

A FRONTLINE REPORT OF NEW DEVELOPMENT IN WESTCHESTER COUNTY, NEW YORK: *SURPRISING IMPACTS & OPPORTUNITIES*



FORETOLD
PREDICTIVE ANALYTICS



INTRODUCTION

The United States is currently facing a significant housing shortage, with estimates indicating a deficit of approximately 4.5 million units nationwide. This shortfall has become a critical topic of discussion, capturing attention not only within the halls of Congress but also around dinner tables across the country. The conversation reflects the urgency of addressing a housing crisis that impacts families, businesses, and communities alike.

Despite widespread recognition of the problem, new construction often encounters resistance. Concerns about potential impacts, such as overcrowded schools, strained infrastructure, and changing neighborhood character, frequently give rise to “Not In My Backyard” (NIMBY) attitudes. These objections present a complex challenge for policymakers and developers seeking to balance the need for housing with preserving community values.

This report delves into the surge of new housing development currently underway in Westchester County, New York. Westchester County is a region that exemplifies the opportunities and challenges associated with addressing the housing shortage. It explores the surprising effects of these developments on the local school systems, where enrollment patterns have shifted contrary to common fears of overcrowding. Additionally, the report examines the positive effects of these projects on the local economy by taking a closer look at the absorption that has occurred in the Westchester County retail real estate market.

By analyzing the dynamics of Westchester’s housing market, this report aims to provide a comprehensive view of how the county and its municipalities is navigating the complexities of growth and meeting the demand for housing. It offers insights into the evolving relationship between development, community needs, and economic vitality, shedding light on what Westchester’s shared experience may mean for similar communities nationwide.



SUPPLY OVERVIEW

Westchester County has experienced a remarkable expansion in residential development, signaling its growing prominence as a sought-after location for housing, investment, and urban revitalization. Since late 2021, approximately 12,500 residential units have been delivered, and the momentum continues with another 15,000 units currently under construction. This growth not only addresses the region’s increasing housing demand, but also reflects the proactive approach of Westchester’s municipalities to urban development.

The larger municipalities within Westchester have emerged as leaders in this transformative period, leveraging their scale and resources to drive significant projects. New Rochelle has positioned itself as a standout performer. The largest cities in Westchester, including Yonkers, New Rochelle, White Plains, and Mount Vernon have collectively delivered 9,413 units, with an additional 13,114 units currently under construction.

New Rochelle has emerged as the clear leader in development within Westchester County, with more than 6,145 residential units currently under construction. This rapid growth can be attributed to the city’s strategic investments, its emphasis on transit-oriented projects, and the transformative impact of its Master Development Plan. By prioritizing accessibility and urban connectivity, New Rochelle has positioned itself as a model for sustainable urban development, attracting both developers and residents while reshaping its downtown into a thriving hub of mixed-use activity.

The New Rochelle Master Development Plan leveraged strategic zoning changes, streamlined approval processes, and density bonuses to drive this transformation. In December 2015, the city adopted a form-based Downtown Overlay Zone (DOZ), rezoning its downtown core to facilitate expansive mixed-use development. This rezoning effort set the stage for 12 million SF of proposed new development, including residential units, retail establishments, and hotel accommodations, all designed to create a vibrant and interconnected urban landscape.

The DOZ further accelerated development by streamlining the approval process, reducing project timelines to just 60 to 90 days. This efficiency provided greater certainty for developers, encouraging significant private investment. The introduction of the Community Benefit Bonus program incentivized developers to include public amenities such as affordable housing, green infrastructure, and recreational spaces in exchange for additional building height or density. These measures not only enhanced the appeal of new projects but also ensured that growth aligned with the community’s broader interests and needs.

By prioritizing accessibility and urban connectivity, New Rochelle has positioned itself as a model for sustainable urban development, attracting both developers and residents.

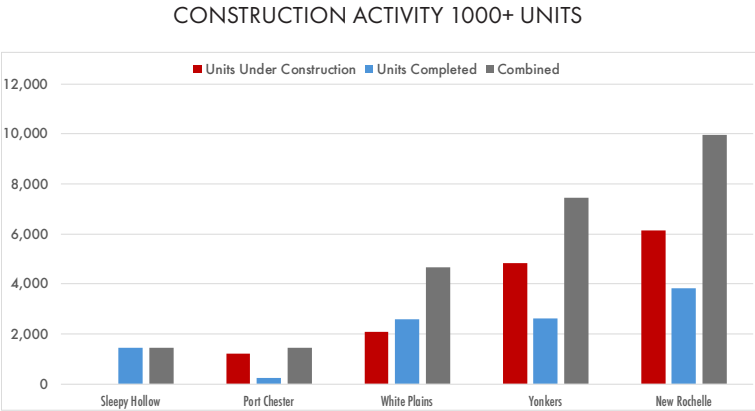
Yonkers is undergoing a remarkable surge in development activity, solidifying its status as a prime destination for residential and commercial growth. With its strategic location just north of New York City and ongoing revitalization efforts, Yonkers has become increasingly attractive to developers and investors. The city’s proximity to Manhattan, coupled with its focus on infrastructure enhancements, movie industry activity, and urban appeal, position it as a pivotal player in Westchester County’s growth trajectory.

One of Yonkers’ key strengths is the scale of its development potential, particularly as its downtown area expands further into Getty Square. This expansion is expected to unlock massive opportunities for mixed-use and residential projects.

Significant projects underscore Yonkers’ growth momentum. Recently delivered developments, such as 70 Pier, which has fully leased its 36 units, exemplify the city’s ability to attract tenants swiftly. Larger-scale projects like Avalon Bay and Alexander Crossing are delivering 1,050 units, while Regency (126 units) and Teutonia (906 units, approved but not yet under construction) signal continued expansion. The Hudson Piers development is also noteworthy, with 275 units currently preleasing out of a planned total of 1,395, with 25% of the project currently completed.

In addition to these ongoing projects, Yonkers has approximately 2,080 units that are either delivered, on standby, or awaiting market conditions to stabilize. This pipeline of activity reflects Yonkers’ potential to rival established markets such as Long Island City or Jersey City. Developers and stakeholders are poised to capitalize on this momentum, with many committed to creating a new, dynamic market in the region.

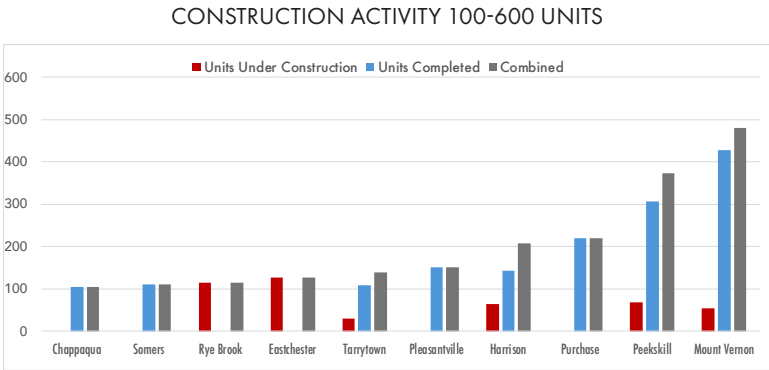
Beyond residential growth, Yonkers is further diversifying its economic base and urban appeal by positioning itself as a hub for movie production. The recently completed Lionsgate Studio media complex is part of a \$500 million expansion plan, positioning it as the largest modern-built film and television production campus in the Northeast.



White Plains continues to balance its identity as a major commercial center with its emergence as a vibrant urban residential hub, which includes quiet enclaves of single-family houses on the outskirts of the city center. With thousands of newly delivered housing units, the city has successfully enhanced its appeal as a live-work-play community, drawing professionals, families, and urban enthusiasts to its thriving downtown and adjacent neighborhoods.

The city’s residential growth is exemplified by standout projects like Lennar/Quarterra, which achieved record-breaking leasing velocity by securing 43 leases in a single month. This project highlights the growing momentum of the White Plains rental market and its ability to quickly absorb new inventory.

Adding to this success is The Duet at 100 Hale Avenue, despite operating in a competitive, highly saturated market, the project is approaching stabilization within just seven months of lease-up. These achievements reflect the city’s strong residential demand and the



Mount Vernon, situated strategically bordering New York City, is poised for significant transformation due to interest from developers eager to capitalize on its excellent transit connections and potential for urban renewal. Known for its rich architectural heritage and diverse population, the city is balancing new construction with efforts to preserve its cultural identity. Recent development initiatives have emphasized naturally occurring affordable housing (NOAH), reflecting Mount Vernon’s commitment to inclusivity while supporting broader economic revitalization.

The city’s residential market is robust, with occupancy rates exceeding 95%, highlighting sustained demand for housing. A standout project is The Enclave at 525 North Macquesten Parkway, which exemplifies NOAH principles. With highly competitive lease rates, The Enclave accelerated lease-up times, addressing the housing needs of essential workers such as teachers, firefighters, and law enforcement personnel. This project not only set a record for the fastest lease-up in the county but also achieved a remarkable 95% retention rate, underscoring its unique market position, and potential to bridge housing gaps while fostering economic growth.

Port Chester is emerging as a vibrant hub for residential and mixed-use development, leveraging its prime location along the I-287/95 corridor and strong community retention. With 1,208 residential units currently under construction and 226 units recently completed, the village is rapidly expanding its appeal to renters seeking high-quality housing alternatives in the region.

Recent projects highlight the market’s robust demand and adaptability. The Magellan, with 95 units, stabilized by December, 2024 at an 85% occupancy rate and introduced eight Naturally Occurring Affordable Units (NOAH), further enhancing affordability in a market that historically lacked such requirements under its old form-based code.

Market trends show 95% occupancy rates across new developments, reflecting strong interest from professionals and families attracted to Port Chester’s growing amenities and livability. Upcoming projects, like the redevelopment of the former United Hospital by Rose Associates, will bring significant scale to the area. This mixed-use project will deliver 775 rental apartments, retail space, a boutique hotel, and assisted-living and memory-care units, alongside a 10% affordable housing requirement, positioning Port Chester as a pivotal destination for housing and economic growth in Westchester County.



Sleepy Hollow is redefining its identity with development along the Hudson River, anchored by the ambitious Edge-on-Hudson project. This 70-acre redevelopment of the former General Motors assembly plant has already delivered 1,457 residential units, with a total target of over 1,700 high-style townhomes, condos, and apartments upon full completion.

As a LEED Neighborhood Development-certified community, Edge-on-Hudson reflects principles of modern sustainable urban planning. Key elements include a linear central park accessible from all neighborhoods and an on-site DeCicco & Sons gourmet supermarket, which contribute to the project’s overall functionality and accessibility. The development incorporates a mix of residential, retail, and green spaces, aiming to create a walkable and well-integrated environment.

With its commitment to sustainability, a well-respected school system, and a premier Hudson River location, Sleepy Hollow is emerging as a sought-after destination for professionals and families seeking modern living options outside urban hubs.

SPOTLIGHT ON ARMONK

Armonk has established itself as a standout among Westchester County’s smaller municipalities, with over 125 residential units delivered and 72 more in the pipeline. Its strategic focus on boutique, high-end developments has positioned it as a leader in luxury housing, setting new benchmarks for price per square foot (PSF) in the region.

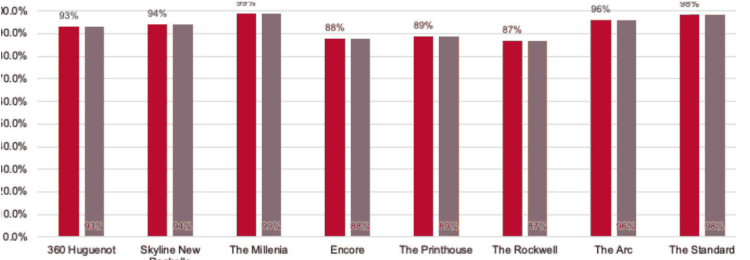
Notable projects include **The Byram**, an exclusive 16-unit age-restricted condominium community with spacious units averaging 2,000 SF, achieving a blended rate of \$771 PSF. **Armonk Close**, developed by Michael Fareri, targets a higher sale price point of \$950 PSF with smaller, luxury-oriented units, appealing to a niche market. Another transformative project is **The Summit Club**, a redevelopment of a former golf club. With 72 units averaging 2,000 SF at \$1,300 PSF, this development combines luxury housing with recreational amenities, setting a new standard for the area.

Armonk’s commitment to upscale projects has elevated its profile and reinforced its leadership among smaller municipalities. By attracting discerning buyers and reshaping suburban luxury, Armonk is redefining expectations for premium housing in Westchester County.

OCCUPANCY ANALYSIS FOR THE BIG THREE

New Rochelle’s residential market demonstrates strong occupancy rates, reflecting the city’s success in attracting and retaining tenants across its growing inventory of developments. The median leased rate across the market is 90.2%, with an impressive absorption rate of approximately 100 units per month. This performance highlights a healthy demand for housing in the area, driven by its transit-oriented developments, urban connectivity, and appealing amenities.

The below table outlines New Rochelle’s occupancy rate across several key projects.



When compared to other major cities in Westchester County, New Rochelle’s occupancy rates reflect its competitive position in the regional housing market. White Plains, a prominent commercial and residential hub, maintains an average occupancy rate of 94%, slightly ahead of New Rochelle’s market-wide median of 90.2%. Meanwhile, Yonkers, another key city experiencing significant development activity, reports an average occupancy rate of 89%, slightly lower than New Rochelle’s overall market performance.

AFFORDABILITY COMPONENT

Current leasing and occupancy data in Westchester County highlights a strong demand for housing, with a particular focus on the availability and integration of affordable housing options. Municipalities across the county are incorporating affordability into their development strategies, reflecting a commitment to addressing one of the most pressing concerns for residents and prospective renters.

The minimal vacancy rates across key areas underscore the rapid absorption of units, including those designated as affordable housing. These trends indicate that the county’s housing supply remains balanced with demand, even as new developments continue to come online. By integrating affordable housing components into projects, Westchester is enhancing accessibility and ensuring that a broader range of residents can benefit from the county’s growth and revitalization efforts.

In **Tarrytown**, between 10% and 20% of the housing units in new developments are designated as affordable, contributing to the accessibility of housing for a broader range of income levels. Similarly, **New Rochelle, White Plains, Port Chester** and **Yonkers** each have affordable housing requirements set at 10%, ensuring a portion of the residential inventory remains within reach for lower-income households.

Harrison, on the other hand, does not have any formal affordable housing mandates in place. Despite this, the municipality continues to demonstrate a strong housing market, with a 95% occupancy rate reflecting significant demand for market-rate housing. In **Mount Vernon**, while there are no formal affordability requirements, the widespread use of Naturally Occurring Affordable Housing (NOAH) loans has supported the development of affordable units. These NOAH loans enable the creation of housing options that cater to a diverse range of income levels without requiring regulatory mandates.



RESIDENT DEMOGRAPHICS FOR MARKET RATE HOUSING: CASE STUDY FOR THE MAGELLAN IN PORT CHESTER

The new Magellan development, a 95-unit building in Port Chester with amenities like a rooftop lounge, fitness center, outdoor rec center, dog park, and EV charging stations, is attracting a diverse mix of residents, reflecting a blend of local, regional, and international appeal. Here’s a closer look at who’s moving into the community:

Gender Breakdown

The population is nearly evenly split by gender, with 52% male and 48% female residents.

Geographic Origins

29% of residents are relocating from within Westchester County, showcasing its appeal to locals seeking a modern housing option. 41% are moving from New York City and its outer boroughs, a significant proportion likely seeking a balance between urban accessibility and suburban charm. 25% are coming from outside New York State, indicating the area’s attractiveness to people relocating for work or lifestyle reasons. 4% have arrived from outside the United States, adding an international dimension to the resident mix.

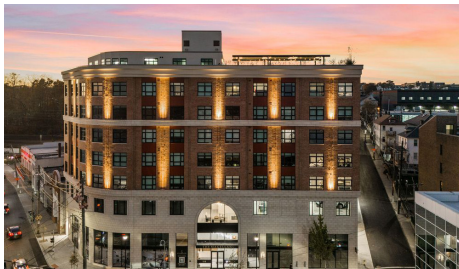
Age Distribution

The median age of residents is 35.4 years, suggesting a community skewing toward young and mid-career professionals. The largest age group, making up 54% of residents, is between 20 and 39 years old, likely including young professionals, couples, and families starting out. 38% fall within the 40-58 age range, comprising a mix of mid-career professionals, established families, and others in transitional life phases. 17% are 60 years or older, a group potentially drawn by the area’s walkable and convenient amenities.

Key Insights

The demographics reflect a dynamic and varied resident base. A strong presence of younger residents, particularly those in their 20s and 30s, underscores the area’s popularity among those seeking modern, amenity-rich living spaces. Significant movement from New York City and outside the state suggests that Port Chester is seen as a viable alternative to urban living, offering a blend of convenience and suburban lifestyle.

Overall, the new residents represent a balanced mix of age groups, backgrounds, and lifestyles, contributing to a vibrant and diverse community in Port Chester.



The Magellan
108 S Main Street
Port Chester, NY
95 Rental Units

SCHOOL OCCUPANCY: A SURPRISING LACK OF IMPACT

The cities in Westchester County experiencing the most substantial new development activity, such as New Rochelle and Yonkers, have seen a notable decline in their overall student populations between 2018 and 2023. This trend challenges the commonly held assumption that increased residential development leads directly to overcrowded schools.

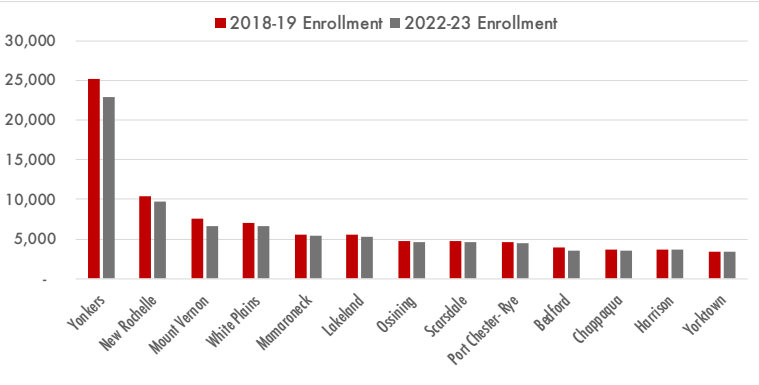
New Rochelle School System

The New Rochelle school district, which has been a focal point for new housing development, saw its student population decrease by 692 students over the five-year period. Enrollment declined from 10,404 students in the 2018-2019 school year to 9,712 students in the 2022-2023 school year, reflecting a 7% decrease. Despite its extensive development activity—including a mix of market-rate and affordable housing projects—this reduction in students suggests that the new residential units are not disproportionately contributing to a rise in school-aged populations. Instead, these developments may be attracting households without children, such as young professionals, empty nesters, and retirees.

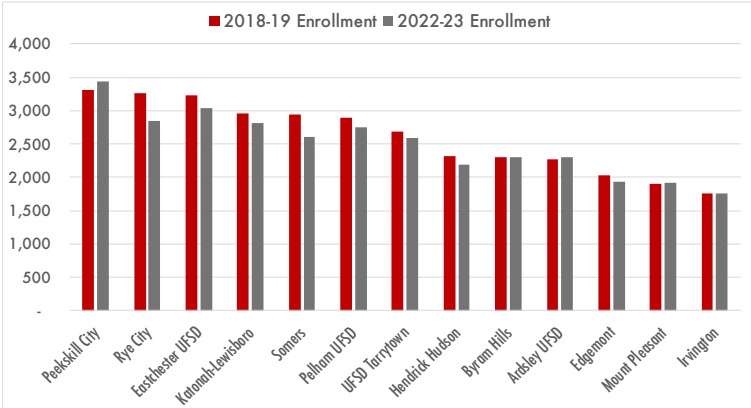
Yonkers School System

Similarly, Yonkers, another hotspot for new development, experienced a more pronounced decline in student enrollment. Over the same period, the district saw a decrease of 2,276 students, with enrollment falling from 25,128 in 2018-2019 to 22,852 in 2022-2023, reflecting a 9% decrease.

WESTCHESTER COUNTY SCHOOL ENROLLMENT 3,500 +

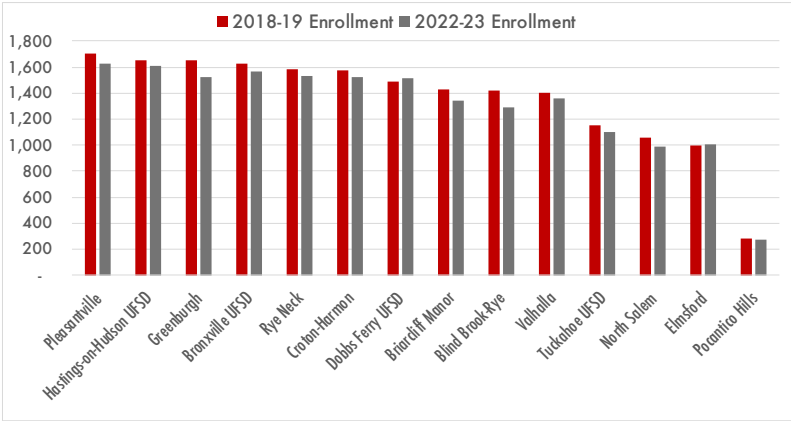


WESTCHESTER COUNTY SCHOOL ENROLLMENT 1,700 - 3,500



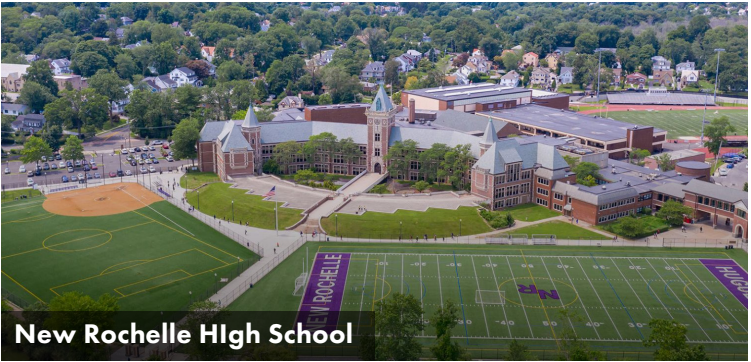
A review of enrollment data across Westchester County reveals that, among forty school districts, only four—Ardley, Dobbs Ferry, Elmsford, and Yorktown Heights—experienced an increase in student populations between 2018 and 2023. Notably, these districts are located in municipalities that have not seen significant residential development during this period, highlighting a stark contrast with the larger cities undergoing extensive growth. It is also noteworthy that these four school districts saw negligible increases ranging from 7 to 24 students (0.7% - 1.45% increase).

WESTCHESTER COUNTY SCHOOL ENROLLMENT > 1,700



Unlike larger cities such as Yonkers and New Rochelle, where new housing construction has driven population growth, these smaller municipalities have experienced minimal development activity. This suggests that their enrollment increases are more likely the result of organic demographic trends rather than an influx of new residents tied to large-scale housing projects.

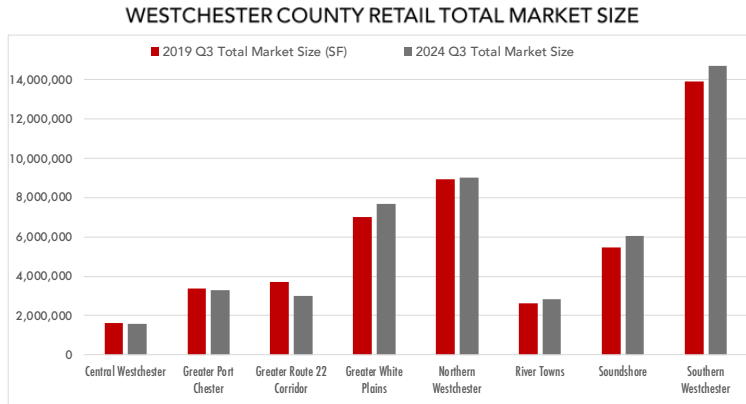
The stability or modest growth in these districts underscores their traditional family-oriented appeal. Contributing factors likely include a stable housing market, characterized by a stock of single-family homes that attract families prioritizing access to quality schools. Additionally, the suburban characteristics of these areas—such as lower density, ample green space, and strong community ties—may resonate with families seeking a quieter lifestyle.



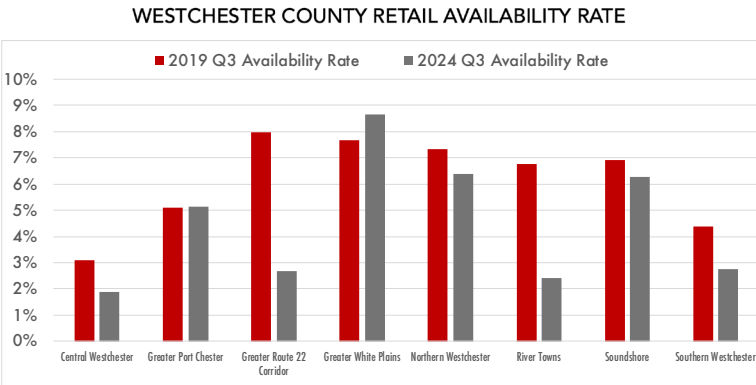
POSITIVE IMPACT SEEN IN THE LOCAL ECONOMY:
RETAIL REAL ESTATE MARKET

Market Expansion and Absorption

Driven in many ways by this surge in new development over the past five years, the retail market in Westchester has grown by close to 1.5 Million SF between the third quarter of 2019 and the same period today. Much of this is retail created at the base of these large residential towers like in New Rochelle and White Plains. Notable additions on the suburban side are larger retailers building new buildings to accommodate the growing population such as Wegmans in Harrison, the new Lifetime Fitness (early 2019 opening) in Chappaqua and the new Learning Experience Daycare Center in Briarcliff Manor.

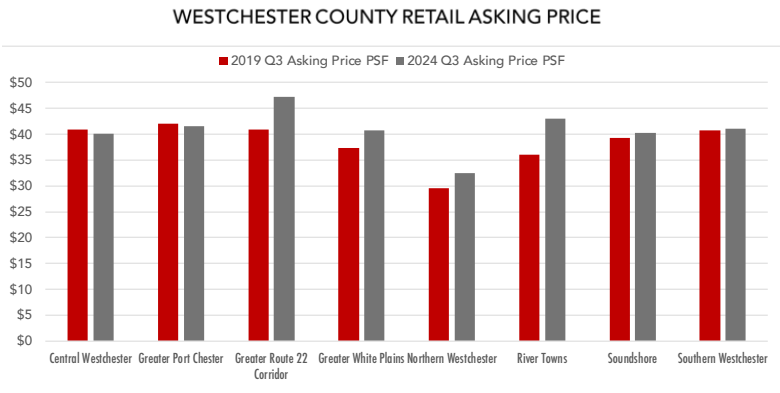


Despite this new space being built, the availability rate has dropped by more than 1%, from just over 6% to just under 5%. The absorption of this space has been the strongest in areas with the most development. Most notably, the retail market in Southern Westchester (where Yonkers and Mount Vernon are both located) dropped from 4.38% in 2019 to 2.74% in 2024. The availability rate in the Rivertowns also decreased, likely driven in large part by the new residents living in the Edge on Hudson development in Sleepy Hollow where a new DeCicco & Sons is being completed.



Asking Prices Increase

From a landlord’s perspective this has created a healthier market. This has led to an increase in asking prices which have risen almost \$2.50 per square foot overall in Westchester County to \$40.83 per square foot. Southern Westchester (Yonkers and Mount Vernon), Soundshore (includes New Rochelle) and Greater White Plains all experienced an increase in asking rents.



Profile of Tenant Demand

Despite the relatively high cost of doing business in Westchester County, tenants remain interested in the area. Some exciting trends have emerged recently from demand associated with a combination of new retail concepts, household names and specialty users looking to capitalize upon both the existing strong demographics of Westchester and the new residents entering the market. For example, retailers like Barnes and Noble, are coming back stronger as evidenced by their opening in Mount Kisco. Household name retailers are both looking and/or expanding in the County. Examples of this include Target’s expansion/new locations in Yonkers and Port Chester, TJX actively looking to open new concepts, and Ross Dress for Less looking to open a Westchester location. Specialty markets have doubled down on the area including DeCicco & Sons aggressive expansion countywide and Uncle Giuseppe’s opening in Yorktown in 2021. Finally, experiential tenants continue to be on the rise in areas with the most residential new development. For example: Air Riderz Trampoline Park in Port Chester, PXG Golf, and Soccerroof (both in New Rochelle).



CONCLUSION

This report highlights how Westchester County serves as a microcosm for addressing the severe housing shortage that continues to challenge the United States. The county, and the municipalities within it, with their proactive approach, strategic planning, innovative policies, and balanced development, demonstrates how growth can be managed responsibly while fostering economic vitality, preserving environmental integrity, and protecting community identity.

The scale and pace of development in Westchester are remarkable, with approximately 12,500 residential units delivered since late 2021 an additional 15,000 units under construction. These projects, concentrated in urban hubs like New Rochelle, Yonkers, White Plains, and Mount Vernon, showcase how municipalities can align urban planning with local needs. Suburban and quasi-urban areas like Armonk, Sleepy Hollow and Port Chester have also seen a surge in new development. Occupancy rates across major projects have remained at a high.

Westchester’s efforts to integrate affordability into its development strategy further enhance its role as a leader in inclusive growth. Municipalities like New Rochelle, Yonkers, and Port Chester have mandated affordable housing components in new projects, while Mount Vernon leverages Naturally Occurring Affordable Housing (NOAH) loans to promote accessibility without regulatory mandates. This commitment to inclusivity ensures that Westchester’s growth benefits a broad spectrum of residents, addressing one of the nation’s most pressing challenges.

Concerns about overcrowded schools and strained infrastructure, often raised in opposition to large housing developments, have proven to be largely unfounded in Westchester County. Evidence from New Rochelle and Yonkers reveals a decrease in student populations despite substantial residential growth. In fact, in comparing the student body populations for the 2018/2019 school year to the 2022/2023 school year only four school districts of forty showed a marginal increase in size. The small number of student increases were all located in towns with very little to no new development.

The economic impact of this development boom extends beyond housing. Westchester’s retail sector has expanded significantly, with positive absorption rates reflecting strong demand for both mixed-use retail spaces and standalone stores. The presence of demand from experiential tenants, specialty markets, and household-name retailers underscores the county’s growing appeal as both a residential and commercial hub.

Overall, the collective efforts of all parties involved in Westchester County’s development projects offer valuable lessons for other regions grappling with housing shortages. By harmonizing development with community needs, the county has created a sustainable model for growth that fosters economic resilience, preserves quality of life, and positions itself as a beacon for modern urban planning. As these strategies continue to evolve, Westchester remains a testament to what can be achieved through deliberate, inclusive, and innovative urban development.

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Municipal sources including, but not limited to:

- Yonkers IDA
- Port Chester IDA
- New Rochelle Development Department (Ideally Yours)
- White Plains Document Center