City of Middletown

Downtown Revitalization Initiative

Downtown Profile and Assessment

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OVERVIEW

INTRODUCTION
In July 2016, the City of Middletown was one of 10 communities identified by the Regional Economic Development Councils (REDC) to receive $10 million in state funding. The $10 million award was intended to support a Downtown Revitalization Initiative (DRI) to transform downtowns ripe for development through a comprehensive, community-driven approach. The DRI program was launched in April 2016 by Governor Andrew M. Cuomo to improve the places that people live, work and raise families, by generating new opportunities for local development and investment. Former New York Secretary of State Cesar A. Perales chairs this initiative, leading a team of planners from NYS DOS and private-sector experts to help communities develop strategic investment plans to achieve the initiative’s goals.

The DRI process seeks to engage local communities and civic leaders in order to utilize funding for catalytic projects that have the greatest potential to leverage additional investment. A group of local stakeholders was selected to serve on the Local Planning Committee (LPC), an advisory board to assist private-sector and State experts build a Strategic Investment Plan for the DRI area. The Middletown DRI is co-chaired by Mayor Joseph DeStefano and Jonathan Drapkin, president and chief executive of Hudson Valley Pattern for Progress. The Committee is comprised of business owners and leaders from local organizations and institutions. The LPC holds a monthly meeting that is open to the public to discuss the progress and development of strategic investment plan and projects.

The Downtown Profile and Assessment provides an overview of the existing conditions, opportunities and challenges in downtown Middletown. This document assimilates studies completed to-date in order to provide basis for further analysis and strategic recommendations that will be included in the Revitalization Strategies and Action Plan. The Downtown Profile contains information on the DRI area, its predominant land uses, zoning and demographics. In addition, the state of the current retail market, transportation and infrastructure, historic and cultural resources, as well as recent and ongoing projects are outlined in order to assess the potential impact of DRI funding.
DRI AREA

REGIONAL CONTEXT

The City of Middletown is located in north-central Orange County, in New York’s Mid-Hudson Valley region (see Figure 1: Regional Context). It is centrally located between Port Jervis and Newburgh, just west of the Wallkill River and the intersection of Interstate 84 and NY 17. State routes 17M and 211 run through the City. New York City is approximately 70 miles to the southeast, and is accessible by car, bus and train. Middletown offers bus service to other cities in the region, and Coach USA has plans for a Transportation Center in the DRI area. The closest rail station is located in the Town of Wallkill, serving Metro-North Railroad’s Port Jervis line.

Middletown’s DRI area is defined by the boundaries of the Business Improvement District (BID), which is generally bounded by Wickham Avenue on the north; Cottage Street, Montgomery Street and East Avenue on the east; Fulton Street on the south; and Union Avenue on the west (see Figure 2: ). The BID encompasses over 225 tax parcels on approximately 124 acres, which is approximately 4 percent of the City’s 5.14 square miles. The BID has been in existence since 1992 and is well-recognized in the community.

The BID boundary was chosen for the DRI Strategic Plan because it is compact and it is generally considered to be the central business district in the heart of the City. While much of the inventory and analysis contained within this report focuses on the DRI area, it also considers the surrounding context in the City as well its regional context as a major activity center in Orange County. The plan also considers neighboring institutional uses that play an important role in the DRI area such as the Enlarged City School District of Middletown, SUNY Orange, Touro College, Fei-Tian Academy, the YMCA, the City’s Michael G. Perkins Community Center and the Paramount Theatre.

The DRI area in Middletown has a variety of uses, including commercial and institutional uses serving religious, civic and municipal needs. The primary commercial corridors are generally located along East/West Main Street and North/South Streets. Core municipal functions such as City Hall and the City Court are located along James Street. Other civic uses in the DRI area include Thrall Park, Festival Square, the Paramount Theatre, Thrall Library and several historic churches. Many of the buildings in the DRI area are mixed-use with commercial on the street level and residential on upper floors. On the outer edges of the DRI area (along Mill Street and Montgomery Street), there are lower-density residential areas with detached single- and multi-family homes.
Figure 1. Regional Context
Figure 2. DRI Area (Middletown BID)
Middletown was historically a railroad-dominated city. The Erie, New York’s first railroad, was constructed in 1841, and carried freight through the City on its route from New York City to Lake Erie. Middletown served as a terminus station between 1843 and 1848, and in this time the City grew to be one of the country’s largest shipping centers. Shipping businesses led to new development and industry growth. Industrialization continued through the mid-20th century, bringing factories and manufacturing, until many of these businesses relocated in the 1960s and 1970s. At the same time, a number of changes drew investment away from the downtown. By the time the Erie Railroad was rerouted in 1976, suburbanization and the construction of new shopping malls near Route 17 had shifted the commercial focus away from the downtown, resulting in the closure of many longtime businesses. Rail service to Middletown was briefly taken over by Metro-North Railroad, but by 1983 the station was closed. In 1995, the former railroad station building was converted into Thrall Library. Like many smaller cities in the region, Middletown has faced decline and disinvestment, but the City has continued its efforts to revitalize and leverage its historic and cultural resources.

PREVIOUS PLANNING EFFORTS
The inventory and analysis completed for the Middletown DRI Plan recognizes that there are a number of plans, studies, and resources that address the existing conditions, regulatory frameworks, community goals and economic development opportunities in the City. These resources have been produced by government agencies, regional planning groups, businesses, non-profit organizations and academic institutions. Existing plans with direct or indirect connections to the City were reviewed to identify established goals and ongoing or proposed projects. These plans were also assessed to ensure that the DRI Plan is supportive and not duplicative of other efforts. The most relevant existing plans which contributed information and ideas to the DRI planning process are summarized below.

MIDDLETOWN COMPREHENSIVE PLAN, 2009
The *City of Middletown 2030: Center City Orange County* Comprehensive Plan was drafted in 2009 for the City by Saccardi & Schiff, Inc. The Plan identified issues, opportunities and recommendations for land use, zoning, housing, economic development, cultural affairs, infrastructure and institutional facilities. The Plan also included a focus on the downtown, including specific recommendations to encourage residential and commercial growth; expand and improve upon open space; enhance branding, marketing and signage; improve pedestrian, bicycle and vehicular connections to make the downtown more accessible and walkable; improve parking facilities; incentivize private redevelopment and investment; and protect and strengthen the City’s built environment and architectural heritage. While never officially adopted, the draft plan has served as a policy guide for the City’s subsequent work to improve the downtown as the City’s center of economic, civic and cultural life, and several of its key recommendations have been implemented.

MIDDLETOWN STUDENT HOUSING DEVELOPMENT REVIEW, 2015
This study, prepared by Hudson Valley Pattern for Progress, evaluated the feasibility of developing a student housing facility in the downtown area. The study concluded developing an off-campus student housing facility partnered with one of the surrounding higher-learning institutions would have a positive impact on the downtown and would enhance the economic vitality, social mobility and unique character of the City. The report identified two potential
sites: the Fort Knox building at 9 Canal Street and the Classic Hosiery building at 2-40 Wawayanda Avenue. Pattern for Progress recommended a collaborative effort between the City and SUNY Orange to engage in public-private partnership with a private developer.

**MARKETING PLAN FOR MUNICIPAL GROWTH: CITY OF MIDDLETOWN, NEW YORK, 2015**

This report, prepared by Hudson Valley Pattern for Progress, highlights some of Middletown’s assets, challenges and opportunities. Recommendations to help the City continue its forward momentum include marketing strategies that would make Middletown increasingly attractive to millennials, such as capitalizing on the presence of SUNY Orange and Touro College, and increasing zoning flexibility for live/work opportunities.

**NEW YORK RISING COMMUNITY RECONSTRUCTION PLAN, 2014**

This report, developed by the City in partnership with the Governor’s Office of Storm Recovery, outlined specific projects to protect and mitigate against the risks of extreme weather events and sea level rise. The Plan, which was in direct response to the flooding that occurred from Hurricane Irene and Tropical Storm Lee, outlined a series of reconstruction and resiliency strategies to protect the community and make it more resilient to climate change. Recommendations focused on preparedness and storm-management through preservation, resiliency and improvements to the City’s infrastructure and access to community facilities and services. While most of the identified projects applied to vulnerable areas outside of downtown, the study recommended that safer and more reliable access be created to connect the residential neighborhoods to the downtown area. Improvements to water infrastructure at major intersections, including culvert replacements on Monhagen Avenue and West Main Street at the southwestern edge of the DRI area, were identified as potential means of mitigating flooding that damaged homes, businesses and City infrastructure. An additional community resiliency project called for a cooperative project between the BID, Fei Tian, SUNY Orange and Touro College. Projects outside of the DRI area also promote flood protection measures to fortify the downtown against flooding where it has historically been an issue: Monhagen Avenue, Sterling Street and West Main Street. This will be discussed further in the Infrastructure section of this document.

**CITY OF MIDDLETOWN 2015-2019 CONSOLIDATED PLAN AND 2015 ACTION PLAN**

This document outlines projects to be undertaken by the City during the next five years to address housing and economic development priorities. Identified housing issues include overcrowding the cost burden for renters and homeowners, and the need to accommodate Orange County’s growing population. The plan proposes programs for housing rehabilitation and code enforcement to improve the safety and quality of Middletown’s current and future housing stock. The Plan supports job creation programs, such as those providing loans or other assistance that help small businesses make improvements. These loans help to retain and create jobs in the City. The Economic and Community Development Program reportedly provided three small business loans, resulting in 13 new jobs. The plan calls for 10 business to be assisted with a minimum of 50 jobs to be created. To date six new businesses have been assisted and 42 jobs have been created. Another 25 jobs are expected by year end 2016.

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**LAND USE AND ZONING**
EXISTING LAND USE

The City of Middletown is 3,286 acres, with land uses that fall into 12 categories. The majority of the City’s land (39.5%) is residential, primarily single-family housing (78%). Transportation and roads represent 16% of land use, and vacant land is also 16% of total land use. Figure 3: Land Use Map - Citywide shows six combined categories to demonstrate the overall pattern of land use in the City.

Within the DRI area, 18.6% of land is dedicated to commercial use, and an additional 9.9% of the areas is mixed use (see Table 1: DRI area Land Use). The DRI area’s commercial uses are clustered along North and South Streets between Fulton Street to the south and Wickham Avenue to the north, and continue on East and West Main Streets.

Table 1: DRI area Land Use

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Acres</th>
<th>% Total DRI area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>7.5</td>
<td>5.6%</td>
</tr>
<tr>
<td>2-3 Family</td>
<td>11.3</td>
<td>8.4%</td>
</tr>
<tr>
<td>Multi Family</td>
<td>7.8</td>
<td>5.8%</td>
</tr>
<tr>
<td>Mixed Use</td>
<td>13.3</td>
<td>9.9%</td>
</tr>
<tr>
<td>Commercial</td>
<td>24.9</td>
<td>18.6%</td>
</tr>
<tr>
<td>Office</td>
<td>10.4</td>
<td>7.7%</td>
</tr>
<tr>
<td>Industrial</td>
<td>9.4</td>
<td>7.0%</td>
</tr>
<tr>
<td>Parks</td>
<td>4.0</td>
<td>3.0%</td>
</tr>
<tr>
<td>Community Services</td>
<td>21.8</td>
<td>16.3%</td>
</tr>
<tr>
<td>Public Services</td>
<td>0.8</td>
<td>0.6%</td>
</tr>
<tr>
<td>Parking</td>
<td>15.3</td>
<td>11.4%</td>
</tr>
<tr>
<td>Vacant</td>
<td>7.7</td>
<td>5.8%</td>
</tr>
<tr>
<td>DRI area Total</td>
<td>134.2</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Orange County GIS
Figure 3. Land Use Map - Citywide

MIDDLETOWN DOWNTOWN REVITALIZATION INITIATIVE (DRI)
Figure 3. Institutional Uses Map

Legend
- Single Family
- 2-3 Family
- Multi Family
- Mixed-use
- Commercial
- Office
- Industrial
- Community Services
- Parks
- Parking
- Utilities
- Vacant

Source: Orange County Land Use Data, City of Middletown

Figure 4. Land Use Map - DRI Area

Legend
- Single Family
- 2-3 Family
- Multi Family
- Mixed-use
- Commercial
- Office
- Industrial
- Community Services
- Parks
- Parking
- Utilities
- Vacant

Source: Orange County Land Use Data, City of Middletown
PARKS AND OPEN SPACE

Middletown features 155 acres of parks or open space, 4 acres of which are located within the DRI area (see Figure 5: Parks and Institutional Uses). Thrall Park, the largest park in the DRI area at 3.62 acres, is located on Wickham Avenue between Grove and North Streets. The park has a playground and features a soldier’s monument at the northeast corner. The DRI area also offers a number of smaller open spaces and pocket parks. Festival Square, located on West Main Street between the Havana House of Cigars building and Nina restaurant, serves as a community gathering place and features events including a summer concert series. Academy Avenue Park is located adjacent to the Michael G. Perkins Community Center, at the corner of Academy Avenue and Little Avenue. The park is approximately 2 acres and features a playground, benches and a bandstand.

The DRI area has also recently added three pocket parks. Run for Downtown Park is a space near the corner of North Street and East Main Street, between the IDA Beauty Supply Store and Something Sweet Dessert Café. The park features bench seating, plantings, landscaping, pavers and a clock. These amenities and other ongoing improvements are funded by proceeds from the annual Marshall & Sterling Insurance Run 4 Downtown race.

King Street, a one-block street located between North Street and James Street, has been closed to traffic and repaved for pedestrians. The City added crosswalks, benches, trees, plantings, bike racks, and improved sidewalks. The upgraded pedestrian streetscape was designed to provide a better connection to the James Street parking lot and encourage foot traffic to businesses on King and North Streets.

A third pocket park, Jerry’s Park, is on North Street near Grace Episcopal Church, between two currently vacant buildings at 42 North Street and 48 North Street. This space has brick paths, lighting and trees, and provides through block access to Center Street and the James Street parking lot.

Hillside Cemetery and Davidge Park fall just outside of the DRI area. Fancher Davidge Park is located approximately two miles northwest of the DRI area boundary. The park features a lake and a swimming pool and splash park that were opened in 2014.

INSTITUTIONAL USES

Institutional uses include municipal services, religious institutions, educational facilities, hospitals, cultural services, community and non-profit organizations and homes and services for seniors (see Figure 5). This category comprises the second-largest land use (16.3%) in the DRI area. The city owns a number of properties in the DRI area (see Figure 6: City Owned Properties), and many municipal functions such the City Court, City Hall, Middletown Police Department, Thrall Library and the Middletown DMV are located on James Street in the heart of the BID.

Several institutional uses are geared toward seniors, including age-restricted housing or assisted-living: Southwinds Retirement Home, the Promenade at Middletown, and Southeast Towers Housing Corporation on Fulton Street, and the Elliot at Erie Station on John Street, as well as the City’s Mulberry House Senior Center on West Main Street. Additional institutional uses within the DRI area include community organizations such as the Elks Club, YMCA, and Kiwanis Club, as well as several religious institutions, including Grace Episcopal Church, the United Presbyterian Church, First Congregational Church, Christ Church, Unitarian Universalist Church, First Baptist Church, St. Paul’s United Methodist ChurchDRI area.
Legend
1. Temple Sinai
2. Middletown Christian
3. YMCA/Liberty Street Elementary
4. Middletown Elks Lodge
5. Seventh Day Adventist
6. Shortline Bus Terminal
7. Adult Home Erie Station
8. Thrall Library
9. Alternative High School
10. Middletown Fire
11. DMV Middletown
12. Middletown Police
13. Mulberry House
14. Edwin Welling House
15. OC Social Services
16. Southeast Towers
17. Avenue Elementary School/Parks & Recreation
18. Post Office Middletown
19. College Hill Apartments
20. The Promenade
21. Hillside Cemetery
22. Festival Square
23. Jerry’s Park
24. Run4Downtown Park

Figure 5. Parks and Institutional Uses- DRI Area

Legend
1. Temple Sinai
2. Middletown Christian
3. YMCA/Liberty Street Elementary
4. Middletown Elks Lodge
5. Seventh Day Adventist
6. Shortline Bus Terminal
7. Adult Home Erie Station
8. Thrall Library
9. Alternative High School
10. Middletown Fire
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21. Hillside Cemetery
22. Festival Square
23. Jerry’s Park
24. Run4Downtown Park

Figure 5. Parks and Institutional Uses- DRI Area

MIDDLETOWN DOWNTOWN REVITALIZATION INITIATIVE (DRI)
As seen in Figure 5, the City’s public school facilities are located outside of the DRI area. The closest public education institutions are Liberty Street Elementary School, on Liberty Street just west of Wickham Avenue, and Academy Avenue Elementary School, located between Little Street and Washington Street approximately one block east of the DRI area boundary. Twin Towers Middle School and Middletown High School are each approximately 2 miles east of the DRI area, while Monhagen Middle School and Maple Hill Elementary School are approximately 2 miles to the west.

SUNY Orange, or Orange County Community College (OCCC), is a two-year institution located on South Street, within walking distance of the DRI area. The Middletown campus which occupies roughly 40 acres, enrolls 5,542 students with 3,191 full-time and 2,351 part-time\(^1\). Students mostly commute to campus from outside Middletown; however, the City and SUNY Orange are exploring the feasibility of providing additional student housing in the City. SUNY Orange also operates a campus in Newburgh.

Fei Tian Academy of the Arts is a middle and secondary school with 169 students. Fei Tian College of Fine Arts is a bilingual (English-Chinese) institution for higher learning. The college has 127 full-time students, and offers Bachelor degree programs in classical Chinese dance and music performance. In 2015, Fei Tian College purchased the 7.5 acre grounds of the former Middletown Psychiatric Center. The college has plans to redevelop this property as part of the Middletown Community Campus, as part of a larger expansion program that projects the Academy to grow to 600 students and the College to grow its enrollment to 2,700. This campus is located about one mile west of the DRI area.

Touro College of Osteopathic Medicine opened its Middletown campus in July 2014, and is housed in the former Horton Hospital Building approximately one mile east of the DRI area. The campus has been renovated and is complete with high-tech lab facilities, a 24/7 medical library and 85 dorm rooms. Touro College enrolls over 600 students.

\[^1\] http://www.nycolleges.org/institution/fei-tian-college_189
KEY VACANT AND UNDERUTILIZED SITES

The DRI area includes a number of underutilized and vacant properties that could be potential sites for redevelopment (see Figure 7: Underutilized and Vacant Properties Error! Reference source not found.). In addition, there are a few commercial properties along DRI area’s commercial corridor which are vacant. Some are for sale or lease; others are longstanding vacancies. Enduring vacancies can be detrimental to the level of street activity in a downtown, which can contribute to perceptions of safety. Some of the key underutilized properties in the DRI area include:

- 11 King Street: This building in the C-3 District has been vacant since 2012. A boutique hotel with restaurant has been proposed, which would generate an estimated 50 new jobs. This property is currently in litigation and the City expects to gain title.

- 2-8 South Street: A large, former bank building at the corner of South and East Main Streets in the C-3 District is owned by the City and planned to be privately developed into an office building. The estimated project cost is $1.8 million. Orange County Accelerator has discussed utilizing the space for “SMARTT POD” systems that facilitate production and craftsmanship by linking technical support and innovative tools needed for craftsmanship.

- Interactive Museums Building: This building at 23 Center Street was formerly used as an interactive children’s museum. The City acquired the site and is considering a number of options for reuse of the building.

- 26 North Street: This building, the tallest in the City was built in 1917 and is located in the C-3 District. The ground floor and top floors are currently vacant. Four units are currently leased to the Fei Tian Academy for student housing.

- ACME Bus: This former Honda dealership in the C-3 District, was most recently used by ACME Bus as a lot for school buses however it is now vacant and is for sale.

- Tompkins Building: This former department store at 23-25 North Street in the C-3 District was recently sold following a long vacancy. The new owner has plans for a $4.5 million restoration as an auction house and antiques restoration shop.

- Classic Hosiery: Located at 33-49 Mulberry Street, this building was originally a tannery and is now mostly vacant, except for a portion occupied by Classic Hosiery. The three story building has approximately 84,000 square feet of space. Pattern for Progress estimated that the building was 80% occupied (as of 2015), and that Classic Hosiery employed 34 people2. This site is located in the I-1 Light Industrial Zoning District in the southwestern portion of the DRI area.

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2 Middletown Student Housing Development Review, 2015 Pattern for Progress
• Fort Knox Building: This building at 9-29 Canal Street is mostly vacant, except for one tenant, Fort Knox Self-Storage facility. This building is under new ownership. The owner has expressed a vision for expanding the storage facility, but is open to other possibilities should there be development interest.

• Chase Bank at 135 North Street- The bank occupies only about 30% of the through block lot. The remainder serves as a parking facility for the bank, which provides in excess of 80 spaces.
Figure 6. City-Owned Properties

Source: Orange County Land Use Data, City of Middletown

Legend
- Red: BID
- Blue: City Owned Properties
Figure 7. Underutilized and Vacant Properties

Legend
- BID
- City Owned Properties
- Underutilized
- Vacant

Source: Orange County Land Use Data, City of Middletown
ZONING
Middletown contains 18 zoning designations city-wide, with the majority of land falling under the R-1 single-family residence category. As seen in Figure 8: Zoning Map, the DRI area is predominantly zoned C-3 (general business), but it also includes the C-1 (neighborhood business), C-1A (limited neighborhood business), and C-2 (limited business) zones. The C-2 and C-1A districts are located at the northern edges of the DRI area. The DRI area contains a small portion of the C-1 district at its southeast corner, at where East and Fulton Streets intersect.

C-3 DISTRICT
The C-3 District, which represents most of the DRI area, allows for mixed-use development, with commercial uses on the ground floor and residential and office space on upper floors. Permitted uses include retail stores, telephone and communication facilities and stores, banks and municipal uses. Uses permitted by special permit include service stores, rental agencies, printing shops, funeral homes, parlors and bowling alleys, restaurants and bars, places for assembly and entertainment, bakeries, bus terminals and taxi stands, light manufacturing for the assembly of pre-made materials, offices, adult educational facilities, hotels and motels, distillery and bottling operations and child-care facilities. Hospitals and adult-care facilities are permitted in C-3 districts with special permit and site plan approval outside of the Central Business District.

Table 2: C-3 General Business District Regulations below describes the regulations of the C-3 District, including permitted uses, lot, yard and building sizes.

Table 2: C-3 General Business District Regulations

<table>
<thead>
<tr>
<th>C-3:</th>
<th>General Business District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permitted Uses</td>
<td>Retail stores less than 3,000 sf; telephone and communication facilities; banks; municipal use; additional permitted uses require special permit and site plan approval by the Planning Board</td>
</tr>
<tr>
<td>Minimum Lot Size</td>
<td>7,500 sf, required width of 75 feet</td>
</tr>
<tr>
<td>Maximum Height</td>
<td>6 stories or 90 feet</td>
</tr>
<tr>
<td>Yards Required</td>
<td>No side, front or rear yard required. No building shall extend less than 11 feet from the curbline except where the present sidewalks are narrower.</td>
</tr>
</tbody>
</table>

Source: §475-21 City of Middletown, Article III District Regulations
Figure 8. Zoning Map

MIDDLETOWN DOWNTOWN REVITALIZATION INITIATIVE (DRI)
The DRI area’s industrial zones, I-1 (light industry) and I-2 (heavy industry), are concentrated at its northeastern edges, and include Clemson Brothers Brewery and adjacent light industrial uses along Railroad Avenue. A small portion of the DRI area is zoned residential. Residential zones in the DRI area include R-2 (two-family residence), OR-2 (two-family owner-occupied residential districts), and R-4 (high rise multiple-residence districts). The R-4 district, located on Fulton Street between South and East Streets, accommodates the South East Towers, a Section 8 housing facility with 107 units including 42 assisted-living units. The DRI area is immediately adjacent to two larger R-2 districts to the east and west. Part of the R-2 district to the east is located within the DRI area. Thrall Park is zoned OR-2, which permits one- and two-family dwellings as well as municipal buildings and uses.

**LAND USE BOARDS**

The Planning Board, which has six appointed members, is responsible for reviewing applications and plans for special permits at its monthly meetings.

The Zoning Board of Appeals (ZBA) reviews applications and plans, and has the power to grant variances as defined in the City of Middletown Code Chapter 475 Article VII. The ZBA has four members.

The Architectural Board of Review works to maintain the historical integrity of the City. The Board provides guidelines and standards for preservation within the Architectural Control District Area, and processes all applications for new construction or façade renovation in this area. The boundaries of the Architectural Control District are the same as the BID and DRI area boundaries.
POPULATION AND HOUSING

POPULATION
Over the past decade, the year-round population of Middletown grew by more than 10 percent to 28,086 residents, only to contract thereafter by 1 percent to 27,812 in 2015. In the 2000s, the growth rate reached nationwide levels and even surpassed Orange County growth by 1.4 percent, but since 2010 the decrease in population has left the City behind the broader area’s continued expansion. The DRI area, which housed nearly 10 percent of Middletown’s population over the last decade, has also declined in residents. An independent source, the ESRI Business profile, estimates the DRI area’s population declined by 5 percent from 2,628 in 2010 to less than 2,500 in 2016.

Population forecasts prepared by the Orange County Department of Planning based on the rate of change from 2000 to 2010 suggest that Middletown will see its population increase by 1 percent annually to 2030, adding 6,287 residents over the 20-year period. The County’s population is forecasted to expand at a slightly lesser rate (0.9% annually), adding 71,849 residents. With revitalization, the DRI area could capture and benefit from some of the expected citywide growth.

In 2010, residents in Middletown’s DRI area were slightly older than both the City and County as a whole, with a larger share of seniors aged 65 or older and a smaller portion of youth under age 18. Over the period from 2000 to 2010 the number of senior residents in the DRI area dropped by 11 percent, and youth under age 18 fell by 5 percent. However, young adults and young family-stage residents aged 18 to 39 increased by 5 percent, while older labor force residents aged 40 to 64 increased by more than 25 percent. With nearly double the overall growth rate of the DRI area during the last decade, Middletown experienced moderate population growth among youth and young adults (+8.5% and +7.6% respectively), strong population growth among adults aged 40 to 64 (+21.9%) and minor losses among the senior population (-2.0%). The DRI area’s median age increased, from 33.3 to 34.4, as the City’s median age edged up from 33.4 to 33.7.

In both Middletown and Orange County, average household sizes were relatively uniform with little variation by tenure. In the DRI area, household sizes among home owners were larger than both the City and the County, at 3.0 persons per household on average, while renter households were smaller at 2.4 persons per household, a reflection of the size of apartment units in the City’s center.
Chart 1: Average Household Size by Tenure, 2010

Source: US Census Bureau, 2010 Decennial Census.

Based upon the population forecast of Orange County Department of Planning for Middletown, a household forecast was prepared by age of householder and household size from 2010 to 2030. This forecast projected a gain of 2,333 households over the period, with a slight reduction in average household size, falling from 2.81 in 2010 to 2.79 in 2030. By age of householder, those aged 65-74 will be responsible for the largest share of the gain (+38.4%), followed by householders aged 75 and older (+29.2), a reflection of the aging baby boomer population. Early-stage family and young professional householders aged 35-44 will be responsible for another 23.4 percent of the gain. The late-stage family-aged population (45-54) will see little growth, while young adult households aged 15-24 will decrease in number.

Chart 2: Household Forecasts by Household Size and Age of Householder, Middletown, 2010-2030

Source: US Census Bureau, 2000-2010 Decennial Censuses, Orange County Department of Planning and Urbanomics.
HOUSEHOLDS
Over the last decade, both Middletown and its DRI area saw moderate household growth. The DRI area experienced an expansion of households without children and a reduction of households with children while, in the City overall, both household types experienced growth, though households with children were responsible for nearly 60 percent of all additional households. In Orange County households increased in number by roughly 10 percent, or nearly double the rate of growth in Middletown, with fully 90 percent of new households attributed to those without children.

The share of households with children in the DRI area slipped from 33 percent to 31 percent between 2000 and 2010, as the percentage of such households in the City increased by 1 percentage point. Both areas saw a slight drop in the share of married-couple families; however, the DRI area is notable for having a small share of such households compared with the City as a whole (21% vs 39%). Although the share of single-parent households is similar in both areas and largely unchanged over the 10-year period, the majority of households (55%) in the DRI area are in the form of non-family households, compared with just 35 percent of Middletown household. This is likely a reflection of the DRI area’s large share of rental apartments with few bedrooms that are best suited for non-family households.

INCOME
Over the 5-year period from 2010 to 2014, the DRI area had a majority of households (54%) with incomes less than $25,000, including 30 percent of households below the federal poverty level. In the City overall, just over a quarter of households earned such income, and 18 percent of households were below the poverty level. Both the City and DRI area had a similar share, roughly one-in-four households, earning $25,000 to $49,999 per year, though more than half of City households earned more than $50,000 compared with just one-in-five households in the DRI area. Since 2000, the share of households in the two lower income quintiles dropped by 13 percentage points in the City, while the share of such households in the DRI area increased by 1 percentage point. Among households in the three upper income quintiles, the share of households earning $50,000 to $74,999 dropped by 6 percentage points in the DRI area, while the share of households in the two upper income quintiles expanded by 2 percent and 3 percent, respectively.

Median household income projections by ESRI suggest that median income in the DRI area is $36,166 in 2016 and will decline by nearly 6 percent over the next five years to $34,170. This projection is in contrast to that for the City, where median household income is expected to increase from $52,738 to $57,470 by 2021, a gain of 9 percent compared, and for the County, where household income is projected to expand by 11 percent from $73,554 to $81,950. In the DRI area, median income losses are expected to be most significant among householders aged 15-24.

3 The Census Bureau’s American Community Survey trends are drawn from a single estimate over a 5-year period from 2010 to 2014.
(-5%), 25-34 (-1%), 35-44 (3%) and 65-74 (-5%). Householders aged 45-54 are expected to see their median income increase by more than 8 percent and those aged 75 or older will see gains of 7 percent while householders aged 55-64 should see nearly no gains or less than 1 percent.

**HOUSING STOCK**
Over the last 14 years, the City added 1,074 housing units, increasing at a rate of less than 1 percent annually. Compared with the County, which added 15,687 units, the City’s pace lagged behind. Moreover, in the DRI area, 143 units were added between 2000-2016.

According to the Census Bureau’s Annual Building Permit Survey, the City approved building permits for 369 housing units from 2005 to 2015, all but two of them in the form of single-family housing typically constructed beyond the City’s center. In 2014 and 2015, 69 and 62 building permits were issued, respectively, well beyond pre-recession levels which reached 52 units in 2005. Multifamily housing construction has been minimal in recent years, in contrast to the late 1990s when several small and mid-size buildings were constructed.

From 2000 to 2014 homeownership rates increased across the City, expanding from 46 percent to 51 percent of households in Middletown and from 17 percent to 24 percent of households in the DRI area. Although the rate of increase was faster than occurred elsewhere in Orange County, the level of homeownership in Middletown still falls considerably behind the County.

Vacancy rate trends by tenure provide further evidence of increased demand for homeownership and weak demand for rental housing in the City and the DRI area. A general indicator of adequate vacant supply for reasonable housing choice is a vacancy rate of 4 percent to 5 percent, which ensures that housing supply is tight enough that home values will rise and developers will be encouraged to invest. Over the last 14 years, rental vacancy rates have been well above 5 percent in the DRI area, reaching a peak of 10 percent over the five-year period from 2010 to 2014, while homeowner vacancy rates have remained historically high as well.\(^4\) In the City as a whole, rental vacancy rates moved up to 8 percent in 2010 and then down to 6 percent over the five-year period from 2010 to 2014, while homeowner vacancies have remained within a range of 2 percent to 4 percent, typically associated with inadequate supply and fast-rising home values.

\(^4\)Over the 2010-2014 period no homeowner vacancies were estimated though this may be due to statistical error as the margin of error is considerable for this particular estimate.
Chart 3: Residential Vacancy Rates by Tenure, 2000-2014


The DRI area is a relatively high-density community, with a large concentration of multifamily buildings. While its share of buildings with five or more units is similar to that of the City as a whole, at nearly 25 percent, the DRI area has virtually doubled its share of 2-4 unit buildings (48% of total), which are typical of traditional DRI area neighborhoods (see Chart 4: Distribution of Residential Units by Units in Structure, 2014).

Chart 4: Distribution of Residential Units by Units in Structure, 2014

With its large concentration of buildings with 2-4 units each, the DRI area had a far greater share of studio and 1-bedroom housing units than the City or the County over the five year period from 2010 to 2014 (see Chart 5: Distribution of Occupied Residential Units by Number of Bedrooms, 2014). Roughly one-in-seven DRI area housing units were studios, compared with one-in-20 in Middletown and one-in-100 in Orange County. Single-bedroom units accounted for nearly half of DRI area units, versus almost one-fifth of Middletown units and one-tenth of County units. Housing units with two bedrooms are relatively sparse in the DRI area, accounting for just 7 percent of units, while three-bedroom units, mostly in single-family homes, totaled 25 percent of units over the five-year period from 2010 to 2014.

**Chart 5: Distribution of Occupied Residential Units by Number of Bedrooms, 2014**

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Downtown Middletown</th>
<th>City of Middletown</th>
<th>Orange County</th>
</tr>
</thead>
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<tr>
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<td>14.2%</td>
<td>4.9%</td>
<td>3.6%</td>
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<tr>
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<td>1.5%</td>
<td>5.1%</td>
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<tr>
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<tr>
<td>100%</td>
<td>26.8%</td>
<td>44.7%</td>
<td>5.3%</td>
</tr>
</tbody>
</table>

*Source: US Census Bureau, 2010-2014 ACS 5-Year Estimate.*

**HOUSING COSTS**

According to the U.S. Census Bureau, in Middletown the median monthly all-inclusive homeowner housing costs for mortgage holders increased by 68 percent from $1,240 to $2,080 during the period from 1999 to 2014. This was notably greater than the average increase in the rate of national inflation (42%) as reported by the Bureau of Labor Statistics over the period. Median gross rental costs, including utility expenses, rose at a similar rate, from $684 to $1,124 per month (64.3%). Orange County saw a similar rise in housing costs with monthly costs slightly above those in Middletown.

While the national economy has greatly improved since the financial crisis of 2007-2008, housing affordability continues to be a major cause for concern in the region. In both Middletown and the County, the share of households that spend more than 30 percent of their income on costs such as mortgage or rent payments and utility bills, which is a general indicator of housing cost-burdened households, jumped from 31 percent and 37 percent, respectively, in
2000, to 44 percent and 48 percent, respectively, of households in the five-year period from 2010 to 2014. The DRI area saw its share of cost-burdened households decrease by 1 percentage point, but such households account for more than half (54%) of all households in the DRI area, a level far above that of the region as a whole.

AVAILABLE HOUSING INVENTORY
As of October 2016, there were 582 unique residential listings in Middletown for sale or rent on Realtor.com, a major national real estate brokerage website. Among the 328 single-family homes for sale, the asking prices ranged from $34,900 to $1,200,000, with an average of $245,520. Home sizes ranged from 400 to 5,360 square feet, with an average asking price per square foot of $126. The City had 72 condos and townhomes for sale, ranging from 1- to 4-bedroom units with an average asking price of $170,519 and cost per square foot of $110. There were 28 multifamily homes for sale and 105 unimproved properties available for sale. Among rental properties, 47 units were available for rent, ranging in size from 1- to 6-bedroom units with an average monthly rent of $1,628 or $1 per square foot. Within the DRI area, just four 1- and 2-bedroom apartments were available for rent, with an average rent of $1,261 or $1 per square foot. Five 3- to 5-bedroom homes were available for sale, with an average asking price of $180,475 or $76 per square foot.

EMPLOYMENT
Middletown has been losing employment and experiencing a declining inflation-adjusted value of worker earnings over the past decade, while the resident labor force has grown and unemployment has risen. This disparity has resulted in more workers seeking employment outside of the City, resulting in longer and more costly journeys to work. By 2015, according to the New York State Department of Labor5, employment in all private and public establishments in Middletown totaled at 10,987 jobs, down from 15,567 in 2000, 14,065 in 2005 and 12,978 in 2010. Annual wages amounted to $445.2 million in current dollars, or were roughly $40,500 per worker in 2015. Although worker earnings were up in nominal terms, they were down in real spending power from average 2005 earnings of $43,700 in 2015 dollars.

Despite encouraging signs of expansion in hospital and higher-education institutions, the job losses have been significant in goods-handling activity, retail trade, information and financial services, real estate and health care since 2000. Job growth has been recorded only in transportation, the management of companies, administrative support and personal services. Concurrent with these trends, the resident labor force has risen from 11,500 persons in 2000 to 13,400 in 2015, while the number of unemployed nearly doubled from 400 to 700 residents, or has risen from 3.7% to 6% of the labor force (see Chart 7: Resident Labor Force of Middletown, 2000-2015, Chart 6: Total Employment

5 Quarterly Census of Employment and Total Wages
in Middletown, 2000-2015). According to the Census Bureau’s commutation data, only one in every six Middletown jobs is held by a resident worker, while seven in every eight resident workers are employed outside of Middletown. Of the external jobs filled by residents of Middletown, more than half are aged 30 to 54 and one-quarter are under 30 years of age. Most of the City jobs filled by residents are those paying less than the average City wage.

**Chart 7: Resident Labor Force of Middletown, 2000-2015**

**Chart 6: Total Employment in Middletown, 2000-2015**

*Source: NYS DOL, Quarterly Census of Employment and Wages, Local Area Unemployment Survey*

The City has some large employers, most notably the Enlarged City School District of Middletown, the Middletown Campus of SUNY Orange, Orange Regional Medical Center, a large insurance carrier, and several large retailers and hotels. The Touro College of Osteopathic Medicine, a Middletown branch of the Harlem based institution, opened its doors in 2014 and promises to become a high-tech medical school for 500 with on-site accommodations for nearly 100 students. Nearby, on site of the former Middletown Psychiatric Center, the Fei Tian College of Fine Arts intends to provide post-secondary training for graduates of the Fei Tian Academy of the Arts. While both the educational and medical institutions represent strong growth sectors in the New York economy, they are not drawn from the 16 industry clusters defined by Empire State Development (ESD) and promoted by the State’s Regional Economic Development Council. Even more notable, these institutions and most of the City’s larger commercial establishments are found outside of the DRI area on campus sites and in the Crystal Run area, where seven hotels and the Galleria shopping mall are located.

According to ESRI’s Business profile, the quarter-square-mile DRI area of Middletown boasts 335 businesses, or nearly one-third of the City’s total establishments. The BID encompasses roughly 300 parcels with a market value of

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6 2002-2014 annual Longitudinal Employee Household Dynamics (LEHD) file for Middletown
$105 million. However, not all of these sites are developed in job-generating uses, with 37 parking lots, 17 vacant zoned non-residential lots, and 46 residential parcels of which nine are undeveloped. Moreover, of the 193 other sites, more than 40 are in government or nonprofit usage, leaving only half of the parcels in the DRI area land area developed in private for-profit uses. Most of these uses are comprised of small retail, restaurant and personal-service outlets that attract limited shopper demand. Clearly more diversity is needed, with five banks, a few large supermarkets and other retail stores, five stand-alone restaurants and seven office developments accounting for the most productive and highest-paying uses.

From an employment perspective, according to ESRI’s Business profile, the 335 establishments of the DRI area generate some 2,750 jobs, or one-quarter of the City’s total. The establishments are roughly apportioned between three in every eight as services, one in four as retail, one in 10 as financial activity and real estate, and one in every 12 establishments as government. However, manufacturing accounts for 20 percent of DRI area employment, while other goods-handling sectors – like construction, transportation and warehousing, utilities and wholesaling – represent another 14 percent of all jobs. Although valuable as producer sectors of the economy and mainstay employers of blue collar workers, these basic industries no longer play such a prominent role in DRI area development. Rather, the focus has shifted to higher-end consumer industries including retail, dining and drinking places, accommodations, arts and entertainment, personal and financial services. Attracting and retaining these uses requires the investment in DRI area residential development.

TRAVEL TO WORK TRENDS

As the City’s resident work force as increased while local job growth has been on the decline in recent years, local residents have lengthened their commutes, increasingly traveling to New York City to work (see the chart below). In 2014, roughly half of employed residents (52.4%) worked in Orange County, down from 65.3 percent of such workers in 2002. At the same time, the share of commuters to New York City has nearly doubled since 2002, to 16.5% in 2014. Looking at residents who both live and work in Middletown, just 12 percent of residents also work in the City, though this share is far below 2002 levels when nearly one-in-four residents worked in Middletown. Mechanicstown, in the Town of Walkill, was the third most popular municipal-level commuting destination for employed Middletown residents in 2014, accounting for 6.2 percent of resident workers.

Among workers commuting to Middletown for employment, the home destinations of workers has remained largely unchanged in recent years, with more than in six-in-ten Middletown workers living elsewhere within Orange County. Major home destinations for City workers include Middletown (17.2%) New York City (3.7%), Scootchtown (3.8%), Mechanicstown (3.1%) and Newburgh (1.4%).
Chart 8: Share of Employed Residents by Travel to Work Destinations, 2002-2014

Source: US Census Bureau, Longitudinal Employer-Household Dynamics Program.

According to the Census Bureau, City residents that commute beyond Middletown earn higher wages than those that both live and work in Middletown or work in Middletown but live elsewhere (see Chart 9: Share of Middletown Workers Earning $40,000 Annually By Commute Type, 2002-2014 below). This reflects the City’s small share of high-wage service jobs in industries such as health care, finance and professional services. However, there is a higher share of Middletown workers employed in well-paying goods-producing industries (construction, manufacturing and agriculture) among those that also work in Middletown (16.9%) than those commuting out of Middletown (9.1%) or those regional workers that commute to Middletown (10.6%).

Chart 9: Share of Middletown Workers Earning $40,000 Annually By Commute Type, 2002-2014

Source: US Census Bureau, Longitudinal Employer-Household Dynamics Program.
TRANSPORTATION

This section provides an overview of the existing condition of local transportation infrastructure and operations in Downtown Middletown.

VEHICULAR

ROADWAY NETWORK
The City of Middletown is located just west of the intersection of the New York State Thruway I-84, and NY Route 17, a principal arterial expressway. The DRI area is generally in the area where the two NY Routes 17M and 211 converge. Route 17M provides access to the surrounding region to the north and south while Route 211 provides east-west access. Both Route 17 and 211 are maintained by the City of Middletown within its limits.

The center of the DRI area is generally found along North, South, East and West Streets between Wickham Avenue and Fulton Street. Wickham Avenue is the most heavily trafficked road in the City, with an average of over 13,600 vehicles daily between the North Street intersection and the municipal border with the Town of Wallkill. The stretch of Wickham Avenue between North Street and Fulton Street has annual daily averages just over 10,000 vehicles. East Main Street between Academy Avenue and the municipal border with Wallkill is the second-most trafficked roadway in Middletown, with annual daily traffic reaching nearly 12,000 vehicles.

There are a number of Major Collector roads in Middletown. Fulton Street, an extension of New York Route 17M, has a major collector designation west of South Street, where it is a four-lane east west roadway. Fulton Street features a landscaped median, sidewalks, and left-turn lanes at various intersections. Fulton Avenue west of South Street has an average annual daily traffic count of approximately 5,200 vehicles.

Canal Street, which continues south of Fulton Street as Wawayanda Avenue, is a major collector road with relatively heavy traffic at an annual daily average over 8,500 vehicles. Canal Street is a four-lane north-south road with parking on both sides.
PARKING
Parking in the DRI area can be found in a number of interspersed lots. The central parking area is found along James Street between City Hall and the businesses on North Street. Unmetered on-street parking is available on most streets, and free public lots are located throughout the DRI DRI area indicated in Figure 9. The figure shows parking facilities in municipal lots, private lots and vacant and underutilized areas that informally serve as parking areas.

While parking can be found throughout the DRI area, residents have expressed concern about convenient access to spaces during special events such as shows at the Paramount Theatre. Connectivity between parking lots and destinations was expressed as a need during the public outreach events.

PEDESTRIAN AND BICYCLE

SIDEWALK CONDITIONS
While most of the sidewalks in the DRI area are in good condition, there are some areas where sidewalks are in disrepair, presenting a challenge for pedestrians looking to shop, eat and drink. Improving the sidewalk network presents an opportunity to improve pedestrian connectivity for residents, visitors and local business owners. Priority areas include the intersection of North, South, East Main and West Main Streets. This intersection has the potential to be a significant node for retail, restaurants and entertainment, given its proximity to the Paramount Theatre. The condition of the sidewalk in front of the Paramount Theatre could be improved to facilitate pedestrian access. Additionally, the sidewalk conditions along West Main Street, North Street, Fulton and Canal Street are important corridors in need of sidewalk improvements. Sidewalk improvements have been addressed by other funds— the City acquired a federal grant for 20,000 sf of new sidewalks.

The City does not have any designated bicycle lanes in the DRI area. There is also a lack of bicycle infrastructure such as bicycle racks. A lack of bike infrastructure discourages biking in the DRI area. Improving walkability and bike-ability between DRI area and local institutions such as Middletown Community Campus, SUNY Orange and Touro College could bring a larger customer base to DRI area businesses.
Figure 9. Parking Lots

MIDDLETOWN DOWNTOWN REVITALIZATION INITIATIVE (DRI)
PUBLIC TRANSIT
Middletown offers bus service to other towns and cities in the region, including New York City, and Coach USA has plans for an improved Transportation Center in the DRI area. The closest rail station is located in the Town of Wallkill, serving Metro-North Railroad’s Port Jervis line. Figure 10 shows a map of local and commuter bus routes in the City.

Local Service: Middletown Transit Corporation is the primary local bus service provider in Middletown. It provides four routes that connect at the central hub in the DRI area Middletown off Railroad Avenue, the site of the future Transportation Center. These routes connect the Community Campus, Crystal Run Healthcare, Campbell Plaza, SUNY Orange, Walmart, Shoprite (Rt. 211) and the Galleria at Crystal Run. Middletown Transit operates Monday through Friday, 7 a.m. to 5:30 p.m., and picks passengers up at most intersections along the routes. There is no weekend or holiday service.

Commuter Service: Coach USA’s Shortline bus service provides commuter routes connecting New York City and Bergen (NJ), Rockland, Orange and Sullivan Counties. This service links Middletown to surrounding cities and towns with departures from the central hub at Railroad Avenue.

SUNY Orange provides a shuttle bus service between its Newburgh and Middletown campuses. This service operates during the fall and spring semesters only, from 7 a.m. to 6:45 p.m. Middletown pick-up is located at the entrance of Parking Lot 5, and drop-off is next to the Shepard Student Center. The public bus service between Port Jervis and Middletown also stops at the SUNY Orange Middletown Campus. This service operates five buses between 8 a.m. and 5:20 p.m., making additional stops in Middletown at 33 Fulton Street, 38-73 Seward Ave, 65 Dorothea Dix Drive, 40 Smith Street and 1 North Galleria Drive. The City has also applied for a TAP grant to connect institutions at an estimated cost of $4 million.

CONNECTIVITY ISSUES
Improved pedestrian infrastructure has the potential to bring about greater connectivity among residents, visitors and local businesses in the DRI area. Sidewalk improvements and additional signage and wayfinding are opportunities to bolster these connections and promote economic development. The City is currently undergoing improvements to streetlight fixtures and intersections, including pedestrian-friendly and ADA-compliant signalized crossings. Improved signage and wayfinding has also been identified as an opportunity to connect residents and visitors to key locations in the city such as parking, transit, and retail centers.
Figure 10. Public Transportation

MIDDLETOWN DOWNTOWN REVITALIZATION INITIATIVE (DRI)
INFRASTRUCTURE

The City of Middletown has invested in upgraded infrastructure over the past 10 years in an effort to support new development. In February 2016, Energy Systems Group prepared a summary of phase one of an Energy Savings Project. This project outlined the costs to upgrade the City’s infrastructure, and substantially reduce its annual energy spending. Phase One upgrades include more efficient for HVAC and plumbing, as well as interior, exterior and street lighting. City-wide structures will be weatherized for improved insulation, and solar panels will be utilized to produce “green” energy to run to the Water Plant.

WATER & SEWER

The Middletown Department of Public Works (DPW) oversees City-owned infrastructure and facilities and their maintenance and operation, including the City’s water, sanitation, wastewater treatment plants, reservoirs and associated dams and intake structures. Departmental facilities include the water treatment plant, located at Pilgrim Corners Road, the wastewater treatment plant at 159 Dolson Avenue, the Sanitation Department at the Middletown DPW Department (16 James St), and the water and sewer garage located on Monhagen Avenue.

The City undertook a $25 million project to upgrade and expand its wastewater treatment plant in 2009. The sewer collection system contains 65 miles of sewer lines, many of which are in need of replacement. The City also constructed new Package DAF WTP in 2003 and Full Scale WTP in 2010, along with installing new water mains and sewer lines, with a total Water and Sewer Infrastructure investment approaching $60 million.

Historically, much of Middletown’s water and sewer infrastructure was built on privately owned land, including water and sewer mains running under existing buildings.

The City provides drinking water to its residents as well as some neighborhoods in the Towns of Wallkill and Wawayanda. While the City’s water system has been adequate to meet demand, opportunities for growth such as at the Middletown Community Campus present a potential strain on the City’s infrastructure for filtration, distribution and storage. Monhagen Brook has caused routine flooding (see the Environmental Constraints section for more information on floodplains in Middletown).
ENVIRONMENTAL CONSTRAINTS

FLOODPLAINS, STEEP SLOPES, OTHER ENVIRONMENTAL ISSUES IF PRESENT

Portions of Middletown have a history of flood vulnerability. Storms and inclement weather have caused serious damage to City infrastructure and affected the lives of residents and businesses. Figure 11 shows flood zones as indicated by the Federal Emergency Management Agency (FEMA). Flooding along Sterling, West Main and Genung Streets has occurred during storm events. A portion of the 100-year flood zone is located at the southern edge of the DRI area along Fulton Street.

Middletown’s DPW invested in repairs to City infrastructure following Tropical Storms Irene and Lee in 2011, which damaged roads, culverts and critical infrastructure for water and sanitation. The City received $3 million in 2013 as part of the New York Rising Program, and shared $100,000 of the funds with the Town of Wallkill to prepare a Natural Hazards Mitigation Plan. In the DRI/DRI area, the East Avenue/Fulton Street culvert was also reconstructed in 2014 by the City with the assistance of FEMA funding. No other environmental constraints besides floodplains exist in the DRI area.
Figure 11. Flood Zones
INTRODUCTION AND SUMMARY

Middletown features a number of historic sites including the Paramount Theatre, the O&W Railroad Station, and the Thrall Public Library building, but does not have a designated historic district (see the discussion of historic assets below). The 2009 Comprehensive Plan identified this as an issue, and includes the following recommended actions:

- “Recognize and consider efforts of Middletown historical organizations to survey and formally identify local historic properties;
- Encourage awareness of community history;
- Consider adaptive re-use of existing historic structures to ensure their survival and pursue economic development;”

Donovan Rypkema, Principal of PlaceEconomics, and an internationally recognized consultant on downtown revitalization, underlines the key role historic resources can play: “I cannot identify a single example of a sustained success story in downtown revitalization where historic preservation wasn’t a key component of that strategy. Not a one. Conversely, the examples of very expensive failures in downtown revitalization have nearly all had the destruction of historic buildings as a major element.”

Luckily Middletown has a healthy stock of surviving historic structures in which new uses are already beginning to breathe new energy into the DRI area. This process should be enhanced and encouraged through policy and economic incentives.

The existing building stock in the DRI area documents the vibrancy of Middletown’s earlier eras, reflected in a range of 19th and early 20th century styles, from Romanesque Revival to commercial Italianate to Queen Anne to Deco. Much detail survives and is visible; it is likely suspect some surviving detail is also buried underneath subsequent layers (for example, at 27 West Main Street, the current location of Nina restaurant, previously known as Bull’s Opera House). While some infill buildings along commercial blocks have been removed and salient historic character has been lost through façade renovations over time, the late 19th and early 20th century form and character remains evident in the DRI area.

Several existing buildings are already listed on the State and Federal Registers of Historic Places, and a much larger number have been surveyed and are considered by New York State to be “eligible” for listing on those registers. Given State and federal tax credits that apply to the DRI area Middletown, the creation of a historic district could create financial incentives for the rehabilitation of commercial structures and possibly some single-family houses.
HISTORIC RESOURCES IN MIDDLETOWN AND THE BID
Middletown currently includes a total of eight properties that are individually listed on the National Register of Historic Places, with the majority of them constructed during the surge of growth the City experienced between 1841, with the arrival of the New York & Erie Railroad, and the early 20th century (see Figure 12: Historic Properties Map). Four of the National Register properties lie within the BID, including three churches built between 1846-1901 (Grace Episcopal Church, First Congregational Church of Middletown, and Christ Church) and the Paramount Theatre (built 1929). The remaining properties listed on the National Register include late 19th and early 20th century residences (the John G. Beakes House and the Webb Horton House), the New York, Ontario and Western (O&W) Railway Company Middletown Station (1892-1957) and Hillside Cemetery (1861).

The City also has 160 buildings considered “eligible” for listing on the National Register, with 46 of them being residences (typically 19th century vernacular houses along with a few larger, high-style examples), commercial/mixed use buildings, and churches that fall within the boundaries of the BID. These additional “eligible” structures, as well as a significant number of other buildings within the BID that are over 50 years old, would form the group of “contributing” structures within a potential historic district.

REGULATORY CONTEXT
The Architectural Review Board of the City meets monthly to review applications for work within the Architectural Control District, which is defined as the area of the BID plus some additional streets at the north and northeastern perimeter of the district. Work to be reviewed includes modification to the color and structure of a building’s façade; changes to existing signage; and the addition of new windows, doors, satellite dishes, equipment or dumpster screening, and property fencing. Middletown’s Design Review Guide provides a list of both appropriate and inappropriate exterior wall finishes, approved façade colors, examples of successful renovations, direction on window replacement and other alterations, and standards for signage applications. Also, a fee is required based on an estimate of the cost of the construction work. The ARB is an important resource to the City, and tighter enforcement of regulations would benefit Middletown by controlling for quality in new construction and renovations.

Some work that has already been completed on façades in the DRI areacore has significantly altered the appearance of the historic buildings and would not be recommended, in the future, in a historic district. This includes removing top cornices, covering the historic surface of the building (typically brick) with alternate materials such as metal panels or stucco, altering the fenestration pattern and window or door styles, and significantly altering the style and proportions of the signage cornice between the first and second floors (including removing trim and historic prismatic glass panels). Guidelines for contributing buildings in a potential historic district should be clarified to assist building owners in understanding the importance of retention of original building fabric, as well as identifying the architectural styles and identifying components of the buildings in the district.
Figure 12. Historic Properties Map

Source: Orange County Land Use Data, City of Middletown
West side of North Street, 1901 (left) and 2016 (right) showing earlier wood-framed buildings replaced by masonry buildings.  
*Photo credit (left): Historical Society of Middletown and the Wallkill Precinct, Inc.*

Franklin Square looking northeast, 1933 (left) and 2016 (right) showing loss of buildings along North Street and changes in facade signage styles.  
*Photo credit (left): Historical Society of Middletown and the Wallkill Precinct, Inc.*

East Main Street near Orchard Street, looking east, 1939 (left) and 2016 (right) showing the transition to smaller scale commercial and residential uses along the perimeter of the Business Improvement District.  
*Photo credit (left): Library of Congress*

**Figure 13. Historic Photos**
West Main Street at Canal Street, looking eastward to Franklin Square, 1888 (left) and 2016 (right). The facade of Bull’s Opera House has been covered with metal panels while the commercial buildings on the south side of the street maintain their variation in massing and treatment. Photo credit (left): Historical Society of Middletown and the Wallkill Precinct, Inc.

Mixed-use buildings on West Main Street at Franklin Square retain the majority of historic facade elements.

Example of a large commercial building on North Street that retains unified facade elements.

Examples of mixed-use and commercial buildings that retain original historic elements and older changes to the facades: South Street (left), North Street (center) and Center Street (right).

Figure 13. Historic Photos
POTENTIAL FOR A DOWNTOWN MIDDLETOWN HISTORIC DISTRICT

The DRI area is located primarily in Census Tract 151, with smaller sections along the perimeter of the area in tracts 11, 12, 13, 15, and 16. With the exception of the block on Wickham Avenue that is located in tract 13, the area is located in tracts that are considered eligible for New York State tax credits. Properties that are individually listed on the National Register of Historic Places (Federal Tax Credits only) and those considered contributing buildings in a historic district listed on the National Register of Historic Places may obtain tax credits for rehabilitation work that meets the U.S. Secretary of the Interior’s Standards for Rehabilitation and a minimum expenditure, and is approved by the New York State Historic Preservation Office (NY SHPO) prior to the start of construction. Currently commercial buildings (including rental residential properties) on the National Register or in a National Register Historic District can obtain Federal Commercial Credits of 20% and State Commercial Credits of 20%, with an adjusted expenditure based on property value less value of land. Homeowner-occupied buildings individually designated or in a historic district are currently eligible for a State Homeowner’s Credit of 20% with a minimum expenditure of $5,000, of which a minimum of 5% must be completed on the exterior.

PROCESS

The most likely vehicle for making credits available is the creation of a local and State-certified Historic District which could afford a 40% subsidy (20% federal, 20% State) for qualifying rehabilitation expenses on contributing properties. This would require the following:

- Enabling legislation, for which model codes are available from NYS SHPO;
- An inventory identifying the nature and condition of buildings in the proposed district;
  The determination of “contributing” and “non-contributing” structures based on a scoring sheet of characteristics that include integrity, historic importance, and other factors. The submission of materials to NYS Office of Parks, Recreations and Historic Preservation (OPRHP) staff for evaluation and recommendation to the Department of the Interior for National Register status (required for the federal tax credits).

The existing BID boundary would be recommended for the historic district, since a slightly different boundary would lead to confusion. The designation of “contributing” and “non-contributing” within the coterminous existing BID and proposed district boundaries would provide clarity about where proposed changes must be reviewed and where the reviews can be less stringent.
RETAIL MARKET ANALYSIS

EXISTING RETAIL CONDITIONS

PHYSICAL CONDITIONS OF DRI AREA RETAIL ENVIRONMENT

PUBLIC REALM (I.E. STREET, SIDEWALKS, PUBLIC SPACES)
The public realm of Downtown Middletown is currently in mixed condition. Sidewalks and streetscape are well-maintained on North Street and South Street, particularly between Main Street and Railroad Avenue, where painted crosswalks facilitate cross-shopping. However, conditions are poorer farther north of this area, and littering is more noticeable.

Middletown BID banners and flags scattered throughout Downtown allow visitors to easily identify the district. These banners, sponsored by the local non-profit organization Run4Downtown, are also an indication of the strong support from locals for downtown revitalization. However, the banners are less prominent north of Railroad Avenue despite the area being located within the BID boundaries.

Various open spaces, including Festival Square, Run4Downtown Park, and the newly-pedestrianized King Street provide areas for the Office of Economic and Community Development and the BID to hold events and activities that can attract shoppers downtown. In addition, King Street is also seeing cafe seating spilling onto the sidewalk at the Sugar Shack, which further contributes to the vibrancy of Downtown.

Figure 14 Location of social services near Thrall Library

Source: ESRI 2015; Lerna Orth Associates
Overall, the public realm in downtown Middletown is in good condition. There were minimal signs of graffiti and littering. However, complaints were heard from business owners about ineffective street lighting that encourages loitering, especially in parking lots and back alleys. According to stakeholders, perceived levels of crime are particularly high around Thrall Library due to the concentration of social services and a soup kitchen. Though crime rates have since dropped to 24.39 crimes per 1,000 residents, higher rates historically have led to a perceived lack of safety. In addition, businesses in the north also suffer from the lack of maintenance of sidewalks and may appear disconnected from the rest of the BID without clear physical branding via BID flags and banners.

PRIVATE REALM (PRIVATELY OWNED BUILDINGS)

Figure 16 Lack of storefront transparency in downtown Middletown

Downtown storefronts are also in mixed condition. The high rate of vacant ground-floor retail spaces result in visual discontinuity in the district. Unfortunately, many of these vacant retail spaces are not viable retail spaces and unless rehabilitated, will remain without tenants. There is also a lack of transparency of operating businesses’ storefronts (Error! Reference source not found.) that adds to the visual discontinuity in downtown and further reinforces perceptions of crime and insecurity. The lack of transparency into businesses along the southern portion of North Street and South Street also contributes to the isolation of the
 Paramount Theatre farther down on South Street. This creates a disconnect between pedestrians and storefronts, leaving the area around the Paramount seem bare and unwelcoming.

**ACCESSIBILITY**

Many business owners indicate that the majority of customers arrive by car. Alternative transportation options are limited. Downtown Middletown is currently served by Shortline Buses connecting the City to other parts of New York, New Jersey and Pennsylvania. Despite roughly 1,300 parking spaces, a large portion of which are occupied during the week by municipal workers from City Hall and the City Court, stakeholders state that there is insufficient parking to meet retail customer demand on busy weekends (Fri-Sat) and special event days and showings at the Paramount Theatre. In addition, many parking lots in outlying areas are inaccessible and have fallen into disrepair. Unplanned parking has also been observed in nearby vacant land as a result of this shortage. Although field survey and stakeholder feedback suggests that there is a parking problem, additional parking analysis is necessary to determine the appropriate amount of viable parking spaces in relation to total office and retail space downtown.

Daily traffic levels in Middletown are low when compared to the rest of the State\(^7\). North and South Street see between 4,000 and 8,000 vehicles daily, while Main Street sees 5,400 to 6,800 daily. Wickham Avenue, the busiest road downtown, sees between 10,000 and 13,000 vehicles passing through daily; however it still falls below typical retailer traffic needs. Stores like Family Dollar and Dunkin Donuts require between 11,000 and 20,000 vehicles daily, while Applebee’s, Walgreens and Old Navy need 24,000 to 59,000 vehicles daily. These comparables provide a useful point of comparison and suggest that Downtown Middletown is unlikely to support retailers – such as national chains - who depend on high visibility to drive customer visitation.

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\(^7\) NYS Traffic Data Viewer, 2014.
MIDDLETOWN BID: RETAIL MICRO CLIMATES AND ADMINISTRATIVE CAPACITY

There are 129 businesses listed within the Middletown BID that are all within a five to ten minute walk of each other. These are especially concentrated on West Main Street and North Street, with a lower concentration north and south.

Error! Reference source not found. identifies three different micro climates in Downtown Middletown. Retail microclimates refer to small areas within a wider retail district that contain a mix of complementary businesses that also have similar price points and customer profiles, and serve a specific lifestyle. The first, the “Entertainment + Dining Corridor,” is located on North Street and stretches from James/Orchard Street down to the Paramount Theatre. This corridor is the main entertainment and dining area within the BID and includes the Theatre and a wide variety of retail including convenience stores, beauty salons, tailors, travel and hobby shops and restaurants and cafés. The corridor features various price points and attracts visitors from all over the town and state.

The second micro climate, or the “Civic District,” includes the area around City Hall, City Court, the DMV Office, Thrall Library and the Soup Kitchen. In the future, this micro climate may also become a sports and leisure hub with the Middletown Skate Park, Unisol Downtown Soccer Facility and Equilibrium Brewery slated to open in 2017.

Finally, the “Local + Ethnic District,” located in the northernmost part of the BID, features local neighborhood and immigrant-serving retail. Most of the businesses here are Spanish-speaking and offer lower price points. There are also a number of limited service restaurants such as La Fonda Boricua, Number 1 Chinese, and El Azteca Mexican.

Based on stakeholder interviews with merchants and local organization leaders (refer to Appendix 1 for list of participants), there appears to be a high degree of collaboration between the City and BID to create annual programs Downtown. However, there is a low budget allocation for the BID (~$90,000/annum) and lack of strategy with the organizing of events and activities to cross-promote with local businesses and to include Spanish-speaking businesses in the north of the BID.
Other challenges that the BID faces are the lack of engagement with building owners of vacant properties and rising rents for businesses that do not own retail space. Most importantly, the BID and local business owners face a language barrier with Spanish-speaking businesses in the north.

**TYPE OF RETAIL OFFERINGS, AMOUNT OF TOTAL RETAIL SQUARE FOOTAGE**

Of the 790 businesses within a mile of Downtown Middletown, there is a higher percentage of eating and drinking places (37%) especially when compared to the State (30%) – refer to Error! Reference source not found., indicating the City’s role as a dining hub. This also suggests that a large proportion of local spending in this category is driven by non-residents from outside the 1-mile radius, which will influence future recommendations on retail tenant mix.

There is also a high percentage of miscellaneous retail within a 1-mile radius of Downtown (24.3%), which includes drug stores, liquor stores, and used merchandise stores.

*Figure 19 Retail Mix (1-mile v NYS). Source: ESRI 2015.*
MARKET CONDITIONS

TRADE AREA ANALYSIS

MAPPING OF TRADE AREA
Given that Downtown Middletown features a regional cultural anchor, the Paramount Theatre, primary and secondary trade areas were determined to widen the understanding of the market. The primary trade area commensurate with a “convenience trade” area is an approximately 5-minute drive from the downtown core, or 1–mile radius of Downtown.(Error! Reference source not found.). A convenience trade area is a market area that draws customers from the immediate area for goods and services that are typically inexpensive and are purchased with greater frequency, including grocery items, newspapers, personal care items, etc. Secondary trade areas were then expanded to include 10-minute and 15-minute drive areas that roughly correspond with 3-mile and 5-mile radii, respectively.(Error! Reference source not found.).

KEY ANCHOR INSTITUTIONS + ATTRACTIONS
The main anchors in the primary trade area include both institutional and retail anchors. The Middletown Thrall Library, Middletown City Hall and City Court are institutional anchors located within the BID boundaries. Just outside the BID, within a mile, SUNY Orange, Fei Tian Academy and College, and Touro College of Osteopathic Medicine also act as anchors. In 2014, SUNY Orange accounted for 781 jobs9 and over 5,700 students enrolled10. Touro College, on the other hand, opened in 2014 and had 44 jobs on campus with 135 students enrolled10. These numbers may have grown over the last two years. According to business owners,

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8 Onthemap 2016; 2010 Census.
SUNY Orange has not been an active partner in driving employees and students to Downtown Middletown. Many students and employees that commute to the Community College park their cars on campus and do not walk into the BID. On the other hand, Touro College has been seen as a much more supportive partner of businesses Downtown.

Retail anchors within the BID include three supermarkets – Market Fresh, Garcia’s and Da Tang – as well as Equilibrium and Clemson Bros. Brewery. In addition, the presence of a considerable number of restaurants creates a dining cluster that also acts as an additional Downtown attraction.

In the near future, Downtown Middletown will potentially see an increase in demand through residential and institutional developments, and also an increase in anchors. The planned Woolworth Building project on North Street, for example, will feature both a regional attraction, the Heritage Trail, and over 8,000 sq ft of retail space (total: 4 units). The Mill at Middletown, a workforce residential development on Fulton Avenue, will also include 13,000 sq ft of ground floor commercial space. Various attractions such as the Middletown Skate Park and Unisol Downtown Soccer Facility will serve as destinations in the retail district.

MAJOR EMPLOYERS/ WORK-FORCE DEMAND
There are over 30,000 workers within the secondary trade area. Of those, 23,867 workers work within a 3-mile radius or 10-minute drive of Downtown, and 18.9% or 5,749 workers work within a mile of Downtown Middletown (see Error! Reference source not found.). Locations that appear to offer the most jobs per square mile are Plaza at Crystal Run where Gander Mountain Sporting Goods and Lowe’s Home Improvement are located, and Greater Hudson Valley Health System – both within 3 miles of Downtown. Closer to downtown within a 1-mile radius, SUNY Orange and Orange & Rockland Utility Company have high numbers of jobs per square mile, but are still not located within easy walking distance of the retail district.
RETAIL SUPPLY AND DEMAND, SQUARE FOOTAGE DEMAND BY RETAIL CATEGORY

A site visit conducted in October 2016 revealed pockets of vacant storefronts and properties along North Street, South Street, and Main Street. Significantly fewer vacancies were observed in the Local + Ethnic District. Despite these observations, only two commercial listings were found in the BID on Loopnet, a national commercial real estate online listing website. The asking retail price for rent on a listing on North Street for 1,400 sq ft retail/restaurant space was $15.48/sq ft/ annum\(^\text{11}\). This is close to the reported average asking rent price for Middletown Metro area, $16.33/sq ft/ annum\(^\text{12}\).

When compared with the State, Middletown (Metro area) asking retail rents are two times less and have stagnated around $16/sq ft/year since 2013. Asking sales prices for retail properties in Middletown (metro area) have also fallen below Orange County, while statewide prices have risen by 8% annually. The low asking rent and sale prices for retail properties in Middletown, however, appear to be a regional trend. Orange County in general is struggling with prices far below statewide levels.

The following retail leakage analysis (refer to Appendix 2 for full analysis by retail categories) compares the total discretionary income of residents within the trade area against the total sales estimated for local businesses, also within the same trade area.

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\(^{11}\) LoopNet 2016. Accessed Online on October 14, 2016: http://www.loopnet.com/for-lease/?bb=i03t25un0HzxkvF

\(^{12}\) LoopNet 2016. Accessed Online on October 14, 2016: http://www.loopnet.com/for-sale/?bb=5l-wowzn0HzxkvF
For some store types, local businesses sell more than local residents are purchasing. This means that outsiders may be coming into the area to shop. This is also known as a “surplus.”

In other categories, residents are spending more than local stores are selling, suggesting that residents are spending outside the trade area, and this is known as a “leakage.” Depending on the size of leakage, this may suggest opportunities for both existing and new businesses to better meet the needs of the residential customer base, as shown in Error! Reference source not found..

In 2015, residents within a mile of Downtown Middletown consumed a total of $244,233,453 in goods and services. Only 12% of this was spent outside the trade area, or a leakage of $29,510,962. Local spending for items such as clothing, general merchandise, groceries and convenience, in particular are likely going to regional malls within a 3-mile radius. These competing retail shopping centers include:
- Fairgrounds Plaza (92,237 GLA)
  Shopping Center Categorization: Small Neighborhood Center
  Anchors: ShopRite and AutoZone
- Plaza at Crystal Run (400,000 GLA)
  Shopping Center Categorization: Large Neighborhood Center
  Anchors: Olive Garden, Petco, Pier 1 Imports
- Galleria at Crystal Run (1,200,000 GLA)
  Shopping Center Categorization: Super-Regional Mall
  Anchors: AMC Theater, JCPenney, Macy’s, Sears, Target

Table 3: Available Square Footage Demand within 1-mile (by retail category)

<table>
<thead>
<tr>
<th>Industry Group</th>
<th>Retail Demand (Total discretionary income)</th>
<th>Retail Supply (Total Sales)</th>
<th>Retail Gap</th>
<th>ICSC Sales Productivity (North East)</th>
<th>New SqFt</th>
<th>40% CR</th>
<th>60% CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture &amp; Home Furnishings Stores</td>
<td>$7,368,857</td>
<td>$3,843,485</td>
<td>$3,525,372</td>
<td>$399</td>
<td>8,835,519</td>
<td>3,534,208</td>
<td>5,301,311</td>
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<tr>
<td>Bldg Materials, Garden Equip. &amp; Supply Stores</td>
<td>$8,881,719</td>
<td>$7,409,041</td>
<td>$1,472,678</td>
<td>$320</td>
<td>4,602,119</td>
<td>1,840,848</td>
<td>2,761,271</td>
</tr>
<tr>
<td>Grocery Stores</td>
<td>$36,851,244</td>
<td>$32,526,778</td>
<td>$4,324,466</td>
<td>$516 (NY Metro)</td>
<td>8,380,748</td>
<td>3,352,299</td>
<td>5,028,449</td>
</tr>
<tr>
<td>Specialty Food Stores</td>
<td>$4,880,029</td>
<td>$518,296</td>
<td>$4,361,733</td>
<td>$654</td>
<td>6,669,317</td>
<td>2,667,727</td>
<td>4,001,59</td>
</tr>
<tr>
<td>Clothing &amp; Clothing Accessories Stores</td>
<td>$16,882,347</td>
<td>$4,504,004</td>
<td>$12,378,343</td>
<td>$363</td>
<td>3,410,012</td>
<td>1,364,005</td>
<td>2,046,007</td>
</tr>
<tr>
<td>Sporting Goods, Hobby, Book &amp; Music Stores</td>
<td>$6,405,767</td>
<td>$4,761,453</td>
<td>$1,644,314</td>
<td>$235</td>
<td>6,997,081</td>
<td>2,798,832</td>
<td>4,198,249</td>
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<tr>
<td>General Merchandise Stores</td>
<td>$26,508,364</td>
<td>$3,684,004</td>
<td>$22,824,360</td>
<td>$587 (NY Metro)</td>
<td>38,883,07</td>
<td>15,553,23</td>
<td>23,329,84</td>
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<tr>
<td>Office Supplies, Stationery &amp; Gift Stores</td>
<td>$1,796,945</td>
<td>$63,497</td>
<td>$1,733,448</td>
<td>$341</td>
<td>5,083,425</td>
<td>2,033,37</td>
<td>3,050,055</td>
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<tr>
<td>Full-Service Restaurants</td>
<td>$14,391,313</td>
<td>$13,608,473</td>
<td>$782,840</td>
<td>$565</td>
<td>1,385,558</td>
<td>554,223</td>
<td>831,3345</td>
</tr>
<tr>
<td>Special Food Services</td>
<td>$762,312</td>
<td>$169,025</td>
<td>$593,287</td>
<td>Data not available</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
Despite opportunities to expand Clothing and General Merchandise stores (as shown above), these categories are already being met by regional malls within 3 miles of downtown.

**PSYCHOGRAPHIC ANALYSIS – BUYER HABITS AND VALUES**

A psychographic analysis was conducted to identify tapestry segments (customer groups) in the various trade areas (1-, 3-, 5-mile radii), and describe the socioeconomic characteristics of these residents. Psychographics describe a buyer’s spending habits, concerns and values in order to explain why they buy. Within the primary trade area, there is a diverse range of customer groups—with groups of low to moderately high incomes, and varying countries of origin. Overall, the psychographic analysis reveals that those within a mile of Downtown are generally careful or cost-conscious consumers and less adventurous shoppers. There are, however, customer groups that place value on style and prefer American-made products. For a full list of customer groups refer to Appendix 3. It is likely that these residents meet their comparison shopping needs at the nearby malls.

Median household incomes increase moving farther from Downtown. Within 5 miles of Downtown, a tapestry segment known as “Pleasantville” makes up 12% of the population base. This group has a median age of 41.9 and median household income of $85,000, and spends more time playing sports and watching movies. They also enjoy gardening and home improvement.

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13 Psychographic terms used in this report are created by ESRI.
STRATEGIC POSITIONING ANALYSIS
An analysis of the “successful retail zone” is reflected in the Strategic Positioning Matrix below. The matrix allows for plotting of psychographic profiles of the primary and secondary trade areas based on income levels (vertical axis) and lifestyle choices (horizontal axis). “Low” income on the axis refers to Median Household Income (MHI) below $45,000, “Middle” income refers to MHI between $45,000 and $90,000, and “High” income refers to MHI above $90,000. The income levels translate to corresponding price points for a successful retail zone. The horizontal axis, on the other hand, is driven by three main lifestyle categories: Traditional, Contemporary, Hip/Trendy. The area of convergence of the various tapestry segments therefore reflect who the successful retail zone can and should be attracting.

Based on the psychographic analysis of buyers within the primary and secondary trade areas, there appears to be some opportunity for Downtown Middletown to provide contemporary offerings at higher—yet still affordable—price points that will attract customers from a 5-mile (or more) catchment area. These customers are looking for eating establishments that are higher-quality and unique in nature. In addition, stores should also cater to the new wave of immigrant populations and non-English speaking groups.
RECENT AND ONGOING PROJECTS

RECENTLY COMPLETED PROJECTS
The items below are those projects that were recently completed by the City (see Figure 22: Current Projects in the DRI Area).

KING STREET PEDESTRIAN WALKWAY
The conversion of a little used, one-way alley into a pedestrian walkway/bike path includes tables, chairs, benches, greenery, and lighting. Of the total estimated cost of $395,000, a total of $192,000 was awarded through Dormitory Authority of the State of New York (DASNY), the Middletown Industrial Expansion Corporation (MIEC), and Community Development Block Grant (CDBG) funds. The balance was provided from City funds. This pocket park on North Street will connect the Heritage Trail to the Main Street business corridor.

DA TANG SUPERMARKET
Located on East Main Street, the former J.J. Newberry Department Store has been converted into Da Tang Supermarket. This project was completed earlier in 2016, and is part of a larger effort to foster an inclusive environment for New Americans, in particular Middletown’s flourishing Hispanic and Latino, and Asian communities. This supermarket cost $2 million and has generated approximately 25 jobs. The owners are reportedly interested in potential façade improvements.

CLEMSON BROS. BREWERY
The Clemson Brothers Brewery is an example of a successful adaptive reuse of an older industrial building. The cost of the brewery project is estimated at $2.25 million, and it has added 12 jobs, with another 50 jobs expected to be added in the next five years. The brewery is centrally located along the future Heritage Trail, and includes beer brewing, a restaurant, and a warehousing/distribution site for KP Distribution Company. This project was majority privately funded, with an additional $75,000 funded through CDBG. It also benefited from Middletown’s PILOT Program to reduce property tax liabilities to encourage investment in long-term job growth and business expansion. The brewery also receives sales and mortgage tax exemptions, as well as loan forgiveness.

EQUILIBRIUM BREWERY
This project converted a former meat-packing plant on Henry Street in the DRI area along the future Heritage Trail into a craft brewing company employing five people, with more jobs anticipated with the addition of an on-site restaurant. The project’s estimated cost was $1.9 million, of which $1,696,000 was paid for in private funds, in addition to the $204,000 the project was awarded in ESD grants in 2014. Middletown will provide PILOT and sales/mortgage tax exemptions. Additional City incentives include loan forgiveness if goals for closing, construction and occupation of the building occur within 24 months.
THE MILL AT MIDDLETOWN
This affordable housing project got underway in 2015, converting a 19th century hat factory at the corner of Mill and Harding Streets into a 42-unit development within walking distance of the DRI area. The $14 million adaptive reuse initiative also includes a plan for community space and a culinary job training program.

IN PROGRESS PROJECTS
The following projects displayed on Figure 22: Current Projects in the DRI Area are in progress, and have received funding but are not yet complete:

MIDDLETOWN TRANSPORTATION CENTER
Coach USA is constructing a new bus station and parking facilities for Coach USA and Mid City Transit in the center of the DRI area at Railroad Avenue. The project, which received Middletown Planning Board approval in the fall of 2016, will incorporate green infrastructure components and will be designed to ADA standards. The Transportation Center will promote living and walking in the DRI area and minimize the need for cars. The estimated cost is $4 Million, which will be funded by Coach USA with reimbursement through NYSDOT.

HERITAGE TRAIL, PHASE II SEGMENT
Heritage Trail is a linear park in Orange County that has been constructed in phases and is designed to promote not only recreation, but also walking and bicycling as modes of transportation. The City is working with State, County, and federal stakeholders to extend the Heritage Trail to Middletown. The Trail will link the various projects the City is undertaking and will connect City residents without transportation to employment opportunities. Construction on the Phase II segment from Hartley Road in Goshen to East Main Street in Middletown is anticipated to begin in November 2016. The City is committed to constructing safe bicycle and pedestrian routes from the Transportation Center to the Heritage Trail at East Main Street. Trail segment Phase III will extend the trail to Davidge Park in Middletown, a center for recreation, swimming, sports and community activities. The City also has planned projects to connect the trail via a spur to Main Street through the reconstruction of the Woolworth Building and the Orchard Street Parking Lot Project (see below).

The estimated project cost is $10-12 million, 80 percent of which is funded through federal funds. The City’s contribution is land and easements over city property. The County Parks Department is the lead agency for this project with FHWA funding of $6.793 Million.
Recently Completed Projects:
1. King Street Pedestrian Walkway
2. Da Tang Supermarket
3. Clemson Brothers’ Brewery
4. Equilibrium Brewery
5. The Mill

In Progress Projects:
6. Transportation Center
7. Heritage Trail, Phase III Segment
8. Complete Streets/ADA improvements at 25 intersections*
9. Woolworth’s building redevelopment
10. Orchard Street Parking Lot development
11. Middletown Skateboard Park
12. Soccer complex
13. Paramount Theater Energy Improvements

Potential/Planned Projects:
14. Relocation of City Courthouse
15. Student Housing (Location TBD)
16. Middletown Community Campus Redevelopment *
17. Phase II Improvements at Skateboard Park

* Project not mapped

Source: Orange County Land Use Data, City of Middletown

Figure 22. Current Projects in DRI Area
WOOLWORTH’S BUILDING REDEVELOPMENT & ORCHARD STREET PARKING LOT DEVELOPMENT

There will be space for four retail tenants upon completion of this vacant building’s repurposing. Plans for this project will add a spur to the Heritage Trail, connecting the Trail to Main Street to enhance walkability and bikeability, and increase foot traffic in this retail corridor. The estimated cost for the Woolworth’s project is $1.6 million. Funds awarded includes $250,000 from Assemblywoman Gunther through NYSES; $120,000 from Middletown IDEC; $100,000 from Senator Bonacic through the State and Municipal Facilities Capital Program; and $24,000 from the Middletown IDA. The City will be responsible for the remaining $720,000. Funds to develop the Orchard Street parking lots will be provided as part of a CFA grant of $1,284,121 with the Orange County Water and Soil Conservation Department. That project (described below) also includes the James Street parking lot. (CFA Grant Project- waiting to hear on funding results) The Orange Accellerator Program is another potential funding option for this site.
TRAFFIC OPERATIONS PROJECT: COMPLETE STREETS/ADA IMPROVEMENTS AT 25 INTERSECTIONS

The City is in the process of upgrading all of its signalized intersections. The work will be completed under a grant from the Federal Highway Administration (FHWA), administered by NYSDOT, at an approximate cost of $7.5 million, with a requirement for up to 20% local contribution. The project will include the upgrade of 25 intersections on City Arterial Streets and County Routes within City limits. (Map showing intersections to come)

The work will include analyzing each intersection capacity and number of lanes; replacement and upgrade of traffic signals; installing ADA-compliant pedestrian signals with countdown timers and audible signals; curbs and sidewalks ramps with detectable warning surface; and upgraded curbs and sidewalks approaching the intersection. Work will also include synchronizing all intersections traffic signals, to minimize traffic congestion, and create more fuel efficient travel by minimizing stop and start of vehicles. It should be noted that only a couple of intersections in the City currently have signalized pedestrian crossing.

SIDEWALK AND GATEWAY IMPROVEMENTS

Middletown has also received $2.1 million in federal funding for sidewalks and gateways. Improvements include plans for sidewalks along Wickham Avenue, Thrall Park and Railroad Avenue.

MIDDLETOWN SKATEBOARD PARK

The Middletown Skateboard Park will be located in the DRI area along the Heritage Trail, on a vacant 2-acre lot that is a former railroad bed and is partially identified as a brownfield site. The City worked with the New York State Department of Environmental Conservation (NYSDEC) for cleanup and reuse of the site. The Skateboard Park is funded, but the City is still seeking funding for additional amenities at the site, including a Welcome Center and restroom facilities. The Skate Park will also serve as the permanent home to the Farmers’ Market. Construction is expected to begin in spring 2017. The estimated cost of this project is $665,000, and the City has applied for $498,000 in CFA funding.

SOCCER COMPLEX

The Unisol Soccer Facility is proposed to be located at the intersection of Union and Franklin Streets in the DRI area Middletown along the Heritage Trail. The soccer facility is proposed to contain one indoor and one outdoor field, an equipment shop, and a cafeteria. Construction will involve the renovation, façade unification and expansion of two existing buildings, and the demolition of condemned buildings. This project is expected to cost approximately $1.5 million, and provide at least 10 jobs. This project could also benefit from a potential façade improvements initiative.
PARAMOUNT THEATRE ENERGY IMPROVEMENTS
The Paramount Theatre is an anchor of the DRI area. Its increasing popularity in the City and region is evidence of Middletown’s investment in the performing arts. Open seven days a week, the theater is the largest single screen in Orange County, with 1,098 seats. The Paramount shows first-run and limited-release movies, and also hosts live entertainment and community events. Movie attendance has doubled since 2014, and live performance attendance has increased 39%. The City has owned the Paramount Theatre since 1996 and provides a partial subsidy, amounting to approximately $100,000 a year. The theater attracts upwards of 45,000 to 50,000 people a year, and has been an economic driver for the City. Sell-out performances bring extra patrons to local hotels and restaurants, but also constrain the limited parking facilities in the immediate area. Improvements for energy efficiency at the Paramount Theatre are projected to cost $500,000, and are underway and funded.

PLANNED OR POTENTIAL PROJECTS

RELOCATION/EXPANSION OF CITY COURTHOUSE
The City is purchasing the former Federal Court Building at 25 South Street with the intention of relocating the City courts to this site. This project also includes plans to redevelop an office building that has been vacant for 25 years. The total project cost is $3.35 million. New York State will provide $2.7 million and the City will provide $650,000. The cost of buying the building is $2.2 million, and relocation will cost $500,000.

STUDENT HOUSING (LOCATION TBD)
DRI area businesses could benefit from attracting students from the area’s three schools: SUNY Orange, Touro College and Fei Tian Academy. In its 2015 report, *Middletown Student Housing Development Report*, Pattern for Progress reviewed potential development of student housing for SUNY Orange, and recommended pursuing off-campus housing with a private developer model. The study identified demand for student housing and potential economic benefits this population could inject into the DRI area. The two sites the study identified were:

- **Former Classy Leather building:** The former Classy Leather building is 160,000 sq. ft., and is mostly vacant, except for one tenant, Fort Knox Self-Storage facility. This building is under new ownership. The owner is apparently interested in expanding the storage facility, but is open to other possibilities should there be development interest.
• **Classic Hosiery** - In its 2015 report, Pattern for Progress reviewed this site as a potential development of the first student housing for SUNY Orange.

**MIDDLETOWN COMMUNITY CAMPUS**

The City of Middletown plans to redevelop the former Middletown Psychiatric Center into educational, office, and light industrial use. The site is 232 acres of semi-wooded, confined park-like area bordered on two sides by residential areas with another side a public school complex and the fourth side bordered by light industrial and commercial uses. The City acquired and demolished two buildings contributing to blight in the area. Estimates put the property acquisition costs at approximately $600,000, and demolition costs at approximately $1.6 million. This project has already received Mid-Hudson Regional Economic Development Council (MHREDC) funding, and investment from Fei Tian Fine Arts Academy and Fei Tian College. The City also acquired a $500,000 Restore NY grant through the EDA to clean up debris on site.

According to updated project costs as of September 2015, Phase 1 of the Middletown Community Campus project will cost a total of $57.415 million, with a ratio of $1 ESD: $5.26 other investment. This total estimate includes ESD Infrastructure and Strategic Planning funds, in addition to contributions by Fei Tian Educational Institutions, SRF, and funding from NY Rising for storm water and flood mitigation. Phase 2 will use approximately $15 million in ESD Infrastructure funding, while Phase 3 will use $2 million of ESD Infrastructure funding and $97.5 million in Private investment. For Phases 1-3, the overall ESD share of investment is 16.3%.

The City is seeking ESD Strategic Planning and Feasibility Studies Grant funds to create a campus redevelopment shovel-ready master plan, including a guide for campus redevelopment, necessary environmental screenings, SEQRA reviews and permitting sites. ESD Development Grand funds will go toward infrastructure improvements, including the replacement of aged stormwater, sanitary and water utilities, and road construction. Street light installation will cost approximately $100,000, and infrastructure improvements for redundant water storage tank facilities for fire protection and usage are estimated to cost $1.5 million. The City has requested $10.9 million for infrastructure and $150,000 for planning in CFA funding.
The redevelopment of the former Middletown Psychiatric Center into the Community Campus will produce a significant employment boost in Middletown. Over its three phases, this project is expected to generate approximately 1,935 construction jobs, with 1,062 total net new jobs, 89 retained jobs and 125 ancillary jobs.
APPENDIX

Table 1: Total Population, 2000-2015

<table>
<thead>
<tr>
<th></th>
<th>Middletown DRI area</th>
<th>City of Middletown</th>
<th>Orange County</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Population Count</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>2,511</td>
<td>25,388</td>
<td>341,367</td>
</tr>
<tr>
<td>2010</td>
<td>2,628</td>
<td>28,086</td>
<td>372,813</td>
</tr>
<tr>
<td>2015</td>
<td>N/A</td>
<td>27,812</td>
<td>377,647</td>
</tr>
<tr>
<td><strong>Percent Change</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000-2010</td>
<td>+4.7%</td>
<td>+10.6%</td>
<td>+9.2%</td>
</tr>
<tr>
<td>2010-2015</td>
<td>N/A</td>
<td>-1.0%</td>
<td>+1.30%</td>
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</tbody>
</table>


Table 2: Population Growth by Age Cohort, 2000-2010

<table>
<thead>
<tr>
<th></th>
<th>Middletown DRI area</th>
<th>City of Middletown</th>
<th>Orange County</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2000</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2010</strong></td>
<td>1,972,628</td>
<td>25,388,28,086</td>
<td>341,367,372,813</td>
</tr>
<tr>
<td><strong>Percent Change</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td>+4.7%</td>
<td>+10.6%</td>
<td>-9.2%</td>
</tr>
<tr>
<td>Under 18</td>
<td>488,641</td>
<td>7,055,7,657</td>
<td>99,156,101,52</td>
</tr>
<tr>
<td>18 to 39 years</td>
<td>636,863</td>
<td>8,352,8,990</td>
<td>102,78,101,91</td>
</tr>
<tr>
<td>40 to 64 years</td>
<td>492,766</td>
<td>6,945,8,463</td>
<td>104,24,128,38</td>
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<tr>
<td>65 years or older</td>
<td>361,358</td>
<td>3,036,2,976</td>
<td>35,185,40,985</td>
</tr>
<tr>
<td><strong>Percent Change</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td>+25.4%</td>
<td>+21.9%</td>
<td>+23.2%</td>
</tr>
</tbody>
</table>

Table 3: Households by Type and Presence of Children, 2000-2010

<table>
<thead>
<tr>
<th></th>
<th>Middletown DRI area</th>
<th>City of Middletown</th>
<th>Orange County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Households</td>
<td>974</td>
<td>997</td>
<td>+2.4%</td>
</tr>
<tr>
<td>Households w/ children</td>
<td>320</td>
<td>307</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Households w/out children</td>
<td>654</td>
<td>690</td>
<td>+5.5%</td>
</tr>
<tr>
<td>Married-couples w/ children</td>
<td>133</td>
<td>130</td>
<td>-2.3%</td>
</tr>
<tr>
<td>1-parent families w/ children</td>
<td>184</td>
<td>173</td>
<td>-6.0%</td>
</tr>
<tr>
<td>Non-families w/ children</td>
<td>3</td>
<td>4</td>
<td>+33.3%</td>
</tr>
<tr>
<td>Married-couples w/out children</td>
<td>81</td>
<td>81</td>
<td>0.0%</td>
</tr>
<tr>
<td>1-parent families w/out children</td>
<td>52</td>
<td>70</td>
<td>+34.6%</td>
</tr>
<tr>
<td>Non-families w/out children</td>
<td>521</td>
<td>539</td>
<td>+3.5%</td>
</tr>
</tbody>
</table>


Table 4: Distribution of Households by Annual Household Income, 2000-2014

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2014</th>
<th>Percentage Point</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>City of</td>
<td>Middletown</td>
<td>Change, 2000-2014</td>
</tr>
<tr>
<td></td>
<td>Middletown DRI area</td>
<td>Middletown DRI area</td>
<td>Middletown DRI area</td>
</tr>
<tr>
<td>&lt;Fed. poverty</td>
<td>15.5%</td>
<td>32.3%</td>
<td>17.8%</td>
</tr>
<tr>
<td>Less than $25,000</td>
<td>32.4%</td>
<td>54.4%</td>
<td>26.5%</td>
</tr>
<tr>
<td>$25,000 to $50,000</td>
<td>30.4%</td>
<td>23.8%</td>
<td>23.0%</td>
</tr>
<tr>
<td>$50,000 to $75,000</td>
<td>18.5%</td>
<td>12.4%</td>
<td>18.9%</td>
</tr>
<tr>
<td>$75,000 to $100,000</td>
<td>8.9%</td>
<td>4.3%</td>
<td>13.6%</td>
</tr>
<tr>
<td>$100,000 or more</td>
<td>9.8%</td>
<td>5.1%</td>
<td>18.1%</td>
</tr>
</tbody>
</table>

Table 5: Total Housing Units, 2000-2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Middletown DRI area</th>
<th>City of Middletown</th>
<th>Orange County</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>1,123</td>
<td>10,124</td>
<td>122,754</td>
</tr>
<tr>
<td>2010</td>
<td>1,109</td>
<td>10,866</td>
<td>137,025</td>
</tr>
<tr>
<td>2014</td>
<td>1,143</td>
<td>11,198</td>
<td>138,441</td>
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</table>

<table>
<thead>
<tr>
<th>Percent Change</th>
<th>2000-2010</th>
<th>2010-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-1.2%</td>
<td>+3.1%</td>
</tr>
<tr>
<td></td>
<td>+7.3%</td>
<td>+3.1%</td>
</tr>
<tr>
<td></td>
<td>+11.6%</td>
<td>+1.0%</td>
</tr>
</tbody>
</table>

Table 6. Total Employment in Middletown by Industrial Sector, 2000 - 2015

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ann Avg Emp</td>
<td>Total Wages</td>
<td>Ann Avg Emp</td>
<td>Total Wages</td>
</tr>
<tr>
<td>Agric, Forestry, Fisheries</td>
<td>26</td>
<td>$315,353</td>
<td></td>
<td></td>
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<tr>
<td>Construction</td>
<td>325</td>
<td>$10,342,163</td>
<td>352</td>
<td>$15,283,503</td>
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<tr>
<td>Manufacturing</td>
<td>1616</td>
<td>$56,195,355</td>
<td>1081</td>
<td>$44,608,632</td>
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<tr>
<td>Wholesale Trade</td>
<td>835</td>
<td>$31,401,920</td>
<td>298</td>
<td>$10,065,064</td>
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<tr>
<td>Retail Trade</td>
<td>3699</td>
<td>$64,025,307</td>
<td>2428</td>
<td>$60,233,829</td>
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<tr>
<td>Transportation &amp; Warehousing</td>
<td>121</td>
<td>$2,887,126</td>
<td>95</td>
<td>$3,032,778</td>
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<tr>
<td>Information</td>
<td>884</td>
<td>$28,015,884</td>
<td>749</td>
<td>$29,326,012</td>
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<tr>
<td>Finance &amp; Insurance</td>
<td>384</td>
<td>$12,295,727</td>
<td>26</td>
<td>$10,381,009</td>
</tr>
<tr>
<td>Real Estate, Rental &amp; Leasing</td>
<td>188</td>
<td>$3,937,288</td>
<td>171</td>
<td>$4,756,929</td>
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</table>
### Middletown DRI: Downtown Profile and Assessment

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
<th>Total Employment</th>
<th>Full-time Equivalent</th>
<th>Avg. Full-time Equivalent</th>
<th>Total Employment</th>
<th>Full-time Equivalent</th>
<th>Avg. Full-time Equivalent</th>
<th>Total Employment</th>
<th>Full-time Equivalent</th>
<th>Avg. Full-time Equivalent</th>
<th>Total Employment</th>
<th>Full-time Equivalent</th>
<th>Avg. Full-time Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional, Scientific &amp; Tech Services</td>
<td>253</td>
<td>$8,473,001</td>
<td>240</td>
<td>89</td>
<td>$8,144,219</td>
<td>210</td>
<td>11,195,752</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mgmt of Companies &amp; Enterprises</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Admin Support &amp; Waste Mgmt Services</td>
<td>165</td>
<td>$3,707,193</td>
<td>113</td>
<td>91</td>
<td>$9,305,458</td>
<td>330</td>
<td>8,632,185</td>
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<tr>
<td>Educational Services</td>
<td>1459</td>
<td>$41,622,022</td>
<td>1966</td>
<td>130</td>
<td>$104,000,734</td>
<td>1985</td>
<td>$110,212,257</td>
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<tr>
<td>Arts, Entertainment &amp; Recreation</td>
<td>44</td>
<td>$877,665</td>
<td>31</td>
<td>16</td>
<td>$390,789</td>
<td>18</td>
<td>$264,550</td>
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<tr>
<td>Accommodation &amp; Food Services</td>
<td>940</td>
<td>$11,302,625</td>
<td>937</td>
<td>112</td>
<td>$10,001,122</td>
<td>844</td>
<td>$13,222,792</td>
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<tr>
<td>Other Services, exc Public Admin</td>
<td>770</td>
<td>$13,499,675</td>
<td>675</td>
<td>128</td>
<td>$15,314,638</td>
<td>775</td>
<td>$17,516,636</td>
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<tr>
<td>Public Administration</td>
<td>221</td>
<td>$9,184,099</td>
<td>507</td>
<td>288</td>
<td>$31,993,769</td>
<td>329</td>
<td>$36,263,817</td>
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<tr>
<td>Indeterminate</td>
<td>16</td>
<td>$152,881</td>
<td>33</td>
<td>10</td>
<td>$334,152</td>
<td>25</td>
<td>$653,112</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total</td>
<td>15567</td>
<td>$397,722,434</td>
<td>14065</td>
<td>127</td>
<td>$512,439,198</td>
<td>10987</td>
<td>$445,230,266</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: NYS DOL, Quarterly Census of Employment
Appendix 1 - List of stakeholder interviews

Merchants
The Taco Factory
Something Sweet Café
Equilibrium Brewery
The Tea Garden

Local Organization Leaders
Middletown BID
Middletown- Thrall Library
Office of Economic and Community Development

Appendix 2 – Retail Market Analysis (attached ESRI Retail marketplace profile)

Appendix 3 – Tapestry Segmentation/ Psychographics (attached ESRI tapestry segmentation)