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In the Region/Westchester; 16 Years Later, a Journey's End Nears

By ELSA BRENNER

A 110-ACRE hilltop site overlooking the Hudson here seemed a natural for development 16 years ago. The property, a former girls' boarding school with its extensive grounds, convent and a chapel with 55 stained-glass windows, even lent itself to an evocative name: Chapel Hill.

But economic forces frustrated the plans of a series of five developers, even as weather and disuse attacked the old school buildings. The mansion that had housed the nuns was torn down, and Peekskill gave one developer permission to tear down the chapel. Eventually, 245 of the planned 439 condominiums were built, but none of the developers were able to see their plans to completion.

Now a prominent Westchester builder, buoyed by a strong market for condominiums, is bringing the project to completion. Foundations and framing are under way for the first of what will be 194 condominium units, a remaining classroom building is to be turned into lofts and apartments, and the chapel itself is being restored and prepared for a new role.

The 82-year-old chapel was built by the Sisters of the Good Shepherd, the Catholic order that operated the school, to which young women with difficulties were sent by the New York City Welfare Department.

In its new incarnation, the building -- which was approved for demolition in 1995 by the City Council -- will become a residents' community center and exercise club. "Luckily for us, the previous developer who wanted to raze it never got that far," said Peekskill's mayor, John G. Testa. "My concern since 1998, when I first became a councilman, has been to preserve the chapel, the character of the property and its historical value.

"To have a development called Chapel Hill without the chapel doesn't make sense," said the 43-year-old mayor, who describes himself as passionate about Peekskill's history. His father, Joseph Testa, was a night watchman at the school for many years, and the mayor himself, when he was in high school and college, worked there as a dishwasher and groundskeeper. He recalled "a very tranquil place, where the nuns treated me as part of their family." He added, "It was like a second home to me."

Although the land today is much different than it was when Mayor Testa visited it as youth -- with the barns, the convent and most of the other buildings gone -- he said he was pleased to see the chapel being used and the old orchard intact.

The Chapel Hill site was one of four in the city owned by religious institutions that seemed destined for development in the 80's. Plans for them changed over time, and are still evolving -- early this month an order of Episcopal nuns, the Sisters of St. Mary, agreed to sell the last of its property to a developer who plans a health facility there.

The earliest building on the Chapel Hill site was a 3,000-square-foot mansion built in 1865 by Daniel H. Craig, the founder of The Associated Press. The Italianate-style house in the country was built by the executive for his daughter, Florence, who suffered from tuberculosis. A history of the site, written in 1952 by Chester A. Smith, said Mr. Craig "saved his daughter's health but lost his fortune, and the property went to foreclosure."

The site, which Mr. Craig called Mount Florence, was acquired for \$32,000 by Marshall Lefferts, a colonel during the Civil War, who was president of a number of early telegraph companies. In 1874, the Craig estate was sold to the Sisters of the Good Shepherd, and they began calling it Mount St. Florence even though there is no St. Florence. Girls from 12 to 16 were referred to the school by the Welfare Department of the City of New York.

The nuns built other structures on the site for the school, some of which still stand. But the Craig house, which fell into disrepair late in the 20th century, was taken down last year.

The 16,000-square-foot chapel, which had 55 German-made stained-glass windows and an altar with a 25-foot-high marble canopy, was built by the sisters in 1920. John K. Karhu, an architect based in Oceanside, N.Y., who is overseeing the renovation, said the chapel is notable for its fine detail -- including exterior cornices and trim, very large arched windows, and crown and dentil trim inside. The church is listed on the New York State Register of Historic Places.

"We're trying to maintain the integrity of this special building, to have a reverence for it," the architect said.

Several small sections of the original stained-glass windows remain in the building, but most of the larger sections have been removed. They are being stored by the city, possibly to be displayed later in the city's museum. At least one entire window may be displayed in the new community center, Mayor Testa said.

During the years after the nuns left in the late 1970's, the chapel suffered extensive water and weather damage, and Mr. Karhu said the renovation is expected to cost \$2.5 million.

THE exterior brick has required extensive work, and the window lintels were rusting and are being repaired. The old wooden window frames were beyond repair, he said, although the original size and shape of the arched windows, which are 14 feet tall and 6 feet wide, have been retained.

Inside the chapel, the marble platform that held the altar with four rose-colored columns is to become a garden and a fountain. The vaulted ceilings and a round stained-glass panel in the ceiling are being restored.

Among other things, the community center will house a lounge, media center, exercise center and what Martin Ginsburg, the founder and president of Ginsburg Development, called "an awe-inspiring indoor basketball court," with several sections of the stained glass windows.

Outside, the developer is building a 40-foot-by-60-foot swimming pool, a playground and a tennis court.

Mr. Ginsburg said it would have been less expensive to raze the chapel and build a new community center, but he wanted to keep the old building as a symbol of what came before.

The hilltop site was first developed for housing by the Mount Florence Group, which purchased it from the religious order in 1986. In the 1970's, the sisters had decided to divest themselves of the property because they believed it would be more beneficial to work with young people "in their own communities, in an environment familiar to them," said Sister Paulette LoMonaco, a spokeswoman for the order, which is based in Queens. They also closed another residential school, Villa Loretto, near Mount St. Florence.

Chapel Hill was one of four dormant church-owned sites that Peekskill rezoned for redevelopment in the early 1980's, when George E. Pataki was mayor of the city. The rezoning, along with the promise of quick approvals and public subsidies, lured several major developers into Peekskill.

Of the other formerly church-owned sites, only one, the former home of St. Peter's School, was developed; about 300 condominiums were built there during the 1980's.

At another site, St. Joseph's Home, which was a convent and orphanage, 20 acres are being considered for condominiums by Ginsburg Development.

The third site has been owned by an Episcopal order of nuns, the Sisters of St. Mary, which moved to the property in 1872 and had a convent, a school and a home for orphans there. The nuns first sold 47 acres to Cappelli Enterprises, which planned to develop luxury high-rise condominiums. But after encountering objections from the public and from the city, Cappelli decided not to proceed with the project. Now, the national nonprofit Trust for Public Land has an option to acquire the site, known as Fort Hill, which was a lookout point for colonial troops during the Revolutionary War. The group is offering the company \$3.75 million for the historic site and plans to preserve it as open space.

Earlier this month, the Sisters of St. Mary contracted to sell their remaining 26 acres to a private developer, Top of the Mountain Inc., which is planning to build a wellness center and rehabilitation facilities there, according to Tom LaPerch, a broker with McGrath & Basciano Associates Inc., real estate consultants in Fishkill specializing in institutional properties. The developer is in discussions with medical institutions about setting up the facilities and intends to use the buildings that are already on the site, he said. The nuns plan to move in 2003 to Albany and to establish a new convent there.

At Chapel Hill, the first prospective developer, the Mount Florence Group, was a joint venture of I AM Properties of Newburgh, N.Y., and Corcoran, Mullins, Jennison Inc. of Quincy, Mass. But after failing to get the school buildings listed on the National Register of Historic Places, which would have enabled them to receive tax credits to help turn the old school site into housing, the developers defaulted on a \$10 million mortgage. By the time the last certificate of occupancy was issued to the Mount Florence Group in 1989, 70 town houses and 48 garden apartments had been built, records in City Hall show.

In 1991, another developer, M.M.E. Powers, built about 20 town houses before leaving the project in 1993.

In 1994, the undeveloped sections were acquired by the Chapel Hill Development Corporation from a subsidiary of Fleet Bank for \$1.25 million, including back taxes, according to records in City Hall. That developer built 32 units.

In 1997, another company, called Lepack, completed 75 unfinished town houses started by M.M.E. Powers, bringing the total number of units to 245.

Last summer, Ginsburg Development acquired the undeveloped property, along with the existing church buildings, from Chapel Hill Development for \$4 million. Ginsburg, based in Hawthorne, expects to spend about \$60 million to complete the project.

Ginsburg has cleared away abandoned buildings, poured 32 foundations and framed in 10 housing units in addition to beginning work on the chapel. The first units are to be ready for occupancy in June.

When completed, Chapel Hill will consist of six residential areas, three of which were developed by the previous builders. Ginsburg is now developing two new phases of two- and three-bedroom, semiattached homes and attached town houses in seven models. Some of the three-bedroom models have room for an optional fourth bedroom.

Prices start at \$288,900 for a 1,688-square-foot, two-bedroom model with a one-car garage and reach \$429,900 for a 2,202-square-foot, three-bedroom model with a two car garage. Thirty-five of the new units have already been sold.

THE developer is also planning to renovate the former St. Germaine School building, a five-story brick structure next door to the church. That building will be converted to condominium lofts and apartments. Sale prices for the apartments, which will not be ready for occupancy until 2004, have not yet been set.

For Mayor Testa, completion of the project means that an important part of the city's history will be saved and that Peekskill's 22,441 residents will probably be spared a tax increase next year because of the income generated by the new residences.

The residents of Chapel Hill say they are pleased that after other developers have come and gone without completing their projects, this developer may finally deliver amenities of the sort that had been promised over the years. "There were too many years when other developers broke too many promises to us," said Charlotte Sperling, a retired special education teacher and a resident of Chapel Hill since 1998. "Now things are really happening."

While many residents welcome the new recreation center, Robert Rubinfeld, a board member on the Chapel Hill Estate Homeowners Association, said that Mr. Ginsburg, like the other developers, was not making good on at least some of his promises to residents. As a board member, Mr. Rubinfeld contacted Mr. Ginsburg about two years ago and asked him if he would be interested in purchasing the property and finishing the project.

In particular, Mr. Rubinfeld, who moved into his two-bedroom condominium in 1989, said Mr. Ginsburg had promised to build an indoor pool, but was now renegeing. Mr. Ginsburg said that an indoor pool had been under consideration but that the cost was found to be too high.

"I bought into this hoping for a full lifestyle community," said Mr. Rubinfeld, who grew up in Peekskill and works in Manhattan as a director of interagency coordination with the Metropolitan Transportation Authority.

But even without an indoor pool, Mr. Ginsburg's proposed amenities package will be appealing to most new buyers, said Suzanne Macci, a real estate agent and the owner of Vintage Hudson Realty in Peekskill. "In the last two years, the condo market has been so hot that things are selling well everywhere," she said.

According to Arlene and Gerald Kolosky, who live in a two-bedroom condo, what residents really need in Chapel Hill is a sense of community. "We need an outdoor pool and a clubhouse because we need a place for the neighbors to get to know each other," said Mrs. Kolosky, a residential sales agent with Coldwell Banker in Yorktown. "We want a place to spend an evening together, to play bridge, to build a lending library. An indoor pool is not worth fighting about now."

Mayor Testa echoed the residents' sentiments. "We've done everything to keep the character of what this place once was and at the same time finally move ahead," he said. "What's most important is that completion of the project is at last in sight."