Hamlet of Wainscott

EAST HAMPTON HAMLET BUSINESS DISTRICT PLAN

ANALYSIS FINDINGS

Presented By:
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RKG Associates, Inc

Demographic and Economic Base Trends

- Population
- Household Income
- Employment Scale and Trends

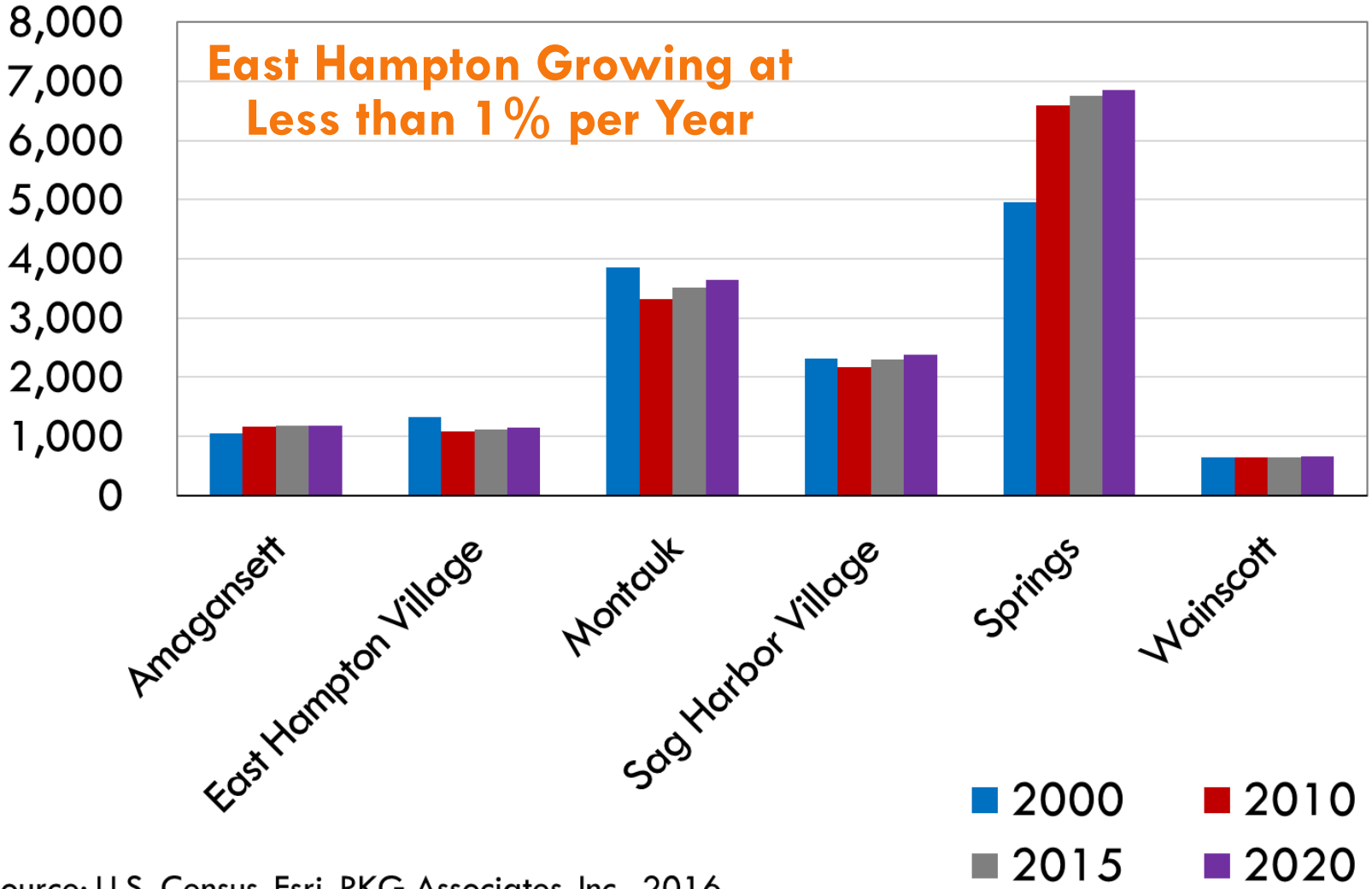
Key Industries

- Agriculture
- Commercial Fishing and Maritime
- Hospitality and Tourism
- Retail and Hamlet Business Districts
- Second Home and Real Estate

Wainscott Summary

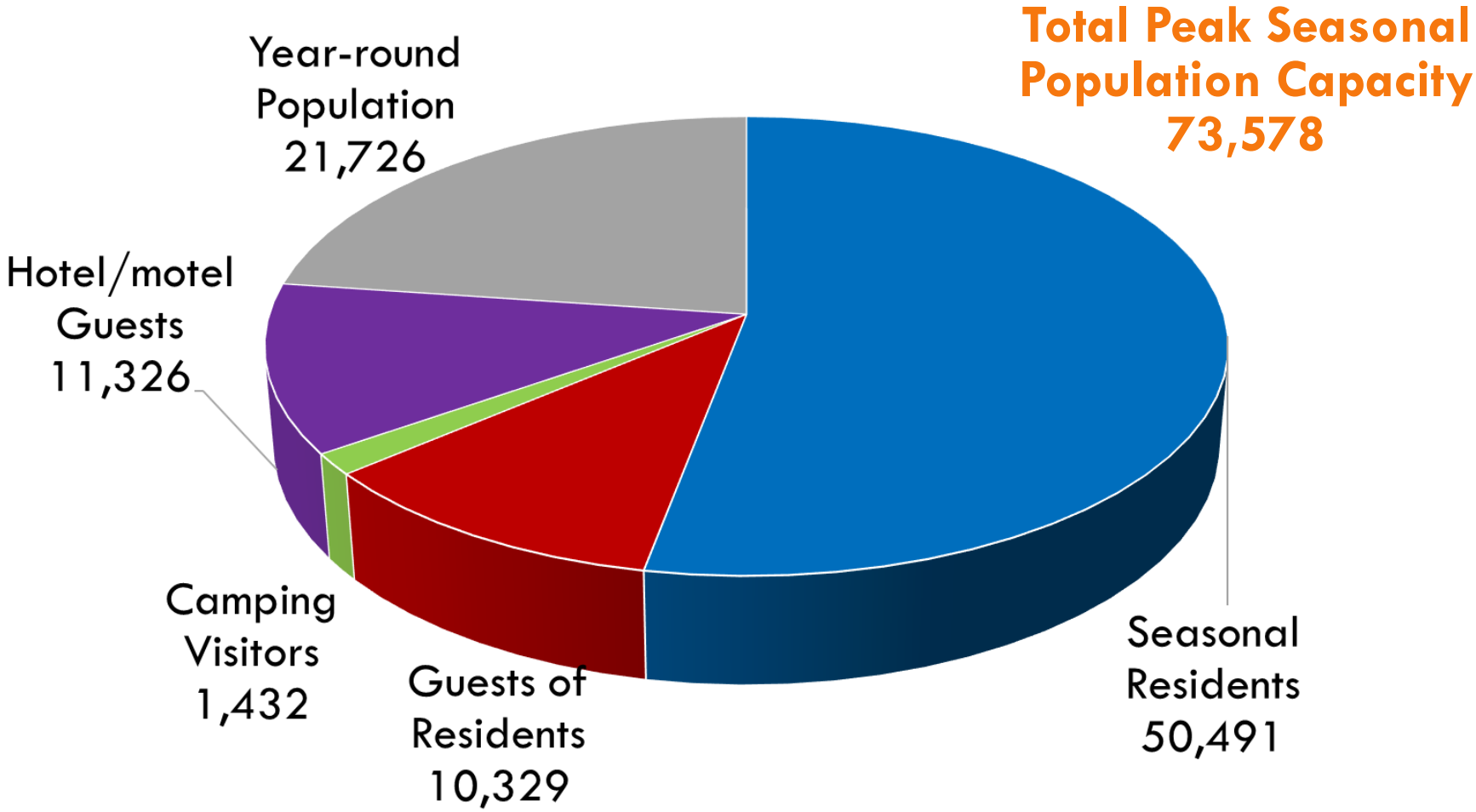
Population Trends

2000-2020



Source: U.S. Census, Esri, RKG Associates, Inc., 2016

Year Round v. Peak Seasonal Population Capacity

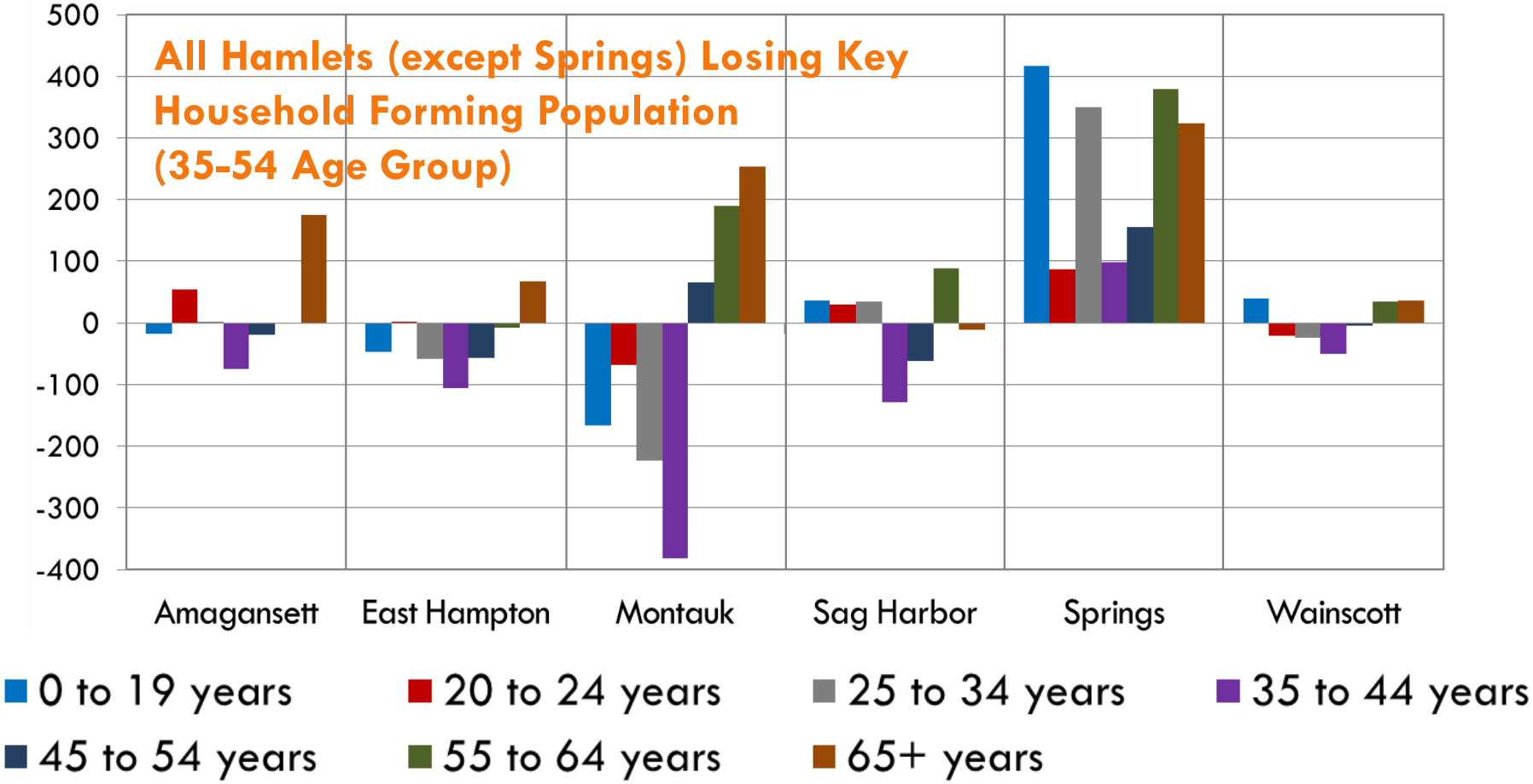


Source: Suffolk County Planning Department, RKG Associates, Inc.,

Population Changes by Age Group

Town of East Hampton

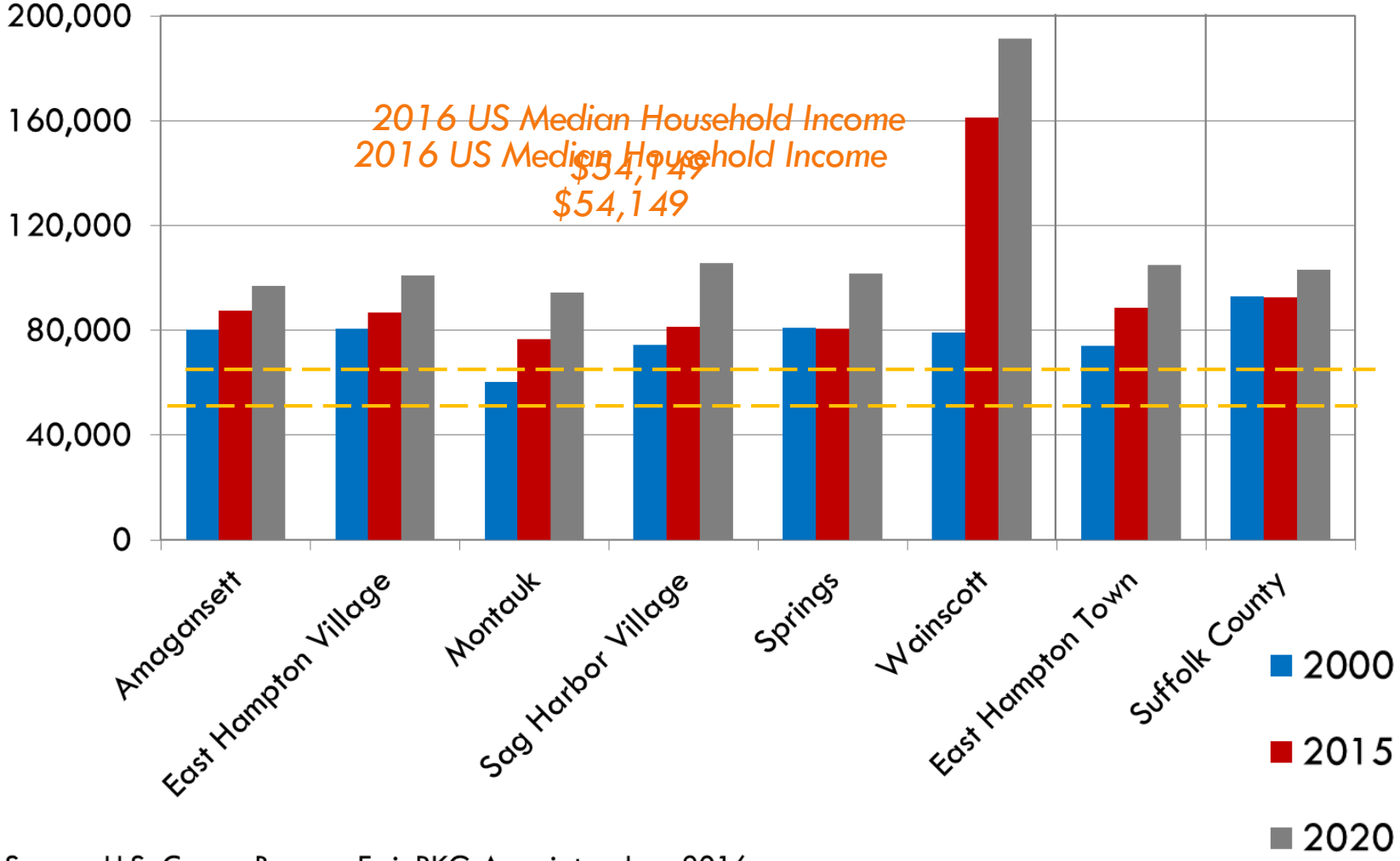
2000-2015



Source: U.S. Census Bureau, Esri, RKG Associates, Inc., 2016

Household Median Income Trends

East Hampton and Suffolk County
2000-2020



Source: U.S. Census Bureau, Esri, RKG Associates, Inc., 2016

Slowly Growing but Aging Population

- Town-level population growth is slow but has outpaced Suffolk County
- Growth mainly driven by Springs' change in Hispanic population
- Population aging (55+ growth) except in Springs is occurring at the same time there is reductions in the workforce population
- Surging housing and school demand in Springs
- Second/Seasonal home presence is dominant and growing
- Growing demand for services catering to older population

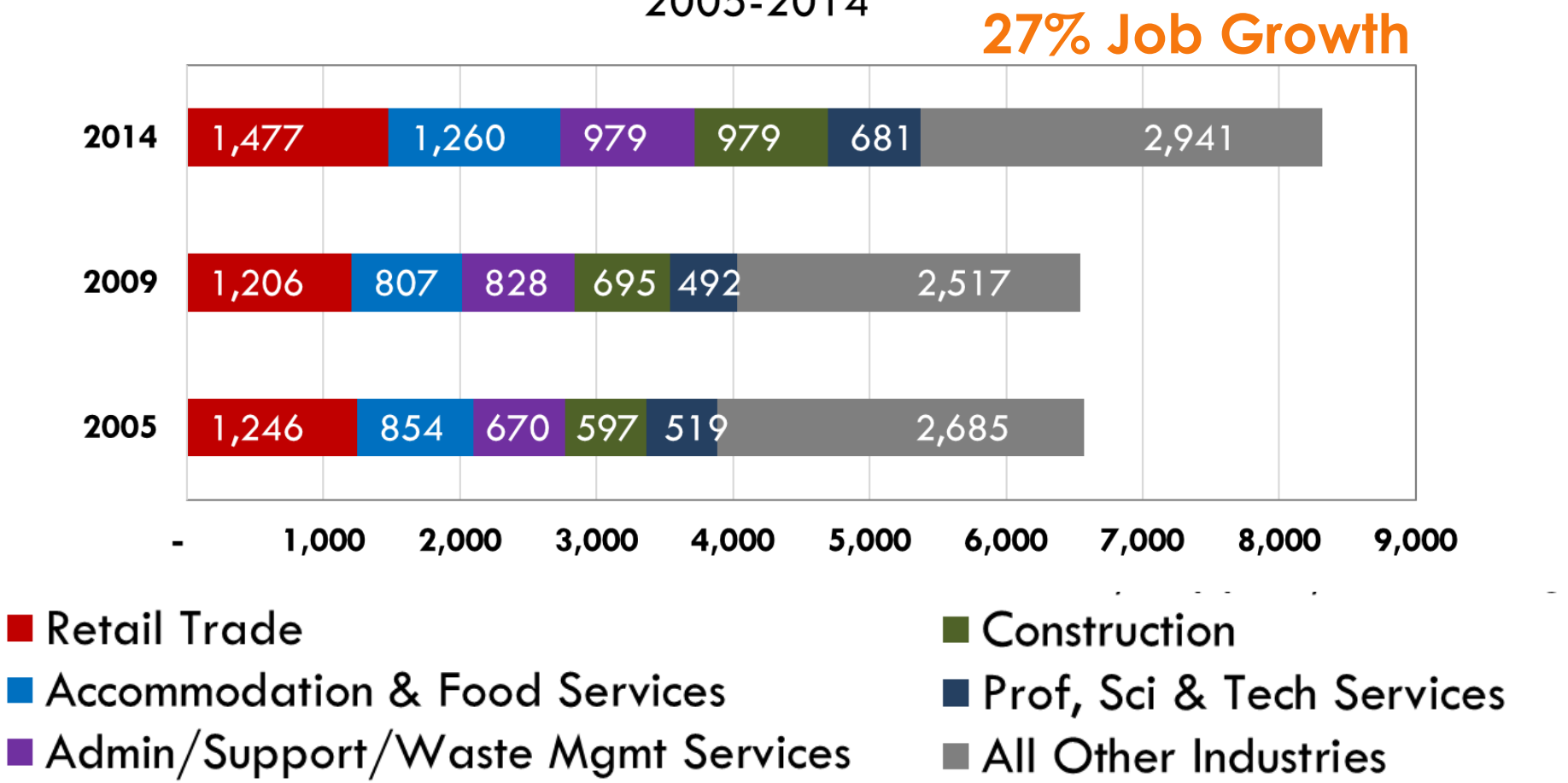
High Median Household Income and Shifting Higher

- Below the Suffolk County level but well above the national level
- Fast growth due to higher income households moving in and average income households moving out
- Impacts: driving up real estate prices, harder to retain workforce; opportunities for businesses that cater to high-income households and tourists

Employment Trends

East Hampton

2005-2014

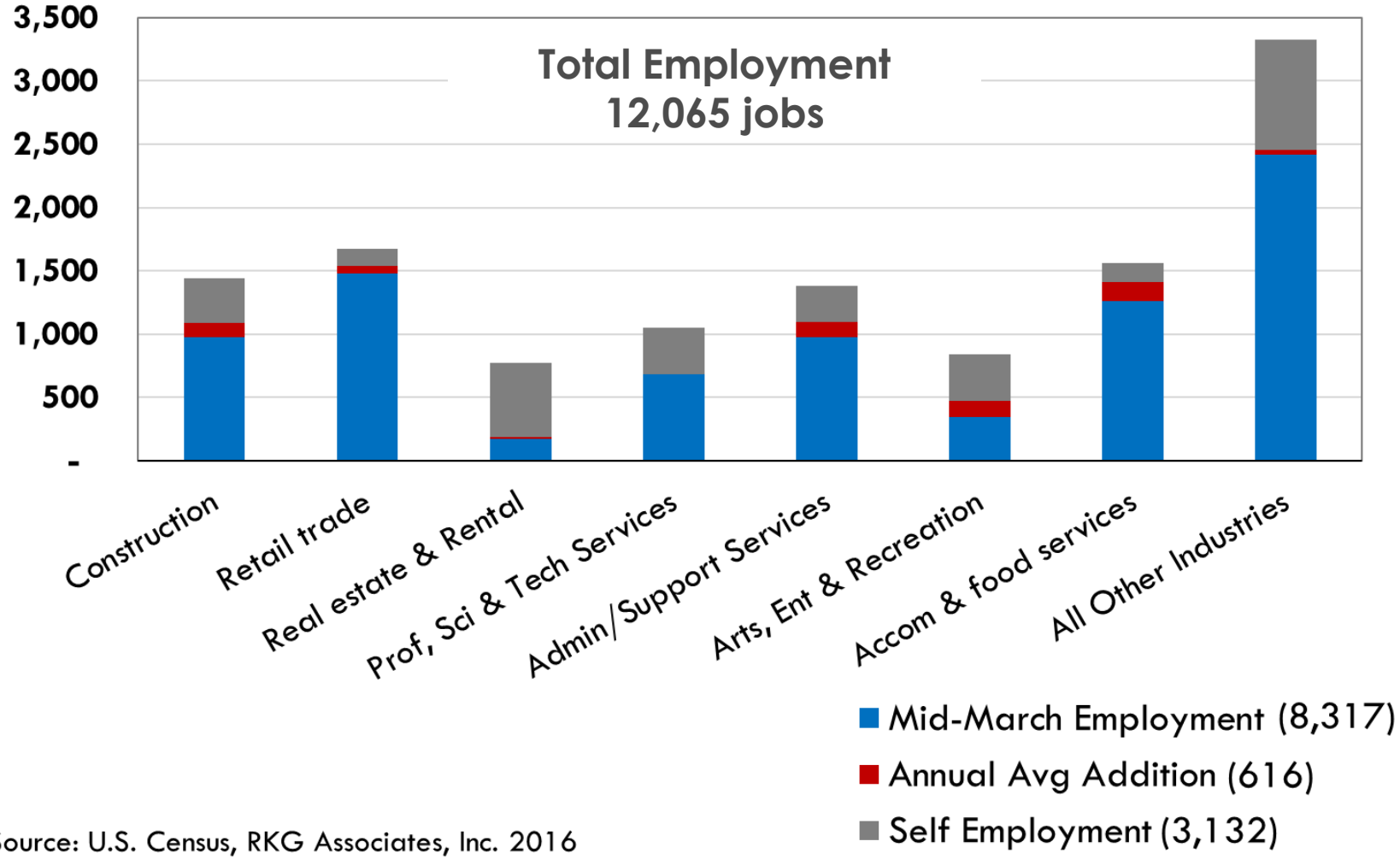


Source: U.S. Census, RKG Associates, Inc. 2016

Seasonal Employment and Self-employment

East Hampton
2014

26% of Workers Self-Employed



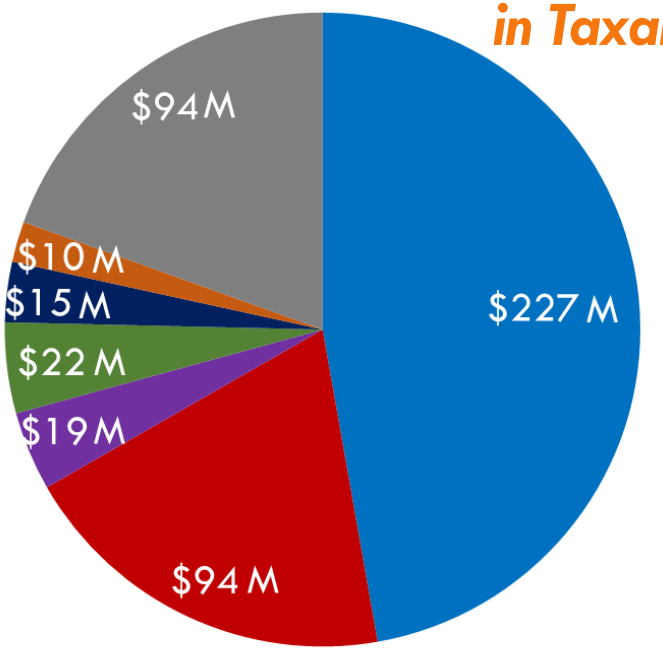
Source: U.S. Census, RKG Associates, Inc. 2016

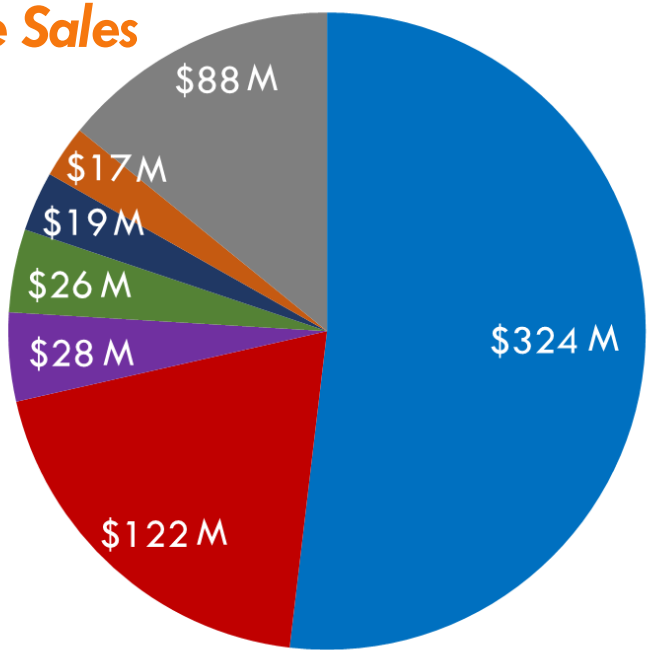
Taxable Sales Trends ($ millions)

$481 Million (2009)

30% Growth in Taxable Sales

$624 Million (2014)





- Retail Trade
- Admin/Support Services
- Arts, Ent, Recreation
- All Other Industries
- Accom & Food Services
- Information
- Construction

Source: U.S. Census, U.S. BLS, NY State Dept. Taxation & Finance, RKG Associates, Inc. 2016

Economy Driven by Second Home and Tourism

- Strong growth in total employment and taxable sales
- Relative stability during the 2009-2010 Recession
- Real estate has come back, driven by second home sales/development
- Tourism economy stronger in Montauk but fishing industry faces many challenges
- Sea-level change and increased regulations could impact both industries

Highly Seasonal

- Seasonal labor supply is very important to maintaining core service and tourism economy
- Seasonal workforce and affordable housing is one of the biggest threats to the economy. Must become a community priority and address NIMBY

Sizable self-employment base creates "freelance" economy and entrepreneurship

Agriculture

- Limited production capacity but important to maintain
- Valuable as open space and tourism asset
- Could play a greater economic role in the future

Commercial Fishing

- Represent 50%-60% of Suffolk County production and 30%-45% of New York State production
- Faced with all manner of regulatory challenges and reductions in the fish stocks
- Needs additional ways to add value
- Need significant changes to reposition the industry for the future

Maritime

- A major component of the tourism economy, especially in Montauk and Springs
- Large numbers of self-employed operators
- Industry more adaptable due to the diversity of the activities
- Susceptible to down economic cycles and competition in other seaside communities

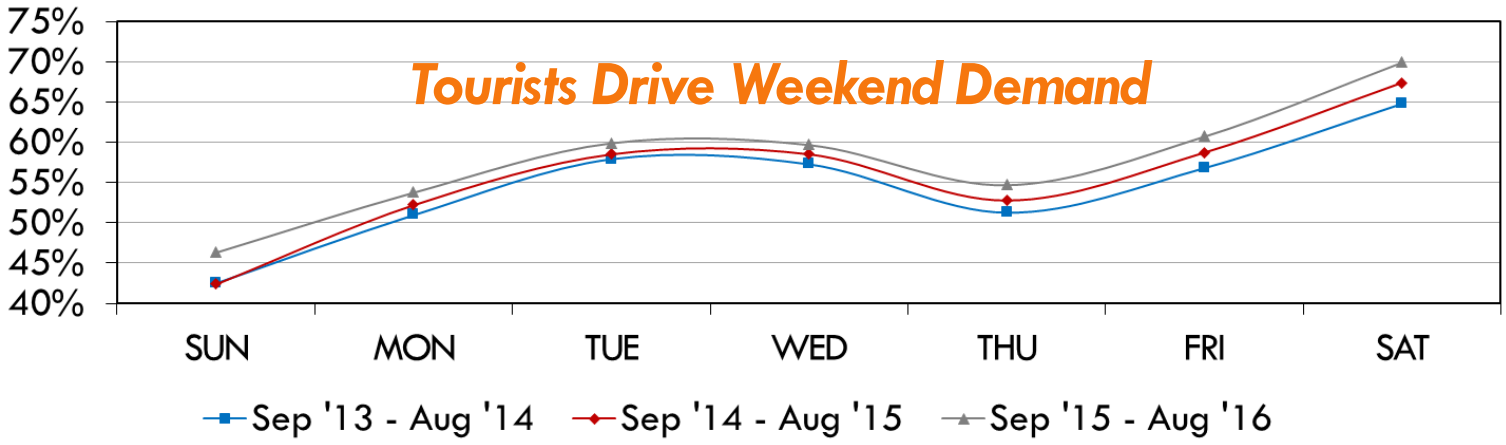
East Hampton Hotel Inventory

Year Round v. Seasonal Supply

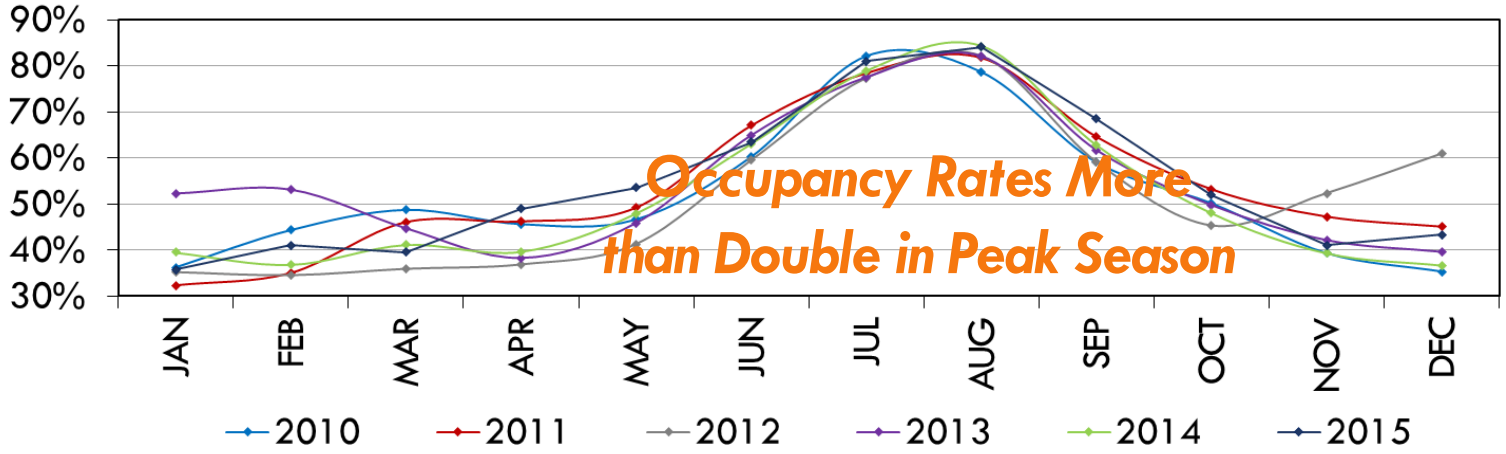
	Year Round		Seasonal		Total		Percentage	
	# of Hotels	# of Rooms	# of Hotels	# of Rooms	# of Hotels	# of Rooms	# of Hotels	# of Rooms
Amagansett	5	108	0	0	5	108	6.0%	4.3%
Napeague	2	119	5	251	7	370	8.4%	14.7%
Montauk	25	740	28	1,047	53	1,787	63.9%	70.8%
Springs	1	4	0	0	1	4	1.2%	0.2%
Wainscott	1	18	1	20	2	38	2.4%	1.5%
EH Village	14	212	1	4	15	216	18.1%	8.6%
Total #	**48**	**1,201**	**35**	**1,322**	**83**	**2,523**	100.0%	100.0%
Percentage	57.8%	47.6%	42.2%	52.4%	100.0%	100.0%		

- **64% of hotels and 71% of hotel rooms are located in Montauk**
- **52% of all rooms are seasonal**

Daily Occupancy Rates (19 Sample Hotels in the Region, Sep. '13 - Aug. '16)



Monthly Occupancy Rates (19 Sample Hotels in the Region, 2010-2015)



Source: Smith Travel Research, RKG Associates, 2016

Hospitality & Other Lodging Options

- As guests of East Hampton residents (year-round & seasonal)
- Seasonal rental properties through Realtors
- Resort-condos and resort-coops
- Online home reservation services (e.g. Airbnb)
- Local camp sites

Hospitality Opportunities and Challenges

- Traditional hotels are facing increased competition from home reservations
- Strength of hospitality market tied to economic cycles and will fluctuate
- Home reservations have created some negative Impacts on residential neighborhood but local regulations seem to be working
- Climate change and environmental issues could pose threat to many ocean front hotel properties

East Hampton Commercial Districts Business Inventory	Num of Businesses		Square Footage	
	#	%	SF	%
Agriculture, Forestry, Fishing and Hunting	1	0.1%	n/a	n/a
Mining, Quarrying, Oil/Gas Extraction	1	0.1%	n/a	n/a
Utilities	1	0.1%	n/a	n/a
Construction	87	12.1%	165,309	6.6%
Manufacturing	3	0.4%	13,793	0.6%
Wholesale Trade	2	0.3%	4,402	0.2%
Retail Trade	206	28.7%	516,602	20.6%
Transportation and Warehousing	17	2.4%	110,389	4.4%
Information	5	0.7%	3,100	0.1%
Finance and Insurance	11	1.5%	46,356	1.9%
Real Estate and Rental and Leasing	15	2.1%	36,168	1.4%
Professional, Scientific, Technical Services	49	6.8%	92,197	3.7%
Admin/Support, Waste Mgmt Services	4	0.6%	2,803	0.1%
Educational Services	2	0.3%	3,691	0.1%
Health Care and Social Assistance	31	4.3%	77,833	3.1%
Arts, Entertainment, and Recreation	62	8.6%	195,222	7.8%
Accommodation and Food Services	179	24.9%	1,148,053	45.8%
Other Services (except Public Admin)	43	6.0%	88,297	3.5%
Total	**719**	**100.0%**	**2,504,215**	**100.0%**

Key Industries

Retail

- Overall Net Surplus of Retail Sales - (retail sales exceed the total demanded by local households)
  - Tourists
  - Seasonal residents
- East Hampton lacks a variety of goods and services for year-round residents
- Year-round residents say they don't mind driving outside the community or making online orders for goods that they can't buy locally
- Some Potential for New Retail Development in Certain Locations

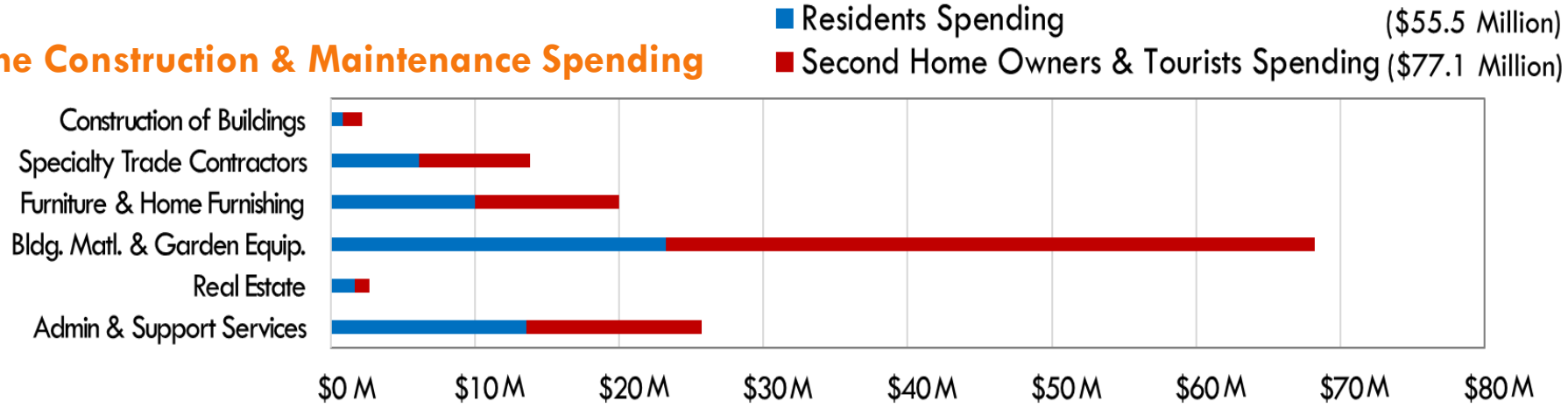
Supportable Retail

- 184,000 SF to 390,000 SF of supportable new retail square feet
- May not translate into new stores but new product lines in existing stores

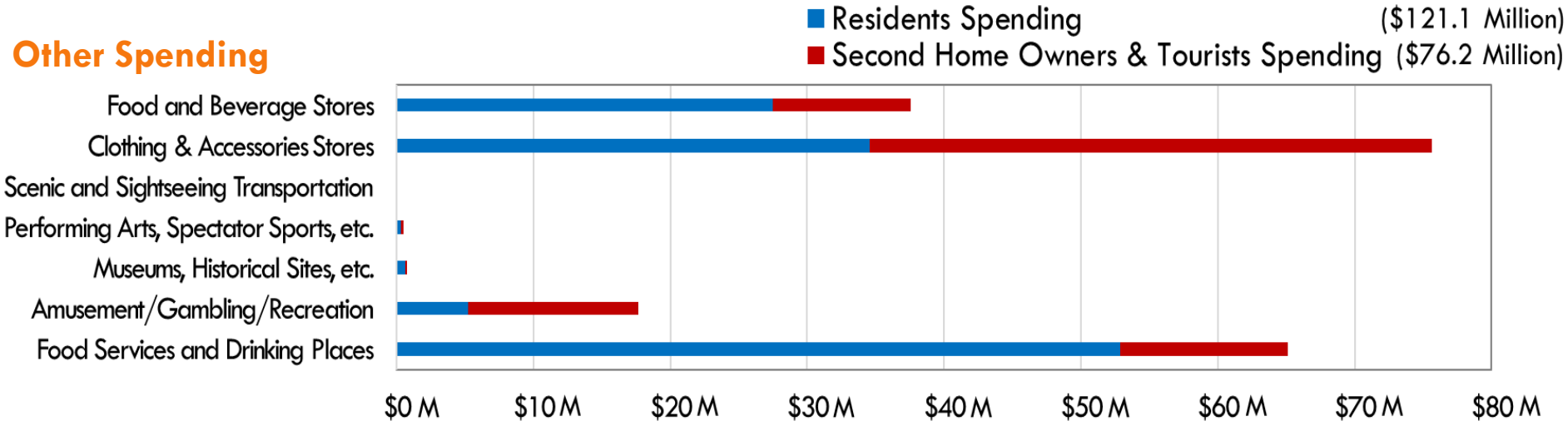
Business Type	Requisite Conditions
Auto Parts, Accessories & Tire Stores	Convenience
Electronics & Appliance Stores	Convenience, access, visibility
Health & Personal Care Stores	Convenience, access, visibility
Shoe Stores	Convenience, access, visibility
Department Stores Excluding Leased Depts.	Convenience
Other General Merchandise Stores	Convenience
Limited-Service Eating Places	Suitable visibility, access, environment. National chains

Second Home Economy – Consumer Spending

Home Construction & Maintenance Spending



Other Spending

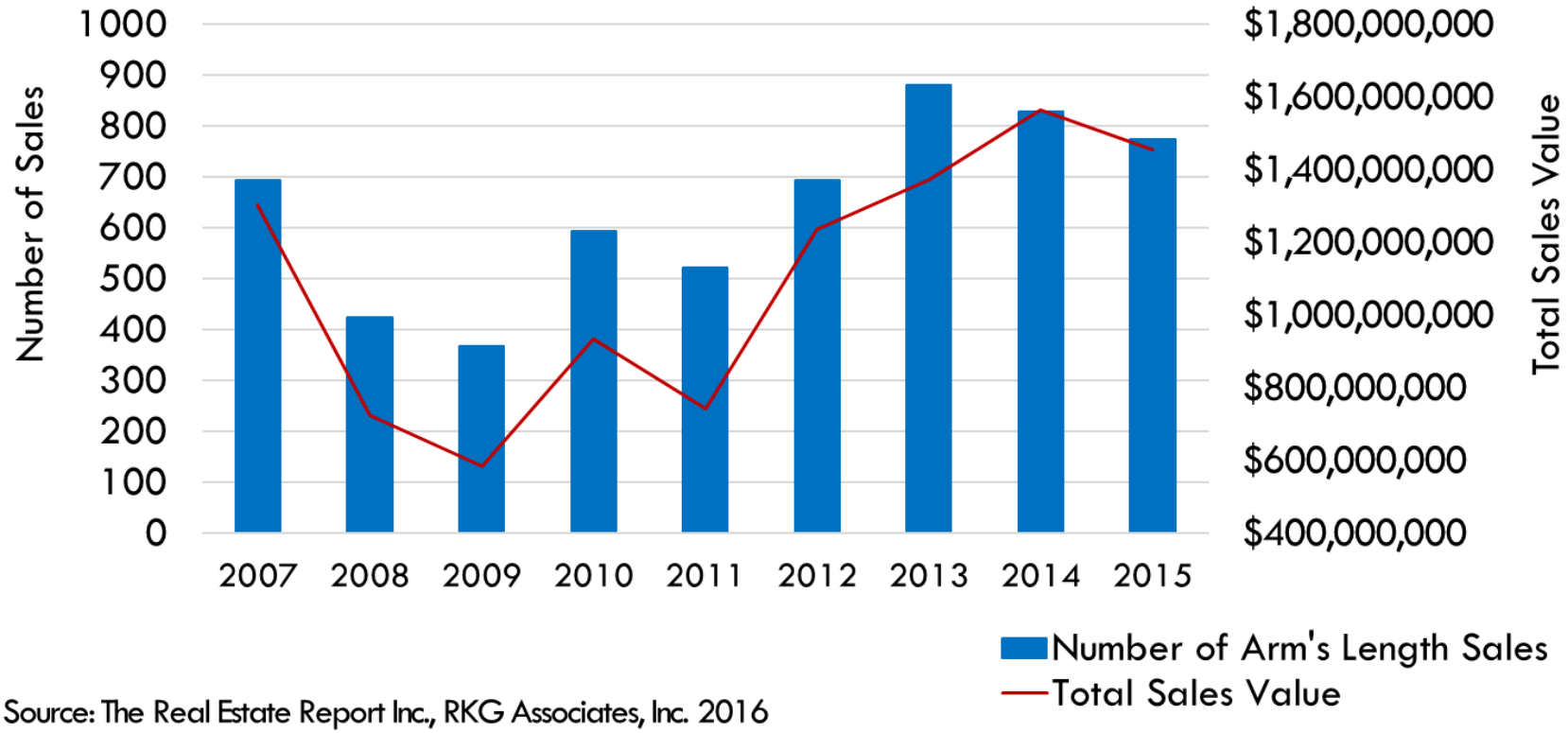


Total: 46% of Taxable Sales ($153.3 Million) from Second Home Owners and Tourists

Second Home Economy
Real Estate Sales

Residential Property Arm's Length Sales

East Hampton
2007-2015



Source: The Real Estate Report Inc., RKG Associates, Inc. 2016

HAMLET OF WAINSCOTT

ANALYSIS FINDINGS

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RKG
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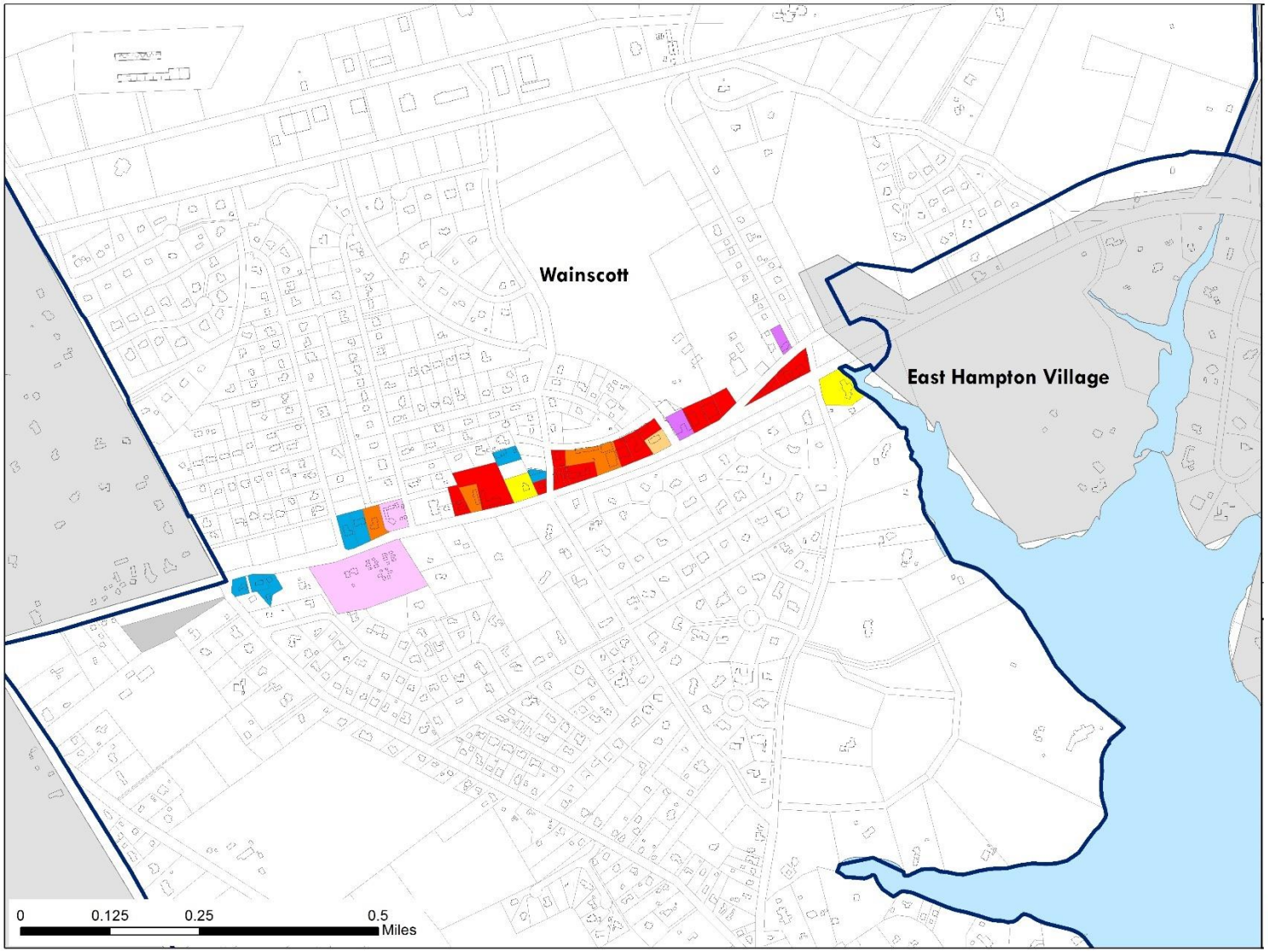
Wainscott Business District



- Accommodation
- Automotive
- Industrial/Shop/Warehouse
- Mix Use
- Office
- Recreation
- Restaurant
- Retail/Service
- Vacant
- Hamlet Boundaries

Wainscott Commercial District Business Inventory

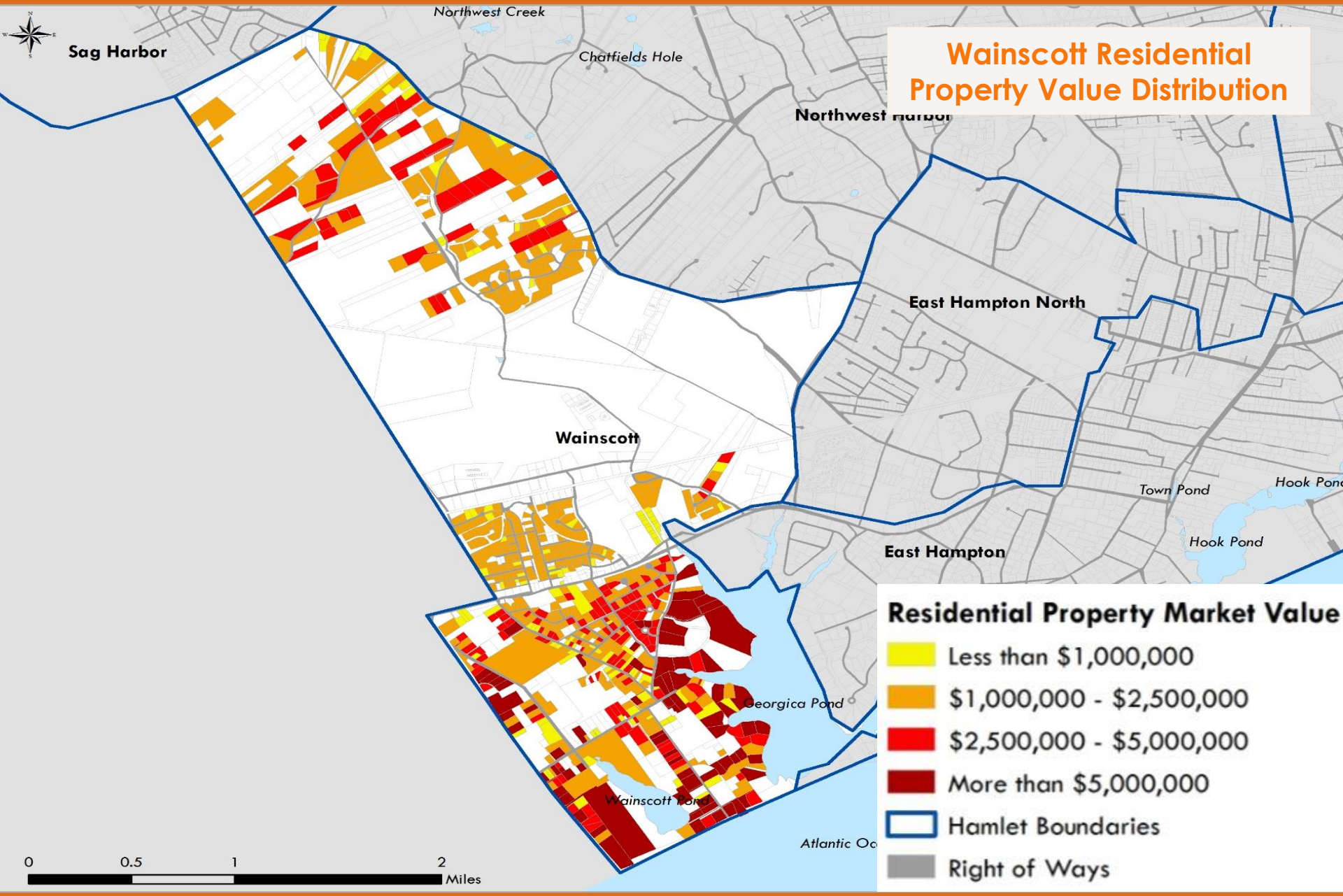
	Num of Businesses		Square Footage	
	#	%	SF	%
Construction	2	3.5%	5,393	3.2%
Manufacturing	1	1.8%	-	0.0%
Retail Trade	25	43.9%	71,114	42.8%
Transportation and Warehousing	1	1.8%	29,892	18.0%
Real Estate and Rental and Leasing	1	1.8%	-	0.0%
Professional, Scientific, Technical Services	10	17.5%	14,472	8.7%
Health Care and Social Assistance	6	10.5%	11,243	6.8%
Arts, Entertainment, and Recreation	2	3.5%	4,998	3.0%
Accommodation and Food Services	5	8.8%	19,112	11.5%
Other Services (except Public Admin)	4	7.0%	9,817	5.9%
Sub-total	**57**	**100.0%**	**166,041**	**100.0%**
% of Town Total	**7.9%**	**n/a**	**6.6%**	**n/a**

Wainscott Residential Property Ownership Pattern (2015)

Wainscott	Properties		Total Assessed Value		Market Value		Total Tax	
	Number	%	$	%	Total	Per Property	$	%
Second Home	653	75.9%	$10,642,799	83.3%	$1,803,864,237	$2,762,426	$5,642,741	83.5%
Other Parts of Long Island	102	11.9%	$1,279,910	10.0%	$216,933,898	$2,126,803	$673,225	10.0%
NY State excluding Long Island	467	54.3%	$7,863,369	61.5%	$1,332,774,407	$2,853,907	$4,176,448	61.8%
Other U.S. States	79	9.2%	$1,364,520	10.7%	$231,274,576	$2,927,526	$720,380	10.7%
International	5	0.6%	$135,000	1.1%	$22,881,356	$4,576,271	$72,688	1.1%
Year-round Home	206	24.0%	$2,125,291	16.6%	$360,218,814	$1,748,635	$1,113,477	16.5%
Uncategorized	-	0.0%	$0	0.0%	$0	n/a	$0	0.0%
Tax Exempt	1	0.1%	$9,550	0.1%	$1,618,644	$1,618,644	$0	0.0%
SUBTOTAL	**860**	**100.0%**	**$12,777,640**	**100.0%**	**$2,165,701,695**	**$2,518,258**	**$6,756,218**	**100.0%**
% of Town Total	**4.7%**	**n/a**	**7.1%**	**n/a**	**7.1%**	**149.0%**	**4.3%**	**n/a**

Town Total

Second Home	11,498	63.2%	$133,905,372	73.9%	$22,695,825,763	$1,973,893	$112,885,909	72.3%
Other Parts of Long Island	2,232	12.3%	$18,616,996	10.3%	$3,155,423,051	$1,413,720	$16,844,962	10.8%
NY State excluding Long Island	7,029	38.7%	$87,311,812	48.2%	$14,798,612,203	$2,105,365	$72,877,581	46.7%
Other U.S. States	2,133	11.7%	$26,290,354	14.5%	$4,455,992,203	$2,089,073	$21,820,893	14.0%
International	104	0.6%	$1,686,210	0.9%	$285,798,305	$2,748,061	$1,342,472	0.9%
Year-round Home	6,610	36.4%	$46,784,912	25.8%	$7,929,646,102	$1,199,644	$43,159,413	27.7%
Uncategorized	3	0.0%	$9,700	0.0%	$1,644,068	$548,023	$8,728	0.0%
Tax Exempt	70	0.4%	$539,025	0.3%	$91,360,169	$1,305,145	$0	0.0%
TOTAL	**18,181**	**100.0%**	**$181,239,009**	**100.0%**	**$30,718,476,102**	**$1,689,592**	**$156,054,050**	**100.0%**

Source: Town of East Hampton, East Hampton Village, NY State Dept. of Taxation and Finance, KRG Associates, Inc., 2017

Wainscott Residential Property Value Distribution