollars in development is underway, creating more jobs, housing, and opportunities for residents. But for the riverside city, which has had its fair share of hard times, to take advantage of this moment, stakeholders need to stay on their toes. "Poughkeepsie is the last of the riverfront towns to see [post-recession] redevelopment," says Rolison. "Now we are seeing the rebirth of the downtown corridor, new Innovation District zoning, a small business loan fund, and new housing and businesses springing up all the time."
A "Perfect Storm for Development"

The largest and most influential project, scheduled to be competed this spring, has already made a striking visual impact on the city. A wave of swirling glass and steel cresting high over Route 9 and the river, the new Patient Pavilion addition to Vassar Brother's Medical Center has cost well over $500 million. The nearly 700,000-square-foot structure will house 264 private patient rooms, 30 critical care rooms, a 66-room emergency department, a conference center, and other amenities.

Additionally, the hospital has already partnered with Marist College to launch a medical school (opening 2022), which will provide residencies to students and is intended to act as an employment pipeline to the expanded facility.
In 2018, the impact of the Vassar Brothers Medical Campus on the local economy was estimated at $922 million. With the opening of a new hospital building and medical school, the hospital's impact will only increase. City Hall has been preparing itself for the population growth and the surge in business investment looking to take advantage of the expanding market. "There's a lot going on and the most important thing is for us to be able to manage it," says Mayor Rolison. "When I came into office in 2016, my goal was essentially to rebuild city government. Many offices had been eliminated over the years and we were able to bring them back. Now we have an economic development director and a planning agency. These things were necessary for the city to be able to facilitate the type of growth that you're seeing now."

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At a Chamber of Commerce breakfast last October, Paul Calogerakis, economic development director for the city, and Paul Hesse, Poughkeepsie community development coordinator, laid out the long list of projects in the works, stating that more than 1,200 housing units have been either recently completed or are under construction, one third of which are expected to be available below market rate. "The combined forces of greater personnel capacity at City Hall, Opportunity Zone tax legislation, creation of the Innovation District, abundant available real estate inventory, and the high demand for housing has created a 'perfect storm' for development in the City of Poughkeepsie," Calogerakis said.

**Go-Karts & Movies**

New residential and commercial projects seem to be popping up everywhere. Current projects in the works or recently completed include the Queen City Lofts (home of Zeus Brewing Company, complete with rooftop bar) the development of a hotel and conference center on the Vassar Campus, One Dutchess, Poughkeepsie Landing, and development of
the 150-acre Hudson River Psychiatric Hospital site into a mixed-use residential and commercial campus with publicly accessible green space.

RELATED Zeus Brewing: Poughkeepsie’s Newest Brewpub Aims for Beer Worthy of Gods: In Queen City, The King of Brewpubs Opens with a Bang

Cultural and entertainment businesses are also opening up or expanding in and around the city. A new large go-kart and arcade facility, called RPM, recently opened at the Galleria. Jim and Gina Sullivan, developers of the 40 Cannon complex, opened Revel 32 last fall, turning a derelict Gilded Age masterpiece into a nightclub and events space. Poughkeepsie’s most iconic food establishment, Rossi’s Deli, is opening a second location in Eastdale Village, a 390-unit development opening this fall near Adam’s Fairacre Farms on Rt. 44. New York State has also gotten behind the cultural renaissance, pledging $2 million in CFA grant money to Bow Tie Cinemas, which plans to build a 10-screen movie
theater with restaurant and bar to the underused parking lot downtown behind the Chance Theater.

RELATED Nightclub Revel 32 Opens in Historic Downtown Poughkeepsie Building: A “Dress to Impress Party” will unveil the new music venue and event facility on November 23.

Attracting breweries like the aforementioned King's Court was another piece of the plan to modernize lifestyle draws for incoming residents. Mill House Brewing Company, Blue Collar Brewery, Plan Bee Farm Brewery just outside city limits, and Zeus Brewing Company, which opened in January, round out the new local beer industry that has suddenly put Poughkeepsie on the map for craft brew pilgrims. "It's not competition. For us, it's like, the more the merrier," says Bergelin. "Now there are a bunch of breweries people can Uber, or even walk, around to. It's a win for all of us."

RELATED Plan Bee Farm Brewery Throws Open the Barn Doors to their New Taproom: This Poughkeepsie Microbrewery Makes Beer with All NYS Ingredients

- Photo: Anna Sirota
- Zeus Brewing Company opened in December on the ground floor of Queen City Lofts, the latest brewpub to join the city’s ever-expanding craft beer scene.
Established businesses that helped build the foundation for economic growth continue to thrive and draw folks to the city as well. The Chance, the Bardavon, and restaurants like Brasserie 292, the Artist's Palate, Mahoney's, Essie's, the Derby, and many others represent the authentic charm that has made Poughkeepsie appealing even when there were fewer recreational visitors. While new customers are always welcome, some older business owners are taking a wait-and-see approach to the recent hubbub. "I see the younger generation being much more positive about the way the city is changing. A lot of the older business owners have seen things in the past that make them skeptical. They saw the negative legacy of the urban renewal program in the `70s and have been through recessions. It's left a bad taste in their mouth," says Lorenzo Angelino, an attorney who represents many regional and city businesses and is a founder of the First Friday monthly business-community event. "The goal is that the things coming in are sustainable for outsiders and local residents. We need to make sure that everyone sees themselves represented."

Rehabbing Forgotten Poughkeepsie

In February of last year, the city took ownership of the former YMCA building located at 35 Montgomery Street, which had been closed for a decade. After hosting community listening groups, asking residents what they wanted to see in the former Y space, the city requested redevelopment proposals. The frontrunner is a proposal put forward by the 35 Montgomery Community Coalition, a group including heavy hitters in the regional nonprofit space, such as the YMCA of Kingston and Ulster County, Dutchess Community College, Nuvance Health, Vassar College, and the Poughkeepsie Public Library, among others. The proposed multi-purpose space would be a "community and recreation resource that can be a safe, structured, and horizon-expanding space for Poughkeepsie's youth and families," according to the proposal.
The City of Poughkeepsie assumers ownership of the former YMCA building on Montgomery Street last year. Derelict for the past decade, the city is working with regional nonprofits and other stakeholders to redevelop the site as a community hub.

The redevelopment plan is a part of a larger anti-blight initiative. The city has worked with non-profit housing partners Habitat for Humanity of Dutchess County, Rebuilding Together Dutchess County, and Hudson River Housing to find solutions for vacant properties across the city. Since 2018 the number of empty buildings has reportedly dropped from 600 to 500. Residents and officials single out Hudson River Housing for its successful efforts over the years to create much needed low-income housing unity in communities throughout the Poughkeepsie.

City officials also recently created an Innovation District to streamline projects in the downtown area and are working to overhaul the city’s comprehensive plan and Local Waterfront Revitalization Program. As its finances have improved, the city has been able to leverage grant money from the state to undertake pedestrian safety and green infrastructure projects as well.
Scenic Hudson, which is based in Poughkeepsie, is making sure new building projects aren't the only thing growing in the city. In December, the organization announced the creation of a new urban trail. Scenic Hudson negotiated and funded the acquisition of 2.7 miles of a former rail corridor that passes through residential and commercial neighborhoods on the North Side of the city, alongside Marist College, and down to the Hudson River.

"We are very interested in the North Side of Poughkeepsie, which is the most economically challenged part of the city," says Steve Rosenberg, senior vice president of Scenic Hudson. "One third, or more, of the population in that area are living below the poverty line. We've been working with the North Side Collaborative program over the past two years, developing a shared list of needs and desires."

Rosenberg added that part of the reason Poughkeepsie is attractive to developers is its placement on the Hudson River but that there are also more hidden natural assets like the Fall Kill Creek, which run through the North Side. He said it's encouraging that the new waterfront plan includes the Fall Kill tributary as part of the proposed riverfront district. This designation will open up the underprivileged community to a wider selection of governmental funding streams. "What could happen now in Poughkeepsie follows what has been happening in other river cities," says Rosenberg. "They all have so much in common when it comes to assets, and they are all small cities with the problems of bigger cities. Through proactive planning and community involvement you can create positive change."

**Strength of the City**

While the rising economic tide is drawing new higher income residents and visitors to the city, a community of invested and engaged nonprofit organizations are working to make sure the benefits of all this progress are felt not just by newcomers but also by the longtime residents who created the culture that makes Poughkeepsie attractive.

"The strength of the city is made by the people who live here," says Rolison. "I'm certainly not an expert in everything. Working with our nonprofit partners gives us the perspective that allows us to represent our community responsibly."

Scenic Hudson and Hudson River Housing are just two members of Poughkeepsie's vital nonprofit ecosystem. Other organizations, like the CSA farm and food justice advocacy group Poughkeepsie Farm Project, are making an impact. The Farm Project grows 200,000 pounds of produce annually, donating 40,000 to emergency food providers. They also run educational programing throughout the city school district.
The Art Effect, which funds a diverse range of career-focused youth arts programming, is also contributing in the city's less-fortunate areas and is ready to adapt to the shifting development landscape. "I definitely see that, along with all the development the art scene in Poughkeepsie is heightening as well, says Art Effect Executive Director Nicole Fenichel-Hewitt. "What's most exciting for us is what it represents for the future career opportunities in the arts for the kids we service. I think we are at a critical moment where we don't know how things are going to turn out, but the way the community is working together is exciting. We have to make sure that the people that live here benefit."

No matter who you talk to in Poughkeepsie, at city hall or on the street, the message is the same. Everyone seems excited that this moment of rebuilding and growth has finally arrived, but it's a cautious optimism, skeptical that everyone will get what they're owed. Perhaps the silver lining is that with so many eyes on the ball it's much less likely to get dropped.