

Sullivan County Baseline Assessment



Prepared by
Hudson Valley Pattern for Progress
for the
Sullivan County Industrial Development Agency

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Introduction

In consultation with and at the request of the Sullivan County IDA through the Sullivan County Funding Corporation, Hudson Valley Pattern for Progress was retained to conduct an assessment of the Sullivan County economy. Specifically, Pattern was tasked with analyzing Sullivan County through the lens of a business – what are the existing barriers and incentives for a new business, business relocation, and business expansion within the County? To that end, Pattern examined the topic areas of transportation, housing, taxes, workforce, broadband, and cultural amenities. As part of the assessment, Pattern was to create a baseline of metrics by which the County can judge its progress.

The timing of this project comes as the County is integrating nearly \$2 billion worth of investment from projects such as Resorts World Catskills and YO1 Wellness Center. However, it's no secret that Sullivan County currently has limitations on its growth due to a small workforce, low household income, and aging housing stock. Despite these challenges, the County is at the beginning stages of redefining itself with an optimism seldom felt in the past 50 years. Through this study, the Sullivan County IDA is seeking to understand current conditions in the County and to identify long and short-term strategies to encourage business growth and economic prosperity.

Pattern Staff employed a variety of research methods throughout the course of this study including site visits, web research, data mining, and numerous interviews. This report includes the findings of this research effort as well as recommendations related to those findings. The recommendations include short-term recommendations that can be considered “low hanging fruit” – impactful actions that can be implemented in a relatively short time span. The research also contemplated recommendations that necessitate a longer time horizon and would require additional research to successfully implement. Also included with this report is a document titled “Sullivan County by The Numbers.” This document provides a snapshot of Sullivan County in the form of charts, graphs, and maps.

Existing Conditions: Baseline Metrics

General Demographics

Since the year 2000, the population of Sullivan County has remained relatively constant. In the year 2000, the population of Sullivan County was 73,966.¹ From 2000 to 2010, the population of the County increased by 5% for an average population growth of .5% per year. The population decreased slightly from 2010 to 2016, falling from 77,547 in 2010 to 75,818 in 2016, a 2% decrease.² Despite the downward trajectory, the population of the County was 3% larger in 2016 than it was in 2000. Much of the growth since 2000 has occurred in the southeast section of the County. The Town of Thompson experienced the largest total population growth, increasing by 768 from 2000 to 2016, a 10% increase. The Town of Lumberland experienced the greatest percentage population growth, increasing by 570 from 2000 to 2016, a 29% increase in town population.

The Hispanic and Latino population was the fastest growing racial demographic group in the County since 2000. The Hispanic and Latino population grew from 6,839 in 2000 to 11,358, a 66% increase, and total increase of 4,519. The largest increase in the Hispanic and Latino population occurred in the Town of Fallsburg which already had the second largest Hispanic and Latino population in Sullivan County in 2000. In Fallsburg, the Hispanic and Latino population grew from 1,564 in 2000 to 2,707 in 2016, a 73% increase. Fallsburg had the largest Hispanic and Latino population in the County in 2016. Significant growth in the Hispanic and Latino population also occurred in the Villages of Monticello and Liberty. From 2000 to 2016, the Hispanic and Latino population increased by 703 in Monticello (a 47% increase) and increased by 691 in Liberty (a 122% increase). In 2016, Monticello and Liberty had the second and third largest Hispanic and Latino Population in the County at 2,211 and 1,256 respectively. In both Liberty and Monticello, over 30% of total village population was Hispanic or Latino in 2016. The dramatic growth of the Hispanic and Latino population has occurred while the overall County population remained mostly flat. This means that the County is experiencing a significant shift in its demographics. Another significant demographic trend is the increasing full-time and summer Hasidic / Orthodox population in the County. Though difficult to quantify, it is an important trend to understand as it contributes to the demand for infrastructure and other services.

The overall population of Sullivan County is aging more rapidly than New York State and the United States as a whole. The median age of Sullivan County residents increased from 38.8 in 2000 to 43.8 in 2016. Over that same time period, the median age in New York State increased from 35.9 to 38.2, and the median age in the United States increased from 35.5 to 37.3. From 2000 to 2016 the population in Sullivan County younger than 16 years old has decreased by 10% while the population older than 65 years old has increased by 20%.³ The aging population of the County has several different implications. The aging population will likely increase the demand for healthcare services, home care, medical transport, and the need for retirement services. The aging population also impacts the future of the workforce.

¹ U.S Decennial Census, 2000

² U.S Decennial Census, 2010; American Community Survey, 2016

³ U.S. Decennial Census, 2000; American Community Survey, 2016

When evaluating metrics, it is important to note that Sullivan County contains many municipalities with relatively small populations. In these communities, metrics represented as a percent change can be misleadingly large. For this reason, it is important to consider absolute change in addition to percentage change, especially for small populations. Nonetheless, some of the demographic statistics above show stresses on taxes and municipal services.

Income & Poverty

Median household income has remained relatively constant in Sullivan County since 2000, rising by 1.3% from 2000 to 2010, and falling by 1.1% from 2010 to 2016. The median income in Sullivan County in 2016 was \$52,943. Compared to its neighboring counties, Sullivan County had a higher median household income than Delaware County (\$46,055) and Wayne County (\$50,595) and a significantly lower median income than Ulster County (\$60,393), Pike County (\$61,199), and Orange County (\$71,910). Within Sullivan County, the villages of Monticello, Liberty, Bloomingburg, and Woodridge all had relatively low median household incomes and high rates of poverty in 2016. Monticello had the lowest median household income in the County (\$27K) and the highest percentage of households below the poverty line (31%). Overall, the poverty rate in Sullivan County increased from 14% in 2000 to 16% in 2016.⁴ Despite the modest increase in poverty since 2000, there is some good news. The caseload for the Sullivan County Department of Public Assistance has been declining since 2012. By the end of June 2012, the Department of Public Assistance had 1,042 total cases for the year. In comparison, by the end of June 2018 there were only 582 cases for the year. This decline in cases is a positive trend as it means fewer County residents are dependent on public assistance.

Workforce & Employment

Similar to the total population of Sullivan County, the labor force of the County is aging. The labor force is defined as people aged 16 or older who are employed or actively looking for employment. It's expected that an increase in the population aged 65 and older would be accompanied by a proportional increase in the number of people in the labor force aged 65 and older. However, while the total Sullivan County population aged 65 and older increased by 20% from 2000 to 2016, the number of people in the labor force aged 65 or older nearly doubled. This means that not only is the 65 and older population growing; they are also retiring later. The rest of the labor force, the population aged 16 to 64, experienced a very slight increase in both population and labor force participation.⁵

The unemployment rate in Sullivan County has largely followed regional and state trends in recent years. The average annual unemployment rate in the County hovered around 5% from 2000 to 2007. In 2008, the Great Recession hit and the unemployment rate increased each year until 2012 where it peaked at 9.1%. In 2013, the unemployment rate started to improve, consistently falling for four years, reaching 4.8% in 2016 and 4.9% in 2017. Generally speaking, an unemployment rate of 4% is considered full employment - a healthy and economically viable rate of employment. The unemployment rate in Sullivan County is also seasonal with a consistently higher unemployment rate during the winter months. From 2000 to 2017, the month with the highest average unemployment rate was February,

⁴ U.S. Decennial Census, 2000; American Community Survey, 2016

⁵ U.S. Decennial Census, 2000; American Community Survey, 2016

and the month with the lowest average unemployment rate was August. The unemployment rate in February is typically 2 percentage points higher than August. This trend is typical in economies where tourism / visitation plays a significant role.

The top employment sector in Sullivan County by number of employees is the Healthcare and Social Services Sector (NAICS 62). According to data from the New York State Department of Labor, approximately 6,639 people were employed in the Healthcare and Social Services sector in 2016. Despite being the most common sector, in 2016 the average annual wage earned by a Healthcare and Social Assistance employee in Sullivan County was only \$34,156. The next most common employment sector in Sullivan County is local government. In 2016, 4,499 people worked for a local government in Sullivan County. The definition of local government includes county, village, and town governments, but excludes the State and Federal government. The average annual wage earned by a local government employee in Sullivan County was moderately high relative to other employment sectors in the County. Local government employees in Sullivan County earned an average annual wage of \$51,003 in 2016.⁶

A closer examination of employment subsectors in Sullivan County reveals a handful of industry clusters in the County. A location quotient (LQ) is a method of quantifying the concentration of a given industry in a specific target area relative to the greater region. A LQ value greater than 1 indicates more industry concentration in the target area than the region. A LQ value less than 1 indicates that the industry is less concentrated in the target area relative to the region. For the purposes of this study, the location quotient of employment subsectors was calculated to identify employment clusters in Sullivan County relative to New York State.⁷ The employment subsector with the highest location quotient is Animal production (NAICS 112) with a value of 10.9. Other notable subsectors with high LQ values include Food Manufacturing (NAICS 311, LQ=7.0), Nursing and Residential Care Facilities (NAICS 623, LQ=4.0), and Accommodation (NAICS 721, LQ=3.8). This means that these types of jobs are more concentrated in Sullivan County relative to New York State. Calculating LQ values is a useful way to identify industries for which Sullivan County may have a competitive advantage. With the opening of two large tourism destinations in the County, the location quotient for the Accommodation category will likely increase in the coming years.

⁶ New York State Department of Labor
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$$\text{Location Quotient} = \frac{(\text{Sullivan County employment in subsector X} / \text{total Sullivan County Employment})}{(\text{New York State employment in subsector X} / \text{total New York State Employment})}$$

Housing

Much of the housing stock in Sullivan County is relatively old. Only 15% of the existing homes in the County were built in 2000 or later and only 1% of homes were built in 2010 or later. On the other end of the spectrum, 30% of homes in the County were built before 1950 and 22% were built before 1940. Older buildings can be difficult to maintain which can lead to dilapidation and blight as homeowners and landlords can't afford expensive repairs. There are many in Sullivan County who are spending a significant amount of their earnings towards housing costs. Approximately 20% of households in Sullivan County are spending 30% to 50% of their income on housing costs, and 19% of households are spending more than half of their income on housing costs. Such a significant percentage of household income going towards housing costs is financially crippling, especially for renters who are not building equity in a home. Among those spending more than half of their income towards housing costs, approximately 2,240 of them are renters.

Among Sullivan County municipalities, the Village of Bloomingburg had the highest median home value at a median household value of \$227K in 2016. In stark contrast, the Village of Monticello had the lowest median home value with a median value of \$84K in 2016. Countywide, the median home value in 2016 was \$166K. In the year 2000, the median home value in the County was \$131K (in 2016 dollars). The median home value increased significantly from 2000 to 2010, rising by 56% to \$204K in 2010 (in 2016 dollars). However, this increase was followed by a 19% decline in median home value from 2010 to 2016.

Vacant residential buildings are not an uncommon sight in Sullivan County; approximately 5,714 housing units were vacant in 2016 which represents almost a quarter of year-round housing units in the County.⁸ Among the 28,007 occupied housing units in the County, 67% were owner-occupied and 33% were occupied by renters. In 2016, the rental vacancy rate in the County was 11.3% and the homeowner vacancy rate was 5.1%. With the influx of new jobs, vacancy rates may begin to fall, especially in the absence of new construction.⁹

⁸ This calculation excludes seasonal, recreational, migrant worker housing.

⁹ U.S. Decennial Census, 2000; American Community Survey, 2016

Transportation

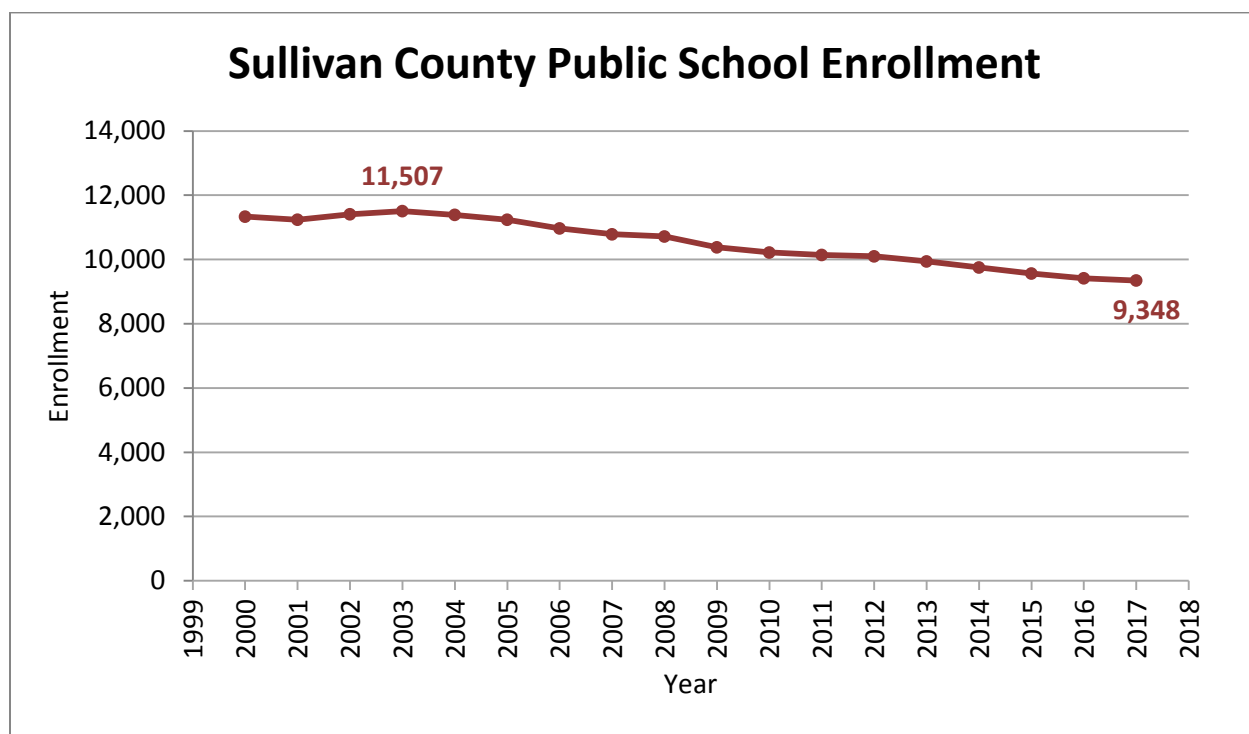
The rural nature of Sullivan County makes providing public transportation a difficult and expensive task. As a result, public transportation options in the County are currently limited. The Sullivan County Transportation Department operates two round-trip bus routes, one of which operates on Thursdays and other on Fridays. The Thursday bus route provides service to southeastern areas of the County around the Town of Highland and the Village of Monticello. The Friday bus route also provides service to Monticello and to northwestern areas of the County around the Town of Delaware. Both of these bus routes run by the County are shopping oriented, with stops at places like Shoprite and Wal-Mart. To use these bus routes, passengers must call to schedule a pickup 24 hours in advance. The only other public bus routes available in the County are provided by ShortLine/CoachUSA, a bus company that operates in New York and northern New Jersey. The bus company operates daily routes with stops in places like Monticello, Fallsburg, Loch Sheldrake, and Liberty among others. Sullivan County provides funds to ShortLine/CoachUSA to subsidize these bus routes. The County Government is currently working on establishing a public transportation loop focused on providing transportation to major places of employment using vans.

Unsurprisingly, the primary mode of transportation in Sullivan County is a personal vehicle. In 2016, the majority of Sullivan County residents used a car to get to work; 79% of commuters drove alone and 9% carpooled. The average commute time for County residents was 30 minutes, and 65% of residents had a commute less than 30 minutes long. The majority of Sullivan County residents commute to a job outside of the County; approximately 69% of residents worked outside of Sullivan County from 2009 to 2013. Most of those commuting outside of the County were working in neighboring Orange County. Over 5,000 Sullivan County residents worked in Orange County and approximately 1,500 Orange County residents commute to a job in Sullivan. Ulster County was the second most common commuting destination outside of Sullivan, with 785 Sullivan County residents working in Ulster County and approximately 1,200 Ulster County residents working in Sullivan.¹⁰ Pattern expects to see changes in commuting patterns as commuters adjust to the new employers.

¹⁰ American Community Survey 'Commuting Flows' 2009-2013

Education

Sullivan County is home to eight school districts: Eldred, Fallsburg, Liberty, Livingston Manor, Monticello, Roscoe, Sullivan West, and Tri-Valley. Public school enrollment in these districts varies from year to year, but the overall trend in the County is declining public school enrollment. Since the 2002-2003 school year, Countywide public school enrollment has been steadily declining by about 1% each year. All eight of the school districts have experienced declining enrollment except Fallsburgh Central School District which has maintained a relatively constant enrollment of about 1,400 students. Enrollment at the other seven school districts has declined by an average of 23% from the 2002-2003 school year to the 2016-2017 school year.¹¹



While the overall student population is shrinking in Sullivan County, the makeup of the student population is changing. The number of Hispanic and Latino students is growing dramatically. In the 1999-2000 school year, there were 1,124 Hispanic and Latino students enrolled in Sullivan County public schools, representing 9% of the student population. By the 2016-2017 school year, the number of enrolled Hispanic and Latino students increased 115% to 2,417 students. Hispanic and Latino students now represent 26% of total public school education. The significant increase in the enrollment of Hispanic and Latino students mirrors the increase of the Hispanic and Latino population overall. Since 2000, The Town of Fallsburg and the Villages of Liberty and Monticello experienced the most significant growth in the Hispanic and Latino population. Correspondingly, the school districts of Liberty, Monticello, and Fallsburg experienced the largest increase in Hispanic and Latino student enrollment. These changing demographics pose new challenges for school districts such the need for bi-lingual teachers

¹¹ New York State Department of Education

In the spring of 2017, a total of 629 public school students graduated from high schools throughout Sullivan County. Of those 629 graduates, almost half of them (45%) planned on attending a 2-year college. 32% planned to attend a 4-year college, and 15% planned to go directly into the workforce. This distribution of post graduation plans diverges from statewide trends. Among all 2017 high school graduates in New York State, 28% planned to attend a 2-year college, 50% planned to attend a 4-year college, and 7% planned to go directly into the workforce. Compared to New York State high school graduates, Sullivan County high school graduates are more likely to go directly into the workforce or to attend a 2 year college, and are less likely to attend a 4-year College. The difference in post high school graduation plans between Sullivan County and New York State is reflected in the overall educational attainment. In New York State, 33% of residents aged 18 or older have a bachelor's degree or higher, in Sullivan County that number is 21%. Among Sullivan County residents aged 18 or older, 68% do not have a college degree and 14% do not have a high school diploma or equivalent. These numbers speak to the need for innovative strategies to address workforce improvement.

Broadband & Connectivity

Access to quality high-speed internet in Sullivan County is relatively limited and varies considerably from location to location. Generally speaking, rural areas with low development density have fewer broadband options as they are more difficult and expensive for utility companies to connect to. Charter Spectrum is the only company in Sullivan County that provides cable broadband internet service. However, in late July 2018, the New York State Public Service Commission voted to revoke Charter Spectrum's license if they don't turn over operations to another provider within 60 days. This decision followed an ongoing conflict between Charter Spectrum and the state over accusations that Charter Spectrum is routinely missing promised deadlines to expand broadband services, especially to less dense areas like Sullivan. It remains to be seen whether this is a negotiating tactic to improve service, or an intentional effort to force Charter Spectrum out of New York.

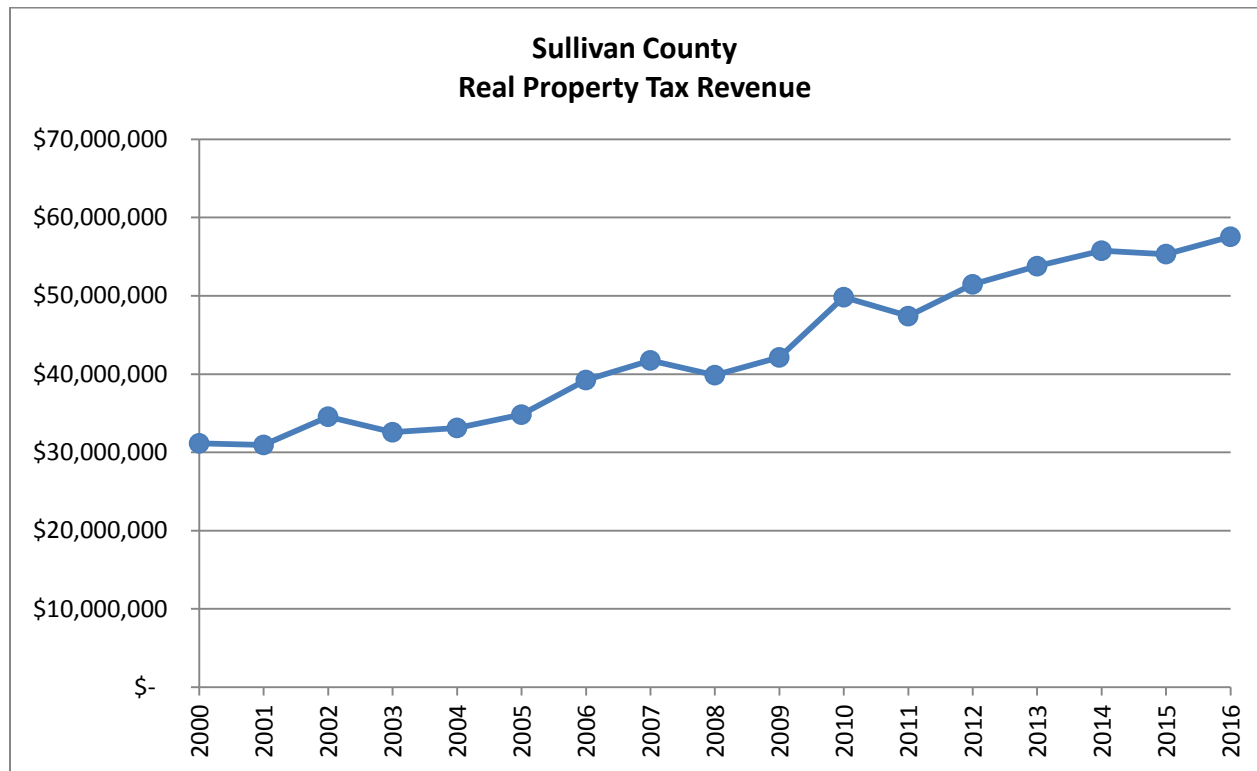
DSL broadband internet, which is transmitted through existing phone lines, is available in parts of Sullivan County from Verizon and Frontier. Satellite internet is available in much of the County; However, Satellite internet is typically more expensive and less reliable than other internet service options. Fiber-optic broadband is the newest and fastest way to access the internet. Currently, there is no fiber-optic broadband in Sullivan County.¹²

In 2015, Governor Andrew Cuomo established the New NY Broadband Program. The goal of the Program is to improve broadband access to underserved locations throughout New York State with targeted infrastructure investments and leveraging private investment. In March 2018, Governor Cuomo announced that \$4.4 million in New NY Broadband Program Round III grants were awarded to the mid Hudson region. Of that \$4.4 million, \$415,321 was allocated in the Sullivan County municipalities in the table below:

New NY Broadband Program Round III Grant Awards -Sullivan County			
Town	State Grant	Total Investment	Locations Addressed
Rockland	\$142,217	\$319,354	349
Bethel	\$116,235	\$203,759	524
Neversink	\$88,357	\$210,620	322
Fremont	\$68,512	\$157,609	257
Tusten	\$40,320	\$61,449	253
Total	\$415,321	\$891,342	1,452

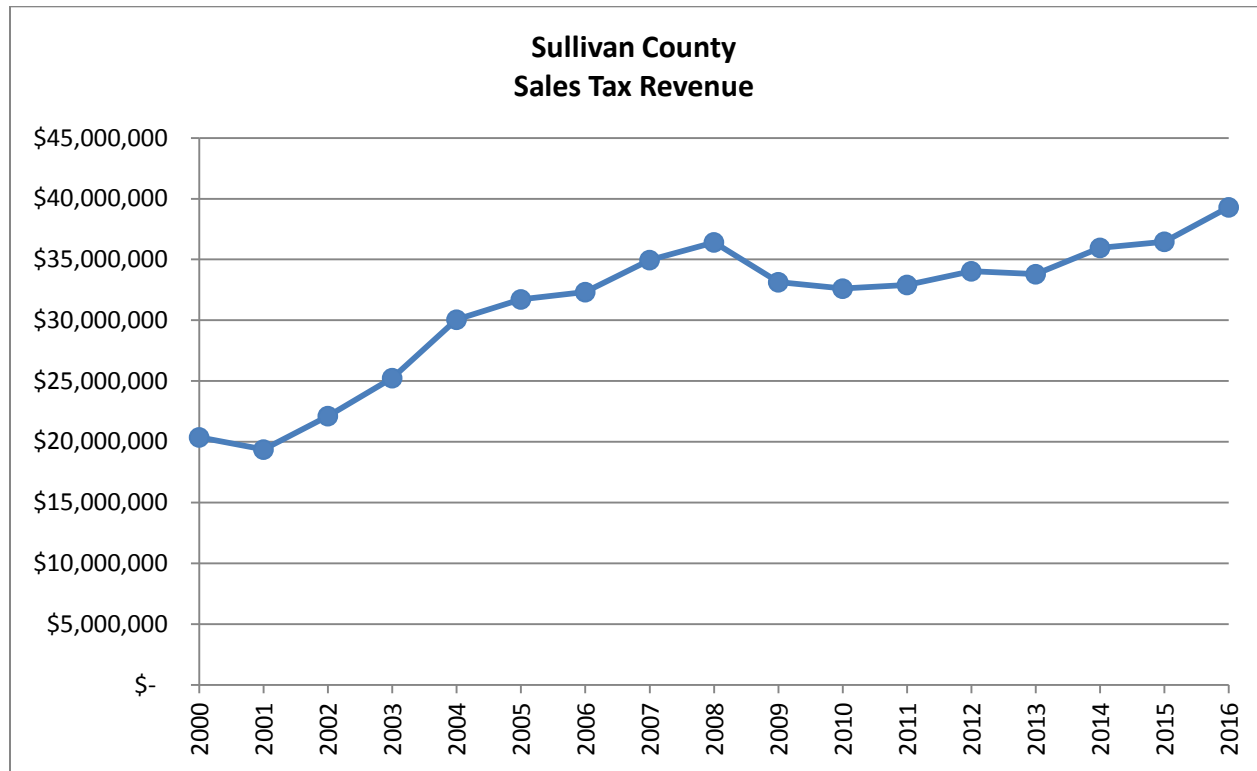
¹² broadbandmap.fcc.gov

Taxes



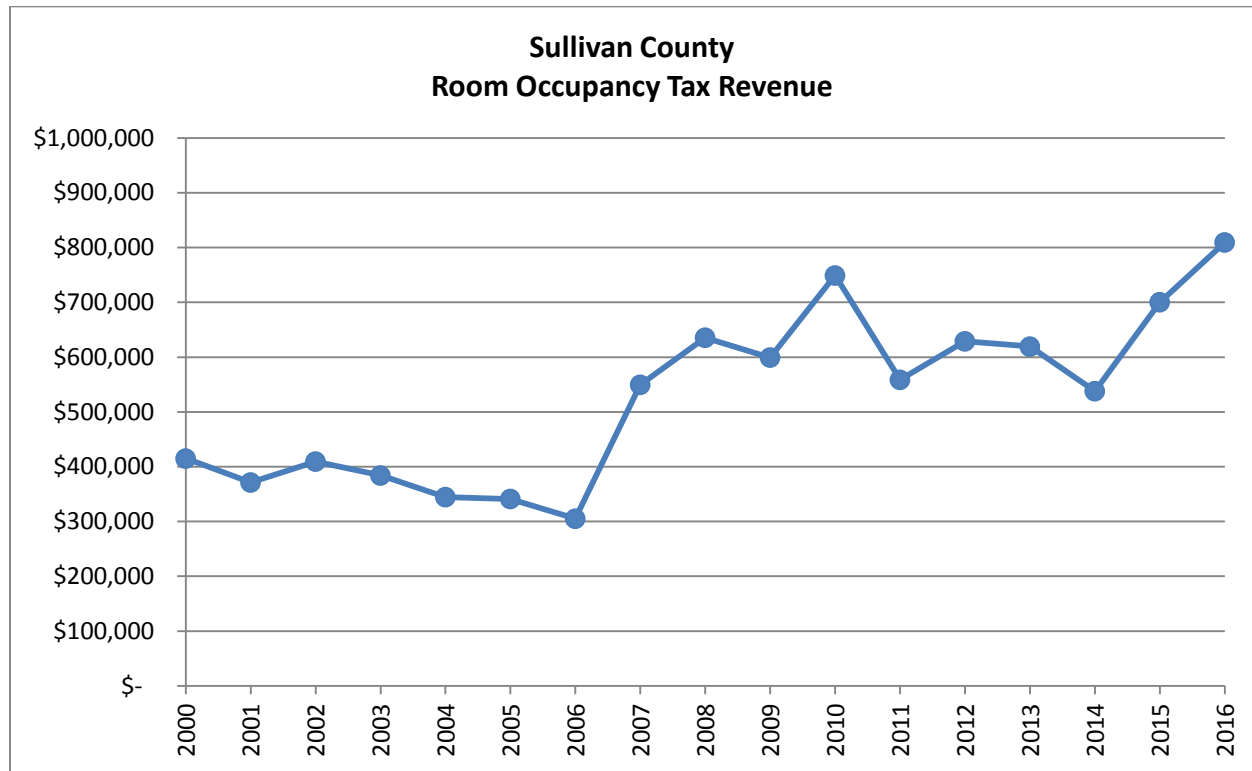
The above chart shows that real property tax revenue has almost doubled since the year 2000. If the population of the County had increased in a similar fashion over this time period, Pattern would look upon this as a very positive trend. However, the population of Sullivan County has remained mostly flat since 2000. This means that the amount of real property tax collected per capita has increased since 2000.

Taxes (continued)



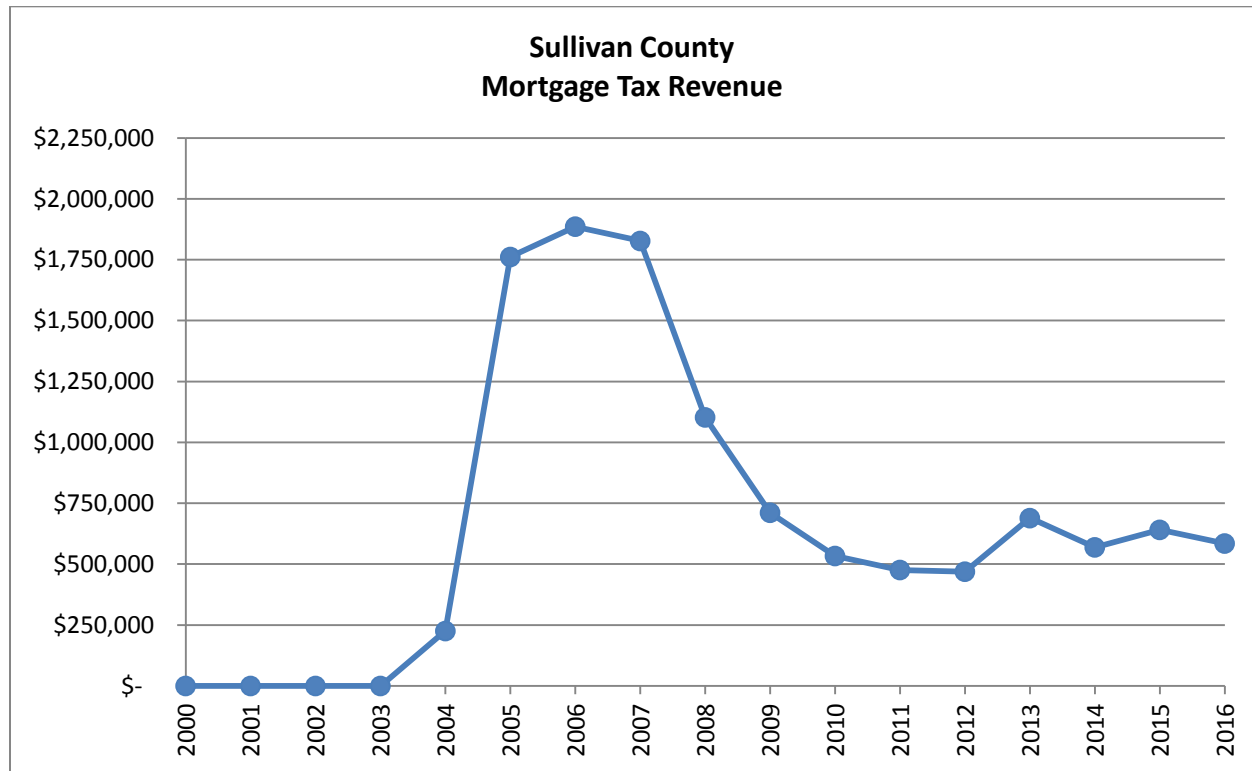
The upward trend in the County portion of the sales tax is a very positive trend. Despite the dip after the Great Recession, the County has moved past it with increased visitation. Sales tax collected on gasoline sales is a major driver in the amount of sales tax collected, especially as there is a limited number of retail establishments. With the presence of major new attractions, Pattern expects the sales tax revenue continue to grow.

Taxes (continued)



One of the smartest things that the County did was increase the room tax rate when it was at its lowest point in the past 16 years. The increase accomplished two things; it laid the foundation for a day when more hotels and motels would be built (that day has arrived), and it also allowed the County to take advantage of a new revenue stream by collecting the occupancy tax from AirBnb rentals. Today, the County collects \$125,000 from AirBnb alone. Room occupancy tax revenue will likely continue to increase in the coming years.

Taxes (continued)



Of all the taxes collected by Sullivan County, the trend present in the mortgage tax chart above is the most concerning. The collapse of the real estate market following the Great Recession is clearly represented in the chart; However, the concerning trend is not the collapse itself, but the lack of recovery after the crash. Since 2008, mortgage tax revenue has remained at least \$1 million lower than the revenue collected in 2005, 2006, and 2007. Despite anecdotal stories about people moving into the County and realtors who have “never been busier,” Pattern remains cautious about what that activity actually means for the collection of the mortgage tax in Sullivan County.

Cultural Amenities & Tourism

Sullivan County has a number of cultural amenities that attract visitors from throughout the region. There are now two new major tourist attractions located in the Town of Thompson: Resorts World Catskill and YO1 Luxury Nature Cure. Resorts World Catskill currently has a casino and 5 restaurants. It will eventually include 2 more hotels, a water park, and a golf course. YO1 is a high-end wellness facility includes meditation, yoga, spas, massages, and curated food options. Other Sullivan County amenities with a regional draw include Bethel Woods Center for the Arts, the Monticello Raceway, and the Monticello Motor Club. In addition to these amenities, Sullivan County is also a popular gateway to the Catskill Mountains, a popular hiking and camping destination. Sullivan has a rich history of catering to tourists and wealthy second home owners seeking to enjoy the County's lakes, rivers, and mountains.

Planning Board Activity

In an effort to understand recent development activity in the County, Pattern Staff interviewed planning board attorneys and code enforcement officers throughout the County. Pattern Staff asked about significant new or planned development, major shifts in overall activity, and the impact of the new casino.

In the Village of Monticello there are currently 2 large residential development projects located on West Broadway. If approved and constructed, these developments would each add over 350 residential units to the Village. Both of these development projects require variances and will be in front of the Zoning Board of Appeals in the coming months. In addition to these large development projects, there is another 78-unit apartment building in front of the planning board, and a fully approved 50-unit condo building that is slated to be built on East Broadway. The target market for these developments is unclear.

In the Town of Bethel, the rate of development has remained relatively constant and unaffected by the new casino. In the past 5 years there has been 93 permits issued for the construction of new residential homes and an average of 23 units per year. There is a proposed \$100 million luxury resort/hotel proposal called the Chatwal Lodge. The developer, Dream Hotel Group, hopes to construct the 50-room development by the end of 2018, but the project is still in the early stages of acquiring the necessary approvals.

In the Town of Liberty, there appears to be limited signs of economic development over the past three years. The new casino does not appear to have significantly affected new development. There continue to be new summer camps built as well as existing summer camps pursuing expansion. A family farm submitted an application to expand their agritourism business to include catering and hosting events at their farm.

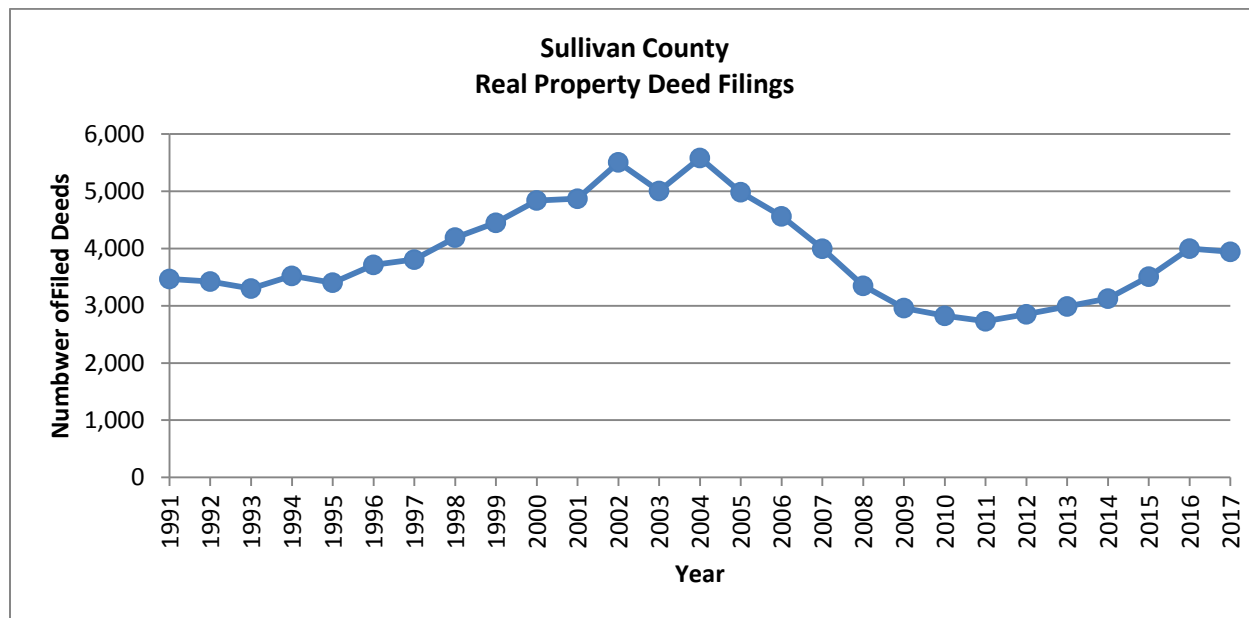
The Town of Thompson recently purchased a large parcel of land that will be converted into a Town Park. There are currently a number of residential development projects at various stages in the planning process. Thompson Ridge is a market rate residential development that is currently in front of the planning board. There is another market rate residential development project in front of the planning board called Fairways. The developers of this project are currently working out the financing. Golden

Ridge is a subsidized housing development that has received approvals from the planning board. In addition to these residential projects, there are two recent commercial projects in Thompson. A small chain hotel has received approval from the planning board. In the Hamlet of Rock Hill, there is a proposed strip mall called the Rock Hill Corner that is in front of the planning board.

In the town of Highland, the former Eldred Preserve is in the beginning stages of development. The development is slated to include 20 to 30 residential units, a restaurant, and other activities.

Who is Moving In?

To better understand real property trends, Pattern staff reviewed indicators of real property activity. The chart below depicts the number of real property deeds filed with the County for every full year since 1991. It should be noted that deed filings include situations where property owners are restructuring ownership by setting up an LLC or “selling” the property to a family member for \$1. However, despite this shortcoming, this data still provides a valuable approximation of activity in the real estate market.

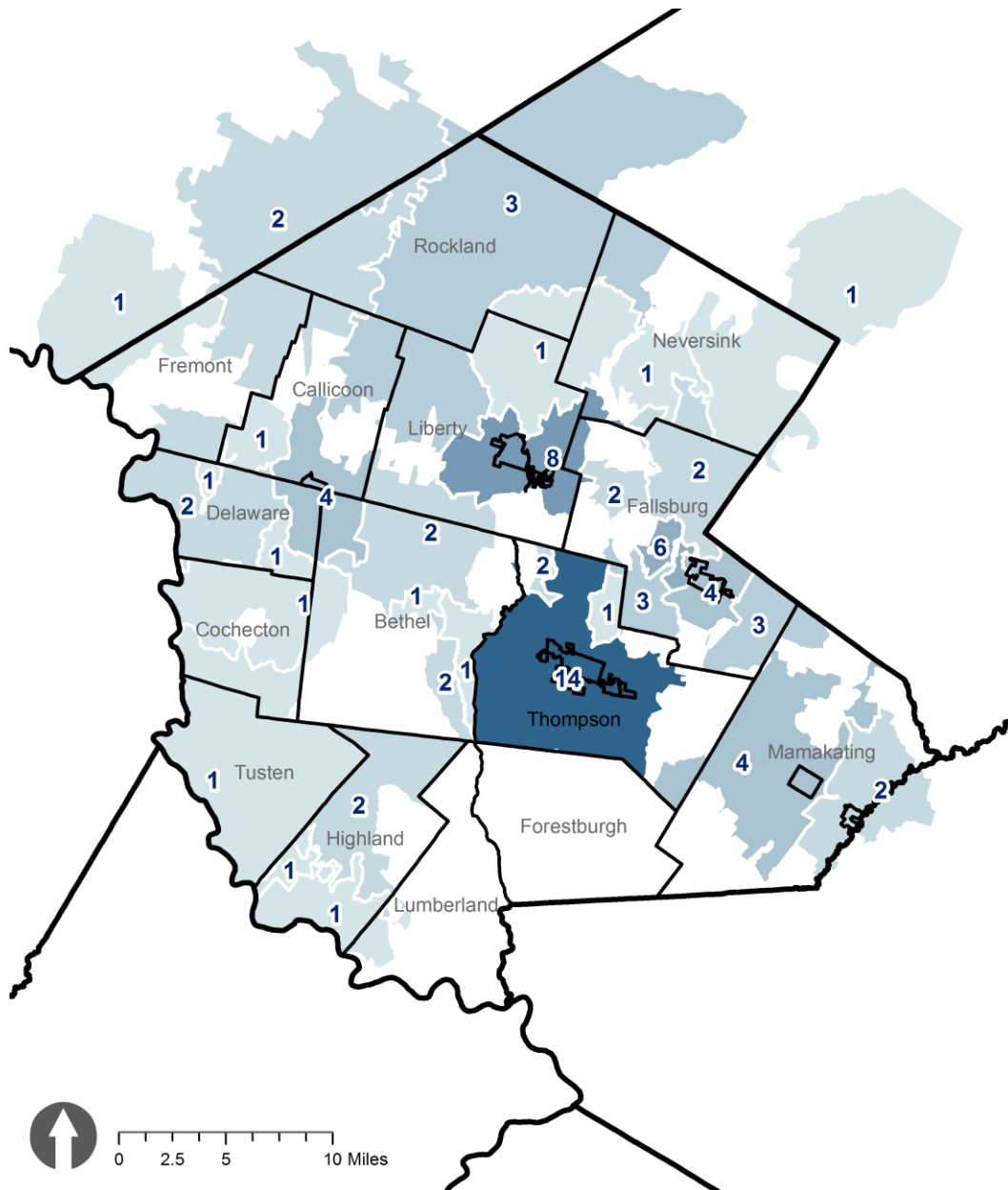


Pattern staff also collected information from the RP-5217 form. The RP-5217 is a publicly available form filed with the New York State department of Taxation and Finance. The form is required for property transactions in New York. The form includes information such as the zip code of the purchased property, the sale price of the property, the assessed value of the property, and the zip code of the buyer. To get an idea of current trends, Pattern staff collected information from over 700 of these forms filed in 2018. Data was collected for the months of January, March, and May as well as parts of February, March, and April. The resulting data represents a strong sample of real property transactions for the first half of 2018.

According to the data collected from the RP-5217 form, 40% of the property transactions in Sullivan County were from buyers within Sullivan County. The remaining 60% of buyers had a zip code located outside of Sullivan County. Among the 60% of the buyers from outside of the County, 10% were from neighboring Orange County, 10% were from New York County (Manhattan) and 22% were from Kings County (Brooklyn). The significant number of buyers from Brooklyn substantiates anecdotal information that Pattern staff has received from various sources in Sullivan County.

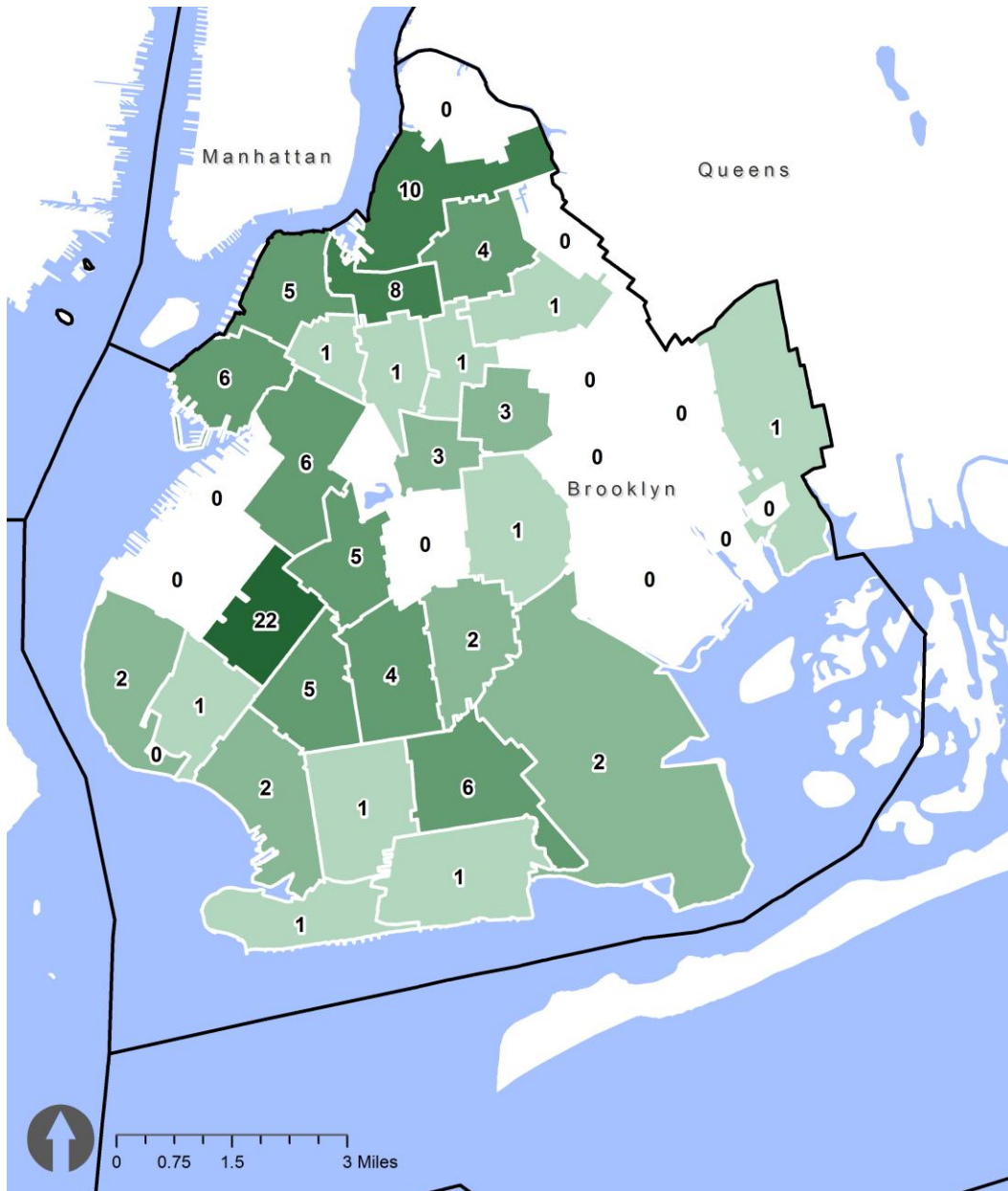
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**Number of Real Property Transactions by Zip Code of Purchased Property
(Buyers from Brooklyn)
Sampled from January - June 2018**



The above map depicts the location of properties purchased in a Sullivan County Zip Code by buyers with a zip code in Brooklyn. Among buyers from outside of Sullivan County, 22% listed a Brooklyn zip code for their current address. This map shows where people from Brooklyn are moving to or purchasing property in Sullivan County. The most common municipalities in which property was purchased by someone from Brooklyn are the Towns of Thompson and Fallsburg with approximately 17 properties purchased in each town.

Sampled from January - June 2018



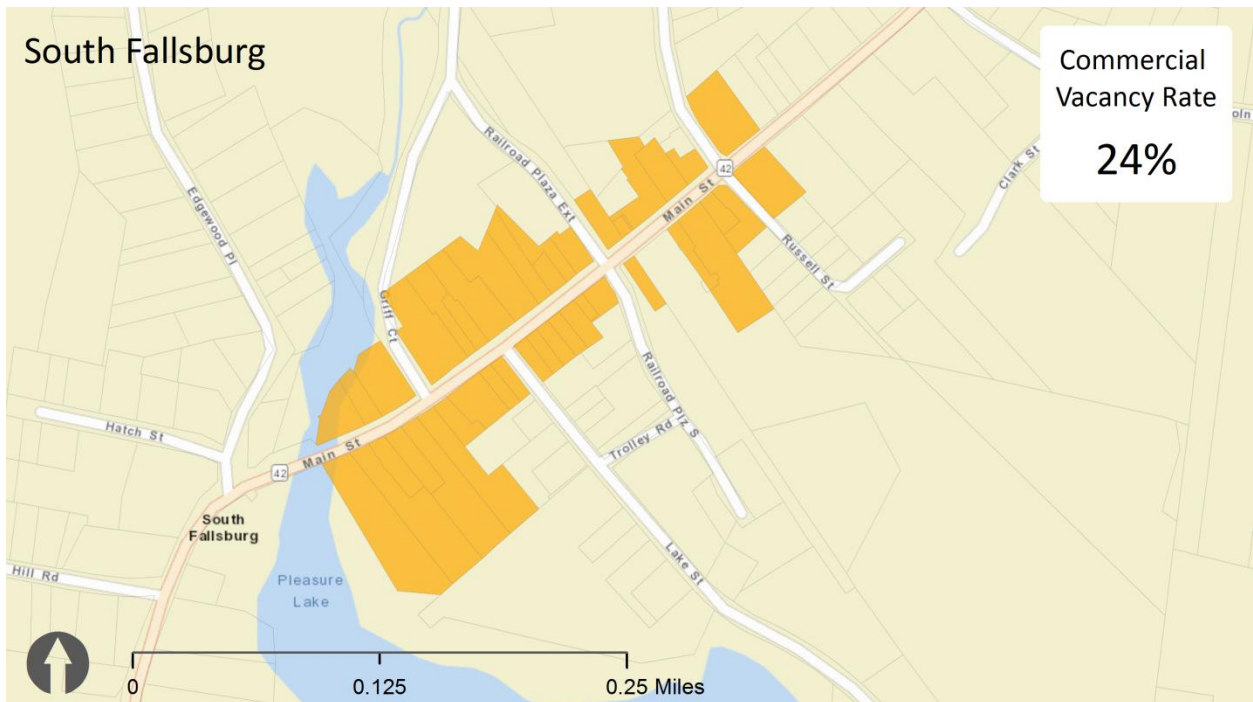
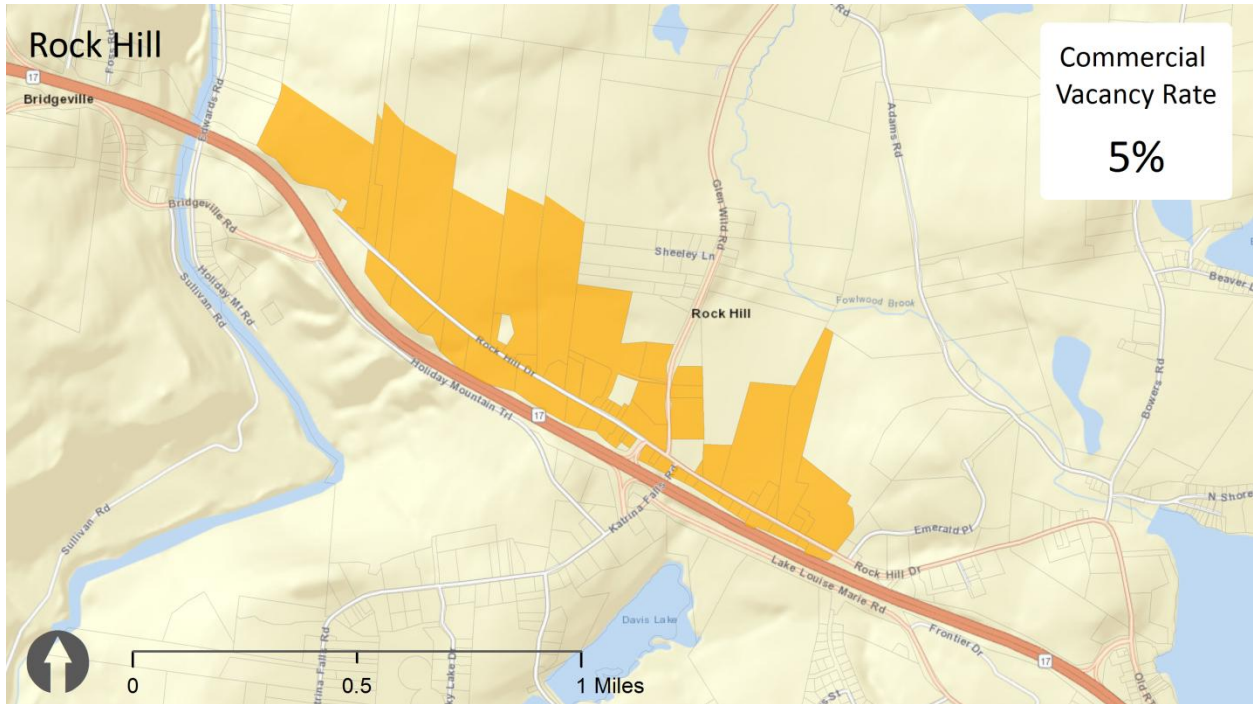
The above map above reveals more geographic detail about the people and entities from Brooklyn who are purchasing property in Sullivan County. This map shows the location of buyers in Brooklyn, by zip code, who purchased property in Sullivan County. The zip codes with the highest number of buyers are Borough Hill (22) and Williamsburg (10).

Main Street Vacancy

To better understand the current state of main streets in Sullivan County, Pattern staff traveled to main streets and commercial corridors in a number of villages and hamlets in the County. At each of these main streets, staff performed a visual survey of the commercial vacancy rate. The maps below depict the parcels included in the surveys and the associated commercial vacancy rate.



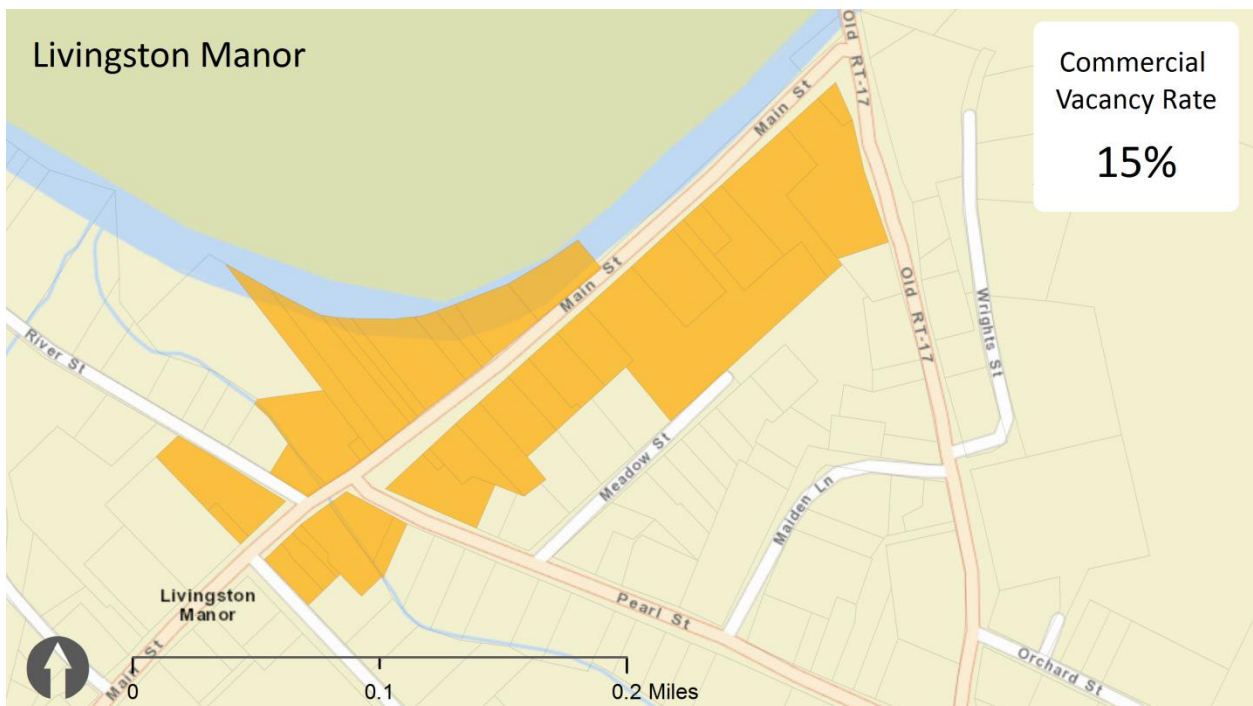
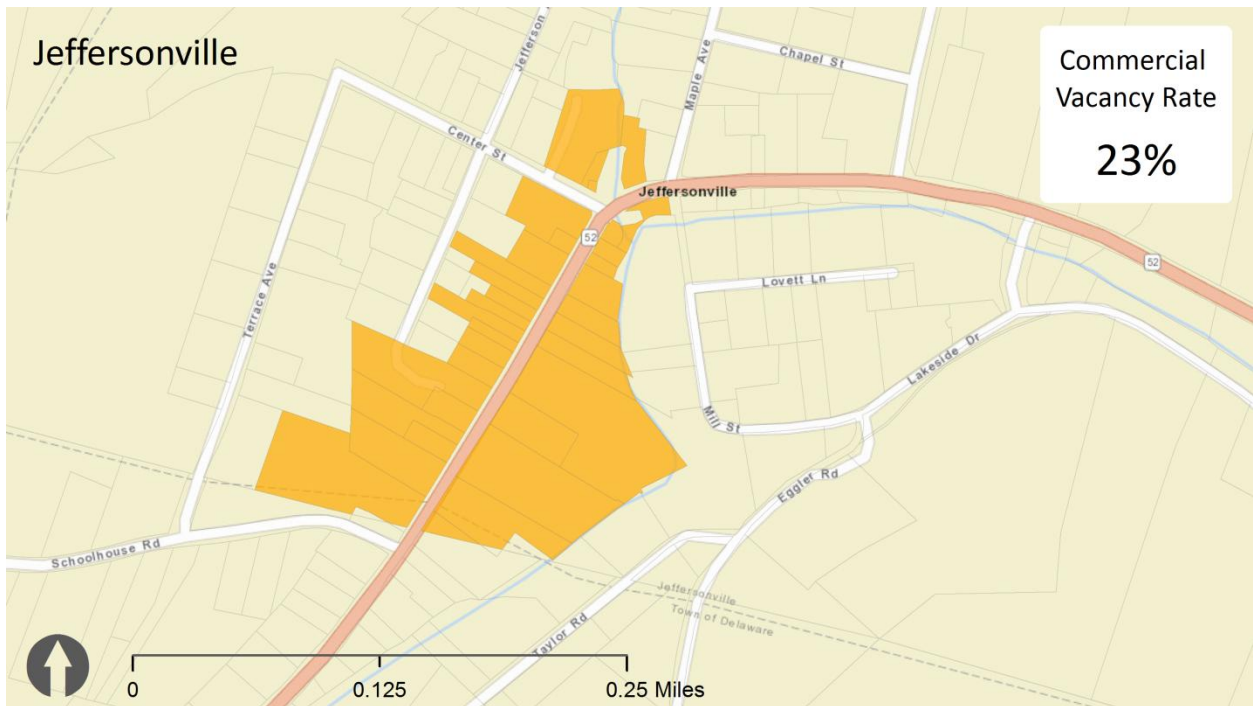
Main Street Vacancy (continued)



Main Street Vacancy (continued)



Main Street Vacancy (continued)



Recommendations

Transportation

Restore and expand the County Wheels to Work program

The Wheels to Work program provides affordable car “leases” to eligible low-income residents. While once a robust program, Wheels to Work has received limited funding in recent years which has substantially reduced the scale of the program. Pattern believes that the Wheels to Work program represents a common sense way to provide low-income residents with reliable transportation to work in a rural county. The dependability and convenience afforded by a personal vehicle significantly improves the ability to hold down a steady job and pursue additional job opportunities. It also enables recipients to make more frequent shopping trips to local businesses. The Wheels to Work program has a proven track record in Sullivan County with numerous successful car placements and minimal issues at the height of the program. In fact, the program was so successful that it was replicated by the State of New York.

Establish transportation hub at the existing CoachUSA / Shortline bus terminal in Monticello

Pattern supports the current effort by the Sullivan County government to establish a public transportation loop focused on providing transportation to major places of employment. One of the stops on this planned loop is the CoachUSA / Shortline bus terminal near the County Government building in Monticello. In light of the County’s plans, Pattern believes that this bus terminal represents an opportunity to create a centralized transportation hub and accompanying transit-oriented development. The transportation hub would serve as a connector for all modes of transportation in the County including the CoachUSA / Shortline bus, the proposed new county vans, taxis, and ride-hailing apps like Uber and Lyft. For visitors from outside of the County, the transportation hub would serve as a gateway to the County, providing information and a variety of transportation options. The transportation hub will also open up the opportunity to develop mixed-use transit-oriented development (TOD). TOD is typically associated with a train or light rail station; however, other communities in the Hudson Valley such as Kingston and Middletown are currently considering TOD based around bus service. This recommendation is consistent with Strategy 3.23 and 3.24 of the Sullivan County 2020 Comprehensive Plan. Strategy 3.23 is to “Provide affordable and accessible public transportation to important destinations, hamlets, villages, and points outside the County.” Strategy 3.24 is to “Promote a transportation system that supports nodal, compact development patterns and reduced negative environmental impacts.”

Taxes

Attract new residents with “Urban Homesteading” tax incentives

Urban homesteading can mean a variety of things but generally speaking it refers to programs typically provided by government agencies to incentivize people to move into urban areas. Patten recommends the development of an urban homesteading program in Sullivan County to attract and retain residents. The incentives of the program could include municipal tax breaks, favorable loans, or financial aid for down payments on a house. Any municipality could participate, but municipalities with denser development patterns and relatively high vacancy rates such as Liberty and Monticello stand to benefit more from such a program.

Education

Provide Sullivan County high school students with expanded guidance counseling options that include tracks for students who plan to attend a 4-year college, plan to attend a 2-year college, and plan to immediately enter the workforce post-graduation

The most common post-graduation plan of high school in Sullivan County is to attend a two year college. In addition, relative to the rest of the State, recent high school graduates in Sullivan County are more likely not to go to college and immediately enter the workforce after graduation. High school students in the County would benefit from counseling that is tailored for their specific goals. For example, counselors assigned to students with no plans to go to college would focus on job placement and resume building instead of college applications and recommendations. In the current economy, this should commence no later than 10th grade.

Increase the number of bilingual teachers in the County to better serve the growing Hispanic and Latino population

The Hispanic and Latino population in Sullivan County is growing. This demographic shift in the overall population is reflected in the student population of Sullivan County public schools. Pattern recommends that schools take an active approach to attract and hire bilingual teachers that can communicate with students in their native language. Bilingual teachers will be better equipped to teach Hispanic and Latino students concepts that they are struggling to learn in English. That being said, Pattern is not recommending teaching lessons in Spanish. The idea behind this recommendation is that hiring more bilingual teachers will open up additional avenues of communication for a growing number of Hispanic Latino students and will create a staff of teachers that better reflects the makeup of the student population.

Housing

Conduct a new Second Homeowner Study

Sullivan County has long been a popular place for the development of second homes due to the natural beauty and seclusion afforded by the rural nature of the County. Interviews conducted by Pattern have revealed that the rate of second home development remains strong and may have even increased in recent years. Given the sustained popularity of second homes in the County, it is advantageous to understand as much as possible about the second market. Sullivan County has conducted two previous studies about second homeowners; one study in 1997 and one in 2008. Both of these studies surveyed second homeowners about topics such as age, income, why they purchased a home in Sullivan, where their primary residence is located, and more. This type of information is an invaluable resource for developing strategies for attracting more second home buyers and understanding their impact on local economies and the social fabric of the County. Pattern recommends that the Sullivan County Division of Planning, Community Development, and Real Property conduct a new second homeowner survey/study. This study could also be conducted by a private consultant. A new study would provide additional data points that when evaluated with findings from the 1997 and 2008 studies, may reveal trends in the second home market. In addition, the deed research carried out by Pattern indicates that there is an increase in the number of homebuyers from Brooklyn. A new second home buyer survey would determine if these are second home buyers.

Housing (Continued)

Create a “Housing Coordinator” position for the County

It is important for Sullivan County to have housing stock that can meet the needs of current residents and can attract potential new residents. Understanding the mix of existing housing, new development, and forecasting future demands is a complicated undertaking. It is for this reason that Pattern recommends creating a full-time “housing coordinator” position that is dedicated to analyzing and improving the housing stock in the County. This position could potentially be housed in the Sullivan County Division of planning. The County could also outsource this position. To that end, Pattern has been exploring various options.

Workforce

Increase the visibility of the Center for Workforce Development

Pattern believes that workforce is *the* economic development issue of our time. In light of this, Pattern recommends that steps be taken to increase the visibility and public awareness of the Sullivan County Center for Workforce Development. The Center for Workforce Development provides valuable information and services to connect job seekers with employers and training opportunities. It also provides information and services to local businesses. However, some businesses and job seekers don't know about these resources. In the 2014 Sullivan County Economic Development Plan, the consultants found that “The Center for Workforce Development, unfortunately, is not one of the most widely used avenues for recruiting employees by Sullivan County employers.” Pattern recommends increased outreach and advertising for the Center for Workforce development, as well as additional financial support. Pattern also recommends a website overhaul to create a more user friendly and modern feel. The internet is the primary way people access information so a good website is important. To accomplish these goals the County may need to allocate additional funding to the Center for Workforce Development.

Ensure that the workforce is prepared with the necessary skills to fill jobs in the Industries of Healthcare and Accommodation

With the opening of Resorts World Catskill, YO1 Luxury Nature Cure, and other hotels, there are numerous job opportunities in the accommodation industry. However, Interviews conducted by Pattern and reporting by local news outlets have revealed a shortage of qualified job candidates to fill these new accommodation jobs. Pattern recommends that BOCES, SUNY Sullivan, The Center for Workforce Development, and the employers themselves continue coordinate and expand their programming efforts to address the constellation of issues facing the workforce in Sullivan County.

By almost every metric, healthcare is one of the most important industries in the County. Over 6,000 people were employed in the Healthcare industry in Sullivan County in 2016, accounting for the highest number of employees among all industries. It is also one of the steadiest growing industries in the County, adding over 1,000 jobs from 2000 to 2010, and adding another 1,000+ jobs from 2010 to 2016. With large employment centers such as the Catskill Regional Medical Center and the Center for Discovery, Sullivan County has the opportunity to become a healthcare and scientific research hub. Pattern also believes that focusing on healthcare industry is an important step towards diversifying the workforce and protecting against future economic downturns.

Cultural Amenities & Tourism

Enhance available resources for tourists

Given the recent significant investment in tourism-based development in Sullivan County, it will be important to ensure that visitors have ample resources to navigate and explore the County. Currently the Sullivan County Visitor's Association maintains a website that includes a wealth of useful information for tourists. Pattern recommends further enhancing the accessibility of this information through increased website optimization for mobile phones and potentially the development of a downloadable app. Pattern also recommends considering the development of a visitor center that could serve as a central repository for tourism information and a gateway to the County.

Broadband & Connectivity

Create a “connectivity taskforce” to address improving broadband access and cellular phone service in the County

The availability of quality internet access is an increasingly significant factor for locating a new business, relocating an existing business, or purchasing a home. As people and businesses become increasingly reliant on the internet, access to high-speed broadband has become less of a luxury and more of a requirement. Unfortunately, broadband access in Sullivan County is currently limited. The availability is further muddled by the current conflict between Charter Spectrum and New York State. Although there are initiatives to improve this on the state level, Pattern recommends the creation of a “connectivity taskforce” to address improving broadband access and cellular phone service in the County. The taskforce should be comprised of representatives from service providers, state representatives, and resident stakeholders.

Business Development

Create a business competition

Several downtown areas in the villages and hamlets of Sullivan County are plagued by a high commercial vacancy. Vacant storefronts detract from the visual appeal of a downtown and hinder the economic vitality of neighboring businesses. As a step towards rectifying this situation, Pattern recommends the creation of a business competition to kick-start local entrepreneurship and fill vacant commercial space. The business competition could be organized in the following way: In the first round of competition, prospective entrepreneurs pitch their idea for a business to a panel of judges. At this stage, all a competitor needs is an idea. The judges select a group of finalists and assign each of them an advisor to help them create a business plan. The finalists then present their complete business plan to the judges and a winner is selected. The winner is awarded some form of financial support to start their businesses. This could be seed money, a favorable businesses loan, free or reduced rent, or any combination of these. The business competition could be organized and run by the Sullivan County IDA and/or a consultant.

Focus on supporting and growing small businesses

Attracting a large employer to an area can have a significant and immediate impact on the local economy. However, it's also important to consider the impact of small businesses. This is especially true in Sullivan County. In 2016 64% of businesses in Sullivan had a staff of 1-4 employees and 90% of businesses had a staff of less than 20 employees. Given the prevalence of small businesses in Sullivan County, Pattern recommends the creation of position within the Sullivan County Partnership for Economic Development that is focused on attracting and supporting small to mid-sized businesses.