



Ulster County Main Streets

Strategic Toolbox

A Program of the Ulster County Planning Department



*A Report on the Hamlets of
Phoenicia,
Pine Hill &
Shokan*

April, 2012

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Chapter 1:

Introduction

- ✓ The Issue
- ✓ The Role of/Need for the Tool Box
- ✓ The Importance of a Strategic Approach
- ✓ The Core Idea Model
- ✓ Using the Toolbox to Integrate the Strategy into the Hamlets

The Issue: Why Does Main Street Matter?

People live in communities, not to merely survive, but to live well. This means having access to goods, services and a livelihood to secure those necessities and occasional extravagances. But living well also means having an opportunity to participate in community life. A community's Main Street or town center plays an important role in meeting all of those needs. The purpose of this project is to provide communities throughout Ulster County with the tools they need to retain or rebuild their Main Streets so that they can continue to serve as successful town centers in the 21st Century.

According to the Urban Land Institute, "A town center is an enduring, walkable, and integrated open-air, multiuse development that is organized around a clearly identifiable and energized public realm where citizens can gather and strengthen their community bonds. It is anchored by retail, dining, and leisure uses, as well as by vertical or horizontal residential uses [e.g., apartments on the second floor above retail/office space or residential streets adjoining the commercial center]. At least one other type of development is included in a town center, such as office, hospitality, civic, and cultural uses. Over time, a town center should evolve into the densest, most compact, and most diverse part of a community, with strong connections to its surroundings¹."

What happened to Main Street?

Prior to the widespread use of the automobile, virtually every community had a town center or Main Street area. In a time of much less mobility, it made sense for businesses to congregate next to each other to better serve one another and to locate in a single convenient area for customers making difficult and/or time consuming shopping trips. By the middle of the 20th

¹ Urban Land Institute, "Ten Principles for Developing Successful Town Centers", p. vii

Century, virtually every settlement in the US—from a major metropolis to the smallest hamlet—had a Main Street area that ranged from a boulevard lined with world-class department stores, restaurants and offices to a rural crossroad with a general store and post office.

This all changed with the coming of the automobile and an improved road network. Cars could now travel anywhere and—just as important—trucks were equally unconstrained. Businesses did not have to be located near one another to attract customers or to buy from or sell to one another. Indeed, it became cheaper and easier for the large national chain stores that emerged after World War II to build in locations away from Main Street where they could provide ample parking for customers and easily receive truck deliveries.

By the latter half of the 20th Century, Main Streets were under siege. Shopping centers located on highways on the outskirts of town became the primary places where people looked to purchase such staples as groceries, clothing and appliances. Prior to the automobile age, Main Street was not just a major shopping destination, it was often the only shopping destination in a community. Now, Main Streets no longer have a monopoly as retail and service locations. In most communities, the Main Street area is now one of several commercial areas that compete for customers and businesses.

The Emergence of Centrally Managed Retail Centers

The other important change that came with shopping centers was the integrated management of retail areas. According to the International Council of Shopping Centers, “The concept of developing a shopping district away from a downtown is generally attributed to J.C. Nichols of Kansas City, Mo. His Country Club Plaza, which opened in 1922, was constructed as the business district for a large-scale residential development. It featured unified architecture, paved and lighted parking lots, and was managed and operated as a single unit².”

Initially, this meant only that the centers leases were managed by a single entity. Eventually, marketing became as important to shopping center management as the leasing function. The space was managed to balance leases among stores that could attract customers (i.e., “anchor stores”), those that served to move shoppers through the mall and those that simply benefitted from that traffic. Thus, the emergence of the suburban shopping mall not only created a new type of shopping area to compete with Main Street, it also led to a new way of competing for retail through areas that had unified systems for managing and marketing retail space. To this day, most Main Street areas are considered by the merchants located there to be collections of individual businesses, not a single retail destination. Thus, competing with the centralized management and marketing function continues to raise challenges for traditional Main Streets.

² Kavanagh, Malachy. 2000. “A Brief History of Shopping Centers,” *International Council of Shopping Centers*.

Main Streets Still Matter!

Despite these challenges, Main Streets still have a unique role to play. Most Main street areas contain important civic functions: post office, municipal offices and centers for community entertainment and celebrations. Losing such gathering places would dramatically weaken any community's identity. For areas that depend on tourism, Main Streets are an important magnet for tourism dollars.

Welcoming, lively town centers draw tourists and tourism dollars. Neglected, uninviting Main Streets keep tourists away from Main Street businesses and can also discourage tourists from visiting the larger community. In these ways, Main Streets are an important asset for any local economy. The question is, with all of the changes in transportation, shopping patterns and the economy in general, how can communities continue to get a reasonable economic return on their Main Street assets?

How Main Streets Got Their Mojo Back

Given the changes in transportation and retailing that took place in the 20th Century, creating a vibrant Main Street for your community and keeping it that way is no simple thing. It means creating a community center that is physically attractive, socially lively and economically viable. Succeeding in any one of those three areas is impressive enough. Getting all three right while striking a healthy balance among concerns over physical appearance, community life and economics is . . . well, it sometimes seems almost superhuman.

Indeed, it literally is superhuman in that it requires powers and abilities far beyond those of any one person. It takes a whole community of people working together over a number of years to get all of this right. The Ulster County Strategic Planning Toolbox has been created to assist communities with the challenging but essential task of building better Main Streets.

The Role of/Need for the Tool Box

There is no substitute for a dedicated group of people working together to build a successful Main Street. But success also requires another ingredient: reliable and objective information. Many times, people working on Main Street issues have the talent and energy, but lack the time and resources to put together the data they need to understand their Main Street's assets and liabilities, along with the economic market forces that shape the opportunities and challenges facing their particular Main Street.

Finally, in order to compete with centrally managed shopping centers, Main Streets need reliable data *combined with* an ability to make coordinated strategic decisions to compete as a single retail destination against other retail destinations.

In response to this need, the Ulster County Planning Department, with support from the Catskill Watershed Corporation, is assembling key sources of information in formats that are accessible for community Main Street groups and are in formats that make the information easily understandable and adoptable to Main Street issues. The information includes:

- Basic information about the hamlet: The type of businesses and land use patterns in each hamlet/Main Street area
- Regional trends: a description of important economic and demographic trends affecting the Catskills region
- Competitive Analysis of Each Hamlet: Economic and market information about existing conditions in the each Main Street area and its current competitive position in the regional marketplace
- SWOT Analysis: a tool to summarize each hamlet's strengths, weaknesses, opportunities and threats in order to understand the hamlet's competitive advantages and disadvantages
- The Core Idea: a model that helps define as strategy and action plan for a hamlet.



Each of these types of information is organized into various strategic tools that can be used to help plan for a hamlet's economic competitiveness. Throughout the text each of these "strategic tools" is highlighted using the "strategic tool" logo shown here. This logo is used to highlight each of the tools discussed in the following chapters.

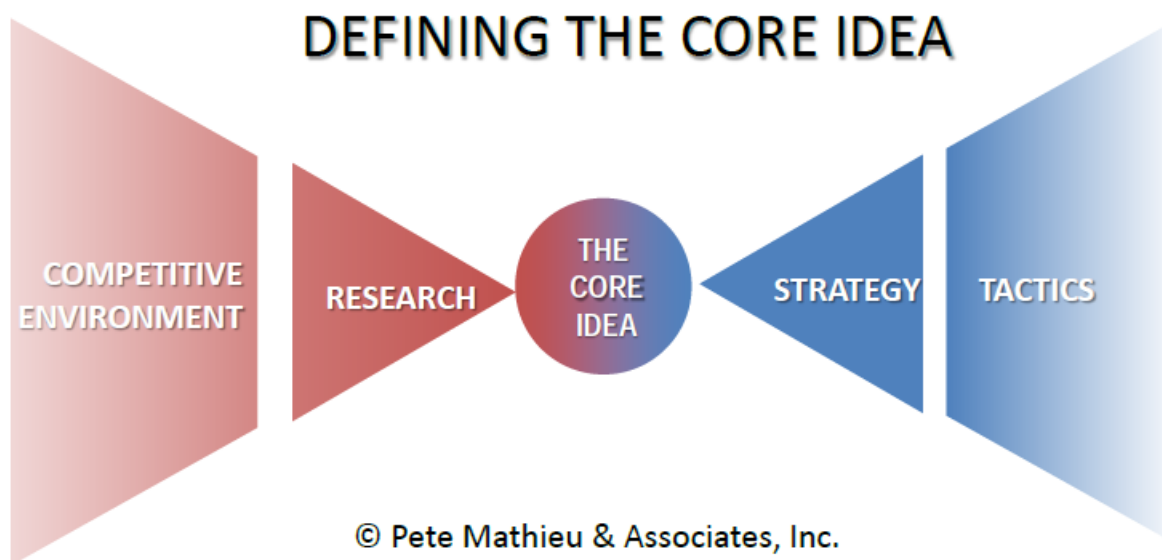
The Core Idea Model

To the greatest extent possible, the data in the strategic toolbox are organized to serve as a "user-friendly" resource for community members to use in course of the work of strengthening their Main Street. Materials are organized on a community-specific basis. The idea is for the toolbox to provide important information and ideas directly to the stakeholders involved in each Main Street in Ulster County.

For most Main Streets, this means creating a comprehensive strategy to compete against other retail locations. That strategy must identify the nature of market opportunities, the extent and nature of competition for business and define the key initiatives that each Main Street area will take to attract and hold its customers in spite of the actions and efforts of competing locations. This strategy creation process is best summarized by A.H. Pete Mathieu's concept of the "core idea" of a strategy shown in Figure I-1.

Figure I- 1

The Strategy Creation Process



The core idea defines the basis by which the Main Street area will compete for business. It brings together disparate considerations into a single approach for developing and managing

the Main Street area. According to Mathieu, the core idea should answer the following questions that Main Street areas can address using various tools from the Strategic Toolbox:

What are we selling? Is our Main Street selling simply a combination of goods and services? What are they? Is it selling an experience to its intended customers? If so, what is that experience?

Key tools to consult: Answer this question by referring to the Hamlet Case Study in the toolbox, particularly, the sections on “Local Land Use Analysis,” “Community Retail Analysis” and the “Key Assets”

To whom are we selling? Who are the people (or other businesses) that we expect to patronize the Main Street area?

Key tools to consult: Answer this question by consulting the “Community Retail Analysis” section in the Hamlet Case Study and “Regional Tourism Trends” to understand the customers that are currently using your Main Street area, customers that could be attracted to it from the surrounding region and the potential presented by tourists visiting the region.

Why are we selling? What about our Main Street area will attract our intended customers? If it is goods and services that our Main Street is selling, why would our intended customers think our goods and services are better than those offered by our competitors?

If it is an experience or experiences our Main Street is selling, why would our intended customers find that experience compelling?

Key tools to consult: Answer this question by consulting the information in the “Community Retail Analysis” section in the Hamlet Case Study to learn more about the lifestyles and purchasing preferences of key Main Street consumers. “Important Trends in Retail” provides an overview of how the national retail market is changing and how that can affect Main Street. In addition, “Key Regional Trends” provides an overview of Ulster County’s economy, tourism market and housing situation to better understand why tourists come to the County and how your Main Street may meet their needs.

Where are we selling? How are we getting the word out to our intended customers? How do we position our offerings so that our intended customers are exposed to these offerings on a daily basis?

Key tools to consult: This question can be answered using the retail “Surplus/leakage analysis” described in Chapter 4.

How are we selling? How does our Main Street area deliver the benefits its intended customers want? How do you provide the goods, services or experiences they seek?

Key tools to consult: Tools that can help answer this question include the Consumer Psychographics and hotel operator’s survey found in Chapter 3.

Against whom are we selling? Who or what are the other entities from which our intended customers can get the goods, services and/or experiences similar to those offered by our Main Street area?

Key tools to consult: Answer this question by consulting the “Regional Economic Trends” found in Chapter 3 and the Retail Surplus and Leakage Analysis found in Chapter 4.

As Figure I-1 indicates, the core idea should be the unifying element by which all the answers to these questions become integrated into one plan of action. The Main Street Strategic Toolbox is intended to assist communities move through this entire process: forming a core idea defining how the Main Street area will compete against other areas, articulating the strategy that establishes that competitive position for the Main Street area and defining the tactics to realize that strategy and compiling it all in an action plan to guide the stakeholder in that Main Street area.

Using the Toolbox to Integrate the Strategy into the Hamlets

This document outlines a strategic planning process for three communities in the Catskills watershed: Phoenicia, Pine Hill and Shokan. It begins by laying out the basic facts for each of these areas as economic entities and community centers. From there, a series of “Main Street Tools” are applied to each of the hamlet areas to better understand their competitive strengths and weaknesses and to define for each of them a “core idea” that can serve as the basis for a Main Street strategy for each. Each of the “core ideas” follow a strategy and a set of tactics intended to improve the competitiveness of each of these three Main Street areas.

In that sense, the “Main Street Strategic Toolbox” is a starting point in the process of creating a more vibrant Main Street area. The toolbox provides a community with basic information to understand how their Main Street fits into a larger geographic and economic context. It also

gives some guidance about how to respond to this information by suggesting a strategy and tactics derived from the “core idea” model. Thus, the Toolbox provides a framework for making informed choices about the investment of a community’s time, talent and financial resources in their Main Street area.

Step 2: Getting Organized

Main Streets are not created or revitalized by market forces or government programs. Behind every successful Main Street area there is a group of stakeholders who have remained enthusiastically committed to their Main Street over the course of many years. The first step in taking advantage of the Main Street Strategic Toolbox is to bring together that group of stakeholders to develop and implement the Main Street Strategy.

This usually involves two sets of stakeholders. The primary stakeholders consist of owner and/or operators of Main Street businesses, owners of Main Street properties and local officials responsible for the Main Street area (e.g, local elected officials, planning board members, etc.). It is absolutely essential for a Main Street Strategy to be driven by active participation from this set of primary stakeholders. It is also very helpful for the efforts of the primary stakeholder to be supported and complemented by partnerships with secondary stakeholders in Main Street. This includes community residents and customers of Main Street and its businesses as well as representatives from important community and civic organizations that can assist in this effort (e.g., the local chamber of commerce, rotary, etc.)

Thus, the first step in this process is to recruit a working group of 5 to 10 Main Street stakeholders each committed to actively participate in the strategy-making process over a period of at least one year. Once this group is in place, they need to assemble the information and techniques to understand and respond to their competitive situation. Therefore, the toolbox itself is organized to help stakeholders for a particular Main Street area address key questions that must be answered in developing an effective strategic approach to strengthening a Main Street.

Taken together, these tools are intended to serve as a starting point from which a community can generate a comprehensive and effective effort to improve the economic competitiveness of their Main Street area, an important step for a community that wishes to not to merely survive, but to live well in the 21st Century.

Chapter 2:

Overview of the Three Participating Hamlets

This chapter will give a general overview of the physical characteristics, land use and zoning, and retail mix for the three hamlets of Phoenicia, Pine Hill, and Shokan.

- ✓ Phoenicia: Physical Location/Character, Zoning, Retail Mix
 - ✓ Phoenicia: Physical Constraints- Parking Case Study
- ✓ Pine Hill: Physical Location/Character, Zoning, Retail Mix
- ✓ Shokan: Physical Location/Character, Zoning, Retail Mix



TOOL: Hamlet Overview

Generating an **Overview of the Hamlets** using several sources of data including ESRI Business Analyst, Info USA, and the Ulster County Planning Department's Real Property Tax Files.

This overview will showcase the hamlets in terms of their physical assets and ultimately help in determining the strengths and weaknesses of each of the hamlets.

Phoenicia

Physical Location/Character

The majority of Phoenicia's land use is residential, with the most significant portion of the hamlet's land—37 percent of the whole—devoted to vacant/residential uses (See Figure 2.2). Another 27 percent is in residential development, meaning that roughly two-thirds (64 percent) of the entire hamlet is one or the other form of residential space, leaving only one-third of the hamlet to be used for business purposes.

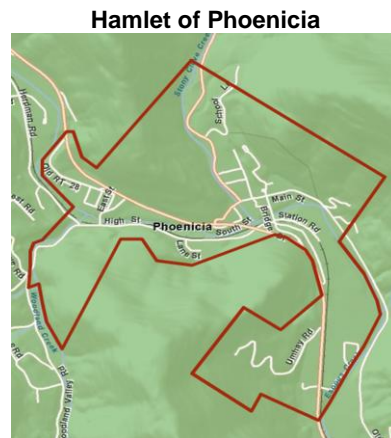


Figure 2.1

Source: ESRI Business Analyst Online.

Of the land being used for business, the largest portion is represented by recreation/entertainment businesses, comprising 25 percent of the hamlet's total land use. Another 5 percent is comprised of government/culture use, with even smaller segments of dining, lodging, or retail/office uses making up most of the rest.

Zoning

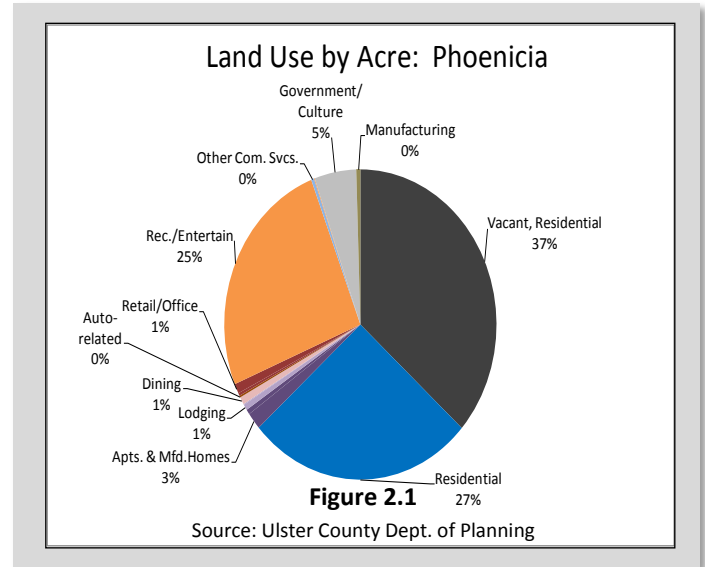
Local zoning regulations are the primary means towns have to promote and shape the type of development desired by the community. As such, local zoning policies play a major role in any Main Street development effort. Figure 2.3 provides an overview of the zoning in the hamlet of Phoenicia.

Phoenicia and Pine Hill are both governed by the zoning regulations of the Town of Shandaken. These regulations provide an administrative recognition of the hamlets of Phoenicia and Pine Hill by the inclusion of zoning districts for Hamlet Commercial and Hamlet Residential uses. The Hamlet Residential district allows for a maximum density of $\frac{1}{2}$ acre per dwelling unit, provided the unit is serviced with both municipal water and sewer. The Hamlet Residential district allows minimum lot sizes of 15,000 square feet with municipal water and sewer provided.

The Ulster County Planning Department has conducted an analysis of the zoning policies for the hamlets of Phoenicia, Pine Hill and Shokan to identify ways in which they may more effectively promote main street development. The analyses suggest some changes to better promote further development of pedestrian-oriented hamlets in the towns.

In its overview of Shandaken's zoning for its hamlets, the County Planning Board observed the following:

The Shandaken Zoning Ordinance can do a better job accommodating traditional "Main Street" development. Bulk standards prevent ideal densities for Main Streets. Building and lot coverage standards emphasize preserving open space for districts all across Shandaken. Mixed-uses are largely unaddressed by the Ordinance. Setback requirements make it harder to create parking ideal for a traditional "Main Street"; setback requirements in general prevent ideal densities. The bulk regulations used to create traditional "Main Street" development in other towns are not seen in Shandaken.





Traditional “Main Street” development creates an area that is urban in nature, even in a small, rural town. The Shandaken Zoning Code and Comprehensive Plan, however, look to preserve rural development throughout the Town. For example, agricultural and conservation uses are permitted by right in all zoning districts. Any future recommendations from the Main Street Program should take this desire to be rural into consideration. Future “Main Street” development should not force ideas used in other towns, particularly more urban ones, onto projects in Shandaken’s two hamlets, areas that would be the focus of the Main Streets Program.

Recommendations must balance traditional “Main Street” development with rural preservation.

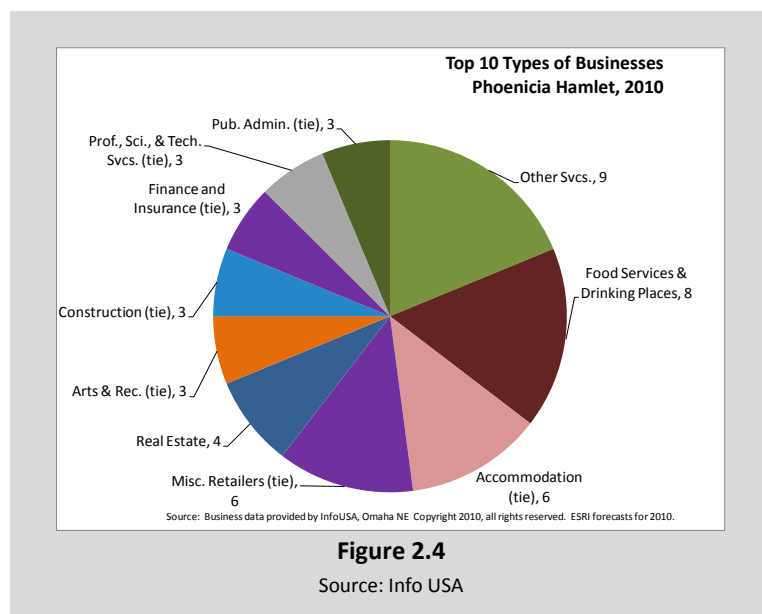
The analysis also highlighted some strengths in Shandaken’s zoning with respect to hamlet/Main Street issues:

Regulations for architectural features and building heights allow for a variety of building styles. These regulations are more extensive and more accommodating of traditional “Main Street” development than what was found for other towns that had their zoning codes examined for the Main Street Program in Ulster County³.

Current land use patterns and zoning in Phoenicia accommodate the Main Street experience. As illustrated in Figure 2.3, the majority of commercial establishments are centrally located around Phoenicia’s Main Street which yields the feature of walkability essential for Phoenicia’s role as the local hub of retail.

Local Retail Market

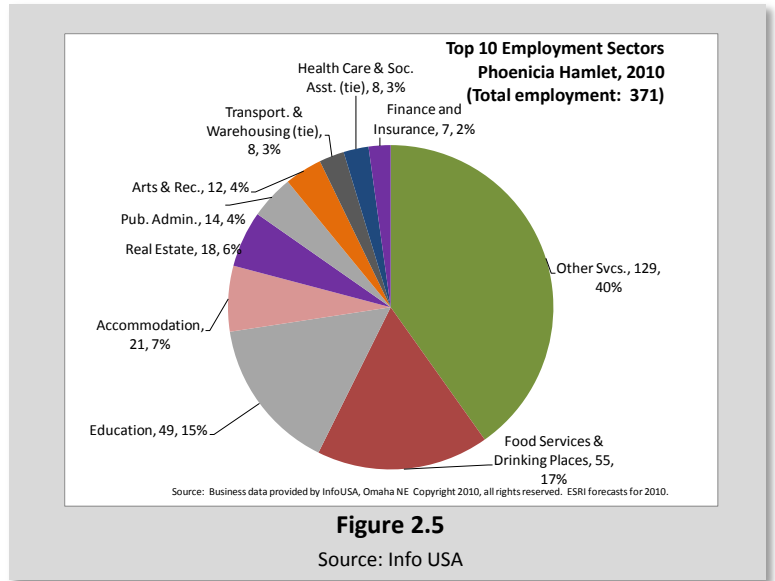
Phoenicia’s retail sector is composed of a healthy mixture of different types of retail and service providers. Of its top ten types of businesses, as illustrated in Figure 2.4, nine businesses fall under the category of “Other Services,” exemplifying the eclectic and otherwise indefinable mix of businesses that call Phoenicia home. Food Services and Drinking Places, Accommodations, and Miscellaneous Retailers round out the top ten list of businesses-types



³ Ulster County Planning Board. 2009. “Zoning Audit for Shandaken Main Streets Program.”

in the hamlet. Food Service and Drinking Places dominates as a single category with eight businesses in the hamlet.

This trend is reflected in the fact that this category also provides the highest employment in a single category in the hamlet, with a total of 55 jobs, or 17 percent of total employment, as shown in Figure 2.5. (It should be noted that the sundry businesses that comprise "Other Services" accounts for 129 jobs, or 40 percent of total employment.) Education services provides for the next highest amount of jobs, coming in at 15 percent of total employment.



Phoenicia Parking Case Study

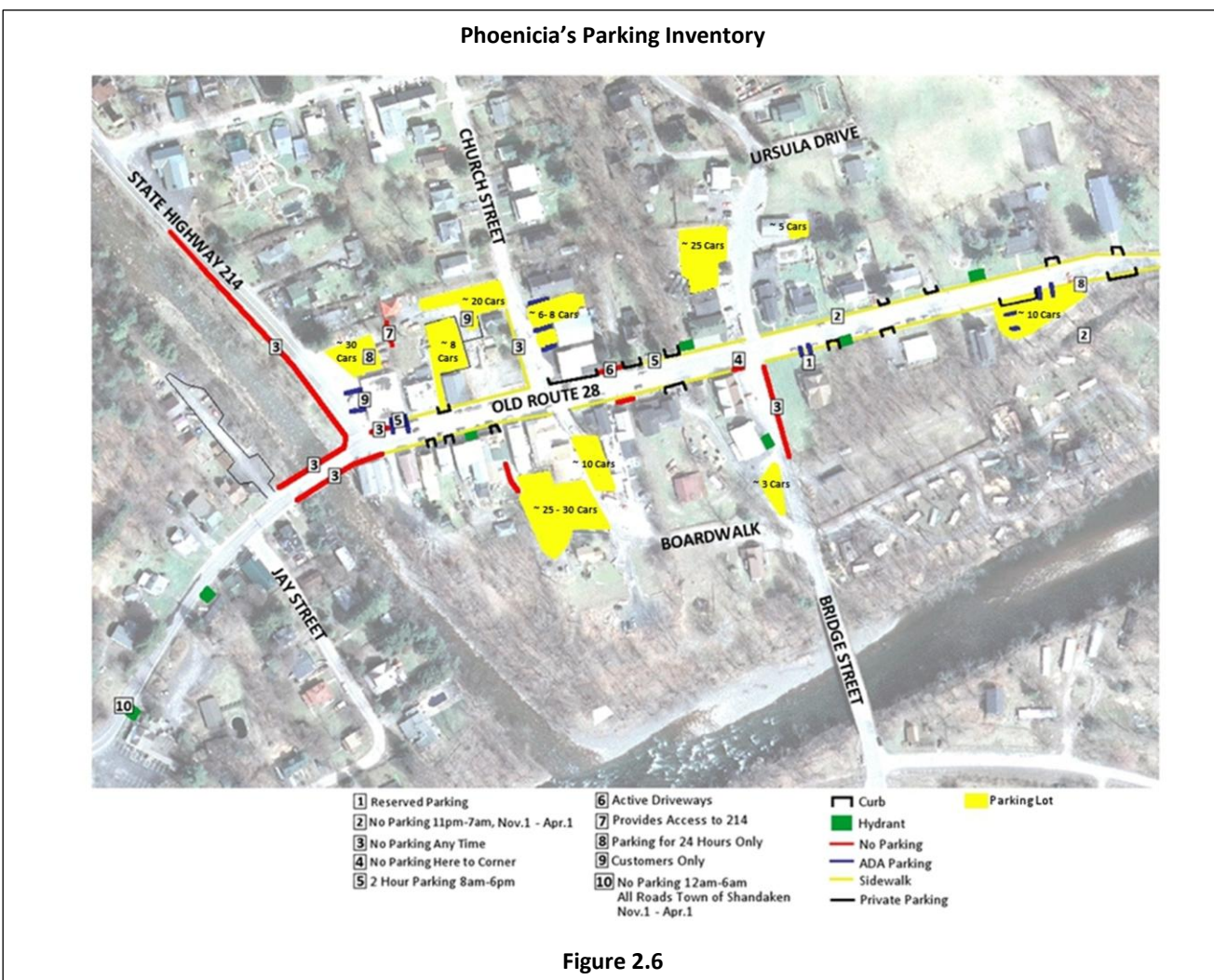
Availability and ease of parking are important factors to consider in the creation of a Main Street strategy. Phoenicia's success as a hub of retail depends largely on its ability to sustain its customer base and package its retail experience in a way that is accommodating by means of parking accessibility and walkability. A parking inventory was therefore completed to assess the parking supply in Phoenicia.

Methodology

The study took an inventory of the number of parking lots and spaces in the hamlet with a special focus on the parking availability on the main road, Old Route 28, and other major streets. The inventory count included both on-street and off-street parking and evaluated the availability of parking based on the location of parking areas relative to the important intersections in Phoenicia, mainly Old Route 28 and Church Street, and the accessibility of handicap parking.

Overall, the parking inventory assessment found ample parking in Phoenicia. There are 10 parking lots in the downtown (highlighted in yellow in the corresponding map) which have an estimated total of 158 parking spaces. Roughly 30 spaces are off of Route 214, 48 are off of Old Route 28, 28 are accessible through Church Street, roughly 33 off of the North end of

Bridge Street, and 10 spaces exist on a side street south of Old Route 28. The 20-car lot off of Church Street and the several parking spaces off of State Highway 214 are for customers only. The midtown section of Phoenicia, at the intersection of Old Route 28 and Church Street has a



sizeable amount of parking options with an estimated total of 76 parking spaces in lots in the immediate area surrounding the intersection (including the Customer Only 20-car lot).

Handicap parking in Phoenicia is equally substantial and easily accessible. There are two handicap parking sections on the intersection of State Highway 214 and Old Route 28 and handicap parking areas on Church Street close to the Old Route 28 intersection. Other handicap parking areas are available further down Old Route 28 past Bridge Street.

On-street parking is available on Old Route 28 in sidewalk areas depicted by a yellow line in Figure 2.6. There is no on-street parking on the intersection of State Highway 214 and Old Route 28 (except for handicap parking) and no on-street parking on the intersection of Church Street and Old Route 28. Other parking restrictions on Old Route 28 include areas where parking is prohibited (highlighted in red) or areas which specify time regulations. The eastern

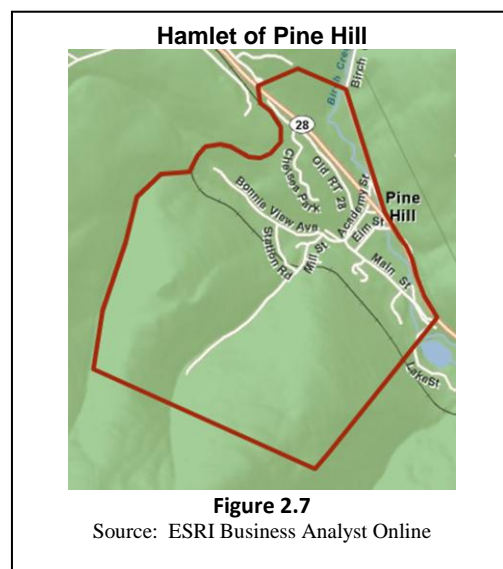
end of Old Route 28 prohibits parking from 11pm-7am between November 1st and April 1st, whereas the section of on-street parking between Church Street and Ursula Drive allows only 2 hour parking from 8am to 6pm.

On-street parking on State Highway 214 is completely prohibited, however there is a 30-car lot right off of the highway which connects to another 20-car lot off of Church Street. Parking is restricted in the passage that connects the lots between Church Street and State Highway 214 in order to provide easy access from Church Street to State Highway 214. On-street parking is also prohibited at intersection of Bridge Street and Old Route 28.

Pine Hill

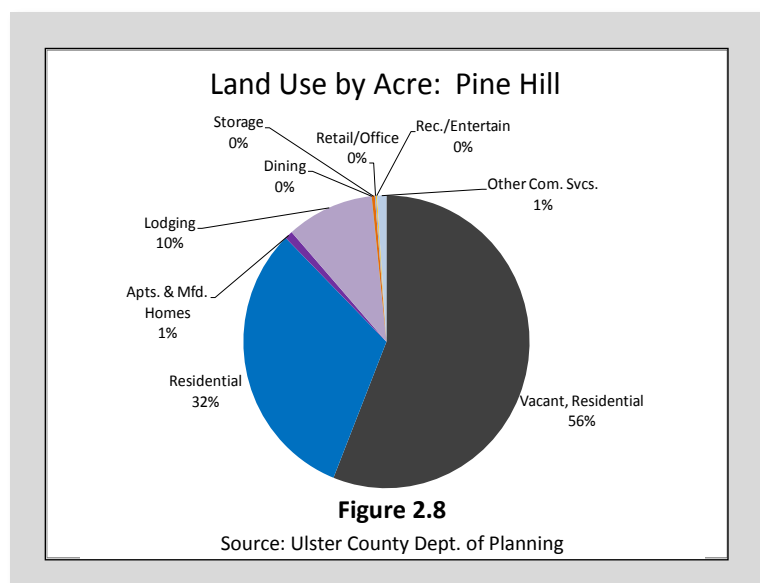
Physical Location/Character

As shown in Figure 2.8, 88 percent of the Pine Hill's land is being used for residential purposes. More than half of the entire hamlet is vacant/residential space, taking up 56 percent of all land use. The remaining land in Pine Hill is dominated by lodging, taking up 10 percent of the whole, with other businesses representing a small-to-negligible amount of the hamlet's total land.



Zoning

The constraints to Main Street development as well as the strengths associated with the Zoning Regulations of the Town of Shandaken are shared among Pine Hill and Phoenicia as their zoning codes are under the same jurisdiction. Similar to Phoenicia, the majority of commercial properties in Pine Hill are located on their Main



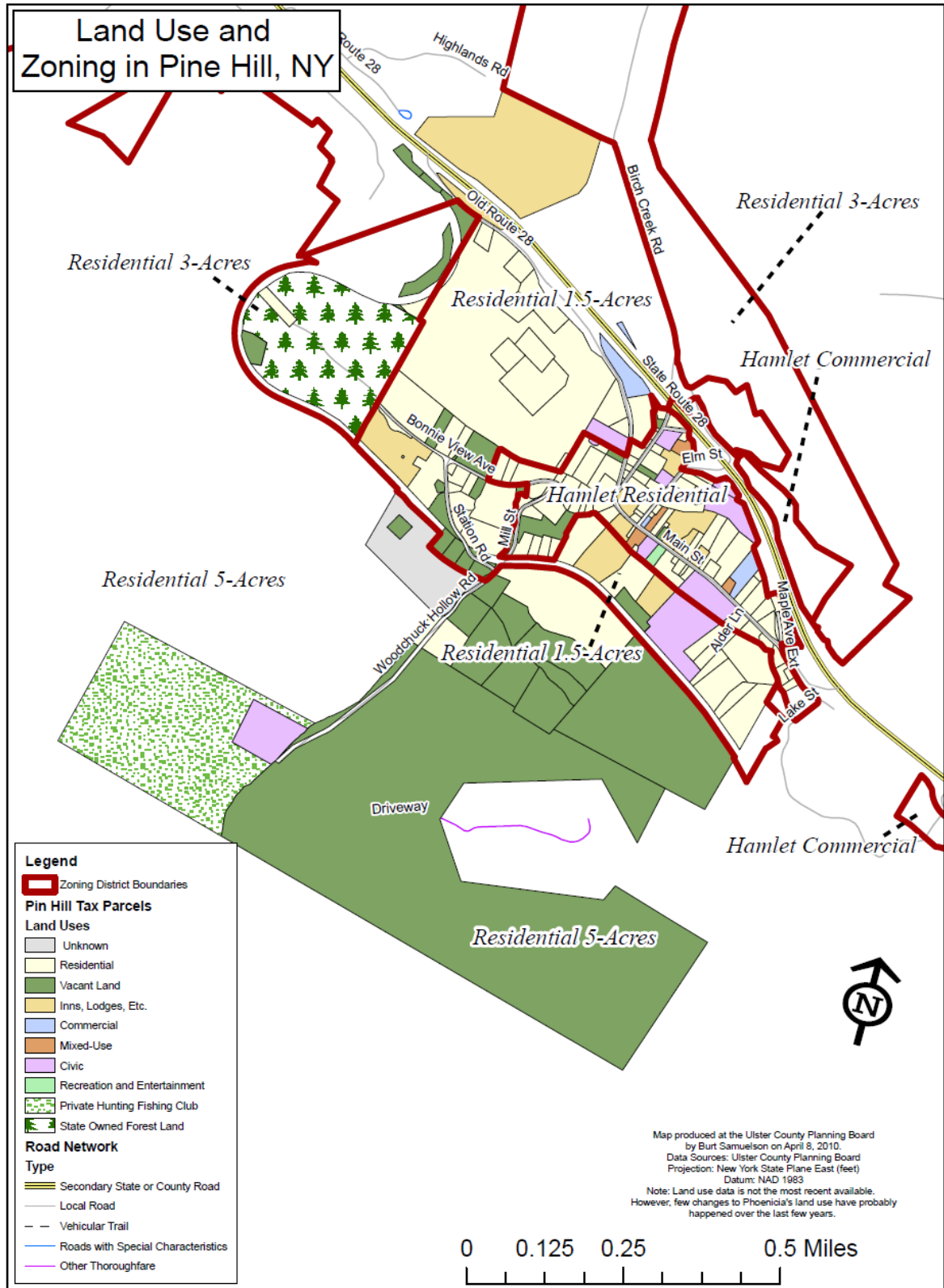


Figure 2.9

Streets (see Figure 2.9). Though the number of such establishments is small in Pine Hill relative to Phoenicia, the potential for Main Street development and creating a “walkable” experience exists in Pine Hill.

Local Retail Market

In contrast to Phoenicia, Pine Hill’s commercial sector is very limited. There are only six different establishments in the hamlet itself, illustrated in Figure 2.10 as an equally divided six-piece pie chart.

Among these six businesses, the Accommodation sector accounts for the highest amount of employment, providing 63 percent of the hamlet’s total employment, or 49 out of the 80 jobs (illustrated by Figure 2.11). Health Care and Social Assistance is the next highest employment provider at 18 percent, or 14 jobs. It should be noted that despite Health Care’s large role as an employer in the hamlet, it is not shown as one of the top businesses—meaning that these jobs may be provided by a series of small sole proprietorships.

The rest of Pine Hill’s employment picture is comprised of a smattering of employers, including Public Administration, Food Services and Drinking Places, Construction, Warehousing, and a few others.

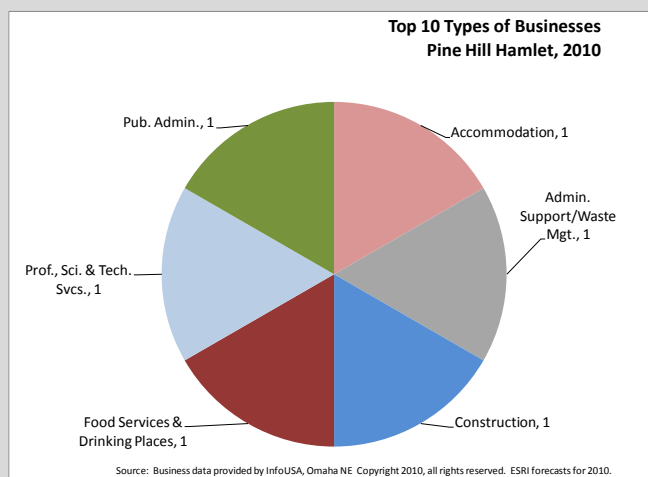


Figure 2.10
Source: Info USA

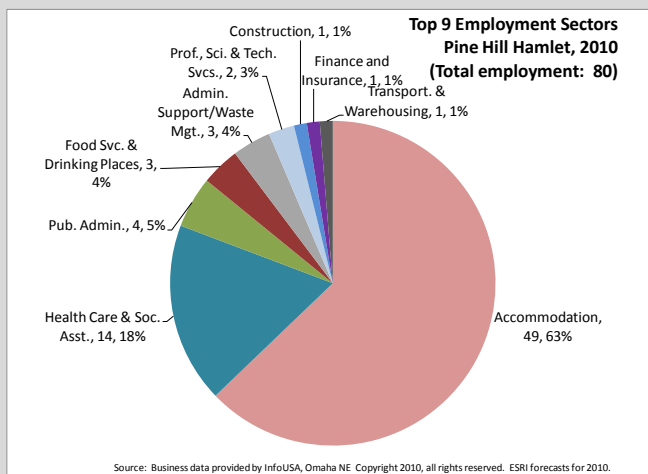


Figure 2.11
Source: Info USA

Shokan

Physical Location/ Character

The Hamlet of Shokan, the east-most hamlet being examined in this study, has the lowest amount of vacant/residential land within its borders. Figure 2.13 shows that only 7 percent of the hamlet's land falls under this category. A little over half of the entire hamlet's land, though, is residential, comprising 55 percent of Shokan's total area.

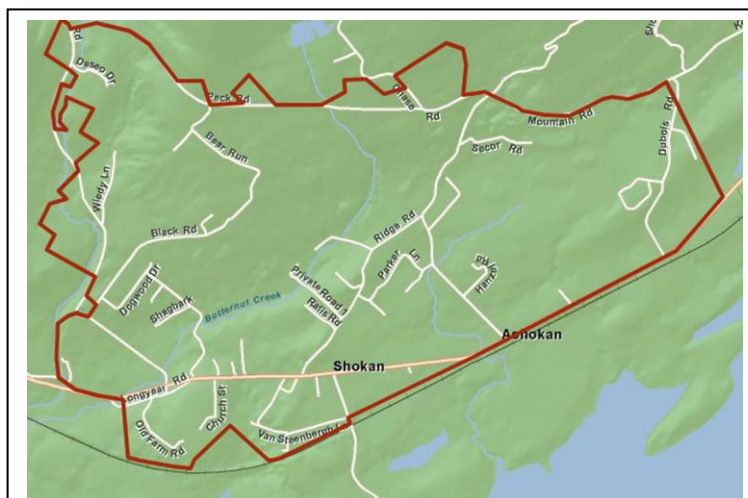


Figure 2.12

Source: ESRI Business Analyst Online

Shokan also has land dedicated to forest preserve (13 percent portion of the hamlet's total land usage). Industrial use takes up another 20 percent, with a smattering of other commercial uses making up the remaining 5 percent or so of the hamlet's total.

Zoning

The hamlet of Shokan is governed by the zoning regulations of the Town of Olive. The Town's regulations are focused almost exclusively on issues related to rural development and conservation. There are few if any provisions to allow or promote dense hamlet areas. Each zoning district features low density and lot coverages. For example, the highest density is allowed in the B/H-1/2 or Business/Highway only zone, which allows for one business use per half acre.

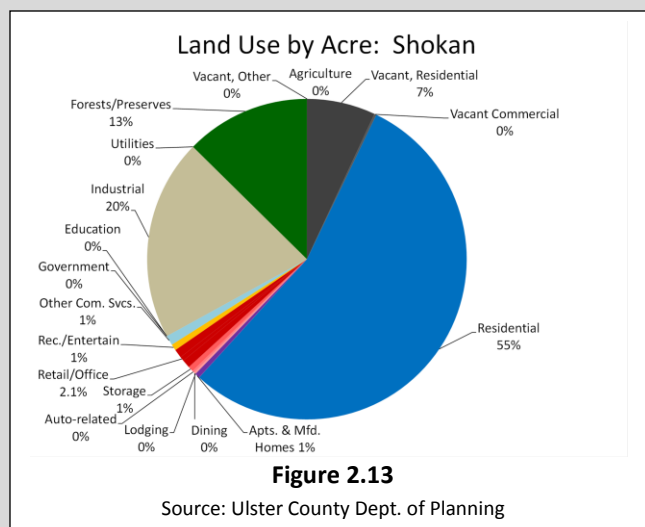


Figure 2.13

Source: Ulster County Dept. of Planning

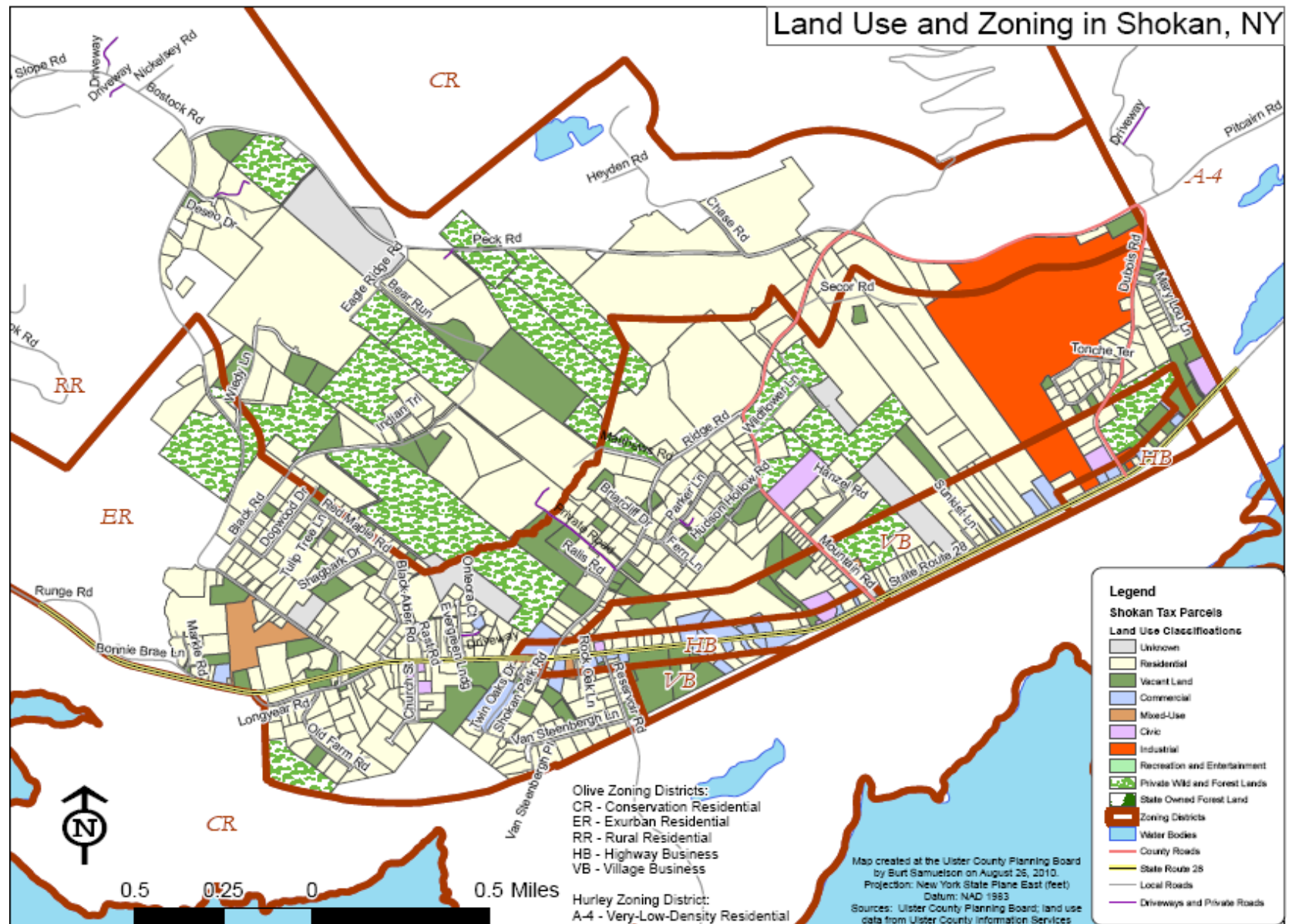


Figure 2.14

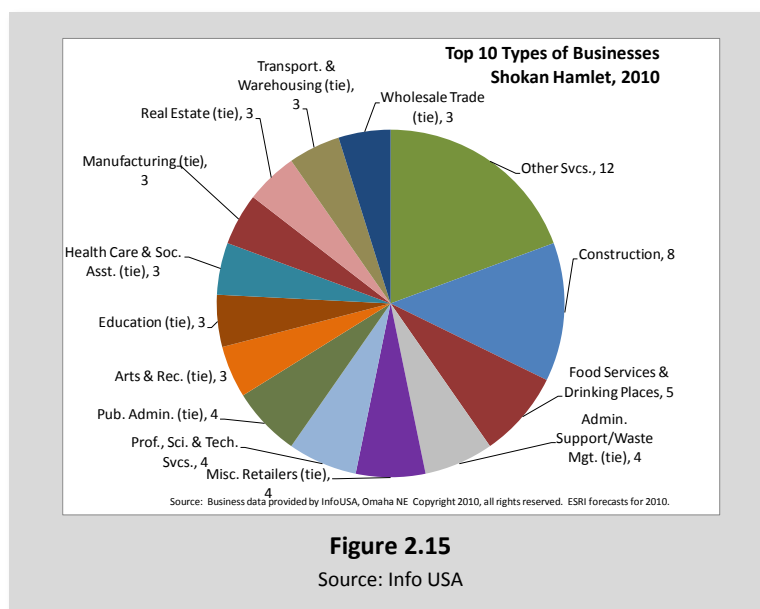
The highest density residential zone is the R/E-1A Residential/Exurban zone that permits one dwelling unit per acre. The maximum building coverage in any one zone is 30 percent in the B/H-1/2 zone. Mixed uses (typically an important feature in hamlet areas) are not provided for in Olive's zoning. In addition, there are no provisions for sidewalks and little regulation of signage.

The Ulster County Planning Department's assessment of Olive's zoning for Shokan noted that the regulations are organized on a "pyramid" basis. That is, the zoning districts are organized in a hierarchy with the least restrictive zoning district (e.g., Residential/Exurban) allowing all of the uses found in the other more restrictive residential zones. The Planning Board's assessment concludes that the current zoning code "does not specifically regulate a lot of land uses, and really doesn't have to at this point and time. Olive may have to address more land uses in its zoning ordinance depending on any new land development goals that emerge from the Main Street Program⁴."

Thus, it is important that, as Shokan develops a Main Street Strategy, care is given to identify any new regulations that may be required to successfully integrate any development that is denser and more pedestrian-oriented than the development currently found in Olive and in the hamlet of Shokan in particular.

Local Retail Market

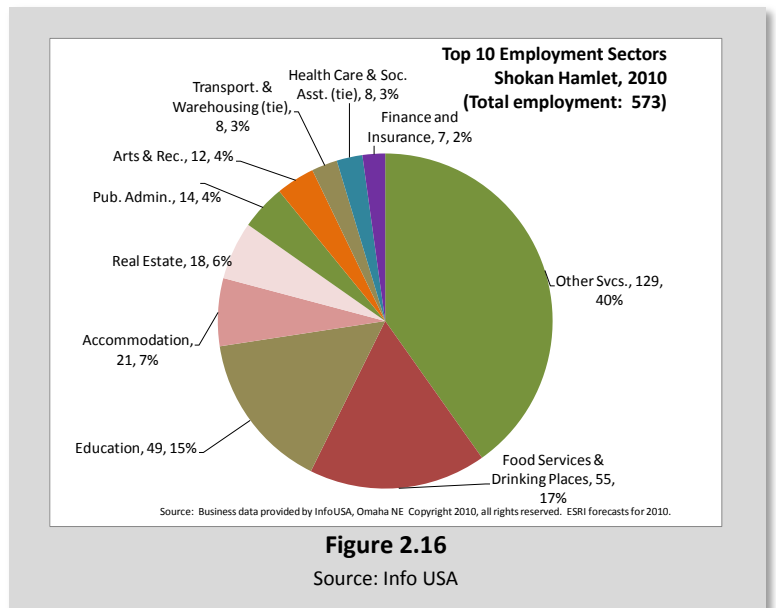
Located further east along Route 28, and closer to more densely populated areas of Ulster County like Woodstock and Kingston, Shokan has a more typically diverse range of businesses, as shown in Figure 2.15. Like Phoenicia, the category with the most amounts of businesses is that nebulous, non-category of "Other Services," comprised of 12 businesses. Construction comes next with eight businesses in that category, and Food Services & Drinking Places coming in third with five businesses.



⁴ Ulster County Planning Board. 2010. "Zoning Audit for Olive Main Streets Program."

Overall, however, the majority of the businesses (including Food Services & Drinking Places) illustrate a business sector that emphasizes services, retail, and hospitality, likely accounting for the high amount of business surplus in the hamlet that attracts consumers from out of the area (a phenomenon that will be discussed with more depth later in this report).

Trending similarly to Phoenicia again, "Other Services" accounts for the highest percentage of jobs at 40 percent, while Food Services & Drinking Places and Education account for the next two highest amounts of jobs (at 17 percent and 15 percent, respectively). The rest of the employers in the hamlet provide for single-digit percentages of the jobs in the area, with Accommodation offering 21 of the 573 total jobs in the hamlet, or only 7 percent (see Figure 2.16).



Chapter 3:

Important Regional Trends and Issues

This chapter assesses the region's economic topography and regional issues in order to better understand the current conditions facing the Hamlets of Phoenicia, Pine Hill, and Shokan:

- ✓ Emerging Trends in Retailing
- ✓ Important Sectors for Ulster County
- ✓ Olive/Shandaken Area Hospitality Study
- ✓ The Aftermath of Hurricane Irene
- ✓ Key Projects Affecting the Market Area
- ✓ Economic Impact of 40-Room Boutique Hotel in Phoenicia, NY

TOOL: Analysis of Regional Trends

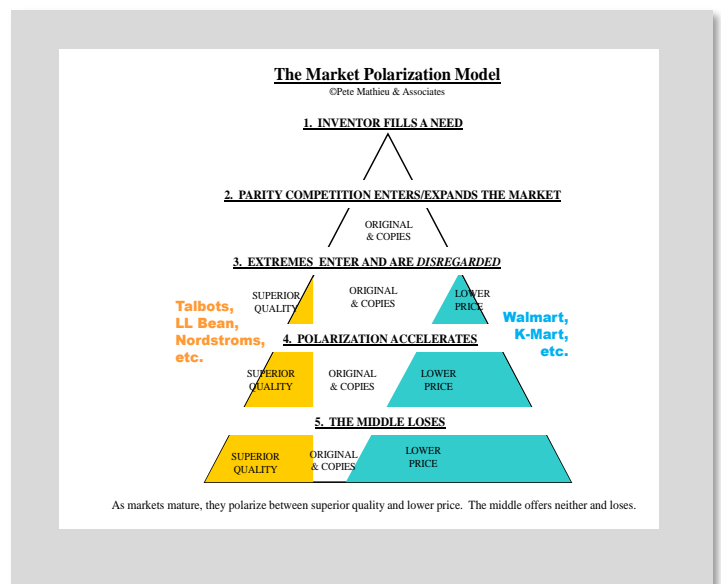
An **Analysis of Regional Trends** will evaluate the economic environment in which the hamlets exist and uncover the opportunities and threats facing each hamlet.

Emerging Trends in Retailing



Market Polarization

One way to understand how retail has changed in the past three decades is to view it through the lens of the market polarization model. This model was developed by A.H. Pete Mathieu, an advertising and marketing consultant, as a means for helping clients understand what they need to do to compete in any market. The essential tenet of the model, as captured in Figure 3.1, is that, as markets mature, they polarize among competitors offering either superior quality or lower price.



Those competitors in middle of the market have difficulty offering either, and consequently end up losing substantial market share.



Retail Polarization

Retail itself has undergone market polarization over the last 30 years. For example, approximately 100 years ago, Sears, JC Penney and Montgomery Ward were major national competitors in the general merchandise market. They remained industry leaders throughout the 20th Century. However, during the 1970s, the retail market began to polarize. Premium firms like Talbots and L.L. Bean entered the national market (followed shortly thereafter by Nordstrom's and others). At the same time, K-mart and Wal-Mart began serious expansion as "big box" operations offering low-cost products and discounted merchandise. In short, as Mathieu's model predicts, the market polarized between superior quality and lower price. The industry leaders found themselves "stuck in the middle" and lost to the extremes.

The Move Towards "Experience-Based" Retail

The "low cost" end of the pyramid features the big box discounters like K-mart, Wal-mart and various dollar/discount stores. The superior quality offerings are changing the shape and size of retail location.

For example, research conducted by the International Council of Shopping Centers found that baby boomers (i.e., those born between 1945 and 1965) are the least likely to visit a generic mall and that, when they do, they spend less time there during each visit than teens or the elderly⁵. This suggests that retailing and retail development opportunities in the future will be based upon niches and the replacement of obsolete formats and concepts⁶.

Table 3.1
The Transition to "Experience-based" Retail
Future of Retail Property—Online Retailing: The Impact of Click on Brick

The Retail Transition	
From	To
Location	Access/popularity
Generalists	Specialists
Times when we do	Moments when we might
Store as a warehouse	Store as showroom/theater
Store as transaction point	Store as an information point
Retailer power	Consumer/broker/distributor power
Convenience	Relationship and trust
Value for money	Value for time coupled with value for money
Source: Excerpted and adapted from Yvonne Court, <i>Future of Retail Property—Online Retailing: The Impact of Click on Brick</i> . (London: British Council of Shopping Centres, 2006).	

⁵ Field, Katherine. 2005. "Beckoning Boomers," *Chain Store Age*, p. 39-40.

⁶ Gruen, Aaron N. 2008. "Demographics and Retail," *Urban Land*, p. 116-118.

Table 3.1 provides an overview of the trend toward “experience-based retail” as the model for premium retail locations.

These trends don’t simply apply to the baby boomers exclusively. New generations of Gen Xs and Ys are shifting their views of shopping centers as well. As a result, retail locations will have to adapt and change to meet the needs of younger shoppers who, “...aren’t interested in just shopping, [and] want to be entertained.”⁷

Thus, the United States approaches a momentous demographic event as the two biggest consumer cohorts, the Baby Boom generation and their children are both moving into a new life phase: Boomers into retirement, Gen Ys into full adulthood.

The effect on the retail experience has been and will be profound. As summarized by Anita Kramer in *Retail Development*, the 2008 publication by the Urban Land Institute: “Centers will become the ‘third place’ in people’s lives, and customers will shop when they go out rather than go out to shop.”⁸

Consumers now expect a social or cultural experience when they go out. In order to address these changes, those seeking to create a high-end retail location must change the retail experience. During the 1980s and 1990s, Boomers valued the traditional mall for the “time back” experience.

Ulster County Hamlets’ Market Positioning Challenge: Competing for Experience-based Retail



Figure 3.2

The regional mall provided a mix of department and specialty stores and convenience food that gave harried two-career families an opportunity to accomplish a great deal in a single visit. Now, Boomers recognize that if they want a “time back” benefit, they can shop online. The retail environment must change to offer Boomers a new, and more appealing, experience. Thus the keys to success lie in remaking existing centers to create a stimulating and entertaining environment that people want to be a part of, and in building highly focused new centers targeted to niche and emerging market segments that fit consumer’s lifestyles or the lifestyles that they aspire to⁹.

The shift toward a desire for experienced-based retail hasn’t escaped the notice of retail developers. So-called “lifestyle” centers like the Grove in Los Angeles have become popular,

⁷ Johnson, Ben. 2008. “Baby Boom Nation,” *National Real Estate Investor*, p. 53.

⁸ Kramer, Anita et al. 2009. “Retail Development,” *Urban Land Institute*, p. 427.

⁹ Kramer, Anita et al. 2008. “Retail Development,” *Urban Land Institute*.

while many malls like GCP's Cumberland Mall in Atlanta have been redeveloped with a lifestyle component.¹⁰ The retail centers that are succeeding are those that are responding to consumers' increased use of the Internet to select or even buy products by capitalizing on this aspect of shopping and continually adapting to the public's taste in social settings, the need for community, and the search for entertainment. Examples of such environments are outdoor public spaces and clusters of restaurants and movie theatres that have become successful, established anchors in the last ten years¹¹.

Important Sectors for Ulster County



Ulster County's Retail Industry

As shown in Table 3.2, the current economic recession has dampened economic activity in Ulster County in the past two years. In 2004 and 2005, taxable sales increased at annual rates of six and four percent, respectively. In 2006, sales fell by 0.5 percent, then rebounded modestly in 2007 (up 1.56 percent) and 2008 (up two percent.)

Among all sectors in the County, retail sales were particularly hard hit, dropping by 16 percent in 2007 and by another 5.44 percent in 2008. The problems were widespread, with some of the biggest declines, with furniture sales (dropping by 10 percent in 2008), clothing (down 17 percent) and gasoline stations (down by 42 percent). On the other hand, sectors associated with tourism and hospitality fared better. Taxable sales among arts, entertainment and recreation grew by 5 percent in 2008. Food services showed a 6 percent rise and accommodations remained unchanged over the year.

¹⁰ Johnson, Ben. 2008. "Baby Boom Nation," *National Real Estate Investor*, p. 53.

¹¹ Kramer, Anita et al. 2008. "Retail Development," *Urban Land Institute*.

Table 3.2 Ulster County: Combined Annual State and Local Tax Base Totals (\$000s)			
	Taxable Sales	Change from Previous Period	
Period	& Purchases	Amount	Percent
3/03 - 2/04	\$2,236,019	\$134,770	6.41
3/04 - 2/05	2,325,424	89,405	4.00
3/05 - 2/06	2,313,834	(11,590)	(0.50)
3/06 - 2/07**	2,349,910	36,076	1.56
3/07 - 2/08*	2,397,294	47,384	2.02
Annual State Tax Base: Industry Totals (\$000s)			
	Selling Period		
Industry	3/06 - 2/07**	3/07 - 2/08*	Percent Change
Utilities (excluding residential energy)	\$55,442	\$64,111	15.63
Construction	40,829	42,623	4.39
Manufacturing	56,536	52,505	(7.13)
Wholesale Trade	143,154	131,471	(8.16)
Retail Trade Total	1,166,378	1,102,919	(5.44)
Motor Vehicles and Parts	325,625	320,270	(1.64)
Furniture and Home Furnishings	40,690	36,250	(10.91)
Electronics and Appliances	20,018	20,011	(0.04)
Building Materials and Garden Equipment	176,031	171,230	(2.73)
Food and Beverage	115,407	125,384	8.64
Health and Personal Care	25,447	23,114	(9.17)
Gasoline Stations	87,359	50,674	(41.99)
Clothing (excluding local sales)	34,022	28,216	(17.07)
Sporting Goods, Hobby, Book and Music Stores	50,072	47,990	(4.16)
General Merchandise	184,089	174,233	(5.35)
Miscellaneous Retail	59,938	60,186	0.41
Nonstore Retail	47,679	45,362	(4.86)
Information	139,334	150,969	8.35
Professional, Scientific, and Technical	17,012	15,547	(8.61)
Administrative/Support Services	42,922	45,895	6.93
Health Care	2,267	2,650	16.88
Arts, Entertainment, and Recreation	11,601	12,189	5.07
Accommodation and Food Services	237,011	246,393	3.96
Food Services	142,356	151,123	6.16
Accommodation	94,655	95,271	0.65
Other Services Total	60,046	62,750	4.50
Repair and Maintenance	51,304	53,525	4.33
Personal and Laundry Services	5,303	6,064	14.36
All Other Services	3,439	3,162	(8.08)

Table 3.3 Visitor Spending Region 8: Catskills & Region				
Visitor Spending in \$'000s	2006	2007	2008	% Change (2008 v 2007)
Delaware	\$ 78,149	\$ 80,312	\$ 81,675	1.7%
Greene	\$ 148,804	\$ 144,002	\$ 148,434	3.1%
Sullivan	\$ 289,704	\$ 290,813	\$ 326,010	12.1%
Ulster	\$ 443,285	\$ 473,387	\$ 471,859	-0.3%
TOTAL	\$ 959,942	\$ 988,514	\$ 1,027,978	4.0%
Source: Ulster County Tourism.				

According to Ulster County tourism, visitor spending in the County was virtually unchanged in 2008, registering a growth rate of -0.3 percent. While the overall economy fared much worse, it is worth noting that Ulster was the only County to post negative growth rates among the counties in the Catskill tourism region (See Table 3.3).

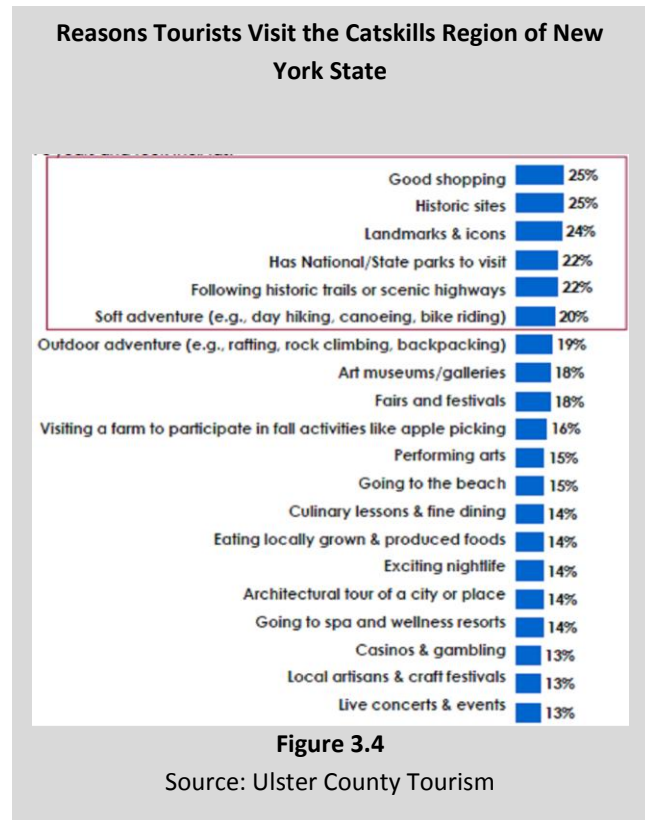
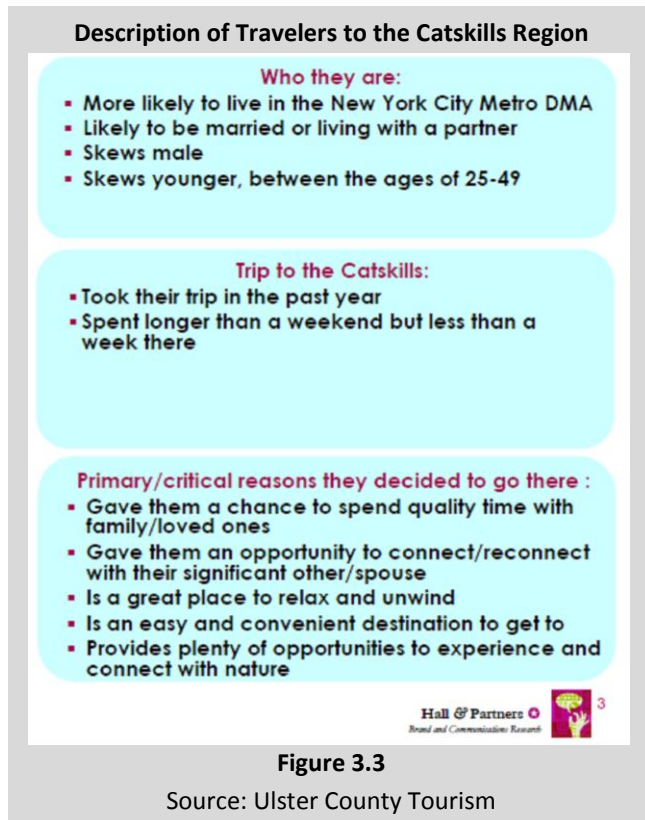


Ulster County's Position in the Tourism Market

One resource for building a retail base in a Main Street is to attract more of the region's tourism trade into the downtown area. This involves understanding the demographics and interests of tourists currently coming into the region. Through commissioned studies and its own collection of data, Ulster County Tourism maintains an in-depth understanding of visitation patterns to the County.

For statewide tourism planning purposes, Ulster County is divided between the Hudson Valley and Catskills regions. The Catskills tourism region consists of the following counties: Delaware, Greene, Sullivan and the portions of Ulster County within the Catskill State Park. The Hudson Valley tourism region consists of the counties of Columbia, Dutchess, Orange, Putnam, Rockland and Westchester, as well as the portions of Ulster County that are outside of the Catskill State Park. Tourism data are included here from both of those regions.

Key characteristics of visitors to Ulster County are summarized in Figures 3.3 and 3.4. Note that good shopping is a leading motivation for visitors to the Catskills region (See Figure 3.4). This suggests that appealing to the region's tourists is an important source for building new businesses for Ulster County's Main Streets.



Ulster County Tourism's Marketing Strategy (Ulster County's "I Love NY" Marketing Plan for 2009) is built on three key objectives:

1. To stimulate and increase the volume of traveler and tourist visitation to Ulster County by generating awareness of and interest in Ulster County as a premier, **four-season** travel and tourism destination.
2. To establish and promote an identity that appeals to travelers looking to connect and spend time with their families or loved ones, while highlighting Ulster County's close proximity to metropolitan New York.
3. To create awareness of Ulster County as the perfect place to relax and unwind by developing of a new website featuring state of the art media technology, current, up-to-date images, and travel planning features making the perfect vacation achievable with a simple one-stop visit to the Ulster County Tourism website.

4. To promote itinerary based travel throughout the County.

The strategy has targeted travelers from four regions:

- Metropolitan NY & Long Island
- Northern New Jersey
- Connecticut
- British & German International Travelers

The County's target consumers include:

- Families, with adults between the ages of 25-54, predominately from the metropolitan New York Tri-State region, including Long Island with an annual income between \$75,000-\$200,000. Main interests/attractors include outdoor activities and sports; locally produced food, wine and value added products, and fine cuisine; educational institutions (such as local colleges and universities) and eco educational activities.
- Outdoor, active lifestyle singles and couples between the ages of 25-44 mainly from the metropolitan New York Tri-State area looking for an outdoor playground or weekend getaway. Outdoor adventure attractors such as hang gliding, rock climbing, skydiving and mountain biking attract this demographic from states throughout the entire northeast.
- People interested in arts and cultural activities, predominately individuals and couples without children, ages 35-64 from Manhattan and Connecticut. Psychographically, this market is attracted to the region for its reputation as a haven for fiercely independent and alternative art, culture and music offerings.

In order to attract the target consumers, the County tourism strategy is built around the following five key attributes in the County¹²:

1. Outdoor Activities/Scenery/Sports
2. Agritourism outlets and activities
3. Culture and Art
4. History & Heritage
5. Resorts with name recognition such as Mohonk Mountain House, Rocking Horse Ranch and the Emerson Resort & Spa

¹² Ulster County Tourism. 2008. *"I Love NY" Tourism Strategy*.



The Potential for Cultural/Heritage Tourism in Ulster County

An Opportunity for Tourism

In revitalizing their Main Streets, Phoenicia, Pine Hill, and Shokan have an opportunity to begin taking advantage of the readily available domestic travel segment. The cultural/heritage tourism segment has been continually expanding and diversifying for over a decade. The average trip expenditure of an American traveler/tourist has been steadily increasing since 2002 and continued to rise throughout 2008 (Cook, 2008, pg. 5). Leisure travel in particular has been the fastest growing tourist trend since 2000, and accounts for 74% of total domestic travel spending¹³.

In the current economic climate, more families and couples are finding themselves with less disposable income, which means that many high-dollar luxury destinations are suffering (major resorts, theme parks, etc). However, this may actually be good news for areas that are more rural, with less expensive attractions—many tourists are simply choosing destinations that are closer to home and more affordable¹⁴. Thus there are economic, as well as cultural, reasons for tourists to increasingly seek a feeling of authenticity, new experiences, and “overlooked” locales.

In order to access this market, it is necessary to gain a clearer image of Ulster County’s target audience. The following sections will describe the particular type of tourist potentially attracted to Ulster Co., describe methods for reaching them, and then determine the particular regional assets that are most attractive to them.

Defining Cultural Heritage Travelers

A 2009 study commissioned by the U.S. Cultural and Heritage Tourism Marketing Council and the U.S. Department of Commerce found that cultural/heritage tourists total 78% of all leisure travelers¹⁵. It also defined them by a particular set of interests and attributes.

A cultural/heritage traveler is “a person who travels to experience the places, people, activities, and things that authentically represent the past and present, including cultural, historic, and natural resources¹⁶.” This broad definition includes the traditional understanding of historic tourists (families visiting history museums, Civil War enthusiasts visiting battlefields), but expands it to include out-of-towners attending local farmers’ markets, hikers in national parks, and shoppers hoping to experience the “essence” of an area.

¹³ Sheatsley, MacDonell & Pike. 2008. “Outlook for Leisure Travel,” *Outlook for Travel and Tourism*, p.56.

¹⁴ Adams, Robert J. 2008. “Outlook for Luxury and Budget Travelers,” *Outlook for Travel and Tourism*, p.107.

¹⁵ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p.33

¹⁶ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p.11

As a group, it can be generally stated that cultural/heritage travelers are higher-income, better educated, and slightly older than the average leisure traveler. They are most likely to travel for a weekend or a long weekend (3-4 days), and rarely look for “package deals” when traveling, but choose based on a pre-conceived destination¹⁷.

Cultural/heritage tourists are divided into five major categories based on the extent to which cultural/heritage activities determine their travel plans¹⁸.

Passionate

cultural/heritage travelers comprise 14% of all leisure travelers. These tourists are the most likely to actively pursue cultural and heritage-related activities such as museums, historic locations, town tours, etc.

Well-rounded/active

tourists are 12% of all leisure travelers, and represent those people who are open to all varieties of activities during their trip (including cultural/heritage activities). Another 14% of travelers are self-guided/accidental cultural heritage travelers.

Self-guided/accidental cultural/heritage tourists make up 14% of all travelers. They take advantage of cultural/heritage attractions when they travel, but they do not choose their destinations based on the availability of those attractions. They enjoy “exploring small towns, galleries and self-guided historical tours.” Together, Passionate, Well-Rounded, and Self-Guided tourists comprise 40% of all leisure travelers. These are also the groups that are the most likely to be involved in cultural/heritage activities, and have the most economic impact on their destinations¹⁹.

The final two groups are less attracted to cultural/heritage activities, but are easily involved in them if they are made easily available. **Aspirational** travelers are those who express a definite interest in cultural/heritage attractions, but have had only limited

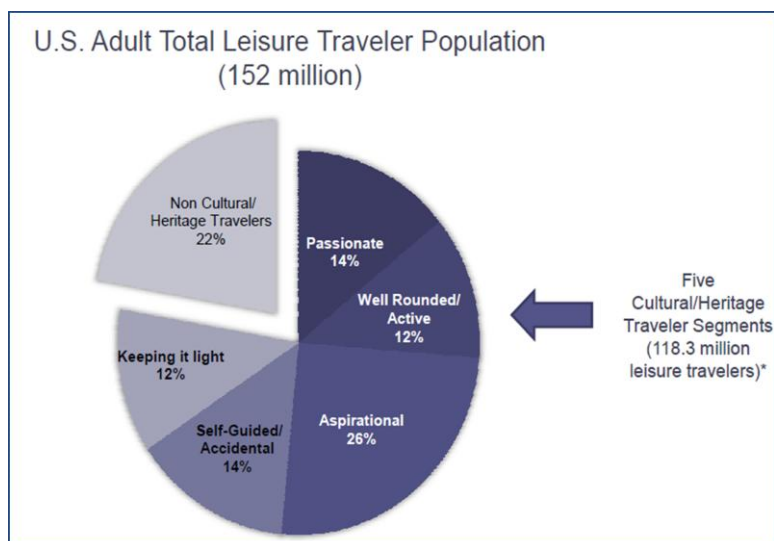


Figure 3.5: Leisure traveler population. Source: Mandala Research, *The Cultural & Heritage Traveler*, August 2009

¹⁷ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 13, 59, 60

¹⁸ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 53

¹⁹ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 53, 14

recent experience with them on their last leisure trips (25% of leisure travelers). **Keeping it light** cultural/heritage travelers (12% of travelers) do not seek out cultural/heritage activities at all, but will naturally participate in enjoyable “art, cultural, and musical events,” where available²⁰.

The Desirability of Cultural/Heritage Tourism

The total trip spending of Cultural/Heritage travelers is higher than that of other leisure travelers—an average of \$994 per trip as opposed to \$611. Roughly 48% of that trip budget is spent on activities, dining, and shopping (see Figure 3.6). They also travel more often, averaging about 5 trips in the last year (as opposed to 4 annual trips for leisure travelers)²¹.

	All Leisure Travelers	Keeping it light	Self-Guided /Accidental	Aspirational	Well Rounded Actives	Passionate
Sample Size	815	130	150	263	128	144
Average Total Spending	\$994	\$1,025	\$994	\$812	\$1,323	\$1,005
Average Spending on Activities	\$475	\$492	\$398	\$372	\$747	\$483
Activities Spending as % of Total Spending	48%	48%	40%	46%	56%	48%

Figure 3.6: Cultural/heritage tourist spending trends. *Source: Mandala Research, The Cultural & Heritage Traveler, August 2009.*

Cultural/heritage travelers are also willing to travel longer distances, with an average trip length of 842 miles. They are most likely to travel in their own vehicle, resulting in a trip itinerary that is more flexible and amenable to “accidental” tourism²². Additionally, it affords them access to more rural destinations that may not be easily reached by public transportation.

A very significant, but less easily quantified, advantage of cultural/heritage travelers is their willingness to experience non-traditional cultural activities—not only visiting museums and historic sites, but also visiting farmer’s markets, exploring local cuisine, and attending festivals²³. These tourists are not seeking “big-ticket” entertainment, but prefer a feeling of authenticity and local culture. This allows small communities to

²⁰ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 53

²¹ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 14

²² Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 46-47

²³ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 14

successfully market existing town events and traditions, rather than investing in large-scale venues like museums.

Reaching Cultural Heritage Tourists

Arguably the most important method of reaching these tourists is by making local information available online. The majority of leisure travelers select their destinations based on online information²⁴, and this trend is projected to result in 9 out of 10 travelers conducting the entirety of their trip planning solely online²⁵. In particular, 60% of cultural tourists use *the websites of their destinations* in order to plan their trips—making functional and informational websites very important for attracting this group²⁶.

A successful website must include sufficient information about the destination (food, events, lodging, nearby attractions, local history, scenic views, etc.), presented in an attractive format. Creative formats may include online videos of the area—recent research has indicated that 72% of all internet users watch online videos²⁷. Other successful regional tourism websites have included community blogs, local music, and traveler reviews²⁸.

A large percentage also use third-party travel websites²⁹. Gozaic.com is “the most comprehensive website devoted to the cultural and heritage travel niche,” according to the Historic Heritage Program website³⁰, but there are innumerable other third-party websites to provide niche advertising. The New York Cultural Heritage Tourism Network is a developing group

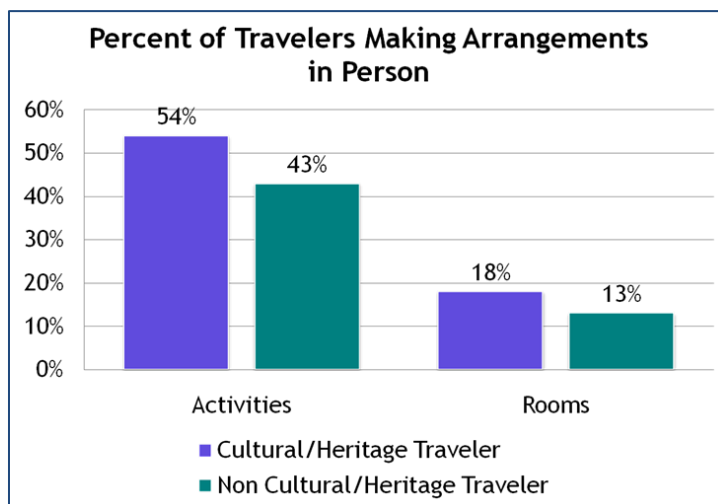


Figure 3.7: Travelers making arrangements in person, versus online or via phone. *Source: Mandala Research, The Cultural & Heritage Traveler, August 2009.*

²⁴ Sheatsley, MacDonell & Pike. 2008. “Outlook for Leisure Travel,” *Outlook for Travel and Tourism*, p.69

²⁵ Verklín, David. 2008. “Watch, listen, click: Inside the \$300 billion media business,” *Outlook for Travel and Tourism*, p. 180

²⁶ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 104

²⁷ Ramsey, Geoff. 2008. “Marketing in a new media age,” *Outlook for Travel and Tourism*, p. 147

²⁸ Minges, Rossi, Zimmerman, Miller, & Davidson. 2008. “Outlook for U.S. destinations,” *Outlook for Travel and Tourism*, p.170-172

²⁹ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 105

³⁰ Heritage Tourism Program of the National Trust for Historic Preservation. 2009. “Cultural Heritage Program.”

of cultural/heritage organizations and communities, which also includes an online listing of their participating locations (information in the Additional Resources section).

As important as online information is, it is equally important to provide easily-accessible information on-site. Many (26%) cultural/heritage tourists purchase event/activity tickets only *after* arriving at their chosen destination, and another 12% choose their lodging only after arrival³¹.

Cultural/heritage travelers are most likely to read community newspapers upon arrival, but are also likely to read any variety of regionally informative publication (brochures, magazines, and newsletters)³². This is also the most reliable method for engaging the less-dedicated cultural/heritage tourists (the aspirational and “keeping it light” categories), who are unlikely to research the area ahead of time, but who are willing to take the opportunities presented to them.

Cultural Heritage Tourists as the County’s Target Consumers

Ulster County communities may make attractive destinations for cultural/heritage tourists for several reasons: the existing, but largely unacknowledged presence of cultural/heritage tourists in the region, the valuable natural resources surrounding the communities, and the strong cultural offerings available. This section also includes case studies of comparable revitalization efforts aimed towards tourism, and funding opportunities.

The first and most compelling reason to market towards cultural/heritage tourists is that they are already a strong presence in the region—but are simply unacknowledged or unaccessed by the Shandaken area. New York is the third most-visited state by cultural/heritage travelers in the country³³, and is an especially popular destination among well-rounded cultural/heritage tourists. More specifically, Figure 3.4 within this study discusses the reasons that tourists are drawn to the Catskills Region. Among the top attractors are historic sites, landmarks and icons, historic trails or scenic highways, and “soft adventure” opportunities (such as hiking, canoeing, or biking). These preferences broadly identify the majority of Catskills tourists as cultural/heritage travelers, making a knowledge of cultural/heritage tourism essential for any Main Street revitalization project.

Perhaps the strongest attraction of the area is its natural, scenic beauty. Cultural and heritage travelers are increasingly invested in outdoor recreation (particularly well-

³¹ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 106

³² Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 107

³³ Mandala Research, LLC. 2009. *The Cultural and Heritage Traveler*, p. 93

rounded and self-guided tourists) along with the majority of leisure travelers³⁴. It is also worth noting that, due to economic pressures, there are more travelers on with specific budgets than previously—and “budget travelers” are the most likely of all domestic tourists to visit national parks, camp, or hike³⁵.

All three communities boast a short driving distance to the Belleayre and Hunter ski resorts. The continued and growing popularity of snowboarding and winter sports has meant a recent increase in ski resort visitation³⁶. Both Hunter and Belleayre offer excellent skiing comparatively near to New York City, and attract a combined total of 875,000 visitors a year³⁷. It is also important to remember that their appeal is not confined to winter months—Hunter Mountain hosts numerous summer festivals (The International Celtic Festival, the German Alps Festival, Oktoberfest, etc.)³⁸, while Belleayre holds a variety of music fests and craft fairs during the summer³⁹.

In addition to the ski resorts, the region is rife with active outdoor appeal. Catskill State Park attracts a total of 553,000 visitors annually and surrounds all three communities⁴⁰. There are also a variety of other nearby recreational opportunities, including Town Tinker Tubing in Phoenicia, hiking to the Tremper Mountain Fire Tower, Mike’s Bikes rentals and shuttle service, the scenic railroad through the Catskills, and a large number of local campgrounds.

The area’s cultural appeal is more subtle, but no less substantial. Cultural/heritage tourists have such diverse interests that everything from local restaurants to town history to the rural atmosphere becomes a valuable attraction.

Cultural/heritage travelers are very interested in exploring local cuisine and lodging. More broadly, dining is the number one activity for all United States travelers⁴¹, followed closely by shopping. Easily accessible information about nearby restaurants, farmer’s markets, farms, bakeries, inns, and B&Bs would facilitate tourist attraction to the area—particularly those looking for a “home base” from which to explore the Catskills. Passionate cultural/heritage tourists would also be willing to seek out historic sites or tours, if this information were available to them. Anything from information about the Native American history of the region to the historic railroad presence has a strong niche appeal.

³⁴ Crandall, Derrick. 2008. “Outdoor Recreation Outlook,” *Outlook for Travel and Tourism*, p. 278

³⁵ Adams, Robert J. 2008. “Outlook for Luxury and Budget Travelers,” *Outlook for Travel and Tourism*, p. 107

³⁶ Crandall, Derrick. 2008. “Outdoor Recreation Outlook,” *Outlook for Travel and Tourism*, p. 278

³⁷ The Coalition to Save Belleayre Mountain. 2008. “Coalition strikes back- changes name to reflect mission.”

³⁸ Hunter Mountain. 2010. “Summer Activities.”

³⁹ Belleayre Mountain. 2010. “Summer at Belleayre.”

⁴⁰ State of New York. 2008. “Catskill Park State Land Management Plan,” p. 2

⁴¹ Cook, Suzanne. 2008. “Outlook for U.S. travel and tourism,” *Outlook for Travel and Tourism*, p. 14

Intangible yet equally important is the “atmosphere” of the area. Their proximity to New York City makes the rural and remote aspects of Phoenicia, Pine Hill, and Shokan an even more valuable commodity. A 2002 article about Phoenicia in *The New York Times* accurately portrays this appeal. Claudia Rowe describes the area as relaxing, quiet, and a refuge from big city life, and concludes “To stand in the middle of Main Street in Phoenicia and gaze up at the towering mountains, which you can do on most weekdays without interrupting traffic, is to believe that whatever the maps say, city life is worlds away⁴².”

Case Studies of Cultural/Heritage Revitalization

Towns and counties throughout the United States are beginning to successfully access the cultural/heritage tourism market. Though Phoenicia, Pine Hill, and Shokan are focusing on only the revitalization of their Main Streets, the two case studies below illustrate the larger potential for renewal and re-imaging.

Sackets Harbor, NY was historically a small industrial and shipping village (pop. 1,300), which has very successfully revitalized its economy by marketing to cultural/heritage tourists. Their proximity to the Seaway Trail, a 450 mile stretch of New York State Scenic Byway, provided them with an easily accessed tourist population. Their successful attraction of these tourists was based on an informational campaign to recast their village image—including an excellent website (see Additional Resources) and a visitor’s center in town—as well as business revitalization to provide shopping, local cuisine, and lodging. They also protected and restored their historic sites, forming a Sackets Harbor Historical Society and gaining recognition from the National Register of Historic Places. They are now one of the New York State Heritage Areas, and a well-advertised part of the Seaway Trail.

Victor, NY is a rural community in the Finger Lakes region in the early stages of developing its cultural/heritage assets. The town has recently designed and begun to implement a Strategic Plan to create a “Town of Victor Brand,” (strategic plan included in Additional Resources). This involves creating a new town-image to attract Finger Lake regional tourists to Victor. Local non-profits (like the Victor Local Development Corporation) are assisting with the process, and the Destination Victor Marketing Association has created a separate website for the village (Additional Resources). It has also been featured in the regional publication *Life in the Finger Lakes* as an ideal rural destination.

Both of these communities are capitalizing on larger tourist attractions nearby—the Seaway Trail and the Finger Lakes region—which are comparable to the Catskills surrounding Phoenicia, Pine Hill, and Shokan.

⁴² Rowe, Claudia. June 28, 2002. “Weekender: Phoenicia, NY,” *The New York Times*.

Funding assistance opportunities

The National Trust for Historic Preservation website maintains a list of potential federal grants designed to support preservation and cultural/heritage projects (website information included in the Additional Resources section). These grants range from funding to improve libraries or museums, identify and preserve battlefields, create programs that offer historical interpretation, and preserve areas of scenic value. The Heritage Tourism Program website also contains valuable information concerning a variety of different funding methods (website information included in the Additional Resources section).

Additional Resources

Destination Victor NY Marketing Association. 2010. "Destination Victor, New York." Retrieved on December 16, 2010 at www.destinationvictor.com.

Environmental Design & Research, NYS Department of State, and Village of Sackets Harbor. 2007. "Local waterfront revitalization program, Heritage area management program, Harbor management plan." Retrieved on December 15, 2010 from <http://sacketsharbor-ny.gov/content/Generic/View/7:field=documents;/content/Documents/File/30.pdf>

- This document is the Sackets Harbor revitalization plan, including strategies for attracting cultural/heritage tourism.

Heritage Tourism Program. 2009. "Funding." Retrieved on December 15, 2010 at <http://www.culturalheritagetourism.org/resources/funding.htm>.

- A discussion of creative strategies for funding cultural heritage tourism improvements.

National Trust for Historic Preservation. 2010. "Show me the money." Retrieved on December 15, 2010 at <http://nthpgrants.blogspot.com/>.

- A listing of federal grants that may be applied to various cultural/historic preservation projects.

New York Cultural Heritage Tourism Network.

<http://newyorkculturalheritagetourismnetwork.com>

- A developing network of cultural heritage sites in New York State, and an ideal advertising tool.

Preservation League of New York State. 2001. *New York: Profiting through Preservation*. Retrieved on December 14, 2010 from

<http://www.placeeconomics.com/pub/PlaceEconomicsPUB2001.pdf>.

- A review of historic preservation projects in New York State and their economic success.

The Heritage Tourism Program. 2009. "How Cultural Heritage Tourism Organizations Can Beat The Recession." National Trust for Historic Preservation. Retrieved on December 14, 2010 from <http://www.preservationnation.org/issues/heritage-tourism/survival-toolkit/>

- A toolkit designed to assist communities and organizations encourage cultural/heritage tourism despite the economic downturn.

"The Village of Sackets Harbor, NY." 2006. Retrieved on December 16, 2010 at <http://www.sacketsharborny.com/index.html>.

- Website of Sackets Harbor village, an excellent example of redefining a town image to attract cultural-heritage tourists.

Town of Victor, New York. 2007. "Strategic plan." Retrieved on December 16, 2010 at <http://www.victorny.org/Government/StrategicPlan/>.

U.S. Culture & Heritage Tourism Marketing Council. 2009. [http://www.us"The Cultural and Heritage Traveler," 2009, pg. .com/](http://www.us)

- A coalition of organizations actively marketing cultural and heritage sites, and co-sponsors of the 2009 Cultural and Heritage Traveler research project.



Special Case of the Arts in Ulster County

The arts are an important sector in Ulster County. According to data from the Empire State Development Corporation, 4,477 Ulster County residents were employed in “arts, design, entertainment, sports, and media occupations” in 2009, just over 5 percent of the



The website for the Phoenicia International Festival of the Voice

working population. Their share of employment in Ulster County was 33 percent greater than artists’ share of employment in New York State as a whole (including New York City) and almost twice as high as the artists’ share of employment in the entire United States. This preponderance of artists in the County presents special opportunities for its Main Streets. Recent experience suggests that the arts can play a significant role in revitalization, provided the effort is carefully conceived and closely managed. One of the first sustained efforts of this type was begun in Rising Sun, Indiana in 1996 as summarized below.

The Historic Downtown Program Business Development Center was created in 1996 to renovate the Main Street business district. The Downtown Program’s award-winning “Arts as Economics” approach was adopted to build on the growing tourism industry by creating another niche to draw visitors to Rising Sun.

The Redevelopment Commission funded renovation of blighted properties to bring new businesses into the community. Renovated buildings are now restaurants, unique gift shops and artists’ studios.

Upgrades to the long-neglected infrastructure were extensive. Water, sewers, the electric, streets and sidewalks all were updated. Public projects were undertaken such as the new City Hall, the Medical Center, the City Pool, the Main Street Pavilion, riverfront gazebos and streetscapes.

The Revolving Loan Board was established with low interest loan programs to encourage business development. The Micro-loan program provides a 3.5% loan

for up to \$7,500 for 3 years. The Revolving Loan is a 3.5% loan for up to \$120,000 for up to 20 years with a business plan application⁴³.

The Rising Sun example has been successfully adopted by many other communities, most notably Paducah, KY. A July 28, 2011 post at the site Squidoo.com listed a variety of artist recruitment programs in place throughout the United States⁴⁴:

Covington, KY

Program emphasizes that they're gay-friendly and encourage urban diversity.
http://www.covingtonartmerchants.com/index_files/ArtistRelocation.html

Oil City, PA

100% financing with fixed-rate mortgages for working artists.
<http://www.artsoilcity.com/>

Pawtucket, RI

One of nine Rhode Island communities with state tax exemption for artists.
<http://www.pawtucketri.com/arts/grants/>

Paducah, KY

One of the first and most successful artist relocation program, with great incentives.
http://www.paducahalliance.org/artist_relocation_program.php

Chattanooga, TN

A five-year forgivable mortgage program is just the beginning.
<http://www.createhere.org/about/>

Bradenton, FL

Five years of success make Bradenton's Village of the Arts a great new home for artists.
<http://www.villageofthearts.com/>

Berea, KY

A city already famous for its folk arts and crafts, with a powerful college program for young and emerging artists.
<http://www.berea.com/>

Rising Sun, IN

Workshops and monthly stipends encourage artists to visit the town before relocating.
<http://www.enjoyrisingsun.com/>

⁴³ www.enjoyrisingsundowntown.com

⁴⁴ www.squidoo.com/artistsrelocation

Evansville, IN

Haynie's Corner featured houses starting at \$10,000 and forgivable mortgages for exterior renovations.

<http://www.evansvillearts.com/about-the-program/guidelines-and-proposals.html>

Millville, NJ

A thriving arts district and soaring tourist traffic make this an ideal location for artists.

<http://glasstownartsdistrict.com/>

Source: <http://www.squidoo.com/artistsrelocation>



Local Business Owners' Survey

Generating a hospitality survey for business owners can help build an understanding of the local tourism market with respect to preference of visitors and visitation trends. Such a survey was conducted for business owners in the Olive/Shandaken Area.

Overview of the Olive/Shandaken Area Hospitality Survey

Over a three-week period during July of 2011, Fairweather Consulting created, administered and analyzed results for a survey of hospitality business owners in the Olive and Shandaken areas. The survey is being used as a part of the Ulster County Department's "Ulster County Main Streets Strategy Toolbox Project," which is intended to help with the ongoing revitalization of the Main Streets of the hamlets of Phoenicia, Pine Hill, Shokan, and surrounding areas.

Ulster County Tourism provided the list of businesses, including owner name, address, email, website, and phone number. From the list, 66 active businesses in the area were contacted. Of the 66 businesses, 18 responded to the survey (27.27% response rate). Three businesses did not want to participate. Six businesses were not contactable due to outdated contact information. Thirty-nine businesses never responded to emails and phone messages. Each business was tried at least twice.

Of the 18 respondents, 1 business was in the process of being foreclosed and 1 respondent was selling their business the following month.

Businesses had the option of having the survey conducted over the phone or through an electronic version made available on surveymonkey.com. Data was then exported to Excel and analyzed in spreadsheets.

The report includes the following graphs and brief summaries of the information that was gathered regarding the current status of the hospitality sector of Olive and Shandaken area:

1. Peak and slow months.
2. Number of rooms.
3. Businesses' room rates per season.
4. Types of amenities offered by establishments.
5. Approximate age of businesses' clientele.
6. Approximate travel party type of clientele.
7. Approximate place of origin for clientele.
8. Attractions in the area that draw clientele to each business.
9. Average occupancy rate per season.
10. Usefulness of various types of information and assistance.

11. How businesses understand market trends.
12. Advertising techniques used by each business.
13. Methods businesses prefer to stay informed of important issues for their businesses.

For each question, the survey allowed respondents to choose “other” and make “open-ended comments.” This report also includes a complete list of comments made for each question.

QUESTION 1: Identifying “peak” and “slow” months.

The responses to this question suggest that June, July, and August are overall the busiest months.

Overwhelmingly, 15 out of 18 businesses chose April as their slowest month. Perhaps this is due to the fact that April is very late for the ski season and too early for the summer period. The responses also suggest that May, November, and December are all slow months.

More businesses selected January, February, March, April, May, September, November, and December as slow months than as busy months.

No one selected “no peak months” or “no slow months.”

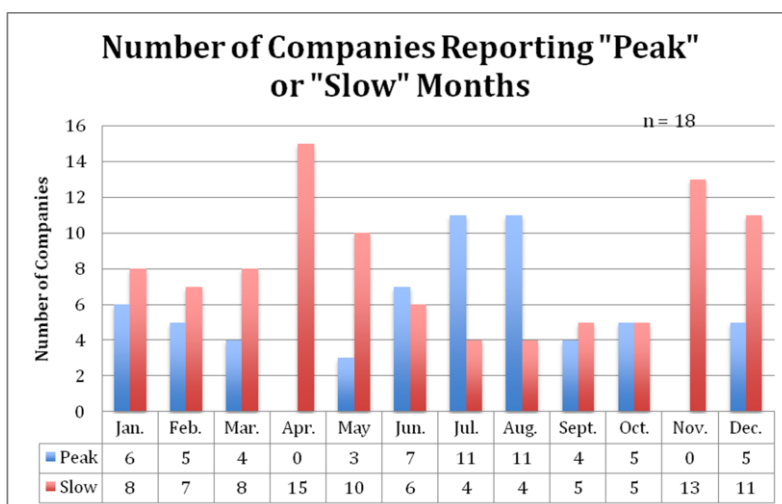


Figure 3.8

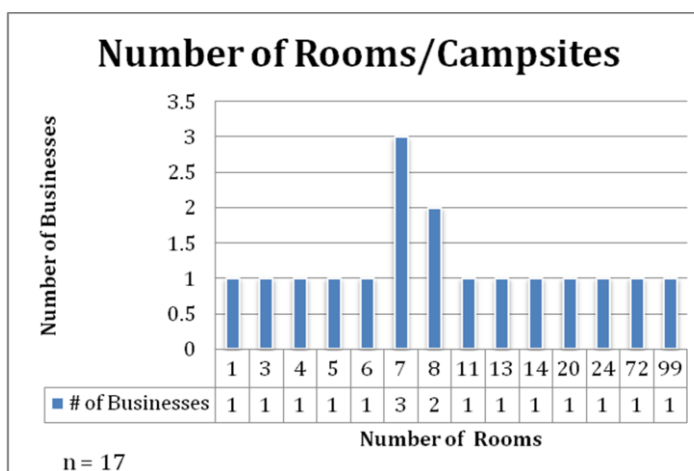


Figure 3.9

QUESTION 2: Number of rooms or campsites.

The survey results indicate most properties are relatively small with regard to the number of rooms they offer. The results show that the majority of the businesses (35.29%) have between 6-10 rooms.

Fifteen out of 17 businesses (88.24%) have fewer than 24 rooms.

There was a mode of 7 rooms or campsites, receiving three responses. 2 businesses have eight rooms each.

NOTE: The businesses with 99 units and 72 units are both campgrounds.

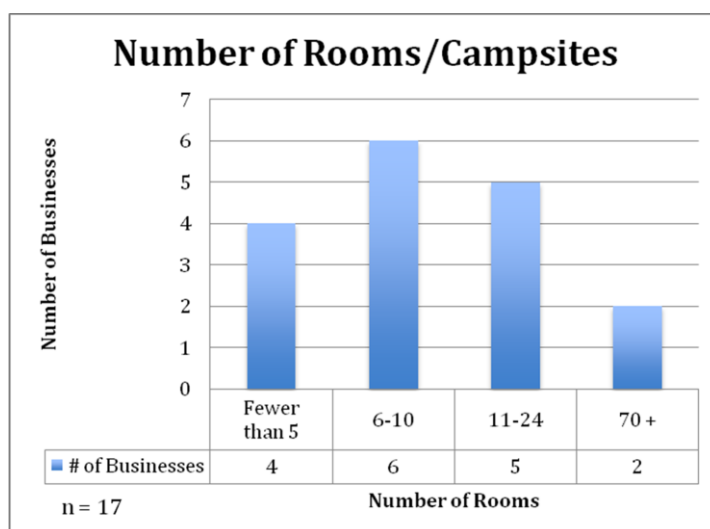


Figure 3.10

QUESTION 3: Room Rates

In order to get a sense of room rates being charged in the area, we asked each business to provide their rates for their peak and slow seasons. When a range of rates was given in response, the high-end of the range was recorded as the response.

The results were then categorized into increments of \$50. During peak season,

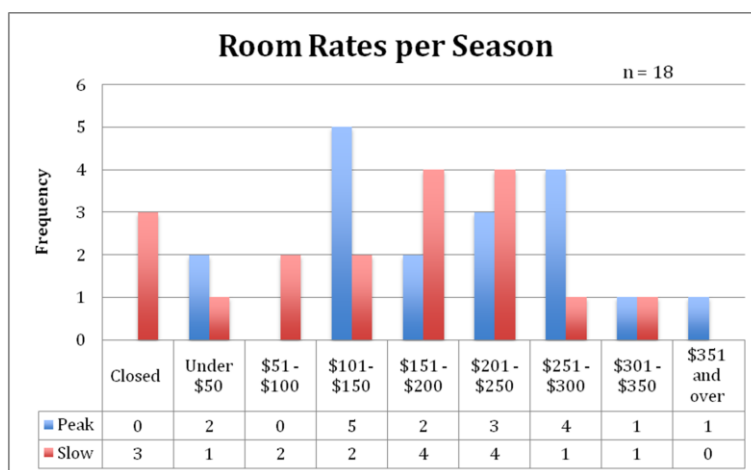


Figure 3.11

the majority of businesses are able to get between \$101-151 per room per night. Fourteen out of 18 businesses lie between the \$101 and \$300 per room per night.

During slow season, the majority of businesses (8 or 22%) are able to get between either \$151-\$200 or \$201-\$250 per room per night. Eight out of 18 businesses (44%) reported room rates between the \$151-\$250 per room per night range.

QUESTION 4: Amenities Offered

Respondents were asked to identify amenities that their business offers.

25% of businesses offer Wi-Fi or Internet access.

14% of businesses offer kitchenettes in the rooms.

10% of businesses have a restaurant attached or offer dining of some sort.

23% of businesses selected "other." Other amenities include: breakfast, luxury suites, steam showers, cell-phone service, lake/river access, tennis/sports/games, DVD library, bar, garden/gazebo, bookstore, sauna, game room, and jacuzzis.

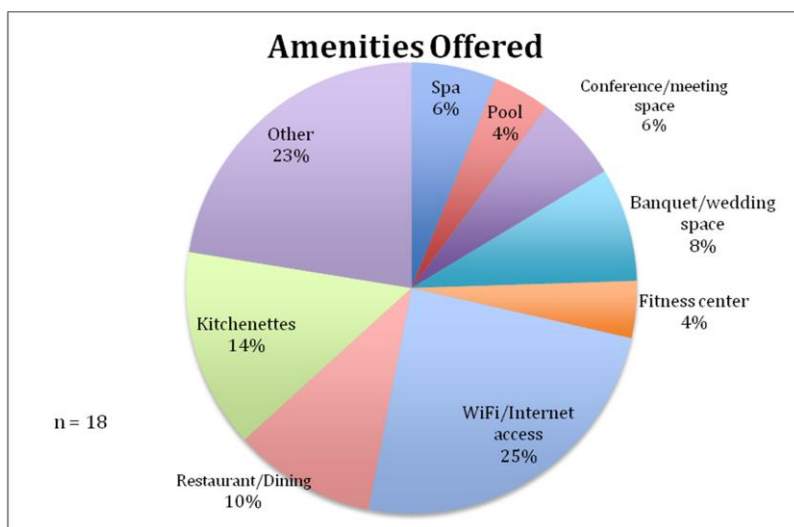


Figure 3.12

QUESTION 5: Age of Clientele

Respondents were asked to estimate the demographic breakdown of their clients, including their approximate age ranges.

The respondents indicated that 52% of their clientele is between the ages of 25-44. The next largest age group was 45-64 (27% of clients).

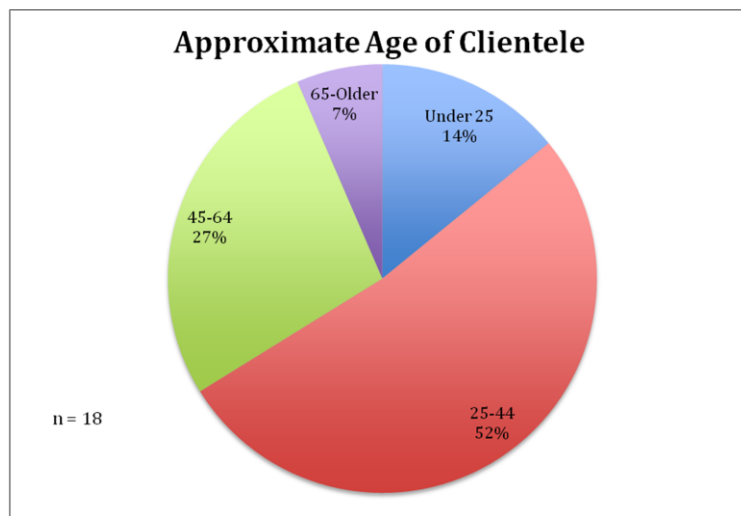


Figure 3.13

The youth segment (under 25) and senior citizen segment (65-Older) frequented the businesses the least (14% and 7% of clientele respectively).

QUESTION 6: Approximate travel party type

As the second part of the demographics question, respondents were asked to describe the types of travel parties they attract: "families," "lone travelers," "couples," "tour groups," and "corporate retreats."

Collectively the respondents indicated that 41% of their clientele travel as "families" and that 40% of their clientele are "couples."

Lone travelers (13%) and corporate retreats (6%) together only accounted for 19% of the businesses entire clientele.

None of the businesses listed tour groups as part of their clientele.

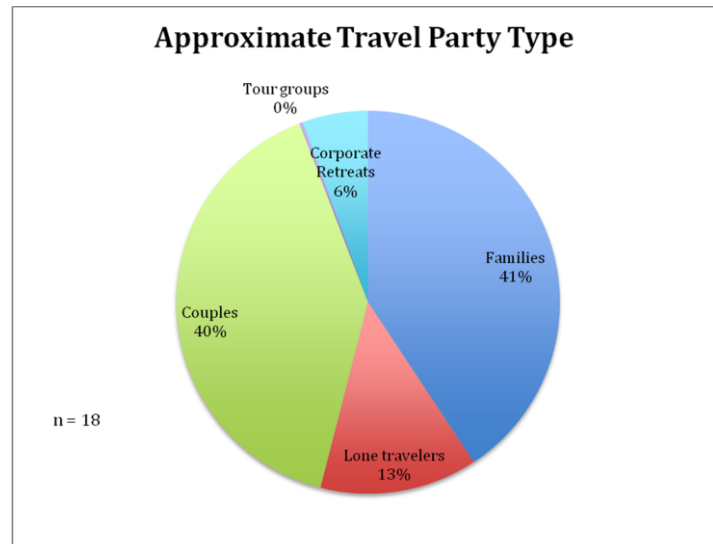


Figure 3.14

QUESTION 7: Approximate residence of clientele

The third and final demographics questions asked respondents to identify what geographic area their clientele come from.

The results show that overwhelmingly most clients come from the New York Metro Area (72%).

13% of clients come from within a 60-minute driving area.

8% of clients come from other states and other countries. Many businesses noted clients from Europe.

6% of clients come from Upstate New York.

Only 1% of clients come from Canada.

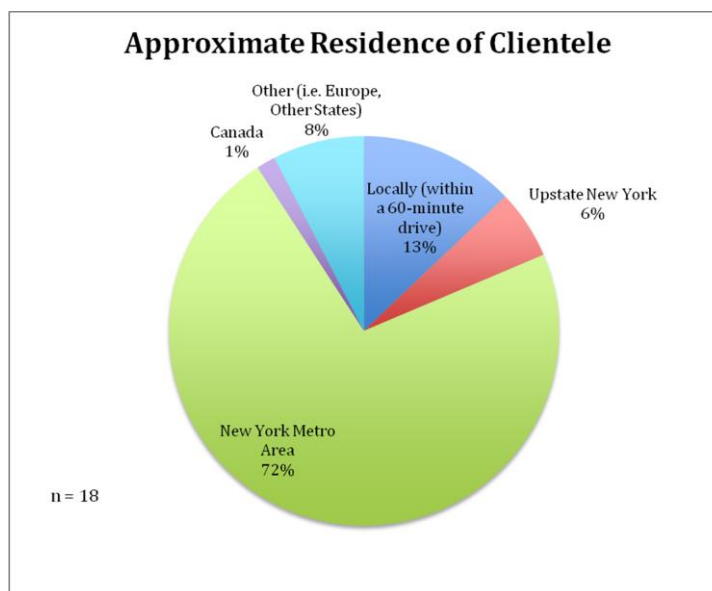


Figure 3.15

QUESTION 8: Attractions in the area

In order to get a sense of the attractions in the area, we asked respondents to give their best guess regarding what they believe brings their clientele to their business.

The results show an almost perfect split between all categories. 17% of the total clientele comes for Hiking and another 17% comes for snow sports. However, when similar categories are aggregated, "outdoor recreational sports and activities" (i.e. skiing, tubing, hiking, hunting etc.) seem to make up 60% of why clients come to the area. At the same time, cultural, historical, and education related attractions drew 26% of all clientele.

Businesses felt that 14% of their clientele came to the area for "other" reasons. These reasons include weddings, retreats, get-a-ways, golf, and the natural beauty of the area.

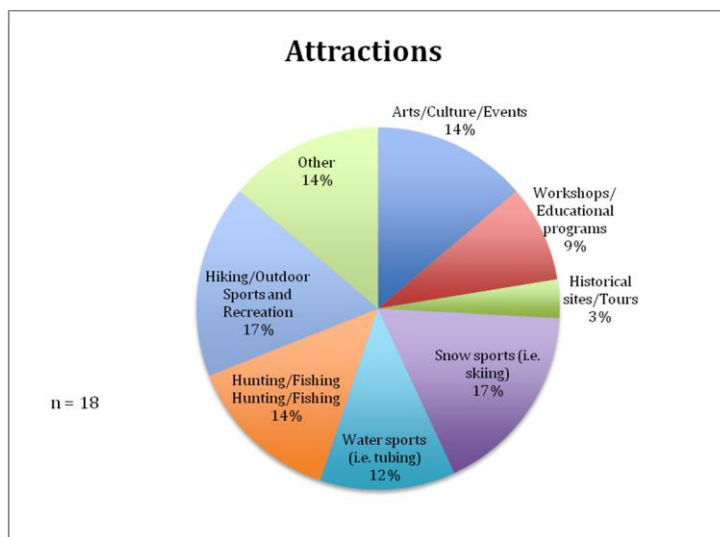


Figure 3.16

QUESTION 9: Room occupancy rate

In order to get a sense of the percentage of rooms that are filled during peak and slow season, respondents were asked to provide an approximation of how full their businesses are during each season. The percentages were added and divided by the number of respondents (18) to create the average occupancy rate per season.

As expected, a substantially greater percentage of rooms were estimated to be occupied during peak season (74%) while, during the slow season, only 14 percent of rooms are occupied.

The respondents were unable to estimate an average number of occupants per room per night.

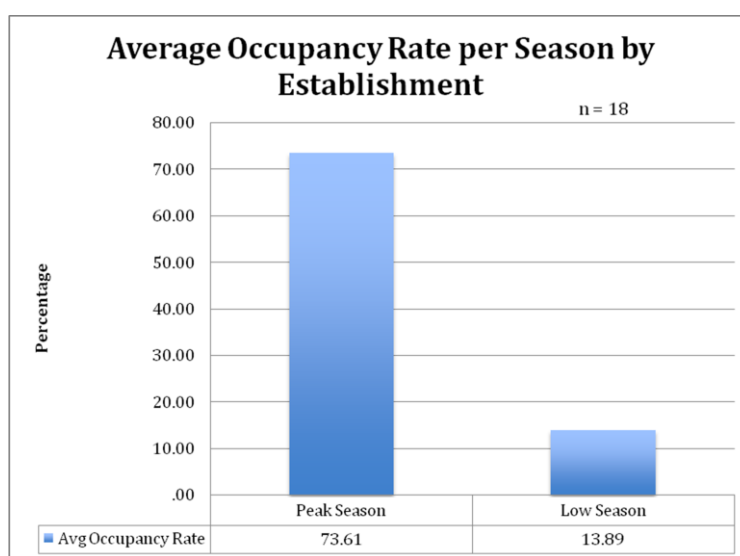


Figure 3.17

QUESTION 10: Usefulness of types of information and assistance

Respondents were asked to rate the usefulness of receiving types of business assistance, indicating whether each type of assistance is: "very useful," "useful," "not useful," or "don't know."

Businesses seem to be most interested in "marketing, branding, advertising assistance." Sixteen out of 18 (89%) respondents felt that receiving "technical assistance with business, financial, and inventory management" was "not useful." The remaining 2 respondents (11%) felt that that sort of assistance would be "very useful."

Nine out of 18 (50%) respondents felt that receiving "marketing, branding, and advertising assistance" was "not useful." Six out of 18 (33%) felt that that sort of

assistance was "useful." The remaining 3 businesses (17%) felt that it would be "very useful" to receive assistance on that topic.

Thirteen of 18 (72%) respondents felt that receiving "financing information" was "not useful." One business (5%) responded with "don't know." Two businesses (11%) felt that information of financing options would be "useful" and 2 businesses (11%) felt that that sort of information would be "very useful."

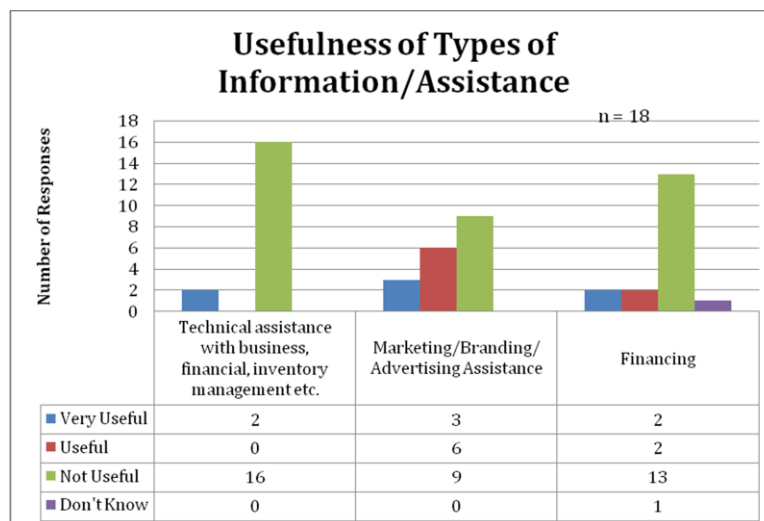


Figure 3.18

QUESTION 11: How businesses understand market trends

The respondents were asked to identify the techniques they use to understand trends in the hospitality market. Respondents were asked to choose from the following 8 categories: "surveys of customers," "industry/trade associations," "word of mouth," "Ulster County Tourism," "NYS I Love NY Program," "don't advertise," none of the above," and "other."

The majority of businesses (10 or 56%) simply understand market trends through word of mouth. Six businesses (33%)

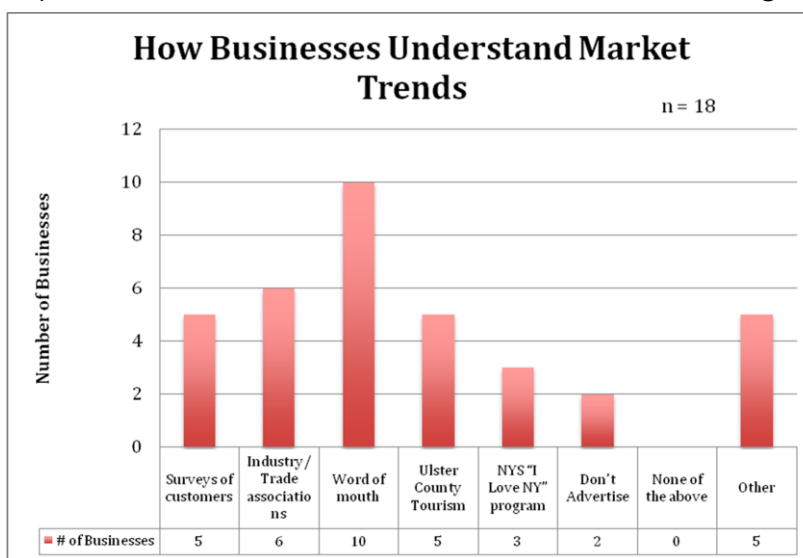


Figure 3.19

understand market trends with the help of industry and trade associations. Five businesses (28%) use surveys and 5 (28%) use Ulster County Tourism.

Five businesses (28%) selected "other," explaining that they understand market trends by analyzing hits on their websites, by understanding occupancy trends using past years' bookings, by using NYS marketing and research, and by simply researching sources on the Internet.

QUESTION 12: Advertising techniques

In order to understand which advertising techniques have worked best for the businesses in the area, each respondent was asked to select as many of the following choices as applies: "newspaper/magazine," "TV," "radio," "Internet," "don't advertise," "none of the above," and "other."

The overwhelming majority of businesses (15 or 83%) use the Internet as a source for advertising.

Newspapers and magazines (4 or 22%) were also noted as sources used for advertising.

Three businesses (17%) claimed not to advertise and 1 business (5%) used camping guides to advertise.

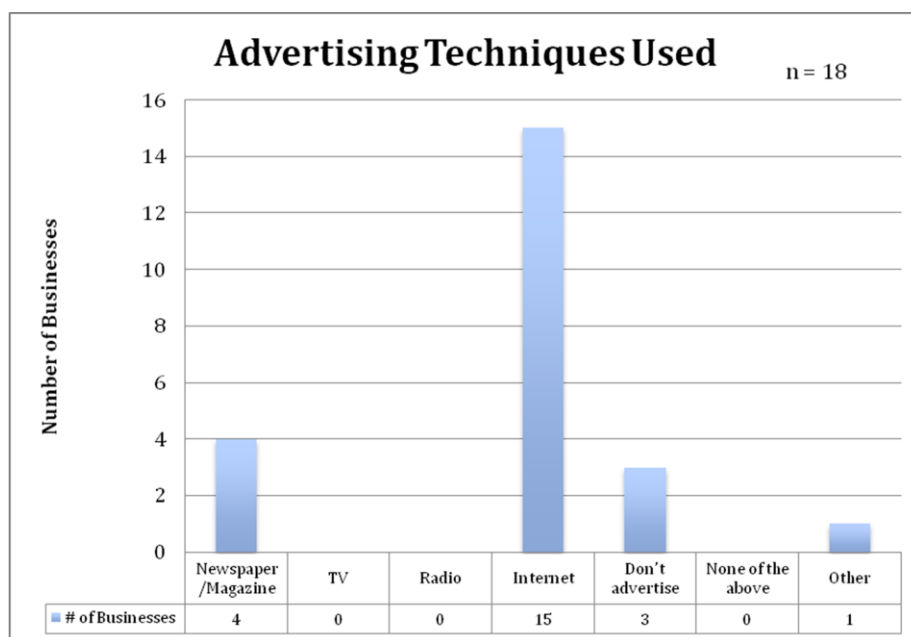


Figure 3.20

QUESTION 13: Preferred ways to stay informed of businesses' needs

Each business was asked to select the ways they would prefer to stay informed on important issues for their businesses, including: "group meetings with similar businesses," "one-on-one phone interviews," "surveys," "online discussions," "none of the above," or "other."

Ten businesses (56%) felt that "one-on-one phone interviews" would be a good way to stay informed of their needs.

Seven businesses (39%) felt that "online discussions" would be useful.

Four businesses (22%) felt that other options would be useful. They suggested letters and emails could be a good way to stay informed of businesses' needs.

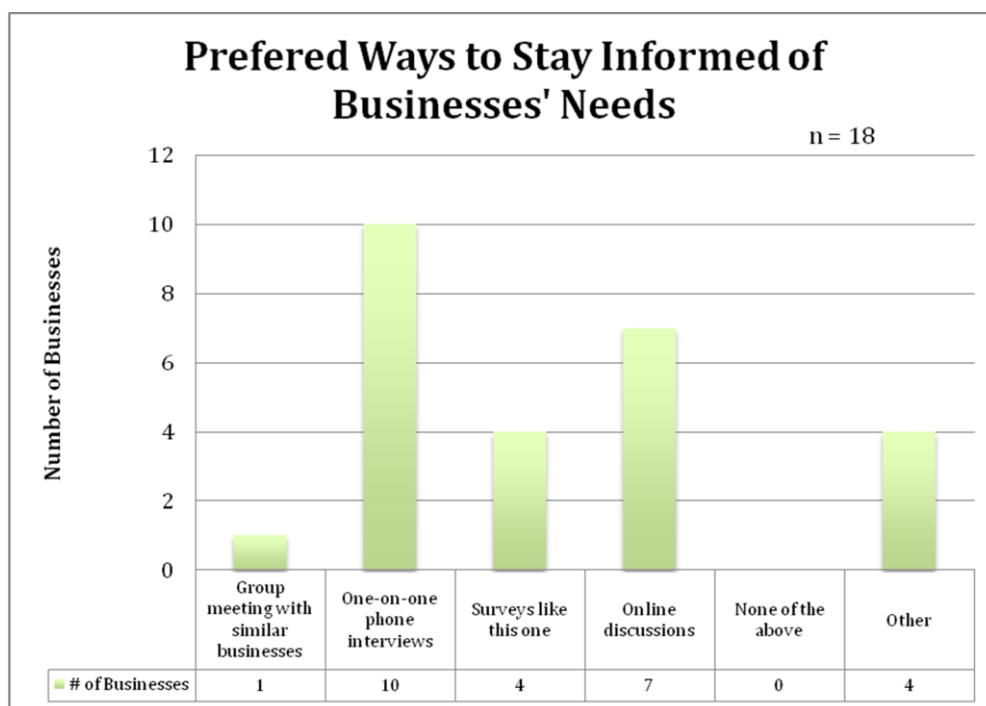


Figure 3.21

The Aftermath of Hurricane Irene & Tropical Storm Lee

In 2011, the communities of Phoenicia, Pine Hill and Shokan bore the brunt of both Hurricane Irene and Tropical Storm Lee. There was substantial damage to roads, bridges, businesses and homes.

The crisis exacerbated existing problems in the area and gave rise to new ones. Long-standing issues with drainage and infrastructure came to a head as communities dealt with flooding and water damage that was unprecedented. The New York City Department of Environmental Protection's (DEP) action to purge the reservoir of clay particles and other materials stirred up by rainfall through releases into the Lower Esopus Creek dramatically increased the turbidity of that stream, a major scenic and recreational resource for Phoenicia and the nearby area. At this point, Ulster County is working with the DEP and the New York State Department of Environmental Conservation to resolve this issue.

Nonetheless, the aftermath of these storms did focus increased attention on the Catskills area and the communities within it. For example, according to a March, 2012 press release from County Executive Michael Hein, the communities affected by Hurricane Irene and Tropical Storm Lee are eligible for assistance through New York State's Agriculture and Community Recovery fund:

In early September of 2011, Governor Andrew M. Cuomo announced a \$15 million Agriculture and Community Recovery Fund (ACRF) to assist in the recovery of communities affected by Hurricane Irene and Tropical Storm Lee.

Ulster County was awarded \$270,470 in New York Main Street Program funding as part of the ACRF. The grant award is being provided to Ulster County on behalf of the municipalities of Denning, Ellenville, Gardiner, Marlborough, Olive and Shandaken, to be used to repair and restore buildings damaged by the storms.

Ulster County was also awarded \$293,112 in New York State Community Development Block Grant Imminent Threat funding as part of the ACRF. The total grant is being provided to Ulster County on behalf of the municipalities of Denning, Ellenville, Gardiner, Marlborough, Olive and Shandaken to be used to repair and replace permanent fixtures and equipment, as well as for inventory.

Finally, Ulster County received additional funding from the Community Development Block Grant Agricultural Community Recovery Fund. There was an original award agreement which was signed by Ulster County in December of 2011. This additional award increases the total program funding to \$182,355. This grant award will be used to match farmers' dollars for the purchase of feed for

animals and produce from other New York producers to allow farm operations to continue⁴⁵.

The area is still recovering from the damage. In fact, one of Irene's legacies may be that it demonstrated how resilient these communities can be. Many businesses were able to reopen within days of the storms. Indeed, the area was ready to receive tourists again almost immediately after the storm. One of the major problems they faced was not so much the storm itself as the image created in the media of an area all but destroyed by Hurricane Irene.

In a sense, this experience underlines that it is all the more important to seriously consider the competitive strategy for each hamlet and how those individual strategies complement and reinforce the competitive position of the entire region. It will help establish and reinforce priorities for any subsequent revitalization and restoration efforts. In addition, a clearly stated strategy for the region and the individual hamlets will provide a means to focus future media coverage on the area, particularly in wake of natural disasters. The strategic positioning and branding can be used as a means to focus media coverage on the region's and hamlets' assets, rather than limiting coverage to descriptions of damages and prognostications that the area will be unable to recover.

The experience of Irene and Lee is not an isolated one for the hamlet whose Main Street is located within a 100 year flood plain. The on-going effort in the conduct of a community flood study must be coupled with implementing its recommendations and increasing the resiliency of the hamlet's main street businesses to flooding.

⁴⁵ Ulster County. *Press Release: County Executive Mike Hein Announces Funding to Assist Main Street Businesses and Farms*. 2012.

Key Projects Affecting the Market Area

The Belleayre Resort at Catskill Park

In the development stage for over a decade, the proposed Belleayre Resort is in the final stages of its environmental review. Located on 620 acres adjacent to the Belleayre Ski Center, the resort would consist of feature two hotels: a 240-unit hotel (with half of the units in a single facility and half constructed as detached units) with extensive spa facilities, and a 389-unit hotel centered around an 18-hole golf course. Once fully developed, the project has the potential to dramatically increase visitation to the Catskills area in Ulster and Delaware counties.

The Emergence of a High-End Destination Resort Sector in Ulster County

In addition to the Belleayre Resort project, several high-end destination resorts have been proposed, approved and/or constructed in Ulster County. These include the Hudson River Valley Resorts (also known as the Canopy project) in Rosendale and the Diamond Mills Hotel and Conference Center in Saugerties.

Currently securing its final approvals, the Hudson River Valley Resorts is proposed for the Williams Lake property in Rosendale. The facility will include a 94-room LEED certified hotel and restaurant, 22 lakefront suites, 14 stand-alone cabins along with 89 townhomes and 71 single family houses.

The Diamond Mills Hotel and Tavern opened in the Village of Saugerties in December of 2011. The 30-room luxury hotel and conference center is intended to provide lodging for attendees at equestrian events hosted at the nearby Horseshows in the Sun (HITS) facility and is intended to serve as a catalyst for waterfront-related tourism and other activities in the Village area.

The Prospect of Casino Gambling in the Catskills

As part of the State budget negotiations concluded in March 2012, the Governor and Legislature agreed to allow up to seven Las Vegas style casinos not affiliated with Indian reservations. The Catskills region has been discussed as a location for such facilities. While Wawarsing and Kiamesha Lake have been identified as potential locations, there is no firm decision regarding either the number of siting of the casinos. Clearly, the creation of such destinations in Ulster County will affect the tourism potential of the area, and this initiative should be carefully monitored as both the number and location of the casinos is discussed and decided in Albany.

The Transfer of the Belleayre Ski Center to the Olympic Regional Development Authority

Part of the 2012 budget deal between the Governor and Legislature involved the transfer of the management of New York State's Belleayre Ski Center from the New York State Department of Environmental Conservation to the Olympic Regional Development Authority (ORDA). ORDA has managed the State-owned ski facilities at Whiteface and Gore Mountain in the Adirondacks. One of the justifications for the transfer to ORDA was to enable the authority to use its experience with managing these two successful ski centers to build visitation at Belleayre. Should ORDA succeed and Belleayre become a more competitive ski destination, this will create new opportunities for the area hamlets.

Responding to these Key Projects

The growth and transformation of the region's hospitality sector presents both challenges and opportunities for the hamlets. The arrival of both the Diamond Mills and Canopy projects clearly indicate a growing demand for high-end lodging in Ulster County. Crossroads and the ORDA takeover of Belleayre are likely to bring increased traffic and expanded opportunities to the hamlets. Casino gambling could be a more of a mixed blessing for the area. A casino located in the Ulster County area could bring increased visitation to the area. At the same time, the visitors to the casino would be a marked departure from the current "cultural heritage" visitors to the area attracted by the outdoor recreation opportunities and cultural heritage offerings.

In order to respond to the opportunities and challenges associated with these projects, it is worth considering the potential for creating niche lodging opportunities in the area, both to better capture the spending associated with current and projected "cultural heritage" visitors and to strengthen the area's identity as a destination for such visitors. The next section provides an overview of the potential economic impact associated with establishing such a boutique hotel in the Phoenicia hamlet.



Economic Impact Analysis

An Economic Impact Analysis estimates the economic effect of a particular project or program in a given location and can help determine whether such a project is feasible. Below is an Economic Impact Study which projects the impact of a boutique hotel in Phoenicia.

Economic Impact of 40-Room Boutique Hotel in Phoenicia, NY

Methodology

To create a model of the probable economic impact of the addition of a 40-room "boutique" or "specialty" hotel in Phoenicia, New York, four economic impact studies were collected and compared. Source 1⁴⁶ is a summary of results from seven national heritage area visitor surveys from the Midwest, Southern, and Eastern regions of the United States. Source 2⁴⁷ is a summary of tourism impacts in Washtenaw County, Michigan. Source 3⁴⁸ is a study estimating the economic impacts of tourist spending on local regions surrounding Lansing, Michigan. Source 4⁴⁹ is a study of Sun Valley, Idaho's lodging sector.

The first study provided us with visitor spending both by percent for each spending category, as well as with actual average spending dollar amounts for each category. In addition, the survey covered seven different areas, encompassing a larger study area. We therefore based our probable economic impact model on Source 1.

For sake of comparison, a CPI inflation calculator⁵⁰ was used to convert the monetary values used in the National Heritage (Source 1) study to current 2011 US Dollar buying power. For instance, \$222.54, referred to in the 2003 National Heritage Study, was updated to \$273.00 current 2011 USD.

⁴⁶ **Source 1:** Stynes, Daniel and Ya-Yen. 2004. "Sun Economic Impacts of National Heritage Area Visitor Spending," Summary Results from Seven National Heritage Area Visitor Surveys, *Michigan State University*.

⁴⁷ **Source 2:** Stynes, Daniel and Cynthia Warzecha. 1991-2001. "Summary of Tourism Impacts," *Michigan State University*.

⁴⁸ **Source 3:** Stynes, Daniel. 2001. "Estimating Economic Impacts of Tourist Spending on Local Regions: A Comparison of Satellite and Survey/I-O Approaches," *Michigan State University*.

⁴⁹ **Source 4:** Youngman, RA. 2010. "Sun Valley Resort Area Economy: The Importance of the Lodging Sector to the Prosperity of Our Local Economy," *Sun Valley, Idaho*.

⁵⁰ <http://data.bls.gov/cgi-bin/cpicalc.pl?cost1=300&year1=2010&year2=2011>

“Per Party” vs. “Per Person” Spending

Spending figures in the study (Source 1) were given in terms of “per party spending.” In order to understand a typical individual’s spending patterns, the value of each category was divided by the provided average party size (2.6 people/party). The “per person lodging spending” result (\$105) was compatible to our “peak season per person lodging spending” result (\$96) from our hospitality survey⁵¹. Since it appeared that the values in Source 1 best represented a “peak season” scenario, we hoped to find a good estimate for “off-peak season per person spending.”

Calculating “Peak Season” and “Off-Peak Season”

The “peak season” and “off-peak season” “per person spending” was calculated by taking the median response to our survey. The two questions asked for room rates for “peak season” and room rates for “off-peak season.” When a range of numbers was given by the survey taker, the higher of the two was used to find each category’s median price. The “off-peak season” was calculated to be \$175 per party or, using the Source 1 average party size (2.6 people per party), \$67 per person per night.

Table 3.4 Peak & Off Peak Room Rates		
	Median Room Rate (\$/party)	Median Room Rate (\$/person)
Peak Season	\$250	\$96
Off-Peak Season	\$175	\$67

The “off-peak season” price for Source 1 was estimated by dividing our “off-peak season” rate by our “peak season” rate and multiplying the result by the per person “peak season” prices for each category.

Formula: $(\$175/\$250) \times (\text{Per Person Lodging Spending})$

Example: “Off-Peak Season” Lodging Price. $(\$175/\$250) \times (\$105) = \mathbf{\$73.50}$.

“Peak” vs. “Off-Peak Season”

In order to find out the number of days during the “peak season” we took the months that more than 50% of the respondents agreed were busiest. The “peak season” months

⁵¹ Fairweather Consulting. Hospitality Survey conducted July 2011. 17 respondents. Shandaken/Olive, NY.

were found to be June, July, and August. We then added up all the days within those 3 months and found that the “peak season” consisted of **92 days**.

The “off-peak season” was calculated by subtracted the days in a year (365) by the number of “peak season” days (92). The result was **273 days**.

Average Occupancy Rates of Rooms

The average number of hotel rooms within the area that are usually occupied was calculated using the data received from our hospitality survey. The average response for “peak season” was **73.61%** and **13.89%** for “slow season.” Since “slow season” consisted of only January, March, April, May, November, and December, and we were interested in all the months that were not “peak,” we used the estimate of 35.00% occupancy for “off-peak season.”

Average Number of Guests per Room

We were unable to obtain survey information in regards to the average number of guests per room. Therefore we referred to Source 4, which provided a reasonable estimate of 1.75 guests per room per night.

Calculating Rooms Occupied During 1 Night

In order to calculate the number of rooms occupied during a “peak season” night, we multiplied the number of rooms (40) by the average room occupancy for “peak season” (73.61%). The result was that during a typical “peak season” night, **29.44 rooms** would be filled.

In order to calculate the number of rooms occupied during an “off-peak season” night, we multiplied the number of rooms (40) by the average room occupancy for “off-peak season” (35%). The result was that during a typical “off-peak season” night, **14 rooms** would be filled.

Calculating Rooms Occupied During 1 Season

In order to calculate the number of rooms occupied during an entire “peak” season, we multiplied the number of rooms that would be occupied during a “peak season” night (29.44) by the number of nights in a “peak” season (92). The result was that during a typical “peak” season, **2,708.85 rooms** would be filled.

In order to calculate the number of rooms occupied during an entire “off-peak” season, we multiplied the number of rooms that would be occupied during an “off-peak season”

night (14) by the number of nights in an “off-peak” season (273). The result was that during a typical “off-peak” season, **3,822 rooms** would be filled.

Calculating Total Guests Served During 1 Season

In order to calculate the total number of guests served during an entire “peak” season, we multiplied the number of “peak” season rooms filled (2708.85) by the average number of guests per room (1.75). The result was that during a typical “peak” season, **4,740 guests** would be served.

In order to calculate the total number of guests served during an entire “off-peak” season, we multiplied the number of “off-peak” season rooms filled (3822) by the average number of guests per room (1.75). The result was that during a typical “off-peak” season, **6,689 guests** would be served.

Total “Peak” and “Off-Peak” Season Spending Impact per Category

Total “peak season” spending impact per category was calculated by taking the total number of guests served during “peak season” (4,740) and multiplying that figure by each of the categories under “per person peak season spending.” The total “peak season” spending impact was calculated to be **\$1,169,749.91**.

Table 3.5 Calculating Total Peak Spending			
	Per Person Spending Peak Season (\$2011)	Total Guests Served During Peak Season	Total Peak Season Spending Impact Per Category
	National Heritage (\$2011)	Hospitality Survey (\$2011)	
Eating & Drinking	\$50.60		\$239,868.29
Lodging	\$105.00		\$497,750.40
Amusement & Recreation	\$21.26		\$100,789.90
Groceries	\$5.16		\$24,449.94
Other Retail, Souvenirs, Clothing	\$39.42		\$186,847.84
Gas & Local Transportation	\$25.32		\$120,043.54
Total	\$246.76	4,740	\$1,169,749.91

Total “off-peak season” spending impact per category was calculated by taking the total number of guests served during “off-peak season” (6,689) and multiplying that figure by each of the categories under “per person off-peak season spending.” The total “off-peak season” spending impact was calculated to be **\$1,155,307.18**.

Table 3.6 Calculating Total Off-Peak Spending			
	Per Person Spending Slow Season (\$2011)	Total Guests Served During Off- Peak Season	Total Off-Peak Season Spending Impact Per Category
	National Heritage (\$2011)	Hospitality Survey (\$2011)	
Eating & Drinking	\$35.42		\$236,906.67
Lodging	\$73.50		\$491,604.75
Amusement & Recreation	\$14.88		\$99,545.46
Groceries	\$3.61		\$24,148.06
Other Retail, Souvenirs, Clothing	\$27.59		\$184,540.86
Gas & Local Transportation	\$17.73		\$118,561.38
Total	\$172.73	6,689	\$1,155,307.18

Total Yearly Spending Impact per Category

The total yearly spending impact per category was calculated by adding the total “peak” and total “off-peak” season impact figures in each category. The total yearly spending (**\$2,325,057.08**) represents the total economic impact of the area if a 40-Room “boutique” or “specialty” hotel were to be added to Phoenicia, New York.

Table 3.7
Calculating Total Annual Spending

	Per Person Spending Peak Season (\$2011)	Per Person Spending Slow Season (\$2011)	Total Peak Season Spending Impact Per Category	Total Off-Peak Season Spending Impact Per Category	Total Yearly Spending Impact Per Category
	National Heritage (\$2011)		Hospitality Survey (\$2011)		
Eating & Drinking	\$50.60	\$35.42	\$239,868.29	\$236,906.67	\$476,774.96
Lodging	\$105.00	\$73.50	\$497,750.40	\$491,604.75	\$989,355.15
Amusement & Recreation	\$21.26	\$14.88	\$100,789.90	\$99,545.46	\$200,335.36
Groceries	\$5.16	\$3.61	\$24,449.94	\$24,148.06	\$48,597.99
Other Retail, Souvenirs, Clothing	\$39.42	\$27.59	\$186,847.84	\$184,540.86	\$371,388.70
Gas & Local Transportation	\$25.32	\$17.73	\$120,043.54	\$118,561.38	\$238,604.92
Total	\$246.76	\$172.73	\$1,169,749.91	\$1,155,307.18	\$2,325,057.08

Chapter 4:

Hamlet Opportunities

This chapter assesses the retail opportunities in the hamlets based on an analysis of the retail surplus and leakage and assesses the demographic composition of consumers in each of the hamlets:

- ✓ Leakage/ Surplus Analysis
 - ✓ Phoenicia's Retail Supply and Demand
 - ✓ Pine Hill's Retail Supply and Demand
 - ✓ Shokan's Retail Supply and Demand
- ✓ Demographic Analysis

TOOL: Retail and Demographic Analysis

A **Retail and Demographic Analysis** will provide insight into the potent retail opportunities for each hamlet as well as the consumer groups which the hamlets should seek to target.



Leakage/ Surplus Analysis

Methodology

The key element in maintaining a vibrant Main Street is understanding and taking advantage of the retail market in which that Main Street is situated. The following analysis has been conducted to determine how much of the local and regional demand for goods and services that businesses in the hamlets are currently capturing and which potential opportunities exist for future business growth. For each of the categories of retail stores, the analysis shows current sales by existing stores. This is the "supply" of retail stores in that category for that geographic area.

Second, the analysis provides an estimate of current purchases in that type of store given the income levels and demographics of shoppers in that geographic area. This represents the "demand" by residents for goods in that retail category for that geographic area.

Finally, the analysis uses the difference between "supply" and "demand" to identify the extent to which "leakage" or "surplus" exists in that retail category for that geographic area. Leakage exists if the projected demand for purchases in that category is *greater than* the sales by existing stores. This means that the local demand is being met by stores outside the geographic area. That is, sales are "leaking" out of the local market and into other areas.

Surplus exists if the projected demand for purchases *is less than* sales by existing stores. It means that the retail stores in that sector are serving demand from outside the area.

Those categories in which leakage exists may represent an opportunity for new business for the local area. Those categories in which surplus exist are bringing sales in from outside the area. ESRI Business Solutions provides data on supply, demand, and an assessment of leakage or surplus for a variety of different retail categories.

Phoenicia's Retail Supply and Demand

Tables 4.1 through 4.3 provide an in-depth description of the results of the retail capture analysis for a certain category of retail or services within the hamlet area, a convenience market (a 15-minute drive time from the hamlet center) and a destination retail market area (a 30-minute driving distance from the hamlet center).

The first column identifies the business sector or industry group under consideration. The second column identifies the amount of retail sales (or supply of retail goods and services) that exists within that drive time. The third column identifies the projected residential spending (or retail demand) within that drive time given incomes and demographics of households in that area. The fourth column identifies the gap between sales in the area and estimated potential purchases by the consumers that live in that area.

The next column identifies the amount of leakage or surplus within each geographic market area, the convenience shopping range and the destination shopping range. *Positive* numbers between 0 and 100 percent identify leakage, or the percent of local demand that is being met by businesses outside of the area, whereas surplus, or the amount of supply above what is needed to meet local demand, is identified as a *negative* number between 0 and 100 percent. A number near zero indicates that there is little to no gap between the supply and demand. The final two columns show the number of establishments that *currently exist* in that area, as well as the *potential number of new establishments* that could be supported by any leakage in that category, given the size of that leakage and the average sales per establishment for the regional market (i.e., the 30-minute drive time).

The measures of leakage generally indicate potential opportunities to attract or expand retailers into the area (sales are leaking out of the area that could be captured by a larger retail presence). Surplus is also an important indicator of the health of a retail area. Those sectors which show surplus are currently serving as traffic attractors for the area. They are bringing shoppers and dollars in from the outside.

The Hamlet of Phoenicia is a center for retail trade in the area; as the analysis charts on the following pages show, the majority of the hamlet's surpluses are in retail stores (lawn & garden, used merchandise, groceries, jewelry, etc.) and restaurants. A total of 19 sectors are attracting dollars from shoppers coming from outside of the hamlet's boundaries, in

addition to the money spent by hamlet-residents in these sectors. In short, there is an opportunity to build additional business off this existing traffic. This could involve capturing some of the leakage opportunities described below.

Currently, there is a significant amount of leakage in the business category of **Limited Service Eating Places**—the unmet demand in the hamlet could potentially support two additional stores in this category based on sales and stores within 30-minutes of the hamlet. There are no **Clothing Stores** within the Hamlet of Phoenicia, yielding a 100 percent leakage of dollars from the hamlet and the extended drive-times. However, given the fact that the analysis shows that the existing leakage is not nearly enough to support a store (at 0.8), and given the competition posed by online shopping options in this sector, it would be a challenge for a store to have enough support to survive in the hamlet.

Both **Specialty Food** and **Electronics/Appliance Stores** have a similarly precarious potential for one additional store apiece to open in Phoenicia. As it stands, there is enough leakage to create 1.1 and 0.8 stores in each industry group, respectively. But the competition inherent in the specialty food business and the low propensity of the area's populations to purchase electronics in general make the creation of such stores in the hamlet an uncertain proposition.

Table 4.1. Retail Surplus/Leakage Analysis: Phoenixia									
	Demand	Supply	Retail Gap	Hamlet	15-Minute	30-Minute	70-Minute		
Industry Summary	(Retail Potential)	(Retail Sales)	(Demand - Supply)	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	# of Estabs.	New Store Potential Based On Avg. Sales/Store
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$6,204,222	\$7,511,405	-\$1,307,183	-9.5	30.5	33.3	2.7	19	-3.3
Total Retail Trade (NAICS 44-45)	\$5,425,578	\$5,787,584	-\$362,006	-3.2	35.3	34.1	1.1	13	-0.8
Total Food & Drink (NAICS 722)	\$778,644	\$1,723,821	-\$945,177	-37.8	5.1	28.0	14.0	6	-4.5
Industry Groups									
Automobile Dealers (NAICS 4411)	\$1,165,039	\$0	\$1,165,039	100.0	100.0	77.3	4.5	0	0.8
Limited-Service Eating Places (NAICS 7222)	\$315,429	\$7,150	\$308,279	95.6	87.8	67.1	6.2	1	2.3
Department Stores Excluding Leased Depts. (NAICS 4521)	\$250,509	\$0	\$250,509	100.0	100.0	96.3	-2.8	0	4.0
Other General Merchandise Stores (NAICS 4529)	\$467,813	\$229,950	\$237,863	34.1	15.7	16.2	40.0	1	0.1
Building Material and Supplies Dealers (NAICS 4441)	\$214,356	\$4,506	\$209,850	95.9	71.3	31.6	-16.1	1	0.6
Other Motor Vehicle Dealers (NAICS 4412)	\$170,570	\$0	\$170,570	100.0	71.3	79.2	4.8	0	0.3
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$247,721	\$83,948	\$163,773	49.4	23.2	41.7	0.3	1	0.4
Clothing Stores (NAICS 4481)	\$159,698	\$0	\$159,698	100.0	96.5	37.5	33.5	0	0.8
Specialty Food Stores (NAICS 4452)	\$149,643	\$10,346	\$139,297	87.1	72.4	80.7	32.1	1	1.1
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$145,146	\$9,249	\$135,897	88.0	74.6	62.7	16.6	1	0.8
Direct Selling Establishments (NAICS 4543)	\$89,136	\$0	\$89,136	100.0	100.0	53.2	6.5	0	0.2
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$78,196	\$0	\$78,196	100.0	80.8	-51.9	39.7	0	0.0
Home Furnishings Stores (NAICS 4422)	\$75,483	\$0	\$75,483	100.0	100.0	24.5	-2.1	0	0.3
Beer, Wine, and Liquor Stores (NAICS 4423)	\$94,794	\$28,057	\$66,737	54.3	9.2	30.1	-33.7	1	0.2

Table 4.1. Retail Surplus/Leakage Analysis: Phoenicia									
	Demand	Supply	Retail Gap	Hamlet	15-Minute	30-Minute	70-Minute		
Industry Summary	(Retail Potential)	(Retail Sales)	(Demand - Supply)	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	# of Estabs.	New Store Potential Based On Avg. Sales/Store
4453)									
Special Food Services (NAICS 7223)	\$56,568	\$0	\$56,568	100.0	100.0	51.2	-16.2	0	0.2
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$74,488	\$31,690	\$42,798	40.3	33.9	69.7	-9.5	1	0.3
Florists (NAICS 4531)	\$35,205	\$0	\$35,205	100.0	49.0	68.5	32.9	0	0.4
Furniture Stores (NAICS 4421)	\$91,484	\$65,472	\$26,012	16.6	-12.5	45.0	22.6	1	0.1
Shoe Stores (NAICS 4482)	\$22,006	\$0	\$22,006	100.0	100.0	-20.6	18.8	0	0.1
Book, Periodical, and Music Stores (NAICS 4512)	\$21,971	\$0	\$21,971	100.0	89.6	-7.3	9.6	0	0.1
Vending Machine Operators (NAICS 4542)	\$17,199	\$0	\$17,199	100.0	100.0	100.0	4.3	0	0.0
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$53,817	\$75,481	-\$21,664	-16.8	28.8	11.9	-7.0	2	-0.3
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$10,821	\$47,009	-\$36,188	-62.6	-4.8	76.6	-15.3	1	-0.7
Used Merchandise Stores (NAICS 4533)	\$13,290	\$63,570	-\$50,280	-65.4	-23.0	10.7	-11.8	2	-1.5
Grocery Stores (NAICS 4451)	\$780,089	\$848,808	-\$68,719	-4.2	37.6	12.5	-19.4	1	0.0
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$38,889	\$112,479	-\$73,590	-48.6	-5.2	17.1	31.0	2	-1.3
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$23,369	\$219,761	-\$196,392	-80.8	-40.9	25.1	26.3	1	-1.3
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$7,443	\$251,242	-\$243,799	-94.2	-78.9	-82.3	-20.0	1	-0.6
Other Miscellaneous Store Retailers (NAICS 4539)	\$52,712	\$349,560	-\$296,848	-73.8	-38.2	-23.9	-21.2	3	-2.0
Full-Service Restaurants (NAICS 7221)	\$399,204	\$1,465,429	-\$1,066,225	-57.2	-20.7	20.1	26.4	5	-5.3
Gasoline Stations (NAICS 447/NAICS 4471)	\$882,134	\$3,607,698	-\$2,725,564	-60.7	-10.8	22.3	1.1	1	-0.9

Pine Hill's Retail Supply and Demand

According to the analysis presented in Table 4.2, Pine Hill has small local surpluses in **Used Merchandise Stores** and **Furniture Stores**. To date, these haven't been substantial enough to support many other establishments in the hamlet. However, there are some limited opportunities to capture existing leakage.

The greatest potential for capturing a portion of Pine Hill's retail leakage is in the **Motor Vehicle & Parts Dealers**. With no establishments in the hamlet, but with a total of \$408,309 being spent by hamlet residents and residents within the 15- to 30-minute drive times, the analysis suggests that Pine Hill could support 2.3 stores in this industry group. In fact, the 6.8 percent surplus shown in the 70-minute drive time sector suggests that people may be willing to travel to make such purchases. Thus, the local leakage in the hamlet may only reflect the fact that these types of goods are purchased in larger retail areas in places like Kingston and the Town of Ulster. The same is true for Automobile Dealerships.

The analysis also found that there is the potential for one new store in the **Automobile Dealer** category, with no dealers in Pine Hill currently. However, like the previously examined industry category, the reported leakage may not actually represent a realistic opportunity for a new store in this category in Pine Hill. People are willing to travel substantial distances to shop at large dealerships in major shopping areas. Thus it may be impossible to capture the reported leakage through the establishment of a small dealership in the hamlet.

The analysis shows a spending leakage equivalent to 1.2 typical establishments within the category of **Food and Beverage Stores**, signifying a potential—if small—opportunity. Should a store in this industry group be opened in Pine Hill, it would likely have to be a niche operation to succeed. Similarly, there is almost enough leakage to support the creation of a new establishment within the **Food Services and Drinking Places** category. Businesses in this industry group are very competitive, and it would be difficult for such a new place to succeed unless it filled a niche as well.

Table 4.2. Retail Surplus/Leakage Analysis: Pine Hill									
	Demand	Supply	Retail Gap	Hamlet	15-Minute	30-Minute	70-Minute		
Industry Summary	(Retail Potential)	(Retail Sales)	(Demand - Supply)	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	# of Estabs.	New Store Potential Based On Avg. Sales/Store
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$1,796,500	\$361,240	\$1,435,260	66.5	38.6	30.8	2.5	2	4.2
Total Retail Trade (NAICS 44-45)	\$1,571,035	\$265,478	\$1,305,557	71.1	38.2	30.6	0.7	1	3.3
Total Food & Drink (NAICS 722)	\$225,465	\$95,762	\$129,703	40.4	41.9	32.6	15.3	1	0.8
Industry Groups									
Motor Vehicle & Parts Dealers (NAICS 441)	\$408,309	\$0	\$408,309	100.0	82.8	89.5	-6.8	0	2.3
Automobile Dealers (NAICS 4411)	\$337,350	\$0	\$337,350	100.0	85.9	92.2	-8.7	0	1.2
Other Motor Vehicle Dealers (NAICS 4412)	\$49,390	\$0	\$49,390	100.0	100.0	100.0	4.7	0	0.0
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$21,569	\$0	\$21,569	100.0	25.9	45.3	6.9	0	0.2
Furniture & Home Furnishings Stores (NAICS 442)	\$48,347	\$64,282	-\$15,935	-14.1	-21.3	38.7	23.1	1	-0.1
Furniture Stores (NAICS 4421)	\$26,490	\$64,282	-\$37,792	-41.6	-35.7	30.8	11.9	1	-0.2
Home Furnishings Stores (NAICS 4422)	\$21,857	\$0	\$21,857	100.0	11.2	52.8	44.4	0	0.3
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$42,029	\$0	\$42,029	100.0	62.0	75.6	16.0	0	0.5
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	\$65,202	\$46,458	\$18,744	16.8	13.2	41.8	-13.1	1	0.1
Building Material and Supplies Dealers (NAICS 4441)	\$62,069	\$46,458	\$15,611	14.4	10.7	44.2	-13.2	1	0.0
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$3,133	\$0	\$3,133	100.0	100.0	13.2	-12.1	0	0.0
Food & Beverage Stores (NAICS 445)	\$296,663	\$0	\$296,663	100.0	82.7	57.2	-3.0	0	1.2

Table 4.2. Retail Surplus/Leakage Analysis: Pine Hill									
	Demand	Supply	Retail Gap	Hamlet	15-Minute	30-Minute	70-Minute		
Industry Summary	(Retail Potential)	(Retail Sales)	(Demand - Supply)	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	# of Estabs.	New Store Potential Based On Avg. Sales/Store
Grocery Stores (NAICS 4451)	\$225,883	\$0	\$225,883	100.0	86.3	62.4	-8.7	0	0.4
Specialty Food Stores (NAICS 4452)	\$43,331	\$0	\$43,331	100.0	87.2	52.0	60.0	0	0.6
Beer, Wine, and Liquor Stores (NAICS 4453)	\$27,449	\$0	\$27,449	100.0	44.0	17.6	-9.2	0	0.1
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$71,730	\$0	\$71,730	100.0	50.2	22.8	-12.8	0	0.2
Gasoline Stations (NAICS 447/NAICS 4471)	\$255,432	\$149,603	\$105,829	26.1	-10.9	-3.2	11.8	1	0.0
Clothing and Clothing Accessories Stores (NAICS 448)	\$59,382	\$0	\$59,382	100.0	86.4	54.7	15.2	0	0.6
Clothing Stores (NAICS 4481)	\$46,243	\$0	\$46,243	100.0	83.5	71.1	17.3	0	0.5
Shoe Stores (NAICS 4482)	\$6,372	\$0	\$6,372	100.0	100.0	48.7	8.5	0	0.1
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$6,767	\$0	\$6,767	100.0	100.0	-17.2	6.8	0	0.0
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	\$21,945	\$0	\$21,945	100.0	69.4	49.0	-30.6	0	0.4
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$15,583	\$0	\$15,583	100.0	62.0	52.8	-35.8	0	0.4
Book, Periodical, and Music Stores (NAICS 4512)	\$6,362	\$0	\$6,362	100.0	100.0	34.6	-10.7	0	0.1
General Merchandise Stores (NAICS 452)	\$207,998	\$0	\$207,998	100.0	47.3	-21.1	10.2	0	0.1
Department Stores Excluding Leased Depts. (NAICS 4521)	\$72,538	\$0	\$72,538	100.0	100.0	18.0	-9.0	0	0.2
Other General Merchandise Stores (NAICS 4529)	\$135,460	\$0	\$135,460	100.0	31.6	-30.9	25.6	0	0.0

Table 4.2. Retail Surplus/Leakage Analysis: Pine Hill									
	Demand	Supply	Retail Gap	Hamlet	15-Minute	30-Minute	70-Minute		
Industry Summary	(Retail Potential)	(Retail Sales)	(Demand - Supply)	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	# of Estabs.	New Store Potential Based On Avg. Sales/Store
Miscellaneous Store Retailers (NAICS 453)	\$40,566	\$5,135	\$35,431	77.5	56.8	19.7	7.1	1	0.5
Florists (NAICS 4531)	\$10,194	\$0	\$10,194	100.0	100.0	90.2	25.8	0	0.6
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$11,261	\$0	\$11,261	100.0	84.8	31.5	20.3	0	0.2
Used Merchandise Stores (NAICS 4533)	\$3,848	\$5,135	-\$1,287	-14.3	29.7	6.8	18.6	1	0.0
Other Miscellaneous Store Retailers (NAICS 4539)	\$15,263	\$0	\$15,263	100.0	40.9	2.2	-10.2	0	0.2
Nonstore Retailers (NAICS 454)	\$53,432	\$0	\$53,432	100.0	-13.7	37.3	19.8	0	0.2
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$22,642	\$0	\$22,642	100.0	100.0	100.0	44.9	0	0.0
Vending Machine Operators (NAICS 4542)	\$4,980	\$0	\$4,980	100.0	100.0	-14.9	8.9	0	0.0
Direct Selling Establishments (NAICS 4543)	\$25,810	\$0	\$25,810	100.0	-44.2	20.1	3.6	0	0.1
Food Services & Drinking Places (NAICS 722)	\$225,465	\$95,762	\$129,703	40.4	41.9	32.6	15.3	1	0.8
Full-Service Restaurants (NAICS 7221)	\$115,594	\$43,114	\$72,480	45.7	28.3	15.2	26.0	1	0.4
Limited-Service Eating Places (NAICS 7222)	\$91,336	\$52,648	\$38,688	26.9	54.9	71.8	4.1	1	0.3
Special Food Services (NAICS 7223)	\$16,380	\$0	\$16,380	100.0	100.0	100.0	22.4	0	0.0
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$2,155	\$0	\$2,155	100.0	100.0	-52.0	-36.3	0	0.0

Shokan's Retail Supply and Demand

Like Phoenicia, Shokan is a local retail and services center, running surpluses in several sectors. The most significant amount of out-of-hamlet attractors can be found in **Grocery Stores** and **Gasoline Stations** industrial groups, running surpluses of \$5.6 million and \$1.8 million, respectively. After that, **Full-Service Restaurants, Building Material and Supplies Dealers, Home Furnishings Stores, Beer, Wine, and Liquor Stores, Used Merchandise Stores**, and **Sporting Goods/Hobby/Musical Instrument Stores** make up the rest of Shokan's business district's surplus dollars, adding up to nearly \$900,000 total.

There may be opportunities to capture some existing leakage as well. The two industry groups with the highest potential to capture Shokan's leakage dollars are **Clothing Stores** and **Specialty Food Stores**. It should be noted, however, that the relatively low potential for new stores in these categories (0.8 and 1.2, respectively) mean that only well-run stores that fill some sort of niche would likely survive in those highly competitive markets. Furthermore, the surplus at the 30-minute drive time under the Clothing Stores category suggests that people are willing to travel throughout the area to satisfy their needs, reinforcing that it may be difficult for a local clothing store to capture unmet local demand since that demand may be satisfied regionally, rather than just locally.

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Table 4.3. Retail Surplus/Leakage Analysis: Shokan

	Demand	Supply	Retail Gap	Hamlet	15-Minute	30-Minute	70-Minute		
Industry Summary	(Retail Potential)	(Retail Sales)	(Demand - Supply)	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	# of Estabs.	New Store Potential Based On Avg. Sales/Store
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$13,382,386	\$15,066,872	-\$1,684,486	-5.9	32.9	-12.4	-1.2	22	-2.7
Total Retail Trade (NAICS 44-45)	\$11,629,072	\$13,435,498	-\$1,806,426	-7.2	32.0	-14.8	-3.6	14	-2.4
Total Food & Drink (NAICS 722)	\$1,753,314	\$1,631,374	\$121,940	3.6	38.4	5.3	14.6	8	0.4
Industry Groups									
Automobile Dealers (NAICS 4411)	\$2,462,774	\$249,497	\$2,213,277	81.6	93.3	-29.3	-0.1	1	0.3
Other General Merchandise Stores (NAICS 4529)	\$1,013,582	\$0	\$1,013,582	100.0	57.9	29.0	28.9	0	0.5
Department Stores Excluding Leased Depts. (NAICS 4521)	\$549,454	\$45,095	\$504,359	84.8	96.9	-34.3	-12.2	1	0.1
Clothing Stores (NAICS 4481)	\$363,242	\$0	\$363,242	100.0	87.8	-8.4	5.6	0	0.8
Specialty Food Stores (NAICS 4452)	\$325,795	\$0	\$325,795	100.0	70.3	62.2	22.4	0	1.2
Other Motor Vehicle Dealers (NAICS 4412)	\$322,833	\$0	\$322,833	100.0	40.6	-21.0	3.3	0	0.2
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$318,348	\$0	\$318,348	100.0	70.1	-6.5	28.3	0	0.5
Limited-Service Eating Places (NAICS 7222)	\$704,397	\$473,981	\$230,416	19.6	67.1	-5.7	-4.5	2	0.5
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$529,267	\$318,755	\$210,512	24.8	58.9	-35.3	-0.2	1	0.2
Furniture Stores (NAICS 4421)	\$209,539	\$0	\$209,539	100.0	5.7	-2.1	12.0	0	0.3
Direct Selling Establishments (NAICS 4543)	\$180,238	\$0	\$180,238	100.0	6.2	-22.2	-12.0	0	0.1
Electronic Shopping and Mail-Order Houses (NAICS 4541)	\$172,112	\$0	\$172,112	100.0	100.0	24.5	48.4	0	0.1
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	\$162,971	\$0	\$162,971	100.0	100.0	-8.9	0.5	0	0.3
Special Food Services (NAICS 7223)	\$126,701	\$0	\$126,701	100.0	83.2	28.0	-22.1	0	0.2
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$52,629	\$0	\$52,629	100.0	31.2	-9.4	18.1	0	0.2
Book, Periodical, and Music Stores (NAICS 4512)	\$49,760	\$0	\$49,760	100.0	94.9	-14.7	12.5	0	0.1
Other Miscellaneous Store Retailers (NAICS 4539)	\$110,048	\$61,430	\$48,618	28.4	10.7	-34.4	-14.7	1	0.2
Shoe Stores (NAICS 4482)	\$48,202	\$0	\$48,202	100.0	54.2	-8.7	5.2	0	0.2
Vending Machine Operators (NAICS 4542)	\$37,522	\$0	\$37,522	100.0	100.0	-6.0	-70.0	0	0.0
Florists (NAICS 4531)	\$72,291	\$40,659	\$31,632	28.0	55.2	23.4	-12.5	1	0.2
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$22,140	\$0	\$22,140	100.0	74.2	8.4	-16.5	0	0.2
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$17,615	\$0	\$17,615	100.0	62.3	-39.7	35.8	0	0.1
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$85,686	\$69,896	\$15,790	10.1	51.2	-0.5	13.0	1	0.1
Sporting Goods/Hobby/Musical Instrument Stores (NAICS	\$116,921	\$118,018	-\$1,097	-0.5	24.2	-21.2	5.5	2	0.0

Chapter 4: Hamlet Opportunities

Table 4.3. Retail Surplus/Leakage Analysis: Shokan

	Demand	Supply	Retail Gap	Hamlet	15-Minute	30-Minute	70-Minute		
Industry Summary	(Retail Potential)	(Retail Sales)	(Demand - Supply)	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	Surplus/Leakage	# of Estabs.	New Store Potential Based On Avg. Sales/Store
4511)									
Used Merchandise Stores (NAICS 4533)	\$30,289	\$53,059	-\$22,770	-27.3	38.2	18.0	-13.3	1	-0.4
Beer, Wine, and Liquor Stores (NAICS 4453)	\$211,491	\$338,186	-\$126,695	-23.0	-78.6	-21.9	-16.4	1	-0.1
Home Furnishings Stores (NAICS 4422)	\$170,309	\$401,594	-\$231,285	-40.4	37.3	48.5	8.1	1	-0.8
Building Material and Supplies Dealers (NAICS 4441)	\$466,673	\$713,847	-\$247,174	-20.9	39.3	-30.4	-21.4	3	-0.2
Full-Service Restaurants (NAICS 7221)	\$904,601	\$1,157,393	-\$252,792	-12.3	18.5	14.6	32.1	6	-1.0
Gasoline Stations (NAICS 447/NAICS 4471)	\$1,851,405	\$3,673,247	-\$1,821,842	-33.0	32.9	21.2	-6.3	1	-0.7
Grocery Stores (NAICS 4451)	\$1,693,551	\$7,352,215	-\$5,658,664	-62.6	3.8	-27.0	-15.6	1	-1.2



Demographic Analysis

In addition to understanding retail trends, it is important to know the demographic and market trends for each of the hamlet areas under study. This section analyzes various aspects of the local and regional demographics to better understand the market opportunities for each of the three hamlets. As part of this analysis, data is provided for all three hamlets as well as the areas encompassed within a 15-minute, 30-minute and 70-minute drive time of each hamlet. Figures 4.1 through 4.3 contain maps of these three drive times for Phoenicia, Pine Hill and Shokan, respectively.

Market Size

All three of the hamlets included in this analysis are small. As shown in Table 4.4, each has a population of under 1,500, with both Phoenicia and Pine Hill having populations under 500. Note also that Shokan has access to a much more populous and affluent market area than either Phoenicia or Pine Hill. Indeed, Shokan is the only hamlet for which the median household income is above \$50,000 within the hamlet as well as within all three drive times.

Table 4.4 Market Size, 2010 Estimates.			
	Hamlet	15-Minute Drive Time	30-Minute Drive Time
Phoenicia			
Population	492	2,254	14,841
Adults	417	1,859	12,303
Households	247	1,041	6,769
Median HH Income	\$35,657	\$42,575	\$46,929
Pine Hill			
Population	153	1,614	7,642
Adults	130	1,313	6,285
Households	67	720	3,305
Median HH Income	\$41,739	\$38,955	\$37,573
Shokan			
Population	1,281	6,215	72,197
Adults	1,007	5,068	57,465
Households	514	2,663	30,200
Median HH Income	\$59,355	\$58,875	\$52,465
Source: ESRI Business Analyst Online.			

Drive times for Phoenicia.

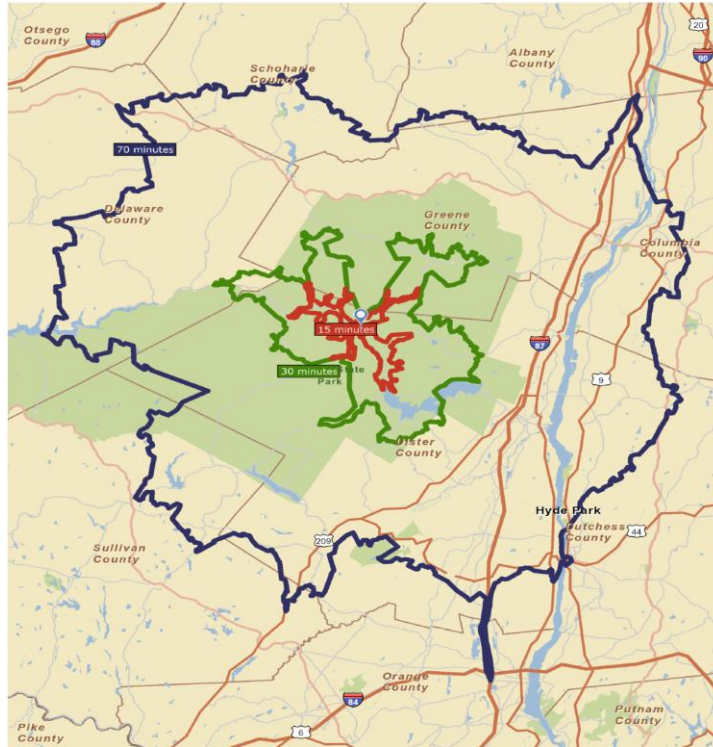


Figure 4.1

Source: ESRI Business Analyst Online

Drive times for Pine Hill.

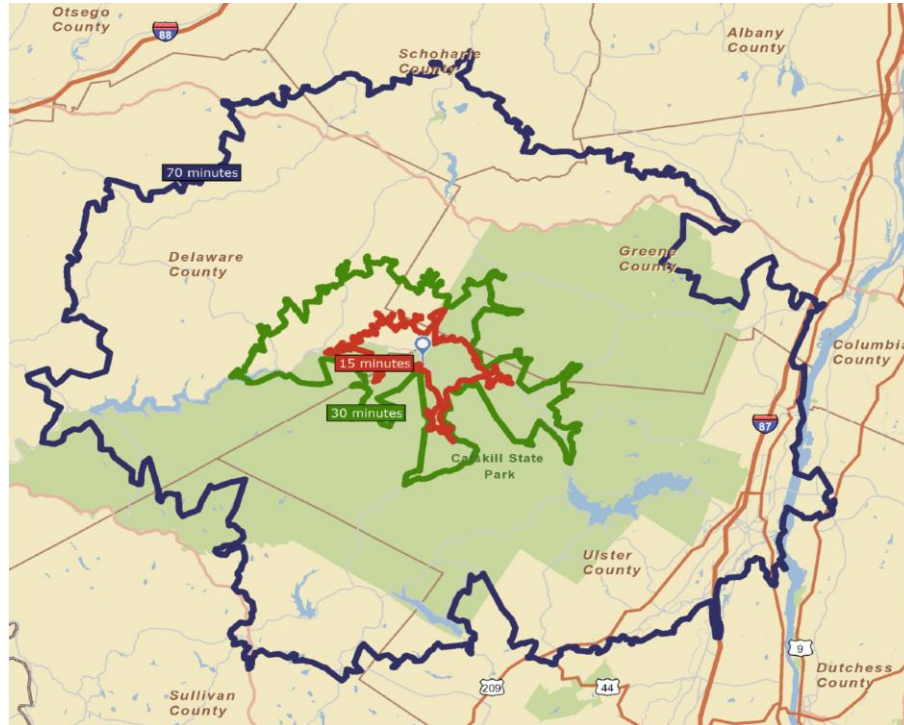
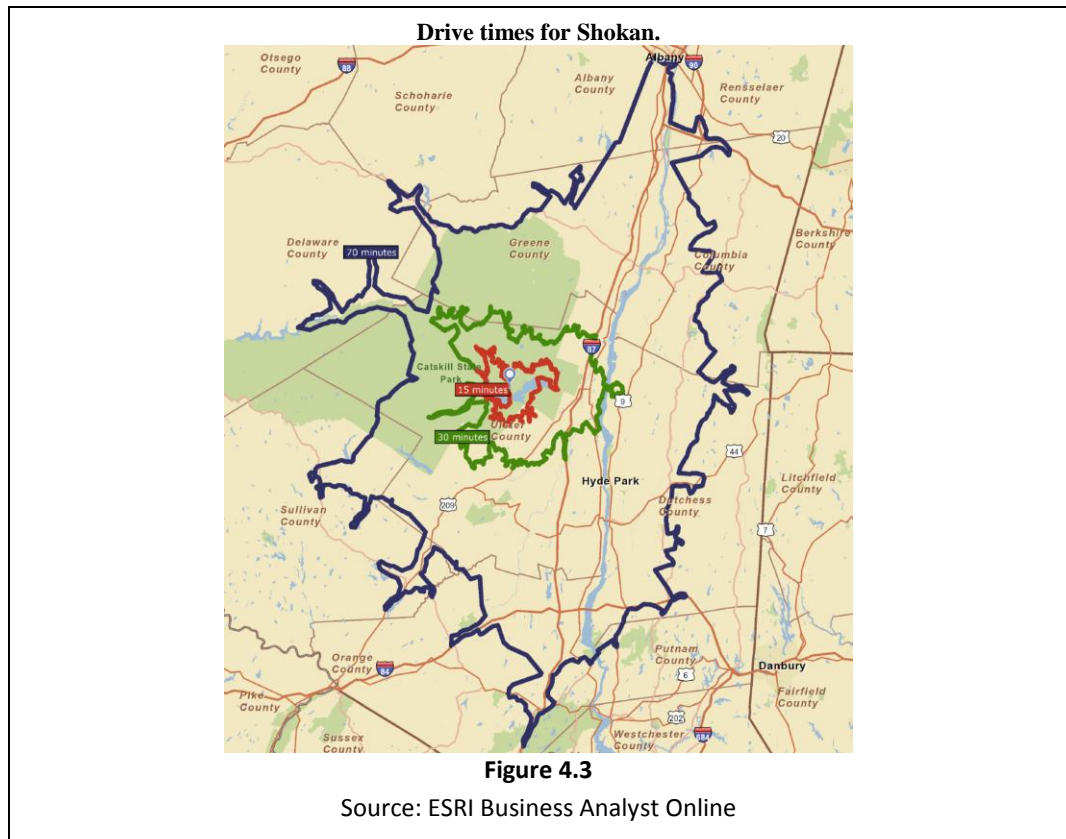


Figure 4.2

Source: ESRI Business Analyst Online



Market Psychographics

Part of the process of creating a strategy for a main street area is understanding the characteristics of the population that lives in the immediate vicinity. Traditionally, this involved analysis of separate demographic variables to develop an understanding of these populations. In the past decades, marketing professionals have come increasingly to rely upon psychographics: sophisticated projections of consumer preferences and behavior based upon a combination of various characteristics.

Modern marketing techniques have taken this analysis a step further to create “psychographics.” This approach uses cluster analysis to directly relate consumers’ demographics with attitudes and purchasing decisions. One of the most widely used systems of psychographics is ESRI’s Tapestry system. The Tapestry system uses detailed demographic data to construct 165 distinct consumer market segments. Each of these segments is categorized based upon the level of income and degree of urbanization of each of the segments. The following tables list the major Tapestry segments that are found within the hamlets of Phoenicia, Pine Hill and Shokan, as well as those found within the 15-minute and 30-minute drive time of each of the hamlet centers.

In-Hamlet Tapestry Segments

In the case of the three hamlets analyzed in this study, there is very little diversity. Only two Tapestry segments have been identified as residing within the three hamlets, with only one hamlet containing both segments.

Phoenicia and Pine Hill are comprised entirely of Rural Resort Dwellers, while a little over 75 percent of Shokan is made up of this same Tapestry segment. This segment is defined as having a median household income of \$47,311, slightly lower than that of the U.S. median household level. The composition of this segment is predominantly white, and has preferences in line with their rural environment; boating, hunting, and fishing are listed as common interests of this segment, along with animal (primarily dog) ownership. The majority of Rural Resort Dwellers, at 78 percent, resides in single-family homes, with 15 percent in mobile homes, while 83 percent of the segment's total own their homes. The median age of this segment is on the older side of middle-aged at roughly 47 years, and married couples without children represent the largest of this segment's household type demographics at 39 percent.

The rest of the household demographics are comprised of singles living alone (24 percent) and married couples with children (21 percent). Common activities include gardening and home remodeling projects. The remaining 24 percent of Shokan is composed of the Cozy and Comfortable segment, a group with a median age of roughly 42 years old, which is slightly younger on average than that of the Rural Resort Dwellers segment. Also predominantly white, the median household income of this segment is \$65,768, 83 percent own their homes, and 78 percent reside in single-family homes. Like the previously examined segment, the majority of the Cozy and Comfortable segment are married without children. Home and lawn projects are also popular among this segment, but hobbies include playing softball and golf, or watching science fiction DVDs and gambling at casinos.

Table 4.5 Tapestry Segmentation Area Profile						
Ranked by Households						
prepared by Fairweather Consulting using data from ESRI						
Hamlet Areas						
Top Twenty Tapestry Segments: Phoenicia Hamlet						
		Households		U.S. Households		
			Cumulative		Cumulative	
Rank	Tapestry Segment	Percent	Percent	Percent	Percent	Index
1	31. Rural Resort Dwellers	100.0%	100.0%	1.6%	1.6%	6170
	Total Households:	247				

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Top Twenty Tapestry Segments: Pine Hill Hamlet						
		Households		U.S. Households		
			Cumulative		Cumulative	
Rank	Tapestry Segment	Percent	Percent	Percent	Percent	Index
1	31. Rural Resort Dwellers	100.0%	100.0%	1.6%	1.6%	6170
	Total Households:	67				
Top Twenty Tapestry Segments: Shokan Hamlet						
		Households		U.S. Households		
			Cumulative		Cumulative	
Rank	Tapestry Segment	Percent	Percent	Percent	Percent	Index
1	31. Rural Resort Dwellers	75.7%	75.7%	1.6%	1.6%	4669
2	18. Cozy and Comfortable	24.3%	100.0%	2.8%	4.4%	863
	Total Households:	514				

Even within the 15-minute drive time, the overall diversity of the area's population remains low.

15-Minute Drive Time of Phoenicia

Phoenicia's main Tapestry segment remains Rural Resort Dwellers at 85 percent, along with Cozy and Comfortable representing nearly 11 percent. Urban Chic and Exurbanites round out the rest of the 15-minute drive time with 2.2 percent and 1.5 percent, respectively.

Table 4.6 Tapestry Segmentation Area Profile						
Ranked by Households						
prepared by Fairweather Consulting using data from ESR						
Drive Time: 15 minutes						
Top Twenty Tapestry Segments: Phoenicia, 15-minute						
		Households		U.S. Households		
			Cumulative		Cumulative	
Rank	Tapestry Segment	Percent	Percent	Percent	Percent	Index
1	31. Rural Resort Dwellers	85.5%	85.5%	1.6%	1.6%	5275
2	18. Cozy and Comfortable	10.8%	96.3%	2.8%	4.4%	382
3	09. Urban Chic	2.2%	98.5%	1.3%	5.7%	167
4	07. Exurbanites	1.5%	100.0%	2.5%	8.2%	61
	Total Households:	1,041				

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Top Twenty Tapestry Segments: Pine Hill						
		Households		U.S. Households		
			Cumulative		Cumulative	
Rank	Tapestry Segment	Percent	Percent	Percent	Percent	Index
1	31. Rural Resort Dwellers	86.9%	86.9%	1.6%	1.6%	5364
2	33. Midlife Junction	13.1%	100.0%	2.5%	4.1%	528
	Total Households:	720				
Top Twenty Tapestry Segments: Shokan						
		Households		U.S. Households		
			Cumulative		Cumulative	
Rank	Tapestry Segment	Percent	Percent	Percent	Percent	Index
1	14. Prosperous Empty Nesters	42.0%	42.0%	1.8%	1.8%	2294
2	31. Rural Resort Dwellers	41.4%	83.4%	1.6%	3.4%	2554
3	18. Cozy and Comfortable	9.5%	92.9%	2.8%	6.2%	336
4	22. Metropolitans	3.6%	96.5%	1.2%	7.4%	301
5	25. Salt of the Earth	2.3%	98.8%	2.7%	10.1%	85
6	07. Exurbanites	0.8%	99.6%	2.5%	12.6%	33
7	09. Urban Chic	0.2%	99.8%	1.3%	13.9%	11
8	15. Silver and Gold	0.1%	99.9%	0.9%	14.8%	12
9	13. In Style	0.1%	100.0%	2.5%	17.3%	5
	Total Households:	2,663				

The Urban Chic segment has a median age of 41.4 years and a median household income of \$89,521, with an ethnic diversity slightly below the average of the United States. Homeowners comprise 69 percent of this segment, while 63 percent resides in single-family homes; 27 percent reside in apartments multi-unit buildings. Hobbies of this segment are wide ranging, including visiting museums, shopping at upscale stores, along with outdoor activities like running, hiking, golf, and skiing. Natural and organic food purchases are also a priority for this segment.

The Exurbanites segment's median age is 44.6 years, while the median household income is \$88,195. Most residents of this segment are white, and, like the preceding segments, there is a tendency in the Exurbanite segment to invest in lawn and home improvement projects, often owning the tools and products used for those purposes. There is also an emphasis on outdoor activities within this segment, including boating, hiking, kayaking, photography, hiking, playing golf, and visiting national parks.

15-Minute Drive Time of Pine Hill

Within 15-minutes of Pine Hill, Rural Resort Dwellers still represent the overwhelming majority of residents at nearly 87 percent, while 13 percent of the residents fall within the Midlife Junction Tapestry segment.

The median age of the Midlife Junction segment is 41.1 years, though one-fifth of the segment's age is 65 years or older. The median household income of this mostly white segment is \$47,683, slightly lower than the United States median income, with 67 percent of the segment represented by homeowners. This segment is known to be comprised of bargain-hunters, who enjoy yoga, country music concerts, auto races, and watching DVDs of classic movies.

15-Minute Drive Time of Shokan

Given the relatively easy access for these residents to a larger region, residents living within the 15-minutes drive time of Shokan take in more territory, and therefore residents of this area are comprised of more diversity of Tapestry segments.

A few of the already described groups comprise both significant and relatively insignificant portions of this area: Rural Resort Dwellers represent 41.4 percent, Cozy and Comfortable residents take up another 9.5 percent, while the Exurbanites and Urban Chic segments represent 0.8 percent and 0.2 percent of the area, respectively.

The largest segment in this area, however, is comprised of Prosperous Empty Nesters, representing 42 percent of the area's whole. This suburban-categorized segment's median age is 48.5 years, though 57 percent of the segment is 55 or older, and 90 percent of the segment is white. Median household income for this segment is \$69,834, with 59 percent receiving investment-income, 38-percent collecting Social Security benefits, and 28 percent receiving income from retirement funds. Home remodeling and lawn care projects are usual activities for members of this segment, while golfing and sporting events are frequent leisure activities.

Metropolitans represent 3.6 percent of the area's segment composition, a group with a median age of 37.6 years, and a median household income of \$61,973. This predominately white group is likely to hire contractors to take care of any home remodeling projects, and, as the name suggests, is more urban in nature and interests than the more rural segments described thus far.

The Salt of the Earth segment occupies 2.3 percent of the area, and is categorized as rural, and as having the least diverse ethnic makeup of all defined Tapestry segments (94 percent white). This segment's median household income is \$50,538, and 86 percent of the segment is homeowners. Single-family units comprise 83 percent of the segment, with 12 percent residing in mobile homes. Like Rural Resort Dwellers, this segment's members enjoy fishing, hunting, and shooting, as well as small home remodeling and improvement projects.

The smallest Tapestry segments in this area, representing 0.1 percent each, are the Silver and Gold and In Style segments. Both segments are relatively prosperous, with median household incomes of \$71,170 and 72,112, respectively. While both live in suburban areas with the accompanying lifestyles, Silver and Gold is comprised of older members, with a median age of 59.3 years; the median age of the In Style segment is 40.2 years. While both segments' interests differ according to their average ages (the former enjoys cruises, writing to newspapers or magazines, and bird-watching and fishing; the latter enjoys technology, stock trading, business, and beaches), both segments enjoy golf, both playing and watching.

30-Minute Drive Time

At the 30-minute drive time from Phoenicia and Pine Hill, the limited diversity in terms of market segments remains. The majority of both areas is still comprised of Rural Resort Dwellers, with smaller mixes of Metropolitans, Urban Chic, Exurbanites, Prosperous Empty Nesters, Cozy and Comfortable, and Midlife Junction segments. The only additional tapestry present is an 8.8 percent segment of Retirement Communities within the 30-minute drive time of Pine Hill. This segment is comprised of older residents, with a median age of 51.4 years, one-third of which are 65 years or older. As the name would imply, members of this segment have hobbies and interests in line with getting older, taking things slower by visiting the movies and sporting events, and gardening at home, among other things.

At the 30-minute drive time from Shokan, the analysis takes in Kingston, the Town of Ulster, and even areas of Dutchess County. The diversity of the segments within this area reflect the more urban and diverse regions of which it's comprised, including heretofore unexamined tapestry segments like Main Street, USA, Simple living, Great Expectations, Old and Newcomers, City Dimensions, and even Inner City Tenants, among many others. Because of the densely populated areas and planned communities within these areas, these segments are far more urban/suburban in nature than many of the more rural segments that reside closer to and within the hamlet itself. And because of the proximity of the many shopping centers in Ulster, Kingston, and Rhinebeck, it does not seem likely that these segments would frequent the Hamlet of Shokan for their shopping needs without a particularly compelling reason.

Table 4.7						
Tapestry Segmentation Area Profile						
Ranked by Households						
prepared by Fairweather Consulting using data from ESRI						
Drive Time: 30 minutes						
Top Twenty Tapestry Segments: Phoenicia						
		Households		U.S. Households		
			Cumulative		Cumulative	
Rank	Tapestry Segment	Percent	Percent	Percent	Percent	Index
1	31. Rural Resort Dwellers	64.5%	64.5%	1.6%	1.6%	3978
2	22. Metropolitans	9.1%	73.6%	1.2%	2.8%	770
3	09. Urban Chic	8.7%	82.3%	1.3%	4.1%	658
4	07. Exurbanites	7.7%	90.0%	2.5%	6.6%	307
5	14. Prosperous Empty Nesters	5.3%	95.3%	1.8%	8.4%	287
6	18. Cozy and Comfortable	4.7%	100.0%	2.8%	11.2%	167
	Total Households:	6,769				
Top Twenty Tapestry Segments: Pine Hill						
		Households		U.S. Households		

Table 4.7 Tapestry Segmentation Area Profile						
Ranked by Households						
prepared by Fairweather Consulting using data from ESRI						
Drive Time: 30 minutes						
			Cumulative		Cumulative	
Rank	Tapestry Segment	Percent	Percent	Percent	Percent	Index
1	31. Rural Resort Dwellers	81.4%	81.4%	1.6%	1.6%	5024
2	33. Midlife Junction	9.7%	91.1%	2.5%	4.1%	394
3	30. Retirement Communities	8.8%	99.9%	1.5%	5.6%	608
	Total Households:	3,305		5.6%		1801
Top Twenty Tapestry Segments: Shokan						
		Households		U.S. Households		
			Cumulative		Cumulative	
Rank	Tapestry Segment	Percent	Percent	Percent	Percent	Index
1	31. Rural Resort Dwellers	15.1%	15.1%	1.6%	1.6%	933
2	18. Cozy and Comfortable	15.0%	30.1%	2.8%	4.4%	532
3	24. Main Street, USA	9.8%	39.9%	2.6%	7.0%	380
4	14. Prosperous Empty Nesters	9.6%	49.5%	1.8%	8.8%	526
5	33. Midlife Junction	6.5%	56.0%	2.5%	11.3%	265
		56.0%		11.3%		
6	36. Old and Newcomers	5.8%	61.8%	1.9%	13.2%	300
7	07. Exurbanites	5.4%	67.2%	2.5%	15.7%	216
8	48. Great Expectations	5.4%	72.6%	1.7%	17.4%	311
9	57. Simple Living	4.1%	76.7%	1.4%	18.8%	292
10	22. Metropolitans	3.1%	79.8%	1.2%	20.0%	265
		23.8%		8.7%		
11	65. Social Security Set	2.8%	82.6%	0.6%	20.6%	427
12	13. In Style	2.5%	85.1%	2.5%	23.1%	102
13	60. City Dimensions	2.3%	87.4%	0.9%	24.0%	266
14	26. Midland Crowd	2.0%	89.4%	3.8%	27.8%	53
15	09. Urban Chic	2.0%	91.4%	1.3%	29.1%	147
		11.6%		9.1%		
16	45. City Strivers	1.6%	93.0%	0.7%	29.8%	210
17	17. Green Acres	1.3%	94.3%	3.2%	33.0%	40
18	15. Silver and Gold	1.0%	95.3%	0.9%	33.9%	111
19	03. Connoisseurs	1.0%	96.3%	1.4%	35.3%	75

Table 4.7 Tapestry Segmentation Area Profile						
Ranked by Households						
prepared by Fairweather Consulting using data from ESRI						
Drive Time: 30 minutes						
20	52. Inner City Tenants	1.0%	97.3%	1.5%	36.8%	63
	Subtotal	5.9%		7.7%		
	Total Households:	30,200				263

Consumption Trends

These psychographic segments produce distinct spending patterns in those neighborhoods. ESRI captures these through a metric called the Market Potential Index (MPI). The MPI uses results from the national Consumer Expenditure Survey to project local consumption patterns by correlating demographic characteristics and spending patterns from the national survey with local demographics. The MPI is expressed as an index of national consumption patterns. That is to say, if the demographics of a local neighborhood suggest that neighborhood residents have the same likelihood to purchase a particular good or service as the national average for that good or service, the neighborhood is given an MPI score of 100. If the demographics suggest that the neighborhood is 10 percent more likely to purchase that good or service, the neighborhood is given an MPI score of 110.

The subsequent tables provide the MPI for various goods and services for the hamlets of Phoenicia, Pine Hill and Shokan, as well as the MPI for the populations within the 15- and 30-minute drive times of each hamlet. Note: this analysis seeks to determine ways in which local consumption patterns differ from national trends. Thus the tables provide an overview of the goods and services in each area for which local consumers have an unusually high or low propensity. That is, the tables show those goods and services for which the population's Market Potential Index is either 120 and above or 80 or below.

Phoenicia

In Phoenicia, there is a high concentration of local demand for pets-related consumption, domestic travel, and motor oil, trends in keeping with the interests of the Rural Resort Dwellers described above. That rural, local-based trend can also be seen in the hamlet population's low demand for foreign travel and electronics products and services.

The consumption trends don't vary much within either the 15-minute drive time or the 30-minute drive time. Again, pets-related consumption and domestic vacations show high MPIs, while foreign travel and electronics goods and services show low MPIs.

Pine Hill

The consumption trends picture doesn't change much when looking at Pine Hill, again a likely result of the Rural Resort Dwellers Tapestry segment that comprises the hamlet's population. Domestic travel and pets-related consumption both show high MPIs, with low MPIs on foreign travel consumption. The same consumption patterns can be found in both the 15-minute and 30-minute drive times.

Shokan

Again, likely due to the high composition of the Rural Resort Dwellers in the Hamlet of Shokan, the consumption patterns of high MPIs regarding domestic travel and pets-related consumption can be seen, while low MPIs of foreign travel and electronics goods and services are present as well.

However, when expanding to the 15-minute drive time from Shokan, it's clear that a new demographic is accessed: financial services consumption is shown to have a high MPI, along with the already established high MPIs in domestic travel and pets-related consumption. This trend correlates with the more diverse Tapestry segments found in the 15-minute drive times, some of which had higher median household incomes, and therefore might have more interest in this product category.

Once the focus opens to the 30-minute drive time of Shokan, no categories show an MPI of significant difference from those of national trends; all analyzed patterns were below 120 and above 80.

Table 4.8 Retail Market Potential, Phoenicia Hamlet			
prepared by Fairweather Consulting using data from ESRI			
Phoenicia			
Hamlet			
Demographic Summary	2010		
Population	492		
Total Number of Adults	417		
Households	247		
Median Household Income	\$35,657		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
HH average monthly long distance phone bill: \$26-59	41	16.6%	171
HH owns any cat	90	36.4%	156
Spent on domestic vacations: \$3000+	31	7.4%	154
HH owns any dog	123	49.8%	144
DVDs purchased in last 30 days: 1	32	7.7%	143
HH owns any pet	160	64.8%	136
DVDs rented in last 30 days: 2	26	6.2%	133
Avg monthly credit card expenditures: <\$111	80	19.2%	131

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Table 4.8 Retail Market Potential, Phoenicia Hamlet			
prepared by Fairweather Consulting using data from ESRI			
Phoenicia			
Hamlet			
Demographic Summary	2010		
Population	492		
Total Number of Adults	417		
Households	247		
Median Household Income	\$35,657		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
HH spent \$500-\$999 on home PC	58	23.5%	128
Took 3+ domestic trips in last 12 months	111	26.6%	128
HH average monthly long distance phone bill: \$16-25	36	14.6%	124
Bought/changed motor oil in last 12 months	264	63.3%	122
Spent on toys/games in last 12 months: \$500+	28	6.7%	122
Avg monthly credit card expenditures: \$111-225	45	10.8%	120
Avg monthly credit card expenditures: \$701+	46	11.0%	80
DVDs purchased in last 30 days: 5+	18	4.3%	80
HH subscribes to cable TV	114	46.2%	80
Own any stock	30	7.2%	80
Spent on domestic vacations last 12 mo: <\$1000	42	10.1%	80
Heavy magazine reader	66	15.8%	79
Purchased MP3 player in last 12 months	17	6.9%	79
Spent at convenience store in last 30 days: <\$20	32	7.7%	79
HH spent \$1500-\$1999 on home PC	16	6.5%	78
Spent \$2000+ on home PC	15	6.1%	78
DVDs rented in last 30 days: 3	10	2.4%	77
Have 401K retirement savings	53	12.7%	77
Spent on domestic vacations last 12 mo: \$1000-1499	22	5.3%	76
Spent on toys/games in last 12 months: \$200-\$499	33	7.9%	76
Bought digital camera in last 12 months	22	5.3%	75
Fast food/drive-in last 6 mo: take-out/walk-in	77	18.5%	75
Avg monthly cell/mobile phone/PDA bill: \$100+	47	11.3%	73
Went to a bar/night club in last 12 months	56	13.4%	73
Spent on foreign vacations: \$3000+	14	3.4%	72
Bought any fine jewelry in last 12 months	67	16.1%	70
Spent on foreign vacations last 12 mo: <\$1000	16	3.8%	70
Bought memory card for camera in last 12 months	22	5.3%	69
DVDs rented in last 30 days: 5+	38	9.1%	69
Purchased audio equipment in last 12 months	14	5.7%	68
Went to family restaurant/steak house last mo: 5+ times	54	12.9%	66
Exercise at club 2+ times per week	31	7.4%	64
DVDs rented in last 30 days: 1	7	1.7%	63
DVDs purchased in last 30 days: 2	13	3.1%	59
Used discount brokerage firm in last 12 months	4	1.0%	49
Fast food/drive-in last 6 mo: home delivery	21	5.0%	45
Took 3+ foreign trips by plane in last 3 years	8	1.9%	42

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Table 4.8 Retail Market Potential, Phoenicia Hamlet			
prepared by Fairweather Consulting using data from ESRI			
Phoenicia			
Hamlet			
Demographic Summary	2010		
Population	492		
Total Number of Adults	417		
Households	247		
Median Household Income	\$35,657		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
Spent on foreign vacations last 12 mo: \$1000-2999	5	1.2%	30

Table 4.9 Retail Market Potential within 15-minute drive-time of Phoenicia Hamlet			
prepared by Fairweather Consulting using data from ESRI			
Phoenicia			
Drive Time: 15 minutes			
Demographic Summary	2010		
Population	2,254		
Total Number of Adults	1,859		
Households	1,041		
Median Household Income	\$42,575		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
HH average monthly long distance phone bill: \$26-59	162	15.6%	160
Spent on domestic vacations: \$3000+	137	7.4%	152
HH owns any cat	364	35.0%	150
HH owns any dog	501	48.1%	139
DVDs purchased in last 30 days: 1	135	7.3%	135
HH owns any pet	658	63.2%	133
DVDs rented in last 30 days: 2	115	6.2%	132
Avg monthly credit card expenditures: <\$111	349	18.8%	128
Took 3+ domestic trips in last 12 months	492	26.5%	127
HH spent \$500-\$999 on home PC	239	23.0%	125
Spent on toys/games in last 12 months: \$500+	125	6.7%	122
HH average monthly long distance phone bill: \$16-25	148	14.2%	121
Carry homeowner insurance	1,179	63.4%	120
DVDs rented in last 30 days: 3	46	2.5%	80
Fast food/drive-in last 6 mo: take-out/walk-in	366	19.7%	80
HH spent \$1500-\$1999 on home PC	69	6.6%	80
Avg monthly cell/mobile phone/PDA bill: \$100+	226	12.2%	79
Spent on domestic vacations last 12 mo: \$1000-1499	102	5.5%	79
Went to a bar/night club in last 12 months	269	14.5%	79
Spent on foreign vacations: \$3000+	66	3.6%	76
Bought any fine jewelry in last 12 months	320	17.2%	75
Bought memory card for camera in last 12 months	104	5.6%	74

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Table 4.9 Retail Market Potential within 15-minute drive-time of Phoenicia Hamlet			
prepared by Fairweather Consulting using data from ESRI			
Phoenicia			
Drive Time: 15 minutes			
Demographic Summary	2010		
Population	2,254		
Total Number of Adults	1,859		
Households	1,041		
Median Household Income	\$42,575		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
DVDs rented in last 30 days: 5+	182	9.8%	74
Went to family restaurant/steak house last mo: 5+ times	269	14.5%	74
Exercise at club 2+ times per week	157	8.4%	73
Spent on foreign vacations last 12 mo: <\$1000	75	4.0%	73
Purchased audio equipment in last 12 months	62	6.0%	72
DVDs rented in last 30 days: 1	35	1.9%	71
DVDs purchased in last 30 days: 2	64	3.4%	65
Used discount brokerage firm in last 12 months	21	1.1%	57
Fast food/drive-in last 6 mo: home delivery	106	5.7%	51
Took 3+ foreign trips by plane in last 3 years	43	2.3%	51
Spent on foreign vacations last 12 mo: \$1000-2999	29	1.6%	39

Table 4.10			
Retail Market Potential within 30-minute drive time of Phoenicia Hamlet.			
prepared by Fairweather Consulting using data from ESRI			
Phoenicia			
Drive Time: 30 minutes			
Demographic Summary	2010		
Population	14,841		
Total Number of Adults	12,303		
Households	6,769		
Median Household Income	\$46,929		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
Spent on domestic vacations: \$3000+	914	7.4%	154
HH average monthly long distance phone bill: \$26-59	997	14.7%	152
HH owns any cat	2,217	32.8%	141
Took 3+ domestic trips in last 12 months	3,373	27.4%	132
DVDs rented in last 30 days: 2	755	6.1%	131
HH owns any dog	3,038	44.9%	129
DVDs purchased in last 30 days: 1	843	6.9%	128
HH owns any pet	4,085	60.3%	127
Own shares in mutual fund (stock)	1,439	11.7%	124
Used full service brokerage firm in last 12 months	930	7.6%	124
HH spent \$500-\$999 on home PC	1,527	22.6%	123
HH average monthly long distance phone bill: \$16-25	965	14.3%	122
Avg monthly credit card expenditures: \$226-450	1,265	10.3%	120
Purchased audio equipment in last 12 months	450	6.6%	80
DVDs rented in last 30 days: 5+	1,281	10.4%	79
Used discount brokerage firm in last 12 months	188	1.5%	78
DVDs purchased in last 30 days: 2	478	3.9%	74
Spent on foreign vacations last 12 mo: \$1000-2999	336	2.7%	69
Fast food/drive-in last 6 mo: home delivery	803	6.5%	59

Table 4.11 Retail Market Potential, Pine Hill Hamlet.			
prepared by Fairweather Consulting using data from ESRI			
Pine Hill			
Hamlet			
Demographic Summary	2010		
Population	153		
Total Number of Adults	130		
Households	67		
Median Household Income	\$41,739		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
HH average monthly long distance phone bill: \$26-59	11	16.4%	169
Spent on domestic vacations: \$3000+	10	7.8%	162
HH owns any cat	25	37.3%	160
DVDs purchased in last 30 days: 1	10	7.8%	146
HH owns any dog	33	49.3%	142
HH owns any pet	43	64.2%	135
Avg monthly credit card expenditures: <\$111	25	19.5%	133
DVDs rented in last 30 days: 2	8	6.3%	133
HH spent \$500-\$999 on home PC	16	23.9%	130
Spent on toys/games in last 12 months: \$500+	9	7.0%	128
Took 3+ domestic trips in last 12 months	34	26.6%	128
HH average monthly long distance phone bill: \$16-25	10	14.9%	127
Bought/changed motor oil in last 12 months	81	63.3%	122
Avg monthly credit card expenditures: \$111-225	14	10.9%	121
Avg monthly credit card expenditures: \$701+	14	10.9%	80
Bought apparel for child <13 in last 6 months	29	22.7%	80
HH subscribes to cable TV	31	46.3%	80
Spent at convenience store in last 30 days: <\$20	10	7.8%	80
Spent on domestic vacations last 12 mo: <\$1000	13	10.2%	80
Bought a watch in last 12 months	21	16.4%	79
Spent on domestic vacations last 12 mo: \$1000-1499	7	5.5%	79
Bought digital camera in last 12 months	7	5.5%	78
Heavy magazine reader	20	15.6%	78
Own any stock	9	7.0%	78
Spent \$2000+ on home PC	4	6.0%	77
Avg monthly cell/mobile phone/PDA bill: \$100+	15	11.7%	76
Fast food/drive-in last 6 mo: take-out/walk-in	24	18.8%	76
Have 401K retirement savings	16	12.5%	76
DVDs rented in last 30 days: 3	3	2.3%	75
Spent on toys/games in last 12 months: \$200-\$499	10	7.8%	75
Bought any fine jewelry in last 12 months	21	16.4%	72
Bought memory card for camera in last 12 months	7	5.5%	72
DVDs purchased in last 30 days: 5+	5	3.9%	72
HH spent \$1500-\$1999 on home PC	4	6.0%	72
Purchased audio equipment in last 12 months	4	6.0%	72
Went to a bar/night club in last 12 months	17	13.3%	72
DVDs rented in last 30 days: 5+	12	9.4%	71

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Table 4.11 Retail Market Potential, Pine Hill Hamlet.			
prepared by Fairweather Consulting using data from ESRI			
Pine Hill			
Hamlet			
Demographic Summary	2010		
Population	153		
Total Number of Adults	130		
Households	67		
Median Household Income	\$41,739		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
Spent on foreign vacations last 12 mo: <\$1000	5	3.9%	71
Exercise at club 2+ times per week	10	7.8%	68
Went to family restaurant/steak house last mo: 5+ times	17	13.3%	68
Spent on foreign vacations: \$3000+	4	3.1%	67
DVDs purchased in last 30 days: 2	4	3.1%	59
DVDs rented in last 30 days: 1	2	1.6%	59
Fast food/drive-in last 6 mo: home delivery	6	4.7%	42
Used discount brokerage firm in last 12 months	1	0.8%	40
Spent on foreign vacations last 12 mo: \$1000-2999	2	1.6%	39
Took 3+ foreign trips by plane in last 3 years	2	1.6%	34

Table 4.12 Retail Market Potential within 15-minute drive time of Pine Hill Hamlet.			
prepared by Fairweather Consulting using data from ESRI			
Pine Hill			
Drive Time: 15 minutes			
Demographic Summary	2010		
Population	1,614		
Total Number of Adults	1,313		
Households	720		
Median Household Income	\$38,955		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
HH average monthly long distance phone bill: \$26-59	114	15.8%	163
HH owns any cat	253	35.1%	151
Spent on domestic vacations: \$3000+	91	6.9%	143
HH owns any dog	343	47.6%	137
DVDs purchased in last 30 days: 1	96	7.3%	136
DVDs rented in last 30 days: 2	82	6.2%	133
HH owns any pet	452	62.8%	132
Avg monthly credit card expenditures: <\$111	246	18.7%	128
Took 3+ domestic trips in last 12 months	338	25.7%	124
HH spent \$500-\$999 on home PC	163	22.6%	123
Avg monthly credit card expenditures: \$111-225	144	11.0%	122
Bought/changed motor oil in last 12 months	828	63.1%	122
Heavy magazine reader	210	16.0%	80

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Table 4.12 Retail Market Potential within 15-minute drive time of Pine Hill Hamlet.			
prepared by Fairweather Consulting using data from ESRI			
Pine Hill			
Drive Time: 15 minutes			
Demographic Summary	2010		
Population	1,614		
Total Number of Adults	1,313		
Households	720		
Median Household Income	\$38,955		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
HH spent \$1500-\$1999 on home PC	48	6.7%	80
Purchased MP3 player in last 12 months	50	6.9%	80
Spent on toys/games in last 12 months: \$200-\$499	109	8.3%	80
Have 401K retirement savings	171	13.0%	79
Went to a bar/night club in last 12 months	190	14.5%	79
DVDs purchased in last 30 days: 5+	55	4.2%	78
DVDs rented in last 30 days: 3	32	2.4%	78
Fast food/drive-in last 6 mo: take-out/walk-in	253	19.3%	78
Bought any fine jewelry in last 12 months	231	17.6%	77
Avg monthly cell/mobile phone/PDA bill: \$100+	153	11.7%	76
DVDs rented in last 30 days: 5+	131	10.0%	76
Spent \$2000+ on home PC	42	5.8%	75
Bought memory card for camera in last 12 months	74	5.6%	74
Spent on foreign vacations last 12 mo: <\$1000	53	4.0%	73
DVDs rented in last 30 days: 1	25	1.9%	72
Exercise at club 2+ times per week	109	8.3%	72
Spent on foreign vacations: \$3000+	44	3.4%	72
Went to family restaurant/steak house last mo: 5+ times	183	13.9%	71
Purchased audio equipment in last 12 months	42	5.8%	70
DVDs purchased in last 30 days: 2	45	3.4%	65
Fast food/drive-in last 6 mo: home delivery	77	5.9%	53
Used discount brokerage firm in last 12 months	13	1.0%	50
Took 3+ foreign trips by plane in last 3 years	28	2.1%	47
Spent on foreign vacations last 12 mo: \$1000-2999	19	1.4%	36

Table 4.13 Retail Market Potential within 30-minute drive-time of Pine Hill Hamlet			
prepared by Fairweather Consulting using data from ESRI			
Pine Hill			
Drive Time: 30 minutes			
Demographic Summary	2010		
Population	7,642		
Total Number of Adults	6,285		
Households	3,305		
Median Household Income	\$37,573		
	Expected		
	Number of	Percent of	

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Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
HH average monthly long distance phone bill: \$26-59	511	15.5%	159
HH owns any cat	1,118	33.8%	145
Spent on domestic vacations: \$3000+	442	7.0%	145
HH owns any dog	1,508	45.6%	132
DVDs purchased in last 30 days: 1	442	7.0%	131
DVDs rented in last 30 days: 2	378	6.0%	128
Avg monthly credit card expenditures: <\$111	1,169	18.6%	127
HH owns any pet	2,003	60.6%	127
Took 3+ domestic trips in last 12 months	1,622	25.8%	124
HH spent \$500-\$999 on home PC	730	22.1%	120
Bought digital camera in last 12 months	356	5.7%	80
Fast food/drive-in last 6 mo: take-out/walk-in	1,237	19.7%	80
Went to a bar/night club in last 12 months	918	14.6%	80
Have 401K retirement savings	816	13.0%	79
HH spent \$1500-\$1999 on home PC	217	6.6%	79
Purchased MP3 player in last 12 months	227	6.9%	79
Bought any fine jewelry in last 12 months	1,125	17.9%	78
DVDs purchased in last 30 days: 5+	263	4.2%	78
Spent on foreign vacations last 12 mo: <\$1000	268	4.3%	78
Avg monthly cell/mobile phone/PDA bill: \$100+	747	11.9%	77
DVDs rented in last 30 days: 5+	631	10.0%	76
Spent \$2000+ on home PC	194	5.9%	76
Spent on foreign vacations: \$3000+	222	3.5%	76
Bought memory card for camera in last 12 months	354	5.6%	74
DVDs rented in last 30 days: 1	122	1.9%	73
Went to family restaurant/steak house last mo: 5+ times	894	14.2%	73
Exercise at club 2+ times per week	520	8.3%	72
Purchased audio equipment in last 12 months	195	5.9%	71
DVDs purchased in last 30 days: 2	215	3.4%	65
Used discount brokerage firm in last 12 months	71	1.1%	57
Fast food/drive-in last 6 mo: home delivery	379	6.0%	54
Took 3+ foreign trips by plane in last 3 years	144	2.3%	51
Spent on foreign vacations last 12 mo: \$1000-2999	102	1.6%	41

Table 4.14

Retail Market Potential, Shokan Hamlet.

prepared by Fairweather Consulting using data from ESRI

Shokan			
Hamlet			
Demographic Summary	2010		
Population	1,281		
Total Number of Adults	1,007		
Households	514		
Median Household Income	\$59,355		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
HH average monthly long distance phone bill: \$26-59	76	14.8%	152
Spent on domestic vacations: \$3000+	72	7.1%	148

Chapter 4: Hamlet Opportunities

HH owns any cat	174	33.9%	145
HH owns any dog	243	47.3%	136
DVDs purchased in last 30 days: 1	71	7.0%	131
HH owns any pet	320	62.3%	131
DVDs rented in last 30 days: 2	61	6.0%	129
Avg monthly credit card expenditures: <\$111	187	18.5%	126
Took 3+ domestic trips in last 12 months	263	26.1%	126
HH spent \$500-\$999 on home PC	117	22.8%	124
Spent on toys/games in last 12 months: \$500+	68	6.7%	122
Avg monthly credit card expenditures: \$226-450	104	10.3%	120
Carry homeowner insurance	644	63.8%	120
Bought any fine jewelry in last 12 months	184	18.2%	79
Exercise at club 2+ times per week	91	9.0%	78
Bought memory card for camera in last 12 months	59	5.8%	77
Spent on foreign vacations: \$3000+	36	3.6%	77
DVDs rented in last 30 days: 1	20	2.0%	75
Spent on foreign vacations last 12 mo: <\$1000	41	4.1%	74
Purchased audio equipment in last 12 months	31	6.0%	73
DVDs purchased in last 30 days: 2	38	3.8%	72
Used discount brokerage firm in last 12 months	12	1.2%	60
Fast food/drive-in last 6 mo: home delivery	63	6.2%	56
Took 3+ foreign trips by plane in last 3 years	23	2.3%	50
Spent on foreign vacations last 12 mo: \$1000-2999	18	1.8%	45

Table 4.15 Retail Market Potential within 15-minute drive-time of Shokan Hamlet.			
prepared by Fairweather Consulting using data from ESRI			
Shokan			
Drive Time: 15 minutes			
Demographic Summary	2010		
Population	6,215		
Total Number of Adults	5,068		
Households	2,663		
Median Household Income	\$58,875		
	Expected		
	Number of	Percent of	
Product/Consumer Behavior	Adults/HHs	Adults/HHs	MPI
Spent on domestic vacations: \$3000+	373	7.4%	152
Own any stock	656	12.9%	144
Used full service brokerage firm in last 12 months	445	8.8%	144
Spent on toys/games in last 12 months: \$50-\$99	199	3.9%	143
Own shares in mutual fund (stock)	666	13.1%	140
Own U.S. savings bond	496	9.8%	138
Took 3+ domestic trips in last 12 months	1,435	28.3%	136
HH average monthly long distance phone bill: \$26-59	341	12.8%	132
HH owns any cat	799	30.0%	129
DVDs rented in last 30 days: 2	299	5.9%	126
HH owns any dog	1,162	43.7%	126
Spent on domestic vacations last 12 mo: \$1500-1999	256	5.0%	126
Any home improvement in last 12 months	1,038	39.0%	125
Carry homeowner insurance	3,374	66.5%	125
Have home mortgage (1st)	1,144	22.6%	124
HH owns any pet	1,565	58.8%	123
Own shares in mutual fund (bonds)	358	7.1%	122
Spent on toys/games in last 12 months: \$500+	338	6.7%	121
Avg monthly credit card expenditures: \$226-450	521	10.3%	120
Stayed 1+ nights at hotel/motel in last 12 months	2,509	49.5%	120
HH owns 1 TV	394	14.8%	74
Fast food/drive-in last 6 mo: home delivery	380	7.5%	67

Chapter 5: SWOT Analysis

This chapter includes the SWOT analysis that was conducted to evaluate the hamlets of Phoenicia, Pine Hill, and Shokan in terms of their Weaknesses, Opportunities, and Threats:

- ✓ Process of Conducting a SWOT Analysis
- ✓ Phoenicia's SWOT
- ✓ Pine Hill's SWOT
- ✓ Shokan's SWOT

TOOL: SWOT Analysis

A **SWOT Analysis** will lay the groundwork to develop a Core Idea and Strategy that best fits each of the hamlets.

Process of Conducting a SWOT Analysis

A SWOT analysis for the Main Streets of Phoenicia, Pine Hill, and Shokan was conducted by synthesizing the results of the analyses presented in the previous sections of this report, including the analyses on local retail mix, zoning, land use, surplus/leakage, and regional and local economic trends. A SWOT analysis is the means to understand the competitive situation facing each hamlet. It does this by enumerating each hamlet's:

- **Strengths:** What does each Main Street area have that is an advantage for businesses or their customers?
- **Weaknesses:** What are those aspects of each Main Street area that make it less attractive to businesses and their customers?
- **Opportunities:** What general economic, social or demographic trends can each Main Street area take advantage of?
- **Threats:** What trends might damage each Main Street area?

Phoenicia's SWOT

Strengths:

- Healthy mixture of retail and service providers

- Strong local employers in Other Services, Food Services & Drinking Places, Education, and Accommodation
- Ample parking
- The majority of commercial establishments in Phoenicia are located on Main Street, making its retail offerings easily accessible via walking
- Phoenicia is an established regional destination with economic surpluses in retail stores (Lawn & Garden, Used Merchandise, Groceries, Jewelry, etc) and restaurants and unmet demand for Limited Service Eating Places
- Zoning allows for a variety of building styles with respect to various architectural designs and heights

Weaknesses:

- Mixed-uses unaddressed in Shandaken zoning ordinance
- Zoning bulk standards prevent ideal densities for Main Streets
- Limited visibility from Route 28
- Lack of sewer infrastructure limits business uses, increases risks of enforcement, and limits ideal densities for the main street area

Opportunities:

- Growing sector in Outdoor Recreation and Hospitality
- Opportunity to cultivate local concentration of “Rural Resort Dwellers” who appreciate rural environments and enjoy boating, hunting, and fishing
- Opportunity to capture local demand for pets-related consumption
- Opportunity to attract and engage Arts and Cultural Heritage Tourism Travelers, in particular “Well-Rounded Active” Travelers
- Opportunity to cultivate association with Crossroads project near Belleayre
- Rising gas prices could potentially make Phoenicia and the region a chosen destination for nearby tourists
- Opportunity to capture “staycation” and other additional overnight visits with unique setting and variety of activities

Threats:

- Loss of scenic beauty and recreational opportunities due to turbidity in Esopus Creek could dampen visitation
- Phoenicia could experience difficulties if it is not positioned to capture demand from visitors to Belleayre Mountain
- If Phoenicia doesn’t respond to Crossroads development, it potentially faces the threat of being bypassed by tourists
- Rising gas prices could prohibit travel into the area
- Periodic flooding disrupts businesses and adds expense

Pine Hill's SWOT

Strengths:

- Pine Hill Community Center is an important anchor/catalyst for the community
- Strong local employment in the Accommodation sector (accounts for 63% of employment)
- Small hamlet in a wilderness setting
- Access to regional trail system and links to Belleayre Mountain
- Zoning allows for a variety of building styles with respect to various architectural designs and heights
- Surpluses in used Merchandise Stores and Furniture Stores

Weaknesses:

- Limited commercial sector
- Small customer base
- More than half of the land is vacant/residential
- Zoning bulk standards prevent ideal densities for Main Streets
- Limited visibility from Route 28

Opportunities:

- Opportunity to cultivate "Rural Resort Dwellers" who appreciate rural environments and enjoy boating, hunting, and fishing
- Opportunity to capture local demand for domestic travel and pets-related consumption
- Potential for niche establishments in the Food Services and Drinking Places sectors
- Opportunity to attract and engage Arts and Cultural Heritage Tourism Travelers, in particular "Well-Rounded Active" Travelers
- Rising gas prices could potentially make Pine Hill and the region a chosen destination for nearby tourists

Threats:

- Given the already small number of businesses in Pine Hill, any further loss in business activity could seriously damage the hamlet's economic vitality
- Rising gas prices could prohibit travel into the area

Shokan's SWOT

Strengths:

- Diverse range of businesses
- Strong local employment in Services and Food services & Drinking places
- Low amount of vacant land

Weaknesses:

- Zoning ordinance does not regulate a lot of land use, in particular there are no provisions for mixed-uses, sidewalks, and little regulation for signage. New regulation may be required for denser, more pedestrian-oriented development.
- Limited walkability to retail offerings

Opportunities:

- Cultivate “Rural Resort Dwellers,” and “Cozy and Comfortable” residents
- Capture demand for domestic travel, pets-related, and financial services consumption
- Cultivate tourists traveling along Route 28
- High demand for Grocery stores and Gasoline stations as well as in Full-Service Restaurants, Building Material and Supplies Dealers, Home Furnishings Stores, Beer, Wine, and Liquor Stores, Used Merchandise Stores, and Sporting Goods/Hobby/Musical Instrument Stores
- Unmet local demand for Clothing Stores and Specialty Food Stores

Threats:

- Potential reduction in travel to Belleayre or Crossroads due to decrease in attractiveness of Catskills destinations or increase in gas prices could decrease the number of visitors traveling through Shokan

Regional SWOT

Strengths:

- Scenic Beauty
- Recreational opportunities in skiing, hiking, and water-related activities
- Growing offerings in Arts and Culture
- Strong Tourism, Hospitality, and Arts (Entertainment & Recreation) sectors

Weaknesses:

- Lack of brand name recognition
- No consistent experience provided to travelers
- Limited number of opportunities for Cultural and Heritage tourism

Opportunities:

- Strong tourism assets including outdoor activities, agritourism, culture and art, history and heritage, and local resorts
- Abundance of artists in the region can potentially spur development
- Increasing gas prices can potentially make the area a more attractive alternative to travel destinations that are farther away
- Region has the potential to benefit from the Crossroads development project near Belleayre Mountain

- Opportunity to capture the growing interest in Cultural and Heritage Tourism

Threats:

- Demographic composition in Ulster County lags behind New York State for the population under 24 while the population aged 55 to 65 and 65 and over is higher in the County than in the State
- Rising gas prices can conversely be prohibitive to travel into the region
- The region might not be able to compete with the opportunities offered by the Crossroads project
- Development could potentially diminish the quality of the Catskills experience available in the area

Chapter 6:

Creating the Core Idea

Defining the “Core Idea” of each hamlet will mean identifying the unique and inherent truth about each hamlet which differentiates it from its competitors in ways that are meaningful and persuasive to its stakeholders/users:

- ✓ The Core Idea: The Heart of the Catskills Wilderness
 - ✓ Phoenicia’s Core Idea: Regional Hub of Activity
 - ✓ Pine Hill’s Core Idea: An Enclave for Outdoor Recreation & Second Homeowners
 - ✓ Shokan’s Core Idea: The Gateway and Convenience Shopping Area

TOOL: The Core Idea

The Core Idea is the fundamental tool for defining a strategy for each of the hamlets.

The creation of a Main Street strategy for the hamlets of Phoenicia, Pine Hill, and Shokan requires first that a core idea be developed that designates a role for each of the hamlets with respect to what each can distinctly offer to tourists. Cohesion between the three hamlets will help convey and promote an authentic Catskills experience rich in outdoor recreational and cultural activities (dating back to the Hudson River School), and notable for its rural sense of place and mountain/wilderness experience.

As stated by Pete Mathieu, defining the “Core Idea” of each hamlet will mean “identifying the unique and inherent truth about each hamlet which differentiates it from its competitors in ways that are meaningful and persuasive” to its stakeholders/users. Ultimately, the goal is to create a vision for each that best fits the characteristics and assets of each hamlet and compliments the tourism strategies of the other two to establish synergy in the development of their Main Streets. The core idea for each hamlet was determined by answering the following questions:

What are we selling? What are the key services that each hamlet can provide to potential users and why are these services unique and compelling to stakeholders?

Who are we selling? Who are the potential users of the services which each hamlet can provide?

Where are we selling? What is the geographic area in which each hamlet will provide its services?

When are we selling? Are the services which each hamlet provide seasonally limited or available yearlong?

Why are we selling? A successful core idea will identify the benefits that each hamlet can provide to its stakeholders and why the services each can provide should be valued and appreciated.

How are we selling? What are the specific ways in which each hamlet will advertise its services to tourists and potential users?

Against whom are we selling? Which are the neighboring communities which offer similar services/ experiences to our intended users? What can each hamlet offer which the regional competitors cannot?

The Core Idea: The Heart of the Catskills Experience

A central part of the core idea will be to integrate the experiences offered in Phoenicia, Pine Hill, and Shokan into a unified experience as the Heart of the Catskills Wilderness. Figure 6.1 below illustrates how visitors experience the offerings of the area. Traveling from the east on Route 28, visitors will first arrive at Shokan, the “Arrival & Orientation” site, then follow Route 28 to Phoenicia, the “Activity Hub,” or end in Pine Hill, the “Respite and Recreation” site. This visitation strategy builds upon both the characteristics and physical locations of each hamlet and promises ease of access for visitors.

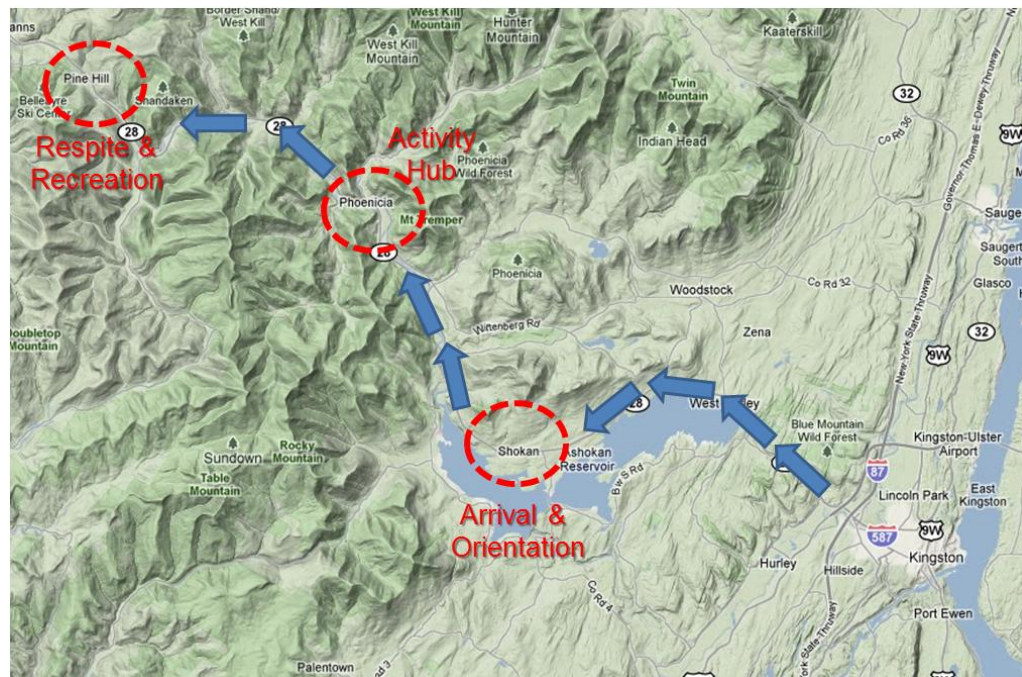


Figure 6.1

The core idea further develops the visitation experience by promoting each hamlet based on the distinctive local market each serves. Phoenicia offers a diversified service and retail experience and is the local retail hub of the region. Pine Hill is the smallest hamlet and may lack the “critical mass” and customer base in comparison to Phoenicia but is able to offer a unique reclusive wilderness experience for outdoor recreationists and second homeowners. Shokan has the most affluent local market and is characterized primarily by the convenience goods and services it offers. These distinctive qualities are the basis for the development of a core idea for the hamlets which designates a strategy for each that is both unique and complimentary to that of the other two hamlets and integrates the image of the greater Heart of the Catskills Wilderness experience.

Phoenicia: The Experience Hub

Developing Phoenicia's Core Idea

Table 6.1

	Local Market	Tourists	Local Businesses
What are we selling?	Goods & meals	Activities, goods and meals	Services and support
Who are we selling?	Shandaken residents	NYC-metro residents	Sole proprietors
Where are we selling?	Phoenicia	In Phoenicia, the area and NYC	Phoenicia
When are we selling?	12 months/year	Peak seasons	12 months/year
Why are we selling?	Convenience & Quality	Unique Catskills Mountain Experience	Enabling small businesses to sustain & grow
How are we selling?	Word of mouth	The Web & "Personal Selling"	Word of mouth, Web
Against Whom are we selling?	Other centers (Kingston, Oneonta, Woodstock, etc.)	Other outdoor/cultural locations	Other small centers (Margaretville, Woodstock, etc.)



What are we selling? The services Phoenicia is best suited to provide include goods and meals to its local market, activities, goods and meals to tourists, and support services to local businesses.

Who are we selling? The local market and local businesses for Phoenicia includes all residents in the Shandaken area. Tourists are most likely to originate from the New York City Metropolitan area.

Where are we selling?

Phoenicia's goods and services will be sold in the immediate area of Phoenicia.

When are we selling? Phoenicia will sell goods and services to local residents and businesses all year long and to tourists primarily during peak seasons.

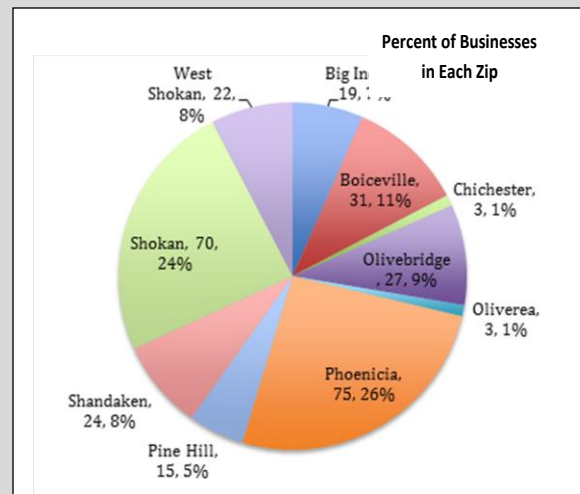


Figure 6.2

Source: Info USA

Why are we selling? For local customers, Phoenicia's goods and services offer convenience and quality. For tourists, Phoenicia is valued because it offers a unique Catskills Mountain Experience. For local businesses, Phoenicia's promotion of its tourism industry will enable small businesses to grow and sustain themselves.

How are we selling? To locals, word of mouth advertising will be the most effective. Tourists will best be reached through web promotion and "personal selling" via the operators of local businesses and their staff. Local businesses will best be reached through both word of mouth and the web.

Against whom are we selling? For local residents and businesses, competitors include other regional shopping and services centers in Kingston, Oneonta, Woodstock, Margaretville. For tourists, Phoenicia's competitors are other outdoor/cultural destinations.

Phoenicia's Strategy

Phoenicia is designated as the "Experience Hub" due to the range of services, recreational opportunities, and mix of retail that it offers. Its ability to offer a high quality, diversified tourism experience makes it an important destination for visitors in the region.

Business Inventory: Phoenicia is a likely target for visitors both for its recreational offerings and range of retail and service businesses. Phoenicia has the most businesses in the Olive/Shandaken area at 75 businesses or 26% of the area's total (see Figure 6.2). Furthermore, Phoenicia has a large Main Street presence (see Figure 6.3) and has the largest number of sole-proprietor, locally-owned businesses in the area (see Figure 6.4) making it a likely destination for visitors looking for a unique retail experience.

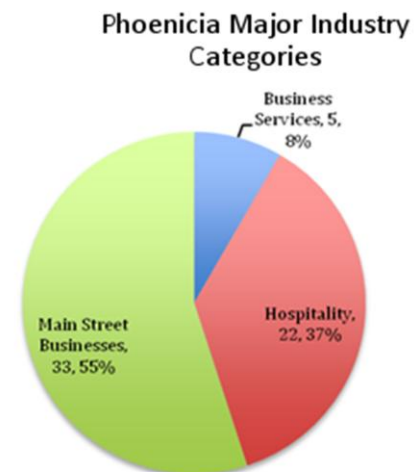


Figure 6.3

Source: Info USA

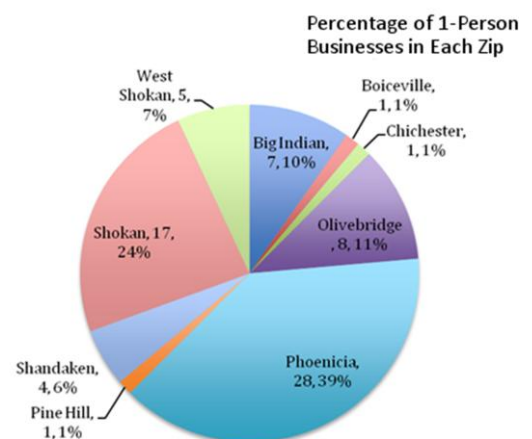


Figure 6.4

Source: Info USA

The businesses in Phoenicia are dominated by "Other Services," "Food Services & Drinking Places," "Accommodation," and "Miscellaneous Retail" as seen in Figure 6.5. Not surprisingly, these are also the biggest employers in the hamlet (see Figure 6.6).

Services and retail attract tourists into Phoenicia and incidentally support the local economy. According to a retail leakage/surplus analysis, the majority of surplus come from retail stores (including lawn & garden, used merchandise, groceries, and jewelry), and restaurants. The total surplus from Retail Trade and Food and Drink was an approximate \$1,307,183.

Land Use and Zoning: Phoenicia's role in the region is further justified by the distribution of land use within the hamlet. Twenty-five percent of its land is allocated to use for recreation and entertainment purposes (see Figure 6.7) whereas both the hamlets of Pine Hill and Shokan have nearly negligible proportions of land dedicated for recreational or entertainment use.

Phoenicia's zoning, like that of Pine Hill, is governed by regulations set by the Town of Shandaken. As previously illustrated in Phoenicia's zoning map (Figure 2.3), the majority of commercial establishments are centrally located around Phoenicia's Main Street which yields the feature of walkability essential for an inviting and attractive Main Street experience.

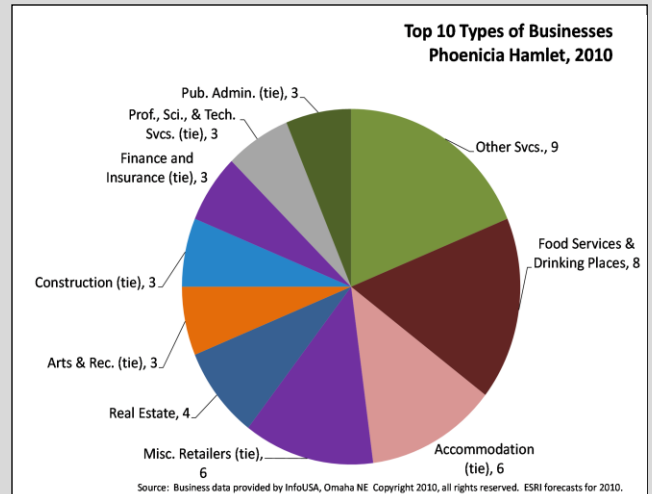


Figure 6.5

Source: Info USA

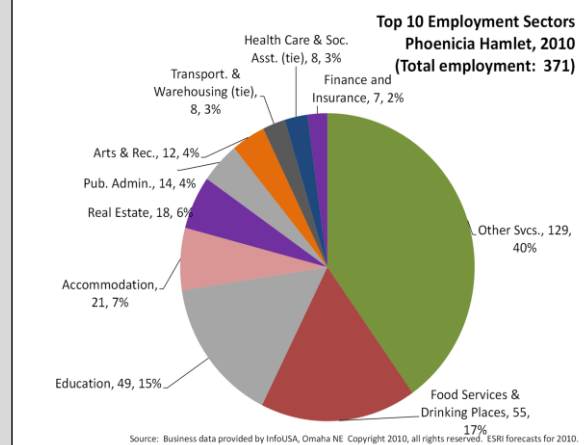


Figure 6.6

Source: Info USA

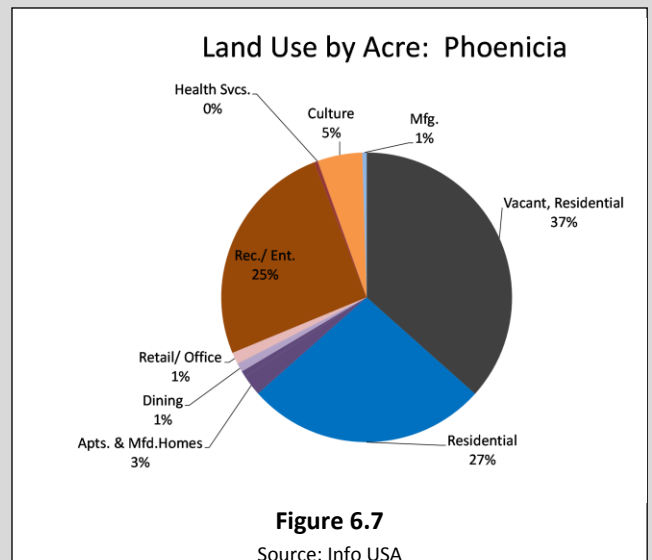


Figure 6.7

Source: Info USA

Pine Hill: Enclave for Outdoor Recreation & Second Homeowners

Developing Pine Hill's Core Idea

	Local Market	Tourists
What are we selling?	Meals Community Services	Respite & recreation
Who are we selling?	Shandaken residents	NYC-metro residents
Where are we selling?	Shandaken	In Phoenicia, Shokan, the area and NYC
When are we selling?	12 months/year	Peak seasons
Why are we selling?	A high-quality Wilderness Respite	Unique Catskills Mountain Experience
How are we selling?	Word of mouth	The Web & "Personal Selling"
Against Whom are we selling?	Other centers (Kingston, Oneonta, Woodstock, etc.)	Other outdoor/cultural locations

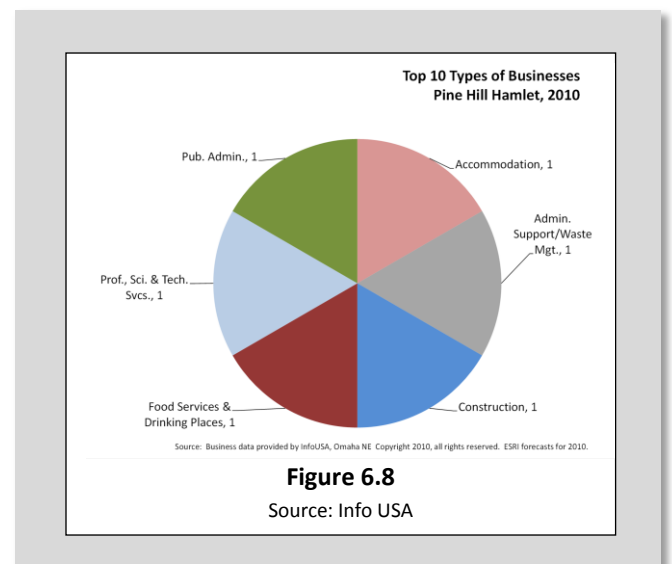


What are we selling? To the local market, Pine Hill offers meals and community services, while, to tourists, Pine Hill is selling itself as a respite and enclave for outdoor recreation.

Who are we selling? In the local market, Pine Hill sells to Shandaken residents. Tourists will most likely come from the New York City Metropolitan region.

Where are we selling? The local market for Pine Hill is within the borders of Shandaken while the tourism market extends into Phoenicia, Shokan, the local area, and New York City.

When are we selling? Pine Hill will sell its goods and services to local residents yearlong and to tourists primarily during the peak seasons.



Why are we selling? Pine Hill sells to the local market because it offers a high-quality wilderness respite, while it sells to tourists because it offers a unique Catskills Mountain experience.

How are we selling? For the local market, word of mouth advertising is the most effective. Tourists will best be reached through web promotion and "personal selling."

Against Whom are we selling? For local residents, competitors include other regional shopping and services centers in Kingston, Oneonta, Woodstock, etc. For tourist, Pine Hill's competitors are other outdoor/cultural destinations.

Pine Hill's Strategy

Pine Hill is best suited to complement the strategies of Phoenicia and Shokan by promoting the sense of seclusion and relaxation it offers and developing its already strong accommodation and lodging industry.

Business Inventory: Unlike Phoenicia, Pine Hill has a limited commercial sector and Main Street presence. As seen in Figure 6.2, only 5% of the business in the Olive/Shandaken area are located in Pine Hill. This is a total of 15 businesses in Pine Hill compared to 75 in Phoenicia and 70 in Shokan. The range of businesses in Pine Hill is limited.

As illustrated in Figure 6.8, only six different types of businesses exist. Pine Hill's strengths are in accommodation services, including hotels and lodging.

As illustrated in Figure 5.10, 25% of the microenterprises in Pine Hill are Hotels and Lodging Places. Furthermore, accommodation accounts for 49 out of the total of 80 jobs in Pine Hill, or 63% of total employment (Figure 6.9).

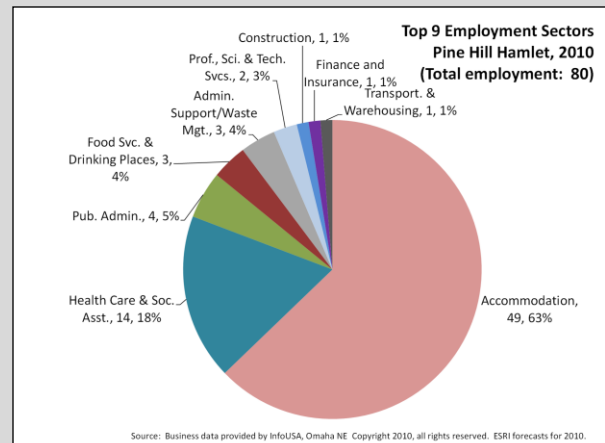


Figure 6.9

Source: Info USA

Pine Hill Total Microenterprise

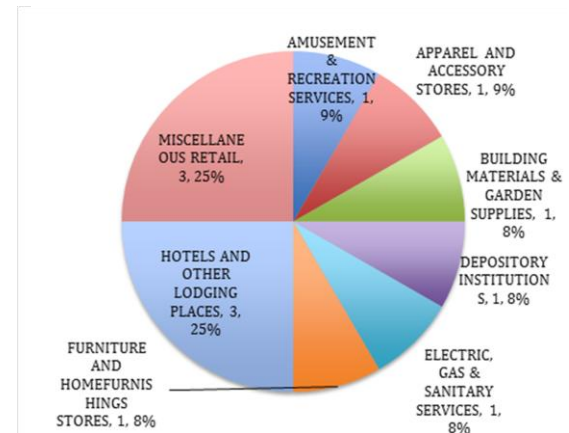


Figure 6.10

Source: Info USA

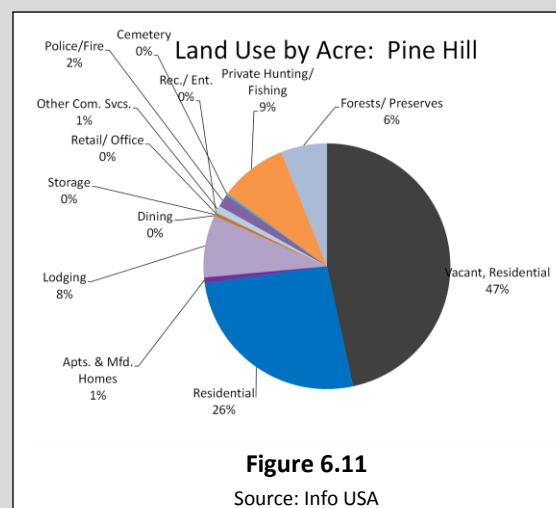


Figure 6.11

Source: Info USA

Shokan: The Gateway and Convenience Shopping Area

Developing Shokan's Core Idea



Table 6.3

	Local Market	Tourists
What are we selling?	Goods & meals	Convenience Shopping, goods and meals
Who are we selling?	Shandaken area residents	NYC-metro residents
Where are we selling?	Shokan, along Route 28	In the Shandaken, the area
When are we selling?	12 months/year	Peak seasons
Why are we selling?	Convenience & Quality	Entry to Catskill Mountains
How are we selling?	Word of mouth	The Web & "Personal Selling"
Against Whom are we selling?	Other centers (Kingston, Oneonta, Woodstock, etc.)	Other convenience locations; Other Destinations

What are we selling?

To the local market, Shokan offers goods and meals, while to tourists, Shokan provides convenience shopping as well as goods and meals.

Who are we selling? In the local market, Shokan sells to Shandaken residents. Tourists will most likely come from the New York City Metropolitan region.

Where are we selling? The local market for Shokan is along Route 28 while the tourism market extends into the Shandaken/Olive area.

When are we selling? Shokan will sell its goods and services to local residents yearlong and to tourists primarily during the peak seasons.

Why are we selling? Shokan sells to the local market because it offers convenience and quality, while it sells to tourists because of its strategic position as the entryway into the Catskills Mountain region.

How are we selling? For the local market, word of mouth advertising is the most effective. Tourists will best be reached through web promotion and "personal selling" by merchants.

Against Whom are we selling? For local residents, competitors include other regional shopping and services centers in Kingston, Oneonta, Woodstock, etc. For tourists, Shokan's competitors are other convenience locations and destinations.

Shokan's Strategy

Shokan is the initial entryway for visitors arriving in the region, thus, as the Gateway into the Catskills, Shokan has the important role of welcoming and orienting visitors.

Business Inventory: Shokan houses a large proportion (24%) of the total businesses (see Figure 6.2) and 24% of the total number of 1-person businesses in the area (see Figure 6.4). Shokan offers a healthy assortment of businesses with a strong emphasis on services, retail, and hospitality. The majority of businesses are in the category of "Other Services" with a total of 12 businesses, while "Food Services & Drinking Places" rounds up a total of 5 businesses and 4 businesses fall under the category of "Miscellaneous Retail" (see Figure 6.12).

Compared to Phoenicia, Shokan has a larger amount of businesses offering "Other Services" but a fewer amount of business in the "Food Services & Drinking Places" category. The distribution of businesses in Phoenicia and Shokan is congruent to the strengths of each according to the retail surplus/leakage analysis. As discussed previously, Phoenicia's surpluses come primarily from retail stores and restaurants, justifying Phoenicia's role as the local experience hub. Visitors coming into Shokan are most significantly attracted by its grocery stores and gasoline stations, yielding a surplus of \$5.6 million and \$1.8 million respectively. Shokan's ability to attract visitors rests primarily on the array of services and convenience goods it offers. Thus, Shokan offers a first taste of the services and retail available in the region before tourists migrate to explore the rest of the Catskill Region.

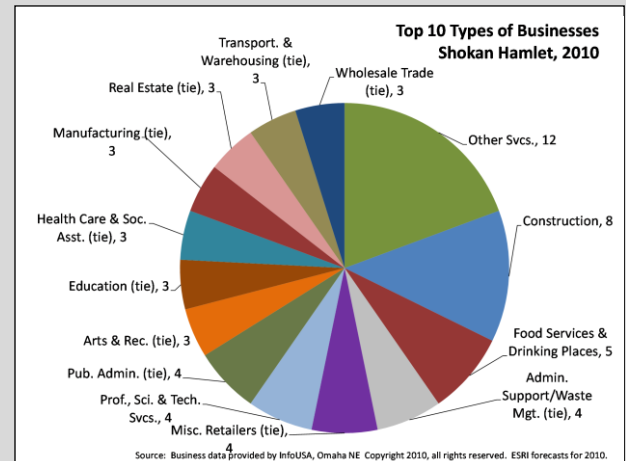


Figure 6.12

Source: Info USA

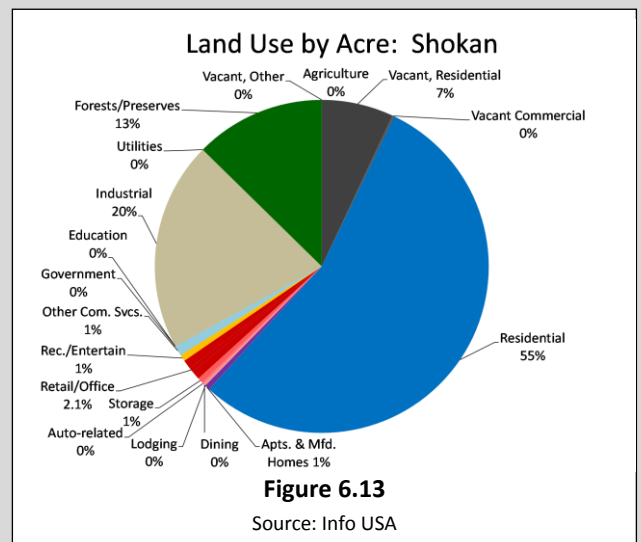


Figure 6.13

Source: Info USA

Land Use and Zoning: Similar to the regulations of the Town of Shandaken, regulations in the Town of Olive are geared towards rural development and conservation. There are little provisions in the regulation to allow for the creation of a dense hamlet area. Impediments to such development include low density and lot coverage in each zoning district and the lack of regulation for mixed-uses, provisions for sidewalks, and lack of signage regulations, which are all important components of hamlet and Main Street development.

Chapter 7:

Tactics: Action Items and Implementation

This chapter identifies the strategies and tactics to be pursued by Phoenicia, Pine Hill, and Shokan in order to achieve the tenets of their core ideas:

- ✓ Phoenicia's Strategy/Action Plan
- ✓ Pine Hill's Strategy/Action Plan
- ✓ Shokan's Strategy/Action Plan
- ✓ Regional Action Plan



Tools: These **Action Items** and **Tactics** will describe methods by which each hamlet can best implement and maintain their Core Ideas.

Phoenicia's Strategy: Embody the Catskills Experience

Phoenicia's strategy for promoting itself as the "Experience Hub" of the region must be to embody the greater Catskills Experience by offering the experiences and services demanded by the area's tourists. The following tactics will provide an outline for how best to achieve the proposed strategy for Phoenicia.



PHOENICIA'S TACTICS

- Offer a Diversified Store Mix
- Promote the Physical Environment
- Host Activities and Festivals Celebrating Outdoors/ Arts
- Establish Infrastructure to Promote Tourism
- Promote Overnight Accommodations
- Further Develop River Walk Project

Tactic: Offer a Diversified Store Mix

Phoenicia's role as the "Experience Hub" stems from its ability to provide residents and visitors with a range of services and retail opportunities. As described in previous sections, Phoenicia has a significant amount of unique sole-proprietor businesses and a large Main Street presence. A mix of stores and services emphasizing art, hospitality, and outdoor experiences must be maintained in order to continue to cultivate the Catskills experience within Phoenicia.

Tactic: Promote the Physical Environment

The essence of the Catskills experience is the unique outdoor recreational and cultural activities that the area has to offer. Phoenicia's ability to promote its rustic physical setting and convey the appeal of "woods and water" will highly determine the degree to which Phoenicia is able to embody the Catskill Experience.



Tactic: Host Activities and Festivals Celebrating the Outdoors and the Arts

Along with offering a diversified retail and service experience, and promoting the physical appeal of the area, Phoenicia should coordinate and schedule various festivals and activities that celebrate and promote local art and the outdoor experiences offered in the region. These events include, for example, the Festival of the Voice and other cultural and recreational activities that the area offers such as art galleries, the theater, and outdoor activities such as kayaking. Festivals and events that celebrate Phoenicia's offerings will attract visitors to the area and promote an image of Phoenicia as a part of the Greater Catskill Experience.

Tactic: Establish the Proper Infrastructure to Promote Tourism

An essential component of promoting Phoenicia's tourism industry must be to implement the proper infrastructure to facilitate its promotion. This includes creating a "viral" web presence so that visitors can easily find information about Phoenicia and the types of activities and amenities it offers when planning their visit. Once visitors arrive, appropriate orientation methods must be in place to simplify wayfinding and ensure that visitors gain the most from the available experiences in Phoenicia. Phoenicia might, for example establish in-store ambassadors to serve as informal orienteers and guides for visitors. Maintaining accessible parking will also help facilitate and ease the movement of visitors through Phoenicia.

Tactic: Promote Overnight Accommodations

Though Phoenicia has much to offer, it is a long distance from other activity centers. To encourage the trip and generate extended stays, Phoenicia would benefit from a diverse offering of overnight accommodations. The MPI for the area also suggests, in addition to

drawing from the NY Metro area, that marketing to “staycations” would be successful given the appropriate package. This study completed an assessment of a forty (40) room hotel facility (see Chapter 3) as a means of understanding of the economic impact of overnight stays from such a facility. Such a facility would bring significant additional dollars to the region and Main Street businesses. The study also included a survey of existing overnight accommodations which confirms the main source of guests as being from the NY Metro area.

Tactic: Further Develop River Walk Project

Measures have been taken in the past decade to develop and revitalize the area along the Esopus River behind Phoenicia’s Main Street into a recreational walkway including expanded parking, public bathrooms, and a visitors’ information center. With assistance from the Catskill Center, community leaders and business owners attained funding from the Catskill Watershed Corporation in 2003 towards this project. Two architects were hired to draft plans and evaluate the feasibility of the project and in 2004 a preliminary concept plan was completed and shared with the project steering committee, the property owners to be affected by the plan, and officials from the New York City Department of Environmental Protection⁵². Further development for this plan is recommended as a way to advance Phoenicia’s recreational/outdoor “woods and water” experience and promote further visitation.

River Walk Project Plan



Figure 7.1

Source: Ulster County Planning Board

⁵² Ulster County Planning Board

Pine Hill's Strategy: Build Customer Base



PINE HILL'S TACTICS

- Emphasize Connection to Local Attractions
- Cultivate 2nd Homeowners
- Leverage Institutions in The Area
- Improve Signage
- Participate in Regional Promotions

In order to advance Pine Hill's tourism industry and establish itself as an "Enclave for Outdoor Recreationists and Second Homeowners" as prescribed by Pine Hill's Core Idea, it will be necessary to build a stronger customer base both with respect to the local market and with tourists. The following set of tactics outline the methods for best achieving this strategy.

Tactic: Emphasize Connection to Local Attractions

A key tactic to promoting the tourism industry in Pine Hill and building a stronger and denser customer base will be to forge connections with

the outdoor and recreational attractions in the area including the Belleayre Ski Area, the beach, and the neighboring trails. Cross promotion will allow Pine Hill to absorb some of the visitors that are likely to frequent these neighboring attractions.

Tactic: Cultivate 2nd Homeowners

Second homeowners in the area are an asset to Pine Hill's businesses and should be cultivated in order to expand the hamlet's customer base and stimulate the local economy. Pine Hill might consider creating a "third place" in town for telecommuters. Third places effectively bring new people into the community, and can help improve the community's quality of life and business climate as it provides a space where entrepreneurs can meet.

Tactic: Leverage Institutions in the Area

Local institutions should be cultivated and leveraged to promote the image of Pine Hill and the experience it has to offer visitors. Such institutions include the Community Center, the Town of Shandaken Historical Museum, and the Pine Hill Folk Festival.

Tactic: Improve Signage

Signage in Pine Hill must be improved to facilitate wayfinding for tourists. Improved signage will help to highlight and promote the hamlet's attractions to visitors.

Tactic: Participate in Regional Promotions

Pine Hill should work together with Phoenicia, Shokan, and Belleayre in their various promotion efforts to include and advertise itself as a recreational respite. Cooperative regional promotion efforts will help to fortify the image of the Catskills Region experience as well as that of the individual hamlets. Tourists visiting Phoenicia, Shokan, or Belleayre will be more likely to visit Pine Hill if the region is promoted conjointly. Pine Hill's customer base will grow extensively if it were able to attract the tourists visiting other parts of the region.

Shokan's Strategy: Reinforce Sense of Place/ Arrival

Shokan's core idea is that it embodies the role as the Gateway and Convenience Shopping Area of the region. Its strategy must then be to reinforce that sense of arrival and cultivate a stronger sense of place so that its role as the gateway of the region is clear and defined. The following tactics provide measures by which Shokan can best achieve this strategy and follow the tenants of its core idea.



SHOKAN'S TACTICS

- Coordinate Signage
- Maximize Interpretive/ Wayfinding Possibilities
- Strengthen and Expand "Convenience" Offerings
- Establish Mixed-Use Hamlet in the Area
- Participate in Regional Promotions

Tactic: Coordinate Signage

Signage in Shokan must be improved and coordinated to clearly reinforce the sense of arrival into the Catskills region. Coordination of signage, by implementing a uniform design for signs within Shokan, will greatly help to define the Shokan area geographically.

Tactic: Maximize Interpretive/ Wayfinding Possibilities

As with Pine Hill, the opportunities and experiences available in Shokan can best be promoted by developing and reinforcing signage to highlight the attractions in the area and facilitate wayfinding for visitors.

Tactic: Strengthen and Expand “Convenience Offerings”

Shokan’s role as the area’s convenience center must be maintained by strengthening and expanding those offerings. This might best be achieved by implementing design guidelines that foster new local opportunities and reinforce Shokan’s sense of place.

Tactic: Establish Mixed-Use Hamlet in the Area

A long term goal for Shokan should be to establish a mixed-use hamlet in the area from the Post Office to Winchell’s Corners. A hamlet within Shokan will help to reinforce the town’s character and will provide a new dimension to Shokan’s current experience by offering a unique mix of stores and services to visitors and the element of walkability which is currently lacking in Shokan.

Regional Action Plan

This section will define tactics which should be implemented by the region as a whole to bolster the Catskill Experience.



REGIONAL ACTION PLAN

- Linking the Ulster County and Delaware County Catskill Experiences
- Creating a Single Coordinating Organization

1. Linking the Ulster County and Delaware County Catskill Experiences

Ulster County and Delaware County offer distinct but complimentary outdoor experiences, which if combined, could produce a comprehensive Catskill tourism experience.

The geography of each county has been shaped by their respective historical economic drivers, producing distinct outdoor environments. Delaware County offers a Catskills outdoor experience comprised primarily of meadows and influenced by a pastoral-like terrain reminiscent of the County’s extensive dairy farming and agricultural history⁵³.

Conversely, Ulster County’s geography is influenced highly by its mountainous terrain. It was described in an early historical account of the region as “too rough for profitable

⁵³ Duerden, Tim. “A Brief History of Delaware County,” *Delaware County Historical Association*.
<http://www.dchapny.org/history.html>

cultivation⁵⁴." The agricultural industry was therefore not as extensive as in Delaware County. Instead, the leather tanning and lumbering industries flourished in Ulster County and were especially dominant in the towns of Olive and Shandaken. Today the County's environment is dominated primarily by woods and offers a unique wilderness experience.

The respective outdoor environments of each county can offer a combined experience for tourists. Efforts to combine the complementary Catskills experiences of Ulster County and Delaware County into a single attraction should be encouraged.

2. Creating a Single Coordinating Organization

Creating a single coordinating organization will be necessary to effectively integrate the tourism packages of the Catskills experience of Ulster County with that of Delaware County. Coordination will involve cross-promoting attractions in the two counties as well as within the hamlets and creating an image of a comprehensive tourism package.

⁵⁴ French, J.H. "History of Ulster County, NY," Extracted from *Gazetteer of the State of New York*, 1860. Retrieved from Ulster County Genealogical Society. http://www.ucgsny.org/uc_history.html.

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Appendix A: SUNY Ulster Community Planning Online Course

In order to facilitate and foster involvement by community members in the Main Street strategic planning process, an online community planning model course was created and hosted through the SUNY Ulster ANGEL network. The course consisted of 5 modules which each include various assignments, consisting of videos and readings, a discussion thread, and a section on which to share links and other resources relating to the module. The 5 modules were as follows:

- 1. An Introduction to Strategic Thinking
- 2. Who Are You: Learning About our Main Street area: Competitive Analysis, Part 1- Strengths & Weaknesses
- 3. Where are You: Learning About our Main Street area: Competitive Analysis, Part 2- Opportunities & Threats
- 4. The Truth About Your Main Street: Concluding the Competitive Analysis
- 5. The Core Idea for Your Main Street Strategy.

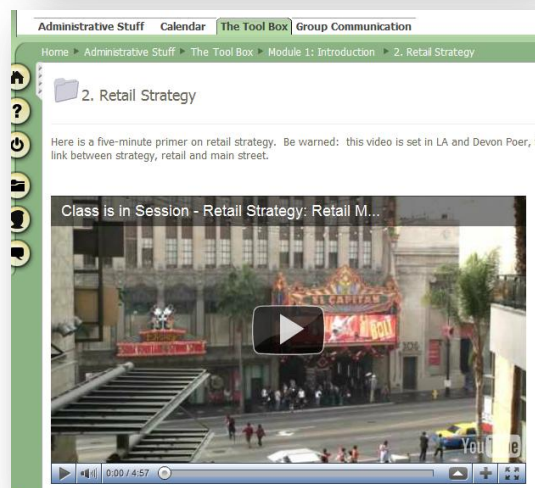
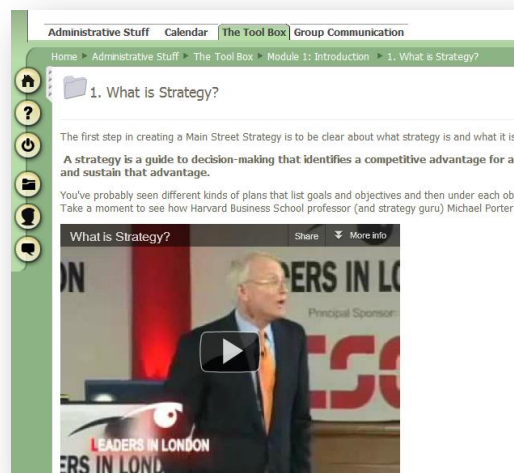
Module 1: An Introduction to Strategic Thinking

In the first module, participants were introduced to the theory of strategic planning. The module explains what it means to create a strategy and why strategic thinking is important for the development of Main Streets. These were the assignment topics for the first module:

1. Overview of Strategic Thinking
2. Retail Strategy
3. How Markets Evolve over time
4. Why Strategy is Different

1. Overview of Strategic Thinking: What is Strategy?

The first assignment explained the concept of a strategy with a video of Michael Porter, a strategy expert and professor at the Harvard Business School. A strategy is defined as, "a guide to decision-making that identifies a competitive advantage for an enterprise and then seeks to take a consistent approach to day-to-day decisions that will build and sustain that advantage." A strategy was explained, is never a course of action.

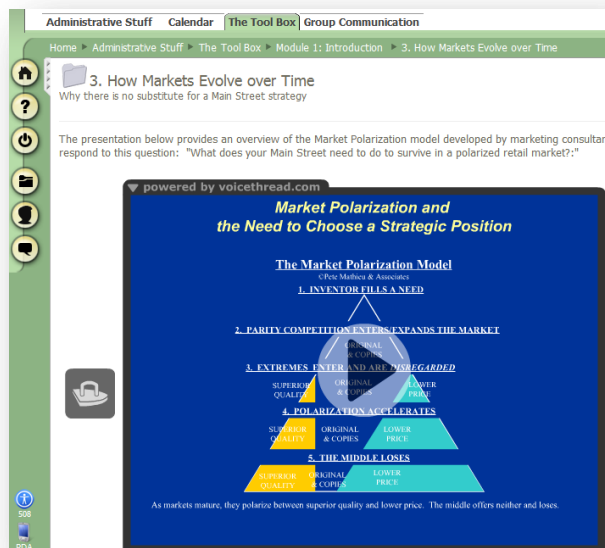


2. Retail Strategy

The second assignment introduces the link between strategy, retail, and Main Street with a 5-minute video. Retail strategy was defined as “a statement identifying the retailers target market, the format the retailer plans to use to satisfy the market’s needs and the bases upon which the retailer plans to build a sustainable competitive advantage.”

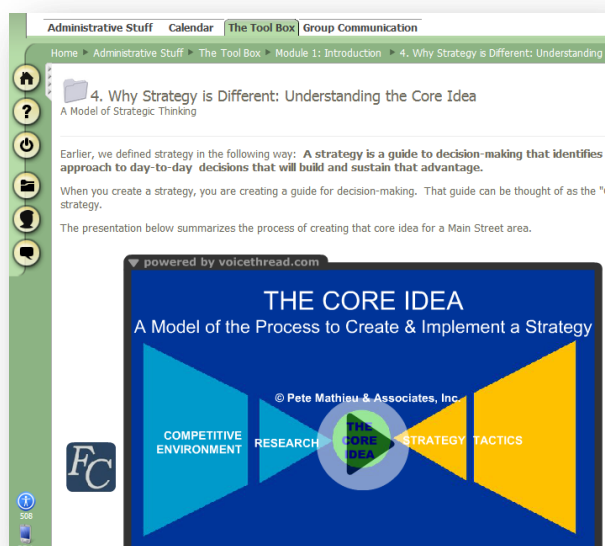
3. How Markets Evolve over Time

The third assignment explains the market polarization model developed by A.H. Pete Mathieu with a narrated presentation. The model starts with an inventor filling a need, in this example, Sears creates a national general merchandise market. Then parity competitors such as JCPenney and Montgomery Ward enter and expand the market. In the third step, the extremes enter and are disregarded. At the high end, stores such as Talbots offer superior quality products at high prices, and at the lower end, stores such as Walmart are aggressive discounters and offer lower quality products at low prices. In the fourth step, the original stores are still dominant but are starting to lose the market to the stores at the extremes. In step 5, the middle comprised of the original stores, loses because consumers are polarized between those seeking superior goods and those seeking bargains and the dominant companies that started the market can no longer offer consumers what they want. Main Street retail can compete in this type of market by either offering discount goods or superior quality goods and/or a superior location.



4. Why Strategy is Different: Understanding the Core Idea

The fourth assignment wraps up the discussion of “strategy” by introducing the “core idea,” or the guide for decision-making that informs the actions to be implemented to uphold the strategy. The core idea model, developed by Pete Mathieu, is explained further with a



narrated presentation. The presentation explains that the strategic planning process in 4 steps: Analysis, Synthesis, Planning, and Action. In the analysis step, we look at the competitive environment, including who are our competitors and potential customers are. The analysis step also includes research into the supply and demand trends of local, regional, and national markets and starts to define the target customers and the benefits they may seek from the services. The end result of the analysis stage is an understanding of the strengths, weaknesses, opportunities, and threats of our Main Street. The synthesis step involves taking all of the information gathered during the analysis and creating a core idea that represents the “unique & inherent truth about a product or service which differentiates it from competition in ways which are meaningful and persuasive to the target audience.” In the planning process, a strategy is created which consistently communicates the core idea to the target audience and implements the core idea. The strategy is the long-term approach by which we provide unique benefits to our target customers. Once the strategy is identified, we create a set of steps or tactics to implement the strategy.

Module 2: Who Are You? Learning about our Main Street area: Competitive Analysis, Part 1- Strengths and Weaknesses

Module 2 aims to guide participants in assessing the competitive position of Main Street with regard to its Strengths and Weaknesses. Strengths are defined as what the Main Street area has that is an advantage for its businesses or to its customers, and Weaknesses are those aspects of the Main Street area that make it less attractive to businesses and customers.

The assignments for the second module are as follows:

1. Reviewing criteria for successful Main Street areas
2. Reviewing information on your own Main Street area
3. Starting with the “S” and the “W” – Identifying Strengths and Weaknesses of your Main Street area

1. Reviewing Criteria for Successful Main Street area

This assignment includes two reports from the Urban Land Institute, a non-for-profit organization whose mission it is “to provide leadership in the responsible use of land in creating and sustaining thriving communities worldwide.”

The first report states and explains the ten principles for developing successful town centers:

1. Create an Enduring and Memorable Public Realm
2. Respect Market Realities
3. Share the Risk, Share the Reward
4. Plan for Development and Financial Complexity
5. Integrate Multiple Uses
6. Balance Flexibility with a Long-Term Vision

7. Capture the Benefits that Density Offers
8. Connect to the Community
9. Invest for Sustainability
10. Commit to Intensive On-Site Management and Programming

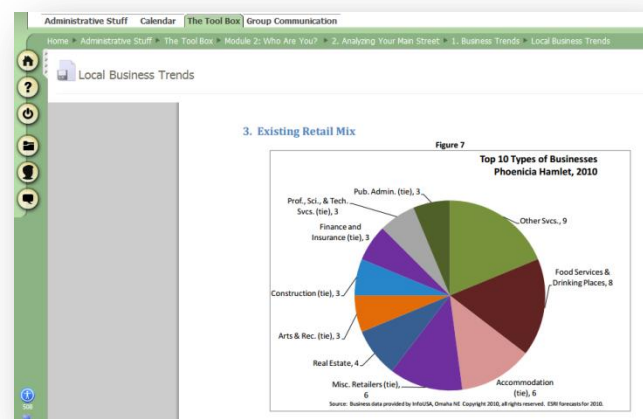
The second report state and explains the ten principles for rebuilding neighborhood retail:

1. Great Streets Need Great Champions
2. It Takes a Vision
3. Think Residential
4. Honor the Pedestrian
5. Parking is Power
6. Merchandise and Lease Proactively
7. Make it Happen
8. Be Clean, Safe, and Friendly
9. Extend Day into Night
10. Manage for Change

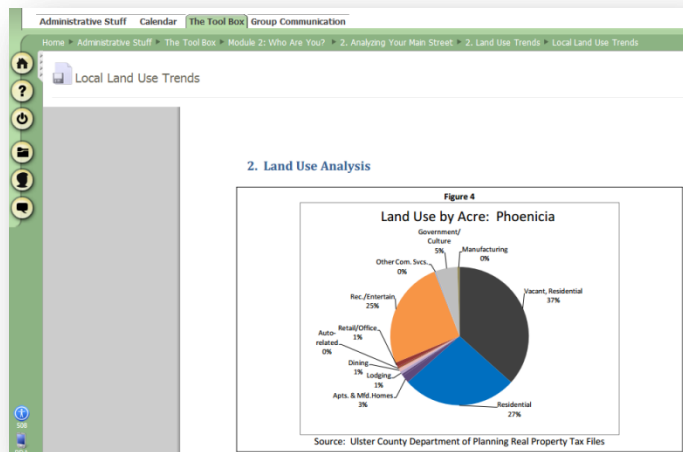
2. Analyzing your Main Street

The second assignment in Module 2 focuses on applying the lessons of the first assignment and analyzing the Main Streets of Phoenicia, Pine Hill, and Phoenicia with respect to its strengths and weaknesses in three areas: business trends, land use trends, and local zoning policies. Three separate assignment folders are given for each area of analysis.

1. Business Trends: Participants are provided with a document which shows the composition of the business sector in each of the three hamlets of Phoenicia, Pine Hill, and Shokan, and asked to answer the following questions:
 - a. Is there a business (or group of businesses) that serve as an anchor for your main street?
 - b. Are there types of businesses that always seem to do well in the area?
 - c. Are there types of business that always seem to struggle?
 - d. What are the aspects of you main street area that make it easier for these businesses to succeed?
 - e. Are there aspects that make it harder for businesses to succeed?



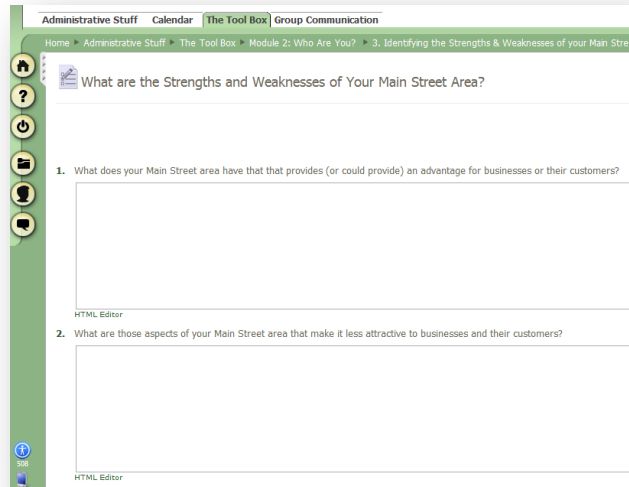
2. Land Use Trends: Participants are provided with a document which presents the composition of land use for each of the hamlets and participants are asked to answer the following questions:
 - a. What types of land uses or what areas in your main street area are "hotspots" of community activity?
 - b. What types of land uses or what areas in your main street area are underused or vacant?
 - c. In what ways does the way land is used in your main street area contribute to (or detract from) its overall vitality?



3. Local Zoning Policies: This section reviews the local zoning policies of each hamlet to see how it might be affecting the local area. Participants are asked to answer the following questions:
 - a. Is your main street area's zoning helping create a more vital main street?
 - b. Is it in the way of the success of your main street area?
 - c. What are the things about your zoning that should stay the same?

3. Identifying the Strengths & Weaknesses of your Main Street area

In this assignment, participants are asked to identify the factors that they consider to be the strengths and weaknesses of their Main Street given the information that was previously reviewed about successful Main Streets, land use, property values, and local business trends.



Module 3: Where Are You? Learning about our Main Street Area: Competitive Analysis, Part 2- Opportunities & Threats

Module 3 continues to evaluate the competitive setting for the Main Street area by understanding the opportunities and threats it faces. Opportunities are defined as the general economic, social, or demographic trends that the Main Street can take advantage of. Threats are defined as the trends that might damage the Main Street area. This module looks at opportunities and threats by considering national trends in retailing that may affect local and regional demand, regional tourism trends, and the specific nature of “supply and demand” in the local and regional retail market.

The assignments in Module 3 are as follows:

1. Assessing the effect of national trends
2. Understanding Tourism Opportunities
3. Developing an in-depth understanding of the Local Retail Market
4. Discussion of the Opportunities and Threats facing your Main Street

1. National Retail Trends

This assignment includes a document which summarizes the national trend toward “experience-based” retail. The document first revisits the market polarization model and later explains the need for retailers to create new and exciting shopping experiences to attract consumers who are increasingly looking for a “time back” benefit and are easily able to shop online. Participants are asked to review the document and then join an online discussion on whether the rise of “experience-based” retail will change their Main Street.

Administrative Stuff Calendar The Tool Box Group Communication

Home Administrative Stuff The Tool Box Module 3: Where Are You? National Retail Trends National Retail Trends

National Retail Trends

replacement of obsolete formats and concepts³.

Table 1 provides an overview of the trend toward "experience-based retail" as the model for premium

Table 1
The Transition to "Experience-based" Retail
Italicize Future of Retail Property—Online Retailing: The Impact of Click on Brick

The Retail Transition	
From	To
Location	Access/popularity
Generalists	Specialists
Times when we do	Moments when we might
Store as a warehouse	Store as showroom/theater
Store as transaction point	Store as an information point
Retailer power	Consumer/broker/distributor power
Convenience	Relationship and trust
Value for money	Value for time coupled with value for money

Source: Excerpted and adapted from Yvonne Court, *Future of Retail Property—Online Retailing: The Impact of Click on Brick*. (London: British Council of Shopping Centres, 2006).

³ Gruen, Aaron N, "Demographics and Retail," *Urban Land*, January, 2008, pp. 116-118.

2. Tourism Opportunities

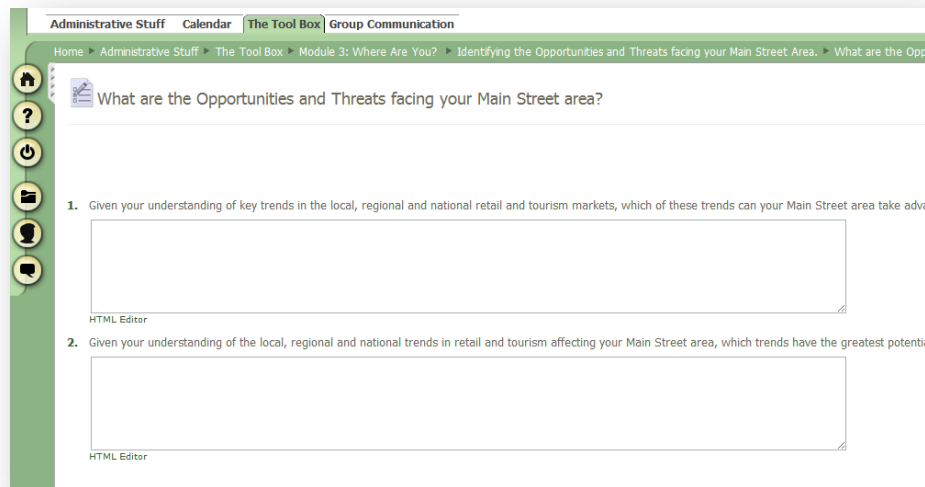
This assignment summarizes the overall economy and tourism industry in Ulster County and the Catskills in an attached document. The document revises top performing and lowest performing industries in Ulster County based on their wage levels and job growth and then assesses Ulster County's retail market, its tourism industry, arts industry, workforce trends, and housing. Participants are then asked to join a discussion on how tapping into the Catskills tourism market can contribute to the vitality of their Main Street area.

3. Local Retail Market

This assignment provides a document that summarizes the retail trends in the hamlets of Phoenicia, Pine Hill, and Shokan including an in-depth demographic analysis which determines the major customer groups in each of the hamlets and which types of goods they prefer, and a retail/surplus analysis which shows which types of stores have unmet demand in the area. After reviewing the document, participants are asked to join a discussion on how to take advantage of key market opportunities and/or how to overcome threats in the local and regional markets.

4. Identifying the Opportunities and Threats Facing your Main Street Area

In the final assignment, participants are asked to identify the factors that they consider to be the opportunities and threats facing their Main Street given the information they have learned in the previous assignments.



Module 4: The Truth about your Main Street

This module takes the SWOT analysis (strengths, weaknesses, opportunities, and threats) completed in the previous modules and brings it together to start to define the sources of competitive advantage for the Main Street area. The module focuses on how Main Street can mobilize its strengths and minimize its weaknesses in order to take advantage of opportunities and avoid threats.

The assignments in this module were a series of discussion topics which participants were asked to respond to:

1. Who are your customers?
2. What is the experience your Main Street offers or can offer?
3. What important Physical Assets does your Main Street area offer?
4. What are the Potential Problems?
5. What are the other Important Resources in your Main Street area?
6. Putting it all together

1. Who are Your Customers?

This assignment asks participants to answer the following question in the discussion board:

"Given the information we have about local and regional customers segments from Tapestry as well as information about tourism trends in the Catskills, who do you see as the most important customer groups for your Main Street area?" The responses were then intended to be used to find a consensus among the group on which customer groups are served or could be served by Main Street.

2. What is the Experience you Main Street Offers or Can Offer?

This assignment asks participants to respond to the following question in a discussion post:

"Given the information we have about your Main Street's businesses, land use and zoning, what experience can your Main Street offer? A hub for outdoor recreation? A cultural center? A history/heritage experience? A trendy tourist hangout?"

The responses were then to be used to find a consensus among the group on the nature of the experience that is or could be offered by Main Street.

3. What Important Physical Assets does your Main Street area Offer?

In the third assignment, participants were asked to respond to the following discussion topic:

"One of the ingredients that contributes to the experience that your Main Street area provides visitors and residents is the physical assets in and around the Main Street area. This can include notable buildings and other structures, nature features, scenic vistas and such smaller details and street furniture and even sidewalks.

Your discussion of the strengths of your Main Street area has already touched on these assets. Think of them now in the context of the Main Street experience you are trying to strengthen or create for key customer groups.

What physical assets in and around your Main Street area contribute to (or have the potential to contribute to) the way key customer groups experience (or could experience) Main Street?

Please respond by listing what you see as key physical assets and, for each of them, describe how they currently contribute (or could potentially contribute) to customers' Main Street experience."

4. What are the Potential Problems?

Participants were asked to respond to the following discussion topic in this assignment:

"What do you see as either current or potential problems in and around your Main Street area that take away from (or could take detract from) your Main Street experience? This could include everything from local loiters, poor signage and crumbling sidewalks to blocks of abandoned buildings.

Some of these probably came up already when we discussed the weaknesses and threats related to your Main Street area. Think of them now in the context of the Main Street experience you are trying to strengthen or create to reach key customer groups.

List each problem and describe how they currently damage (or could potentially damage) customers' Main Street experience."

5. What are the other Important Resources in your Main Street area?

In this final discussion, participants are asked to respond to the following:

"Earlier, we had discussed the physical assets that are important in strengthening or creating an experience in your Main Street area. Are there other resources that we should consider when trying to strengthen your Main Street area?

Please respond by listing these resources (organizations, individuals, local policies, etc.) and, for each of them, describe how they currently contribute (or could potentially contribute) to customers' Main Street experience."

6. Putting it all Together

This assignment ties together everything that was discussed in the previous assignments of the module in order to help participants get a clearer idea of the truth about their Main Street area. The assignment asks participants to put together the basics of the "core idea" in a template.

The screenshot shows a web-based survey editor interface. At the top, there is a navigation bar with tabs: Administrative Stuff, Calendar, The Tool Box (selected), Group Communication, Report, Automate, and Manage. Below this is a breadcrumb trail: Home > Administrative Stuff > The Tool Box > Module 4: the Truth about Your Main Street > 6. Putting it all together > A Template for Thinking about the "Core Idea" for your Main Street. The main title of the survey is "A Template for Thinking about the 'Core Idea' for your Main Street strategy". Below the title are links for Settings, Reports, Utilities, Submissions, and Delete. The interface is in "Survey Editor" mode, with tabs for "At a Glance" and "Add Question Set". A "Preview" button is also visible. On the left, there is a vertical sidebar with icons for home, help, power, folder, user, and chat. The main content area is titled "Question Set: Questions" and contains a list of five questions, each with a checkbox and a question mark icon. The questions are: 1. Key Customer Groups (The key customer groups to be served by our Main Street area include the following:), 2. Main Street Experience (These customer groups will be provided with the following experience(s) in our Main Street:), 3. Physical Assets (The following physical assets will play an important role in creating our Main Street experience:), 4. Problems (In order to provide the highest and best experience in our Main Street area, the following problems need to be addressed:), and 5. Other Key Resources (In order for our Main Street strategy to succeed, the following people, organizations, financial resources or local policies need to be included and/or mobilized:). Each question is followed by a text input field.

Module 5: The Core Idea for your Main Street Strategy

In this module, participants are asked to reach a consensus on the elements of the core idea.

The module includes the following assignments:

1. Talk it over: you should probably try to meet in person to go over the results of Module 4. Are there any big disagreements over any of the core idea elements?
2. Work it through: if there are disagreements, it is important to understand why they exist. What data or other information can each of you identify to support your point of view? You can use the "Reaching Consensus of the 'Core Idea'" discussion forum below to start to work through any differences. Are they just different ways of expressing the same (or similar) positions? See if you can reach consensus through the discussion forum. Do the data you are each using seem to contradict each other? If so, we may need to have an in-person session to work out those differences. But let's try the discussion forum first.
3. Commit it to print: Once you have reached consensus on the core idea, it is important to record the group's decisions. You can use the module "Stating the Core Idea for your Main Street strategy" to formally record the elements of your consensus core idea. (Note: once you've reached an agreement, you may wish to appoint one group member to enter the information in this module.)

A discussion forum is provided to allow participants to discuss the tenants of the core idea and ultimately come to a consensus. Once a consensus is reached, participants are asked to record it in the following template:

The screenshot shows a web application interface for recording a group consensus. The top navigation bar includes links for Administrative Stuff, Calendar, The Tool Box, Group Communication, Report, Automate, and Manage. The breadcrumb trail indicates the current location: Home > Administrative Stuff > The Tool Box > Module 5: the Core Idea for Your Main Street Strategy > Stating the "Core Idea" for your Main Street strategy. The main heading is "Stating the 'Core Idea' for your Main Street strategy" with a sub-heading "Recording a Group Consensus". Below this are tabs for "Survey Editor" and "At a Glance". The "Survey Editor" tab is active, showing a list of five numbered questions for an essay format. Each question is preceded by a checkbox and a question icon. The questions are:

1. **Key Customer Groups**
The key customer groups to be served by our Main Street area include the following:
2. **Main Street Experience**
These customer groups will be provided with the following experience(s) in our Main Street:
3. **Physical Assets**
The following physical assets will play an important role in creating our Main Street experience:
4. **Problems**
In order to provide the highest and best experience in our Main Street area, the following problems need to be addressed:
5. **Other Key Resources**
In order for our Main Street strategy to succeed, the following people, organizations, financial resources or local policies need to be included and/or mobilized: