

## STRATEGIC PLAN FOR BUSINESS DEVELOPMENT

## EXECUTIVE SUMMARY

This report was funded by a grant secured from Empire State Development to complete a Strategic Plan for Business Development within the Village of Arcade, with a specific emphasis on (5) pre-identified parcels. It identifies: market trends both strong and weak, community assets, and opportunities for growth in the local economy. The analysis and recommendations come from real estate market data, analysis of the economic and demographic base, and engagement with the community through interviews, public workshops, and questionnaires.

This plan's ultimate use is to provide a vision, framework for decision-making, and general focus for evaluating and steering future development within Arcade both holistically as well as specifically within the (5) target areas below:

### **Pre-identified parcels:**

#### **1. STEELE AVE SITE (SMALL)**

A 4.27 acre parcel, currently zoned for Highway Commercial / Light Industrial uses currently owned by the IDA. *A feasibility study was previously done by a developer for a hotel showing strong regional demand in 2019 but stalled during COVID-19.*

#### **2. STEELE AVE SITE (LARGE)**

A 27.3 acre parcel currently owned by the Town of Arcade and zoned for Highway Commercial / Light Industrial uses.

#### **3. HUMMINGBIRD SITE**

A 2.56 acre parcel that was formerly the Fashion Knitting Mill, zoned for Medium / Low density residential with sewer. The parcel is located within the flood plain, and may be eligible for state and federal Historic Preservation Tax Credits pending its inclusion in a proposed district.

#### **4. EMKAY SITE**

A 15.64 acre parcel that was a former Grist mill and industrial creamery, and will require significant environmental remediation of both known asbestos containing debris from the site, as well as an unknown level of remediation needed for buried oil tanks on the premises. *A feasibility study was previously done by a developer for senior housing in 2021.*

#### **5. DOWNTOWN**

The downtown, with several commercial vacancies and underutilized upper-floor spaces, has an opportunity to reinvest in itself to bring the overall quality, quantity, and variety of available rental spaces up to meet currently high demands.

## KEY FINDINGS SUMMARY:

### **Village is reaching the limits of its industrial/commercial growth for its current population.**

- Historically strong commercial & industrial growth due to low energy cost, proximity to population centers, and geography.
- Running out of space within the Village to develop - remaining parcels will catalyze the village's future direction.
- The post-war industrial and commercial growth has created a car-centric commercial strip.

### **Recent job growth in the village hasn't increased the number of residents.**

- Non-resident-employees working within the village outnumber resident-employees 15:1
- During the morning commute, incoming non-resident-workers outnumber outgoing resident-workers 3.5:1
- Wages earned by those employed in the village are spent elsewhere.

### **Residential growth hasn't kept up with industrial growth.**

- New employees do not have the opportunity to live in Arcade or grow the tax base due to unavailable housing options.
- Residents alone cannot sustain commercial activity (shops out of business/limited hours).
- Shifts in village demographics point to an enhanced need for senior housing, which could shore up underutilized single family homes.

### **Housing units of all variety would be affordable in the village.**

- New, market-rate apartments of any unit size would be affordable to the majority of Arcade's employee base
- Existing single family housing would be affordable to the majority of Arcade's employee base
- Village home and apartment costs are lower than the average but have low turnover
- Cost increases on new construction means that developers will be highly responsive to tax subsidies and state incentives.

### **Market changes are brewing.**

- Historic job loss in the past 10 years (17% loss)
- Historic growth areas in the past 10 years have been transportation, wholesale, agriculture, and light industrial
  - Generally speaking, these industries utilize large street-facing parking lots, have heavy traffic, and low-walkability.
- Projected growth in the next 10 years in areas of accommodation and food service, with modest growth in light industrial and manufacturing.
  - Generally speaking, these development typologies benefit heavily from walkability and a critical mass of amenities and other businesses.

## INTRODUCTION

Situated in the southwestern corner of Wyoming County, at the convergence of the Clear and Cattaraugus Creeks; the Village of Arcade has always capitalized on its unique geography and location to grow its economy. Originating as primarily a farming community and growing into a major agricultural/industrial player through the use of several mills and sites along both creeks - the early growth of the A&A rail line secured its place as a major commercial/industrial hub with ample access to energy and workforce.

The post-war booms of personal and commercial automobile usage, promoted by the creation of the state highway system, hastened the shift towards gas-powered transportation. Along with it came the belief that a downtown without ample parking and wide automobile lanes would dissuade visitors, congest traffic, and ultimately lead to the demise of a commercial core. This mentality was pervasive throughout new commercial and residential development, becoming a self-fulfilling prophecy as disinvestment in pedestrian comfort and connectivity led to further dependence on automobiles. During this period of time, many downtowns lost the infrastructure that made them walkable, pedestrian-friendly destinations.

Larger national trends show a modest increase in populations for rural communities that invested in their mixed use downtown centers, capitalized on walkability and recreation to bolster quality of life and health outcomes, and were pro-active in promoting development as a response to the varied needs of their tax base to sustain itself.

## VISION STATEMENT

**“As the commercial/industrial powerhouse of Wyoming County, NY, the Village of Arcade is dedicated to growing its resident population, prioritizing walkable development patterns, and providing support for businesses that will enable their success.”**

## COMMUNITY ENGAGEMENT SUMMARY:

An objective overview of the current economic state of Arcade is paramount in evaluating its trajectory; a subjective understanding of the “ground truth” of life and work in arcade provides a lens to use the information effectively. Since the project’s inception, recommendations and strategic planning were centered around (4) currently unoccupied/underutilized parcels, and the main street commercial corridor/downtown.

The village of Arcade’s Strategic Plan for Business Development was developed through several stages of community engagement via the following methods:

- **STAKEHOLDER INTERVIEWS:** In.Site:Architecture (ISA) and MRB Group (MRB) staff met for a day of back-to-back interviews with business owners, residents, village officials, and county staff members in small working groups where they were asked to reflect and discuss on the current state of development in Arcade. (May)
- **WORKSHOP 1:** ISA and MRB staff presented a draft of the economic base report to the stakeholder group and led the discussion. Stakeholders completed questionnaires regarding the general characteristics present in the built environment of Arcade and what types of uses would be preferred for the (4) pre-identified parcels, as well as existing commercial and residential areas. (June)
- **WORKSHOP 2:** ISA and MRB staff presented an updated economic base report highlighting the cost of existing and potential new housing units compared to the current income levels present in the Village. Results of WORKSHOP 1 were used to develop preliminary development strategies for the priority parcels based on what was most popular within the stakeholder group. Each parcel redevelopment strategy was then evaluated for its overall impacts to the Village based on form, character, job support, spending potential, new residents, etc... (July).
- **STEERING COMMITTEE MEETING:** ISA and MRB staff presented the final Economic Base Report draft to the SPBD Steering Committee, reviewed the overall popularity and perceived qualitative and quantitative impacts of the proposed parcel reuses, identified the vision, and developed the general goals and objectives of the report. (August)

A summary of the interviews and workshops are enclosed within the next sections, with full size handouts and additional materials located in the appendix.

## STAKEHOLDER INTERVIEWS

On May 10th, 2022, Rick Hauser, James Reynolds, and Jared Shepard met with numerous residents, business owners, village staff, and IDA representatives during a round of all-day interviews as a way to kick off the project, the goal of the interviews to help shape the direction of the base economic analysis by identifying a narrative based in stakeholders' experience and provide insight moving forward.

Interviews were conducted from 9am to 4pm, with small focus groups rotating in and out every hour. While not a full list of commentary and feedback from the interviews - the following were themes and comments that we heard often enough to include.

### **MOST REPEATED STAKEHOLDER INTERVIEW COMMENTS:**

- Merchants: "After business hours, downtown is empty, we can't stay open."
- Residents: "Downtown shops are closed on weekends, there isn't anything to do."
- Employers: "People are skipping Arcade because they can't find homes/apartments here, despite working there."
- "Downtown must become a destination."
- "Residents are looking to downsize but can't locally with no available options."
- "Industrial traffic makes the downtown noisy and difficult to walk in, despite being a walkable layout."
- "Apartment conversions aren't well maintained - tenants don't care - owners aren't paid rent enough to invest."
  
- "Churches are buying up real estate and removing from the tax roles."
- "Downtown has slowly converted into a service area as retail is becoming less viable and internet retail prevails."
- "People are very "trip focused" when visiting main street, and do not walk around or explore - just want to park in front and go in."
- "Softball/Baseball and other sports a huge draw to area for events/tournaments."
- "Need a concerted effort to communicate AND cross-promote regional, local, and downtown specific draws."
- "Capitalize on short term rustic camping and lodging options."
- "No more subsidized housing!"

## COMMUNITY WORKSHOP 1:

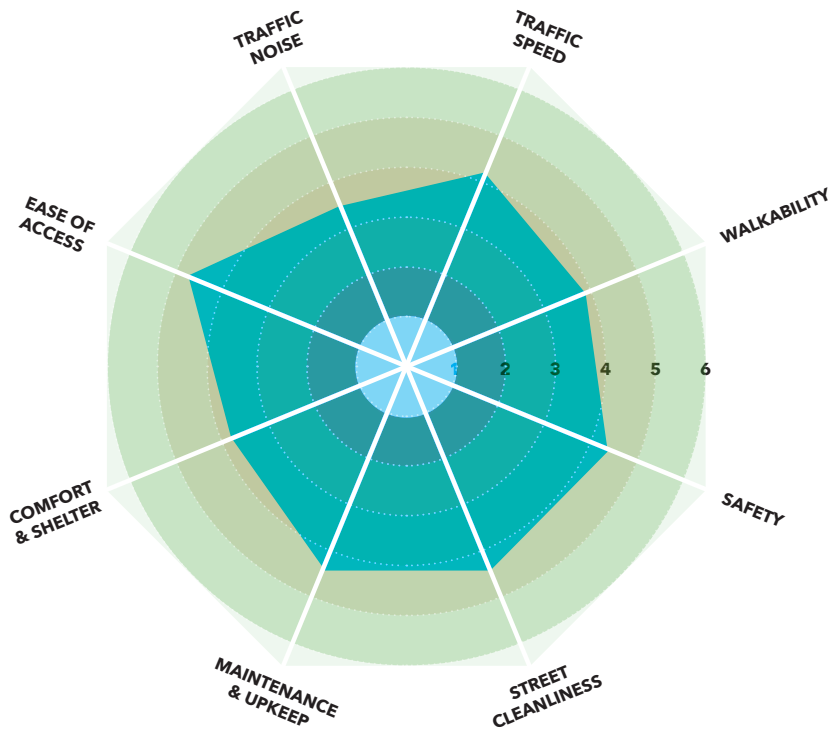
On June 22nd, the first draft of the Economic Base Report was presented at the first of two community workshops. Upon review of the economic data, questions about the affordability of new and existing housing were raised and addressed in later iterations of the base report. The public was also presented with a summary of the stakeholder interview themes, and a questionnaire about the existing and ideal characteristics of their Village, along with what development strategies they'd support at the (5) pre-identified village parcels. See appendix for presentation, questionnaire, and a summary of the data.

### **WORKSHOP 1 DEVELOPMENT QUESTIONNAIRE SUMMARY:**

Workshop participants were asked to review the existing and idealized characteristics of the Village's commercial/industrial corridor, as well as the residential areas using a series of 8 metrics: traffic noise, traffic speed, walkability, safety, street cleanliness, maintenance & upkeep, comfort & shelter, and ease of access. The adjacent diagrams show the average idealized scores overlaid on top of the average existing scores. The main takeaways are:

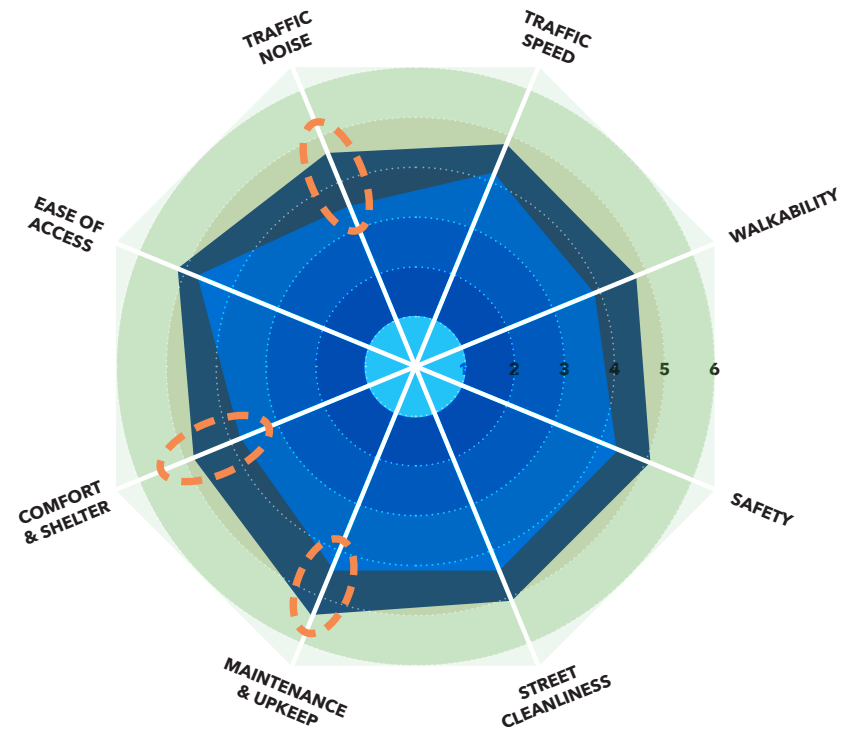
- **Traffic noise, comfort & shelter, and maintenance & upkeep** were the three biggest identified problems for the commercial/industrial corridor to contend with.
- **Traffic noise, traffic speed, and maintenance & upkeep** were identified by workshop attendees as the three biggest identified problems for the residential areas.
- **Steele Ave parcels had the highest support for new mixed-use commercial** (18.3%), Highway Commercial (15.9%), and Apartment buildings (12.2%).
- **The Emkay site parcel had the highest support for new mixed-use commercial** (20.3%), apartment buildings (14.5%), and bungalow courts (10.1%).
- **The Hummingbird site had the highest support for adaptive reuse** (25%), new mixed use commercial (18.8%), and apartment buildings (15.6%).
- **Residential areas had highest support for single family** (20%), Duplex (14%), and townhomes (11%).
- **Downtown had highest support for mixed-use upper floor residential** (17%) and adaptive reuse (14%).

**COMMERCIAL/INDUSTRIAL CORRIDOR**  
EXISTING CHARACTER RANKING RESULTS



**FIG W1-A:** Average rankings of existing commercial character

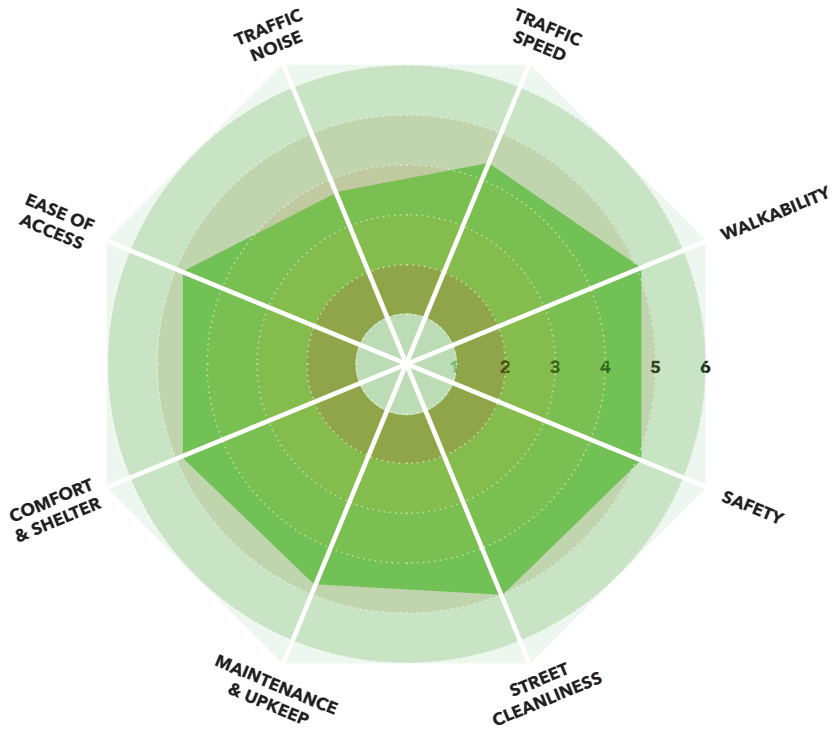
**COMMERCIAL/INDUSTRIAL CORRIDOR**  
EXISTING VS IDEAL OVERLAY



**FIG W1-B:** Average rankings of ideal commercial character overlay

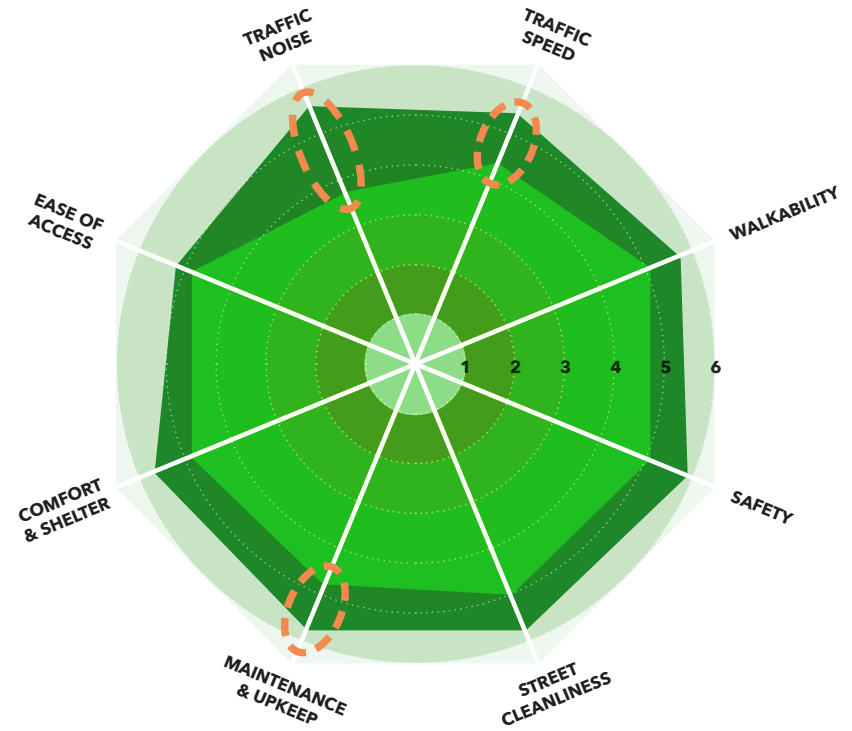


**RESIDENTIAL AREAS**  
EXISTING CHARACTERISTICS RANKING RESULTS



**FIG W1-C:** Average rankings of existing residential character

**RESIDENTIAL AREAS**  
EXISTING VS IDEAL OVERLAY



**FIG W1-D:** Average rankings of ideal residential character overlay

## COMMUNITY WORKSHOP 2:

As a direct continuation of workshop 1, on July 25th an updated economic base report with an emphasis on housing affordability and workforce income was presented, along with multiple display boards showing different options for the redevelopment of the (5) priority parcels based on the questionnaire feedback from the first workshop. The parcels were reviewed against relevant zoning and general building requirements for the proposed uses, with each proposed use being evaluated for:

- number of market rate apartments being added,
- square footage of commercial space,
- number of new residents to the village,
- number of parking spaces required,
- the proposed spending potential of residents/workers,
- and the number of jobs supported by residents/workers.

*Note: Note: the overall impacts of each development were estimated using data from the US Bureau of Labor Statistics' Consumer Expenditure Survey showing average local spending and job support. The site plans are based on the generally used forms and layouts found for their various industries and building typologies. Estimated local spending per resident was calculated to be roughly ~\$8,350/year, with slight variation based on income and housing.*

Workshop participants were given a second questionnaire, and asked to evaluate whether each individual development option would impact the characteristics of the site in a positive, neutral, or negative way. Categories for impact were: safety, walkability, maintenance & upkeep, comfort & shelter, street cleanliness, traffic noise, traffic speed, ease of access, commercial hours, job support, and fit for the context. (See fig. W2-A) All of the parcel impacts were evaluated to highlight which potential uses had the most community support based on having the highest positive impacts.

The questionnaire further asked participants to pick definitively which parcel would be best suited for residential, commercial, and industrial uses - as well as if they support the aforementioned uses within the village.

### STEELE AVENUE SMALL DATA ANALYSIS

	STEELE AVE SMALL MIXED USE	STEELE AVE SMALL HIGHWAY COMM	STEELE AVE SMALL APARTMENTS
SAFETY	8 2 3 0.38	5 6 2 0.23	5 6 2 0.23
WALKABILITY	6 4 4 0.08	2 4 7 -0.38	4 5 3 0.08
MAINTENANCE/UPKEEP	8 4 3 0.67	6 4 3 0.23	6 3 3 0.25
COMFORT/SHELTER	8 3 1 0.58	4 5 3 0.08	8 4 4 0.67
STREET CLEANLINESS	6 6 0 0.50	3 5 5 -0.15	4 5 4 0.00
TRAFFIC NOISE	1 9 3 -0.15	1 7 5 -0.31	1 8 4 -0.23
TRAFFIC SPEED	1 8 4 -0.23	1 7 5 -0.31	1 7 5 -0.31
EASE OF ACCESS	6 4 3 0.23	4 6 2 0.17	6 5 2 0.31
COMMERCIAL HOURS	6 3 0 0.67	5 3 2 0.30	4 5 0 0.44
JOB SUPPORT	8 3 1 0.58	10 1 2 0.62	3 7 1 0.18
FIT FOR THE CONTEXT	9 1 1 0.73	9 2 1 0.67	5 5 1 0.36
<b>TOTAL</b>	<b>66 47 20 0.95</b>	<b>50 50 37 0.09</b>	<b>47 60 25 0.17</b>

### EMKAY SITE EVALUATION

	MIXED USE	BUNGALOW COURTS	APARTMENTS
SAFETY	8 1 3 0.42	10 2 0.67	8 2 2 0.50
WALKABILITY	8 3 1 0.58	10 1 1 0.75	10 1 1 0.75
MAINTENANCE/UPKEEP	7 3 2 0.42	8 2 2 0.50	5 5 2 0.25
COMFORT/SHELTER	10 2 0.67	11 1 0.83	11 1 0.83
STREET CLEANLINESS	4 6 2 0.17	6 5 1 0.42	4 6 2 0.17
TRAFFIC NOISE	3 6 3 0.00	2 8 2 0.00	2 6 4 -0.17
TRAFFIC SPEED	4 3 5 -0.08	3 6 3 0.00	2 5 5 -0.25
EASE OF ACCESS	7 2 3 0.33	10 1 1 0.75	9 2 1 0.67
COMMERCIAL HOURS	5 3 2 0.30	4 5 1 0.30	5 5 1 0.36
JOB SUPPORT	8 4 0.33	8 3 1 0.58	7 2 3 0.33
FIT FOR THE CONTEXT	9 1 2 0.58	9 2 1 0.67	10 1 1 0.75
<b>TOTAL</b>	<b>73 28 29 0.34</b>	<b>81 33 16 0.50</b>	<b>73 35 23 0.38</b>

### STEELE AVENUE LARGE DATA ANALYSIS

	STEELE AVE LARGE MIXED USE	STEELE AVE LARGE HIGHWAY COMM	STEELE AVE LARGE APARTMENTS
SAFETY	9 1 3 0.46	7 3 3 0.31	8 1 4 0.31
WALKABILITY	6 3 4 0.15	4 2 7 -0.23	6 3 4 0.15
MAINTENANCE/UPKEEP	7 3 3 0.31	7 2 4 0.23	7 3 3 0.31
COMFORT/SHELTER	9 1 2 0.58	2 6 4 -0.17	9 2 1 0.67
STREET CLEANLINESS	6 4 3 0.23	3 5 5 -0.15	6 4 3 0.23
TRAFFIC NOISE	2 6 5 -0.23	1 6 5 -0.33	2 5 6 -0.31
TRAFFIC SPEED	3 6 4 -0.08	3 7 4 -0.07	3 4 6 -0.23
EASE OF ACCESS	6 5 2 0.31	7 4 2 0.38	6 4 2 0.33
COMMERCIAL HOURS	6 5 1 0.42	3 5 4 -0.08	5 6 1 0.33
JOB SUPPORT	10 1 1 0.75	10 1 1 0.75	5 3 4 0.08
FIT FOR THE CONTEXT	10 1 1 0.75	6 4 2 0.33	7 5 0 0.58
<b>TOTAL</b>	<b>74 36 29 0.32</b>	<b>53 45 41 0.09</b>	<b>64 40 34 0.22</b>

### HUMMINGBIRD // NORTH STREET // DOWNTOWN

	HUMMINGBIRD REUSE	NORTH STREET SUBDIVISION	DOWNTOWN UPPER FLOOR UNITS
SAFETY	9 2 1 0.67	10 2 1 0.69	9 3 1 0.62
WALKABILITY	10 2 0.83	4 6 4 0.00	12 1 0.92
MAINTENANCE/UPKEEP	8 4 0.67	10 2 1 0.69	9 3 1 0.62
COMFORT/SHELTER	10 1 0.91	11 1 0.92	10 2 0.83
STREET CLEANLINESS	7 5 0.58	6 4 3 0.23	7 5 1 0.46
TRAFFIC NOISE	5 6 1 0.33	4 7 2 0.15	4 4 5 -0.08
TRAFFIC SPEED	4 6 2 0.17	3 9 1 0.15	6 5 2 0.31
EASE OF ACCESS	9 2 1 0.67	8 5 0.62	10 2 1 0.69
COMMERCIAL HOURS	6 5 1 0.42	5 7 0.42	7 5 0.58
JOB SUPPORT	7 5 0.58	4 7 1 0.25	8 3 1 0.58
FIT FOR THE CONTEXT	11 1 0.92	9 3 0.75	11 1 0.83
<b>TOTAL</b>	<b>86 39 6 0.61</b>	<b>74 53 13 0.44</b>	<b>90 33 13 0.58</b>

FIG W2-A: Development Questionnaire summary indicating, with negative impact trends highlighted red and positive impact trends in blue.



**APARTMENTS**

- (1) 3 story apartment building
- 45 new market rate apartments  
*(1br, 2br apartments)*
- 80 new residents to Village
- 90 Parking Spaces required
- \$665,730 Spending potential
- 8 Jobs supported

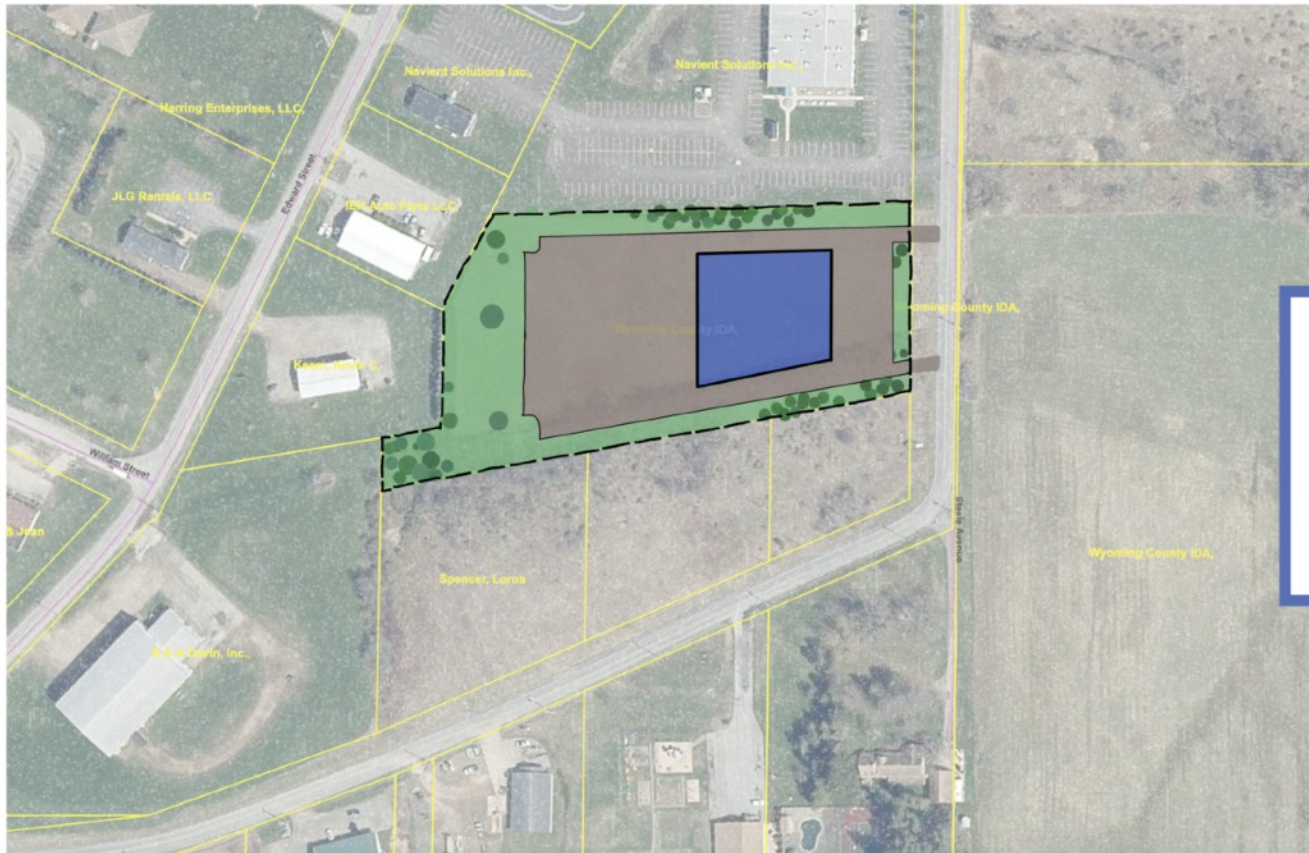
**FIG W2-B:** STEELE AVE SMALL ALTERNATIVE SITE PLAN - Apartments only



**MIXED USE**

- (1) 3 story mixed use building**
- 18,000sf commercial space**
- 40 new market rate apartments**  
*(1br, 2br apartments)*
- 146 parking spaces**  
*(80 resident, 66 commercial)*
- \$591,760 Spending potential**
- 19 Jobs added/supported**

**FIG W2-C:** STEELE AVE SMALL ALTERNATIVE SITE PLAN - Mixed Uses



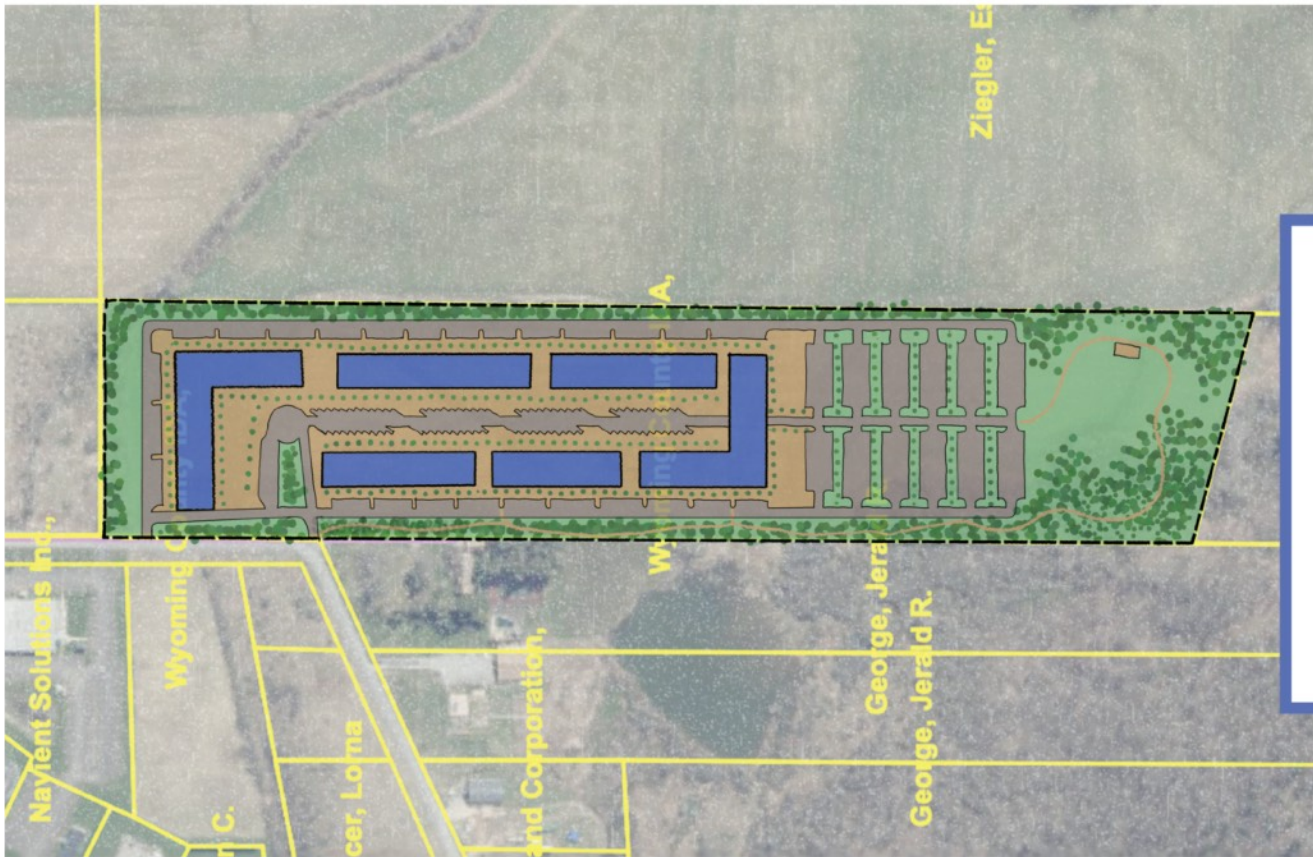
**HIGHWAY COMMERCIAL**

- (1) 1 story light industrial building**
- 18,000sf commercial space**
- 80 parking spaces required + loading**
- 12 Jobs added**

**FIG W2-D:** STEELE AVE SMALL ALTERNATIVE SITE PLAN - Highway Commercial



**FIG W2-E:** STEELE AVE LARGE ALTERNATIVE SITE PLAN - Apartments



**MIXED USE**

- (6) 3 story mixed use buildings**
- 99,800sf ground floor commercial space**
- 140 new market rate apartments**  
*(1br, 2br apartments)*
- 245 new residents to Village**
- 780 parking spaces**  
*(280 resident, 500 commercial)*
- \$2,071,160 spending potential**
- 94 Jobs added/supported**

**FIG W2-F:** STEELE AVE LARGE ALTERNATIVE SITE PLAN - Mixed Use





FIG W2-G: STEELE AVE LARGE ALTERNATIVE SITE PLAN - Highway Commercial



**MIXED USE DEVELOPMENT**

- (3) 3 story buildings**
- 39,000sf commercial space**
- 72 new market rate apartments**  
*(1br, 2br, 3br apartments)*
- 180 new residents to Village**
- 234 Parking Spaces required**
- \$1,065,168 Spending potential**
- 13 Jobs added/supported**

**FIG W2-H:** EMKAY ALTERNATIVE SITE PLAN - Mixed Use Development



**BUNGALOW COURTS**

- (35) 1.5 story buildings**
- ~ 1200sf dwelling unit sizes**
- 50 new residents to Village**
- 55 parking spaces**  
*(1 per resident, 20 guest)*
- \$517,790 Spending potential**
- 6 Jobs supported**

**FIG W2-H:** EMKAY ALTERNATIVE SITE PLAN - Bungalow Courts



**APARTMENTS // TOWNHOMES**

- (2) 2 story townhomes
- (1) 2 story apartment building
- 4 new 1700sf townhomes
- 64 new market rate apartments  
*(1br, 2br, apartments)*
- 120 new residents to Village
- 136 parking spaces required
- \$1,005,992 Spending potential
- 12 Jobs supported

**FIG W2-I:** EMKAY ALTERNATIVE SITE PLAN - Apartments & Townhomes



**MIXED USE**

- upper floor apartments (2 lvls)**
- 7,200sf ground floor commercial**
- 20 new market rate apartments**  
*(1br, 2br, apartments)*
- 30 new residents to Village**
- 73 parking spaces required**  
*(40 resident, 33 commercial)*
- \$295,880 Spending Potential**
- 4 Jobs added/supported**

**FIG W2-J:** HUMMINGBIRD ALTERNATIVE SITE PLAN - Mixed Use



**HOUSING TYPOLOGY SAMPLER**

- (2) lots with Duplex housing (orange)
- +2 apartment units units per lot
- (2) lots with single family homes (yellow)
- +1 land owner per lot
- (8) lots with townhomes (red)
- +1 land owner per lot

**24 new residents to Village**

**28 new parking spaces**  
(2 per unit)

**\$177,528 Spending potential**

**4 Jobs supported**

**FIG W2-K:** NORTH STREET ALTERNATIVE SITE PLAN - Housing Typology Sampler



**DOWNTOWN APARTMENT UPPERS**

**APARTMENTS REDEVELOPED SHORT TERM**  
20 RENOVATED MARKET RATE UNITS

35 new residents to Village  
\$295,880 Spending potential  
4 Jobs supported

**APARTMENTS REDEVELOPED LONG TERM**  
16 RENOVATED MARKET RATE UNITS

28 new residents to Village  
\$236,704 Spending potential  
3 Jobs supported

**FIG W2-L:** DOWNTOWN ALTERNATIVE SITE PLAN - Downtown Apartment Uppers

## **WORKSHOP 2 DEVELOPMENT QUESTIONNAIRE SUMMARY:**

### **STEELE AVENUE SMALL & LARGE**

- Mixed-use was ranked the most positively impactful use for the Steele Ave sites.
- Mixed-use was scored as having the highest positive impacts on comfort/shelter, job support, and being a fit for the context.
- Across all development options, traffic noise and speed are major concerns for the Steele Ave parcel

### **EMKAY SITE**

- Bungalow courts were ranked the most positively impactful use for the Emkay site, followed by apartments and mixed use as close seconds.
- Across all development options, walkability, comfort/shelter, and a fit for the context were scored very highly.
- Bungalow courts received additional points for higher safety, ease of access, job support, and street cleanliness scores.
- Apartment development was scored negatively for traffic speed and noise impacts.
- Mixed use development was scored negatively for traffic speed

### **HUMMINGBIRD SITE**

- The hummingbird site only had one option; adaptive reuse of the historic building.
- Scored highly across almost all categories except traffic speed, where it received a negative rating.
- Scored significantly higher on fit for context, walkability, and comfort/shelter.

### **DOWNTOWN**

- The downtown was evaluated with only one option: upper floor apartments.
- Scored highest on walkability, comfort/shelter, ease of access, and fit for the context.
- Scored negatively on traffic noise impacts.

### **NORTH STREET SUBDIVISION**

- North street was evaluated on a mix of housing typologies, single family, duplex, townhomes.
- Viewed as neutral in walkability improvements
- Scored highly in safety, comfort/shelter, and fit for the context.



## RECOMMENDATIONS

The following recommendations were developed using the economic base report and community interview and workshop feedback, with recommendations categorized into the following goal areas:

- A. **GROWING** the population
- B. Creating a **WALKABLE** and well connected Arcade
- C. **SUPPORTING** businesses and residents
- D. Executing **PARCEL/SITE SPECIFIC** recommendations

The recommendations are presented in an action plan matrix with steps the Village can take to move forward on their four targeted goal areas. The action plan matrix includes the priority of the task/action, the timing and general costs, and possible resources and partners. This action plan matrix can be used as a working document moving forward - enabling local village committees and representatives to add to and modify the action plan as time progresses and additional opportunities emerge.

Strategies & Actions	Priority	Cost	Partners	GOAL AREA			
				A	B	C	D
Set, publicize, and target to add 100 new residents by 2030	High Priority	N/A	Village of Arcade.	X		X	
Create an “Arcade Main Street” advocacy group to be the voice for downtown.	Medium Priority	N/A	Village, Residents, Businesses, Community groups, consultants.			X	
Inventory and outreach to underutilized residential parcels within the Village that could effectively be subdivided to add residential units.	High Priority	N/A	Village of Arcade, consultant, IDA	X		X	
Support the development of infill buildings on underutilized lots via zoning and planning updates or variance.	High Priority	\$	Planning and Zoning	X	X	X	
Develop a local “live where you work” network to assist new village employees with assistance finding housing in the area.	Medium Priority	N/A	Village of Arcade, Pioneer School, Prestolite, etc...	X		X	

Encourage Accessory Dwelling Units (ADUs), flag lots, and other methods of providing additional density on existing residential lots via zoning and planning updates.	Medium Priority	N/A	Village of Arcade. Zoning. Planning.	X	X	X	
Encourage attractive, market rate, upper floor downtown apartments to increase resident density and support for local ground floor businesses.	High Priority	N/A	Village of Arcade. Zoning. Planning.	X	X	X	
Pass a Complete Streets law to enforce appropriate walkability and accessibility measures at site plan review level	Medium Priority	N/A	Village of Arcade. DPW. Zoning. Planning.		X		
Leverage PILOTs to incentivize housing developers to include public spaces and multiple connections to existing accessible infrastructure. (I.E. walking routes to downtown and nearby POI, etc...)	Medium Priority	\$	Village of Arcade. Wyoming County IDA	X	X	X	
Use leverage at the municipal/local level to promote market rate and senior housing as prioritized development types.	High Priority	N/A	Village of Arcade, Wyoming County IDA	X		X	
Opt-in to RPTL (real property tax law) 485(a) to incentivize investment by deferring only the increase in value as a result of a mixed use project, and ramping up its new assessed value over a 12-year period.	Medium Priority	\$	Village of Arcade.	X		X	
Opt-in to RPTL (real property tax law) 485(b) to incentivize investment by deferring only the increase in value as a result of a commercial project, and ramping up its new assessed value over a 10-year period.	Medium Priority	\$	Village of Arcade.	X		X	
Opt-in to RPTL (real property tax law) 421(f) to incentivize investment by deferring only the increase in value as a result of a residential project, and ramping up its new assessed value over a 8-year period.	High Priority	\$	Village of Arcade	X		X	
Opt-in to RPTL (real property tax law) 457 to incentivize investment by deferring only the increase in value as a result of a residential project, and ramping up its new assessed value over a 5-year period.	High Priority	\$	Village of Arcade	X		X	
Apply for UPWP Circulation, Access, and Parking study for downtown to assess opportunity for additional traffic calming, circulation improvements, and assess actual parking demand.	Medium Priority	N/A	Genesee Transportation Council. TAP funding. CHIPS funding. Consultant.		X	X	

Create a recreational bike/walking path through the Village to link together points of interest, historical locations, recreational spaces, and the newly proposed trail along the creek.	Medium Priority	\$\$	Consultant. Walkability Committee. Village. Complete Streets Micro-grants		X	X	
Create a master plan for pedestrian connectivity for the Downtown and municipal parking area to include spaces for outdoor seating and commercial overflow at the rear of facades to avoid challenges on Main Street regarding traffic volume, speed, sidewalk width, etc...	Medium Priority	\$\$	Village. Consultant. Walkability Committee. CHIPS. TAP. GTC.		X	X	
Apply for CDBG Microenterprise grants to support small businesses.	Medium Priority	N/A	Village of Arcade. Local businesses. County.			X	
Apply for NY Forward funding	Medium	\$	Village of Arcade.			X	
Apply for Restore NY Funding	Medium	N/A	Village of Arcade.			X	
Apply for additional NYMS Technical Assistance grants to do feasibility study for downtown apartments and facade renovations.	Low Priority	\$	Village of Arcade. NYS OCR. Consultant.		X	X	X
Administer <i>pending</i> NYMS Target Area Boundary Renovation (TABR) grant funding to implement downtown projects. ( <i>End of Year</i> )	High Priority	\$	Village of Arcade. Consultant.			X	X
Develop a National Register Historic District nomination for Downtown Arcade to provide opportunities to secure tax credits for contributing building owners looking to pursue historically sensitive renovations.	High Priority	\$\$	Village of Arcade, SHPO, Consultant.			X	X
Encourage underutilized single family housing turnover by incentivizing the development of a variety of different market rate and senior housing choices.	High Priority	\$	Village of Arcade. Wyoming County IDA.	X		X	
Encourage accessible, and senior ready apartment layouts and fixtures be used on newly renovated and updated apartments to anticipate shifts in demographics throughout the village.	Medium Priority	N/A	Village of Arcade.	X		X	X
Market the SPBD's target properties for mixed use or residential development typologies.	High Priority	N/A	Village of Arcade. Wyoming County IDA.	X	X	X	X

<p><b>STEELE AVE SM:</b> Any housing units added to the site should be provided a sidewalk along Steele Ave to connect to the existing Main Street sidewalk network at the expense of the developer, along with some form of resident green space.</p>	High Priority	N/A	Village of Arcade, Wyoming County IDA	X	X	X	X
<p><b>STEELE AVE LG:</b> Any housing units added to the site should be provided a sidewalk along Steele Ave to connect to the existing Main Street sidewalk network at the expense of the developer, along with some form of resident green space.</p>	High Priority	N/A	Village of Arcade, Wyoming County IDA	X	X	X	X
<p><b>EMKAY SITE:</b> Rezone the parcel to NC or R-2 to ensure a compatible use for the downtown. Capitalize on walkability and linkages to the downtown, adjacent neighborhoods, and the proposed trail system. Reduce parking requirements for the parcel from 2:1 to 1 per dwelling unit. Consider subdivision along North Street for single family or townhomes to continue the neighborhood pattern established.</p>	Medium Priority	N/A	Village of Arcade, Zoning Board, Planning Board	X	X	X	X
<p><b>HUMMINGBIRD SITE:</b> Develop a feasibility study for the redevelopment of the former hummingbird building into either a mixed use or apartment building, showing a pathway forward navigating historic tax credits, flood zone constraints, and ROI.</p>	High Priority	\$	Village of Arcade. Consultant.	X	X	X	X

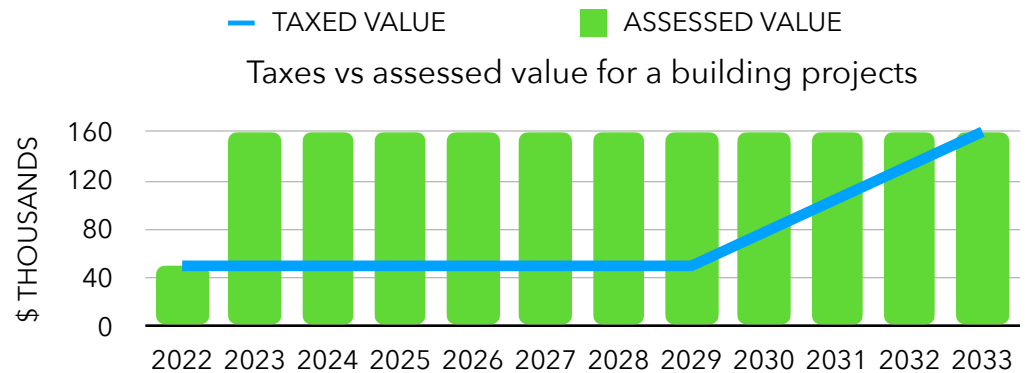
## STRATEGIC NOTES

### On Real Property Tax Law

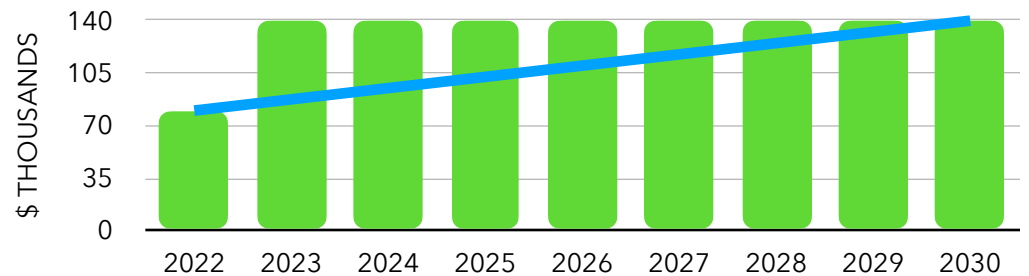
Tax abatements are a strategic development tool that primarily will benefit locals and individual land owners. It removes the disincentive for building owners to invest in their properties due to a fear of increased tax burden.

- **RPTL 485(a)** covers the renovation of mixed-use buildings, stepping up ONLY the increase in tax value based on the investment into the property over a 12 year period, with a 10k minimum project cost.
- **RPTL 485(b)** covers the renovation of mixed-use buildings, stepping up ONLY the increase in tax value based on the investment into the property over a 10 year period, with a 10k minimum project cost.
- **RPTL 421(f)** covers the renovation of residential buildings, working similarly as (a) but over a 8 year period, capped at an 80k increase in value, for 1 and 2 family residences.
- **RPTL 457** covers first time home buyers of newly constructed homes, stepping up taxes based on a 5 year schedule beginning at 50% on year one. Cannot be leased until full tax rate is paid at year 5.

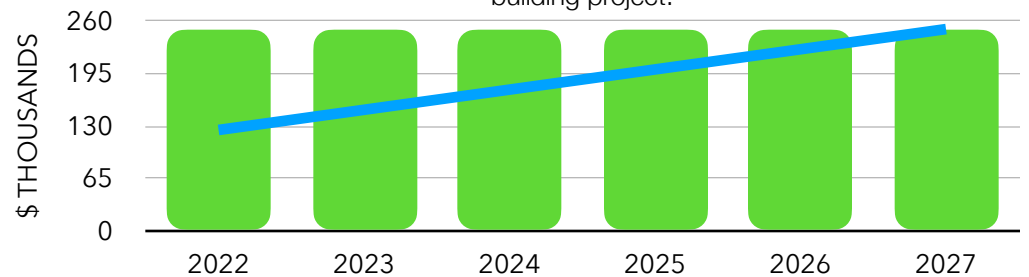
Opting into the use of RPTL does not reduce your local taxes, it will simply provide a small incentive to building owners that want to make investments in their community.



**FIG SN-1: RPTL 485(A)** abatement diagram showing the delayed stepping up of taxes based on reassessed values after a 2022 mixed-use building renovation project.



**FIG SN-2: RPTL 421(f)** abatement diagram showing the delayed stepping up of taxes based on reassessed values after a 2022 residential building project.



**FIG SN-3: RPTL 457** abatement diagram showing the delayed stepping up of taxes based on reassessed values after a 2022 residential building project.

### **Senior housing & single family turnover**

As the residents of the Village of Arcade age in their single family homes, the high demand for a variety of smaller unit sizes remains unmet. If a variety of smaller rental units were available throughout the Village, either as senior housing or as renovated buildings, the resultant single family turnover would do the following:

- Make available highly demanded single family homes within the Village
- Under-valued village homes likely to be reassessed during sale - which increases the tax base for municipal services
- Provide an opportunity for re-investment in residential communities and the downtown
- It would be prudent for all new units to be accessible and senior ready to optimize their appeal to the market.

## *APPENDIX:*

### **MRB Economic Base Report**

**Workshop 1 questionnaire**

**Workshop 1 raw data**

**Workshop 2 questionnaire**

**Workshop 2 boards**

**Workshop 2 raw data**

**Complete Streets Draft Policy**

**RPTL 485(a) example**

**RPTL 485 (b) example**

**RPTL 421(f) example**

**RPTL 457 example**

# Economic Base Report: Village of Arcade

Prepared by:



Prepared for:

August 2022

## Executive Summary

The following market analysis examines the current economic conditions of the Village of Arcade and surrounding geographies. The purpose of this analysis is to provide a data-driven foundational understanding of the market to thoroughly assess the feasibility of the redevelopment of four parcels in the Village. The exact development concept for each parcel has not yet been determined, but would be anchored by residential uses with ancillary commercial, or other uses on sites.

### Main Findings

- Median age of residents in Arcade is projected to increase by over twenty percent in the next five years.
- Median household income is lower in the Village than in Wyoming County and the Buffalo-Cheektowaga MSA, but median home values are expected to rise more, in both percentage and absolute terms, in the Village.
- Though historic and projected population growth in the Village and County has been negative, recently this has shifted and the Village and County have seen net increases in population.
- Employment projections indicate that the Village, County, and MSA will have a net gain in jobs through 2030, despite job losses over the ten years.
- Demand for senior (55+) housing developments will increase as the population in the Village continues to age.
- Owner- and renter-occupied housing is highly affordable, though supply is limited and lower than demand.
- Real estate markets in the MSA, County, and Village showing strong fundamentals with evidence for sustained demand for additional multi-family housing units.
- Though there has only been one new multi-family development in the County since 2012 according to CoStar, the development was entirely leased within 2 years and currently has a 0% vacancy rate, which could indicate unmet demand for additional space.
- Single-Family home prices have grown by 20% year-over-year as supply continues to fall.
- Despite deliveries being roughly twice the historical average, vacancy rates have dropped to 3.4% and year-on-year, rent price growth is averaging 5.4%. This indicates a notable change in product preferences in the MSA.
- Therefore, demand for the subject property will be generated not from organic growth within the Buffalo MSA, but rather from changing demographics and consumer preferences for products in short supply in the market.
- We believe the primary target market for the residential development would be empty nesters and early retirees, with a secondary target market of young professionals given the right amenities.



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## Introduction

The following market analysis examines the current economic conditions of the Village of Arcade and surrounding geographies. The purpose of this analysis is to provide a data-driven foundational understanding of the market to thoroughly assess the feasibility of the redevelopment of four parcels in the Village. The exact development concept for each of the parcels has not yet been determined, but would be anchored by residential uses with ancillary commercial or other uses on sites.

### Data Note

Data included in the following analysis was sourced from the 2010 US Decennial Census, US Census American Community Survey 5-year Estimates (2016-2020), Esri, and CoStar.

### Market Area

The following geographies are used in this analysis: 1) the Village of Arcade and 2) Wyoming County and 3) the Buffalo-Cheektowaga Metropolitan Statistical Area (MSA). We include these geographies in our analysis to more accurately identify unique trends and regional economic and market context.



*Village of Arcade NY*



*Wyoming County*



*Buffalo Metropolitan Statistical Area (Buffalo MSA) – Erie and, Niagara Counties, NY*

## Demographic Overview

Demographic trends are shown in the table to the right for the Village of Arcade, Wyoming County, and the Buffalo-Cheektowaga Metropolitan Statistical Area (MSA) to provide context for the current real estate market conditions. We note the following:

- The Village population has stabilized from 2010, compared to a nearly 2% decrease in the County, and a slight increase in the MSA. All geographies have added households.
- Median age is projected to increase almost 20% in the Village through 2026, compared to 5% and 1% for the County and MSA.
- Median household income in the Village is \$8,086 lower than the County; Village and County household incomes are expected to increase in the next five years by roughly 5%.
- Anticipated growth in Median Home Value is higher in the Village, with an estimated increase \$15,802 over the next five years.
- Arcade’s median home value of \$128,090 is substantially lower than that of the MSA, but slightly higher than median home values for the County.

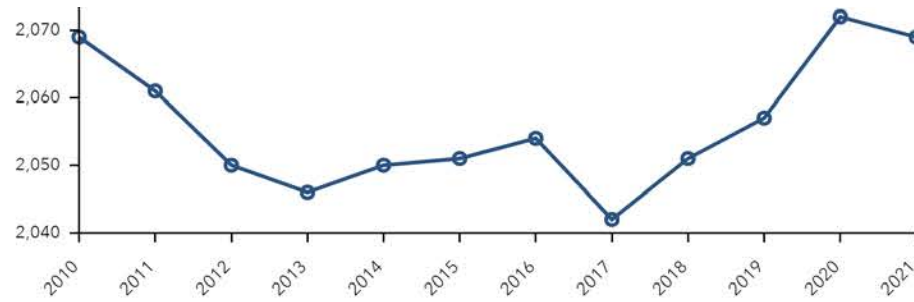
Demographic Fundamentals				
Population				
	2010	2021	Change	% Change
Village of Arcade	2,071	2,069	(2)	(0.1%)
Wyoming County	42,155	41,385	(770)	(1.8%)
Buffalo MSA	1,135,509	1,138,953	3,444	0.3%
Households				
	2010	2021	Change	% Change
Village of Arcade	887	912	25	2.8%
Wyoming County	15,501	15,801	300	1.9%
Buffalo MSA	473,720	485,613	11,893	2.5%
Median Household Income				
	2021	2026	Change	% Change
Village of Arcade	\$50,385	\$53,044	\$2,659	5.3%
Wyoming County	\$58,471	\$61,350	\$2,879	4.9%
Buffalo MSA	\$58,429	\$64,369	\$5,940	10.2%
Median Home Value				
	2021	2026	Change	% Change
Village of Arcade	\$128,090	\$143,892	\$15,802	12.3%
Wyoming County	\$125,946	\$139,608	\$13,662	10.8%
Buffalo MSA	\$163,804	\$176,983	\$13,179	8.0%
Median Age				
	2021	2026	Change	% Change
Village of Arcade	35.2	41.8	6.6	18.8%
Wyoming County	41.0	43.0	2.0	4.9%
Buffalo MSA	42.6	43.2	0.6	1.4%

Source: Esri

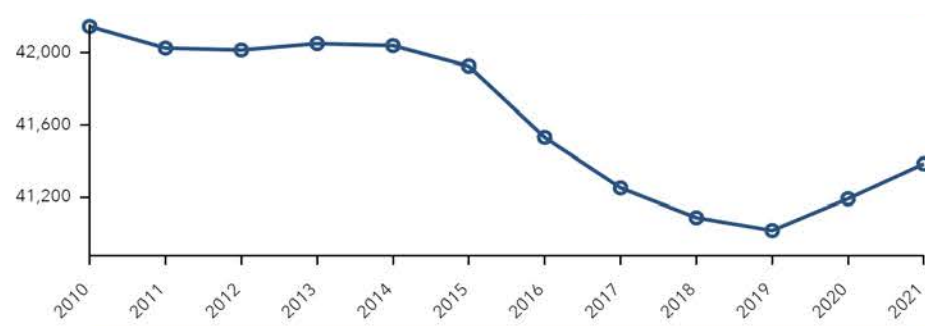
### Historical Population Trends

The graphs to the right display historical population counts for the Village of Arcade (top) and Wyoming County (bottom). Compared to the County, the Village’s population has been relatively stable, fluctuating roughly +/- 30 residents over the last ten years. Wyoming County had a generally stable population from 2010 to 2015, after which more significant population loss began to occur, hitting a 10-year low in 2019 at 41,016. In recent years, both geographies have seen noticeable increases in population, by historical standards. Over the last two years, the County has seen a gradual increase in population at roughly 175 new residents per year. The Village had a near 10-year population high of 2,072 residents in 2021.

Historical Population Trend – Village of Arcade, 2010 - 2021



Historical Population Trend – Wyoming County, 2010 - 2021

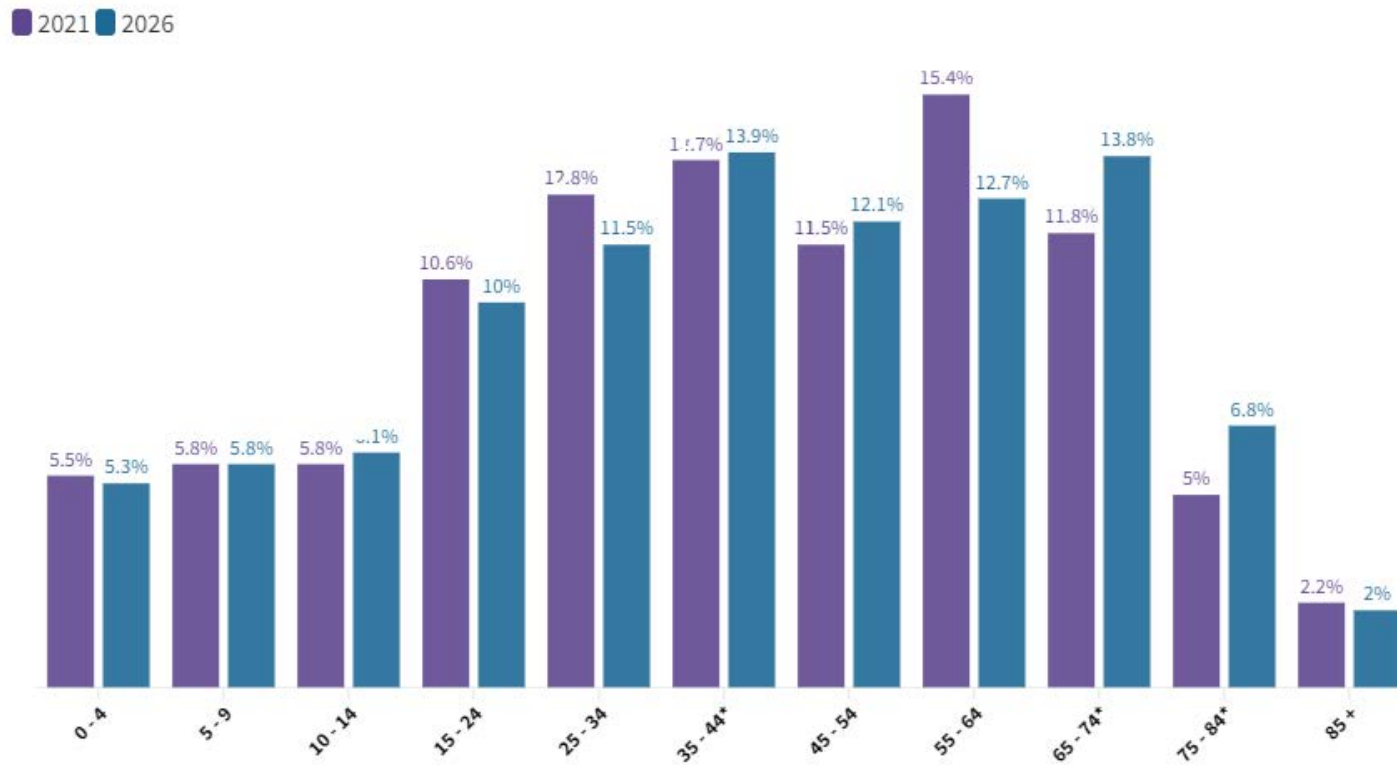


Source: Esri

### Aging Population

As shown in the 'Demographic Fundamentals' table previously, the median age for the Village is expected to increase from 35.2 to 41.8 by 2026, nearly a 20% increase. The graph below shows how the age distribution is expected to change over the next five years. In 2026, the largest age groups, as a share of the total population, will be 65-74 and 35-44 accounting for 13.8% and 13.9% of the total population respectively.

### Age Distribution 2021 & 2026 Village of Arcade

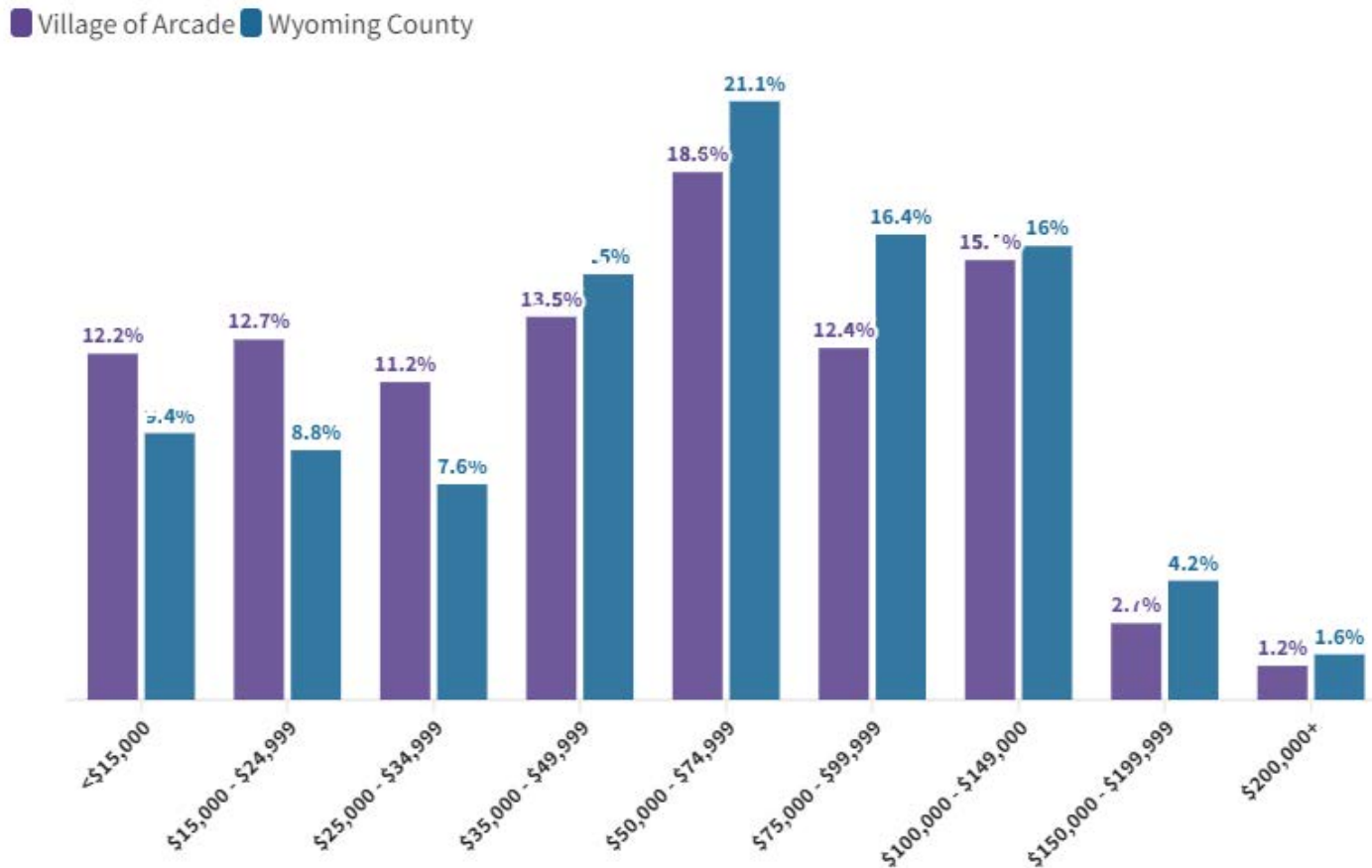


Source: Esri BAO

### Income Distribution

The graph below shows the 2021 household income distribution for both the Village and the County. Approximately 50.4% of Village residents earn an income of at \$50,000 per year, compared to 59.3% of County residents. The Village has over ten percentage points more of the population earning less than \$35,000 per year at 36.1% compared to 25.8% of County residents.

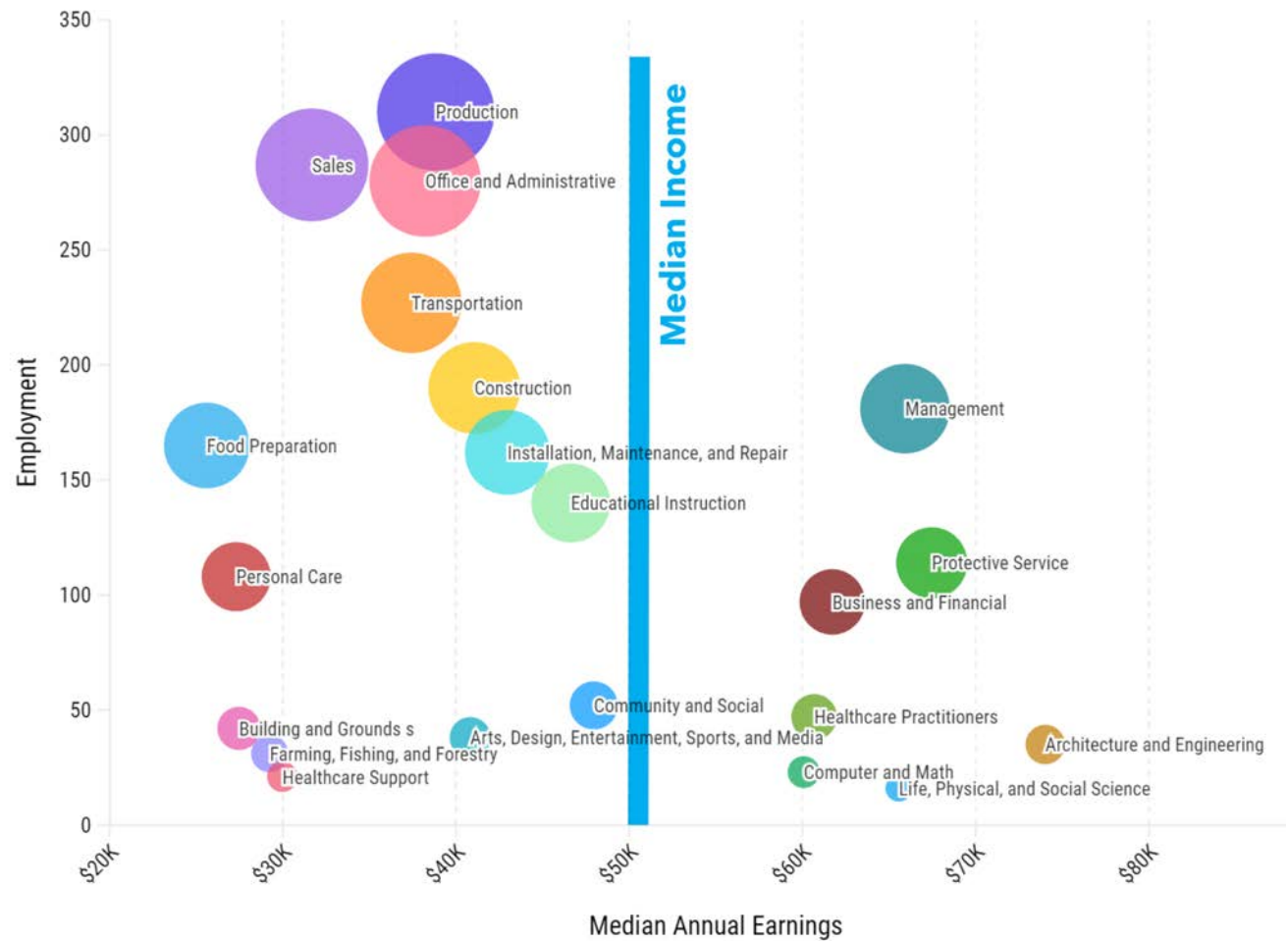
## Median Household Income in Arcade is \$50,385



Source: Esri BAO

### Income for Village Workers

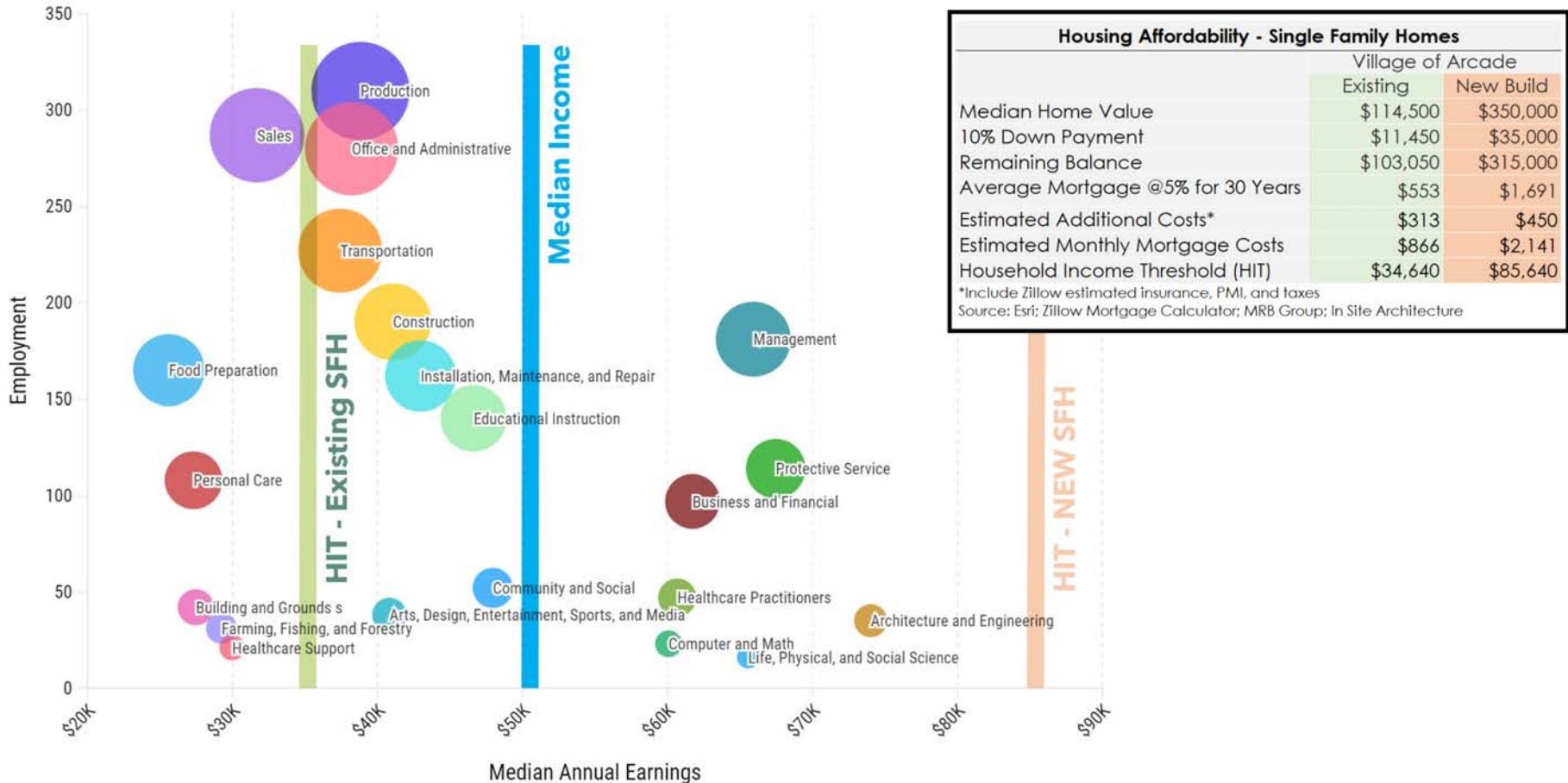
The graph to the right shows the average annual earners per worker by industry, for employees that work in the Village of Arcade. The blue line denotes the median household income of Village residents. More than half of those employed in the Village earn between \$30,000 - \$50,000 per year.





### Housing Affordability – Single family homes

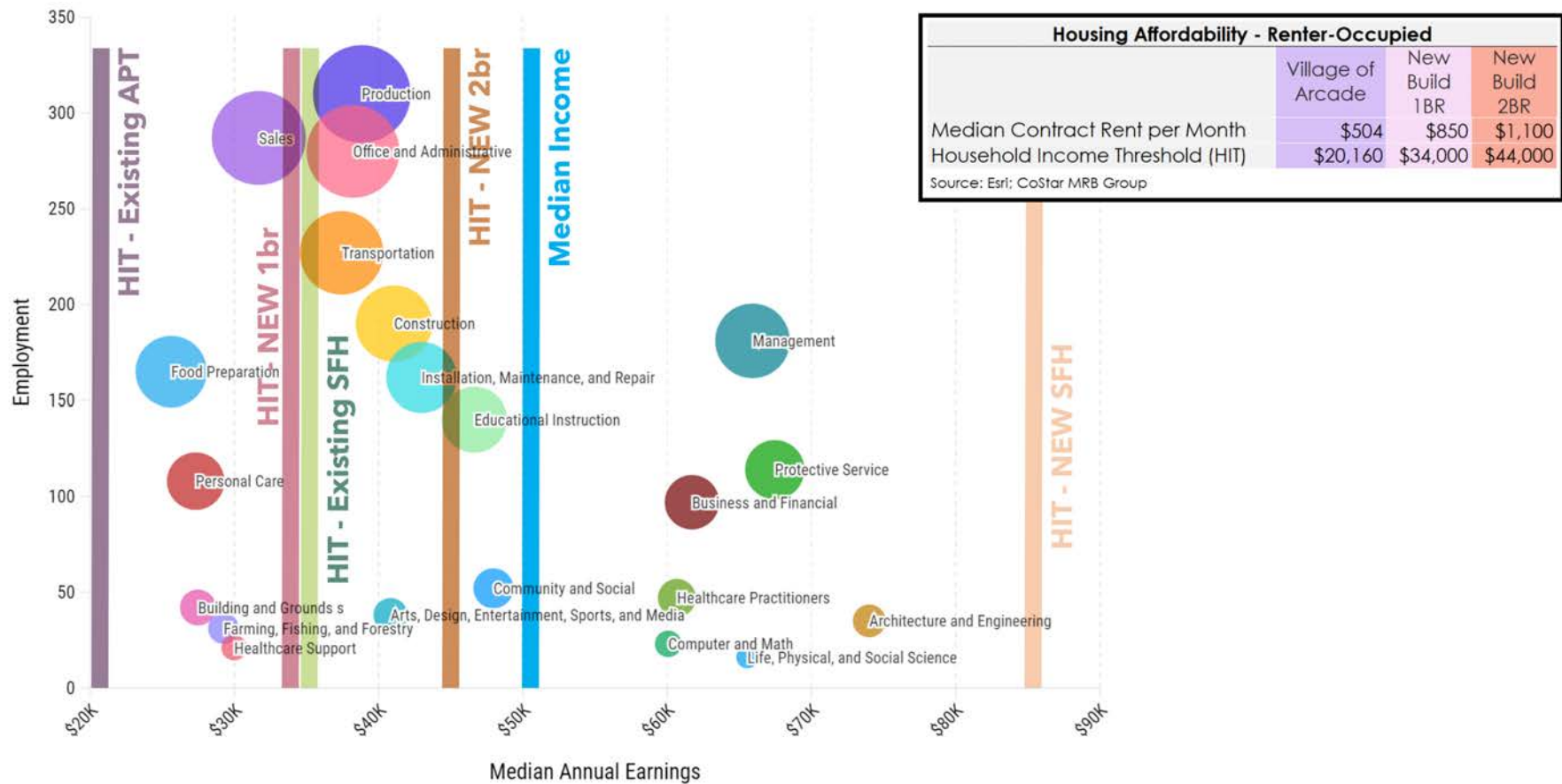
The tables below show the affordability of both existing and new single-family home housing options in the Village, based on median earnings by industry. The household income threshold (HIT) is the minimum income required to purchase a house without being burdened by high housing costs, defined as spending more than 30% of household income on housing.<sup>1</sup> Occupations to the left of a threshold line would generally be unable to afford the associated type of housing. Despite supply constraints, houses in the Village remain affordable to both workers and residents. Given currently high costs of construction, new build single-family homes remain unaffordable for most.



<sup>1</sup> Households spend more than 30% of their income on housing are generally considered burdened by high housing costs.

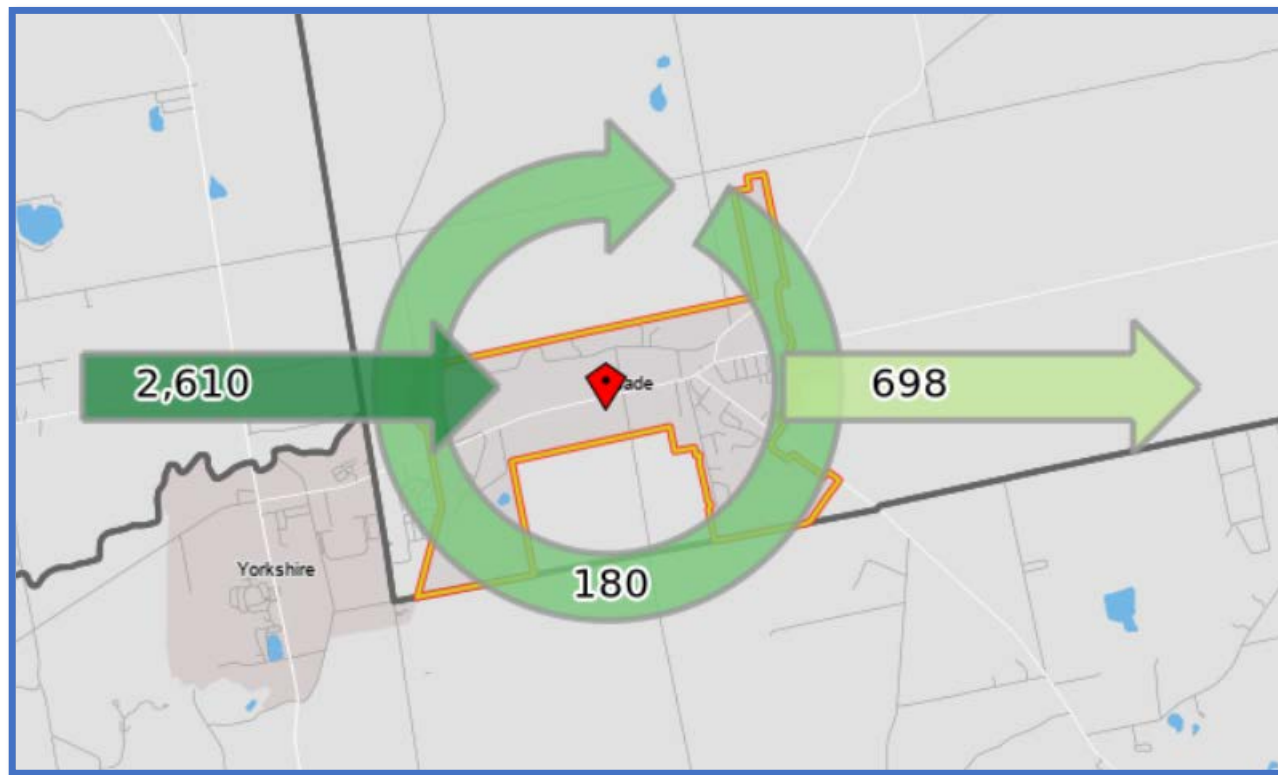
### Housing Affordability – Apartments

Using the same methodology as above, we are able to calculate HITs for renter-occupied housing units. The current median contract rent in the Village of \$504/month is affordable to workers earning and residents alike. Using average market rents for new multifamily builds, we estimate HIT for both 1- and 2-bedroom apartments. Calculated income thresholds suggest workers would be able to afford to relocate to the Village if suitable housing options were available.



## Commuting

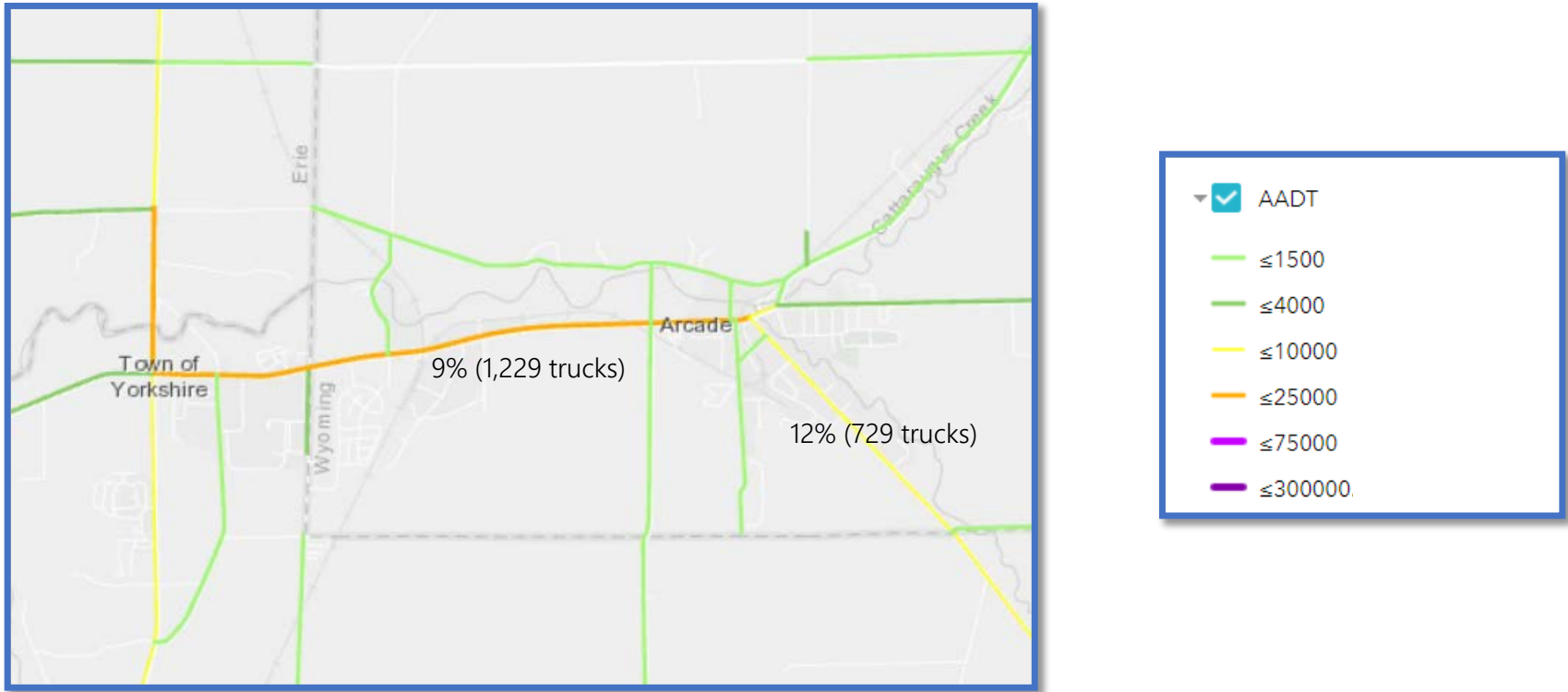
The figure below shows the daily commuting patterns for the Village of Arcade. Approximately 2,610 people commute into the Village for work. Approximately 94% of those who work in the Village reside outside of the Village. In other words, for every Village resident that works in the Village, there are roughly 15 outsiders that commute into the Village for work. Around 698 Village residents commute to jobs outside of the Village, and 180 both live and work in the Village. The Village of Arcade is a net-in-commuter community. There are roughly 3.5 in-commuter for every resident that leaves the Village for work.



Source: CES OnTheMap

### Daily Traffic Volume

Daily traffic volumes for the Village are shown in the map below. Main Street is the Village’s most heavily trafficked road having average traffic volumes of up to 25,000 daily trips, 1,229 of which are trucks. Liberty Street averages up to 10,000 daily trips, 729 of which are trucks.



Source: NYS DOT Traffic Data Viewer

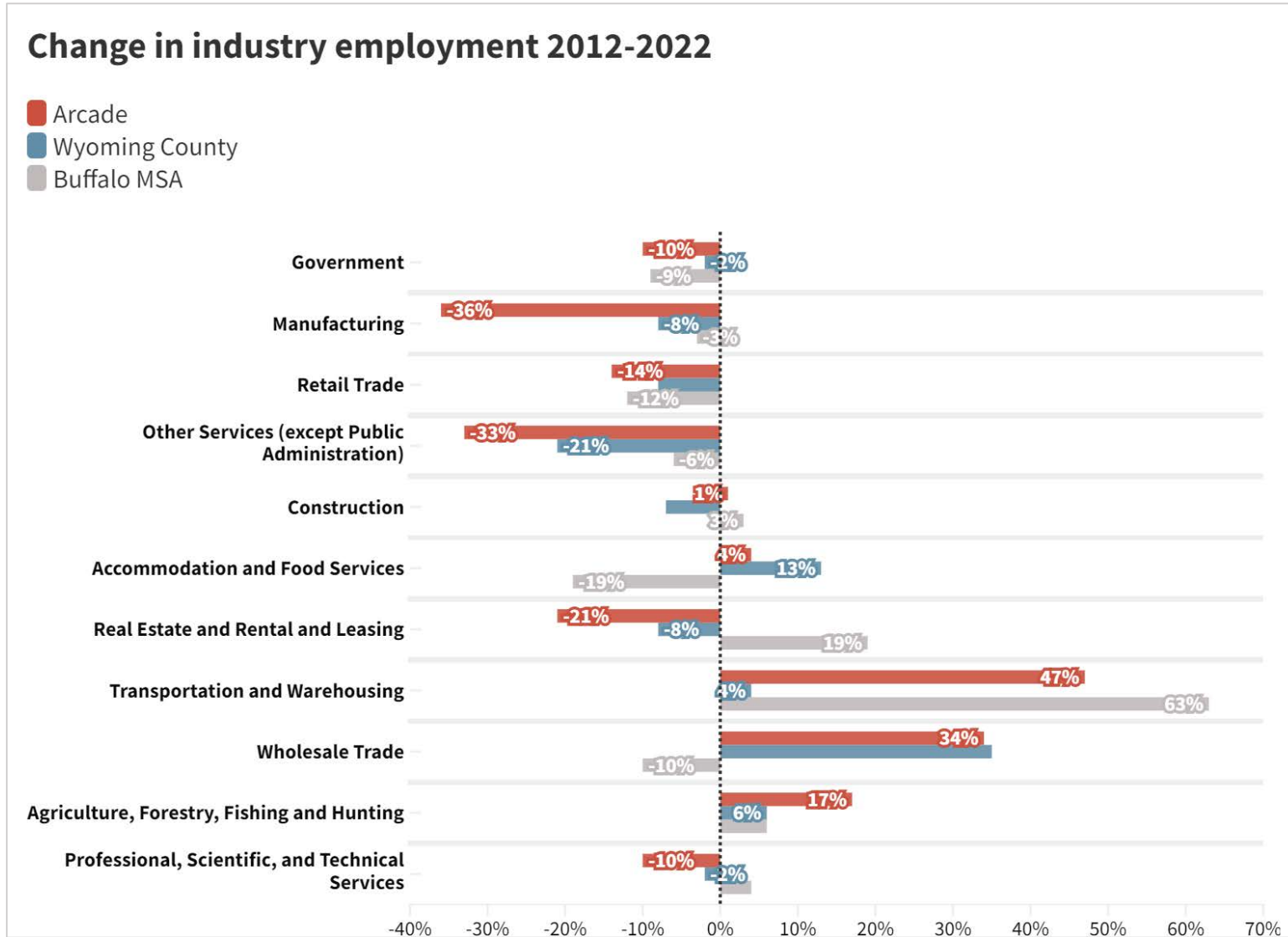
## Industry Analysis

The table below displays industries trends over the last ten years in the Village<sup>2</sup>, County, and MSA. Over the last ten years, each geography has lost hundreds of jobs across top industries. The Village has lost approximately 17% of jobs across all industries from 2012.

Industry Composition													
NAICS	Industry	Village of Arcade				Wyoming County				Buffalo MSA			
		2012 Jobs	2022 Jobs	2012 - 2022 Change (#)	2012 - 2022 Change (%)	2012 Jobs	2022 Jobs	2012 - 2022 Change (#)	2012 - 2022 Change (%)	2012 Jobs	2022 Jobs	2012 - 2022 Change (#)	2012 - 2022 Change (%)
90	Government	648	584	(65)	(10%)	4,498	4,389	(109)	(2%)	94,151	85,574	(8,577)	(9%)
31	Manufacturing	810	520	(290)	(36%)	1,996	1,828	(167)	(8%)	52,861	51,118	(1,744)	(3%)
44	Retail Trade	308	266	(42)	(14%)	2,118	1,949	(168)	(8%)	72,069	63,374	(8,695)	(12%)
81	Other Services (except Public Administration)	350	236	(114)	(33%)	1,128	889	(239)	(21%)	31,651	29,769	(1,882)	(6%)
23	Construction	220	221	1	1%	749	700	(49)	(7%)	24,405	25,234	829	3%
72	Accommodation and Food Services	153	159	6	4%	847	958	112	13%	49,189	39,773	(9,417)	(19%)
53	Real Estate and Rental and Leasing	140	111	(30)	(21%)	493	455	(38)	(8%)	20,835	24,878	4,043	19%
48	Transportation and Warehousing	73	108	35	47%	604	628	24	4%	16,863	27,475	10,612	63%
42	Wholesale Trade	68	91	23	34%	219	295	77	35%	21,787	19,527	(2,260)	(10%)
11	Agriculture, Forestry, Fishing and Hunting	51	60	9	17%	1,669	1,773	105	6%	3,265	3,453	188	6%
54	Professional, Scientific, and Technical Services	59	53	(6)	(10%)	530	520	(10)	(2%)	37,492	38,869	1,377	4%
51	Information	36	39	3	8%	112	134	22	20%	8,580	6,531	(2,049)	(24%)
62	Health Care and Social Assistance	69	35	(33)	(48%)	948	759	(189)	(20%)	80,193	82,014	1,821	2%
56	Administrative and Support and Waste Management and Remediation Services	38	31	(6)	(17%)	1,335	1,668	333	25%	37,238	29,167	(8,071)	(22%)
71	Arts, Entertainment, and Recreation	19	19	0	2%	379	285	(94)	(25%)	12,832	10,191	(2,642)	(21%)
55	Management of Companies and Enterprises	19	14	(5)	(24%)	154	115	(39)	(25%)	13,375	13,294	(81)	(1%)
52	Finance and Insurance	22	11	(11)	(48%)	532	471	(61)	(12%)	41,983	46,289	4,306	10%
21	Mining, Quarrying, and Oil and Gas Extraction	14	11	(3)	(20%)	74	31	(42)	(57%)	1,491	586	(906)	(61%)
22	Utilities	<10	11	-	-	23	78	55	239%	1,736	1,355	(381)	(22%)
61	Educational Services	0	0	0	0%	87	101	14	16%	18,265	18,789	524	3%
	<b>Total</b>	3,103	2,588	(515)	(17%)	18,506	18,053	(453)	(2%)	640,865	618,207	(22,658)	(4%)

<sup>2</sup> Emsi's industry data is available at the ZIP code level. As such, the Village is proxied by ZIP 14009 in this section.

In the Village, Transportation and Warehousing, Wholesale Trade, and Agriculture, Forestry, Fishing and Hunting, capitalizing on growth in the County and Region.



## Projected Industry Trends

The table below shows projected industry trends for each geography through 2032. Despite significant jobs losses over the last ten years, each geography is projected to gain jobs over the next ten years. The Village is expected to add jobs in several industries including **Accommodation and Food Services** and **Government**.

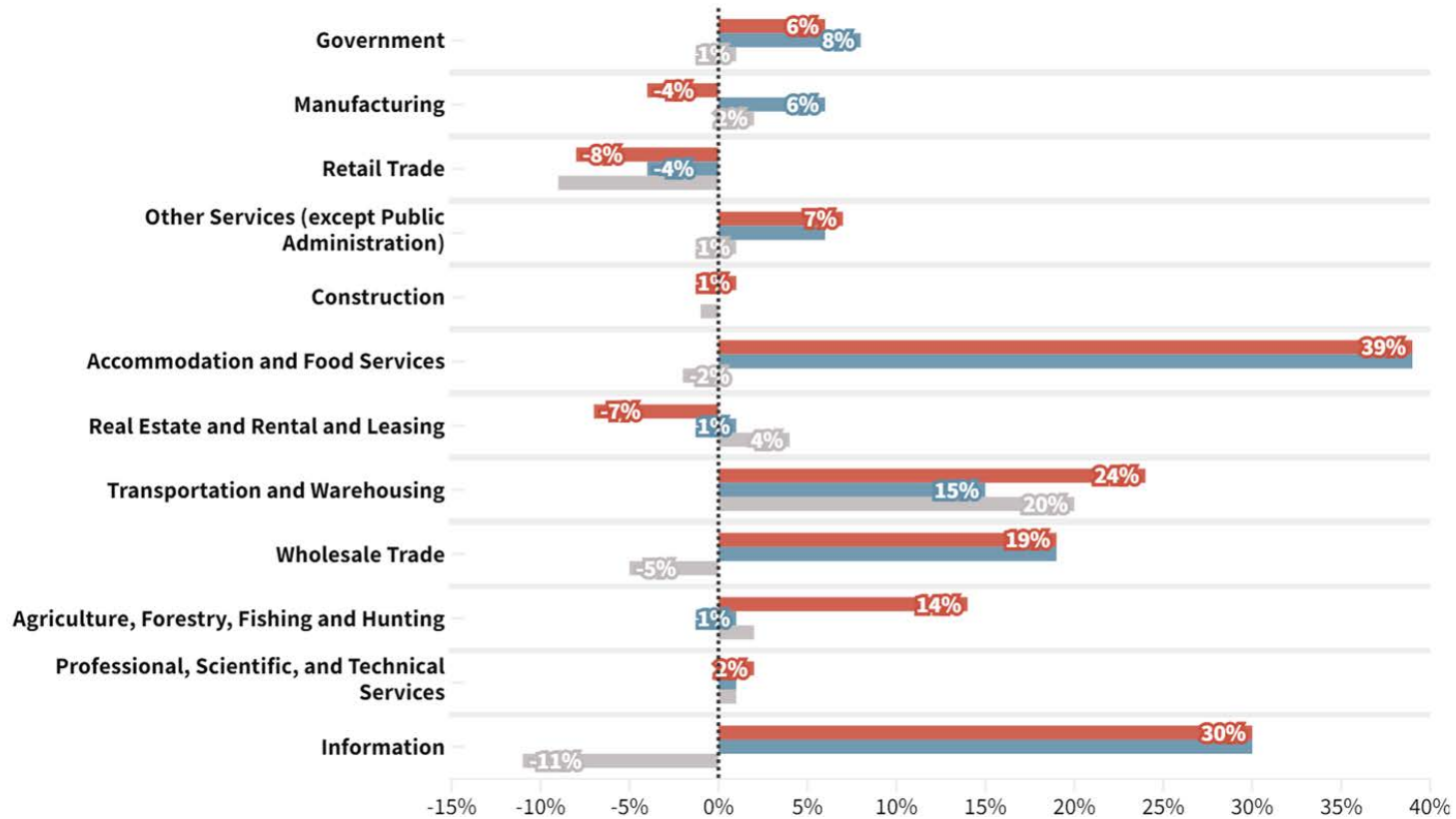
Industry Composition													
NAICS	Industry	Village of Arcade				Wyoming County				Buffalo MSA			
		2022 Jobs	2032 Jobs	2022 - 2032 Change (#)	2022 - 2032 Change (%)	2022 Jobs	2032 Jobs	2022 - 2032 Change (#)	2022 - 2032 Change (%)	2022 Jobs	2032 Jobs	2022 - 2032 Change (#)	2022 - 2032 Change (%)
90	Government	584	616	32	6%	4,389	4,760	371	8%	85,574	86,403	829	1%
31	Manufacturing	520	500	(20)	(4%)	1,828	1,940	111	6%	51,118	52,046	929	2%
44	Retail Trade	266	245	(21)	(8%)	1,949	1,868	(81)	(4%)	63,374	57,746	(5,628)	(9%)
81	Other Services (except Public Administration)	236	253	17	7%	889	942	54	6%	29,769	30,020	251	1%
23	Construction	221	224	3	1%	700	703	3	0%	25,234	24,992	(242)	(1%)
72	Accommodation and Food Services	159	221	62	39%	958	1,336	378	39%	39,773	39,044	(729)	(2%)
53	Real Estate and Rental and Leasing	111	103	(8)	(7%)	455	457	2	1%	24,878	25,844	966	4%
48	Transportation and Warehousing	108	134	26	24%	628	725	97	15%	27,475	32,997	5,522	20%
42	Wholesale Trade	91	109	17	19%	295	352	56	19%	19,527	18,552	(975)	(5%)
11	Agriculture, Forestry, Fishing and Hunting	60	68	9	14%	1,773	1,792	19	1%	3,453	3,529	76	2%
54	Professional, Scientific, and Technical Services	53	54	1	2%	520	523	4	1%	38,869	39,316	447	1%
51	Information	39	51	12	30%	134	174	40	30%	6,531	5,820	(711)	(11%)
62	Health Care and Social Assistance	35	44	9	24%	759	791	32	4%	82,014	89,115	7,101	9%
56	Administrative and Support and Waste Management and Remediation Services	31	38	6	21%	1,668	2,092	425	25%	29,167	27,404	(1,763)	(6%)
71	Arts, Entertainment, and Recreation	19	22	3	16%	285	269	(16)	(6%)	10,191	9,956	(235)	(2%)
55	Management of Companies and Enterprises	14	19	5	33%	115	153	39	34%	13,294	13,031	(263)	(2%)
52	Finance and Insurance	11	<10	-	-	471	442	(29)	(6%)	46,289	47,682	1,393	3%
21	Mining, Quarrying, and Oil and Gas Extraction	11	11	(0)	(1%)	31	22	(9)	(29%)	586	372	(213)	(36%)
22	Utilities	11	15	4	36%	78	113	35	44%	1,355	1,211	(144)	(11%)
61	Educational Services	0	<10	-	-	101	121	21	20%	18,789	20,007	1,218	6%
	<b>Total</b>	2,588	2,749	161	6%	18,053	19,616	1,563	9%	618,207	626,235	8,028	1%

Source: Emsi

Accommodation and Food Services, and Information industries are projected to grow the most, in percentage terms, over the next ten years. Transportation and Warehousing, Wholesale Trade, and Agriculture, Forestry, Fishing and Hunting are projected to continue to grow over the next ten years.

### Projected change in industry employment 2022-2032

- Arcade
- Wyoming County
- Buffalo MSA





## Real Estate Market Analysis

The following market analysis presents data on the multi-family and single-family residential real estate trends in the Village, Wyoming County and the larger Buffalo MSA. While the proposed development sites are not intended to be used as a single-family home subdivision, we include the single-family residential homes as reference points in the market place (e.g. consumer substitutes for multi-family).

### Multi-Family Housing

Below are key indicators of the multi-family housing market at the Buffalo MSA level for Q2 2022.

#### KEY INDICATORS

Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	4,822	5.1%	\$1,588	\$1,579	96	16	401
3 Star	20,940	2.9%	\$1,153	\$1,147	69	10	729
1 & 2 Star	17,435	3.7%	\$913	\$910	(97)	0	0
<b>Market</b>	<b>43,197</b>	<b>3.4%</b>	<b>\$1,125</b>	<b>\$1,120</b>	<b>68</b>	<b>26</b>	<b>1,130</b>

As shown, there is currently an inventory of 43,197 units in the CoStar database with an overall vacancy rate of 3.4% and an effective market-rate rent of \$1,120 per month. In the last quarter, 68 units have been absorbed, 26 have been delivered, and a further 1,130 are under construction. We note that the higher vacancy rate in the 4- and 5-Star units in the last quarter is due to product newly delivered in the market in this quarter, and is not indicative of normal conditions.

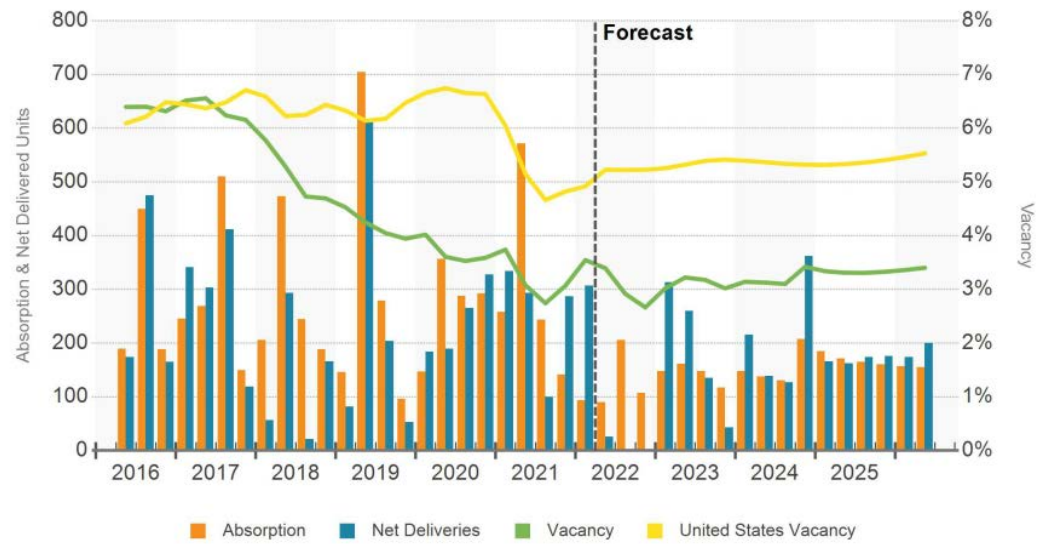
In the table to the right, we show the some of the same data, but for the most recent 12-month period. Overall vacancy rates are projected to decline to 3.2% with absorption dropping from its 12-month rate of 651 to 604 for the next 12 months. Rent growth has been strong at 5.3%.

Annual Trends	12 Month	Historical Average	Forecast Average
Vacancy Change (YOY)	0.2%	6.9%	3.2%
Absorption Units	651	464	604
Delivered Units	775	391	668
Demolished Units	0	6	11
Asking Rent Growth (YOY)	5.4%	1.7%	3.5%
Effective Rent Growth (YOY)	5.3%	1.8%	3.4%
Sales Volume	\$99.6M	\$40.3M	N/A

Buffalo MSA

In the “Absorption, Net Deliveries & Vacancy” chart, we look further back over the last six years.

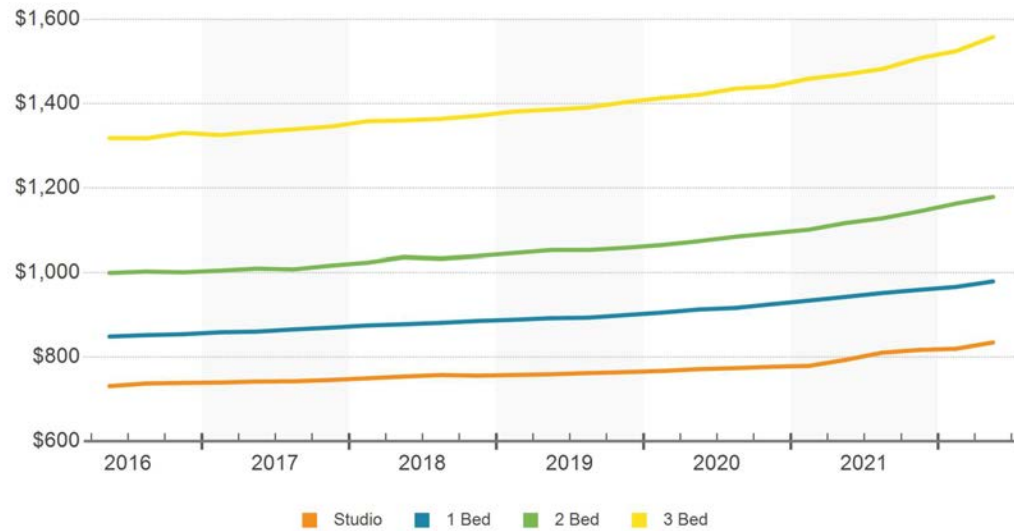
- The MSA’s multi-family real estate market has shown strong fundamentals.
- With few exceptions, there have been positive net deliveries of over one hundred units per quarter.
- Generally, the newly delivered units were subsequently absorbed in the same year as delivery, indicating strong demand for multi-family units.
- From 2016, vacancy rates have ranged from 6.6% to recent 10-year low of 2.8% in Q4 2021.



Buffalo MSA

Market rents for multi-family properties in the Buffalo MSA have been growing modestly but consistently between 1% and 3% annually over the last six years. In general, rent prices have moved in parallel across bedroom counts. Average asking rents are currently at approximately \$825 for a studio, \$980 for a 1-bedroom, \$1,180 for a two bedroom, and \$1,575 for a 3-bedroom.

**MARKET RENT PER UNIT BY BEDROOM**



Buffalo MSA

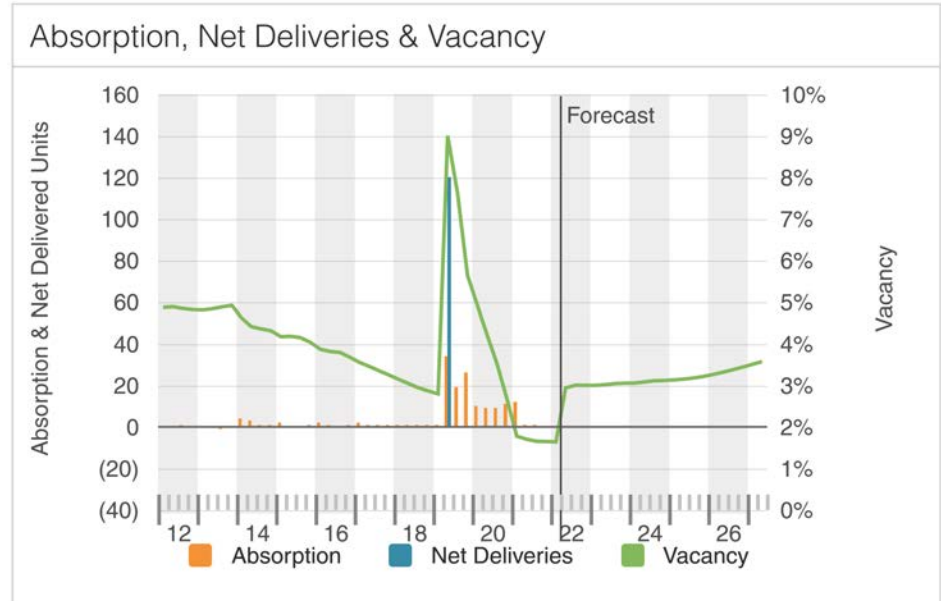
Dividing the MSA market into individual submarkets, we note that the Village of Arcades falls on the border of the “South Suburbs” submarket, which has seen year-on-year rent growth of 5.4% and is now at an average, per-unit rent of \$1,107. However, on a per-square foot basis, monthly rents are averaging only \$1.20 compared to the City Buffalo’s \$1.25.

**SUBMARKET RENT**

No.	Market	Asking Rents			
		Per Unit	Per SF	Rank	Yr. Growth
1	Buffalo Proper	\$969	\$1.25	3	2.9%
2	Central	\$1,128	\$1.39	2	2.5%
3	East Suburbs	\$1,061	\$1.22	4	6.3%
4	Niagara Falls	\$718	\$0.92	7	2.2%
5	North Suburbs	\$1,295	\$1.43	1	7.5%
6	Outlying Niagara County	\$919	\$1.10	6	3.6%
7	South Suburbs	\$1,107	\$1.20	5	5.4%

Narrowing our focus to the smaller market of the Wyoming County, we see a similar trend of consistently declining vacancy rates from 2011. In 2019, vacancy rate spiked up to 9% when 120 units were brought to the market in Warsaw. The new units were entirely leased by 2021. Multi-family vacancy rates are currently estimated at 1.6%

Wyoming County



INVENTORY UNITS

**1,336** +0%  
Prior Period 1,336

UNDER CONSTRUCTION UNITS

**0** -  
Prior Period 0

12 MO ABSORPTION UNITS

**1** -96.6%  
Prior Period 35

VACANCY RATE

**1.6%** -0.1%  
Prior Period 1.7%

MARKET RENT/UNIT

**\$811** +5.5%  
Prior Period \$769

MARKET SALE PRICE/UNIT

**\$121K** +2.7%  
Prior Period \$118K

MARKET CAP RATE

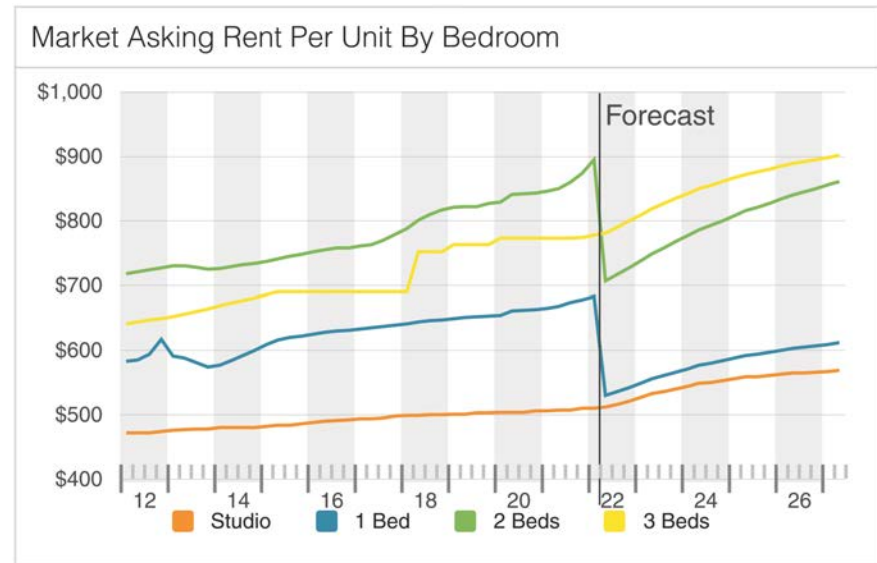
**6.8%** +0.2%  
Prior Period 6.6%

In Wyoming County, there are 1,336 multi-family units in the CoStar database averaging \$811 per month in asking rent, or \$1.18 per square foot. 1-bedrooms are averaging \$686, 2-bedrooms \$908, and 3-bedrooms \$780.

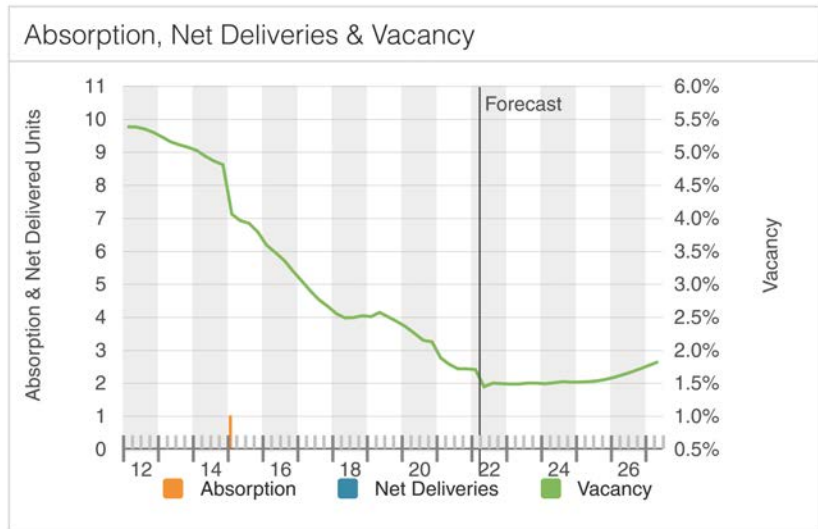
As shown in the chart, the persistent rise (albeit somewhat volatile) in asking rent prices may indicate sustained demand for multi-family units.

Availability	
Vacant Units	22 ↓
Asking Rent/SF	\$1.18 ↑
Concession Rate	0.4% ↓
Studio Asking Rent	\$510 ↑
1 Bedroom Asking Rent/Unit	\$686 ↑
2 Bedroom Asking Rent/Unit	\$908 ↑
3 Bedroom Asking Rent/Unit	\$780 ↑

Wyoming County

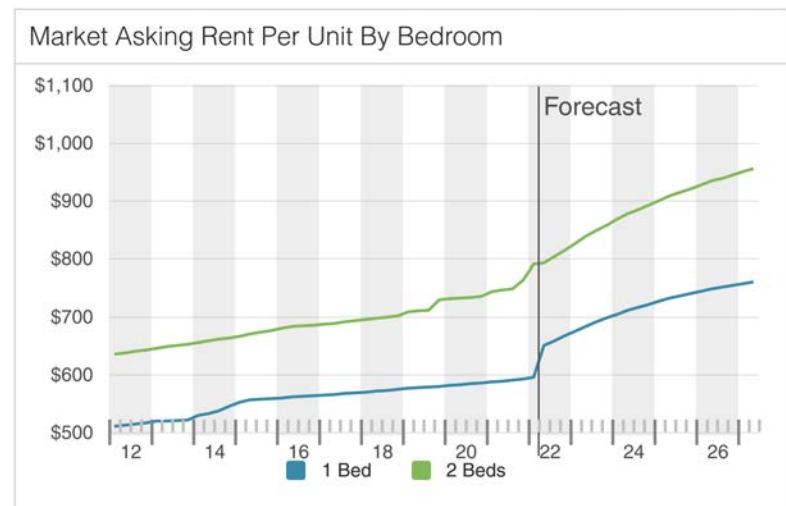


Looking at the multi-family market on the Village of Arcade over the last ten years, the supply of available rental housing as slowly declined. Vacancy rates have persistently declined over the last ten years from 5.4% in 2012 to 1.7% in 2022. There has been little activity in terms of absorption or deliveries over the last ten years. Vacancies are forecasted to remain below 2% through 2026. Market rent growth has grown persistently over the last decade which may indicate sustained demand for multi-family units. 1-bedroom units are currently yielding an average of \$596 per month in rent and \$791 for 2-bedroom units. Without adding new rental units to the market to meet persistently strong demand, there will continue to be upward pressure on rent prices.



<b>INVENTORY UNITS</b> <b>174</b> +0% <small>Prior Period 174</small>	<b>UNDER CONSTRUCTION UNITS</b> <b>0</b> - <small>Prior Period 0</small>	<b>12 MO ABSORPTION UNITS</b> <b>0</b> - <small>Prior Period 0</small>	<b>VACANCY RATE</b> <b>1.7%</b> -0.1% <small>Prior Period 1.8%</small>	<b>MARKET RENT/UNIT</b> <b>\$715</b> +4.6% <small>Prior Period \$684</small>	<b>MARKET SALE PRICE/UNIT</b> <b>\$102K</b> +4.5% <small>Prior Period \$98K</small>	<b>MARKET CAP RATE</b> <b>7.0%</b> +0.1% <small>Prior Period 6.9%</small>
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Availability	
Vacant Units	3 ↓
Asking Rent/SF	\$0.90 ↑
Concession Rate	0.4% ↓
Studio Asking Rent	-
1 Bedroom Asking Rent/Unit	\$596 ↑
2 Bedroom Asking Rent/Unit	\$791 ↑
3 Bedroom Asking Rent/Unit	-



## Single Family Housing

As noted above, the proposed development sights not intended to be used as a single-family subdivision. However, we include this brief review of single-family housing statistics as a reference point in the market place, as consumers can and do compare owning versus renting when making housing decisions.

We use a small sample of that data below as reference points to compare the MSA to the Town on specific data points. It is important to also note that ACS data will not correspond exactly to CoStar data due to many factors, including the scope of the data set and time of data collection.

Using 2021 forecasts provide ESRI, the below table displays the proportions of owner- and renter-occupied and multi-family housing units in the Buffalo MSA, Wyoming County, and the Village of Arcade.<sup>3</sup> A larger portion of the population relies on renter-occupied housing units in the Village compared to the County and the MSA.

Housing Tenure, 2021			
	Village of Arcade	Wyoming County	Buffalo MSA
Owner-Occupied	57%	67%	59%
Renter-Occupied	37%	20%	31%
Vacant Units, Rate	6%	13%	10%
Total Housing Units	1,041	18,208	528,735

Source: Esri

<sup>3</sup> Vacancy rates differ slightly from CoStar’s reported rates as ESRI is using 2021 estimates. Also, ESRI forecasts include property types such as affordable and single-family units that are not captured by CoStar.

The table below displays data from New York State Association of Realtors (NYSAR) on single family housing trends in the Western New York counties. On average across the seven-county region, the number of listings and closed sales has decreased, median sales prices have increased substantially year-over-year, and the inventory of homes for sale shrank significantly. Part of the falling inventory is attributed to new construction slowing in the face of a sharp increase in the price of construction materials, putting further upward pressure on home prices.

Year over year comparisons show that Wyoming County has been less effected by supply constraints and rising home prices than nearby counties.

County	New Listings			Closed Sales			Median Sales Price			Homes for Sale			Months Supply		
	Q1 2021	Q1 2022	+/-	Q1 2021	Q1 2022	+/-	Q1 2021	Q1 2022	+/-	Q1 2021	Q1 2022	+/-	Q1 2021	Q1 2022	+/-
Allegany	96	71	(26.0%)	96	84	(12.5%)	\$89,500	\$112,950	26.2%	73	45	(38.4%)	2.2	1.4	(36.4%)
Cattaraugus	193	160	(17.1%)	179	178	(6.0%)	\$110,000	\$115,900	5.4%	162	122	(24.7%)	2.2	1.8	(18.2%)
Chautauqua	284	240	(15.5%)	284	280	(1.4%)	\$109,255	\$138,850	27.1%	194	136	(29.9%)	1.7	1.2	(29.4%)
Erie	1,803	1,679	(6.9%)	1,772	1,592	(7.5%)	\$185,000	\$215,000	16.2%	570	483	(15.3%)	0.8	0.7	(12.5%)
Genesee	109	105	(3.7%)	102	106	3.9%	\$140,000	\$168,100	20.1%	30	20	(33.3%)	0.7	0.5	(28.6%)
Niagara	450	458	1.8%	442	415	(6.1%)	\$147,400	\$165,000	11.9%	154	176	14.3%	0.9	1.00	11.1%
Wyoming	74	70	(5.4%)	71	72	1.4%	\$136,000	\$147,950	8.8%	28	28	0.0%	1.0	0.9	(10.0%)
Average	430	398	(10.4%)	421	390	(4.0%)	131,022	151,964	16.5%	173	144	(18.2%)	1.4	1.1	(17.7%)

Source: NYSAR Quarterly Indicators

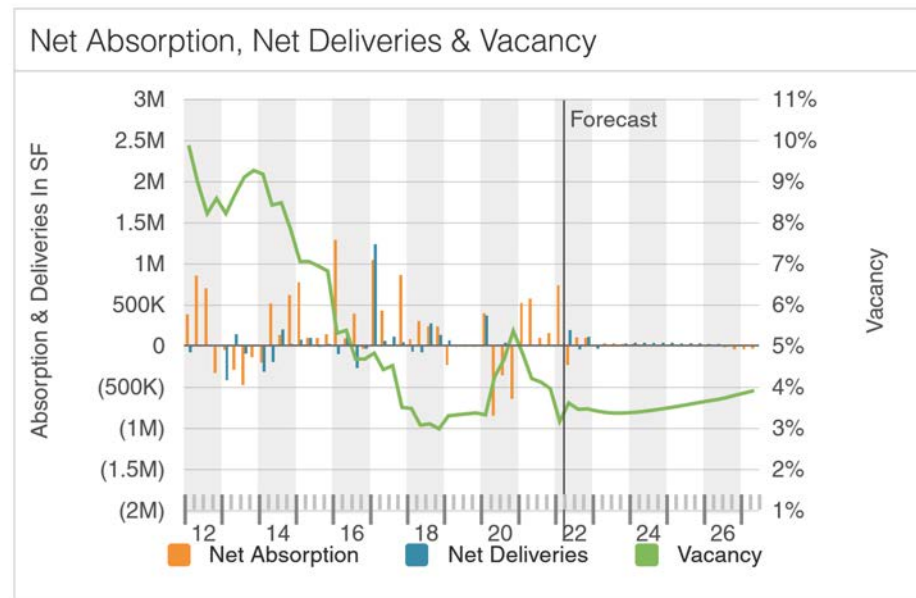


## Industrial Real Estate Market

Below are key metrics for the industrial real estate market in the Buffalo MSA. According to CoStar, there is approximately 93.1 million square feet (sf) of industrial space in the MSA that is currently priced at an average market rent of \$6.63 per sf. Vacancy rates across the MSA are currently estimated at 3.5%.

INVENTORY SF	UNDER CONSTRUCTION SF	12 MO NET ABSORPTION SF	VACANCY RATE	MARKET RENT/SF	MARKET SALE PRICE/SF	MARKET CAP RATE
<b>93.1M</b> <span style="color: green;">+0.2%</span>	<b>150K</b> <span style="color: red;">-49.0%</span>	<b>854K</b> <span style="color: green;">+655.6%</span>	<b>3.5%</b> <span style="color: green;">-0.8%</span>	<b>\$6.63</b> <span style="color: green;">+10.3%</span>	<b>\$49</b> <span style="color: green;">+13.3%</span>	<b>7.8%</b> <span style="color: red;">-0.1%</span>
Prior Period 92.9M	Prior Period 294K	Prior Period (154K)	Prior Period 4.3%	Prior Period \$6.01	Prior Period \$43	Prior Period 7.9%

Over the last ten years industrial vacancies have been steadily declining from a peak of 10% in 2012 to a 10-year low in 2019 at 3.0%. There have also been several deliveries and demolitions from 2012. Notably, in Q1 2017 over 1.2 million sf of industrial space was brought online- most of which was leased in the same term.



Buffalo MSA

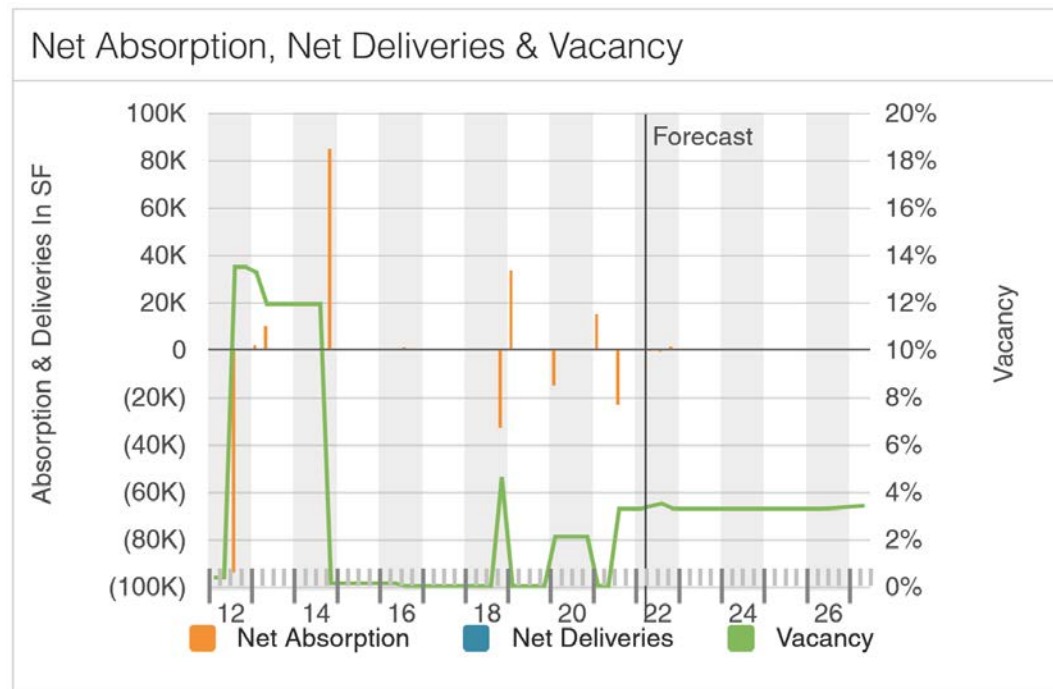
Market rent for industrial property has persistently grown year-over-year, indicating sustained demand for industrial space. In recent years, the rate of rent growth has accelerated to historical high of over 10% currently.



Buffalo MSA

Wyoming County's current industrial real estate market key metrics are similar to that of the MSA. Industrial vacancies are 3.3% in the County, and current market rent is \$6.62 per square foot. Historically, vacancy rates have been a bit more volatile than the MSA. In 2014 a large lease drove vacancy rates down to 0% until 2018. There have been no deliveries in Wyoming County over the last ten years.

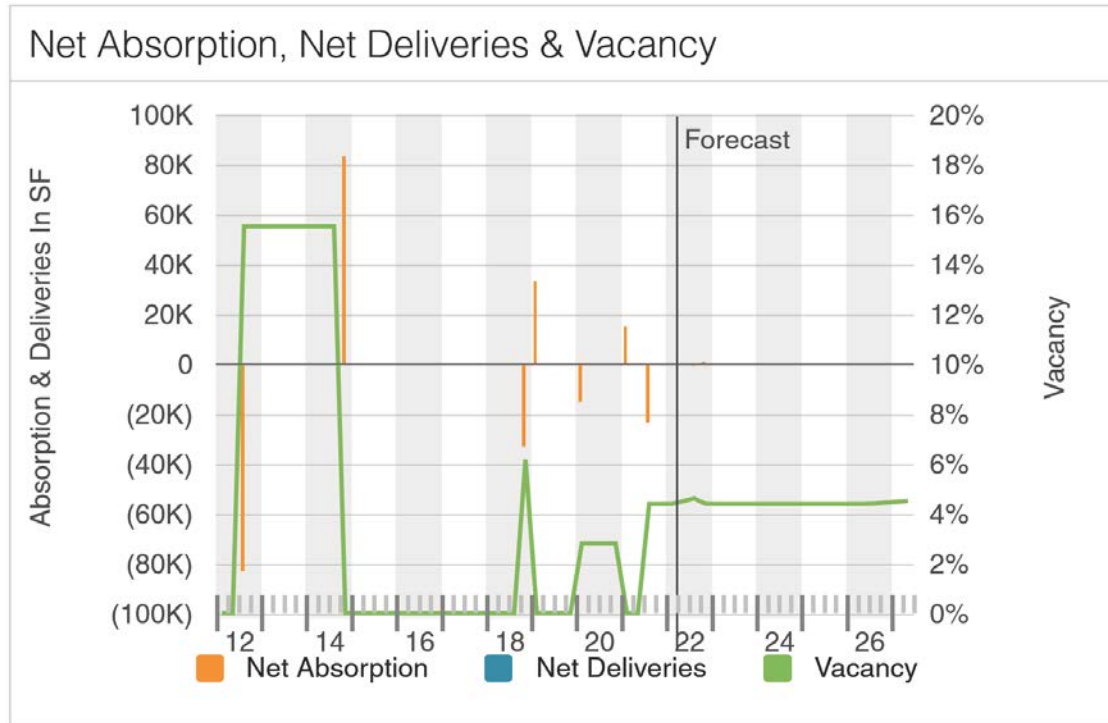
<b>INVENTORY SF</b> <b>718K</b> <span>+0%</span> Prior Period 718K	<b>UNDER CONSTRUCTION SF</b> <b>0</b> <span>-</span> Prior Period 0	<b>12 MO NET ABSORPTION SF</b> <b>(23.5K)</b> <span>-256.7%</span> Prior Period 15K	<b>VACANCY RATE</b> <b>3.3%</b> <span>+3.3%</span> Prior Period 0%	<b>MARKET RENT/SF</b> <b>\$6.62</b> <span>-</span> Prior Period \$0	<b>MARKET SALE PRICE/SF</b> <b>\$127</b> <span>+13.1%</span> Prior Period \$113	<b>MARKET CAP RATE</b> <b>7.2%</b> <span>+0%</span> Prior Period 7.2%
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Wyoming County

Roughly 75% of the County's industry real estate inventory is located in the Village of Arcade. As such, industrial real estate trends in the Village largely mirror those of the County. Market rents are slightly lower in the Village when compared to the County.

<b>INVENTORY SF</b> <b>536K</b> +0% <small>Prior Period 536K</small>	<b>UNDER CONSTRUCTION SF</b> <b>0</b> - <small>Prior Period 0</small>	<b>12 MO NET ABSORPTION SF</b> <b>(23.5K)</b> -256.7% <small>Prior Period 15K</small>	<b>VACANCY RATE</b> <b>4.4%</b> +4.4% <small>Prior Period 0%</small>	<b>MARKET RENT/SF</b> <b>\$4.84</b> - <small>Prior Period \$0</small>	<b>MARKET SALE PRICE/SF</b> <b>\$119</b> +14.5% <small>Prior Period \$104</small>	<b>MARKET CAP RATE</b> <b>7.1%</b> -0.1% <small>Prior Period 7.2%</small>
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Village of Arcade