

Moriah Waterfront and Economic Strategic Plan



Submitted to:
The Town of Moriah
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Inside Cover Page

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Department
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Chapter 1 **EXECUTIVE SUMMARY**

Chapter 2 INTRODUCTION

Chapter 3 EXISTING CONDITIONS ANALYSIS

Physical Assets

This section of the report takes an inventory of the exiting physical assets that the Town and Village can use to leverage waterfront development.

Port Henry Public Boat Launch

A public boat launch, owned and managed by the State of New York, is located on the north side of the Canal Terminal Pier and the Village Beach and Campground. This is a 4.6-acre parcel that provides boat access, 2 concrete launch ramps which can accommodated boats up to 30 feet long and includes aluminum floating docks adjacent to the launch ramps. The area also has a breakwater, constructed in the 1990's, that extends 130 feet from the shoreline, a parking lot with 45 spaces for cars and boat trailers, and a restroom facility. Only a portion of the parking area is paved and the unpaved area is in poor condition. The restrooms are also in poor condition.

Canal Terminal Pier

The recently renovated Canal Terminal Pier, owned by the NYS Canal Corporation, is located between the state boat launch and the Village Beach and Campground. This earthen pier extends 530 feet from the shoreline and was constructed to serve commercial shipping entering or leaving the State Barge Canal System. Today the pier is used heavily by the public for on-shore fishing and picnicking. In the late-1990s, the New York State Canal Corporation undertook much needed dredging and restoration of the facility, including the installation of a walkway and public docks for transient boaters. The dredging provides for a 14-foot depth and has stimulated greater use of this facility. The facility serves as a substantial asset to the village in the development of tourism opportunities. Future improvements to the facility are planned to make the site more accessible, including the installation of sidewalks from Main Street to the pier.

Port Henry Village Beach

The Port Henry Village Beach is part of the village-owned campground and is located off Dock Lane on the Southside of the Canal Pier and DEC boat launch. The beach has been struggling with weed infestation problems, mainly Eurasian milfoil. The property also has moderate erosion problems. In recent years, the village beach has not been open daily due to inadequate staffing and swimming has been prohibited when there is no lifeguard on duty. Blue/green agile blooms have also caused the beach to close. From 2012 to 2014 the beach was closed six times due to agile blooms. The Lake Champlain Basin Program rates this as "Fair" on comparative scale with other public beaches on the Lake.

Bulwagga Bay Campground and Beach

The Town of Moriah operates the Bulwagga Bay Campground and Beach. There are 175 campsites here with nearly 90% of them used seasonally by campers from the Albany/Saratoga Springs area. The beach and shoreline has significant erosion problems, which threatened the campground's water and electric infrastructure and resulted in the loss of mature vegetation along the shoreline. The town obtained state funding and municipal bonding to install stabilize the shoreline.

Van Slooten Harbor Marina

located next to Bulwagga Bay Campground and just over the railroad tracks from the Town Offices and Amtrak station. The marina has approximately 60 slips and 10 moorings and provides fuel, haul-out, pump-out and repair services. It has a launch ramp, along with public washrooms and a snack bar.

Velez Marina

Located adjacent the State boat ramp and Pier on Dock Lane in Port Henry. There are currently 35 dock spaces but the marina has permit approval for 95. The current owner bought it in 2000 and there has been slow and steady growth, about 10% per year, since then. Currently there are 24 slips under contract.

Port Henry Water System

The Village owns and operates a water treatment, storage and distribution system that provides water to village boundaries. Repairs and upgrades to the treatment plant and distribution system are needed to comply with current regulations under the Safe Drinking Water Act. Bartlett Brook is the source of the water. A small dam off Cheney Road creates a ½ acre reservoir to store the raw water. It then flows through 8,700 ft. of transmission main to a treatment plant where it is chlorinated and sent to a storage tank. The plant was constructed in 1979 and has a design capacity of 1,000,000 gallons per day, with average demand ranging from 400,000 to 500,000 gallons per day. The peak demand for the Village is approximately 200,000 gpd per day (gpd)ⁱ. In 1997, approximately 7,400 feet of water transmission line was replaced. Remaining water mains are susceptible to leaks. A portion of the village is not served by the village water system due to a lack of elevation for a gravity feed. The village provides water to some town resident and the town water system provides water to some village residents, all depending on the topography and engineering. The Village is metered and charges accordingly, with no property tax for its Water Fund. The Town is unmetered and charges on a per-user basis (i.e., one hookup, one charge) for operations and maintenance costs as well as an ad valorem property tax levy to cover debt service.

Town of Moriah Water System

There are two water districts in the Town of Moriah. Water District #1 includes the communities of Moriah, Moriah Corners, and Grover Hills. This system provides approximately 345,000 gallons for approximately 620 users, or approximately 560 gallons-per-day per user. Water District #2 includes the communities of Mineville and Witherbee and includes 450 users with an average daily use of approximately 270,000 gallons, or 600 gallons-per-day per user. The peak demand for the Town is approximately 450,000 gpdⁱⁱ. The Town's system is capable of delivering 1,300,000 gpd, and therefore has sufficient capacity to service peak demand for both Village and the Town.

Bartlett Pond is the raw source of water. From Bartlett Pond water enters a five-foot diameter concrete intake structure and flows through 1,200 feet of piping to a wet well and pumping station adjacent to the filtration plant. After chlorination, the water is gravity-fed and stored in a 335,000-gallon concrete reservoir. The Town recently completed improvements to its water system consisting of a new 1,000 gallon-per-day water treatment plant, pump station, two 650,000 gallon water storage tanks on Bartlett Pond Rd., a new 390,000 gallon water storage tank on Barton Hill

Rd., new transmission mains along Plank Rd., new transmission main from the Barton Hill storage tank to Dalton Hill Rd., and replacement of substandard water mains within the Witherbee and Mineville areas of Water Districts 1 and 2. Roe Pond, located in Witherbee, is used as an alternate source during emergencies.

Sewage treatment system

The Village of Port Henry and Town of Moriah jointly operate a new sewage treatment plant, located on the shoreline adjacent to the Town Park and Campground. This system went online in 2007 and has corrected many past sewer overflow from storms and phosphorus problems. The collection system needs upgrades. The village's ability to inspect the system and identify deteriorated sewer line, the source of infiltration and inflow, is severely impaired by the lack of access to the system due to an inadequate number of manholes. The Village recently received a \$500,000 grant and a loan for just over \$1 million for repairs and upgrades.

Peak flow demand on record for this treatment plant is 1.7 million gallons per day. The Plant has a capacity of 2,750,000 gpd (average daily flow is at 400,000 gpd) and therefore has ample capacity to accommodate new waterfront development if the need arose.

Community Development Assets

Historic Resources

Historic resources are unique and valuable assets that can be used to leverage economic development. The Town and Village have done a remarkable job of preserving their historic resources. Although these resources are not central to the question what is the best use of the waterfront, they are still important elements that define the core spirit of a community. They are noted here because they will be important to determining feasibility of unique and culturally appropriate development.



Port Henry's historic resources listed on the National Register of Historic Places Include the following:

Delaware and Hudson Railroad Depot: Located on Park Place to the south of the Town Office building. The depot was built in 1888 by George R. Sherman and is a one-story building constructed of rough-faced squared stone capped with a gable roof. Architecturally, it is significant as a well-preserved example of the Richardsonian Romanesque style. The building was a hub of economic activity during a period of great growth and prosperity for

the Town. role which it played in the growth of Port Henry and the surrounding area. Following the demise of the Republic Steel facility in the 1960's, the depot was used mostly for passenger service and eventually was closed for several years in the 1970's. In 1980, the depot re-opened and still functions today as an active AMTRAK depot. Since 1983 the depot has also been used as a senior citizens' center.

Moriah Town Office Building: This building was constructed in 1875 to serve as headquarters for the region's largest iron and steel manufacturing firm, Witherbee, Sherman and Company. At 38 Park Place to peered onto its operations and extensive manufacturing facilities, wharves, and railroad lines along the Lake Champlain shoreline. The building is an excellent and well preserved example of the

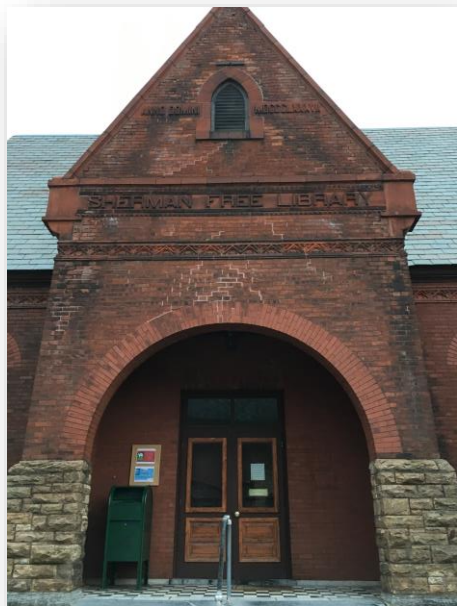
Second Empire architectural style. This massive, three-story brick building is characterized by many distinctive features, including a mansard roof with dormer windows, molded cornices, a cupola with round windows, and elaborate door and window surrounds. Also, located on the property is a smaller contemporaneous brick carriage house which also displays many distinctive design elements. The

carriage house has been renovated to serve as the Visitors Center for the Port Henry Railroad and

Mining Heritage Park. With the demise of the local iron industry, the Town of Moriah acquired the property in 1959 for municipal offices, a function which it still serves.

Mount Moriah Presbyterian Church: The Church is product of the great economic prosperity of the iron ore years. Funds for the construction of this church were largely provided by the owners of the lucrative iron mines and the building itself reflects the wealth of its original constituents. Church was constructed in 1888 and is significant as a highly intact example of the Richardsonian Romanesque architectural style. This massive stone church includes many distinctive design elements of this style, including: an asymmetrical facade; wide rounded stone arches; a massive corner bell tower; large gabled wall dormers; deeply recessed windows and doors; and a rough-cut sandstone block exterior. It is located on the corner of South Main Street and Church Street. The church remains largely intact and continues to serve its original purpose.

The Port Henry Fire Department Building was constructed in 1883 and is located at the intersection of Broad and College Streets. The two-story brick structure exhibits a Romanesque Revival architectural style and is characterized by round arches, recessed panels, and an unusually high degree of decorative detailing. The interior features two garage bays, office and living quarters, pressed tin ceilings, wainscoting, and heavily molded door and window trim. The structure was used for its intended purpose until the 1970's, when the fire department moved to a nearby and larger building. Today, it is a privately-owned residence.



Sherman Free Library: The Sherman Free Library was constructed, financed, and donated to the Village in 1888 by George R. Sherman, one of the most prominent, wealthy, and philanthropic local industrialists and executive in the Witherbee, Sherman and Company mining empire. It is located on the south side of Church Street near the corner of South Main Street. It stands as a distinguished and intact example of the Richardsonian Romanesque architectural style. The building is a T-shaped, 1 1/2 story brick structure with a round, arched entrance, arched windows, and is capped by a steeply-pitched, gabled roof. The interior of the library is almost completely original, and includes varnished oak paneling, shelving, tables, and chairs. Today, the Sherman Free Library continues to serve as an active library and benefits from several valuable collections donated by the mining companies and individuals. This valuable community

resource and gift from early industrialists, continues to benefit local residents long after the closing of the mining industry.



Van Ornam and Murdock Block: The Van Ornam and Murdock Block consists of four attached Italianate style commercial structures along South Main Street built between 1874 and 1880. From this period to today, they continue to serve as the focal point of Port Henry's business district. Despite slight deterioration and minor alterations, the architectural integrity of the original buildings has been maintained. The northern-most building of the block is the Van Ornam Building, a 3 1/2 story brick structure built in 1874. It is larger and more elaborate than most commercial buildings in the region and has ornately detailed and intact lintels, belt courses, and a bracketed cornice.

To the south of the Van Ornam Building is the 4-story brick Lee House Hotel, the largest and most prominent building of the group. It was built in 1874 and served for years as a center for entertainment and social activity within the Village. A cornice with modillions, wood lintels and sills, and star-shaped anchors ornaments the facade. To the south is the National Bell Store. It is a 2-story wood frame structure with a stamped metal facade characterized by a cornice, panels stamped with ornate patterns, and slender columns which decorate the storefronts, constructed in 1880. The southern-most structure is the Harlan Building, a 2-story brick building constructed shortly after completion of the National Bell Building. Both this building and the National Bell Building are smaller than the Van Ornam Building and Lee House and are typical examples of late 19th century commercial architecture.

Public Spaces

Bulwagga Bay Campground has a public playground and beach that is open free to all residents. There is a pavilion, basketball court, and picnic areas that is used moderately by residents.

The Port Henry Municipal Beach is not open the public.

The Railroad and Mining Heritage Park, is located between the railroad station and the municipal building and contains outdoor interpretive exhibits, a gazebo from which a summer concert series is hosted, and a restored outdoor display of original locomotive ore car, and caboose from the L&C Railroad is on view year-round. There are plans to expand the outdoor interpretive exhibits. A pedestrian connection is needed to link Heritage Park, the Iron Center and Amtrak train station to the downtown business district and the waterfront, the Village received a LWRP grant to complete this project.

Witherbee Park, is a small park at the corner of Main and Broad Streets and is currently developed with benches, planters and a Visitor Information Booth.

Powerhouse Park, located along the shoreline adjacent to the state boat launch, has received recent site improvements through Town and Village efforts. Installation of benches, picnic tables, a pedestrian trail, landscaping, a kiosk and informational signage were completed in the late-1990s. Improvements for pedestrian access are needed between the downtown and shoreline, as part of an ongoing effort to revitalize the waterfront and support its downtown businesses. Two pedestrian bridges were previously constructed on Dock Lane over Mill Brook near the shoreline with grant funding, but are not connected to sidewalks and have earned the moniker of “bridge to nowhere.” The Village received a LWRP grant to construct 1,450 linear feet of sidewalk along Dock Lane that will link the downtown business district with the lakefront, but construction has not been completed.

Commercial Property Inventory

This section includes an inventory of property on the Moriah/Port Henry waterfront. This serves as background information for other elements of the market analysis and feasibility of waterfront opportunities.

The Moriah/Port Henry waterfront is approximately 2 linear miles long and includes 10 waterfront parcels. They stretch from a privately held 16-acre residential parcel on the far north end to the 17 acres Bulwagga Bay Campground on the far south. Nearly every major land use type can be found on the waterfront including: residential, private commercial recreation, industrial (fuel storage), public recreation, and public infrastructure (wastewater treatment).

Table 3.1: Direct Waterfront Parcels in Port Henry

| Property Address | Class | Acres | Land Value | Total Value |
|------------------|-------------------|------------|--------------------|---------------------|
| 4484 Main Street | 210: Residential | 16 | 92,000 | 129,500 |
| Main Street | 312: Vac. w/impro | 0.7 | 18,200 | 22,900 |
| 29 Tunnel Ave | 210: Residential | 1.43 | 25,000 | 126,000 |
| 40 Velez Ln | 570: Marina | 10.07 | 493,000 | 495,000 |
| Dock Ln | 682: Rec facility | 4.6 | 391,400 | 400,800 |
| 24 Dock Ln | 441: Fuel Storage | 6.4 | 190,000 | 358,600 |
| 54 Dock Ln | 582: Camping park | 13.2 | 1,584,000 | 1,680,000 |
| 5 Harbour Ln | 570: Marina | 33.05 | 456,500 | 550,000 |
| 27 Bulwagga Dr | 853: Sewage | 3.25 | 286,300 | 9,435,000 |
| 60 Bulwagga Dr | 582: Camping park | 17.3 | 131,900 | 222,100 |
| Total | | 106 | \$3,668,300 | \$13,419,900 |

Source: Essex County property tax records.

The largest parcel is owned by Old Chimney LLC, locally known as the Van Slooten Marina. This



is a privately-owned marina on 33 acres of land with capacity for 50 boats, upland boat storage, and several mobile home structures used for a restaurant and other services. This marina is central to the village and walking distance to the train station and Main street businesses. Its neighboring property to the south is the 17 acre Bulwagga Bay campground (with a 3-acre wastewater treatment plant sandwiched in between the two). The campground has 175 campsites for visitors. Most, (95%) of the sites are rented for the entire season and used as weekend getaways. The campground also serves as a public beach and playground for local residents.

North of Van Slooten's Marina, the public owns another sizable parcel. Currently known as the Port Henry Village Campground, this parcel is 13.2 acres large and is arguably the nicest beach in the Town, and possibly the county. The beach was repaired after hurricane Irene and received new beach sand and building improvements. There are 100 campsites serving RVs and tents. Like the Town campground, most users are seasonal. Adjacent to the Village Campground is a private fuel distributor, Griffin Energy on 6.4 acres. They store heating and cooking fuels and distribute them to residential and commercial businesses in the region. The State of New York owns two parcels just north of this property. A public boat launch facility operated by the State Department of Environmental Conservation is on 4.6 acres. The site includes a large parking lot and a relatively new breakwater extending roughly 130 ft. from the shoreline adjacent to the launch ramp. East of this site is a fishing pier owned by the New York State Canal Corporation that extends approximately 530 ft. into the water. The pier is popular with the public for passive uses, such as on-shore fishing, ice fishing, and picnicking. Substantial improvements were undertaken in 2000 including sidewalks, lighting, and floating dock. The last commercial property going north of this site is the Velez Marina on 10 acres. The marina has a permit for 95 boat slips or moorings although it currently serves much less.



The Town/Village will be merged while this research is still being conducted. The Town will own two campgrounds totaling 30.5 acres. Public waterfronts of this size on Lake Champlain are rare and valuable. The view from these beaches is breathtaking. The water quality is good and the recreation opportunities are some of the best on the lake.

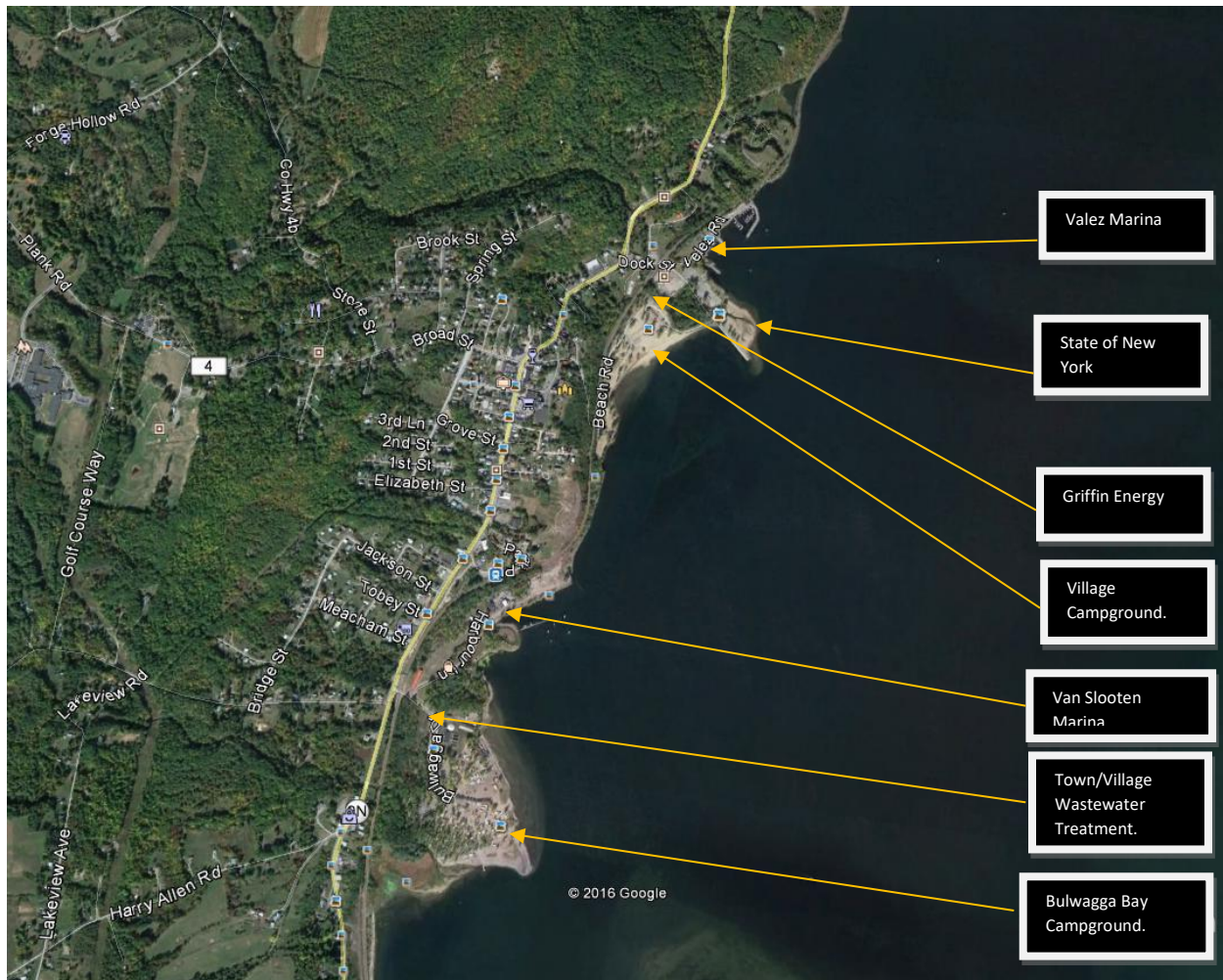
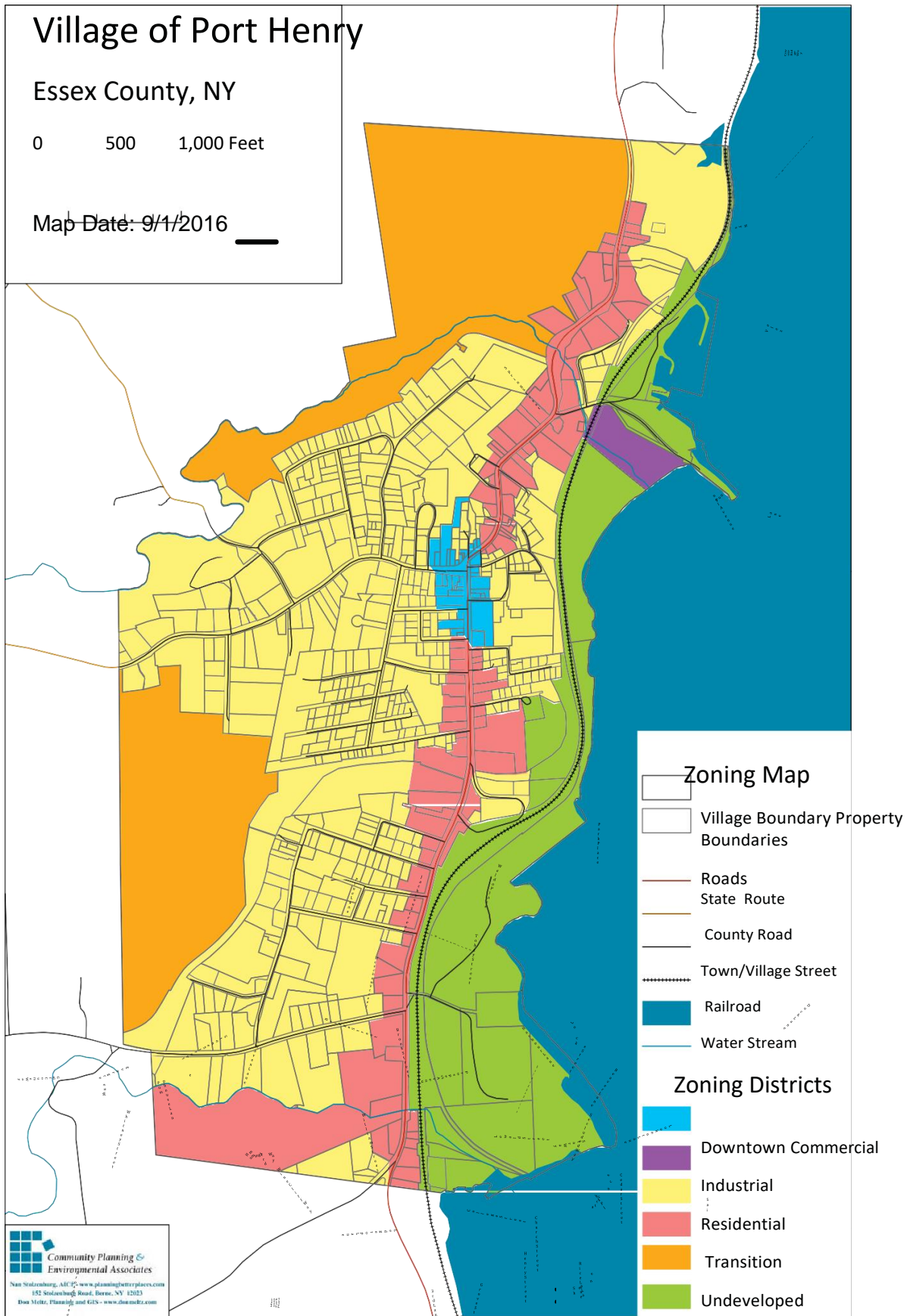


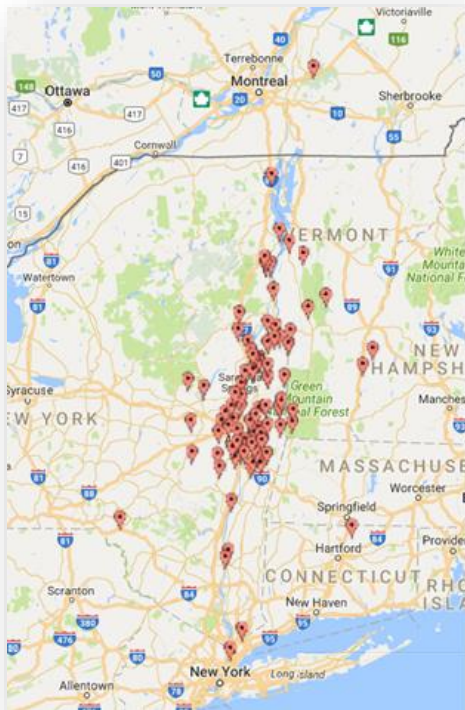
Figure 3-1:



Chapter 4 MARKET ANALYSIS

Market Area for the Moriah Waterfront

Zip Code analysis was used to determine the market area of visitors to the Port Henry/Moriah waterfront. Data from seasonal campers was used as a proxy to determine the market area for all waterfront visitors. Since the campgrounds and waterfront are the primary attractions for visitors to this study area, these data are a reliable proxy for the market area for most visitors. Waterfront visitors who would be excluded from these data include anglers and boaters, especially fishing derby participants. Hikers, bikers and motorists are other categories of visitors who are not included in this estimate. While some of these other visitors will be from the same market area as the campers, an unknown percentage will be from outside the market area. However, based on interviews with local business owners and town officials, it is assumed that the quantity of visitors not captured in this data set is small and that it still serves as reliable representation.



The frequency of zip codes is recorded on a map to document densities of the market participants. Each camper's zip code is recorded on registration data at the campground. These data are mapped with one zip code equaling one point on the map. A total of 220 data points was mapped. As shown in the maps below, the primary market area is concentrated in the Albany/Saratoga Springs transportation corridor. While there are outliers as far as Florida, Montreal, and New York City, approximately 90% come from this area.

There are only 81 unique zip codes from the 221 records, which demonstrates a high concentration of visitors' point of origin. In total, 94% come from New York State. Nine come from Moriah Town. The plurality of visitors come from Fort Edward and Whitehall (20% combined) followed by Hudson Falls, Greenwich, Nassau and Queensbury (combined with Fort Edward and Whitehall these comprise 35% of the total visitors).

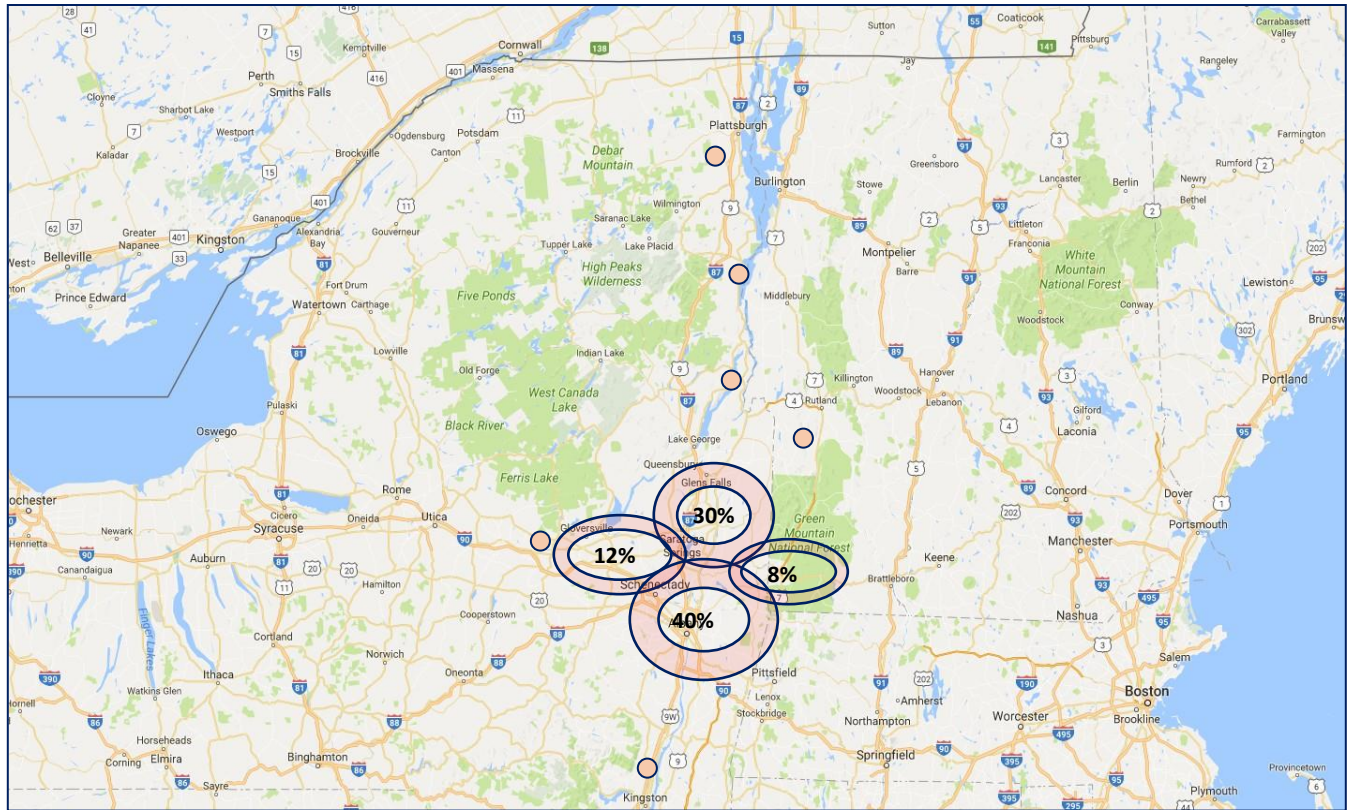


Figure 4-1

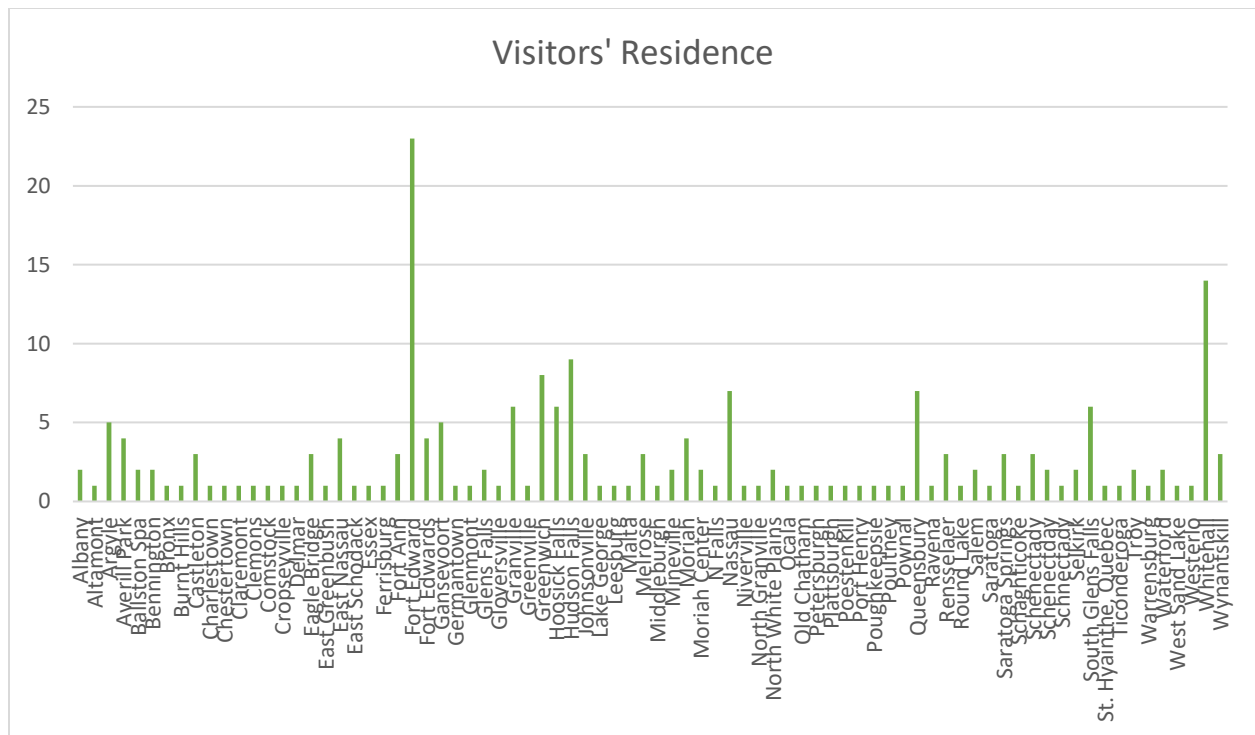


Figure 4-2

Essex County Visitor Study 2014 provides a comparison of market activity to the whole of Essex County. This study was conducted by analyzing 1,958 completed surveys from past visitors to Essex County in 2014. The study does not provide data on any individual municipality in the region. Comparing the results from both studies provides insight on the difference in market areas between Moriah and the whole of Essex County. Table1 shows the results between the town market areas. The entire county receives more visitors from a wider diversity of places than the Town of Moriah. The Town receives 76% of its visitors from northeastern New York State (north of Albany). The County, on the other hand, receives 80% of its visitors from all regions of New York State (north of Albany, south of Albany and the western region) and from northeastern USA outside of New York. The starkest difference is from western New York State where the county receives 28% of its visitors while Moriah has less than 1%. County also receives considerably more visitors from northeastern USA and Canada than the Town. Of course, these data are not definitive; the Town of Moriah is in the County and visitors to the County may have stopped in the Town. Since these are two different datasets taken at different times there is no way to confirm that visitors to the county did not visit Moriah. However, the comparison is helpful. If the Town of Moriah visitors represented County visitors, there would be similar distribution of percentages across places of origin. What this shows is the potential untapped market for the Town. There is a large market of New Yorkers in the western and southern areas of the state who are visiting Essex County but are not likely spending much time in Moriah. If the Town were to engage in marketing and promotional efforts, these are the areas that have the most potential to producing visitors. Stated in another way, the Town of Moriah is probably not receiving a representative share of Essex County visitors.

Table 4-1: Comparison of Market Areas, Essex County vs Moriah

| Visitors' Place of Origin | Essex County ¹ | Moriah ² |
|---|---------------------------|---------------------|
| Ontario | 6% | 0 |
| Quebec | 4% | 0.4% |
| Western USA | 1% | 0% |
| Mid-West USA | 3% | 0% |
| South USA | 6% | 0.4% |
| Western New York | 28% | 0.8% |
| New York South of Albany | 11% | 16% |
| New York North of Albany | 21% | 76% |
| Northeast USA (not NY) | 20% | 7% |
| Total | 100% | 100% |
| ¹ Essex County Visitor Study 2014 ² Moriah Waterfront Visitors Zip Code Analysis | | |

The market area for visitors to Essex County and Moriah town are shown in Map 1: below. Essex County draws visitors from an area nearly 5 times as big as the town. When Comparing both the county and tow to the market of Lake Placid the contract is even greater. A 2014 retail shoppers survey analyzed the market area for Lake Placid. The Town draw people from nearly half of the United States.

This is great opportunity for Port Henry if the Village could create a targeted marketing strategy to draw Lake Placid visitor to town.

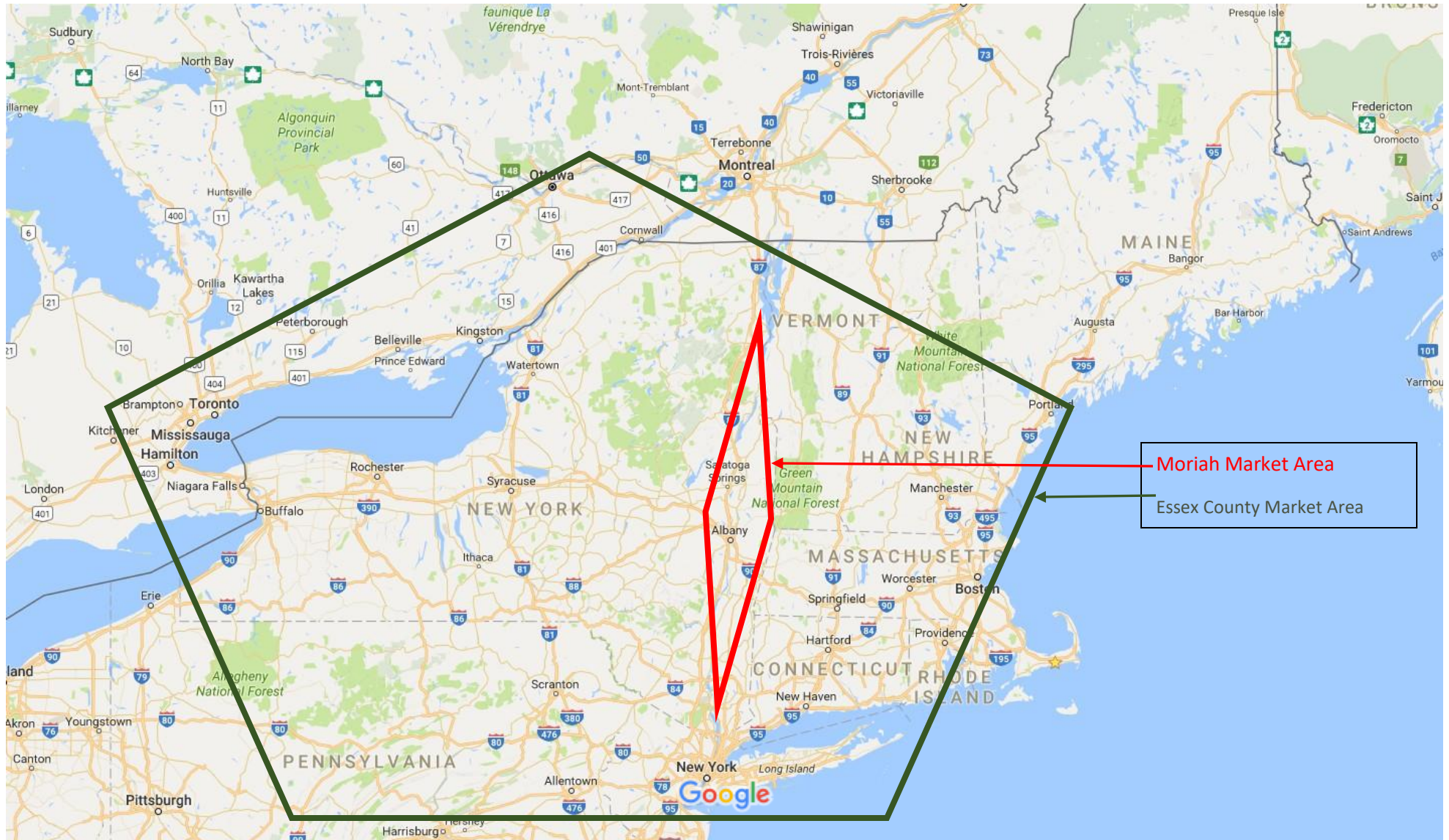


Figure 4-3: Market Area for Essex County and Moriah

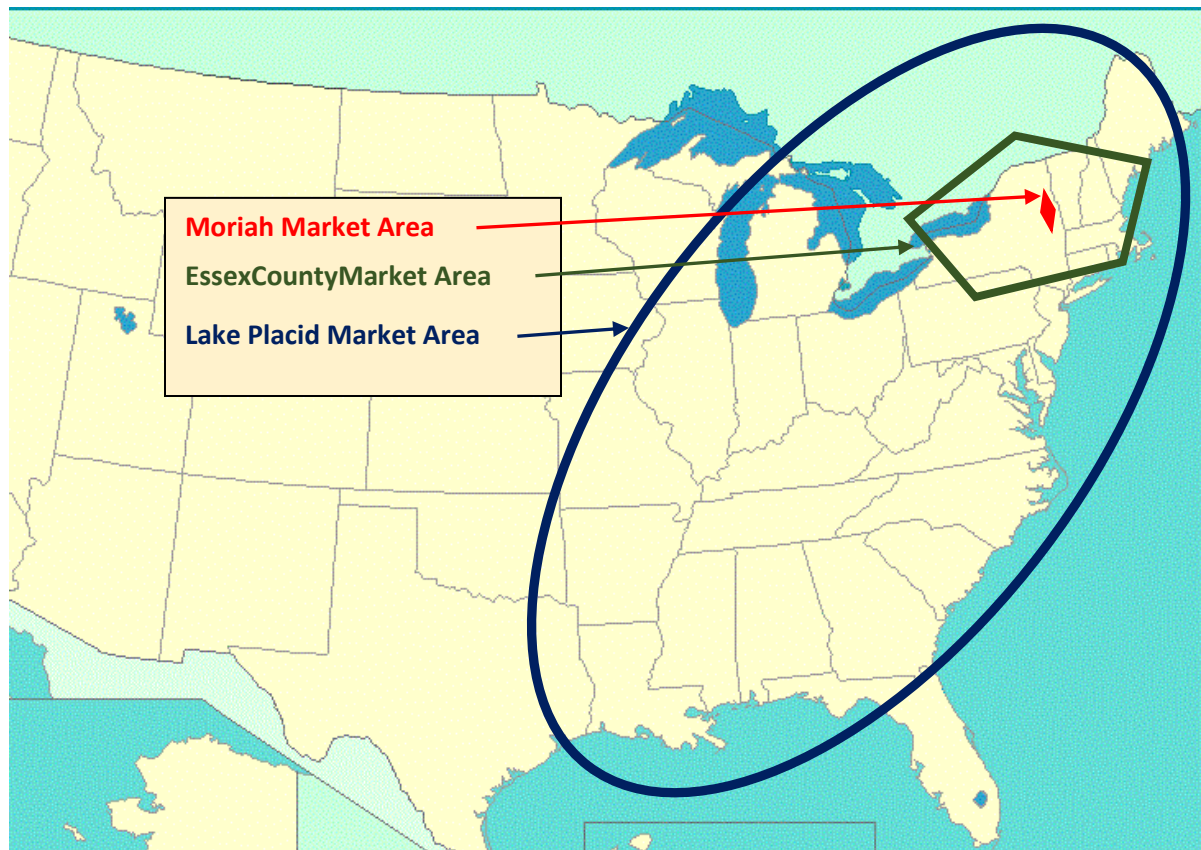


Figure 4-4: Market Area for Lake Placid, Essex County, and Moriah

Tourism Economy in the Adirondacks

Tourism is a critical sector of the Adirondack economy. Travelers spent over \$1.3 billion across the Adirondack region in 2015. Lodging and Food Beverage sales alone accounted for over half of that spending or \$715 million. Essex County especially is highly dependent on this sector. Out of the six counties in the region, Essex receives approximately a third of the economic benefits. Visitors spent \$406 million in Essex county or 31% of the whole region. This sector is responsible for supporting 6,252 Essex County workers and paying them \$196 million in wages. Tourism supported 36.2% of all labor income in Essex County in 2015, while in the Adirondack region it supported 13.7%. Only Hamilton County, at 42%, depended on labor income from tourism more than Essex County (Table 2).

Tourism spending also contributed to over \$28 million in local taxes to Essex County in 2015, the second highest tax income of all counties in the region. Tourism not only provides service industry jobs in accommodations and retail, but the construction trades, not typically associated with tourism, also benefit from this industry. The spending on construction and maintenance of seasonal second homes is also remarkable at over \$235 million in the region and \$51 million in Essex county in 2015 (table 5).

Table 4-2: Economic Impacts of Tourism Spending in Adirondacks, 2015

| County | Traveler Spend '000 | Labor Income, '000 | Employment | Local Taxes '000 | State Taxes '000 |
|-----------------------|------------------------|-----------------------|---------------|------------------|------------------|
| Clinton | \$128,658 | \$63,315 | 2,615 | \$8,611 | \$7,135 |
| Essex | \$406,087 | \$196,233 | 6,252 | \$28,394 | \$22,520 |
| Essex % of ADK | 31% | 32% | 30% | 31% | 31% |
| Franklin | \$82,680 | \$36,839 | 1,649 | \$5,389 | \$4,585 |
| Hamilton | \$75,688 | \$27,023 | 902 | \$4,785 | \$4,197 |
| Lewis | \$39,958 | \$13,640 | 575 | \$3,067 | \$2,216 |
| Warren | \$570,886 | \$274,985 | 9,179 | \$40,189 | \$31,660 |
| TOTAL | \$1,303,957 | \$612,035 | 21,172 | \$90,435 | \$72,313 |

Overall traveler spending in the Adirondacks has remained steady for the past 3 years with a modest .7% increase. Essex County saw a slight decrease from last year (-0.5%) but a 3.2% increase over 2013. While Essex County saw a slight decrease in spending there was an increase in local taxes raised from this spending. In total, the tourism sector in the Adirondacks generated more than \$162 million in state and local taxes in 2015. Were it not for tourism-generated state and local taxes, the average household in the region would have to pay an additional \$1,509 to maintain the same level of government revenue. Essex County resident fared much better than the average. The County's share of regional taxes was the second highest at 31.3%. Were it not for tourism-generated state and local taxes, the average household in Essex County would have to pay an additional \$3,169 to maintain the same level of government revenue (table 3)

Table 4-3: Tourism-Generated Taxes, 2015

| County | Local Taxes | State Taxes | Total | Region Share | Tax Savings per HH |
|--------------|---------------------|---------------------|--------------------|---------------|--------------------|
| Clinton | \$8,611,155 | \$7,134,950 | 15,746,105 | 9.7% | \$499 |
| Essex | \$28,394,296 | \$22,520,305 | 50,914,601 | 31.3% | \$3,169 |
| Franklin | \$5,388,813 | \$4,585,163 | 9,973,976 | 6.1% | \$527 |
| Hamilton | \$4,784,786 | \$4,197,420 | 8,982,206 | 5.5% | \$3,900 |
| Lewis | \$3,067,158 | \$2,215,957 | 5,283,115 | 3.2% | \$498 |
| Warren | \$40,188,964 | \$31,659,550 | 71,848,514 | 44.1% | \$2,531 |
| TOTAL | \$90,435,172 | \$72,313,344 | 162,748,516 | 100.0% | \$1,509 |

Table 4-4: Adirondack Visitor Spending per County 2013 to 2015

| County | 2013 | 2014 | 2015 | 2015 / 2014 % |
|--------------|---------------------|---------------------|------------|---------------|
| Clinton | \$ 128,231 | \$ 131,161 | \$ 128,658 | -1.9% |
| Essex | \$ 393,843 | \$ 408,122 | \$ 406,087 | -0.5% |
| Franklin | \$ 89,645 | \$ 83,657 | \$ 82,680 | -1.2% |
| Hamilton | \$ 69,672 | \$ 75,007 | \$ 75,688 | 0.9% |
| Lewis | \$ 40,263 | \$ 40,591 | \$ 39,958 | -1.6% |
| Warren | \$ 536,407 | \$ 556,720 | \$ 570,886 | 2.5% |
| TOTAL | \$ 1,258,061 | \$ 1,295,259 | \$ | 0.7% |

Essex County receives over half of all recreation spending in the six-county Adirondack region. It also receives one-third of all lodging and retail spending. When it comes to Moriah, we know before looking at any statistics that the lodging and retail spending in the County is not occurring in town with any notable frequency. Aside from a few rooms for rent there are no traveler accommodations.

Restaurants are limited to one pizza place, a diner which is only open part of the week, and two seasonal food stands. The revenue in Essex county from accommodations and food and beverage sales is clearly not from Port Henry/Moriah. The point in documenting the regional tourism impacts is to show the extent of tourist spending that is occurring around Moriah and therefore show the potential for the Town to capture some of this spending.

Table 4-5: Adirondack Visitor Spending per County by Major Category, 2015

| County | Lodging | Recreation | F&B | Retail & Svc Stations | Transport | Second Homes | Total |
|----------------------|------------------|-----------------|------------------|--------------------------|-----------------|------------------|--------------------|
| Clinton | \$35,152 | \$3,998 | \$33,236 | \$20,755 | \$19,401 | \$16,116 | \$128,658 |
| Essex | \$161,647 | \$32,398 | \$78,582 | \$76,578 | \$5,398 | \$51,483 | \$406,087 |
| Essex% of ADK | 35% | 56% | 28% | 34% | 13% | 22% | 31% |
| Franklin | \$14,409 | \$5,117 | \$21,448 | \$12,644 | \$97 | \$28,964 | \$82,680 |
| Hamilton | \$14,805 | \$2,387 | \$7,632 | \$6,950 | \$403 | \$43,511 | \$75,688 |
| Lewis | \$3,858 | \$421 | \$4,615 | \$2,937 | \$0 | \$28,126 | \$39,958 |
| Warren | \$236,665 | \$13,638 | \$131,074 | \$105,246 | \$16,610 | \$67,653 | \$570,886 |
| TOTAL | \$466,537 | \$57,960 | \$276,588 | \$225,109 | \$41,909 | \$235,854 | \$1,303,957 |
| | | | | | | | |

Chapter 5 HIGHEST AND BEST USE ANALYSIS

Legally Permissible Uses

As of this writing the Village of Port Henry and the Town of Moriah do not have legally adopted zoning by-laws. However, the Village has been in the process of writing them and a draft zoning document is now under public review. The draft zoning document places the subject properties in the Waterfront Public Recreation (WPR) zone. The purpose of establishing this zone is described in the document as follows:

“3.2.5 Waterfront and Public Recreation District

The purpose of the Waterfront and Public Recreation District is to provide opportunities for uses that improve access to the lake, provide for public enjoyment of the Lake, and offer additional recreational opportunities. Marinas, campgrounds, beaches, and parks are examples of land uses that are encouraged in this District. The development of tourist-oriented businesses, including lodging and food service is also encouraged here. This district is currently a mix of publicly-owned and privately-owned lands.”

Although this is not a legally binding document, the zoning process has been underway for nearly a year and this statement clearly defines the public intent for the subject property.

Appendix 1 presents a table of land uses that are Permitted (P), allowed with special permit(SP) or not allowed(X). The only permitted uses in the WRP zone are the following:

Table 5-1: Draft Zoning Land Use Table

| Type of Use | WPR |
|---|-----|
| Single Family Dwelling as principal use | P |
| Two Family Dwelling as principal use | P |
| Seasonal Cottage or Cabin | P |
| Agricultural Use | P |
| Municipal Buildings | P |
| Outdoor Sales as an Accessory Use When an Extension of Interior Sales Floor (see Definitions) | P |
| Parks and Recreation areas | P |
| Roadside Stand or Temporary Agricultural Produce Stand | P |
| Solar Energy System, small scale, building mounted | P |
| Fence up to and including 4 ½ feet tall | P |
| Home Occupation, Minor | P |

Uses that require Special Permits are the following:

| Type of Use | WPR |
|---|-----|
| Individual Mobile Home or Manufactured Home | SP |
| Boarding, Lodging, or Rooming House | SP |
| Agricultural Use or Agri-Tourism Structure | SP |
| Amusement Establishment, Indoor | SP |
| Amusement establishment, Outdoor | SP |
| Bed-and-breakfast establishment | SP |
| Campground | SP |
| Country Club or Golf Course | SP |
| Cultural Facility | SP |
| Day Camp | SP |
| Farmers' Market | SP |
| Farm stand (See Also Roadside Stand) | SP |
| Guest Cottage | SP |
| Hotel or Motel | SP |
| Marina or Boat Basin | SP |
| Not-for-profit membership club or Social Organization, not including an outdoor recreational use. | SP |
| Not-for-profit or other noncommercial recreational use or facility | SP |
| Restaurant | SP |
| Retail Sales | SP |
| Solar Energy System, small scale, ground mounted | SP |
| Tavern, Bar or Nightclub | SP |
| Vacation Rental by Owner (Air B&B) | SP |
| Accessory use or structure or facility incidental to the permitted use, located on the same lot. | SP |
| Fence over 4 ½ feet tall located in front of building | SP |
| Garages, private | SP |
| Guest House | SP |
| Home Occupation, Major | SP |
| Outdoor storage of materials, equipment or vehicles associated with a Major Home Occupation, or commercial use. | SP |
| Public Utility (facility or structure) | SP |

Ironically, the types of development that require a longer development review and approval process are the very uses that the zone is trying to encourage, while the uses that do not meet the purpose of the WPR zone are allowed by right with no special permitting required. In other words, these regulations make it easier for an investor to make the highest and best use of his/her property by developing something that does not meet the purpose of the zone. All of this may be a moot point if the regulations are not adopted. The more influential regulations are those of the Adirondack Park Agency (APA).

The APA was created in 1971 as an agency of New York State Government charged with administering the Adirondack Park Agency Act, the New York State Freshwater Wetlands Act, the New York State Wild, Scenic and Recreational Rivers Act. Its regulatory authority is derived through these Acts. The APA classified the subject property as “Hamlet.” Development projects in the Hamlet land-use category require an APA permit when the development: “involves structures over 40 feet high; includes more than 100 building lots, sites or units; involves wetlands or watershed management projects; includes an airport; and certain expansions of existing buildings.”

The APA allows any local government within the Park to develop its own local land use programs which, if approved by the Agency, may transfer some permitting authority from the Agency to the local government’s jurisdiction. However, Port Henry and Moriah do not have an APA approved local land use program.

Critical Environmental Areas (CEAs) within the Park require additional permitting protection. Most of the CEA protections are excluded from Hamlet areas, except for wetland. The Subject properties are adjacent to or include wetlands. The Port Henry Campground parcel (PH) is adjacent to Griffith Energy (GE) which includes the Mill Brook and an unknown size of land that would most likely be classified by an expert as wetlands. The 13.2 acre PH campground does not include wetlands. The degree to which a development proposal on the PH parcel would be impacted by wetlands on an adjacent parcel is unknown and involves legal nuance well beyond the scope of this study.

The Town of Moriah owns two parcels at Bulwagga Bay Campground. There is one parcel of about 5 acres on which no development exists. Next to this one is a 12-acre parcel on which all of Bulwagga Bay Campground is location. The small undeveloped parcel has the McKenzie



Brook running through it. While brooks and water streams in the Hamlet classification are not considered CEA's, there may be some wetlands on this parcel.

Figure 5-1: Port Henry Village Beach



Figure 5-2: Bulwagga Bay Campground

The APA requires setbacks from shorelines. In the Hamlet areas, the setback is 40 feet. This applies to all lakes, ponds, and to all streams studied in the Wild and Scenic and Recreations Rivers System and all streams navigable by boat including canoes. The setback restrictions would be applicable to the McKenzie Brook, Mill Brook and Lake Champlain. Developments on subject properties would require determining the mean high water mark from which the setback is measured.

Physical Constraints

The physical constraints over the subject properties are generally limited to the location of the floodplain. Each of the properties have some limitations but neither have physical limitations that would prevent development or improvements to the real estate.

Moriah's waterfront lies within the Western Adirondack Hills subdivision of the Adirondack Upland physiographic region. This area is the product of glacier activity 10,000 years ago, (Pleistocene epoch glaciation), which created the topography we see today, primarily characterized by relatively narrow width of flat land extending from the Lake Champlain shoreline to the rail tracks, sloping to a rolling upland area. The slopes are very steep, especially in the northern portion, and include grades of 50% in some locations. The steep slopes not only pose a limitation on development, but also inhibit pedestrian access from the downtown to the shoreline area, which also limits their value in some respects. These slopes and resulting constrained access reduce the incentive for developers to invest in Moriah's waterfront. Soils within the waterfront area consist of glacial lake-deposited clay, glacial till, and considerable amounts of artificial fill. Sub-surface geology is comprised of glacial deposits overlying limestone bedrock. The average depth to bedrock is generally greater than 4 feet, although rock outcrops occur along steep slopes.

Naturally sculpted topography is combined with many human-made interactions to create what we know today as Moriah's waterfront. For example, the Bulwagga Bay Campground, at the southern end of the waterfront, is built on the tailings from the local iron mines, which was the

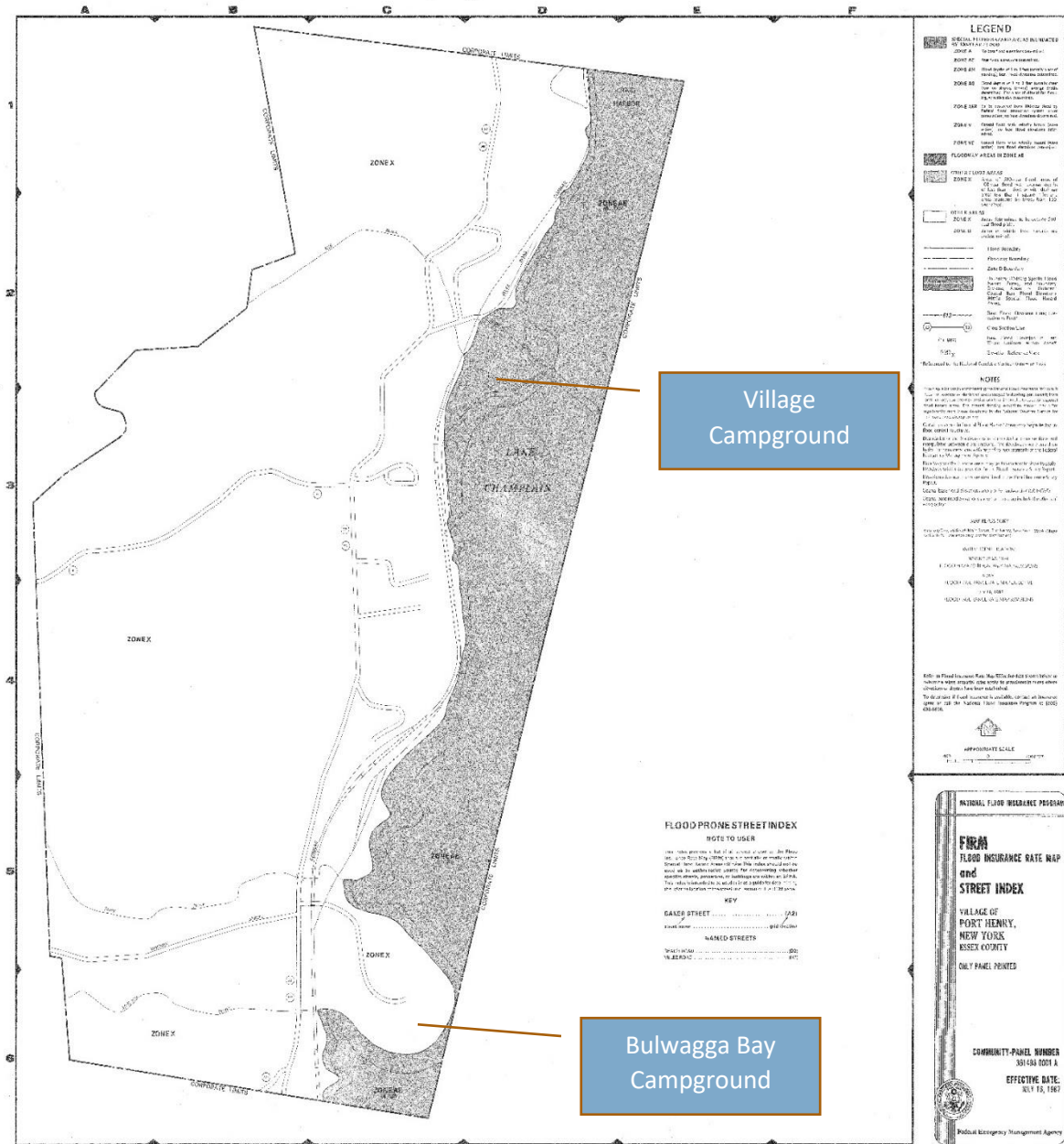
source of its historic economic success. The 530-foot earthen Canal Pier, at the northern end, was constructed, and is owned, by the New York State Canal Corporation to serve commercial shipping entering or leaving the State Barge Canal System. The barge system is still operating, albeit at a much slower rate than a century ago. Nonetheless, the pier provides actual and potential recreation opportunities today. These remnants of a past economy present both opportunities and physical limitations to development. The groundwater at the subject property is only about 4 feet below the fill. The lake itself has some challenges with milfoil, algae, and e-coli related beach closings. The breakwaters and piers in the lake caused unforeseen consequences related to erosion and water circulation. These physical limitations need investigation if and when a development is proposed.

The Adirondack Park Agency has identified four freshwater wetlands within the Village, including two along McKenzie Brook in the southern portion of the waterfront, one along Mill Brook at its confluence with the lake, and one in the extreme northern portion of the waterfront.

The Federal Emergency Management Agency (FEMA) has identified and designated much of the immediate Lake Champlain shoreline area of the Village as a flood hazard area with a 1 percent chance of being inundated each year. Flooding is particularly common at the mouths of Mill Brook and McKenzie Brook. Since few structures are on the waterfront, very little, if any, structural damage occurs from flooding. With respect to erosion, some damage does occur during the winter and spring because of ice breaking up on the lake, particularly during periods of strong winds. The Canal Pier has experienced ice damage.

Interviews with the local FEMA coordinator revealed that any development on the waterfront must be 2 feet above mean annual 100-year flood plain, or 105 feet in elevation above sea level. The Port Henry Beach has almost no lands that are above 105 feet. Development in this area would have to occur on a foundation or pillars that raised the floor level of the building up to 105-feet and be approved by FEMA coordinator. Most of the Bulwagga Bay campground is above the 105-elevation mark. Figure 1 shows the location of the floodplain.

In summary, any physical limitation on either property is not so large as to prevent a development proposal from moving forward. There are numerous types of recreation, hospitality, and retail opportunities that can be configured on the subject properties.



Financial Considerations

Introduction

The financial aspects of the Bulwagga Bay Campground and its potential for profit was analyzed by comparing its revenues and expenses to nine other campgrounds in the market area. In addition, data on comparable rate structures was obtained from 40 campgrounds in the market area. The Village Campground was not reviewed due of lack of data. The Village Campground is 13.2 acres with spectacular views and a high quality sandy beach. Its assessed total value is 1.6 million dollars. The Bulwagga Bay Campground is 17.3 acres and its assessed total value is \$222,100. Bulwagga Bay generates more revenue, lies primarily outside the 100-year floodplain, and has many more improvements than the Village Campground. The reasons for the different valuations is unknown, however, it may also be moot since the government doesn't pay taxes to itself.

Base Data and Rate Structure

The campground has 175 sites. Approximately 90% of them are seasonal. Officially, the management reserves 152 for seasonal campers but if more customers are requesting seasonal sites then transient sites are given to those requesting a seasonal, so the actual ratio of seasonal to transient sites will vary from year to year. The camping season is from Memorial Day Weekend to the second weekend in October or approximately 148 days. There are 168 RV sites and only 7 tent sites. Again, this number will vary slightly over the season, and from year to year, depending on demand. Only 7 RV sites do not have sewer and water hook ups (Table 2).

Table 5-2: Bulwagga Bay Campground Data

| Season | First day | Last day | Total season days | Total Sites | | | | |
|---------------|------------|------------|-------------------|-------------------|-----------|----------|-----------|-----------|
| | 5/7/2016 | 10/2/2016 | 148 | Transient | Seasonal | Total | | |
| | | | | 23 | 152 | 175 | | |
| Sites by Type | Lakeshore | Non-lake | Premium | Other | | Total | | |
| | 32 | 143 | | | | 175 | | |
| | Tent Sites | RVs | RV's W/ Hookup | RV's W/out Hookup | | Total | | |
| | 7 | 168 | 161 | 7 | | 175 | | |
| Rates | Seasonal | | Daily | | Weekly | | Monthly | |
| All Season | Lakefront | \$1,800.00 | Lakefront | \$ 50.00 | Lakefront | \$235.00 | Lakefront | \$700.00 |
| | Non-Lake | \$1,525.00 | Non-Lake | \$ 44.00 | Non-Lake | \$200.00 | Non-Lake | \$ 600.00 |
| | Preferred | \$1,625.00 | Tent | \$ 30.00 | Tent | \$150.00 | Tent | \$ 445.00 |

The rates for the subject property are segregated by type of site, length of stay, and type of accommodations that the customer is using, all of which results in 10 different variables that would affect the final price to the customer. These variable rate structures are typical for all campgrounds.

To prepare comparisons to other campgrounds, the rates within each campground were averaged. Table 3 shows the average rates of the subject properties compared to the regional market averages. The subject properties are charging approximately \$1000 less than the regional average for a seasonal site. The weekly and monthly rates for RV's at the subject properties are

approximately 15% lower than the market average. The Weekly and Monthly rates for tents are between 25% and 40% less than the market average. Daily rates from both classes of sites are close to the norm.

The average rates are obtained from 40 campgrounds in the market area including the counties of Clinton, Essex, Warren, in New York and across Lake Champlain in Chittenden and Addison Counties of Vermont. This is an appropriate market area because it represents 40 of the closets campgrounds. The seasonal campers that come to the subject property are within driving distance to all of these campgrounds and can easily consider these other options. The rates at comparable campgrounds in the Lake George area are significantly higher than the subject properties but they must be included because they not only represent the competition, they also represent the potential that the subject properties can charge under alternative business models. Removing these sites would inappropriately bias the data downward for no justifiable reason. Removing the highest average seasonal rates (\$7000) would necessitate removing the lowest average seasonal rate (\$900) so the data would not be arbitrarily skewed. When this was done, the average season rate moved down slightly from \$2,659 to \$2,536. Even when removing the highest rates only (which is not appropriate and would indicate analyst bias), the market average is \$2,462. These two tests don't raise a cause for concern that the range of data used when including Lake George is biased upward. More importantly, these average rates show the opportunities that the subject properties could charge. Considering that only 7 other comparable properties were located on Lake Champlain, with all the amenities, beauty, and recreational opportunities that the Lake can offer, the subject properties could most likely charge above average rates.

Table 5-3: Regional Market Average Rates vs. Subject Properties

| | RV's | | | | Tents | | | Cabins | | |
|---------------------|----------|-------|---------|---------|-------|--------|---------|--------|--------|---------|
| | Seasonal | Daily | Weekly | Monthly | Daily | Weekly | Monthly | Daily | Weekly | Monthly |
| Market Area (aver) | \$2,659 | \$ 40 | \$ 257 | \$ 774 | \$ 28 | \$ 194 | \$ 734 | \$ 102 | \$ 847 | - |
| Bulwagga Bay (aver) | \$1650 | \$47 | \$217 | \$650 | \$28 | \$150 | \$445 | - | - | - |
| Village CG (aver) | \$1662 | \$45 | \$217.5 | \$650 | \$30 | \$150 | \$445 | | | |

Profit and Loss

Financial information on the subject property was obtained from a profit and loss statement from the Town of Moriah. In addition, capital debt, which is not included in the P&L statement, is included in this analysis of its financial health. The town issued a bond to fund necessary capital improvements to the beach and landscaping. Because all businesses must, at some point, pay for capital improvements, these payments are included in the comparison to other campgrounds in the market area. While the payment for this bond is for a limited time only, including this expense in this comparison does not negatively bias the results for two important reasons. First, there are other capital improvements that the subject property needs and so additional capital payments may be necessary. Second, even if there were no needed improvements, it is standard business practice to create a capital reserve fund to pay for future capital expenses. The current

bond payments are therefore used as a proxy for future capital payments and retained the in P&L statement for comparison purposes. See Appendix 3 for the statement. A summary is shown in Table 5-4.

Table 5-4: Profit and Loss Statement from Bulwagga Bay Campground, 2015

| | |
|---|-------------------|
| Revenue | |
| Site Rentals | \$ 309,568 |
| Total Revenue | \$ 309,568 |
| Cost of Goods Sold: | \$ - |
| Operations and Maintenance Expenses: | |
| Payroll | \$ 76,747 |
| Unemployment | \$ 25,446 |
| Taxes | \$ 5,871 |
| Miscellaneous – All other expenses | \$ 57,071 |
| Total O&M Expenses: | \$ 165,135 |
| Total Cost of Goods Sold: | \$ - |
| Total Operating Expenses | \$ 165,135 |
| Annual Capital Improvement Expenses | |
| Equipment | |
| Land | |
| Debt Principal | \$ 62,502 |
| Debt Interest | \$ 8,550 |
| Total Annual Capital Expenses | \$ 71,052 |
| Net Profit or Loss | \$ 73,381 |

Comparative Financial Analysis

Comparative analysis was performed on Bulwagga Bay Campground to determine the financial opportunities available to the study area. Campground Financial Data was obtained from nine campgrounds in the region. The results are shown in the following charts and tables.

The Bulwagga Bay campground generates approximately \$309,568 in gross annual revenue during the season. It has nearly twice as many campsites (175) as the average number (98). It also has twice the amount of expenses as the comparable properties. On a per site basis, the expenses are \$934 per site which puts Bulwagga Bay on average with the comparable sites.

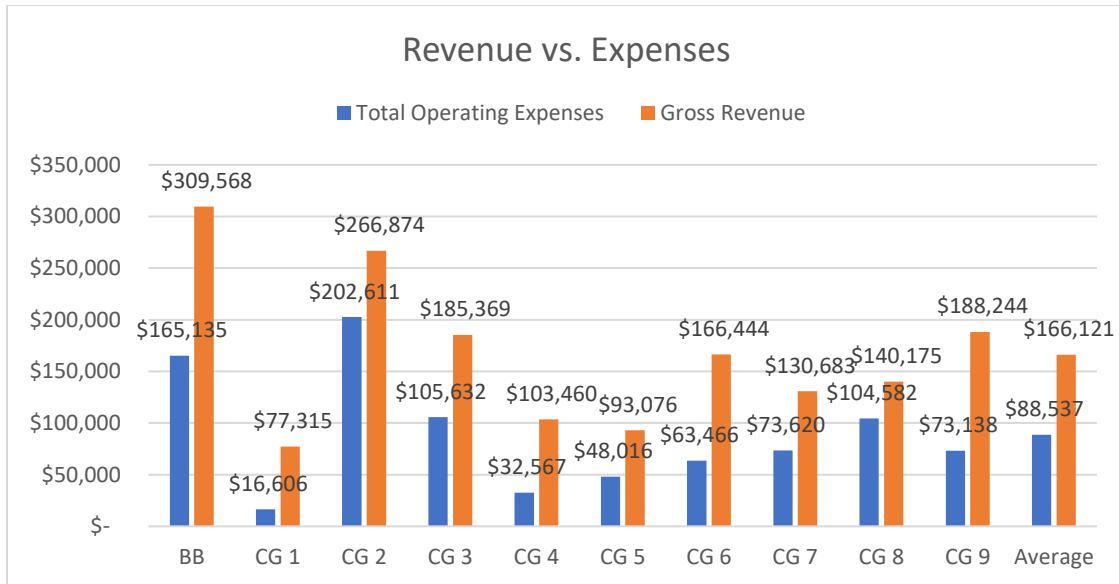


Figure 5-4: Revenue vs. Expenses

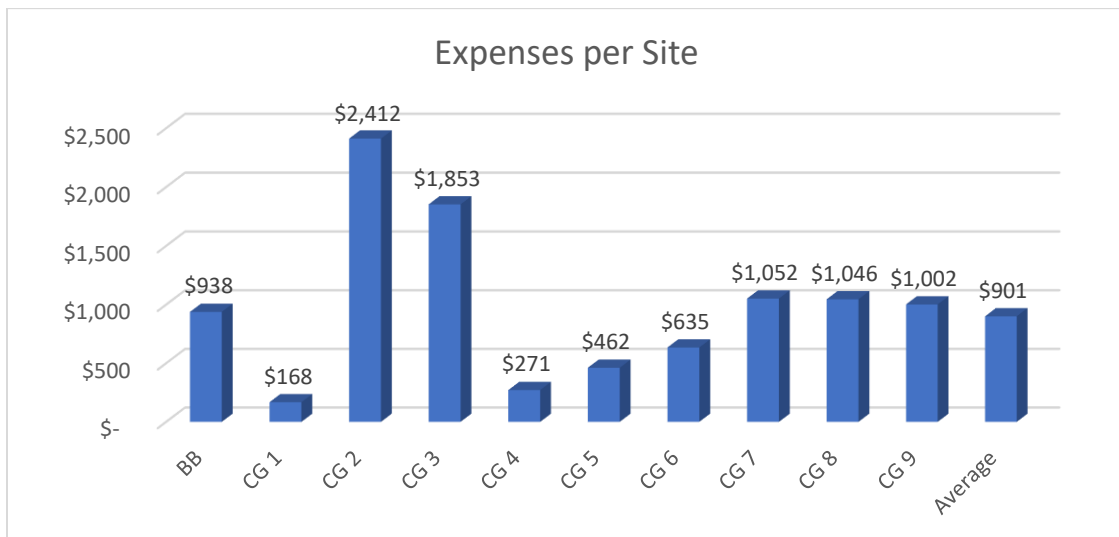


Figure 5-5: Expenses Per Site

Net Profit

Revenue less expenses is the net profit a campground earns. Bulwagga Bay is generating an average amount of profit on a campground basis. However, that is because it has twice as many campsites as the comparable campgrounds. If it had the average number of site it would rank last. In fact, Bulwagga Bay ranks second to last for net profit on a per site basis. This means that each site in the subject property is not as efficient or productive as the comparable campgrounds.

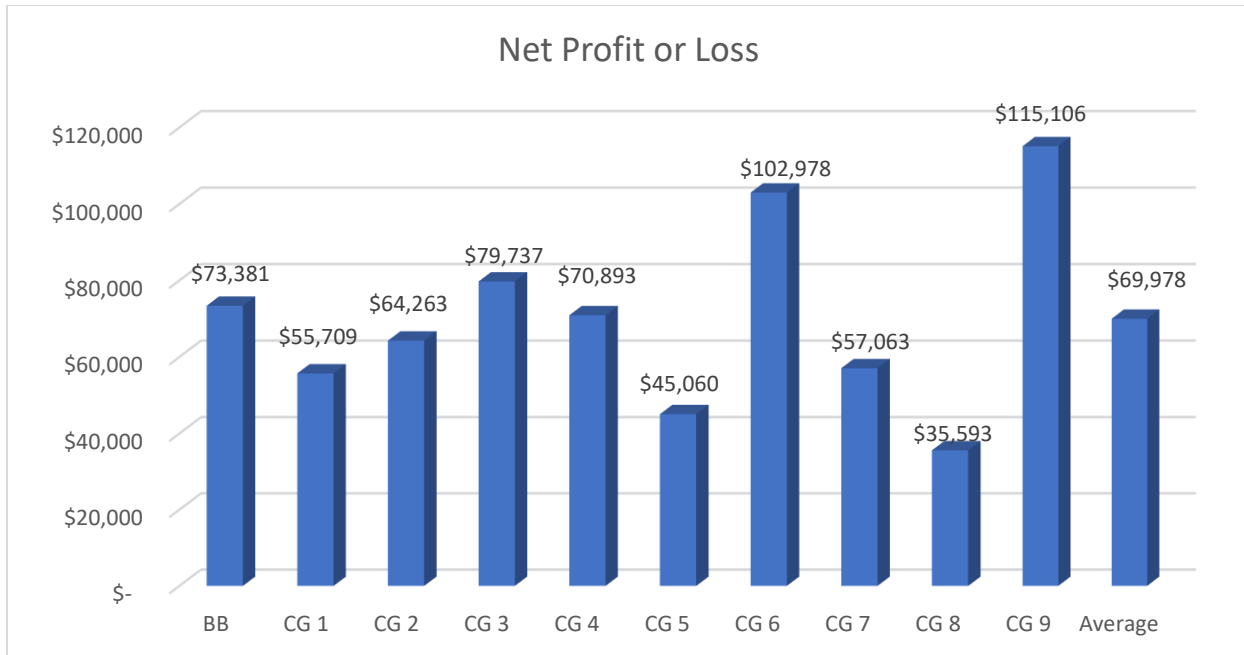


Figure 5-6: Net Profit or Loss

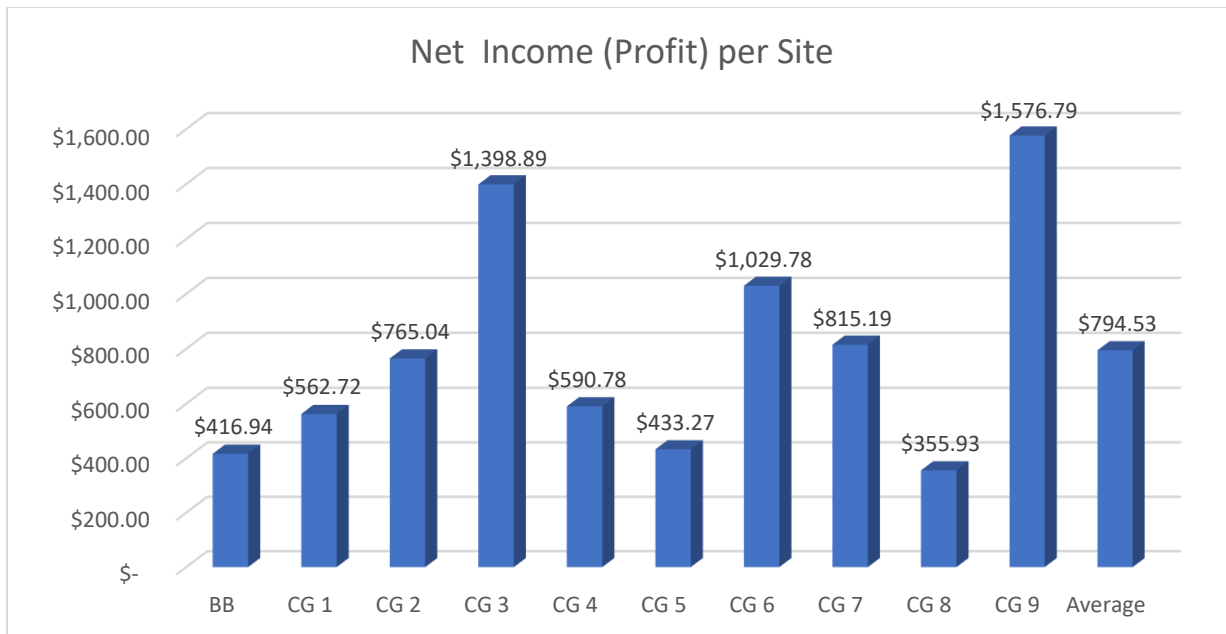


Figure 5-7: Net Income (Profit) per Site

Low productivity per site can be a reflection on management, pricing decisions, operational expenses or some combination thereof. It is beyond the scope of this study to determine the reason.

Density

The subject property is one of the smallest of the comparables. The average size of a campground is 37.75 acres while the subject property is half of that size. The largest is 88 acres

and the smallest was 11 acres. By dividing the number of campsites by the acreage we can determine the density of the campsites within the campground. The subject property is by far the most crowded campsite versus the comparable properties. Bulwagga Bay has nearly 10 campsites per acre. The next most crowded has 6.4 sites per acre. The average is 2.6 sites per acre, so the subject property is 4 times as crowded as the average campground.

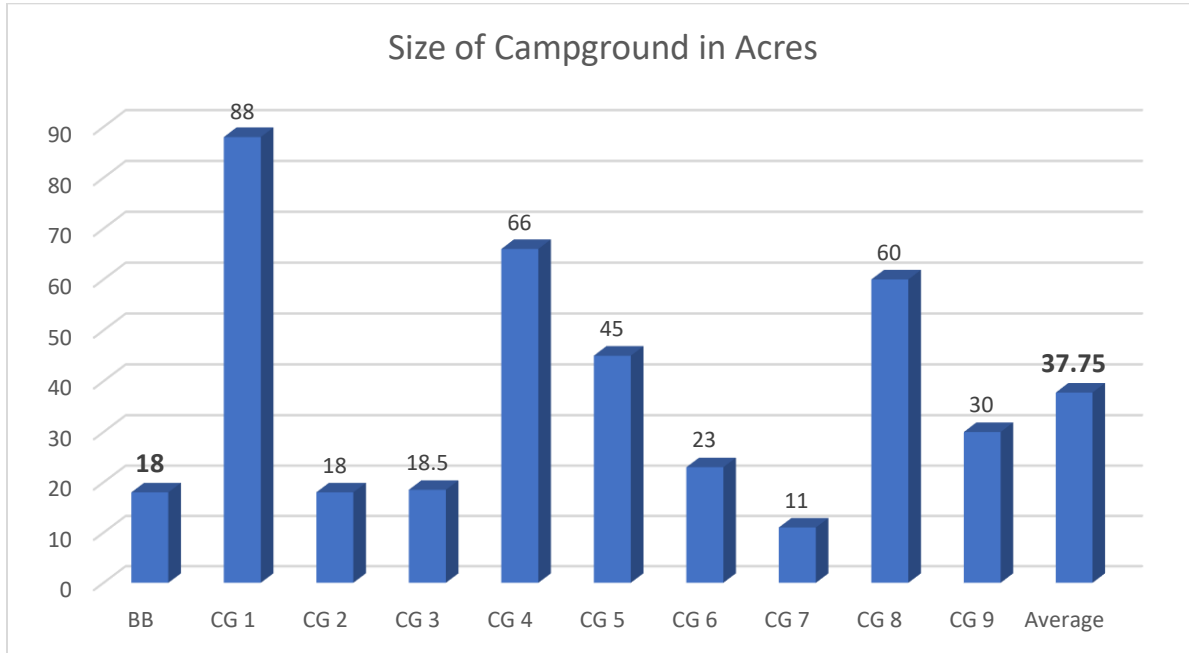


Figure 5-8: Size of Campground in Acres

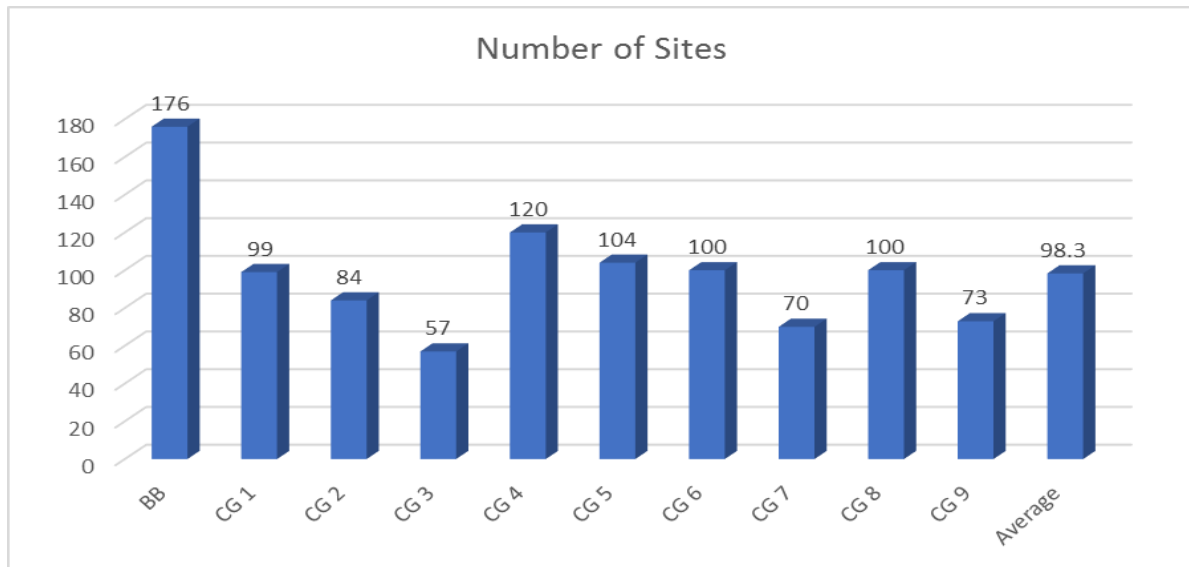


Figure 5-9: Number of Sites

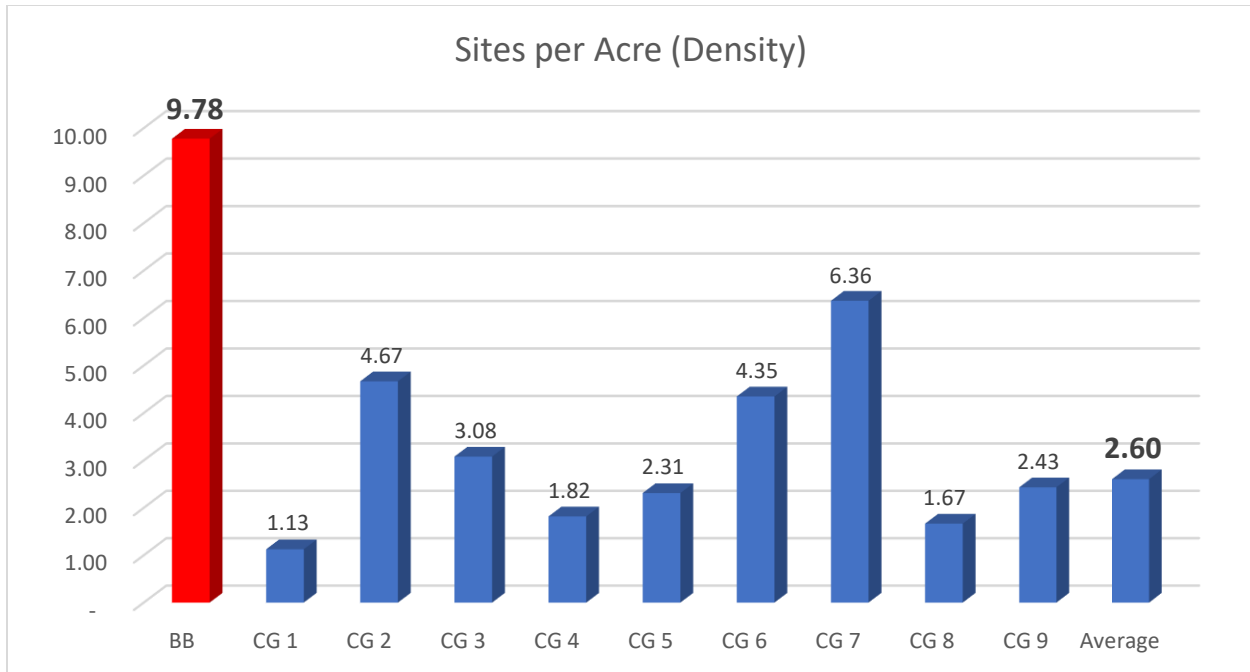


Figure 5-10: Sites per Acre (Density)

Amenities

The amenities and features of the campgrounds were compared as well. Eighty-nine standard features or amenities typically found in a campground were used as criteria for comparison (See Appendix 2).

The list included programs, recreational opportunities, retail, services, amenities and conveniences. The subject property provides 21 of these amenities. The average is 29 amenities. The most any of the comparable sites provides is 43.

The last factor used in comparison was the number of camp sites that are reserved for seasonal campers. Seasonal campers are those who reserve a campsite for the entire season. Seasonal campers can save a considerable amount of money over the daily or weekly rates that transient campers pay. The benefits of having seasonal campers include: a reliable and steady source of income; lower maintenance cost and; reduced marketing costs. The downside to seasonal campers is approximately 45% less revenue on a per night basis (assuming occupancy levels are equal). Transient campers also provide more word of mouth marketing and they spend more in local restaurants and shops on a per night basis. Each comparable campground had some percentage of seasonal camp sites. The lowest percentage is 9%. The average is 51%. The subject property has the most with 91% seasonal campsites. Except for one other outlier in the comparable sites, most campgrounds had less than 50% seasonal sites.

Summary of Financial Considerations

The productivity of the subject property is very low. While Bulwagga Bay CG earns an average net-profit compared to other campgrounds, it needs twice as many campsites to do it. In other words, each campsite is not nearly as efficient as its potential. Achieving maximum productivity from the whole campground would require maximizing productivity at each campsite. Each

campsite is under achieving its potential because of several factors related to the products being sold and the campground management.

The Product

The campground is far more crowded than the average, it provides comparably fewer amenities, and the amenities that it does provide are of low quality. The aesthetics of the campground are poor which arise from a combination of poorly arranged sites, management rules that allow external structures, and below average landscaping. Because of these reasons, the campground could not charge much higher rates. In fact, a recent modest rate increase resulted in a decrease in customers that took about 3 years to recover. This demonstrates that the campground has a high elasticity of demand. This is generally bad news for businesses. The campsite can achieve a much greater gross revenue if it were providing hospitality goods and services that were comparable or better than its competitors.

Further financial considerations must be noted. The Bulwagga Bay campground is operating with several subsidies that are not enjoyed by comparable privately owned campgrounds. The subject property does not pay for many expenses that private campground pay, including: property taxes, mortgage, and insurance. In addition, the Town benefits from shared expenses that are not 100% chargeable to the campground operations such as administration, legal, office expenses and possibly some maintenance. If the Town paid all the same expenses that private owners pay, then the net profits would be undoubtedly much lower.

Management

Management of the campground is performed by the Town. The Moriah Town Council make all final critical management decisions. All decision related to revenues, expenses, capital improvements, liability and risks are by the Board, including: setting prices; determining which amenities and services are offered; hiring personnel; scheduling multi-year capital improvements; establishing hours of operation; rules, and many other decisions that, when combined, result in the final product. The Bulwagga Bay campground is a 175-site campground with swimming and boating access on Lake Champlain. If this was a privately held business in today's Adirondack market it would be worth between 2 and 5 million dollars. A private sector company of this size would be managed much differently. Its governance structure would include a Board of Directors who sets overarching policy and then hires a CEO (Chief Executive Officer) to execute the Board's decisions. The CEO would hire a CFO, maybe 2 vice-presidents (Marketing and Operations) and managers and labor. This team of people would focus solely on the campground. By contrast, the 5-person Moriah Town Council with the Town Supervisor make all decisions which are then executed by the Supervisor, town administrative staff, and some part time seasonal employees. The Council and Supervisor have many other very important issues to work and decisions to make. By the Supervisor's estimation, the Board spends approximately 1 hour per year making decisions on the Bulwagga Bay Campground business. A campground management company would spend 40 hours per week if not more. Considering that this campground gives the Town the largest non-tax revenue it should warrant more attention. However, since the Board meets only 12 times per year and there are many other critical issues for the Town to discuss, the business doesn't revive the attentions it needs. The full-time Town Supervisor should not be expected to fill the role of full-time campground manager and expect that the campground would operate and generate revenue like a privately held campground business. The Bulwagga Bay campground is truly lacking the management structure of which a comparable business operates.

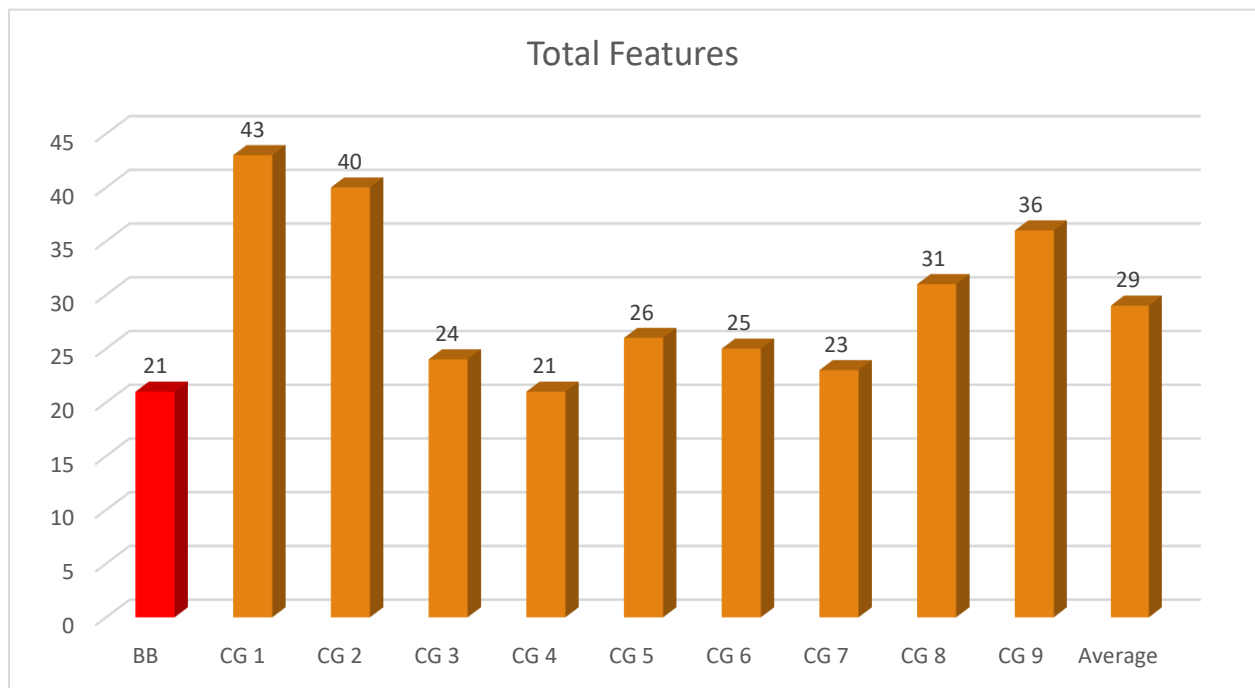


Figure 5-11: Total Features

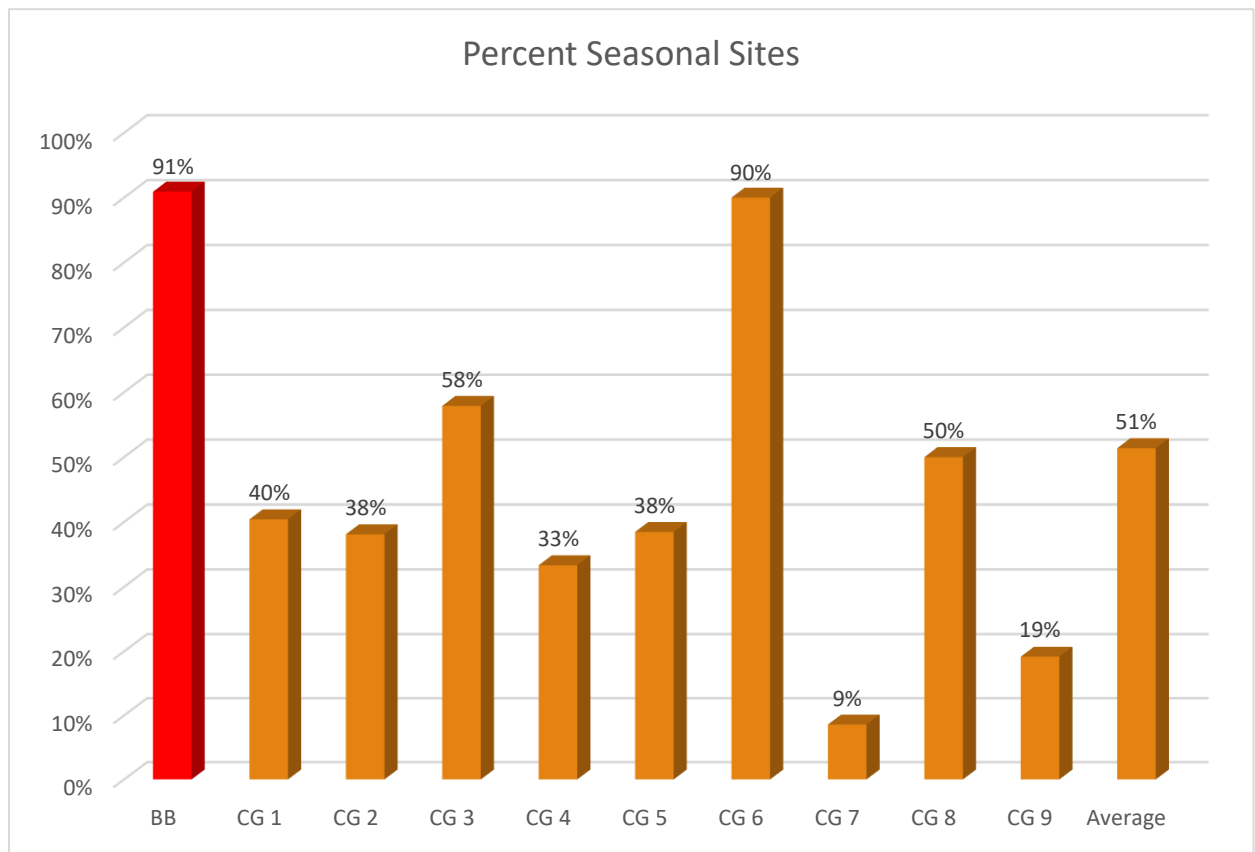


Figure 5-12: Percent Seasonal Sites

Financial Potential

The untapped potential that the subject properties have can be quite large. The properties have one of the rarest features that the competition does not, Lake Champlain. The Lake is an aesthetic and recreational jewel. Only 7 other competing campgrounds have this to offer. Several competing campgrounds are charging more than twice the seasonal rates as the subject property without this one-of-a-kind asset. The data also show that several campsites are earning two or three times the net income per site as the subject property. However, for the subject property to charge these comparable rates and earn this amount, significant changes must be made including: aesthetics improvements; increases in quality of the product offer, more conveniences, modern facilities, and a new management and marketing regime. It doesn't take an expert to simply visit these competing campgrounds to see and experience the reason that these campgrounds can charge more. These changes are not inexpensive. Large investments in capital improvements must be made to earn greater net profit and to maximize the property's potential. This can only be done by borrowing on its future value and creating a hospitality product that would have a net positive return on investment. The next section analyzes the site's maximum productivity by analyzing three potential scenarios to determine the optimal return on investment choice.

Maximum Productivity

Based on the legal, physical, and financial issues surrounding subject property, a financial model was built to determine the maximum productivity of the property. The analysis was limited to three development scenarios; however, the model is flexible to accommodate variations of each scenario. The three scenarios were created after discussions with the Waterfront citizens group, Town leadership, researching and reviewing past community surveys, and interviews with local residents conducted on March 9th 2017.

Three Future Development Scenarios

The following three development scenarios are analyzed to determine which option would generate the maximum value from the Moriah waterfront.

Scenario 1: Improved Campground

The first scenario makes improvements to the aesthetics of the campground, including off season aesthetics, improves or adds amenities, increases market size by accommodating motor coaches, creates pull through sites, and changes management and pricing decisions, all with the intent of increasing revenues. The following actions are recommended in Scenario 1:

Improved landscaping: plant trees and grass, create borders and edges to campsites, create walking paths and clear driveways. Realign the campsite to give more sites views of the lake.



Decrease Density: Reduce the number of sites from 175 to 140 to allow more space and higher quality sites; provide more privacy between campsites.

Aesthetic Changes: prohibit external structures such as decks, screen rooms and outdoor kitchens. Prohibit off season storage of RV's in place so that it is more inviting to visitors in fall, winter and spring. Instead, provide RV storage in a nearby location and increase the rates to reduce demand to about 40% of existing stock.

Improved Amenities: Improved playground, new court sports; bike and golf cart rentals, new watersport rentals; camp store.

Youth and Family Activities: Game room, mini golf, movies nature activities.

Swimming Pool: 30x19 fiberglass, plus fence.



Infrastructure Improvements: 50amp at all RV sites; pump stations; road improvements. Accommodate luxury motor coaches.

New Pricing Structure: Prices for seasonal and transients will increase to reflect the regional average market prices.

New Management and Marketing: A new business management model will be inserted to ensure the operation is providing the best available products and services at competitive prices; to increase efficiency of each campsite's earning potential; and to increase marketing to a wider market.

New rules regarding aesthetics. RV storage is permitted for a limited number of people however, the price increases four times, and the RV must be moved from current campsite to an on-site RV storage facility created near the RR tracks. External structures are not allowed, including decks, screened porches, grilling areas, outdoor kitchens, children's lawn toys, refrigerators or other appliances. No laundry can hang outside.

Reduce Seasonal Sites: Number of seasonal site will be reduced closer to the market average (30%-50%).

Total Price Tag for all Improvements: \$800,000.

Scenario 2: Improved Campground and Cabins/Yurts



This scenario provides a wider array of accommodation types to supply a wider range of the market. The scenario includes all the amenities, improvements, and management changes included in Scenario 1. In addition, cabins and yurts are added to the mix. These are year-round heated accommodations to invite winter sports enthusiasts especially ice fisherman. Ice fishing is a very popular sport in this area of the lake and attracts anglers from all over New England. The number of RV sites are reduced to 68. Then 25 cabins and 25 yurts are installed to use the existing electricity, water and sewer hook ups. The cabins sleep 2 to 4 people and have propane heat, a kitchenette and outdoor grill. They cost between \$6,000 and \$9,000 each depending on size and amenities.

Yurts are round tents with an angled assembly or latticework of wood for walls that includes a door frame and ribs or rafters. The roof structure is often self-supporting, but large yurts may have interior posts supporting the crown. The structures are traditional shelter for Mongolian and Central Asian herders and nomads. They are highly efficient for retaining heat, are light weight and can be removed at the end of a season. They are popular in a segment of the camper market particularly among backcountry and outdoor enthusiast and those who enjoy learning about new cultures. Yurts cost approximately \$4,000 to \$5000 to install. They do not have indoor toilets but a small kitchenet and outdoor grill is typical.



Cabin and Yurts will require housekeeping services and therefore year-round staff. In Scenario 1, the campground is closed in the off season, but in Scenario 2 it is open all year.

Total Price Tag for all Improvements: \$1,100,000.

Scenario 3: Hotel Resort and Cabins

On February 1st, the Moriah Waterfront Citizens Advisory Team participated in a visioning session to discuss the ideal waterfront for Moriah. On March 9th, a series of intercept interviews were held with over 50 randomly selected Moriah residents. Scenario 3 provides most of the amenities that the consulting team identified during these interactions.

The scenario includes a 50-room hotel that is an anchor to attract customers to restaurants, retail, and recreation opportunities. In addition, there are 25 cabins and 24 yurts. The hotel is 4 star accommodations with



balcony rooms and waterfront views, a lobby that boasts the Moriah's Iron City culture, a restaurant and lounge overlooking the water, beach, docks, and boat rental, all of which is open to the public. Retail activity would be available in the hotel or an adjacent building that sells local Adirondack crafts, furniture, souvenirs and similar items. In all operations, local businesses are encouraged to provide the food, products and services describe here, both within the hotel operations as well as support services and in the supply chain. For example, a local retailer can operate the gift shop, a local laundry business can provide laundry service for the hotel, local restaurants can operate a concession in the hotel and so forth.



The hotel will include a full suite of amenities including pool, tennis courts, day-spa services, workout facilities, business center, conference rooms, formal and informal dining, watersports, and nightly entertainment on weekends. Cabins and Yurts are available at the south side of the 17-acre site.

The San Francisco based hotel research and cost valuation firm, HVS, would categorize this type of hotel as "Mid-Scale with Food and Beverage." According to HVS, the per-room cost for a mid-

scale hotel is \$155,300, which includes land purchases, operating capital, furnishings, and infrastructure improvements. The developer would not purchase the land but lease it from the town for 99 years and an option to continue, at the amount equal to what the town currently earns in revenue from the campground (based on a 10-year average or \$102,000). Therefore, we reduced the per room construction costs to \$132,000. Using the HVS estimates as a guide, the hotel would cost approximately 6.6 million. Another 2.8 million dollars is used to build the restaurants and retails areas, install yurts and cabins, and upgrade the landscaping and beach and pool.

| Table 5-4: Scenario 3 Summary Details | |
|---------------------------------------|-------------------------------------|
| Lakefront Rooms | 27 |
| Non-Lakeview Rooms | 23 |
| Yurts | 24 |
| Cabins | 25 |
| Season | Open Year Round |
| Retail | 1800 sf of Adirondack Crafts |
| Conference Room | 300 seats |
| Public Restaurant | 3500 sf of mid-scale seated dinning |
| Pool | Public Paid Access |
| Public Beach | Public Paid Access |
| Accessible by boat | |
| Employment | 20 full time jobs |
| Seasonal Employment | 2-5 jobs |
| Contractors | 6 to 10 local contractors |
| Total Cost | \$9.4 million |

Financial Analysis

A detailed financial model was built specifically for these three scenarios. The model includes separate inputs variables for financing calculations, room rates, occupancy, and analysis for each scenario. Each input variable is an assumption based on best available estimates or industry standards. There are over 100 input variables for each scenario that can be modified as new information is gained.

The model allows for three groups of revenue to pay for the project: a 20% grant from the state of New York; an equity investor; and finally, loans. Three different loan amortization schedules are included in the model to allow for different loan types as they become available. They are calculated using industry standard rates. For purposes of comparison between scenarios, all Return on Investment, Return on Asset, and IRR calculations are performed independently of financing. Room rates and occupancy levels are adjusted seasonally and were taken from market studies of the hospitality industry in the Adirondacks. Operating revenues and expenses

were taken from several sources depending on the scenario including past studies, independent research, and current experiences at Bulwagga Bay.

A separate 65-page document showing all of the models inputs and results was provided to the Town of Moriah on March 9th 2017. A summary of the findings is presented below.

Findings

Table 5-5 shows a summary of the major findings from the financial model.

| Table 5-5: Summary of Findings | | | | | |
|---------------------------------|---|----------------------|--------------------------------|--------------------------------|--------------------------------|
| For 11 years of analysis | | | SCENARIO 1 | SCENARIO 2 | SCENARIO 3 |
| OPERATION RESULTS | Operation | | Seasonal | Seasonal | All Year |
| | ADR (average) | | \$22.49 | \$71.64 | \$141.64 |
| | RevPAR (average) | | \$19.35 | \$41.62 | \$111.45 |
| | Net Operating Income | NOI/Total Revenue | 20.06% | 20.03% | 33.42% |
| | | Accumulated 11 years | \$1,367,650 | \$2,078,526 | \$10,013,787 |
| | | PV | \$650,956 | \$1,182,417 | \$5,581,605 |
| OPERATION + REAL ESTATE RESULTS | Cash Flow (after Amortization and Capital Expenses) | Accumulated 11 years | \$1,664,987 | \$3,619,552 | \$12,841,124 |
| | | PV | \$200,550 | \$1,510,947 | \$2,858,281 |
| | | IRR | 10.00% | 13.99% | 12.97% |
| | | Return on Asset | 18.43% | 24.47% | 14.68% |
| | Features: | | 140 RV Sites | 68 RV Sites (from year 3) | 50 Hotel Guest Rooms |
| | | | + Facilities and Service Areas | 25 Cabins (from year 3) | 25 Cabins |
| | | | | 25 Yurts (from year 3) | 25 Yurts |
| | | | | + Facilities and Service Areas | + Retail |
| | | | | | + Facilities and Service Areas |
| | Investment on Improvements and New Developments | | \$831,560 | \$1,131,560 | \$9,453,445 |
| | Max. Investment | | \$747,165 | \$453,057 | \$9,555,898 |
| | Recovery of Investment in Year | | 9 | 6 | 10 |

For the first 11 years of the project's lifespan that model provides key financial information for each scenario. Scenario 1 generates a net operating income (NOI) of 20% over total revenue and provides an accumulated cash flow of 1.6million over the 11 years. Scenario 2 also generates a NOI of 20% however its accumulated cash flow over 11 years is \$3.6 million or more than twice scenario one. The total investment of Scenario 2 is only \$300,000 more than scenario 1. Scenario 3 generates the largest NOI over revenue at 33% and an accumulated cash flow of \$12 million or nearly 4 times that of scenario 2.

Scenario 3 requires \$9.4 m in investments but because there is negative cash flow in the earlier years total investment is slightly more at \$9.5m. Scenario 2 requires a total investment of \$1.1m. but because there is positive cash flow in the third year the maximum investment is only \$453,057. Scenario 1's maximum investment is \$747,165. It generates less revenue and a slower cash flow than the others and therefore requires 9 nine years before it breaks even. Scenario 2 has the fastest breakeven point and returns the investors' money in 6 years. Scenario 3 returns to total investment in 10 years. Since scenario 3 is a large investment requiring major construction and new marketing, the 10 year turnaround time maybe standard for hotel developers.

The greatest Internal Return of Return (IRR) and Return on Asset (ROA) is provided by Scenario 2. These are the types of investment indicators that investors use to compare their options. An IRR of 14% and an ROA of 24.4% for Scenario 2 can be very attractive to investors. The hotel scenario also provides respectable returns with an IRR of 13% and an ROA of 14.6%. Scenario 1 is also a good investment with an IRR of 10% and a ROA of 18.4%.

All three scenarios provide decent returns to an investor with Scenario 2 appearing as the best choice. Nonetheless, an ounce of caution is prudent before choosing which scenario is best for Moriah. While the model works effectively, the data inputs are based on round numbers, national standards, and estimates. Before making a decision on which is best, the Town is advised to find developers, investors, and other experts and to run the model using detailed calculations and site specific cost figures to the point where developers in the Adirondacks would be comfortable. This level of work was is beyond the scope of this study. One must also consider economic impacts beyond private investments. The impacts to the community both positive and negative should be considered before making a decision. For example, scenario 3 provides 20 full time jobs that doesn't show up on a financial ROI calculation. An economic impact analysis will show the total cost and benefits to the local economy from each scenario.

Chapter 6 VISION AND GOALS

Waterfront Visioning Session

February 1st 2017 1:00pm

Moriah Courthouse

Attended by:

Tom Scozzafava, Supervisor of Moriah, Village Resident
Susan McHone, Chamber Member and Village Resident
Luci Carpenter, Board Member and Business Owner
John Boyea, Multi- Business Owner
Catherine Sprague, Chamber President
Linda Smyth, Village Board Member, Chamber
Jeff Kelly, Author, Reporter, Village Resident
Ron Van Slooten, Marina Owner
Heidi Van Slooten, Marina Owner
Nicky Bryant, Chamber Member
Deborah Henry, Chamber Member
Lohr McKinstry, Sun Newspaper and Village Resident
Suzanne Maye, ROOST and Village Resident
Marty Nephew, Mountain Lake Services Director and Moriah Resident
Barbara Kendall, Department of State Representative
Anna Reynolds, County Planning Dept

Facilitated by: Michael Crane AICP, Crane Associates, Inc. Burlington Vermont

The purpose of the meeting was to develop a vision and set of goals for potential redevelopment of the Moriah's waterfront. The conversation was guided by a series of questions. The questions and summaries of the responses are provided below.

Question 1: *Name the most fantastic and enjoyable waterfront (only 1) that you ever visited. It can be large or small, on fresh water or saltwater, and be located anywhere in the world.*

| | | |
|--------------------------|---------------------------|--------------------|
| Turks /Caicos | Long Beach CA | Lake George NY |
| Playa del Carmen, Mexico | Hvar, Croatia | Virginia Beach, VA |
| Booth Bay Harbor, ME | Isabel Segunda Vieques PR | Bulwagga Bay, NY |
| Santa Monica, CA | Barbados | Boardwalk, NY |
| Long Island | Trout River Newfoundland | Hampton Beach, NH |
| Outer Banks NC | | |

Question 2: *List the greatest features of this waterfront. In other words, why was it fantastic and enjoyable?*

| | |
|---------------------------|---|
| Scenic Views | Bars and restaurants |
| Hotels | Walkable amenities |
| Clean and well kept | Recreational opportunities (roller blading, |
| Clean Toilets | Colorful, vibrant aesthetics |
| Youth Activities | Music and Entertainment |
| Water Sports, Parasailing | Museums |
| Visitor Centers | Cultural Activities |
| Retail | Souvenirs |

Question 3: *What are the greatest assets of the Moriah/Port Henry waterfront?*

| | | |
|-------------------------|--------------------|--------------------------------|
| Public Beaches (2) | State Boat Launch | Easy Vehicle Access |
| Train Access | Fishing | View, View, Views |
| Clean Water | Campgrounds | History, Shipwrecks |
| 1/2 mile to Main Street | Trails along water | Restaurant Snack Shop |
| Dog Walking | Pier | Dog beach at the Pier |
| Grocery Store | Laundromat | Location – has great potential |

Question 4: *What is Missing at Moriah Waterfront*

- 1) A hotel. We need a hotel and investors
- 2) Public Relations and Marketing
- 3) Easy Access to the Town (steep banks and railroad tracks)
- 4) Not beautiful or well kept. Needs beatification
- 5) Aesthetics – ugly RV's and structures left all year
- 6) Taking advantage of scenic views
- 7) Water Activities
- 8) Signage and way finding

Question 5: *Choose one positive word or phrase to describe the Moriah/Port Henry waterfront*

Potential
Large
Historic

Untapped Jewel
Beautiful

Accessible
Deep Water

Question 6: *In one sentence state what you believe is the most important purpose of the Moriah/Port Henry waterfront:*

To revitalize the town

To provide recreational opportunities for both locals and visitors

Connecting people to the Lake

To improve it as a business

Free access to the waterfront and the Lake

To provide economic support to the town

To be seen as an asset

To bring attractions to the town

Question 7: *List what you believe is the most important goals for the Moriah/Port Henry waterfront:*

Find tax / economic incentives for hotel investors to open a hotel on the waterfront

Investigate 485b tax breaks as a potential incentive

Update the facilities. Bathrooms, parking lot, trails, docks, recreation areas, beaches,

Private operator/management

Install new cabins

Mitigate environmental risks such as flooding

Review the costs and benefits of different scenarios

Vision Statement for Town of Moriah's Waterfront

The following vision statement is a result of the visioning session. It will be used to draft goals and to build a common purpose for improving the waterfront:

Our waterfront is a place of pride, pleasure, and productivity for the residents of Moriah. It is critically important to our history as well as our future. Its stunning beauty invites us to relax and rejuvenate; its water and shorelines invites us to play and connect with our families and friends; and its strategic location invites us to create commerce. We have done all of this and will continue to use the waterfront for these multiple uses. Its aesthetic beauty is as important as its economic potential. We will revitalize the waterfront to leverage the best economic opportunities in our modern economy while ensuring that it remains a vital element of our public space and personal enjoyment.



Intercept Interviews: Survey and results

Survey Overview

Intercept surveys were conducted on Thursday, March 9th at various locations throughout Port Henry and Moriah. A total of 54 people completed the survey and shared their thoughts, perceptions and ideas about how to improve the waterfront. The use of intercept surveys enables direct interaction and conversations as people go about their daily work, errands and business within the community. Unlike a static night meeting, the survey is more interactive and records each participant's views.

Overall, a total of 54 people participated in the survey. Key locations included the Moriah Pharmacy, Stewarts, Boyea's Deli, the Red Brick Café, Sherman Free Library, Kutting Edge Studio, The Old Mine, Grover Hills Deli, Fleury Deli, and Frank's Knotty Pine.

Key survey questions asked whether people live in Port Henry/Moriah, own a business in the community, and/or work in the community. Respondents could select all relevant categories. If a respondent was visiting from outside the community, the survey was not recorded. The survey then asked a series of questions about how people feel about visitors and tourists coming into the community to purchase goods and services, and what people identify as the three best things about living and/or operating a business or working within the community. Current impressions of the waterfront were captured by asking the three words that best describe the waterfront today. Future potential of the waterfront was explored by asking respondents to envision the waterfront in 5 to 10 years, as they would like to see it and to describe the image and associated improvements.

Summary of Findings

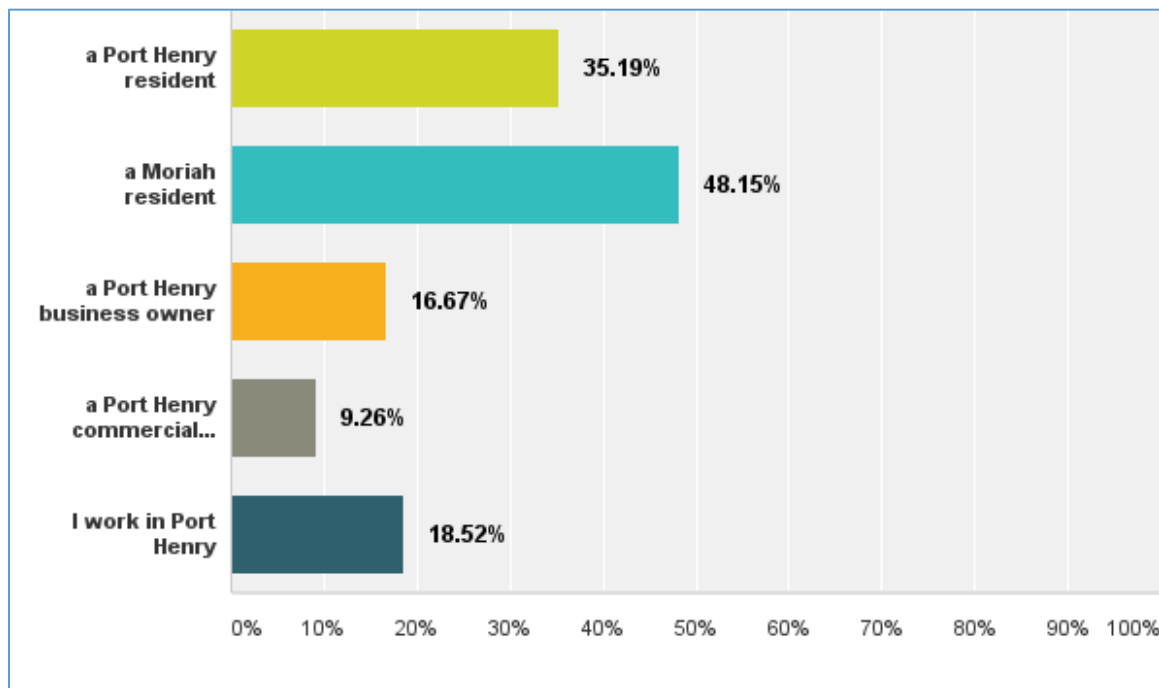
Major survey findings, described in greater detail in the following sections, include:

- Very strong consensus on the importance of outside spending and the need for tourism to boost the local economy.
- Scenery/views, great local people and good accessibility are most highly valued community assets.
- Most common perceptions of the waterfront today:
 - Underutilized/Needs Work
 - Scenic/Beautiful
 - Dirty/Unhealthy/Polluted
 - Marina/Boats/Fishing
- Most common elements of desired future vision for the waterfront:
 - Clean/well maintained
 - Sit-down/higher-end Restaurant
 - Hotel
 - More activities/more recreational amenities
 - Better beaches/public beach without campsites
 - Fewer RVs/fewer campgrounds
 - Better playground

- Key waterfront features to retain include clean water, the boat launch, fishing pier and publicly accessible beaches.
- Businesses and amenities most important to improving the waterfront:
 - Expanded recreational amenities.
 - Higher-end (sit-down) restaurants.
- There are mixed views on campgrounds; several respondents noted that keeping one long-term campground makes sense and that there is a need for short-term tent and cabin camping for local people as well as weekend visitors.

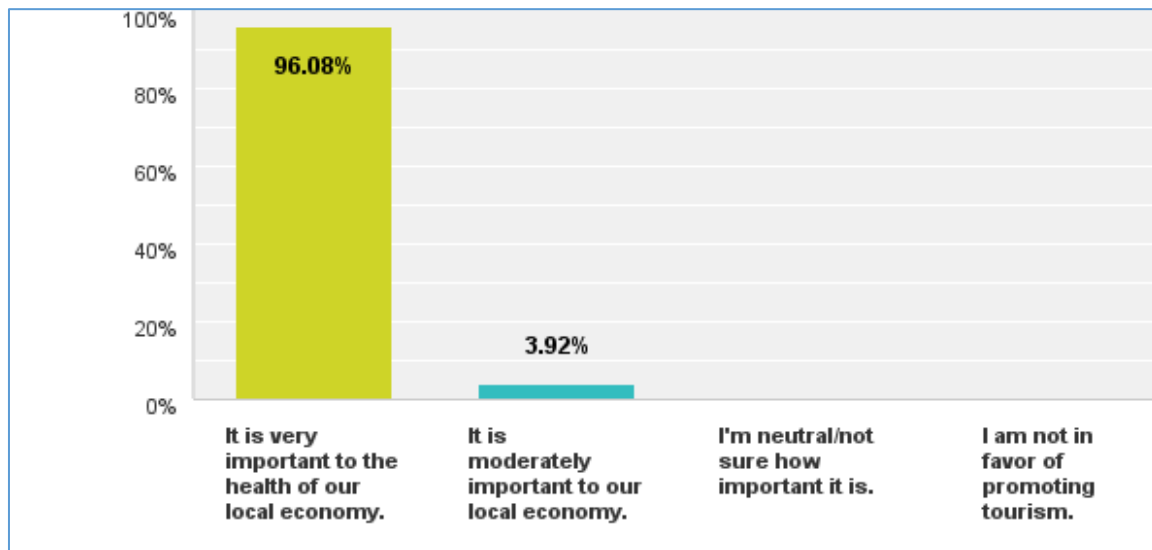
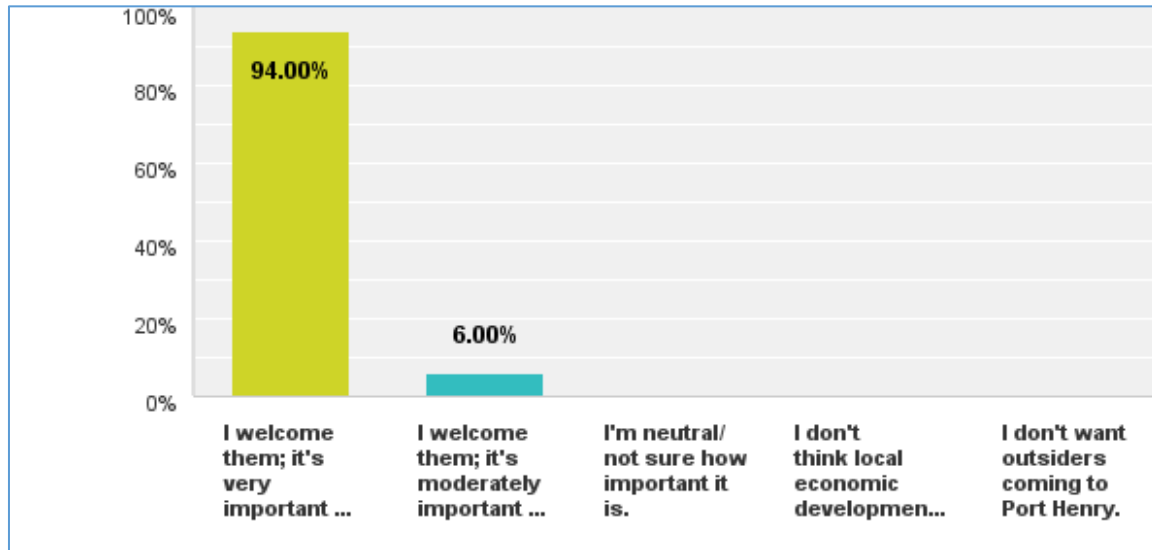
Survey Analysis – Who Responded

Almost half of those surveyed live in Moriah and one third live in Port Henry. Seventeen percent are local business owners and nine percent own commercial property in Port Henry. Eighteen percent work in Port Henry.



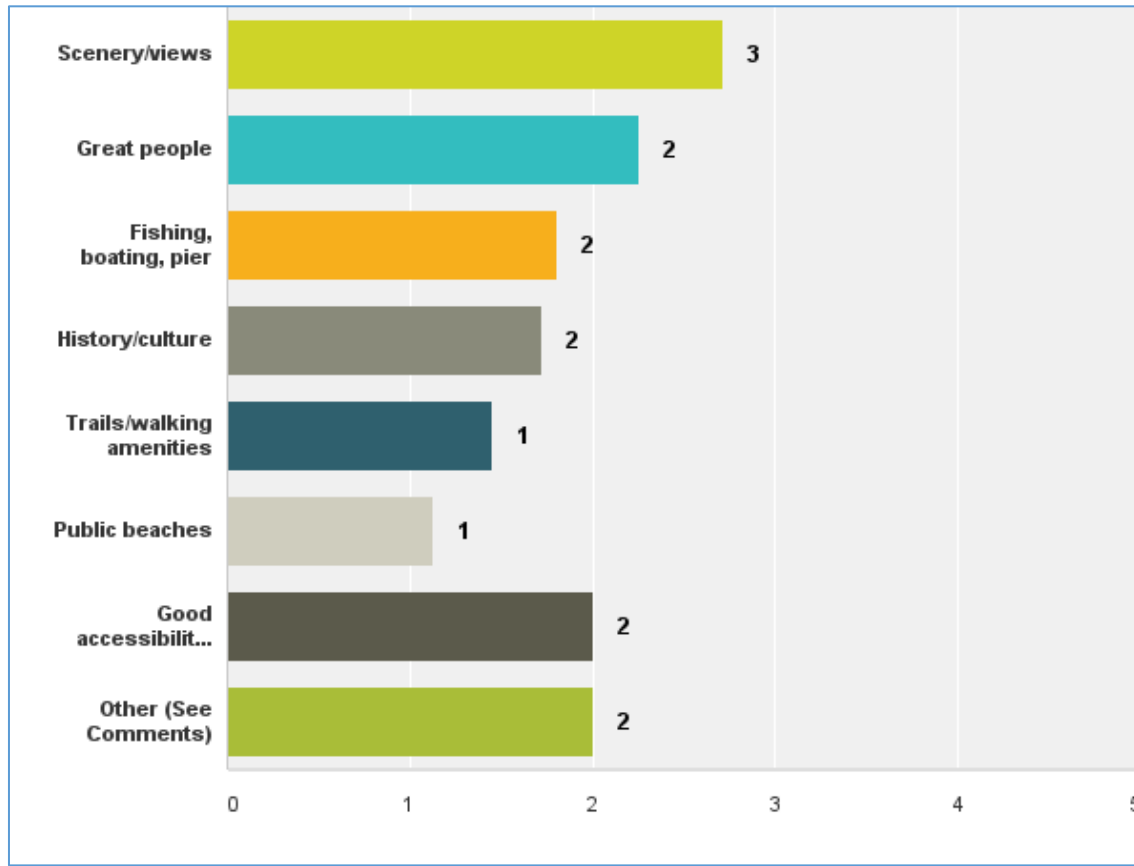
Survey Analysis – Attitude Toward Outside Spending/Tourism

Survey responses revealed very strong consensus on the importance of outside spending to boost the local economy. Given that past surveys indicated mixed views on the role of outside spending and tourism, this question was purposefully explored in two different ways, with results equally strong for responses to both questions, as noted below. The first chart below shows responses to: “How do you feel about people from outside of Town coming to Port Henry to purchase goods and services?” The second chart below shows overwhelming support in response to the question, “How important do you think it is to boost tourism within Port Henry/Moriah? This shows a clear departure from past local opinions on tourism and a much more welcoming attitude toward visitors today.



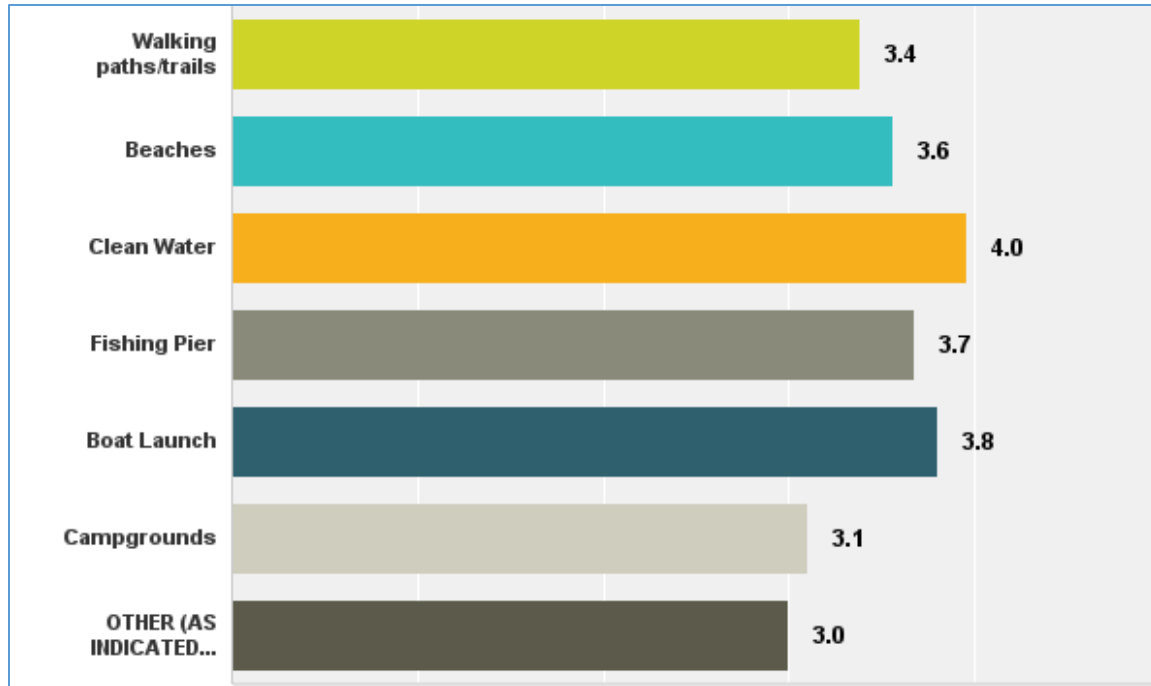
Survey Analysis– Three Best Things about Living, Running a Business and/or Working in Port Henry/Moriah

People were asked to select the three best things about living, operating a business and/or working in the community. As shown below (with results weighted so that the best thing is worth 3 points, the second best 2 points, and the third 1 point), scenery/views was the most highly valued community asset, followed by great local people and good accessibility.



Survey Analysis – Existing Waterfront Features/Amenities Important to Retain

In addition to asking people the three best things about living, running a business and/or working in the community, we asked which waterfront features/amenities are most important to retain in the context of revitalization. As shown below (with results weighted from most important to not important), clean water, boat launch, fishing pier and beaches were viewed as central to retain.



Survey Analysis – Current Perceptions of the Waterfront

To fully assess how people feel about the current waterfront, we asked them to give us three words that best describe the waterfront as it is today. This allows us to efficiently capture current perceptions in an open-ended manner. The word cloud below shows the most frequent responses with words shown more than once and/or larger words coming up most frequently.

By manually reviewing and categorizing similar responses, the following are the most common perceptions of today's waterfront:

- Underutilized/Needs Work
- Scenic/Beautiful
- Dirty/Unhealthy/Polluted
- Marina/Boats/Fishing

Of the top four most common perceptions, two are positive – scenic beauty and marina/boats/fishing and two indicate the need to clean up, improve and better utilize the waterfront.

CURRENT PERCEPTIONS WORD CLOUD – The larger the word, the more responses it received.



Survey Analysis – Desired Waterfront Improvements

To better flesh out the types of improvements that people would like to see on the waterfront, we asked an open-ended question about what they would like to see in 5 to 10 years. This allows us to capture desired waterfront improvements without suggesting the answer(s). The word cloud below shows the most frequent responses with words shown more than once and/or larger words coming up most frequently.

By manually reviewing and categorizing similar responses, the following are the most desired future improvements:

- Clean/well-maintained
- Sit-down (higher-end) Restaurant
- Hotel
- More activities (for children and tourists)
- Better beaches/public beach without campsites
- Fewer RVs/fewer campgrounds
- Better playground/more recreational amenities

These desired features illustrate consensus with addressing the negative perceptions and concerns people identified in the survey, as well as a positive view toward attracting short-term tourism and visitors in the future.

DESIRED IMPROVEMENTS WORD CLOUD

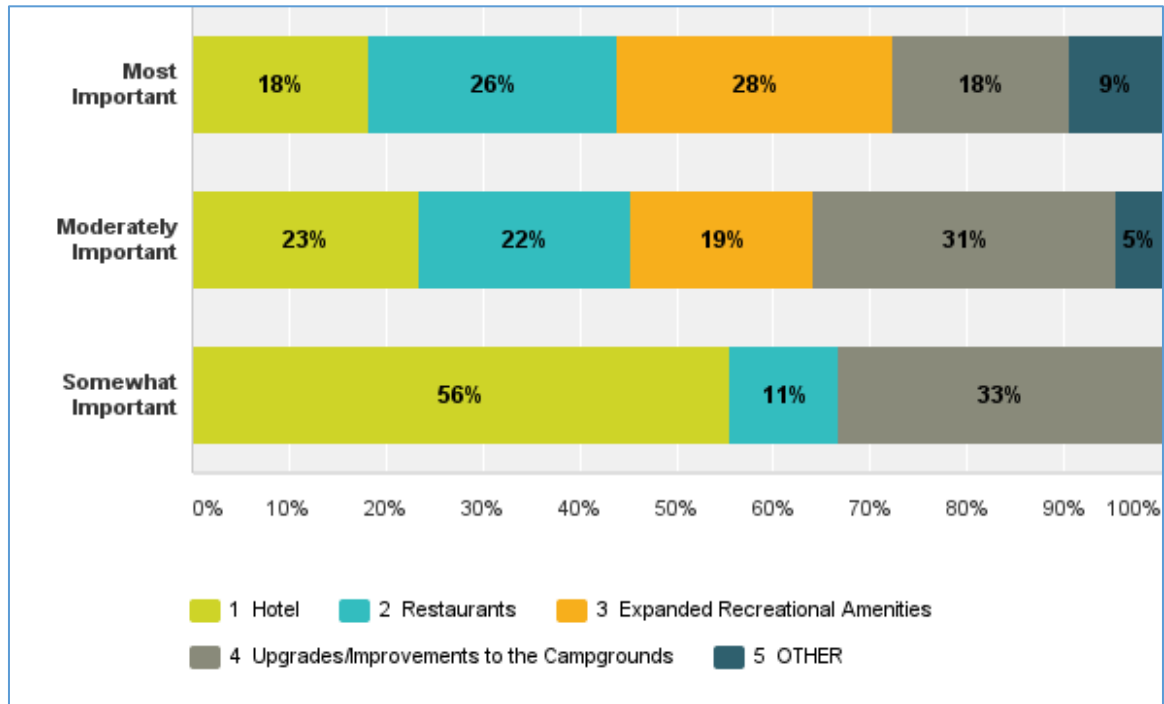


Survey Analysis – Desired Waterfront Businesses & Amenities

In addition to the open-ended question about what people would like to see in 5 to 10 years, respondents were asked to rank a variety of amenity and business types in terms of degree of importance (there was also an “Other” option to capture anything not specifically listed).

As shown on the following page, expanded recreational amenities and restaurants were the top two under ‘most important.’ When using a weighted average (with results weighted from most important to least important across all responses), recreational amenities and restaurants are still the top two sought after businesses/amenities, followed by campground upgrades and hotels.

There are mixed views on campgrounds, and, via the “Other” option, several respondents noted that keeping one long-term campground makes sense and that there is need for short-term tent and/or cabin camping to attract weekend tourists and to provide opportunities for local residents to enjoy the waterfront.



Survey-Informed Goals

As noted, the use of intercept surveys enables direct interaction and conversation as people go about their daily work, errands and business within the community. Unlike a static night meeting, the survey is more interactive and is accessible to a wider cross section of the community. The survey also enables us to develop waterfront revitalization goals that better consider and reflect local perceptions, values and desired outcomes.

Based on the survey input and analysis, and the 54 conversations that we engaged with to conduct the survey, the following draft goals are proposed for consideration.

Proposed Goals

Preserve Scenic Beauty & Improve Maintenance: Preserve scenic vistas and improve visual appeal of the waterfront through improved maintenance and security of existing amenities, grounds, and infrastructure.

Enhance Recreational Opportunities: Enhance scenic vistas and boost waterfront activity through targeted recreational improvements and amenities.

Improve Public Access, Connectivity & Wayfinding: Improve waterfront accessibility (including public access to the waterfront and beaches) and wayfinding to better connect downtown Port Henry and the waterfront.

Implement Marketing & Special Events: Develop marketing plan with activities, events (music, culture, history, fishing/boat rides, etc.), funding sources and strategies for attracting tourists, especially weekend visitors and families.

Promote Tourism & Destination Lodging/Dining: Create Lodging and Dining facilities on the waterfront to attract new segment of the tourism market. Integrate a sit-down restaurant,

recreation facilities and lodging into a future revitalization plan to attract tourists and to provide a destination for residents and visitors.

Modify Campgrounds: Explore eliminating one campground and/or improvements and screening of campsites/recreational vehicles from beaches and provide short-term tenting (and/or small cabin) opportunities for weekend visitors and residents alike.

Chapter 7 INSTITUTIONAL REQUIREMENTS OF MUNICIPAL ECONOMIC DEVELOPMENT

Introduction

Downtowns and waterfronts are central to a community's pulse and identity. They are places that evoke images of busy shops, usable public space, scenic views, and communal interaction. They are ideally walkable destinations integrated into surrounding neighborhoods and that evolve to meet the changing needs of the communities they serve. As communities experience change, they must adapt to changing conditions and sometimes reinvent their economic bases. This chapter explores case studies of small towns that have pursued various revitalization strategies to strengthen the health and vitality of their communities.

Although there is no one overarching solution or formula for success that can be applied to all communities, there are a series of strategies that have benefited other small communities in New York. Common strategies are highlighted below and discussed in the case studies that follow.

Plan for the long-term while engaging all members of the community. Engage a wide range of stakeholders to develop and refine a vision for the future. Community buy-in, trust in local leaders and an openness to change are critical to securing momentum for implementing change.

Find the right institutional framework. Creating the institutional structures, both within municipal entities and extending out to non-profit organizations, Chambers of Commerce, and County agencies is critical to successful implementation over time.

Leverage existing community assets. Identify existing assets, such as key waterfront resources, existing infrastructure, and natural beauty, and develop specific strategies, actions and funding sources to support and maintain these assets to enhance the community. Prioritize applying for outside funding and leveraging local resources and talent to assist with these efforts.

Incentivize redevelopment and community reinvestment. Create institutional structures to attract and retain businesses while also maintaining community priorities and values. Consider incentives to attract reinvestment, particularly to rehabilitate vacant buildings.

Utilize outside funding. Many of the communities highlighted in this report used funding from regional and state organizations, especially the New York State Division of Homes and Community Renewal (HCR) in addition to municipal resources, philanthropic organizations and private investors.

These case studies provide brief overviews of communities in New York that have taken concerted steps toward positive change over the years

Mount Morris, New York

The town of Mount Morris is a rural village located in Livingston County, New York, 40 miles south of Rochester. It is seated at the northeastern entrance to Letchworth State Park which contains a scenic gorge and a triple waterfall on the Genesee River. The downtown covers several blocks and is centered around the intersection Main Street and State Street. Mount Morris has made significant strides over the past 10 years to increase development and pedestrian traffic downtown.

Although Mount Morris is making efforts to reposition itself as a tourism and recreation destination, the Village has lost 18% of its population since 1950. This primarily began with the loss of manufacturing jobs. The downtown suffered further with the construction of an expressway that bypassed the city. In 2006, over 50% of the storefronts were vacant. However, recent efforts have spurred reinvestment in the downtown. To initiate reinvestment and revitalization of the downtown, Mount Morris has pursued a variety of strategies including community involvement, small business development and tax abatement programs.

Mount Morris

Population
4,398

Municipal Budget:
\$1,583,000

Median Household Income:
\$45,283

Median Age:
43.6

Proximity to Urban Center:
40 miles (Rochester)

Strategic Approach:
Tourism; Entrepreneurship;
Downtown Development

Timeframe:
2006 to present





Example:

Mount Morris has worked with private developers, most notably, Greg O'Connell, to spur redevelopment. O'Connell, a community-oriented Brooklyn developer, has purchased numerous derelict buildings and rehabilitated them for new uses. Many of these buildings were poorly maintained, were behind on taxes, or had been foreclosed. O'Connell redeveloped distressed properties primarily through community involvement, small business development and tax abatements.



Revitalization Strategy

The Town partnered with public and private organizations, including the New York Office of Community Renewal, the O'Connell Organization, and the Livingston County Local Development Corporation to guide the cultural, commercial, and residential improvements downtown. These efforts led to the opening of 16 new businesses representing over 30 new jobs downtown in addition to the restoration of 12 historic buildings and the renovation of 16 apartment units. The Town has enlisted the help of students from the local high school and nearby SUNY Geneseo to help beautify the downtown and design public relations and marketing strategies for downtown business.

Additionally, the Town's mayor and Livingston County's Downtown Coordinator, Louise Wadsworth, have led efforts to partner with private developers and the New York Main Street Program. Mount Morris has also collaborated with neighboring communities to leverage their proximity to Letchworth State Park to fund a new revitalization program and position. The new initiative, named the Letchworth Gateway Villages Program, seeks to advance regional economic growth and tourism opportunities for communities serving as gateways to Letchworth State Park. Other Mount Morris downtown revitalization strategies include the following:

- Downtown design guidelines
- Business ownership training
- Business guidelines
- Coordinated marketing
- Targeted downtown tax abatements
- Obtaining technical assistance provided by Livingston County's Downtown Coordinator (the coordinator's salary is approximately \$65,000)

Canandaigua, New York

The City of Canandaigua is the county seat for Ontario County. The downtown is concentrated along Main Street and encompasses approximately 40 acres within close proximity to the northern end of Canandaigua Lake. The City served as an important railroad junction and steamboat port during the 19th century which fueled growth in the area for over a century. As the transportation and freight industries declined, the City has reoriented the local economy to target tourism/retail, manufacturing/business services, and healthcare.

The City has also focused on revitalizing the downtown to reestablish its role as a cultural, economic and social center of the community. Although the City's population and fiscal capacity has diminished in the last decade, the community is optimistic that it can improve its economic performance to maximize its existing natural and economic assets. In collaboration with residents, local businesses and regional organizations, the City has developed long-term comprehensive planning and economic redevelopment strategies. The City has also prepared site specific redevelopment plans, competitive grant applications, and implemented design standards while incorporating various incentive programs to encourage business growth and retention such as a historic rehab tax credits and tax abatements.

Canandaigua

Population
10,499
Municipal Budget:
\$22,913,000
Median Household
Income:
\$43,185
Median Age:
40.5
Proximity to Urban
Center:
30 miles (Rochester)
Strategic Approach:
Tourism; Recreation;
Downtown Development
Timeframe:
2010 to present





Example:

Since the adoption of the the Comprehensive Plan Update and the Economic Development Plan, the City has focused on site specific redevelopment. Using the recommendations and objectives established in the plans, the City has approved the construction of nearly 200 housing units since 2014. These developments are located in focus areas identified in the Comprehensive Plan Update. Both developments advance the City's goals in expanding year-round cultural, recreational, and social activities in the Lakefront district.



Revitalization Strategy

In 2012 and 2013, Canandaigua adopted a Comprehensive Plan Update and a Economic Development Plan. With community feedback, both documents have set a vision and blueprint for the community's future growth, development and preservation. As part of the Economic Development Plan, the Canandaigua Economic Development Partnership was formed to encourage investment and promote development within the City. The group consists of the Mayor and Council, City Manager, the Canandaigua Chamber of Commerce, the Canandaigua Business Improvement District, the Canandaigua Area Development Corporation, and the Ontario County Office of Economic Development. The organization has worked to streamline improvement efforts by unifying a vision for the community and acting as the coordinating organization for all of the stakeholders involved.

In the spring of 2009, the City rolled-out the a historic rehab tax credit program and is currently gathering public input to develop an application for the New York State's Downtown Revitalization Initiative Program. The grant provides up to \$10 million in funding to develop a strategic downtown investment plan and to implement projects identified in the plan. Canandaigua's downtown Business Improvement District has also worked to coordinate downtown streetscape improvements, assist small businesses, develop marketing strategies, and organize special events such as beer tastings and wine walks.

Baldwinsville, New York

The Village of Baldwinsville is a riverside community located in Onondaga County, New York, 13 miles northeast of Syracuse. The Seneca River, which bisects the community, generated manufacturing and helped Baldwinsville expand to become a diversified industrialized milltown during the 19th and early 20th century. Agriculture has also served as a major contributor to the local economy. Throughout this time, the Seneca River has remained the community's heart and soul.

As the community's manufacturing base declined, the Village evolved into a unique and attractive riverside community. Baldwinsville has sustained modest population growth since 1970 and has grown in population by approximately 9% since 2000. Although Baldwinsville has experience recent growth, recent trends and markets have pushed the Village to shift away from its industrial roots. Today, the top three industries for residents are construction, educational services and healthcare. Baldwinsville has sustained its good quality of life through waterfront revitalization, recreation and tourism, in addition to its low cost of living and active community life.

Baldwinsville

Population

7,692

Municipal Budget:

\$4,365,000

Median Household Income:

\$43,185

Median Age:

43.7

Proximity to Urban Center:

13 miles (Syracuse)

Strategic Approach:

Waterfront

Revitalization/Festival Venue;

Philanthropy

Timeframe:

2010 to present





Example:

In 2000, Baldwinsville worked with philanthropists to develop Paper Mill Island. The park frequently hosts events on an island between the Seneca River and Erie Canal System. The land for the park was donated to the Village by a local family and the concert stage was funded by Anheuser-Busch, Inc. Paper Mill Island now serves as a community focal point and provides a venue for festivals, concerts and celebrations on weekdays and weeknights throughout the summer season.



Revitalization Strategy

Led by the local Village government, Baldwinsville has pursued a multi-faceted approach driven by riverfront and downtown development to encourage growth. Improved dams, bridges, raceways, construction of the Barge Canal, boat clubs, water festivals and new parks have continued to strengthen the Village's river identity. These efforts have been primarily led by local government leadership, the local chamber of commerce, philanthropists, in addition to local boards and committees. Baldwinsville is also rich with historical buildings and possesses a strong park and trails system. Ultimately, the Village's success stems from volunteerism and community engagement. Baldwinsville maintains a strong sense of community which keeps residents invested in the overall success of the Village.

Rouses Point, New York

The Village of Rouses Point is located in Clinton County and is on the west shore of the northern end of Lake Champlain just one mile south of the Canadian border. Over the years, Rouses Point's economy has evolved from relying on transportation and freight, particularly shipping and rail, to relying on tourism and light-manufacturing given its close proximity to Vermont and Canada. At one time, Rouses Point was one of the busiest border crossings in New York. The Village's value diminished with the construction of Interstate 87 in the late 1960s which added a major customs facility in Champlain. In recent years, the community has made efforts to revitalize its downtown and waterfront through economic development and long-range planning.

In 2006, the Village's largest employer, Wyeth Pharmaceuticals, announced it was leaving the area, eliminating 1,250 jobs in the process. Although the pharmaceutical plant has been reoccupied by a various companies since 2006, the departure of Wyeth continues to adversely impact the community. As result, the Village has lost population, jobs and tax revenue. In an effort to stabilize the local economy, the village's Community Development department has been very active in bolstering Rouses Point's appeal as a tourist destination.

Rouses Point

Population

2,126

Municipal Budget:

\$5,986,000

Median Household Income:

\$60,556

Median Age:

44.3

Proximity to Urban Center:

25 miles (Plattsburgh)

Strategic Approach:

Tourism; Entrepreneurship;

Downtown Development

Timeframe:

2006 to present





Example:

Since adopting the 2009 Community Redevelopment Strategy and the 2006 Downtown and Waterfront Revitalization Plan, the Village has focused on implementing these plans. More specifically, the village advanced the construction of a scenic pier and shoreline walkway, as well as improvements to the boat launch and the downtown. The Village also developed Design Guidelines for the downtown and waterfront to assist property owners and developers renovate or construct buildings.



Revitalization Strategy

To revitalize the downtown and waterfront, the Village has hired a Revitalization Project Manager consultant and enlisted the help of state economic development officials, state labor officials, state and federal lawmakers and local businesses. Rouses Point has committed itself to supporting existing businesses and assisting new businesses in relocating to the Village. This has led to over fifteen new businesses opening in recent years. The Village also adopted a Community Redevelopment Strategy Plan, a Downtown and Waterfront Revitalization Plan and Downtown Design guidelines to direct future growth.

Funded through the state's Quality Communities Grant Program, the Village's redevelopment plan identifies land use recommendations, potential infrastructure and capital project investments, funding opportunities, and marketing strategies. Infrastructure and capital projects are a key focus. The plan recommends enhancing pedestrian crossings, restoring the local train station and creating gateway improvement districts. The redevelopment plan also identifies potential funding and financing opportunities. These opportunities include leveraging gap financing in concert with conventional or credit union financing through a local revolving loan funds, in addition to utilizing regional and state grants. Public infrastructure is also identified as a key asset for the village. Rouses Point offers some of the lowest electricity rates in the United States, which has attracted industry in the past.

Potsdam, New York

The Village of Potsdam is located in St. Lawrence County, New York, 30 miles from the Canada – United States border and 80 miles west of Plattsburg. The historic downtown is centered around the intersection of Market Street and Elm Street which is relatively dense for the area and walkable. The Racquette River also bisects the community. Early on, Potsdam was an economic and industrial hub for St. Lawrence County. The local economy primarily depended on hydropower resources, agriculture and mining. As industry and mining declined, the local economy shifted to education, healthcare, and retail trade. Today, Potsdam is home to Clarkson University and SUNY Potsdam. The village is trying to reestablish itself as a strong town and viable destination but not at the expense of its history

Given Potsdam's rich building stock and unique downtown, the community is working to reposition itself as a destination primarily through enhancing the its waterfront and unique environmental features. To advance these efforts, Potsdam has pursued a variety of strategies including long-range planning, historic preservation and park/trail improvements.

Potsdam

Population
9,656

Municipal Budget:
\$10,185,000

Median Household Income:
\$36,300

Median Age:
21.3

Proximity to Urban Center:
80 miles (Plattsburgh)

Strategic Approach:
Waterfront Revitalization, Historic
Preservation; Recreation

Timeframe:
2012 to present





Example:

In 2015, the Village was awarded over \$500,000 by the State of New York to advance a trail plan along the Raquette River. The project includes construction of a downtown riverwalk, improvements to recreational access, construction of an open air pavilion for farmers markets and streetscape improvements.



Revitalization Strategy

In 2012, the Village adopted a Downtown and Waterfront Revitalization Plan. Through a series of surveys, focus groups, public workshops, and design charrettes, the community established a vision to create a vibrant downtown through mixed-use development, targeted marketing, and community investment.

The Village's Office of Planning & Community Development and Waterfront & Downtown Revitalization Committee identified and prioritized ten projects that had the greatest potential to positively impact the downtown and waterfront. These projects included park enhancements, streetscape improvements, constructing a riverwalk, and marketing campaigns among other projects. The Village has also identified implementation and funding strategies along with possible project leads and partners. As a result of these efforts, the Village is well positioned to receive future funding.

Springport, New York

The Town of Springport, New York is located in Cayuga County and is approximately 35 miles southwest of Syracuse. The community is situated on the eastern shore of Cayuga Lake and is home to approximately 2,402 people. From the early 1800s until the 1960s, the local economy primarily depended on mining, agriculture, and manufacturing. Today these industries only account for roughly 20% of all jobs in the local labor force. Consequently, the Town has undergone a community re-visioning process that works to preserve the Town's rural roots while focusing on the aspects which make Springport unique such as the lake, the rural village center, abundance of open space, and valuable natural resources.

Although Springport has not experienced significant population growth since the 1980s, the community is optimistic it can sustain modest growth by supporting thoughtful residential growth, agricultural activities, land conservation, economic development, and waterfront revitalization.

Springport

Population
2,402

Municipal Budget:
\$823,000

Median Household
Income:
\$69,688

Median Age:
42.9

Proximity to Urban Center:
35 miles (Syracuse)

Strategic Approach:
Tourism and Recreation

Timeframe:
2011 to present





Example:

Frontenac Park is a twenty-seven acre municipal park located along the northeast shore of Cayuga Lake and is a key community resource for the town. The park offers a boat launch, playground, and pavilion among other amenities. In local plans, Frontenac park is identified as a focal point for future improvements and investment. The park currently hosts community events and competitions such as the Busch Beer Bassmaster Elite Series fishing tournament on Cayuga Lake. Springport intends to market Frontenac Park as a location for regional events.



Revitalization Strategy

In 2009, Springport developed a public participation initiative and engaged community members to establish goals for developing a town-wide vision. This vision became the foundation for the Town's Comprehensive Plan. To generate public participation, the community established a 22-person advisory committee to oversee the project and prepare a Vision Plan to guide future growth and development in the Town.

In 2013, Springport began drafting their Plan with goals, objectives and actionable steps to implement the community's vision. The goals and objectives focus on the waterfront, agriculture, economic development, housing, environmental resources, outdoor recreation, governance, and infrastructure. This has led to the formation of a Local Waterfront Revitalization Program (LWRP) funded through the NYS Department of State. LWRP is a 2 year community project that began in 2016 and will culminate with a planning document for the Town that provides a focus on revitalizing the waterfront and the downtown historic commercial district while also expanding and enhancing recreational opportunities in the community.

Key Findings and Lessons Learned

The following common elements of successful revitalization warrant consideration by the Town of Moriah/Port Henry to advance revitalization of the waterfront and strengthen its connection to the downtown.

Ensure On-going Community Involvement Efforts. Successful efforts involve a broad range of the community in developing and refining the revitalization scenarios. This process typically includes broad public outreach, including public workshops, focused discussions, and community surveys.

Establish a Local Economic Revitalization Committee. Successful efforts are guided by a local advisory committee focused on waterfront and downtown revitalization that is established by the municipality. This group is typically comprised of local residents, businesspersons, local chambers of commerce, outdoor and recreational enthusiasts, and local officials, with members representing a broad spectrum of the community. Such committees tend to be involved in and help to guide the public participation plan to refine the preferred approach to revitalization. They also work collaboratively with Chambers of Commerce, local business owners, and regional tourism agencies to actively promote the community through TV, Internet, and print ads.

Fund an Experienced Economic Development Professional/Consultant. Successful efforts that are sustained over time and implement physical improvements have the resources and support of an experienced economic development professional that has sufficient time dedicated to a local revitalization effort. Such positions are filled in a variety of ways, including by a municipal staff position, a consultant, or via dedicated staff support from a County's Development Corporation. The focus of staff resources is typically to support local revitalization committee efforts, seek and administer outside funding, and work on the nitty gritty of implementation.

Secure Private and/or Philanthropic Support . Finding private or philanthropic partners can serve as an important catalyst for revitalization. For example, in Mt. Morris, the O'Connell organization partnered with the village and invested over \$2 million into rehabilitating properties on Main St. In Baldwinsville, the village secured funding from Anheuser-Busch to build a community concert stage.

Use Grant Funding and Incentives to Spur Development. Secure grant funding through programs such as New York State's CDBG Economic Development and Small Business Assistance, the New York Main Street Technical Assistance Projects, or the New York Main Street Program. Applications are typically prepared by local economic development coordinators, consultants, or regional/county economic development entities such as Local Development Corporations. For example, downtown coordinators in Rouses Point, Canandaigua and Mount Morris helped secure outside grant funding for revitalization. Targeted downtown tax abatements can also help stimulate new investment in the downtown and along the waterfront. Tax abatements can remove the financial disincentive to revitalize buildings and give businesses a chance to incubate. In Mount Morris, tax abatements have been central in its revitalization.

Ultimately, as mentioned previously, no single strategy was sufficient to change the fortunes of any community in this study. Successful revitalization in small towns requires a combination of institutional structures, dedicated economic development staff resources, community outreach strategies and funding sources.

Chapter 8 STRATEGIES AND ACTIONS

1) **Create an Economic Development Governance for Moriah**

As we learned in Chapter 8, successful economic development efforts require long-term commitment by a group of dedicated individuals. Different municipalities have different institutional structures for economic development. They can vary from a group volunteers to a non-profit organization to paid staff positions or a combination of these. Finding the right structure that is appropriate for the municipality takes time. This should be explored by the leadership of Moriah and the local chamber of commerce with assistance from regional planning agency, the IDA and consultants.

2) **Hold Public Meetings on Final Preferred Scenario with Community**

While the final development scenario should not be decided without conducting a full financial feasibility study, the Town Board should begin holding public discussions and gathering public opinion on the preferred scenario. During this initial assessment of development options, three future development scenarios for Bulwagga Bay were analyzed. The consultant recommends that Scenario 2 or 3 being pursued. However, the town leadership has had only two or three meetings to review the results. While they are generally in support of the concept that the consultant is providing, there are many details that need to be discussed. This project scope of work didn't provide enough time to allow the town leadership and the community to absorb and fully understand all of the details in the scenario. Therefore, the next phase of implementing any scenario is to be sure the community fully supports the proposed scenario. While the consultant received adequate direction from the community through surveys and interviews, and from the leadership through several meetings to make this recommendation, there remains enough undocumented details of the design, location, mode of operations, public/private relationships, and financial elements to warrant additional discussions. The preferred scenario will be modified as a result of these conversations.

3) **Identify and Work with a Developer in Hospitality Industry**

Moving the project from concept to reality will require the expertise of a developer in the hospitality industry. Most development projects materialize from one of two ways: investors/developers see an opportunity and uses their resources to pursue their vision; or an investor/developer is invited to work with a property owner to achieve a mutually beneficial outcome. Here, we are pursuing the second approach. The Town must advertise to potential investors and developers about their interest in redeveloping Bulwagga Bay campground. Finding the right developer for this situation may take some time. This industry requires a developer who knows the market well. In addition, the developer must have an interest in working with a municipality as a partner, and have the financial ability to engage in a development project in the near future. This is a full-time but short term effort that will take 2-5 months. The Town will need to hire a municipal representative, also known as a "client representative", that conducts searches and interviews developers and represents the interest of the town. The representative will work with state, county, and local economic development agencies, the town and private sector contacts to conduct the search. The search will be public through industry publications and by word of mouth. The representative will draft a conceptual Public Private partnership agreement. The draft agreement is written the Representative and approved by the Town Board. This agreement is then used as initial guidance

to start the search. It provides a clear description of the type of agreement the Town is seeking and includes issues such as ownership of the land, duration of the contract, expectations of what both parties will contribute to the partnership and so forth.

Action Items:

1. Hire Municipal representative responsible for seeking a developer: Town of Moriah
 2. Create draft Public/Private Partnership Agreement to be used as initial guidance to structure the relationship between Developer and Town: Municipal representative with Town Approval
 3. Draft Search Strategy: Municipal representative with Town Approval
 4. Approve public procurement process for Public Private Partnership: Town Board with consulting assistance
 5. Conduct Word of Mouth and Public Advertised searches: Municipal representative
 6. Short List of Preferred Candidates
 7. Follow Procurement Process as approved by Town
 8. Sign Agreement with Developer
- 4) Complete Full Financial Feasibility Analysis on Preferred Scenario with Developer**

This project resulted in a detailed financial model for all scenarios. Within this model are embedded assumptions that generate the outputs of revenue, expenses, annual cash flow, and return on investment. There are hundreds of variables that need to be verified with the developer to ensure the model provides an accurate forecast of profitability. Examples of these variables are:

Demand Variables:

- Minimum occupancy rates for break-even analysis
- Maximum Anticipated Occupancy rates for the Adirondack Market by month and season
- Demand for Unit Types (Lake View Rooms, Non-Lake View Rooms, Cabins, Yurts)
- Demand by Season and Month
- Average Night Sold Per Month
- Party Size and Guest Nights per Month

Revenue Variables

- Rates by Unit Type
- Rates by Season
- Price for Services (laundry, entertainment, conference facilities, rentals, WiFi)
- Prices for Food (Breakfast Buffet, Room Services, menu-restaurants and bars)

Product Variables

- Hotel Size – number of room; lobby, conference facilities
- Rooms – size, services, quality of fixtures, and amenities
- Quality and Cost of Amenities – Pool, retail, spa, gym, beach, boat docks

Human Resources Variables

- Staff positions
- Part time seasonal workers
- Salaries
- Labor Costs and Benefits
- Outsourcing

Cost Variables

- Construction Costs
- Permitting, Planning and Design
- Insurance
- Operations and maintenance
- Capital Reserves
- Services – laundry, beach, recreation, retail, restaurants, spa/pool, internet,
- Security
- Fees
- Undistributed Expenses
- Land Lease

Financing Variables

- Debt Financing – loan terms, duration, rates,
- Equity Financing – number of partners, expected revenue, dividends
- Grants – State and Federal

These variables, and many others, were given values using the consultant's best estimates following industry standards and primary research. This next phase will allow the developer to enter specific numbers in the model that reflect a more accurate description of the proposed development.

Action Items

1. Work with the Developer to ensure model's assumptions are accurate: Municipal Representative and Developer
2. Conduct research as needed to acquire accurate values of variables: Municipal Representative and Developer
3. Enter new values into the model and perform multiple development scenario tests: Municipal Representative and Developer
4. Create final development scenario: Municipal Representative and Developer with Town Board Approval

5) Complete Development Budget (Proforma)

Related to Action Item 4, this task involves creating a detailed development budget and proforma. Completing the financial model with accurate variables will provide the investors and the town with clear understanding on the feasibility of the project. After configuring the project to where all stakeholders will benefit, this next step will create a development budget in the format that is desired for grating agencies, investors and lenders. This task simply restructures the information

from Task 4 into a proforma that is familiar to the financial entities that will be involved in implementation.

Action Items

1. Use Model Outputs to create a Development Proforma: Municipal Representative and Developer

6) Identify All Funding Sources including Equity Investments, Debt Financing and Grants

The redevelopment of Bulwagga Bay will require an array of funding sources. This task involves identifying the correct proportions of each funding type with respect to the refined development scenario. Only after working with a developer to restructure the financial model with current and accurate cost and revenue variables will we be able to correctly structure the financing. This task involves comprehensive research on grant funding sources available.

Action Items

2. Identify which project components are best suited for Debts, Grants and/or Equity financing: Municipal Representative and Developer
3. Research NYS grant programs: Municipal Representative
4. Research State and Federal Tax Credit programs and requirements: Municipal Representative
5. Secure interest from Equity Investors: Municipal Representative and Developer
6. Negotiate with lending institutions on Debt Financing: Municipal Representative, Developer Town Supervisor

7) Phase out Champ RV Park (Village Campground) and Convert to 100% Public Space

The redevelopment of Bulwagga Bay corresponds with the closing of Champ RV Park. The Town owns too many camp sites as it stands today. A new Bulwagga Bay hospitality business that is managed by professionals and operating more efficiently, and returning more to the Town in revenue and tourism spending, eliminates the need for another campsite. While the Bulwagga Bay operation will be available to the public, it will not be free. The restaurants, retail shops, boat rentals, day-use pool and spa will be available for a cost to the public. The Village Beach then is converted to open public space for all. This is the place for concerts, fishing derbies, sporting events, bike rallies, and other public gatherings. The beach is open to the public for swimming. A lifeguard will be available and the public playground will be upgraded.

8) Connectivity, Wayfinding, Waterfront Trail

There is a physical disconnect between the waterfront and Main Street. In addition, three major waterfront parcels Bulwagga Bay, Van Slooten Marina, and the Village Campground, are disconnected from each other. This strategy involves implanting a series of actions that connect these three main waterfront parcels to the Village Main Street and to each other.

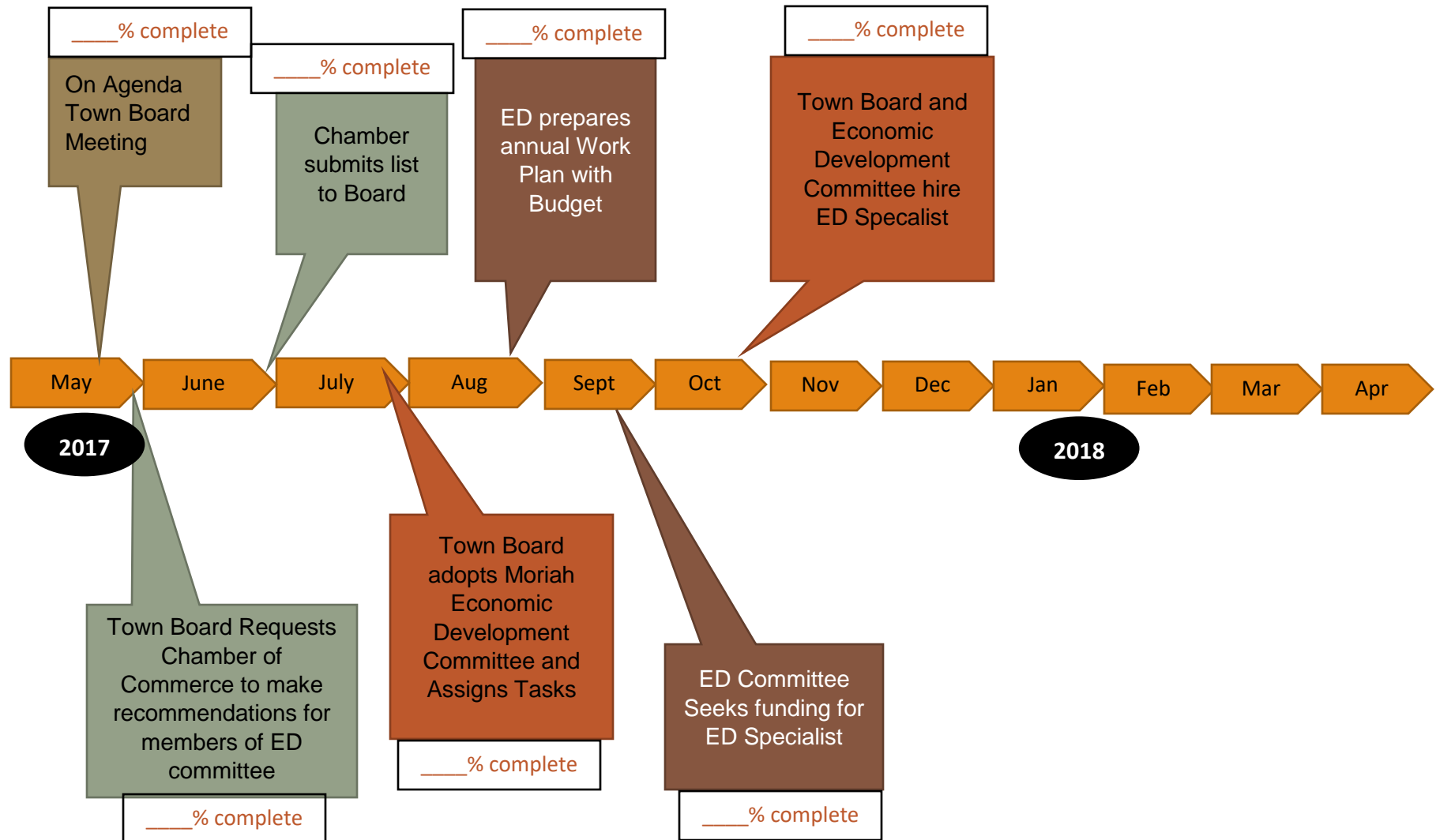
Connectivity: Design walkable loop from Bulwagga Bay to village along main street to Village Beach and along the water to Bulwagga Bay. Design walking trails from Village to waterfront through town.

Wayfinding: Use local artists to design a series of signs to direct visitors to points of interest, and to the waterfront.

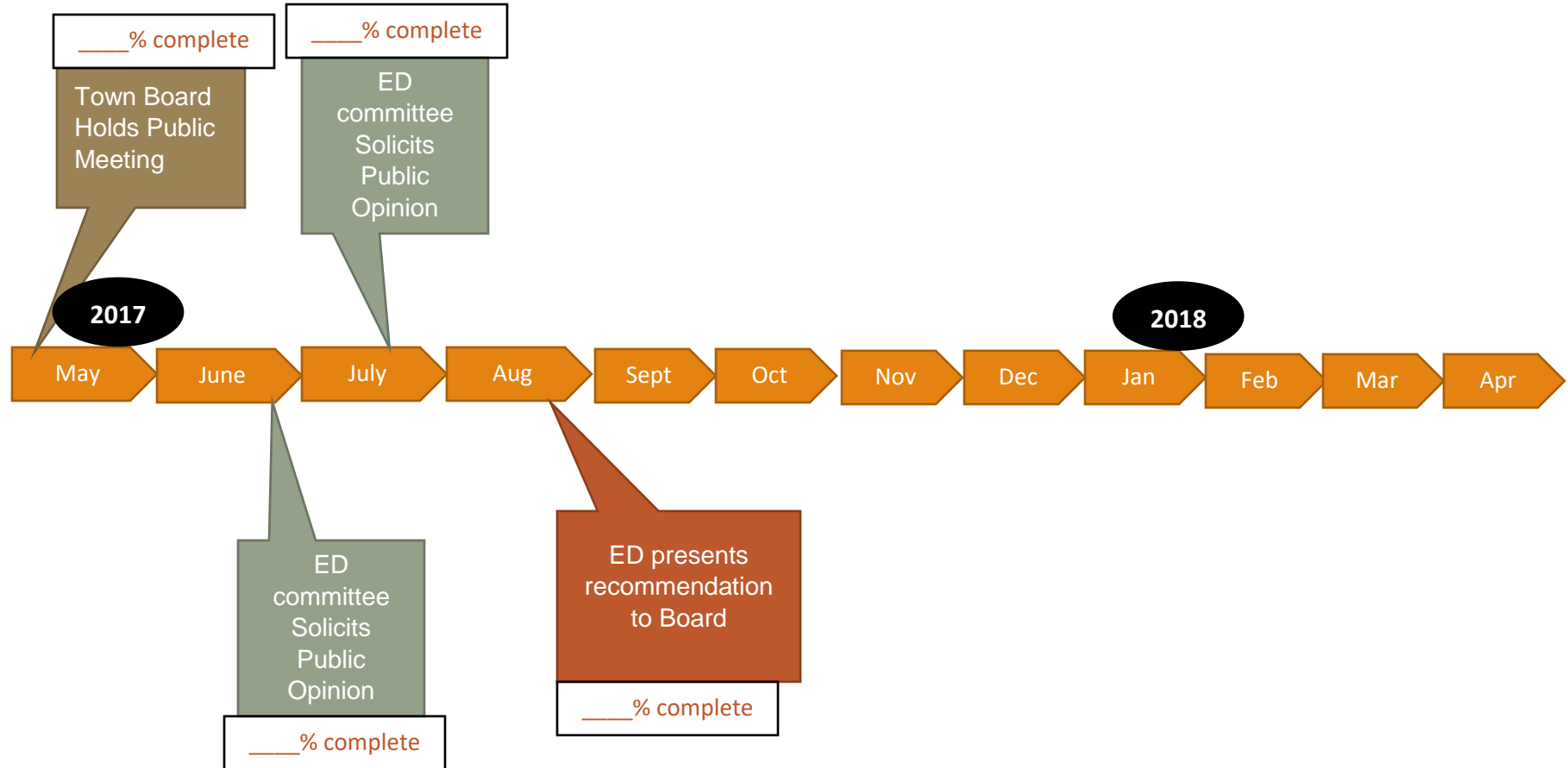
Waterfront Trail: The Town has attempted to create walking trail along the waterfront from Bulwagga Bay to the Village Beach. Past efforts were met with local resistance. Through the work performed during the recent past, and because the Village is now dissolved, the resistance is believed to be reduced and there is opportunity to revive the waterfront trail discussions.

Chapter 9 MONITORING AND IMPLEMENTATION PLAN

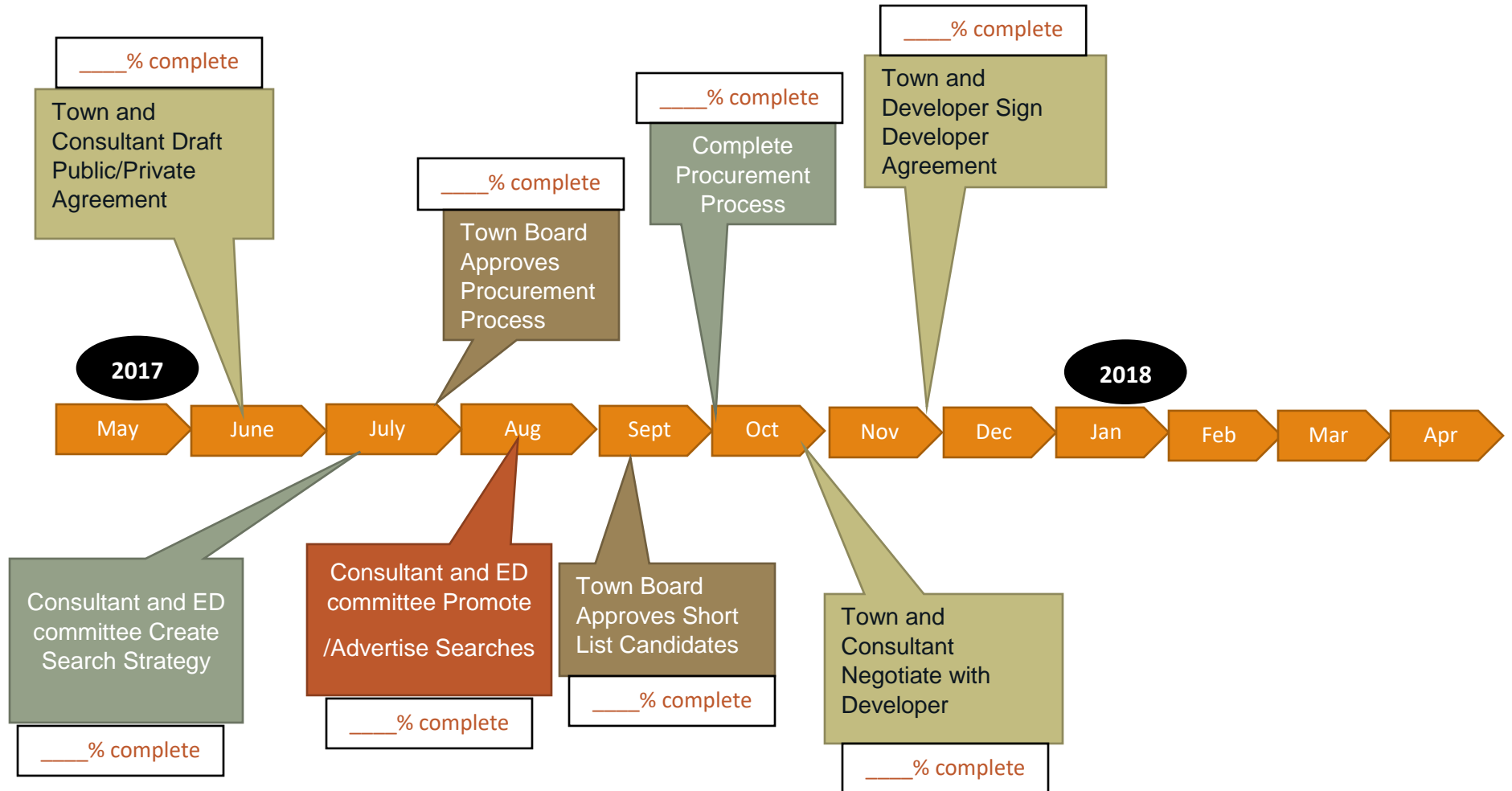
Create Economic Development Governance for Moriah



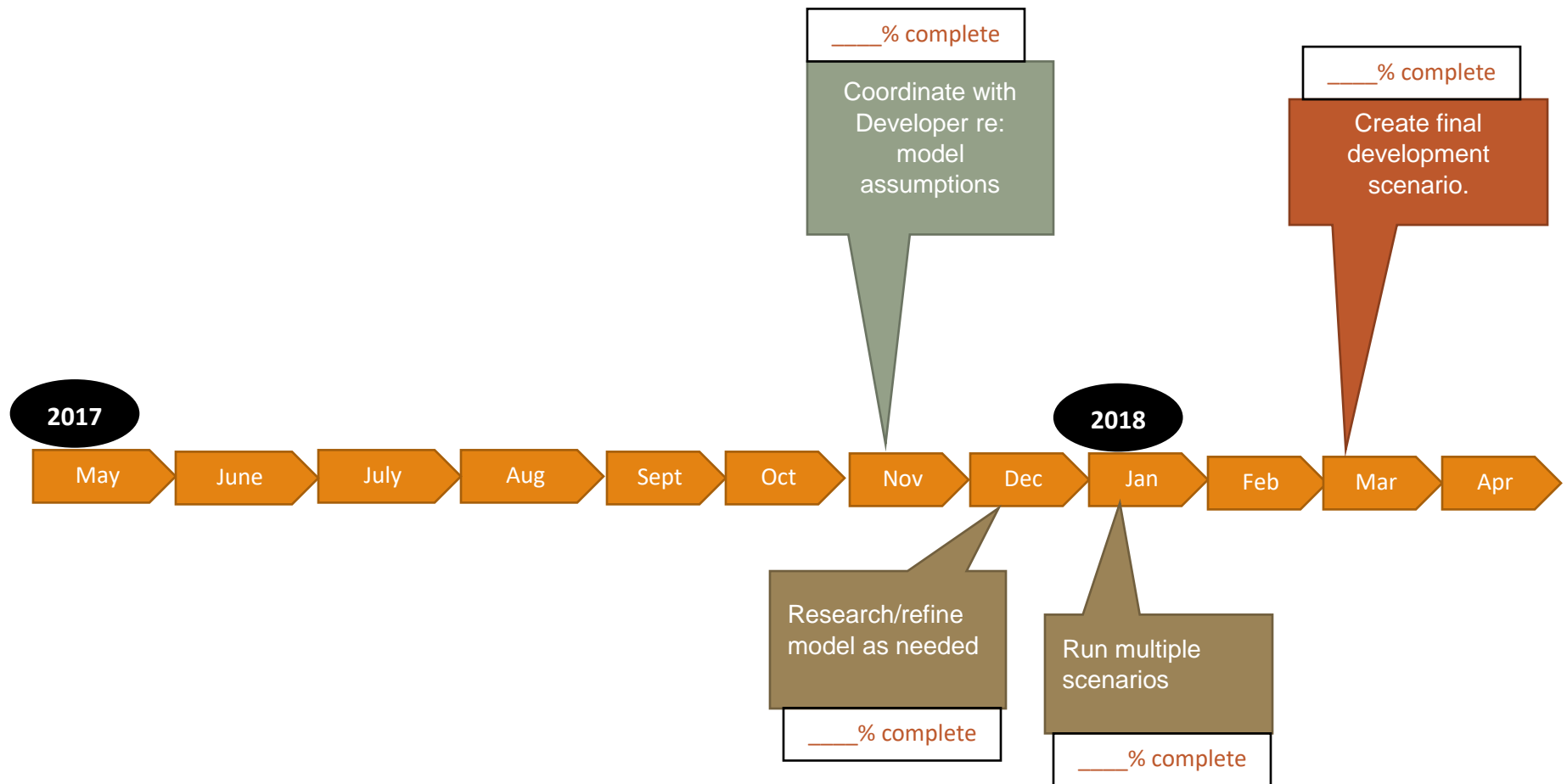
Hold Public Meetings on Final Preferred Scenario with Community



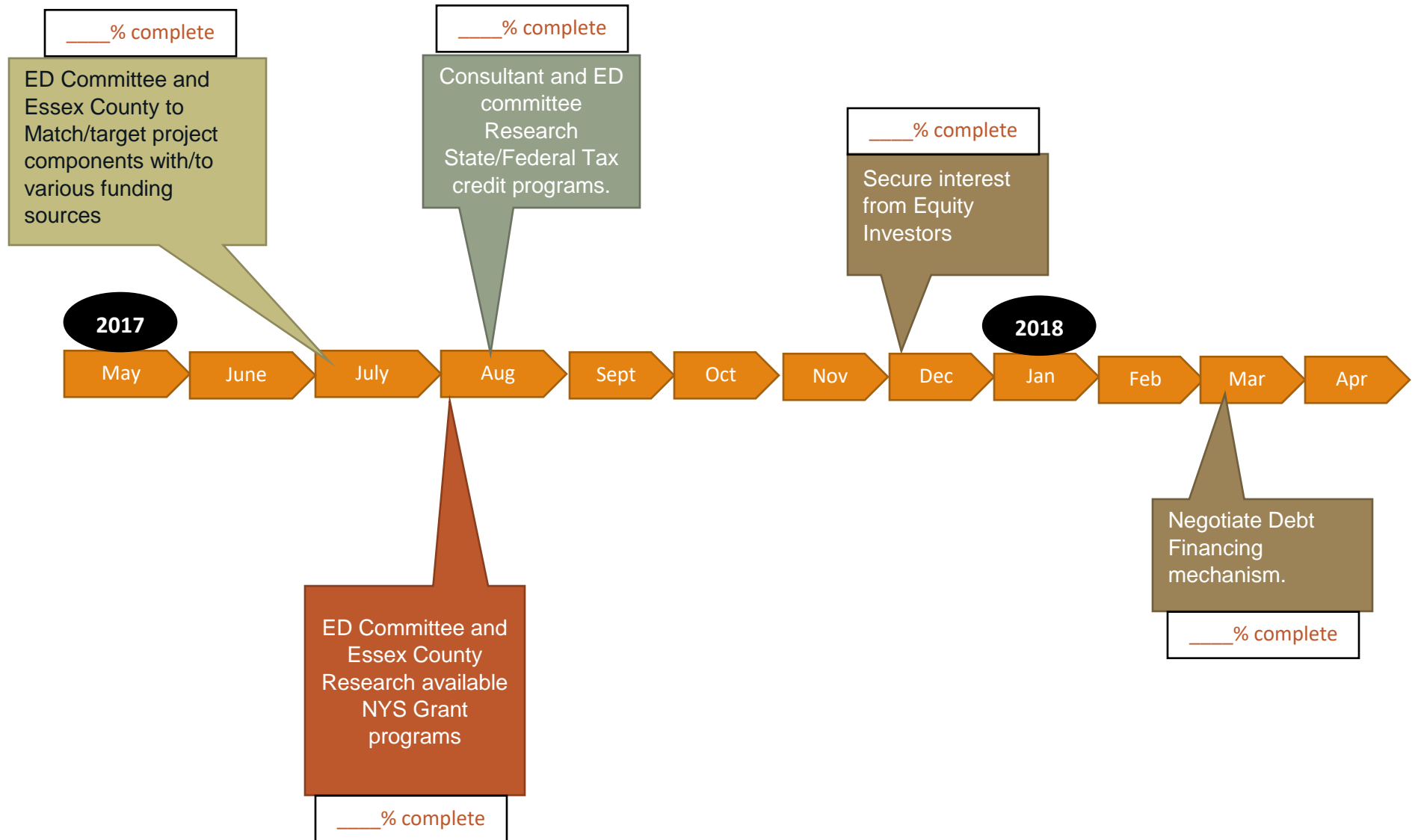
Identify and Work With Hospitality Developer



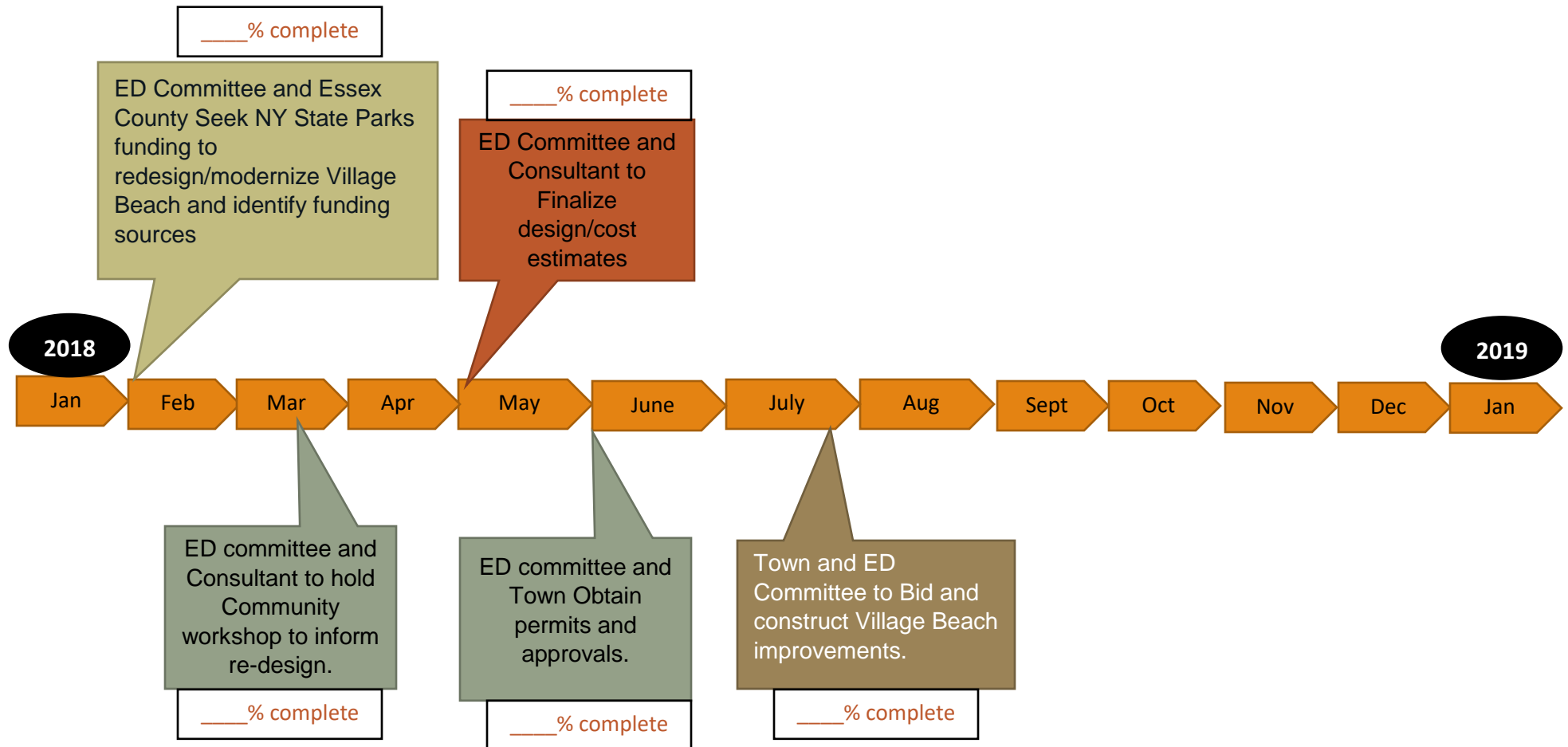
Complete Financial Feasibility Analysis



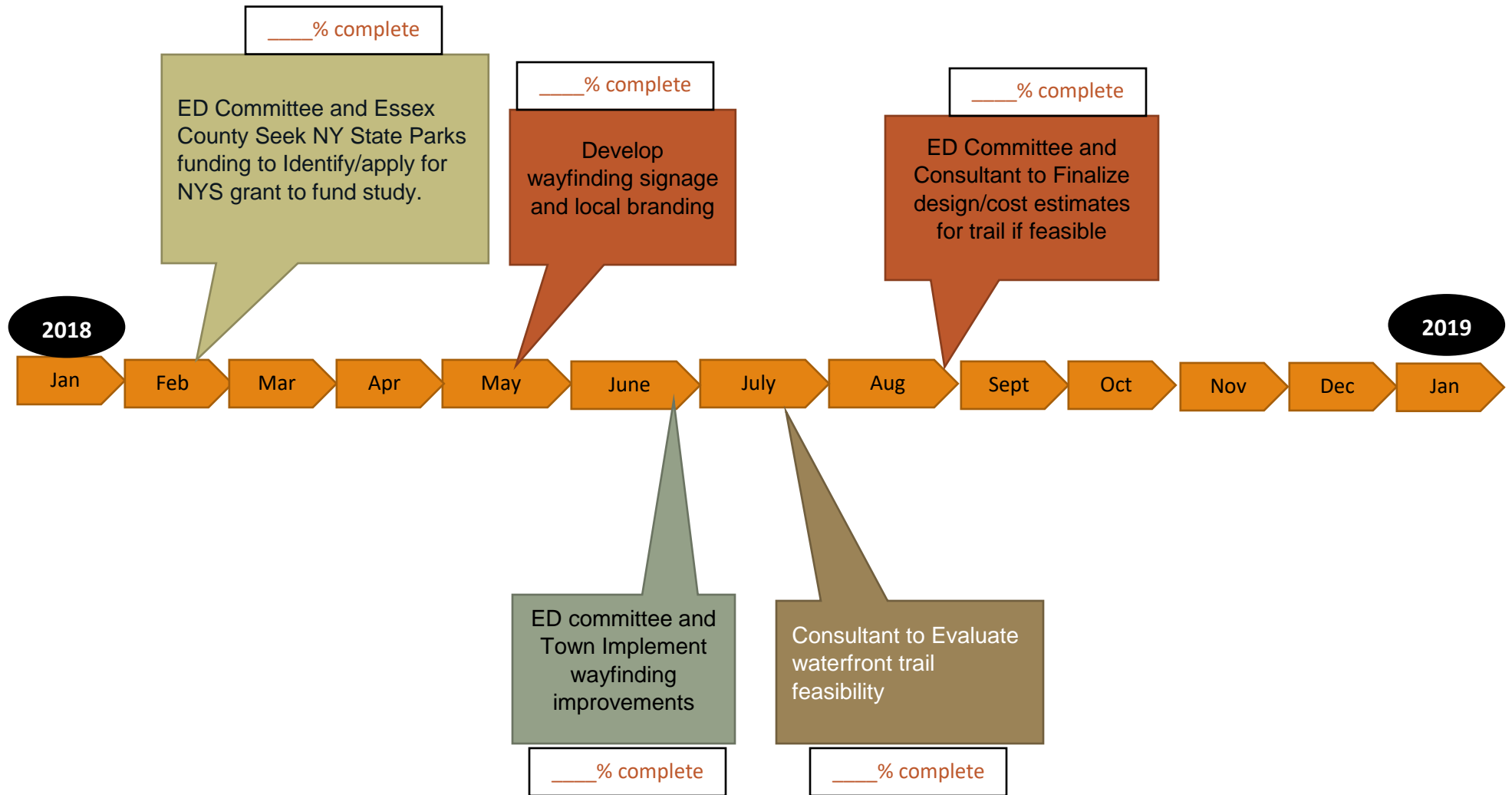
Identify All Funding Sources Appropriate For This Project



Phase Out Champ RV Park and Convert to Town Park/Open Space



Connectivity, Wayfinding and Waterfront Trail



Chapter 10 APPENDICES

ⁱ Village of Port Henry, Study of Dissolution. Laberge Group, 2015

ⁱⁱ *ibid*