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Potsdam's

PROGRESS

The Newsletter of The Village of Potsdam's Planning and Development Office



\$10 Million Hotel Project Planned Downtown

Officials hope new Hampton Inn benefits entire downtown corridor.

A pair of Kingston, New York investors have unveiled plans to build an 85 room Hampton Inn hotel in downtown Potsdam.

Investors Sonny Patel and Jay Modhwadiya of Potsdam Hospitality Holdings, LLC provided members of the village Planning Board with details of the \$10.5 million project during a preliminary review of their proposal on Oct. 4. The hotel, to be built on a vacant lot off Willow Street next to Mama Lucia's Restaurant, is expected to bring 25 to 30 jobs to the community. Pending all regulatory approvals, the investors hope to break ground on the 53,000 square foot, four-story building sometime in the spring.

"This is great news for Potsdam," noted Potsdam Mayor Ron Tischler. "This is the type of project that will not only bring jobs to the community, but improves economic opportunities for all of downtown, which is the commercial and cultural heart of our town."

The upscale Hampton Inn will provide a number of amenities for visitors to Potsdam, including an indoor pool, Jacuzzi suites, an exercise

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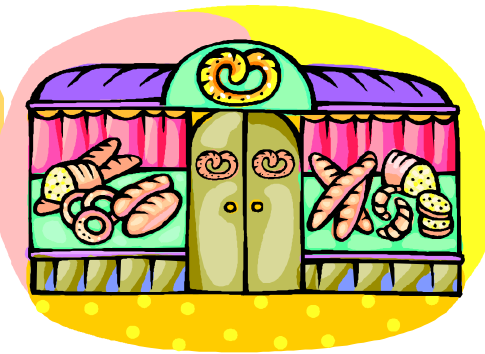
State Gives \$2.2 Million To Incubator

Revitalization efforts in downtown Potsdam received a significant jump-start recently when Gov. Elliot Spitzer pledged \$2.2 million for the renovation of the second and third stories of Peyton Hall to expand the Clarkson Small Business Incubator.

Potsdam Mayor Ron Tischler noted, "This project is one piece of a strategic effort to preempt the onset of slums and

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Program Helps Businesses Make Good First Impression



Retailers know the importance of putting on a good face, but sometimes the first impression shoppers have about your business is formed even before they come through the front door. Now downtown business owners can give the exterior of their buildings a significant make-over with the help of funding secured by the Village of Potsdam.

The village recently secured \$400,000 in funding through the NYS Small Cities Community Development Block Grant Program to provide assistance for facade renovations for retail/commercial property owners located downtown or along the outer Market Street retail corridor. The village hopes to provide between 10 and 15 “micro-enterprises” with assistance to repair a wide range of defects present in exterior building systems.

“The rehabilitation of 10 to 15 properties will not only make a dramatic difference in the appearance – and appeal – of the properties, but will also help to preserve the village’s unique and historic retail and commercial buildings,” noted Fred Hanss, Director of Planning and Development. “By helping retail / commercial property owners to renovate their properties, the village hopes to make its shopping districts as attractive a destination as possible – particularly with the arrival of formula-based and Big Box retail establishments.”

For the first time, the village is offering renovation grant assistance to property owners located outside the Market Street National Register District. Retail/commercial property owners located within targeted areas of Maple Street, Clarkson Avenue, Pine Street and outer Market Street may submit applications for assistance through this program.

The village will provide assistance on a first-come/first-served basis as long as funding is available in the future. Interested parties are encouraged to apply for assistance as early as possible.

Financial Assistance Package

The Village will provide eligible applicants with a grant equal to 50 percent of eligible rehabilitation costs with a cap of \$30,000. Applicants must provide the remaining 50 percent of the project costs from their own accounts. In the event that applicants are unable to provide matching funds, the village may be able to lend them funds through its Downtown Improvement Program Revolving Loan Fund. Loan terms are 5 percent interest with a repayment term of 60 months.

Who’s Eligible?

This particular program is geared to assist micro-enterprises, defined as those firms having five or fewer full-time employees or full-time equivalents, including the business owner. A full time equivalent position is defined as one or more positions whose work week totals 40 hours.

Eligible applicants include small businesses who own the building proposed for renovation through the project. Commercial landlords may apply for assistance if their tenants can be considered micro-enterprises and are willing to either create or retain jobs that may be made available to low/moderate income people.

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Wal-Mart Watch:

END OF AN ERA ON THE HORIZON?

Could the end of the Wal-Mart era be on the horizon? A recent article in the Wall Street Journal suggests that the world's biggest retailer is for the first time having a tough time providing what consumers want.

The article, written by Gary McWilliams for the Wall Street Journal (WSJ), suggests that Wal-Mart's influence over the retail universe is beginning to slip – and the very traits that led to Wal-Mart's unprecedented success over the years are beginning to work against the mighty retailer.

Using a combination of low prices and relentless expansion, Wal-Mart stores helped boost America's overall productivity, lowered the inflation rate and strengthened the buying power of millions of people. But, over time, it also accelerated the drive to manufacture products in Asia, drove countless small shops out of business and sped the decline of Main Street, the WSJ article noted.

Few would dispute that Wal-Mart has changed the world. But now the world seems to be changing on Wal-Mart.

“Consumers are demanding more freshness and choice, which means foods and new clothing designs must appear on shelves more frequently. They are also demanding more personalized service. Making such changes is difficult for Wal-Mart's supercenters, which ascended to the top of retailing by superior efficiency, uniformity and scale,” according to the WSJ article. The article also noted that the retailer seems to have hit a wall in its efforts to woo more affluent shoppers.

Rival retailers are luring Americans away from Wal-Mart's low-price promise by offering greater convenience, more selection, higher quality or better service. Wal-Mart's biggest rivals have also been able to cut into Wal-Mart's competitive advantage by focusing on goods and services that Wal-Mart has trouble providing.

The WSJ article noted that grocery store chains such as Kroger are resurging on sales of prepared foods or semi-cooked meals that people can grab on their way home. Others, like Best Buy, aggressively market installation and other support services alongside flat-panel TVs and PCs. Specialty retailers like PetSmart now offer pet grooming and kennel stays to its patrons, while pharmacies like Walgreen's now provide basic health services like school physicals, diagnostic tests and flu clinics in an effort to differentiate themselves from the supercenters.

More and more businesses are touting the convenience factor, playing off perceptions that Wal-Mart is too large and too busy with its crowded aisles and hurried atmosphere. Others have found a more level playing field in the virtual world, as the Internet has transformed the retail definition of scale. Wal-Mart's biggest rivals are finding that the best way to win a fight is to make sure they don't get in one. They are succeeding by trying to be what Wal-Mart is not. These strategies should also guide Potsdam businesses as they look to compete with the retail behemoth in the next year.

Facade...

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The village's construction inspector and consulting architect will meet with applicants to inspect the building and help to develop a proposed scope of renovation work. The village must consult with the NYS Office of Parks, Recreation and Historic

Preservation to determine first if the building proposed for rehabilitation is either listed or eligible for listing on the National Register of Historic Places and, if so, to review the proposed scope of work to ensure consistency with national historic preservation standards.

Applications for the Downtown Potsdam Facade Renovation Project can be requested from the Planning and Development Office or can be downloaded from the Village's website (www.potsdam.ny.us). The Village will accept applications as long as grant funds are available.

Eligible Renovation Work

- Masonry repairs (repairs to stonework, repointing, replacement of spalled brick or structural defects.
- Roof repair/replacement
- The repair/replacement of windows, doors, transoms and display windows
- The repair of storefronts, including bulkheads, cornices and decorative architectural devices such as brackets
- The repair and replacement of exterior wiring and fixtures
- The repair/replacement of roof drainage systems
- Painting
- Accessibility for persons with physical disabilities

Murphy Named Economic Developer

Jim Murphy recently returned to Potsdam to take a position as Community/Economic Developer for the Village of Potsdam. One of his primary duties will be to work with businesses participating – or potentially participating – in Potsdam’s Empire Zone Program.

“Jim brings a variety of skills to the Potsdam Planning and Development office,” noted Director Fred Hanss. “We were particularly impressed with his analytical, research and writing skills. Jim is also a friendly and outgoing person.”

Prior to joining the Village of Potsdam in September, Murphy served for three years as Economic Development Specialist for the Technical Assistance Center at SUNY Plattsburgh (TAC), the college’s economic development outreach service. Murphy also worked as Projects Coordinator and then Associate Director of the Merwin Rural Services Institute at SUNY Potsdam (MRSI). MRSI’s primary goal was to develop partnerships that linked the resources of SUNY Potsdam to the needs of the region.

He came to MRSI following a nearly 20 year career as newspaper reporter and editor, including stints with the Massena Observer, St. Lawrence Plaindealer, Potsdam Courier-Freeman, Watertown Daily Times and others. He last served as Potsdam Regional Editor of the Courier Observer.

Downtown Hotel Project...

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room and complete wired/wireless Internet access throughout the hotel. The new Hampton Inn will also provide a complimentary full breakfast for guests and will offer facilities for conferences and executive board meetings.

“It may seem that this project happened overnight, but this has been a long time coming,” noted Mayor Tischler. “This kind of project is the result of having a clear vision of what would be the best use for that property over the long-term and having the patience and persistence to stick to that vision, even when there were opportunities to settle for less. That’s what good planning is all about.”

The new hotel developers are already hoping to work with local restaurants to provide catering services for hotel functions. “That’s one of the reasons we chose to locate the hotel close to downtown rather than on the outskirts of town,” Laneuville noted. “We would like to develop a relationship with nearby merchants to provide services for our guests as well as economic opportunities for our neighbors.”

Potsdam businessmen and property owners Paul Blevins and Lloyd Vienneau, who are in the process of transferring the title of the property to Hospitality Hotels, LLC, both expressed their happiness over the expected economic impact of the hotel development. “We are both pleased for the community to have this kind of new venture in town, which we are sure will be very successful,” Vienneau said.

Incubator...

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blight in downtown Potsdam through the adaptive reuse of Clarkson’s downtown campus. Access to a high-quality small business incubator will also certainly enhance the community’s capability to recruit new business firms to locate to Potsdam.”

Clarkson University President Tony Collins, who attended the Syracuse event, noted that the funding would provide a significant boost to 12 years of efforts to adapt the former downtown campus into productive commercial enterprises.

Clarkson’s president also gave credit to the “team approach” used to develop the original incubator project as well as the successful funding proposal to expand that project.

The Clarkson Small Business Incubator was built on the ground floor of Peyton Hall in 2005 through the combined efforts of the University, the village, National Grid and CITEC, a six-county regional economic development organization focused on providing technical assistance to technology and manufacturing firms.

The state funding announced on Thursday will enable Clarkson and the village to undertake substantial renovations to the second and third floors of Peyton Hall, including the installation of an elevator providing handicapped access to the upper floors of the building.

Clarkson hopes to complete the renovations by the end of 2008.