

Hampton Bays
Waterfront Resort Revitalization Plan



FINAL

January 2019

Hampton Bays Waterfront Resort Revitalization Plan

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Urban Renewal Plan for Hampton Bays Waterfront Resort Revitalization

Purpose of the Plan:

The hamlet of Hampton Bays once enjoyed a thriving tourism economy. Hampton Bays, with its sandy ocean beaches, drew visitors from afar to its many small waterfront resorts. With a downturn in the tourism industry in the 1980's and a growing need for affordable housing for the workforce of the Hamptons, some of these hotels gradually began accepting long term tenants and came to resemble apartment housing rather than transient resorts. These properties lacked the proper amenities for long term tenancy and concern grew within the community about environmental impacts from overuse of the sanitary systems. Other community concerns include health, welfare and fire safety issues related to overcrowded conditions and substandard cooking and electrical systems, as well as the impacts on local emergency services and the school system.

The Town has long held the goal of seeing tourism return to the Hampton Bays area. To achieve this end, the Town has employed a three-pronged strategy. The first prong was to strictly and actively enforce ordinances regarding changes of use and overcrowding. Motel properties with certificates of occupancy stating motel use were cited for non-compliance. Additionally, properties that lacked the proper electrical and cooking facilities were cited with public safety violations. Fines were issued and, in some cases, physical changes were made to better adhere to safety codes. Nonetheless, these properties succumbed to market forces that were unfavorable to a transient resort operation. Without consumers looking to vacation in Hampton Bays, these properties could not survive as hotels without the risk of becoming either boarded up buildings or "problem hotels" that serve a marginalized population. In the past, such low budget hotels were known to provide lodging to disenfranchised individuals including the homeless, sex offenders, drug addicts and prostitutes, placing an additional burden on local law enforcement and social service agencies.

Therefore, the second prong of the Town's strategic plan to revitalize tourism sought to create economic conditions that naturally promote seasonal resorts in the area. The hamlet of Montauk in the Town of East Hampton went through a similar transformation. When the hotel business declined in the 1980's many hotel properties found that it was more profitable to rent year-round to meet the growing demand for workforce housing for the second home economy of East Hampton. A small monthly rent received year-round netted more per unit to the property owner than the revenues received during the short seasonal tourism rental period; particularly after the high cost of hotel operation including utilities, cleaning services, laundry services, labor, advertising and other related expenses. Many hotels, even some with waterfront views, became workforce housing. Properties became run down as owners did not feel the need to invest in the properties in order to obtain low income tenants. This all began to reverse about a decade ago as Montauk's "hip" surf culture began to attract new visitors willing to pay higher rates. Hotels used for housing raced to renovate their facilities and enter this emerging high-end tourism market.

Hampton Bays has significant features to draw tourists. Like Montauk, Hampton Bays has miles of pristine ocean beaches and many waterfront access points. With an abundance of natural scenic and recreation locations, Hampton Bays is well situated for a return of tourism related activities. Hampton Bays as a community currently offers easy access from State Route 27 and many tourism attractions including historic buildings, beach bathing, dining, surfing, fishing, kite boarding, jet skiing, scuba diving, yoga, hiking and biking. The hamlet also provides easy access to other East End destinations which include museums, art galleries, wineries, farm stands and shopping locations. (See exhibit A – Location Map) As tourism returns to the area, hotel accommodations are limited. Former waterfront hotels create the ideal location for revitalizing the tourism economy. Hampton Bays also maintains the second largest commercial fishing fleet in New York State, second only to Montauk. Hampton Bays is easier to reach by car as the traffic east of the Shinnecock Canal continues to be a significant deterrent for East End tourism points. Therefore, with the shortage of hotel rooms and high costs east of the canal, Hampton Bays as the opportunity to capitalize on being a more affordable and accessible vacation destination. Additionally, the hamlet is also one of the only East End communities with a train station in the heart of its downtown area, thereby facilitating public transportation options. This is critical as much of the new tourism demand is coming from upwardly mobile urban ‘millennials’ who do not own cars. These new tourists are looking to “experience” a new area for a few days. Many boutique hotels now offer free bicycles to their guests. Rideshare services like Uber and Lyft help facilitate transportation to restaurants and other destinations. A growing inventory of quality dining establishments like Oakland’s, Canal Café, Rhumba, Matsulin, Edgewater and Cowfish create a draw for tourists, particularly “foodies” who are interested in sampling local/wild grown and gourmet fare.

In order to jump start the revitalization of tourism in Hampton Bays, the Town has taken significant steps to address quality of life issues and has made significant infrastructure investments. The Town has increased police presence and patrols as evidenced by a 30% drop in major crimes in the past two years. The Town raised the elevation of Dune Road, the access road to Town beach facilities, from the Ponquogue Bridge to the Quogue Village line, in order to address chronic flooding. Also, the Town is currently in the process of renovating the Ponquogue Beach Pavilion with expanded ocean-view seating areas and improved handicapped access. The Town created a new downtown park with a 700-seat amphitheater in downtown Hampton Bays, where it has funded free concerts and sponsored community events all summer. In addition, the Town is engaged in the preparation of a form based code to implement the recommendations of the Hampton Bays Corridor Strategic Plan and associated Generic Environmental Impact Study (adopted in 2012), as well as, the Pattern Book for Hampton Bays Downtown Overlay District, which are all aligned to revitalize the Hamlet Center.

Even with the conditions ripe for tourism to return to Hampton Bays, no new hotels have been proposed and older hotels being used as housing have not sought to renovate and re-enter the tourism market. In order to incentivize the restoration of the Canoe Place Inn as a boutique hotel,

the Town Board allowed the developer a significant increase in density at a residential development along the east side of the Shinnecock Canal.

Creation of new hotel properties, even in areas where motels are allowed under zoning is economically unfeasible. Permitted density of four motel units per acre requires too much land acquisition to make such a venture profitable. Conversion of former hotels back to hotel use faces similar regulatory hurdles. Some of these properties are now located in residentially zoned areas. It is always challenging for non-conforming uses to secure financing because the zoning code indicates the Town's desire to phase out the use over time. This serves as a disincentive for renovation by the owner or for a new buyer to purchase and improve the property. Additionally, the non-conforming status creates limitation on expansion that may be needed to be competitive and offer the amenities that today's tourist desires. Regulatory hurdles and permitting uncertainties are a major stumbling block preventing new investment in these current and former hotel properties. Securing permits can be a costly and time-consuming process with little certainty that the desired changes will be approved. Small hotels in the area face many challenges including a short rental season, competition from short term home rentals sites like Airbnb, and high labor costs.

This plan has selected one property to serve as a template or example for catalyzing the transformation of former hotel properties back to resort type uses, so the Town can better identify what changes are necessary to incentivize private investment in rebuilding the Hampton Bays tourism economy. In the case of the Bellaire Motel, the Town will purchase the property, develop a boutique hotel or seasonal townhouse plan endorsed by the community and then secure all regulatory permits for construction. The Town will then solicit developers and operators to compete in a bidding process for the shovel ready project.

Description of Project

Property Description

The Hampton Bays Waterfront Resort Revitalization area focuses on a property identified by Suffolk County Tax Map Number 900-323-1-4 consisting of 1.43 acres or approximately 62,290 sq. ft. and situated at 20 Shinnecock Road in the Hamlet of Hampton Bays. The parcel is located in primarily Residential (R-20) zoning district with the southern portion lying within the Resort Waterfront Business (RWB) zone.

The subject parcel contains a pre-existing nonconforming motel use. The motel consists of an approximately 6,560 square foot building, of which 1,750 square feet is two story housing with office space on the first floor and a manager's apartment on the second floor. The remaining 4,810 square feet is one story, currently contains the 20 motel units, however, based on Town Building and ZBA records the legal number of motel units is 16. In addition the subject parcel contains accessory structures (a swimming pool and two sheds).

The subject parcel contains large trees including evergreens and other tree species on the south and west sides that screen the property from the adjacent lots and Shinnecock Road. The west side of the property is an open grass area and parking area with a higher elevation than the east side. The existing motel building is situated closer to the east side of the property. On the east side of the motel is an existing gravel parking lot, the dumpster, a stockade fence, swimming pool, and approximately 135 linear feet of bulkhead on Penny Pond canal, which is a tidal creek of Shinnecock Bay.

The subject property benefits from Certificate of Occupancy No. 168 dated August 5, 1958 for “motel” use issued after an addition to the motel, and Certificate of Occupancy No. 6072 dated August 1, 1968 issued in connection with a later addition to the motel. Furthermore, the subject property benefits from the following variances issued by the Zoning Board of Appeals:

- ZBA Decision No. 9510 issued April 25 1994—variance granted for reduced front yard setback from 60’ to 41.9’; permit construction of a second-story addition over exiting motel office
- ZBA Decision No. 9414 issued August 9 1992—variance granted for the erection of a 6ft fence along the west, north and a portion of the east property line
- ZBA Decision No. 6152 issued August 17 1981—variance granted to expand preexisting non-conforming motel to extent that a swimming pool and tennis court be permitted; rear yard to south to 20.8’; front yard to 41.2’ in eastern front yard all subject to obtaining building permit for both.

The property is bordered to the south by a property containing six seasonal guest cottages and to the east by a narrow unimproved property owned by the Southampton Town Trustees. Directly east of the Trustee property is a restaurant and bar property and a small marina. Across the street from the restaurant is a small market and eatery which serves breakfast and lunch. The property is walking distance from the ocean beach, restaurants and marinas which are ideal amenities for a boutique waterfront hotel.

The Exhibit 1, “*2016 Aerial Photograph*” and Exhibit 2, “*Zoning Analysis*” overlaid on 1995 survey illustrates the existing conditions as described above, and indicates the principal and accessory setbacks required for the R-20 zoning district.

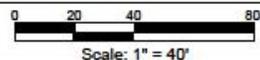


TOWN OF SOUTHAMPTON
 DEPARTMENT OF LAND MANAGEMENT
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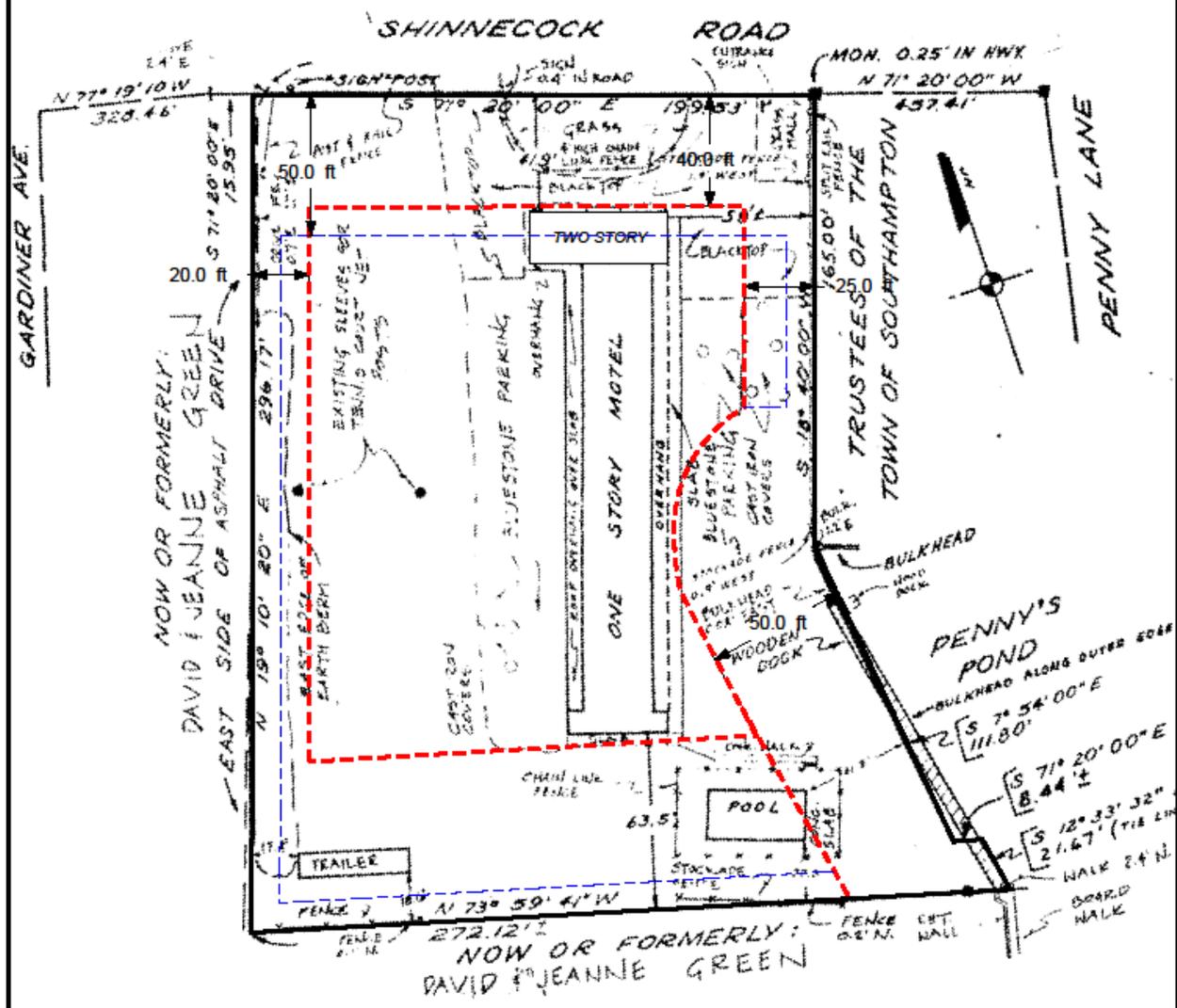
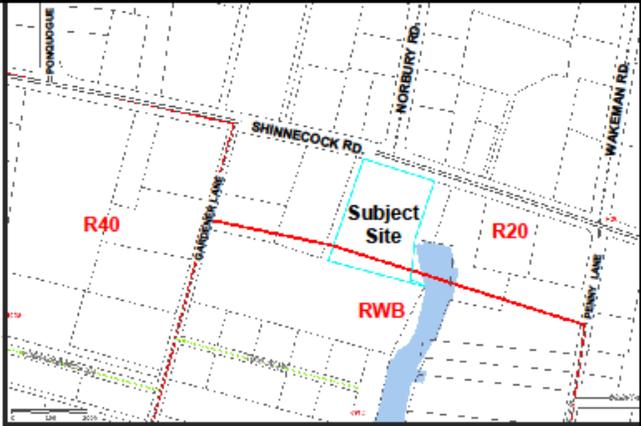
Exhibit 1
2016 Aerial Photograph

Bellaire Cove Resorts Inc
 20 Shinnecock Rd, Hampton Bays
 SCTM#: 900 - 323 - 1 - 4

3/16/18



Dimensional Regulations	R-20 Residence
Lot area ²	
Minimum (square feet)	20,000
Maximum per dwelling unit (square feet)	n/a
Maximum number of dwelling units on any 1 parcel, except as provided in § 270-8	
Lot coverage:	
Maximum lot coverage by main and accessory buildings (percent)	20
Lot width, minimum (feet)	150
Height, maximum ⁶	
Stables	5
Feed	15
Yards, principal building, minimum ⁸ (feet)	
Front	40
Side, minimum for 1 side, none for both rear and/or side, nor on side street on corner lot	20
Rear	40
Yards, accessory buildings ¹⁰ and structures, except fences and retaining walls, minimum (feet)	
Distance from street ¹¹	50
Distance from side and rear lot lines	10
Distance between buildings	



Lot Size: 62,332 sqft. (1.431 acres)
 Zoning District: R-20 and RWB
 School District: Hampton Bays
 SC GWMZ: IV (300 gals/20,000 sqft.)
 Flood Zone: A (el.+8)



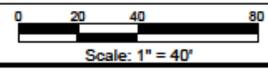
Note: Site information is based on survey prepared by Squires, Holden, Wisenbacher and Smith, last revised 10/1995



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Exhibit 2
Zoning Analysis
 Bellaire Cove Resorts Inc
 20 Shinnecock Rd, Hampton Bays
 SCTM#: 900 - 323 - 1 - 4

3/16/18



Conformity with the Comprehensive Plan

The 1970 Master Plan recognizes that it is essential to protect scenic, natural, and historic resources if Southampton is to remain a unique and economically viable second home community with a healthy economy that caters to tourism.

The applicable Vision Goals of the 1999 Comprehensive Plan Update state:

The Town will maintain the existing nature of the local economy, while working to enhance the diversity of the economy for the future, particularly in the areas of tourism and the second home industry, by protecting the Town's character and quality of place— Southampton should emphasize those types of economic development that capitalize upon but do not erode the Town's outstanding resource qualities. Indeed, as long as the second-home resident and visitor sectors remain the driving force in the local economy, the Town and others should seek to enhance the amenities and other qualities that give Southampton its unique, regional advantage. These include the Town's rural and historic scenery, beach and recreational amenities, and cultural and specialty retail amenities.

Comprehensive Plan Vision Goal Summary:

1. Promote small-scale overnight accommodations such as B&B's, inns and (small) conference centers that will provide amenities without substantially increasing visitation.
2. Enhance the Town's cultural offerings, and the prestige and enjoyment of the Town's historic, architectural and scenic features.
3. Enhance public access to the beach, but without compromising the residential privacy and scenic setting of the areas adjoining the beach. Promote greater opportunities for resort-oriented and shoulder-season recreation, including golf, hiking, bicycling, boating, horseback riding and tennis, but without compromising the Town's natural or scenic resources.
4. Build a shared vision and a strategic partnership between government, the resident/civic community, and the business community with regard to economic development that also sustains the South Fork's resort, rural and environmental assets.

Based on the above, the purpose of this plan is to create a template for the transformation of former hotels that have strayed into transient/illegal housing back to resort accommodations, where appropriate. The plan will specifically transform a former waterfront hotel that has become a blighted apartment building and the subject of numerous code violations into a boutique hotel or seasonal resort condominium facility that contributes to the tourism economy of Hampton Bays. Such a conversion would remove blighted conditions, address environmental concerns, unsafe housing conditions, create employment opportunities, and support other local business such as shops and restaurants.

Proposed Land Uses upon Acquisition

Under the Hampton Bays Waterfront Resort Revitalization Plan, the Bellaire property as described above will be purchased by the Town from a willing seller. The property will be transferred after being vacated of all current tenants. The Town, through its office of Housing and Community Development, will assist the seller, if necessary, in finding more appropriate housing for the

occupants. The Town will take immediate steps to clean up the property from debris and other blighted elements. The Town will establish the rights associated with existing development associated with the subject property before demolishing any of the existing buildings or structures.

The redevelopment plan will seek to create two equivalent options for the Bellaire property: a 22 unit boutique hotel or a 12 unit seasonal resort complex. The square footage of useable area for either option will not exceed 15,000 sq. ft. with the lot coverage not exceeding 8,000 sq ft. The buildings will not exceed 2 stories and may be spread over several buildings to reduce massing. Amenities may include a pool, fitness/yoga room, and lounge area. Designs may resemble a summer cottage community or other resort type property chosen through a design review process involving the stakeholders as outlined below.

The design shall incorporate green/sustainable and energy efficient elements including but not limited to enhanced HERS ratings, LED lighting, limited turf grasses, maximum pervious surfaces, sustainable building materials, heat pumps, passive solar design, low-flow plumbing fixtures, native vegetation, rain gardens, and waterfront buffering. Building design shall be resilient and meet all flood construction standards and wetlands requirements pursuant to Chapters 169 and 325 of the Town Code, respectively. The current sanitary system will be abandoned and replaced with a new nitrogen removing sanitary system as approved by the Suffolk County Department of Health Services.

After closing on the property the Town will then work closely with community stakeholders to refine the details of the above reference alternatives for the redevelopment of the subject property that is economically viable and meets the following goals:

- Improves the appearance from the street and waterfront
- Contextually compatible and appropriate architecture
- Supports the tourism economy
- Reduces impacts on town and school services
- Reduces overall residential density from the current use of the 20 units as dwelling units.
- Provides additional property tax revenues above the current assessed valuation of the property
- Provides guarantees that the property will not revert to non-tourism uses
- Provides a guarantee that if no appropriate private purchaser is secured after a reasonable time period, the property will be used as a multipurpose community park allowing uses typically prohibited by CPF purchases (such as farmer's markets and craft shows) until such a purchaser is identified.

The Town will work with various stakeholder groups on the redevelopment plan including:

- The Hampton Bays CAC
- The Hampton Bays Civic Association

- The Hampton Bays Beautification Association
- The Hampton Bays Chamber of Commerce
- The Hampton Bays Board of Education

After a concept plan has been developed for both alternatives, the Town will work to secure all permits as may be necessary including any zoning changes, site plan approval, Suffolk County Department of Health Services Sanitary permit, NYS DEC permits, and Planning Board approvals. The Town will also secure funding for the replacement of the existing septic system with a nitrogen removing sanitary system through the CPF 20% water quality improvement fund. The CPF Water Quality Fund may also be used for site development grants related to improving water quality such as rain gardens. Other economic development grants may be sought to incentivize resort development of the property.

After all grants and permits are in place, the Town will solicit offers from developers and resort operators competing in an open and competitive bidding process. The Town will evaluate proposals based on bid amount, experience and the financial standing of the bidders. The Town will also place conditions into any transfer that requires the property be redeveloped in accordance with this Plan. Such a requirement may contain a provision that would revert ownership back to the Town if the use is altered.

If the Town is unsuccessful in securing a developer, the Town will use the property for community benefit until a suitable buyer is identified. Community uses shall include waterfront access, kayak launching, craft shows, farmer's markets, picnicking, and other park-like uses.

Demolition and Removal of Structures

Blight mitigation is an important part of the use of urban renewal powers. This Plan proposes that the entire Bellaire motel site will be redeveloped. Immediately upon transfer of ownership to the Town, all debris will be removed from the property. However, in the early stages of Town ownership, the main structures will remain until the Town has secured the rights associated with the existing development associated with the subject property from the Town Building Department and the Suffolk County Board of Health Review. This is explained in the zoning Analysis section below.

Proposed Facilities

Boutique hotels come in all shapes and sizes. What makes a particular place desirable may depend on many factors. Arguably the most important feature may be location. People on vacation want to look out the window and see a beautiful view. This can be achieved in part through landscaping. Water views and water access is a big draw. Scale matters in terms of creating a cozy welcoming setting. Architectural details can also make a property appealing. Like dining, today's customer is looking for an "experience". These vacationers want modern amenities and unique features that they can tell others about through "selfies" and social media posts. People are willing to pay for a more exclusive experience with all the details seamlessly worked out. They want clean quiet

rooms, comfortable beds with quality linens and an availability of guest amenities including fitness equipment, wi-fi, food and beverage service. Running a small hotel can be challenging because of the limited economy of scale. Therefore, there are operational advantages to having other resort properties in the area that can be run in conjunction with the small resort property. This can consolidate cleaning costs, maintenance costs, accounting costs and can increase purchasing power for supplies and other services. Nonetheless, a small boutique hotel may be able to stand alone, if it is near enough to popular attractions and near facilities that can provide amenities like food and beverage service. Such is the case with the Bellaire Motel property, which is near the ocean beaches and adjacent to a bar/restaurant and across the street from a café serving breakfast and lunch.

The boutique hotel alternative will contain 22 transient hotel units, without kitchen facilities. The size of each of the units shall not exceed 600 square feet. The hotel facility will also include a lounge/office, indoor exercise area, and an outdoor pool with pool cabana, as exclusively accessory to the transient hotel use. It will also help to have bicycles and kayaks available for guests. It is essential to design the layout in such a way that maximizes waterfront views. This will be challenging with this property as only a small section of the property has direct waterfront access. However, a second story will help achieve better water views. In the development of the detail concept plan for either of the redevelopment alternatives the cost of construction and operation must be factored in order to insure that the project selected is financially feasible. The new construction will be limited to a footprint of 8,000 sq ft and a total square footage not exceeding 15,000 sq. ft. As previously mentioned, the redevelopment will also include advanced wastewater treatment to remove nitrogen for septic effluent.

The Seasonal Resort Complex development option would consist of 12 two stories units having a total area of less than 1,200 sq. ft. each. Each unit would contain 2 bedrooms, two bathrooms, a kitchen and living room area. The seasonal resort units would be individually owned, and would be available for rental when not occupied by the owners. These units could not be utilized as the owner's primary domicile. There would be no lounge or office area. The site development would include a pool, pool cabana, and docking facilities along the bulkhead.

Proposed Methods or Techniques of Urban Renewal

The methods and techniques utilized to eliminate the blighted conditions associated with the subject site the associated negative impacts to the surrounding area shall include the property acquisition, demolition of existing structures, and redevelopment of the property with one of the alternatives outlined herein. In order to accomplish either of the redevelopment alternatives the Town Board will have to amend the code, under the authority provided in Article 15 ("Urban Renewal Law") of the General Municipal Law, specific to this parcel to permit either one of the redevelopment alternatives outlined herein, and more specifically a hotel use containing either transient hotel units at a density of no more than one unit per 2,800 sq. ft. of land area, or seasonal resort units at a density of no more than 5,000 sq. ft. The additions to the threshold outline in the

description of each of the alternatives the dimensional requirements will be generally consistent with those of the RWB zoning district.

Legal Authority

The Town of Southampton has designated the Hampton Bays Waterfront Resort Revitalization Area as an urban renewal area pursuant to §504 of Article 15 ("Urban Renewal Law") of the General Municipal Law. The Southampton Town Board is the agency carrying out the provisions of the Urban Renewal Law pursuant to §502(5) of the Urban Renewal Law.

Tourism Trends and Long Range Planning Goals

In the United States, tourism is currently the third largest retail industry, behind automotive and food stores. Travel and tourism is the nation's largest services export industry, and one of America's largest employers. The tourism industry includes more than 15 interrelated businesses, from lodging establishments, airlines, and restaurants, to boating/marinas, car rental firms, travel agents, and tour operators.

The tourism industry pays approximately \$109.4 billion in federal, state, and local taxes. Tourism is the second largest industry in New York State. Some additional benefits of tourism include:

- Due to its service orientation, tourism is hard to "automate" and is therefore a modern industry with an immense capacity for job creation
- 'Nature Tourism' is one of the fastest growing segments of the tourism industry. Over 21 million United States residents regularly travel to view wildlife and enjoy nature,
- Tourism holds the potential to assist in the implementation of larger conservation and development objectives, for example by creating economic benefits for our local communities and by furthering conservation and environmental protection.

Visitors tend to prefer areas that possess the main tourism attributes that typically attract the heritage and cultural tourist¹, namely:

- Quality - A high quality physical, visual and personal experience, exclusive and engaging experiences, development at appropriate scale and intensity
- Authenticity - Personal contact with local people including farmers, wine-makers, artists, crafters, etc.
- Sustainability - Active involvement in protecting the quality and integrity of the area's unique historic, cultural and natural resources

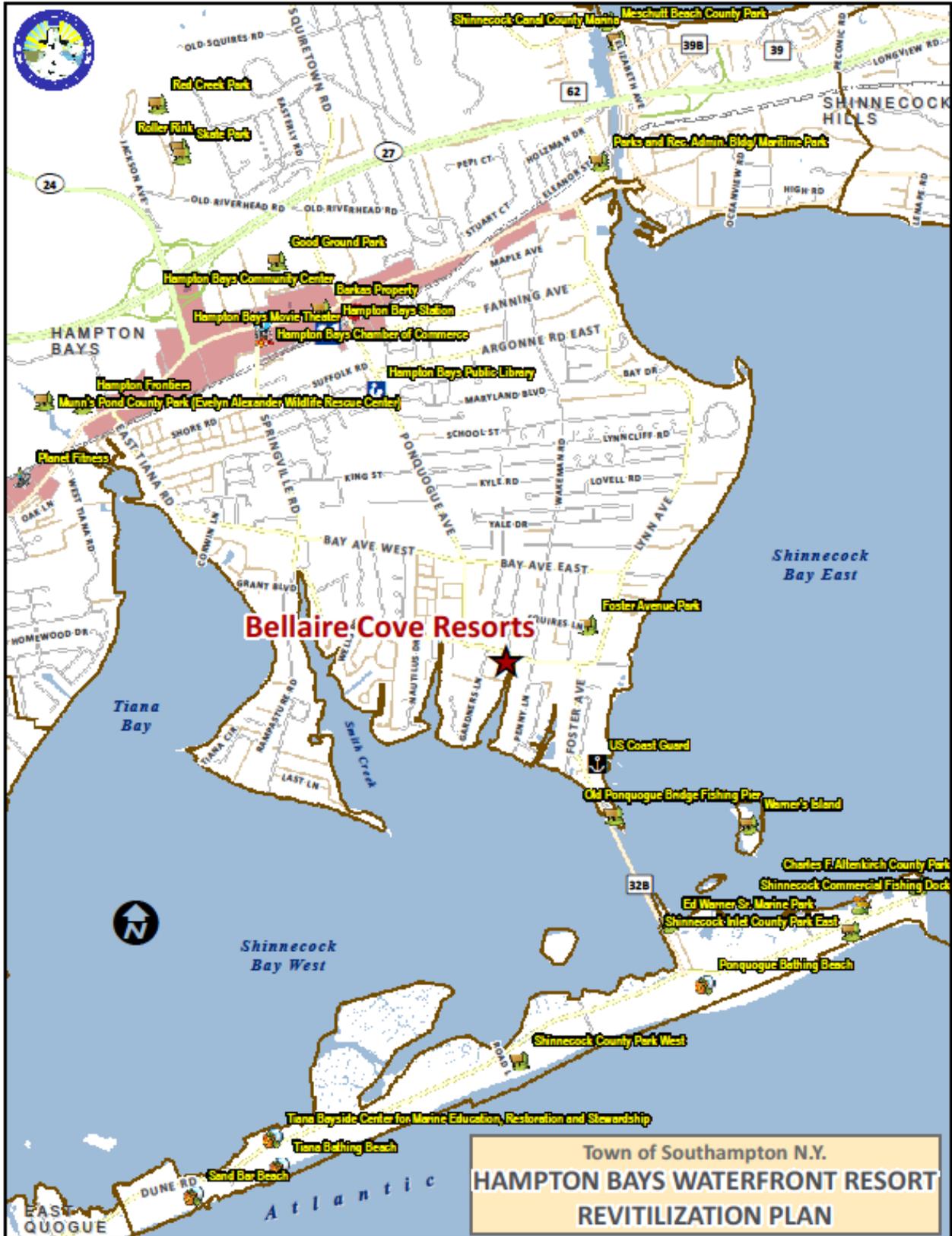
The sustainable development approach is particularly important in tourism because this sector depends mostly on tourism attractions and activities that are related to the natural environment and the historic and cultural heritage of a location. As described throughout, Hampton Bays is naturally in the auspicious position to offer quality, authenticity and sustainability and now it is a matter of returning these lost sites to their previous state for the long term enjoyment of visitors and residents alike.

¹ American Planning Association

Time Schedule for the effectuation of the Plan

Public hearing on draft Urban Renewal Plan	Feb 2019
SEQRA Determination and Adoption of Urban Renewal Plan	March 2019
Adoption of Resolution to Acquire property using Urban Renewal Powers	March 2019
Town release a RFP to hire design consultant	Apr 2019
Town acquires property	May 2019
Town cleans up property	May 2019
Town hires design consultant through RFP process	May 2019
Commence the design process (includes 2 community design charrettes)	June 2019
Final design for the redevelopment of the presented to the Town Board	Sept. 2019
Public Hearing on code amends per the final design selected	Oct 2019
Town Board to adopt code amended	Nov 2019
Application to Planning Board for Site Plan	Nov 2019
Application to SCDHS for sanitary	Nov 2019
Town demolishes building and pool	Dec 2019
Application to WQRB for grant for IA system	Jan 2020
Planning and SCDHS approvals	Mar 2020
Application to Bldg Dept for building permit	Mar 2020
Auctioning of property to resort developer	May 2020
Public hearing to award bid and transfer property to private sector	July 2020
Transfer of property and filing of deed restrictions	Sept 2020
Construction begins	Oct 2020
CO issued and Boutique resort begins operation	May 2022

Appendix - A. General Location Map



Appendix - B. Photographs of Existing Site Conditions



Appendix – C . Examples of Boutique Hotels



Appendix - D. Examples of Seasonal Resort Development



Appendix - E. Financial analysis Motel Development

Financial Analysis				
Boutique Motel Development				
Town Aqitition and Planning Phase				
Land Acquisition			\$ 1,060,000.00	
Soft cost (surveys, closing, fees, taxes, legal)			\$ 50,000.00	
site clean up			\$ 20,000.00	
demolition and disposal			\$ 100,000.00	
taxes (pilot)	2 years	at \$16000	\$ 32,000.00	
insurance	2 years	at \$5000	\$ 10,000.00	
architecture, design and engineering			\$ 100,000.00	
legal			\$ 10,000.00	
printing			\$ 1,000.00	
permit fees			\$ 2,000.00	
Sub total			\$ 1,385,000.00	
Construction phase				
grading			\$ 10,000.00	
foundation			\$ 40,000.00	
building	15000 sq ft	\$200/sq ft	\$ 3,000,000.00	
commercial pool			\$ 150,000.00	
site work (parking, walkways, lighting)			\$ 100,000.00	
Septic			\$ -	assumes full grant for septic system
utilities			\$ 20,000.00	
landscaping			\$ 100,000.00	
signage			\$ 5,000.00	
dock work			\$ 30,000.00	
construction management			\$ 20,000.00	
taxes	2 years	at \$16,000	\$ 32,000.00	
insurance	2 years at	\$5,000	\$ 10,000.00	
furniture			\$ 100,000.00	
exterior furniture (pool and grounds)			\$ 75,000.00	
cost of money			\$ 100,000.00	
sub total			\$ 3,792,000.00	
Total Pre-Operation Phase			\$ 5,177,000.00	
Operation Phase				
Expenses (yearly)				
paper and room supplies			\$ 10,000.00	
linens and towels			\$ 9,000.00	
laundry service			\$ 20,000.00	
landscaping			\$ 10,000.00	
building maintenance			\$ 30,000.00	
maintenance of IA system			\$ 1,000.00	
solid waste disposal			\$ 7,500.00	
utilities (electric, gas, cable)			\$ 20,000.00	
permits (SPEDES, Temp Residence)			\$ 3,000.00	
credit card fees			\$ 15,000.00	
labor (includes cleaning staff)			\$ 70,000.00	
commissions			\$ 50,000.00	
cleaning supplies			\$ 5,000.00	
advertising			\$ 15,000.00	
accounting			\$ 5,000.00	
legal			\$ 1,000.00	
taxes			\$ 40,000.00	
insurance			\$ 20,000.00	
debt service			\$ 333,600.00	
Sub Total			\$ 665,100.00	
Revenues (yearly)				
number of units	22			
average nightly rental	\$ 235.00			
yearly occupancy %	40%			
Total room revenue	\$ 754,820.00			
ancillary revenue	\$ 10,000.00			
Total income	\$ 765,077.40			
Profit Loss estimate				
		Revenue	\$ 765,077.40	
		Expense	\$ 665,100.00	
		Net	\$ 99,977.40 plus any property appreciation	

Appendix - F. – Season Resort Development

Financial Analysis									
Townhouse/Condo Development									
PRE OPERATION PHASE									
Town Aquisition and Planning									
Land Acquisition									\$ 1,060,000.00
Soft cost (surveys, closing, fees, taxes, legal)									\$ 50,000.00
site clean up									\$ 20,000.00
demolition and disposal									\$ 100,000.00
taxes (pilot)	2 years		at \$16000						\$ 32,000.00
insurance	2 years		at \$5000						\$ 10,000.00
architecture, design and engineering									\$ 100,000.00
legal									\$ 10,000.00
printing									\$ 1,000.00
permit fees									\$ 2,000.00
Sub total									\$ 1,385,000.00
Construction phase									
grading									\$ 10,000.00
foundation									\$ 40,000.00
building	15000 sq ft		\$250/sq ft						\$ 3,750,000.00
commercial pool									\$ 150,000.00
site work (parking, walkways, lighting)									\$ 100,000.00
Septic									\$ - assumes full grant for septic system
utilities (installation)									\$ 20,000.00
landscaping									\$ 100,000.00
signage									\$ 5,000.00
dock work									\$ 30,000.00
construction management									\$ 20,000.00
taxes	2 years		at \$16,000						\$ 32,000.00
insurance	2 years at		\$5,000						\$ 10,000.00
furniture (common areas)									\$ 20,000.00
exterior furniture (pool and grounds)									\$ 75,000.00
cost of money									\$ 100,000.00
sub total									\$ 4,462,000.00
Total Acquisition and Construction									\$ 5,847,000.00
Revenues									
number of units									12
average sale price									\$ 650,000.00
Total Sales									\$7,800,000.00
Expenses									
Real estate commisions									\$780,000.00
Marketing Costs									\$ 50,000.00
Cost of Money									\$ 500,000.00
Interim taxes during sales period									\$ 100,000.00
Total Expenses									\$1,430,000.00
Net revenues from sales									\$6,370,000.00
Profit Loss estimate									\$523,000.00