APPENDIX D: FULL MARKET ANALYSIS

General Economic Outlook

Introduction

For public and private sector employment data, information was obtained from Economic Modeling Systems, Inc. (EMSI) (www.economicmodeling.com). EMSI combines covered employment data from the Quarterly Census of Employment and Wages (QCEW) produced by the Department of Labor with data from the Regional Economic Information System (REIS) published by the Bureau of Economic Analysis (BEA) and augmented with County Business Patterns (CBP) and Nonemployer Statistics (NES) published by the U.S. Census Bureau. Projections are based on the latest available EMSI industry data combined with past trends in each industry, industry growth rates in national projections (Bureau of Labor Statistics), and projections and data from the New York State Department of Labor.

The data includes all employment covered by unemployment insurance – only the self-employed, student workers, unpaid family workers, and some agricultural workers are excluded. Unlike the decennial Census and other sources of employment data available from the state and federal Departments of Labor, QCEW measures jobs by place of *work*, not place of *residence*, so it is a strong measure of economic activity taking place in a particular region.

Some of the data analyzed in this report are broken down into industry sectors, organized using the North American Industrial Classification System (NAICS). See http://www.census.gov/epcd/www/naics.html for more information and for definitions of the various categories. The analysis was performed primarily at the 2-digit NAICS code level, which is the highest aggregated level available. Data were analyzed for the NAICS codes found in the following table.

Table D-1. NAICS Codes

NAICS Code	Description
11	Agriculture, forestry, fishing and hunting
21	Mining
22	Utilities
23	Construction
31-33	Manufacturing
42	Wholesale trade
44-45	Retail trade
48-49	Transportation and warehousing
51	Information
52	Finance and insurance
53	Real estate and rental and leasing
54	Professional and technical services
55	Management of companies and enterprises
56	Administrative and waste services
61	Educational services
62	Health care and social assistance
71	Arts, entertainment, and recreation
72	Accommodation and food services
90	Government

Source: EMSI Complete Employment - Spring 2008 Release v. 2

In contrast to the NAICS data, organizing regional employment information by occupation provides a more workforce-oriented view of the regional economy. Employment by occupation data, available at the County level, are based on EMSI's industry data and regional staffing patterns taken from the Occupational Employment Statistics program (U.S. Bureau of Labor Statistics). Wage information is partially derived from the American Community Survey. The occupation-to-program or Standard Occupational Classification (SOC) to Classification of Instructional Programs (CIP) crosswalk is based on one from the U.S. Department of Education, with customizations by EMSI.

The "Best Industries to Meet Regional Requirements" analysis is based on EMSI's input-output model which uses the national input-output matrix provided by the federal Bureau of Economic Analysis. This is combined with the national Total Gross Output, the regional Total Gross Output, the land area of the subject region, regional dividends, interest, rent and transfers data and regional in/out commuter patterns in order to calculate regional requirements, imports and exports. After using matrix algebra to calculate the regional multiplier, the resulting matrix is multiplied by the sales vector and converted back to jobs or earnings. Specifically, this data comes from the U.S. Department of Commerce, Bureau of Economic Analysis, Industry Economic Accounts: Benchmark & Annual Input-Output (I-O) Accounts.

Explanations to the regional employment information and input-output model above were provided by Economic Modeling Systems, Inc.

Unemployment

The table below shows total current jobs and unemployment numbers in Oneida County for the month of July 2008, using the six-digit federal SOC system of classifying occupations. The unemployment rate is shown as the number of unemployed as a percentage of total jobs for Oneida County, New York State, and the U.S as a whole.

Unemployment is especially low in the following industries:

- Healthcare practitioners and technical occupations
- Community and social services occupations
- Education, training and library occupations
- Business and financial operation occupations
- Healthcare support occupations

These industries can be organized into three major sectors: health care, social services and professional services.

Table D-2. Unemployment Summary
Oneida County, New York State, United States

Unemployment Summary						
SOC Code	Description	2008 Jobs	July Unemp	Unemployment as % of Total Jobs		
				Oneida County %	State %	National %
47-0000	Construction and extraction occupations	5,670	426	7.52%	9.43%	8.78%
51-0000	Production occupations	8,665	639	7.37%	8.56%	6.43%
35-0000	Food preparation and serving related occupations	8,837	582	6.59%	6.94%	6.05%
27-0000	Arts, design, entertainment, sports, and media occupations	2,800	149	5.34%	5.21%	2.82%
43-0000	Office and administrative support occupations	23,479	1,195	5.09%	5.20%	4.09%
53-0000	Transportation and material moving occupations	7,356	336	4.57%	5.75%	6.60%
33-0000	Protective service occupations	4,675	209	4.46%	4.34%	4.68%
41-0000	Sales and related occupations	15,869	672	4.23%	4.67%	4.36%
37-0000	Building and grounds cleaning and maintenance occupations	5,121	190	3.71%	4.03%	6.02%
49-0000	Installation, maintenance, and repair occupations	4,510	159	3.52%	4.10%	4.10%
39-0000	Personal care and service occupations	4,950	145	2.92%	3.67%	4.86%
11-0000	Management occupations	8,288	234	2.82%	3.07%	2.84%
17-0000	Architecture and engineering occupations	1,607	39	2.45%	2.55%	2.38%
23-0000	Legal occupations	828	20	2.37%	2.01%	2.67%
15-0000	Computer and mathematical science occupations	2,630	51	1.93%	1.73%	3.47%
31-0000	Healthcare support occupations	5,816	101	1.73%	2.25%	4.20%
13-0000	Business and financial operations occupations	5,399	75	1.39%	1.32%	1.79%
25-0000	Education, training, and library occupations	9,228	96	1.04%	1.07%	2.11%
21-0000	Community and social services occupations	2,868	27	0.95%	1.11%	2.21%
29-0000	Healthcare practitioners and technical occupations	7,613	43	0.56%	0.67%	1.29%
99-9999	Not elsewhere classified	0	506	0	0	0

*Source: EMSI Complete Employment - Spring 2008 Release v. 2*

*Note: Occupations with fewer than ten unemployed workers are not shown.

Compared to the State, Oneida County shows lower unemployment rates in all but 5 categories (highlighted above). Although the highlighted categories are showing higher unemployment in Oneida County than the State percentage, the differences are very small.

Employment Growth

The graph and table below shows the projected change in total private sector employment in the trade area, Upstate New York, New York State and the U.S. for the period 2008-2014. The 'Upstate New York' region is shown on the map below and includes the following Counties: Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Cortland, Erie, Essex, Franklin, Fulton, Genesee, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orleans, Oswego, Otsego, Rensselaer, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Tioga, Tompkins, Warren, Washington, Wayne, Wyoming and Yates.

Figure D-1. Upstate New York Counties
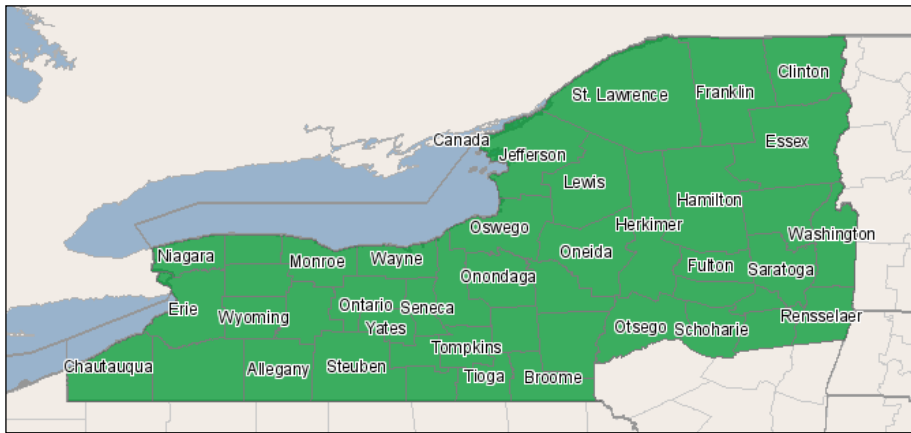
The projected change in total private sector employment in the trade area, Upstate New York, New York State and the U.S. for the period 2008-2014 is illustrated in the following graphs.

Employment in Upstate New York is growing slower than the State and the Nation as a whole, as indicated in Figure D-2. The average "earnings per worker" is significantly lower than the State Total, which is skewed by New York City wages, but it is also lower than the National Total.
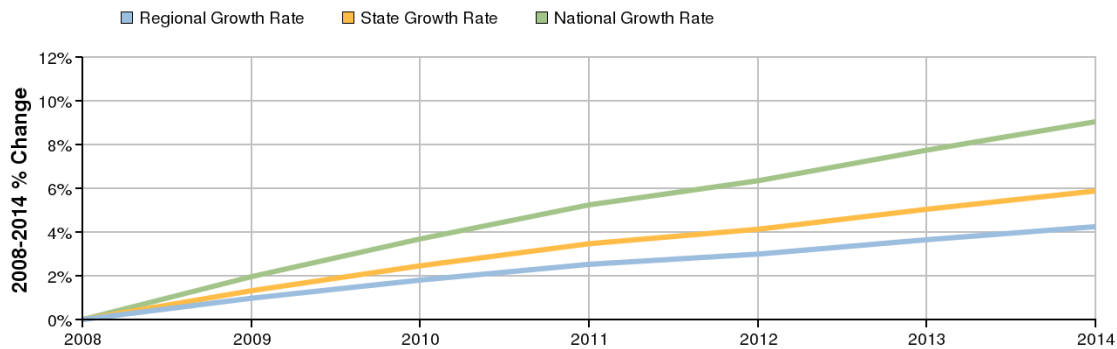
Figure D-2. Growth Rates, 2008-2014

Table D-3. Employment Growth Summary, Upstate New York

Description	2008 Jobs	2014 Jobs	Change	% Change	EPW	2007 Establishments
Upstate New York Total	3,411,176	3,556,002	144,826	4%	$43,563	148,906
State Total	11,086,375	11,737,832	651,457	6%	$64,034	572,406
National Total	181,903,867	198,355,707	16,451,840	9%	$49,029	8,905,693

Source: EMSI Complete Employment - Spring 2008 Release v. 2

The table below shows that employment in Oneida County is expected to grow slower than both the State and Nation. Oneida County is expected to have a 2% change in jobs by 2014. At $40,172, average annual earnings per worker (EPW) are lower in the trade area than the rest of the state, or national averages.
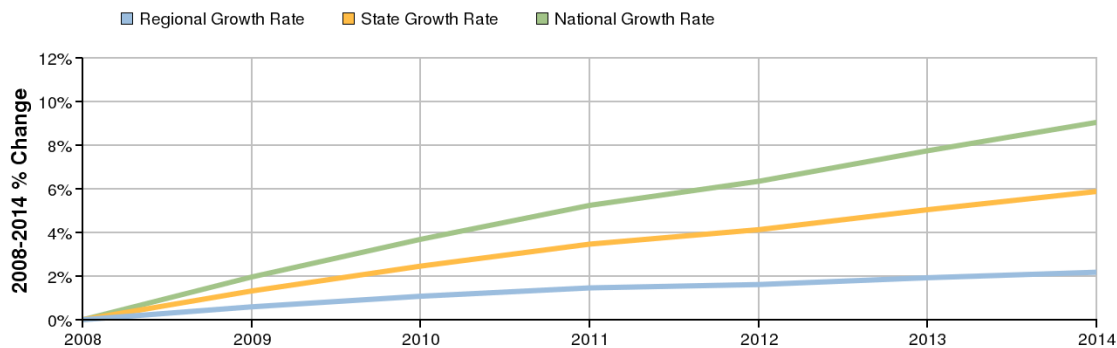
Figure D-3. Growth Rates, 2008-2014

*Table D-4. Employment Growth Summary, Oneida County*

Description	2008 Jobs	2014 Jobs	Change	% Change	EPW	2007 Establishments
Oneida County Total	138,287	141,295	3,008	2%	$40,172	5,514
State Total	11,086,375	11,737,832	651,457	6%	$64,034	572,406
National Total	181,903,867	198,355,707	16,451,840	9%	$49,029	8,905,693

Source: EMSI Complete Employment - Spring 2008 Release v. 2

Employment by Industry

The graph and table below show projected employment changes by industry, average annual earnings per worker (EPW) and total number of establishments for each two-digit NAICS Code industry in 2008. Although local government is the largest employer in Oneida County, it is expected to decrease slightly by 2014. As would be expected with a modest overall growth rate of 2% through 2014, there are not many industries adding jobs. The health care industries seem to be adding the most jobs, with hospitals and surgical facilities adding 277 jobs, nursing facilities adding 106 jobs and services for elderly and the disabled adding 340 jobs (15% growth).

Figure D-4. Top Employment Sectors, Oneida County
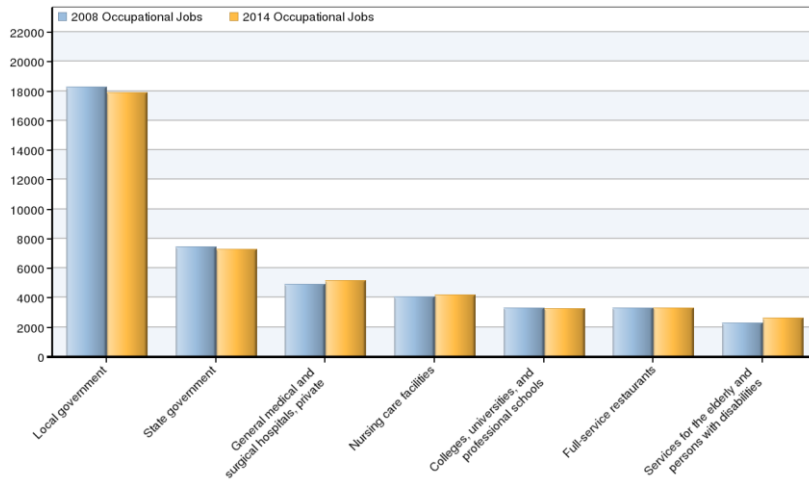
Employment in government and education is expected to decrease. Occupations projected to increase include health care occupations, arts and entertainment occupations, computer related occupations, personal care and service occupations, and others listed below.

Table D-5. Occupational Breakdown, Oneida County

SOC Code	Description	2008 Jobs	2014 Jobs	Change	% Change
41-0000	Sales and related occupations	15,869	16,444	575	3.62%
29-0000	Healthcare practitioners and technical occupations	7,613	8,089	476	6.25%
31-0000	Healthcare support occupations	5,816	6,271	455	7.82%
13-0000	Business and financial operations occupations	5,399	5,750	351	6.50%
11-0000	Management occupations	8,288	8,623	335	4.04%
15-0000	Computer and mathematical science occupations	2,630	2,879	249	9.47%
39-0000	Personal care and service occupations	4,950	5,178	228	4.61%
37-0000	Building and grounds cleaning and maintenance occupations	5,121	5,315	194	3.79%
21-0000	Community and social services occupations	2,868	3,052	184	6.42%
47-0000	Construction and extraction occupations	5,670	5,823	153	2.70%
43-0000	Office and administrative support occupations	23,479	23,600	121	0.52%
27-0000	Arts, design, entertainment, sports, and media occupations	2,800	2,903	103	3.68%
33-0000	Protective service occupations	4,675	4,765	90	1.93%
35-0000	Food preparation and serving related occupations	8,837	8,902	65	0.74%
17-0000	Architecture and engineering occupations	1,607	1,646	39	2.43%
19-0000	Life, physical, and social science occupations	1,238	1,270	32	2.58%
23-0000	Legal occupations	828	846	18	2.17%
45-0000	Farming, fishing, and forestry occupations	364	382	18	4.95%
25-0000	Education, training, and library occupations	9,228	9,222	(6)	-0.07%
55-0000	Military Occupations	478	455	(23)	-4.81%
49-0000	Installation, maintenance, and repair occupations	4,510	4,467	(43)	-0.95%
53-0000	Transportation and material moving occupations	7,356	7,305	(51)	-0.69%
51-0000	Production occupations	8,665	8,108	(557)	-6.43%
	Total	138,287	141,295	3008	2.18%

Source: EMSI Complete Employment - Spring 2008 Release v. 2

Given that unemployment is already very low in health care occupations and several professional services for the Oneida County trade area, growth in these industries may draw from an employment base outside of the trade area, potentially creating an influx of workers and residents for occupations in these sectors. Alternatively, training trade area residents in those fields would help meet an anticipated future skills gap with local labor.

Economic Base

Another way of portraying the regional economy is by determining what sectors and industries are responsible for bringing income to the region. Industries generally do this by exporting products and services to non-regional purchasers. This approach attempts to show which groups of industries drive the region's economy; that is, which sectors bring the most dollars into a region, rather than simply circulating dollars that are already present.

Economic base sectors are merely groupings of broadly related industries with no claims made about their inter-dependence. In contrast, NAICS sectors are grouped by similar products and production processes and clusters assume a much tighter supply chain and/or labor market inter-dependence. Economic base sectors are created for convenience to describe a broad type of activity that brings money into a region, for example, "Manufacturing," or "Visitors."

The following chart and table show how much of the region's earnings can be attributed to the activities of regional establishments in each sector. Note that the size of each of these sectors depends more on each one's export orientation than on each one's total employment.

Figure D-5. 2008 Economic Base, % of Region's Earnings Attributed to Each Sector
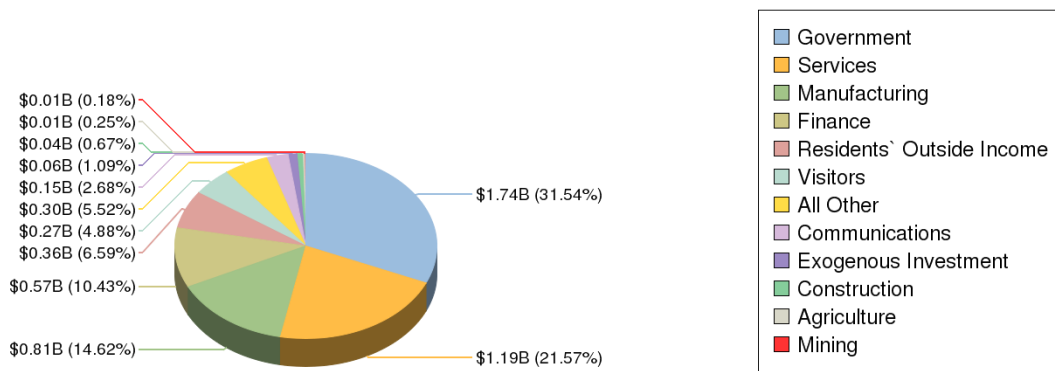
Government, services and manufacturing make up the three largest income generating sectors in the trade area. Government alone accounts for 26% of jobs in the trade area and services make up 24%. Note that this includes ripple effects: the 26% of jobs that government supports are more than the jobs on the payroll of government entities. This is because government workers take their pay home from their work place and buy food, clothes, housing, entertainment, etc., which supports jobs in the industries that provide those goods and services. Those jobs are thus included in the government sector of the region's economic base because government is "responsible" for those jobs through its jobs multiplier.

Table D-6. Oneida County Economic Base

Sector	Jobs	Earnings(K)	Jobs %	Earnings %	EPW(K)
Government	35,334	$1,737,897	26%	32%	$49
Services	33,506	$1,188,663	24%	22%	$35
Manufacturing	19,086	$805,725	14%	15%	$42
Finance	12,817	$574,851	9%	10%	$45
Residents` Outside Income	12,103	$363,012	9%	7%	$30
Visitors	9,970	$268,850	7%	5%	$27
All Other	7,185	$304,320	5%	6%	$42
Communications	3,709	$147,451	3%	3%	$40
Exogenous Investment	1,649	$59,862	1%	1%	$36
Construction	1,003	$36,955	1%	1%	$37
Agriculture	542	$13,591	0%	0%	$25
Mining	281	$9,821	0%	0%	$35

Source: EMSI Complete Employment - Spring 2008 Release v. 2

The visitors sector attempts to quantify the jobs and earnings attributable to visitors in the region, which include both tourism-related visitors but also commuters and visitors that use the services provided in a more urban area. Although the Oneida County trade area is not centered on tourism, the data show that non-residents are a source of income for the region, generating 7% of jobs and 5% of earnings. As a comparison, for the state of New York, the visitor sector is only responsible for 5% of jobs and 3% of earnings.

The "Residents Outside Income" sector includes various sources of income from outside the region, which residents in turn spend in the regional economy. Examples of outside income include outside earnings (e.g., income of residents who commute or telecommute to an employer outside the region), capital or property income (investment dividends, royalties, rents), and transfer payments (unemployment benefits, welfare, Social Security payments, etc.) Representing 9% of jobs and 7% of total earnings, this sector has a smaller economic impact in the Rome trade area than it does in the state, where the same sector accounts for 12% of jobs and 9% of earnings.

Exogenous Investments represent investments in regional businesses coming from outside the region and constitute a very small percentage of the economic base in the trade area.

Best Industries to Meet Oneida County Requirements

Table D-7 shows the purchasing needs of existing regional industries at the most detailed level available (6-digit NAICS code level), along with how much of those needs are satisfied inside and outside the region. The difference between these is the "import gap." For example, all regional industries need to purchase $184 million in services supplied by 'Commercial Banking', (the "$ Required" column), but are currently only purchasing $14 million from that regional service industry (the "$ Satisfied in Region" column), then the 'Commercial Banking' import gap is $169 million (the "Difference" column).

The ten regional industries with the largest import gaps are shown in the table below. These are the main industries that would need to be developed or brought to the region to most reduce the region's overall import dependence. Because they represent industries that are relatively undersupplied in the region there may be potential to attract theses businesses to the area. All of the industries listed below except for the petroleum refinery are present in the Oneida County trade area, but there is room to expand current operations or target additional companies.

Table D-7. Best Industries to Meet Regional Requirements

Best Industries To Meet Regional Requirements				
NAICS Code	Description	$ Required(K)	$ Satisfied in Region(K)	Difference(K)
524210	Insurance Agencies and Brokerages	$285,897	$1,030	$284,867
324110	Petroleum Refineries	$275,243	$0	$275,243
522110	Commercial Banking	$184,098	$14,546	$169,552
551114	Corporate, Subsidiary, and Regional Managing Offices	$179,253	$11,685	$167,568
325412	Pharmaceutical Preparation Manufacturing	$108,872	$1	$108,871
531210	Offices of Real Estate Agents and Brokers	$133,511	$38,826	$94,685
523120	Securities Brokerage	$92,238	$65	$92,173
531110	Lessors of Residential Buildings and Dwellings	$153,350	$68,799	$84,551
541110	Offices of Lawyers	$127,536	$46,141	$81,394
721110	Hotels (except Casino Hotels) and Motels	$82,969	$3,502	$79,467

Source: EMSI Complete Employment - Spring 2008 Release v. 2

Figure D-6. Trade Area
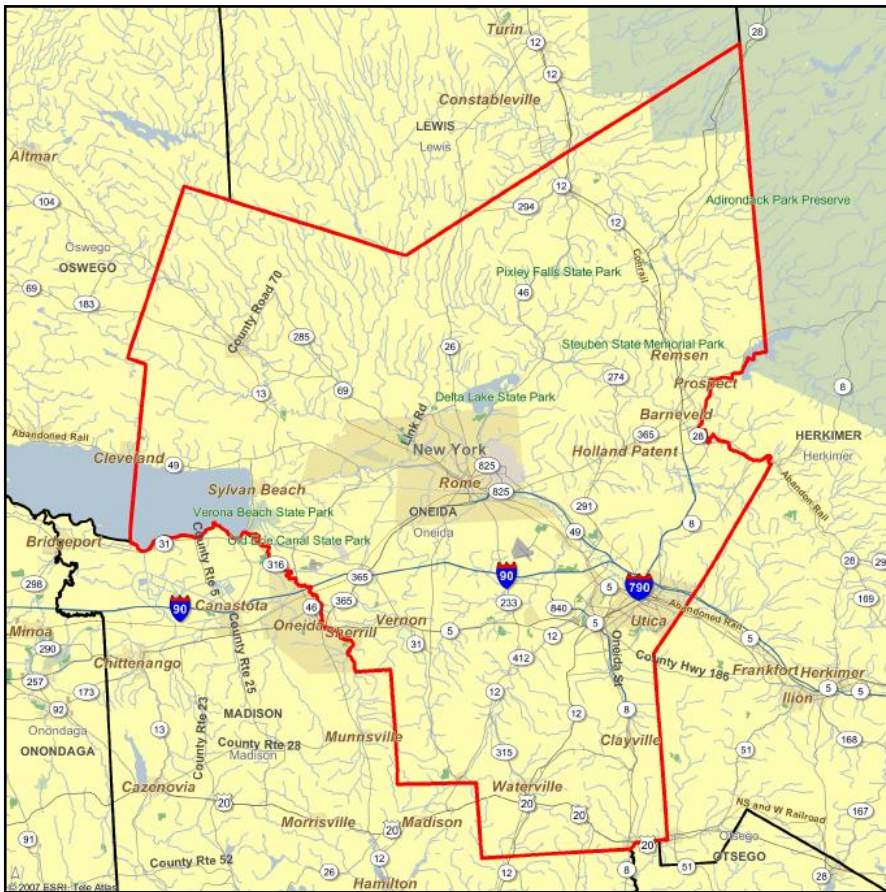
Additional information regarding sales leakages and surpluses can be found in the Market Analysis section (ppg D-21 to D-23), where specific industries and sectors are identified as having potential for success in the Oneida County market.

Conclusions

Overall the economy in Rome is growing slowly compared to other regions of the United States. The industries which are growing the quickest and adding the most jobs in the coming years is projected to be sales, health care professions and professional services. Government, services and manufacturing create the most income for the County in terms of number of jobs and wages within the region. Industries which are experiencing the most leakage (purchases being made outside of the Study Area by businesses/residents of the Study Area) include *Insurance Agencies and Brokerages, Petroleum Refineries and Commercial Banking.*

Demographics

County demographics, economic, market trends and projections were analyzed to illustrate how these factors may impact the local economy and thus the project site. Using the county level data of the Study Area allowed us to analyze the current trends within the region. Below is a map of Oneida County and the City of Rome boundaries. The demographic data in this report were purchased from ESRI Business Analyst Online (ESRI) and Economic Modeling Specialists, Inc. (EMSI). ESRI's base data is the 2000 Census and it uses proprietary statistical models and updated data from the U.S. Census Bureau, the U.S. Postal Service and various other sources to project current statistics and future trends. ESRI data is often used for economic development, marketing, site selection and strategic decision making. For more information, visit www.esri.com.

EMSI data are compiled from several sources, including the U.S. Census Bureau and U.S. Departments of Health and Labor using specialized proprietary processes and models to estimate current statistics and predict future trends. Visit www.economicmodeling.com for additional information. Local business owners, economic development officials, and realtors were consulted to gain information on the trends occurring within Rome. A list of these interviews can be found at the end of the report.

Basic Demographic Trends

The data show that total population in the trade area will decline very slightly over the next five years, and the number of households and families will increase. This shift can be attributed to an aging population and a shrinking household size. Although owner-occupied housing increased by 6.18% between 2000 and 2008, it is expected to decrease from 2008 to 2013. Renter occupied housing changed quite dramatically in the opposite direction, decreasing by 7.71% between 2000 and 2008 and is expected to increase by 4.82% between 2008 and 2013. Median age is expected to rise, reaching 41 years in 2013.

Table D-8. Basic Demographics, Trade Area

Demographic Category	2000	2008	2013	% Change 2000-2008	% Change 2008-2013
Population	235,469	234,248	234,127	-0.52%	-0.05%
Households	90,496	92,378	93,108	2.04%	0.78%
Families	59,170	59,366	59,199	0.33%	-0.28%
Average Household Size	2.43	2.38	2.36	-2.10%	-0.85%
Owner Occupied HUs	60,810	64,817	64,152	6.18%	-1.04%
Renter Occupied HUs	29,686	27,561	28,956	-7.71%	4.82%
Median Age	38.2	40.2	41.4	4.98%	2.90%

Source: ESRI Demographic and Income Profile

The table below shows expected median household income in 2008 and 2013 for Rome area, the Oneida County trade area, New York State and the U.S. At $45,688 the Rome trade area currently has the lowest median household income and is expected to grow the slowest of the Study Areas in the next five years.

Table D-9. Median Household Income
City of Rome, Oneida County, New York State, United States

Place	2008	2013	% Change
Rome	$47,843	$55,083	15.1%
Oneida County	$46,489	$54,091	16.4%
NYS	$58,692	$68,886	17.4%
USA	$54,749	$64,042	17.0%

Source: ESRI Demographic and Income Profile

Table D-10 shows the annual projected growth rates for various economic indicators for the County, State and the Nation. All indicators for the Rome trade area are expected to grow at a rate below the compared areas.

Table D-10. Annual Projected Growth Rates, 2008-2013
Oneida County, New York State, United States

|	Oneida County	New York State	U.S.A.
Population	-0.01%	0.32%	1.23%
Households	0.16%	0.35%	1.26%
Families	-0.06%	0.13%	1.05%
Owner HHs	-0.21%	-0.01%	1.07%
Median Household Income	3.08%	3.25%	3.19%

Source: ESRI Demographic and Income Profile

Age Distribution

Figure D-7 shows the results of a Location Quotient (LQ) analysis of age groups in the County compared to the statewide population. The LQ analysis compares the percentage of the County's population in each age group to the percentage of the statewide population in each age group. The black line represents the statewide distribution; the orange bars show how closely the percentage of each age group in the trade area resembles the statewide distribution.

For example, there is a significantly larger portion of trade area population in age groups over 80 than statewide. Conversely, there is a slightly lower percentage of the County's population in the age groups under 15 years old than statewide. In general, this graph shows that the County's age distribution is similar to the State in most age groups except the age group above 80 years of age.

Figure D-7. Location Quotient of Age Groups, County to State
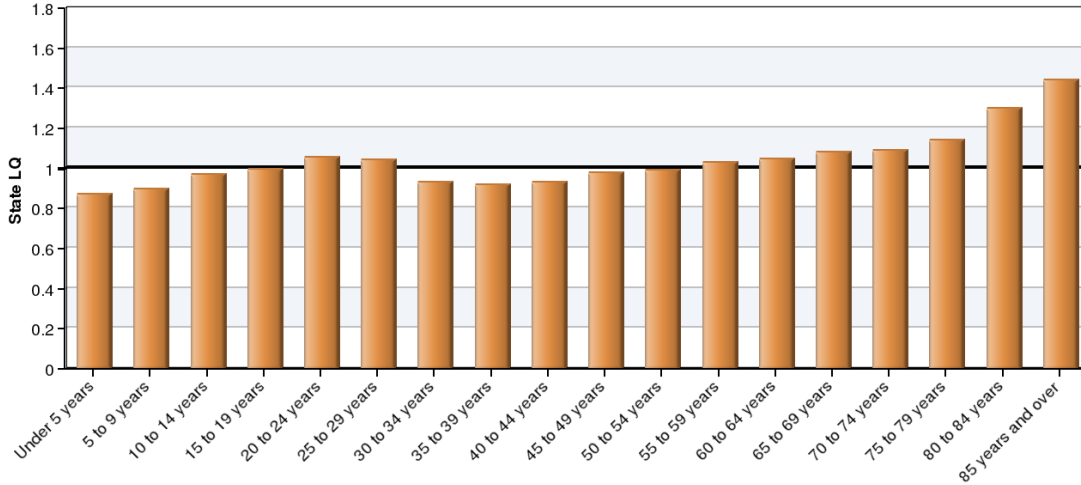
The graph below shows the current age distribution in the Oneida County trade area. The largest age groups in the following order are 20-24; 45-49; and 15-19.

*Figure D-8. Age Distribution, Oneida County*
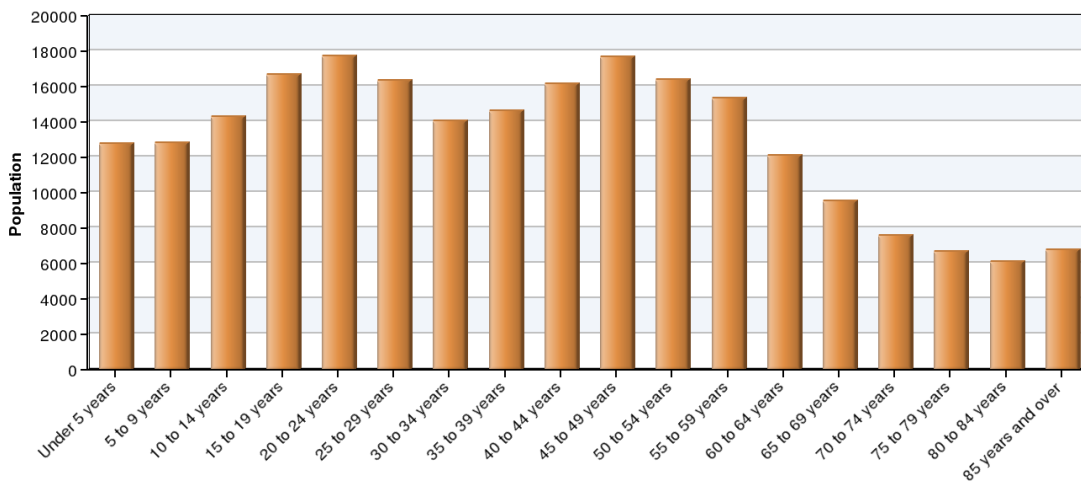
The projected changes in age groups in the trade area are shown in the bar graph below.

- The 30-34 year old groups will grow by the largest percentage.
- Age groups between 60 and 74 will increase.
- The 10-19, 35-49 and 75-84 age groups will decrease.

These changes in age distribution over the next six years showcase the Baby Boomer generation reaching their 60's and their children reaching their late twenties. During an interview, a local business owner mentioned that he notices quite a few 21-30 year olds moving in, mostly for the engineering jobs available at the Griffiss Industrial Park. This piece of information is mirrored in the following bar graph, as it shows an increase in the 25-34 year olds.

Figure D-9. Percent Change in Population by Age
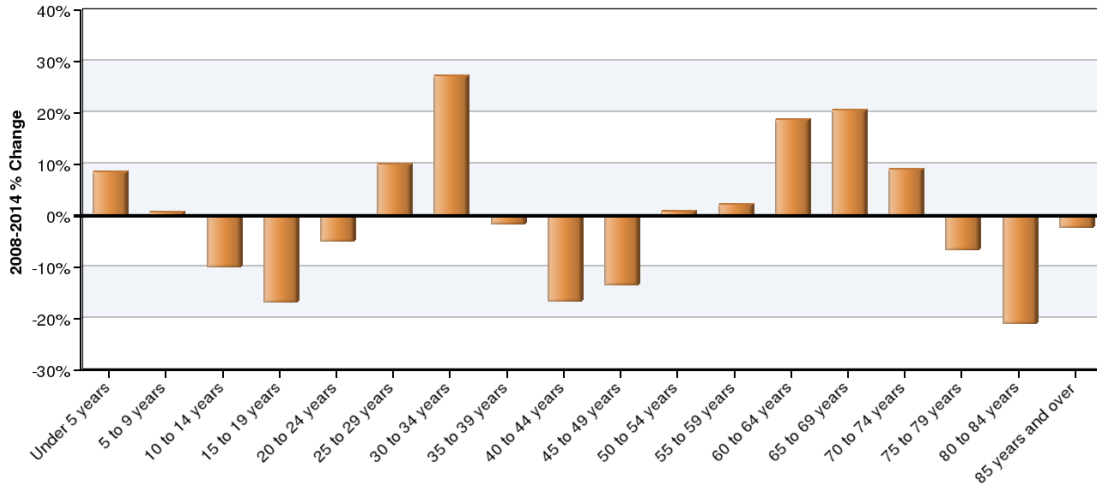


Household Income Distribution

Table D-11 and Figure D-10 show the projected change in household income distribution in the County between 2008 and 2013. The percentage of households in the upper income brackets will increase significantly – the percentage of households with annual incomes of $75,000 or more will grow by over 10 percentage points, making up nearly 33% of all households by 2013. The lower income group, comprised of households earning between $15,000 to $35,000 will decrease slightly. The income group $75-100K is expected change by the greatest percentage from 10.8% in 2008 to 18.8% in 2013. While some of these changes may be due to inflation, they may also showcase an increase in higher paying jobs being available at the Griffiss Business and Technology Park.

Table D-11. Projected Changes in Household Income, 2008-2013, Oneida County

Annual Household Income	2008	2013	% Change
<$15K	13.2%	11.5%	-1.7%
$15-25K	12.6%	10.8%	-1.8%
$25-35K	12.1%	9.2%	-2.9%
$35-50K	15.7%	14.2%	-1.5%
$50-75K	24.3%	20.9%	-3.4%
$75-100K	10.8%	18.8%	8.0%
$100-150K	7.5%	10.2%	2.7%
$150K+	3.9%	4.3%	0.4%

Source: ESRI Demographic and Income Profile

Figure D-10. Households by Income, 2008-2013, Oneida County
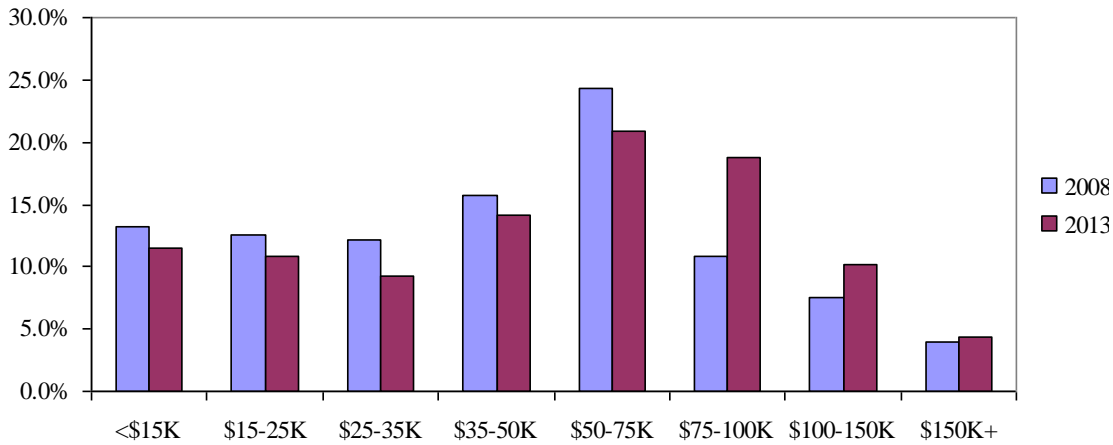
Conclusions

The demographic indicators for the County indicate that there will be some shifting of age distribution with Rome, having a significantly higher percentage of over 80 year olds and a recent upswing in the number of 25-34 year olds. Another important indicator is the increase in the number of renter-occupied units and a decrease in the number of owner-occupied units, signifying a shift in the housing preferences and housing stock.

Residential Market Analysis

Introduction

The residential market analysis compares existing conditions and projected trends in residential development in the County to the demographic data collected in the previous section. This information helps to identify potential development types that will serve currently unmet needs in the Rome area as well as be feasible and marketable in the current real estate atmosphere. Local real estate agents were also consulted to gather information on trends and pricing.

A number of real estate agents and local economic development officials have pointed out that finding adequate housing for new employees of the Griffiss Business and Technology Park has been difficult due to the lack of newer home options. Many of the high tech employees are used to a different type of housing stock, forcing many of them to move to other surrounding areas such as New Hartford and Marcy. This observation could provide an opportunity to create more housing options for younger, educated workers who are accustomed to different types of amenities and housing quality.

Additionally, need has been identified for seniors housing or assisted living units through interviews with local stakeholders. With the high percentage of older residents (as identified in the demographics analysis), the need for different housing options will become more and more acute. Housing for older residents will help preserve the current community, encourage residents to be able to age in place and still meet their needs as they get older. The space, combined with adequate transportation opportunities and local services could be a great place for older residents to age in place.

The housing and rental data below were purchased from ESRI Business Analyst Online (ESRI) and Economic Modeling Specialists, Inc. (EMSI). ESRI's base data is the 2000 Census and its uses proprietary statistical models and updated data from the U.S. Census Bureau, the U.S. Postal Service and various other sources to

estimate current statistics and project future trends. ESRI data is often used for economic development, marketing, site selection and strategic decision making. For more information, visit www.esri.com. Data retrieved from ESRI was defined by the Oneida County trade area.

Existing Housing Stock

Figure D-11 outlines the occupancy status of housing units in Oneida County. The existing housing stock in Oneida County is expected to stay relatively stable, with approximately 60% of available housing occupied by the owners and 30% occupied by renters. The percentage of renters decreased between 2000 and 2008 from 28% to 26% but is projected to increase to approximately 27% by 2013. The number of vacant housing units is expected to stay stable with about a 12% residential vacancy rate. The total number of housing units increased by 2,000 between 2000 and 2008, and is projected to increase by 1,000 by 2013.

Figure D-11. Housing Occupancy Status Trends, Oneida County
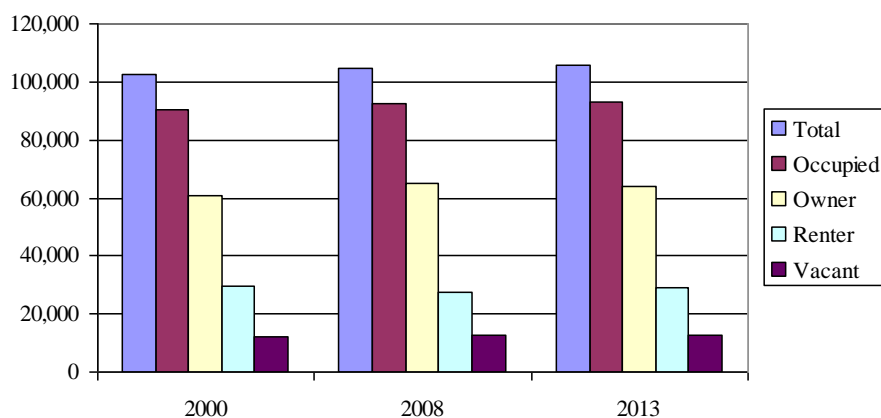
While the above graph considers the County as a whole, the table below looks at just the City of Rome as it compares to regional cities. The City of Rome has a higher number of both owner-occupied units and vacant units compared to Utica and Syracuse. The number of vacant units may indicate a strong need for housing renovation and rehabilitation programs to help these units be brought up to par or removed from the market.

Table D-12. Census 2000 Housing Occupancy Status
City of Rome, City of Utica, City of Syracuse

	City of Rome		City of Utica		City of Syracuse	
	Number	Percent	Number	Percent	Number	Percent
Occupied	13,653	83.9%	25,100	86.0%	59,482	87.2%
Owner	7,792	47.9%	12,261	42.0%	23,991	35.2%
Renter	5,861	36.0%	12,839	44.0%	35,491	52.0%
Vacant	2,619	16.1%	4,086	14.0%	8,710	12.8%
Total	16,272	100.0%	29,186	100%	68,192	100.0%

Source: ESRI

The table below compares the County to the State and Nation in terms of the status (for rent, for sale, season, etc.) of vacant residential properties. The status of the largest percentage of vacant housing units is 'for rent' (31%) and about 11% are 'for sale only'. This could indicate that there is a soft market for rental units in Oneida County, potentially having implications on the redevelopment of the BOA site. With a high percentage of rental units currently vacant, there may not be a demand for rental properties in this region or the current stock may not be meeting the needs of residents.

Table D-13. 2008 Residential Vacancy Status
Oneida County, New York State, United States

	Oneida County	NYS	U.S.
For Rent	31.2%	25.5%	25.1%
For Sale Only	11.4%	9.5%	11.6%
Rented/Sold, Unoccupied	5.7%	6.5%	6.7%
Seasonal/Recreational/Occasional Use	22.4%	37.8%	34.3%
For Migrant Workers	0.1%	0.1%	0.2%
Other Vacant	29.3%	20.6%	22.1%

Source: ESRI

To compare the City of Rome to other regional cities facing similar issues, Table D-14 looks at the residential vacancy status of the Rome, Utica and Syracuse, all located in central New York. As compared to Utica and Syracuse, the City of Rome has a smaller percentage of vacant houses for rent and for sale only. Rome does have a substantially higher number of residential units considered 'other vacant'.

Table D-14. 2008 Residential Vacancy Status
City of Rome, City of Utica, City of Syracuse

	Rome	Utica	Syracuse
For Rent	38.1%	46.4%	54.7%
For Sale Only	10.3%	11.3%	14.0%
Rented/Sold, Unoccupied	5.0%	5.0%	5.7%
Seasonal/Recreational/Occasional Use	1.5%	2.3%	2.1%
For Migrant Workers	0.0%	0.0%	0.0%
Other Vacant	45.0%	35.1%	23.5%

Source: ESRI

To compare the existing housing stock in the County to that of New York State and Upstate[1], the table below breaks out the structure type of all residential buildings. Oneida County has many more single family detached structures as compared to the State (almost 17 percentage points more) but fewer than Upstate. Oneida County also has a higher number of 2 family structures than both the State and Upstate. Two family structures are usually good for new families since they are often less expensive and with some investment can be a great starter home. Additionally, there are substantially more mobile home units as a percentage of all units in Oneida County as compared to the State.

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[1] The 'Upstate New York' region includes the following Counties: Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Cortland, Erie, Essex, Franklin, Fulton, Genesee, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orleans, Oswego, Otsego, Rensselaer, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Tioga, Tompkins, Warren, Washington, Wayne, Wyoming and Yates. The 'Upstate New York' region does not include New York City and metropolitan area which reduces the impact that the NYC metro area has and allowing educated comparisons.

Table D-15. Types of Residential Structures
Oneida County, Upstate New York, New York State

	Oneida County		Upstate New York		New York State	
	Housing Units		Housing Units		Housing Units	
	Number	Percent	Number	Percent	Number	Percent
Total	102,803	100.0%	2,581,527	100.0%	7,679,307	100.0%
1, Detached	59,604	58.0%	1,580,535	61.2%	3,198,486	41.7%
1, Attached	1,703	1.7%	69,776	2.7%	379,926	4.9%
2	15,737	15.3%	306,099	11.9%	836,907	10.9%
3 to 4	7,972	7.8%	167,017	6.5%	559,886	7.3%
5 to 9	4,019	3.9%	119,289	4.6%	407,106	5.3%
10 to 19	1,842	1.8%	60,648	2.3%	327,654	4.3%
20 to 49	1,678	1.6%	39,026	1.5%	620,666	8.1%
50 or More	3,353	3.3%	66,466	2.6%	1,135,318	14.8%
Mobile Home	6,843	6.7%	168,630	6.5%	207,378	2.7%
Other	52	0.1%	4,041	0.2%	5,980	0.1%

Source: ESRI

Current Residential Value

Owner-occupied units in Oneida County have been generally increasing in value. In 2000, more than half of the units were valued between $50,000 and $100,000 and by 2013 this number is projected to be just over 18%. The majority of houses are expected to be valued between $100,000 and $200,000 by 2013. A local real estate agent stated that typically the housing values in the City of Rome do not fluctuate as much as the rest of the United States, explaining that it may have to do with the even level of supply and demand and the lack of subdivision or spec houses being built. The real estate agent also stated that there are approximately 30 housing starts a year.

Table D-16. Owner Occupied Units by Value, Oneida County

	2000	2008	2013
<$50,000	20.5%	7.2%	7.4%
$50,000-$100,000	57.4%	19.2%	18.3%
$100,000-$200,000	19.1%	53.7%	52.8%
$200,000 +	2.9%	19.6%	21.7%

Source: ESRI

The median value of owner occupied units in Oneida County changed dramatically between 2000 and 2008, increasing by over 88% as shown in the table below. This increase is substantial and similar to the increase experienced all across New York State and Upstate. The United States as a whole didn't experience the jump to the same degree.   Again between 2008 and 2013 the median value for Oneida County owner occupied residential units are expected to increase at a more modest 2% for Oneida County, almost 3% for Upstate, 3% for New York State and 5% for the United States. The smaller increase in value could be due to the weakening housing market, increasing fuel costs and an overall decreased demand.

Table D-17. Median Value of Owner Occupied Housing Units
Oneida County, Upstate New York, New York State, United States

	2000	2008	% Change between 2000 and 2008	2013	% Change between 2008 and 2013
Oneida County	$73,210	$138,165	89%	$141,080	2.1%
Upstate New York	$83,898	$153,901	83%	$158,310	2.9%
New York State	$147,598	$280,775	90%	$290,652	3.5%
United States	$111,833	$182,960	64%	$192,192	5.0%

Source: ESRI

A local real estate agent in the City of Rome area explained that most people who are moving to the area are looking for housing within the range of $80,000 - $120,000, approximately 20% are looking in the range of $120,000 - $220,000, and about 15% are looking above that range. Table D-18 identifies the monthly costs of owner-occupied units in Oneida County as compared to Upstate New York. This table helps to identify the average costs currently being borne by residents and could showcase the market potential for the Rome BOA site. The table shows that the largest percentage of mortgages are approximately $1,000 to $1,250 a month. The total number of people who are paying a mortgage is about 5% lower in Oneida County, with over 40% of the population paying no mortgage at all. This could indicate that the residents have lived there a long time, having enough time to pay off their mortgage, which would be consistent with the socio-economic characterization.

Table D-18. Monthly Mortgage Costs for Owner Occupied Units
Oneida County and Upstate New York

	Oneida County		Upstate New York	
	Number	Percentage	Number	Percentage
With Mortgage	27,057	59.5%	787,678	65.8%
< $200	2	0.0%	239	0.0%
$200 - $299	78	0.2%	1,587	0.1%
$300 - $399	285	0.6%	8,056	0.7%
$400 - $499	672	1.5%	21,187	1.8%
$500 - $599	1,589	3.5%	40,741	3.4%
$600 - $699	2,614	5.7%	61,657	5.2%
$700 - $799	3,331	7.3%	78,093	6.5%
$800 - $899	3,596	7.9%	88,460	7.4%
$900 - $999	3,210	7.1%	87,688	7.3%
$1000 - $1249	6,139	13.5%	174,216	14.6%
$1250 - $1499	2,787	6.1%	100,595	8.4%
$1500 - $1999	1,791	3.9%	83,249	7.0%
$2000 - $2499	478	1.1%	25,213	2.1%
$2500 - $2999	232	0.5%	9,258	0.8%
$3000+	253	0.6%	7,439	0.6%
With No Mortgage	18,440	40.5%	408,846	34.2%
Total	45,497	100%	1,196,524	100%

Source: ESRI

The median monthly costs for residents of Oneida County are approximately $950 and the median costs for Upstate New York residents is a slight bit higher at just over $1,000.

Approximately 25% of County residents are renters. The table below outlines the percentage of people renting at different levels within the County and how it relates to the rest of Upstate. The median rent in the County is $375 and is lower than the Upstate median of $431. Generally in Oneida County, renters are paying between $300 and $500 monthly.

Table D-19. Monthly Cost for Renting
Oneida County and Upstate New York

	Oneida County		Upstate New York	
	Number	Percentage	Number	Percentage
< $100	513	1.7%	12,819	1.8%
$100 - $149	968	3.3%	16,664	2.3%
$150 - $199	1,407	4.8%	25,460	3.5%
$200 - $249	1,667	5.7%	29,950	4.1%
$250 - $299	2,473	8.4%	43,656	6.0%
$300 - $349	4,434	15.1%	72,712	9.9%
$350 - $399	4,843	16.5%	89,928	12.3%
$400 - $449	4,192	14.3%	90,732	12.4%
$450 - $499	2,694	9.2%	77,086	10.5%
$500 - $549	1,697	5.8%	65,193	8.9%
$550 - $599	999	3.4%	49,708	6.8%
$600 - $649	633	2.2%	40,858	5.6%
$650 - $699	501	1.7%	26,432	3.6%
$700 - $749	192	0.7%	14,821	2.0%
$750 - $799	100	0.3%	9,840	1.3%
$800 - $899	183	0.6%	12,064	1.6%
$900 - $999	96	0.3%	5,089	0.7%
$1000 - $1249	149	0.5%	4,930	0.7%
$1250 - $1499	18	0.1%	1,705	0.2%
$1500 - $1999	53	0.2%	2,371	0.3%
$2000 +	48	0.2%	2,105	0.3%
Total	27,860	100.0%	694,123	100.0%

Source: ESRI

Conclusions

It appears that there is a market for residential products not currently available in Rome. The existing housing stock does not seem to meet the needs of new employees to the area. With only approximately 30 new home starts a year, there is the opportunity to increase the pace of new development. Also, there may be a greater number of older residents looking to downsize or switch into a home that they can age in, indicating a need for a different type of housing that is not currently available in Rome.

Retail Market Analysis

Introduction

The goal of a market analysis is to look at the region in question as it compares to other geographic regions. This process helps to identify the unique characteristics of an area and what opportunities may exist. The market analysis outlines consumer spending habits within the region, identifies retail demand and household characteristics, and can help identify business opportunities or niche markets which are not being met by the current market.

Retail Leakage/Surplus Analysis

Table D-20 on the following page shows existing retail sales ("Supply") in the trade area and compares it to the retail potential ("Demand") of trade area residents.

Table D-20. Retail Surplus and Leakage, Oneida County

Industry Group	Retail Potential (Demand)	Retail Sales (Supply)	Retail Gap	Number of Businesses
Oneida County Retail Surplus and Leakage				
Motor Vehicle & Parts Dealers (NAICS 441)	$440,149,460	$458,373,502	-$18,224,042	208
Automobile Dealers (NAICS 4411)	$374,995,786	$389,761,479	-$14,765,693	119
Other Motor Vehicle Dealers (NAICS 4412)	$40,901,731	$50,082,260	-$9,180,529	40
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	$24,251,943	$18,529,763	$5,722,180	49
Furniture & Home Furnishings Stores (NAICS 442)	$72,950,215	$82,954,793	-$10,004,578	74
Furniture Stores (NAICS 4421)	$49,983,426	$64,359,164	-$14,375,738	29
Home Furnishings Stores (NAICS 4422)	$22,966,789	$18,595,629	$4,371,160	45
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	$59,080,860	$46,641,976	$12,438,884	80
Bldg Materials, Garden Equip. & Supply Stores (NAICS 444)	$72,197,272	$114,081,697	-$41,884,425	116
Building Material and Supplies Dealers (NAICS 4441)	$67,153,887	$112,059,399	-$44,905,512	97
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	$5,043,385	$2,022,298	$3,021,087	19
Food & Beverage Stores (NAICS 445)	$382,518,143	$353,047,648	$29,470,495	144
Grocery Stores (NAICS 4451)	$349,911,741	$326,020,745	$23,890,996	77
Specialty Food Stores (NAICS 4452)	$19,423,696	$14,001,571	$5,422,125	39
Beer, Wine, and Liquor Stores (NAICS 4453)	$13,182,706	$13,025,332	$157,374	28
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$105,843,309	$97,973,103	$7,870,206	92
Gasoline Stations (NAICS 447/NAICS 4471)	$282,029,509	$307,481,227	-$25,451,718	70
Clothing and Clothing Accessories Stores (NAICS 448)	$98,675,994	$77,230,291	$21,445,703	111
Clothing Stores (NAICS 4481)	$79,931,721	$65,995,048	$13,936,673	78
Shoe Stores (NAICS 4482)	$10,094,256	$5,676,547	$4,417,709	14
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	$8,650,017	$5,558,696	$3,091,321	19
Sporting Goods, Hobby, Book, and Music Stores (NAICS 451)	$23,695,123	$27,089,358	-$3,394,235	97
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	$21,352,955	$21,685,437	-$332,482	84
Book, Periodical, and Music Stores (NAICS 4512)	$2,342,168	$5,403,921	-$3,061,753	13
General Merchandise Stores (NAICS 452)	$108,768,054	$162,268,468	-$53,500,414	55
Department Stores Excluding Leased Depts. (NAICS 4521)	$90,638,755	$94,641,299	-$4,002,544	18
Other General Merchandise Stores (NAICS 4529)	$18,129,299	$67,627,169	-$49,497,870	37
Miscellaneous Store Retailers (NAICS 453)	$29,051,347	$29,197,078	-$145,731	197
Florists (NAICS 4531)	$2,776,257	$2,429,273	$346,984	26
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	$4,514,416	$13,437,666	-$8,923,250	68
Used Merchandise Stores (NAICS 4533)	$1,440,196	$2,259,234	-$819,038	42
Other Miscellaneous Store Retailers (NAICS 4539)	$20,320,478	$11,070,905	$9,249,573	61
Nonstore Retailers (NAICS 454)	$121,683,688	$92,418,851	$29,264,837	23
Electronic Shopping and Mail-Order Houses (NAICS 4541)	$94,324,871	$53,858,965	$40,465,906	5
Vending Machine Operators (NAICS 4542)	$9,331,555	$9,095,249	$236,306	9
Direct Selling Establishments (NAICS 4543)	$18,027,262	$29,464,637	-$11,437,375	9
Food Services & Drinking Places (NAICS 722)	$285,370,981	$218,443,485	$66,927,496	520
Full-Service Restaurants (NAICS 7221)	$177,783,012	$77,770,764	$100,012,248	321
Limited-Service Eating Places (NAICS 7222)	$71,268,206	$87,681,590	-$16,413,384	116
Special Food Services (NAICS 7223)	$31,655,247	$42,799,315	-$11,144,068	21
Drinking Places - Alcoholic Beverages (NAICS 7224)	$4,664,516	$10,191,816	-$5,527,300	62

Source: ESRI

Sales Leakage

The demand for goods and services that is not being met locally is referred to as *sales leakage,* shown in the table as a positive retail gap. The leakage occurs because consumers make purchases at establishments located outside the defined trade area. For example, there were approximately $65 million of retail sales in the *Clothing Store* category in the trade area. However, County residents spent approximately $80 million on these types of goods. Therefore, residents spent about $15 million outside of the trade area on *Clothing,* and this $15 million is considered leakage.

Sales leakages are normally viewed as unmet demand and therefore an opportunity to be recaptured by local businesses. However, not all retail categories that exhibit leakage within a particular trade area should be assumed to be a good fit for that trade area.

The industry groups experiencing leakage mainly fall into two groups: food and clothing. The retail potential for additional stores within Oneida County is analyzed later in this report and identifies which industries have enough retail leakage to potentially support additional retail outlets.

Sales Surplus

Conversely, if the supply of goods sold exceeds trade area demand, we assume that non-residents are coming into the trade area to spend money, creating a *sales surplus*. A sales surplus is shown as a negative retail gap in the table. There are two likely reasons a sales surplus condition would exist. First, a cluster of competing businesses offering a similar good or product may be located within the trade area, creating a specialty cluster that draws in spending by households from outside the trade area. Secondly, a sales surplus may indicate a saturated retail market, where supply exceeds demand.

Industries that have a large sales surplus compared to their total sales include:

- Building material, garden equipment & supply stores
- Book, periodical and music stores
- Furniture stores
- Office Supplies, Stationary and Gift Stores
- Drinking Places
- General Merchandise Stores

Sectors with leakage can be good markets to pursue in that residents are currently going outside of the County to make purchases, so a new business could capture that spending. Alternatively, an industry with a surplus could provide a niche market that the County could build on and create a retail identity in the larger region.

Figure D-12 illustrates the leakage/surplus factor for the industry groups. The higher the leakage factor is the more expenditure being made outside of the trade area. For example, the table above and the bar graph below both show a high leakage factor for the Lawn and Garden Equipment and Supplies Stores, almost half of all the residents' purchases are outside of the trade area.

Figure D-12. Leakage / Surplus Factor by Industry Group, Trade Area
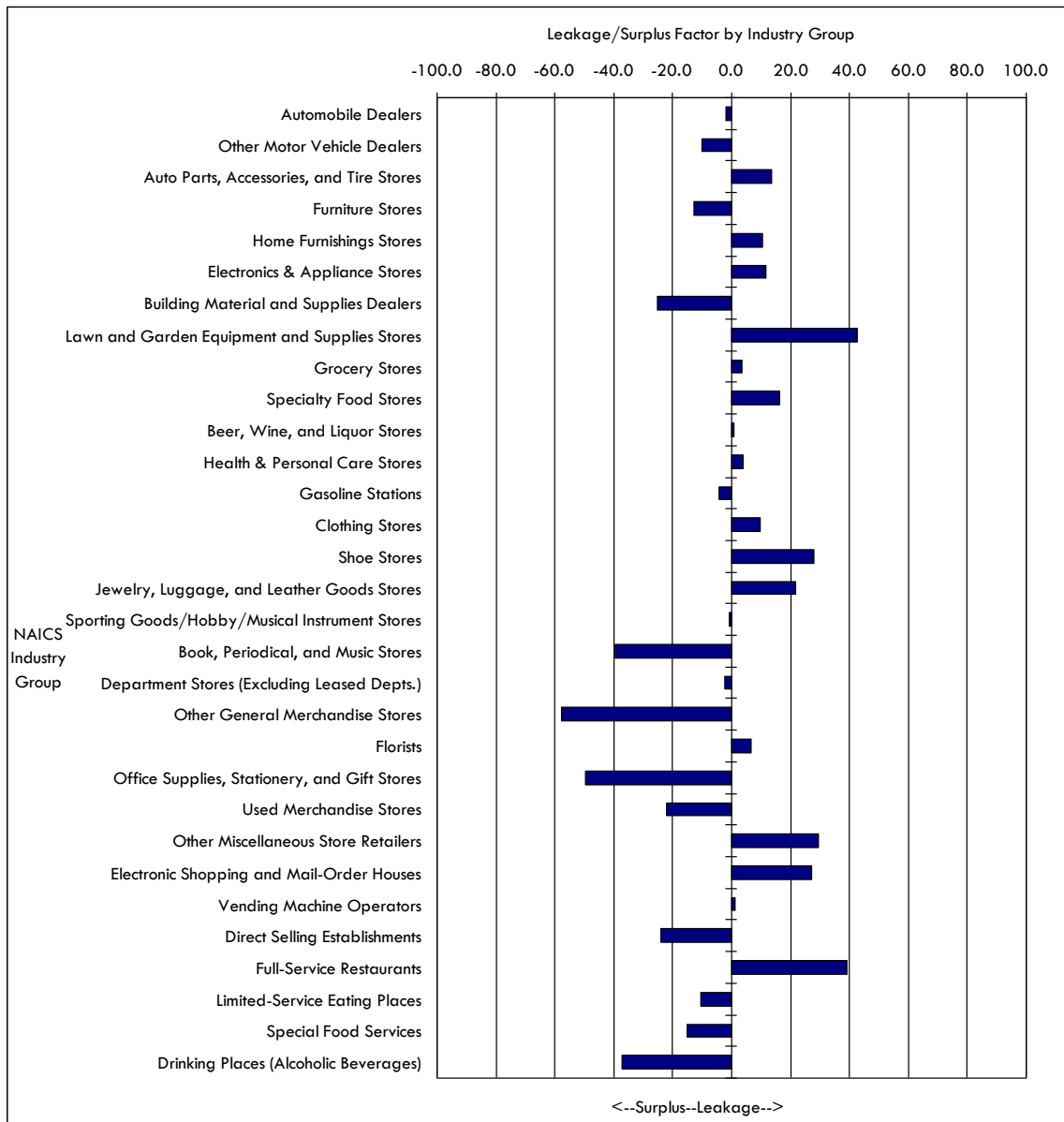
Source: ESRI

Retail Use Feasibility Study

While the charts and tables in the previous section identify a number of industry sectors which are experiencing leakage, that does not mean that brand new businesses locating in the area would be successful. The following section identifies which of the industries with leakage have potentially enough customers to warrant opening a new establishment. This analysis will help the City to target businesses which will be successful and be able to recapture a portion of the current sales leakage. The table below identifies the industries which are experiencing sales leakage in the Oneida County Study Area.

Using ESRI data of total retail sales and the total number of businesses in each industry group, we identified the average sales per establishment for each industry group in the State. Using the Retail Gap for the industries

experiencing leakage and dividing the average sales per business in that industry, retail opportunities for the County Study Area were identified.

The table below shows the industries with a Retail Gap and the corresponding number of equivalent establishments.

Table D-21. Retail Opportunities, Oneida County

Oneida County Retail Opportunities			
Industry Group	Retail Gap	NYS Average Sales Per Business	Number of Potential Businesses
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	$5,722,180	$579,599	9.87
Home Furnishings Stores (NAICS 4422)	$4,371,160	$783,727	5.58
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	$12,438,884	$958,038	12.98
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	$3,021,087	$346,916	8.71
Food & Beverage Stores (NAICS 445)	$29,470,495	$2,125,618	13.86
Grocery Stores (NAICS 4451)	$23,890,996	$3,374,710	7.08
Specialty Food Stores (NAICS 4452)	$5,422,125	$476,017	11.39
Beer, Wine, and Liquor Stores (NAICS 4453)	$157,374	$934,156	0.17
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$7,870,206	$1,127,730	6.98
Clothing and Clothing Accessories Stores (NAICS 448)	$21,445,703	$820,687	26.13
Clothing Stores (NAICS 4481)	$13,936,673	$1,016,444	13.71
Shoe Stores (NAICS 4482)	$4,417,709	$741,275	5.96
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	$3,091,321	$375,361	8.24
Florists (NAICS 4531)	$346,984	$154,478	2.25
Other Miscellaneous Store Retailers (NAICS 4539)	$9,249,573	$331,465	27.91
Nonstore Retailers (NAICS 454)	$29,264,837	$3,296,381	8.88
Electronic Shopping and Mail-Order Houses (NAICS 4541)	$40,465,906	$5,815,419	6.96
Vending Machine Operators (NAICS 4542)	$236,306	$1,650,682	0.14
Food Services & Drinking Places (NAICS 722)	$66,927,496	$596,548	112.19
Full-Service Restaurants (NAICS 7221)	$100,012,248	$423,571	236.12

Source: ESRI

Most of the industries are experiencing very large retail gaps, making it possible for additional businesses to open which would allow the County to recapture some of the currently leaking retail sales.

Through interviews with local residents, clothing stores were identified as a retail sector which was needed in the Rome area. The retail use feasibility study also identified a need for clothing stores in the County. Another sector which was identified by the interviews was a need for food and drinking places which are open later, the interviewee suggested that Syracuse typically gets this type of business since it can be hard to find a restaurant open after 9 or 10 at night. Again, the retail feasibility study indicates that there is leakage of these types of businesses and enough of a demand to support additional establishments in Oneida County.

Consumer Spending Patterns

To evaluate the spending patterns of residents in the County, we obtained the current estimates of consumer expenditures for goods and services. This particular analysis will look at the spending done by residents of the County but will not show where these expenditures were made. The analysis presents the purchasing power of the households within the County.

The table below shows spending on selected retail goods and services. The tables display the average annual spending per household on a particular good or service, the County total spending on that good, and the spending potential index (SPI). The SPI represents household expenditures on a product or service relative to a national average of 100. SPI's with values greater than 100 indicate that households spend relatively more on average on that particular good than the average U.S. household.

The table shows the household expenditures of Oneida County residents. The total expenditures for households in the trade area are significantly less than the national average, with an SPI of 77; this means households are spending less than the national average on every consumer item with available data. Some areas where the residents in the County are spending closer to the national average are mostly health related, including Medicare payments, long term care insurance and prescription drugs. Relative to other spending in the County, households are spending the most on health care and fuel oil.

Spending propensities weighted towards health care and fuel oil indicate that residents likely have less "discretionary" spending power. They spend much less than the national average on non-necessities such as apparel and travel. These numbers showcase what a burden health care and utility cost can be on the residents; especially older residents on fixed incomes, which is a large portion (larger than other parts of NYS) of the County population as seen in the previous section.

Table D-22. 2008 Consumer Spending by Category, Trade Area

	Average Household	Total	Spending Potential Index
Medicare Payments	$357.98	$33,069,837	94
Fuel Oil	$99.36	$9,179,113	92
Long Term Care Insurance	$44.83	$4,141,543	91
Prescription Drugs	$501.12	$46,292,174	88
Health Insurance	$1,721.02	$158,984,030	85
Health Care	$3,442.65	$318,025,324	84
Utilities, Fuels, Public Services	$3,718.13	$343,472,988	82
Food at Home	$3,891.93	$359,528,270	80
Education	$1,089.00	$100,599,428	79
Food Away from Home	$2,695.24	$248,980,865	79
TV/Video/Sound Equipment	$1,129.69	$104,358,904	79
Entertainment and Recreation	$2,906.25	$268,473,822	78
Personal Care Products & Services	$612.92	$56,620,242	78
Transportation	$8,279.78	$764,869,736	77
Travel	$1,442.70	$133,273,455	77
Investments	$781.66	$72,207,881	77
Vehicle Loans	$4,391.43	$405,671,316	76
Shelter	$11,716.64	$1,082,359,378	75
Apparel and Services	$1,748.60	$161,532,400	65
Total Expenditures	**$54,431.43**	**$5,028,266,446**	**77**

Source: ESRI, Camoin Associates

Market Segmentation Analysis

In addition to basic demographic data analysis, another useful tool in determining the characteristics of a particular trade area is market segmentation, which is defined as the classification of consumers according to demographic, socioeconomic, housing, and lifestyle characteristics. It is based on the concept that people with similar demographic characteristics, purchasing habits, and media preferences naturally gravitate toward each other and into the communities in which they live. Businesses utilize market segmentation analysis to identify their best markets, measure the potential demand for new products or services, and reach their markets more effectively. Market segmentation data for the County were obtained from ESRI, based on their "Community Tapestry" segmentation system.

It is important to understand that the classifications and labels for defined market segments are generalizations. The descriptions of each segment are based on comparisons with the U.S. as a whole, and reflect the propensity of households within that segment to exhibit certain demographic, lifestyle, and consumer characteristics relative to the overall population. Nevertheless, market segmentation analysis can provide a useful perspective in understanding existing and potential customers residing within a defined area. A summary and brief description of the major "Community Tapestry" segments within the Study Area is included below.

The table below shows the five largest Tapestry segments as identified by ESRI in the Oneida County trade area followed by a brief description of each segment.

Table D-23. Tapestry Segments, Trade Area

	% of Oneida County Households	% of U.S. Households
Rustbelt Retirees	13.4%	2.10%
Cozy and Comfortable	9.9%	2.80%
Salt of the Earth	9.7%	2.80%
City Dimensions	8.5%	0.90%
Rustbelt Traditions	7.6%	2.80%
Total	49.1%	11.40%

Source: ESRI

Rustbelt Retirees (13.4%): These neighborhoods can be found in older, industrial cities. Households are mainly occupied by married couples with no children and singles who live alone. The median age is 43.8 years. Although many residents are still working, labor force participation is below average. More than 40 percent of the households receive Social Security benefits. Most residents live in owned, single-family homes, with a median value of $118,500. Unlike many retirees, these residents are not inclined to move. They are proud of their homes and gardens and participate in community activities. Some are members of veterans' clubs. Leisure activities include playing bingo, gambling, going to the horse races, working crossword puzzles, and playing golf.

Cozy and Comfortable (9.9%): Residents of this market segment are settled, married, and still working. Many couples are living in the pre-1970s, single-family homes in which they raised their children. Households are located primarily in suburban areas of the Midwest, Northeast, and South. The median age is 41 years, and the median home value is $164,000. Home improvement and remodeling are important to Cozy and Comfortable residents. Although some work is contracted out, homeowners take an active part in many projects, especially painting and lawn care. Television is important to this group; many households have four or more sets.

Salt of the Earth (9.7%): A rural or small-town lifestyle best describes the Salt of the Earth market. The median age is 40.4 years. Labor force participation is higher than the U.S. level, and unemployment is lower. Above-average numbers of employed residents work in the manufacturing, construction, mining, and agricultural industries. The median household income is $48,800. Households are dominated by married-couple families who live in single-family dwellings, with homeownership at 86 percent. Twenty-eight percent of the households own three or more vehicles. Most homes own a truck; many own a motorcycle. Residents are settled, hardworking, and self-reliant, taking on small home projects as well as vehicle maintenance. Residents enjoy fishing, hunting, target shooting, attending country music concerts and auto races, and flying kites.

City Dimensions (8.5%): This segment is characterized by diversity in both housing choices and ethnicity. Consisting of mostly younger people with a median age of 29 years old, this group enjoys watching sports on television and represents one of the top groups for purchasing sports apparel. The median income for this segment is just over $27,000 and 60% of this segment over 25 has graduated with a high school diploma. The households are typically are young single people, married couples or single parent families. An urban lifestyle is dominant with most households living in apartments and 64% renting their homes. Employed residents usually work in service, manufacturing or retail trade industries. Households enjoy going out to dinner, attending music performances and occasionally going to a bar.

Rustbelt Traditions (7.6%): This segment describes many communities across the United States, and has the sixth largest population of all the Community Tapestry segments. It is characterized by primarily white neighborhoods with a mix of married-couple families, single-parent families and singles living alone. Most households work in a white collar job with a median income around $50,000. Most people own their homes and have been living in the same area for a long period of time. Many watch their diet and exercise for health. Residents are careful with their money and enjoy watching television for entertainment, especially sports programs. For leisure they enjoy bowling, hunting, country music and attending ice hockey games.

A chart summarizing the "Community Tapestry" segments is shown below. The charts show from top to bottom.

- Tapestry Segment and classification number (this number is an ESRI reference number and is only for identification purposes),
- Life Mode Group,
- Urbanization Group,
- Family,
- Median Age,
- Occupation type,
- Schooling,
- Household Type,
- Race,
- Activities commonly associates with each segment.

Figure D-13. Tapestry Descriptions
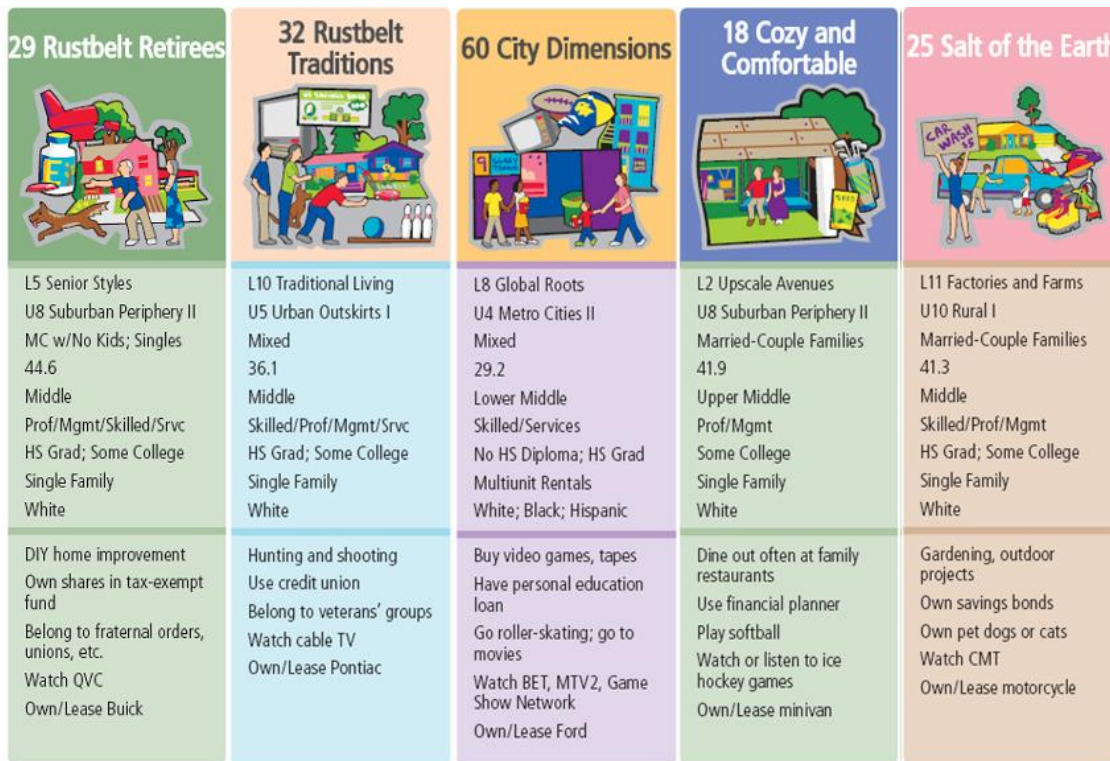
Conclusions

Oneida County is experiencing retail sales leakage in a number of different sectors and may be able to recapture some of that by developing some retail throughout the City. However, local business owners and real estate agents did not think that retail would do very well on the Rome BOA site due to its location. The larger retail stores which would be able to recapture some of the leaking sales and create high number of jobs and new taxes for the City and County would be out of place since there is not much of this type of retail in this part of town.

The market segmentation shows that there are a lot of different types of people living in Oneida County. The redevelopment of the Rome BOA site should take these differences into account and create uses that will be welcomed by the community. For example, the City Dimensions group may be interested in the multi-family units that could be built on the City Yard portion of the BOA that conforms to their income level and activity likes and dislikes. Additionally, the Rustbelt Retirees segment may be looking to downsize as they get older, creating a market for apartments or condominiums which could be developed on the Rome BOA site.

Office and Industrial Market Analysis

In addition to analyzing regional employment trends to form a general understanding of the local Rome economy, interviews were conducted with real estate professionals, property owners, business owners and others who are knowledgeable about the local and regional commercial real estate market in Rome. The combination of interviews and research helped to further refine our understanding of current market conditions and the types of development occurring in the region. This section combines information about both the Oneida County Study Area and the Rome area in an effort to better define the needs of the market.

Given the large size of the East Rome Business Park site, there are many potential reuse scenarios that could physically locate on the site. Reuse scenarios could include a mixture of retail, residential, industrial or office space. After review of the growth in sectors requiring industrial space and discussion with local real estate professionals and economic development officials, it was determined that there is only a small demand for additional traditional industrial space in the area since there is already a substantial amount of existing space available. The interviews did provide some background on the potential need for flex industrial or warehousing space which will be considered in this report. We also focused on the need and potential absorption of office space in the Rome area. Other sections of this report discuss the local retail and residential markets in detail.

Regional Industrial and Office Real Estate Market

The quantitative and qualitative information provided below was collected from a series of interviews with real estate professionals, property owners and business owners. A list of all interviews conducted is found at the end of this section. Information gleaned from the interviews was supplemented with data from the following sources:

- Mohawk Valley Edge www.mvedge.org
- The Mohawk Valley Chamber of Commerce (www.mvchamber.org)
- Rome Industrial Development Corporation (www.romeny.org)
- Oneida County (www.oneidacounty.org).

Employment projections for industries that utilize industrial and office space were collected from Economic Modeling Systems, Inc. (see General Economic Outlook section or www.economicmodeling.com for more information). The geographic area for which these data were analyzed is the Oneida County Study Area.

Recent Trends in Rome

Regional Growth in the Industrial Real Estate Market

As shown in Table D-24, the industry sectors experiencing the most growth are those which are typically office-utilizing industries, for example health care and social assistance, professional services, and finance and insurance. Many industries which typically utilize traditional industrial or manufacturing space are losing jobs in the Rome area except for *transportation and warehousing* which is projected to increase employment by 2.4% in the next 5 years.

Table D-24. Industry Breakdown, Trade Area

Industry Breakdown					
NAICS Code	Description	2008 Jobs	2014 Jobs	Amount Change	% Change
62	Health care and social assistance	21,857	23,812	1,955	8.94%
56	Administrative and waste services	5,599	6,308	709	12.66%
52	Finance and insurance	8,651	9,331	680	7.86%
53	Real estate and rental and leasing	3,346	3,871	525	15.69%
54	Professional and technical services	6,145	6,516	371	6.04%
23	Construction	5,349	5,552	203	3.80%
71	Arts, entertainment, and recreation	2,372	2,529	157	6.62%
48-49	Transportation and warehousing	5,809	5,949	140	2.41%
72	Accommodation and food services	7,174	7,286	112	1.56%
51	Information	2,649	2,724	75	2.83%
21	Mining	223	256	33	14.80%
55	Management of companies and enterprises	821	819	(2)	-0.24%
22	Utilities	308	295	(13)	-4.22%
11	Agriculture, forestry, fishing and hunting	1,844	1,809	(35)	-1.90%
61	Educational services	4,117	4,010	(107)	-2.60%
44-45	Retail trade	15,270	15,157	(113)	-0.74%
42	Wholesale trade	3,002	2,754	(248)	-8.26%
90	Government	27,764	27,299	(465)	-1.67%
31-33	Manufacturing	10,646	9,801	(845)	-7.94%
Source: EMSI Complete Employment - Spring 2008 Release v. 2					

After speaking with local economic development professionals familiar with the area and its needs, it seems as though there is ample supply of existing traditional industrial space inventory which can be leased for very low rates as compared to other areas in the State. Although a large inventory of industrial space does exist, there are some aspects of the BOA site which provide advantages for future development. Some of the advantages identified include available rail access and transportation infrastructure. Local officials also identified a need for high bay warehousing space and potential for flex industrial sites that allow for easy building modifications as a company's needs change. Providing the flexible space, preserving the rail access and marketing could be a way to get manufacturing businesses and warehousing and distribution centers to locate on the site.

Some opportunities may also exist in the utilization of the canal for transportation. The Rome BOA site is located on the canal and, as trucking costs go up, this may provide a competitive edge to Rome's offerings. This would require the development of adequate facilities and infrastructure to handle the changing needs of companies.

The New York State Department of Transportation Industrial Access Program and Rail and Port Program provide grant money to municipalities who find transportation to be especially important in their economic

development strategies. This could provide funding to make improvements to the rail access for the Rome BOA site, as well increase capabilities of the canal port for barge traffic and additional access.

Regional Growth in Office Utilizing Industries

Employment projections shown in the table below show that overall there will be growth in a majority of the industries which typically utilize office space. Some of the industries will be growing quickly, including *real estate and rental and leasing* and *administrative waste services.* Overall these sectors will grow 4% over the next six years, showing that projected growth in sectors that use office space is still very modest and likely to be absorbed to a large extent by existing vacant space. Additionally, the rent in the City of Rome is low for Class A and B space, making it new construction financially infeasible.

Table D-25. Growth in Office Utilizing Industries

NAICS Code	Description	2008 Jobs	2014 Jobs	% Change	2007 Establishments
	Growth in Office Utilizing Industries				
53	Real estate and rental and leasing	3,346	3,871	15.69%	202
56	Administrative and waste services	5,599	6,308	12.66%	218
62	Health care and social assistance	21,857	23,812	8.94%	634
52	Finance and insurance	8,651	9,331	7.86%	338
54	Professional and technical services	6,145	6,516	6.04%	448
51	Information	2,649	2,724	2.83%	92
55	Management of companies and enterprises	821	819	-0.24%	28
90	Government	27,764	27,299	-1.67%	183
81	Other services, except public administration	5,340	5,219	-2.27%	566
61	Educational services	4,117	4,010	-2.60%	40
	Total	86,290	89,908	4.19%	2748.6528

Source: EMSI Complete Employment - Spring 2008 Release v. 2

For comparative purposes, the table below shows the projected Oneida County growth rate for industries that typically utilize office space alongside the projected growth rates of the same industries in New York State and the U.S. As shown in the table, growth in the County is expected to be the weakest of the three.

Table D-26. Growth in Office Utilizing Industries
Oneida County, New York State, United States

Description	2008 Jobs	2014 Jobs	Amount Change	% Change	2007 Establishments
Oneida County	86,290	89,908	3,618	4%	2,749
State Total	7,095,348	7,597,696	502,348	7%	312,323
National Total	101,577,496	112,463,202	10,885,706	11%	4,772,045

Source: EMSI Complete Employment - Spring 2008 Release v. 2

Local Space Availability and Expected Absorption

While there does not appear to be a comprehensive inventory of existing office space in the Rome area, current online listings at www.mvedge.org report approximately 20,000 square feet of available office space. According to economic development officials, the office market in Rome is stable at best and, although it is expected that some of the vacant space will be absorbed in the near future, significant vacancies will remain.

According to interviews with local economic development officials, there are an estimated 60,000-65,000 square feet of available, (or soon to be available), commercial space in the Rome–Utica area, which includes retail, office and industrial space.

Lease Rates

The table below summarizes information on office and industrial space lease rates obtained from the Mohawk Valley Edge website and confirmed through anecdotal information.

Table D-27. Average Lease Rates and Construction Cost, City of Rome

Average Lease Rates	
Downtown Office Space	$10-$12
Suburban Office Space	$15-$18
Industrial Space	$3-$5
Average Construction Cost	
Office Space	$125-$150
Industrial Space	$50- $65

Source: Mohawk Valley EDGE, interviews, Camoin Associates

Based on information provided by economic development officials familiar with the office market in the City of Rome, it was reported that lease rates for Class A office space in a suburban office park with everything included is approximately $18-$22 per square foot. Class B space would go for approximately $16-$18 per square foot. Most of the Class A office space is located in Griffiss Business Technology Park, which offers many amenities, and the Oneida County Airport Park, which explains why downtown lease rates are lower.

Per acre cost of land acquisition ranges anywhere from $1-$50,000 per acre, and the typical cost of construction ranges from $125-$150 per square feet of industrial space.

Conclusions

Overall, there is available low rent office and industrial space in the City of Rome and a slow growth projected for demand. The Griffiss Business and Technology Park offers high amenity spaces for businesses at relatively low costs compared to New York and the Nation. The East Rome BOA site should not expect to compete with the Griffiss Park but work together to allow Rome to offer a variety of space options.

While industrial demand is low, there are opportunities to build on the competitive advantage of the Rome BOA site in terms of its rail access, highway access and canal access to develop a distribution and warehousing center. There are needs that are not currently being met within the City or at the Griffiss Business and Technology Park which could be designed for the Rome BOA and capture companies looking for particular assets.

The high cost of construction and low cost of rent for Class A and B space in Rome make it hard to warrant much new office space construction. While there will be an increase in the number of employees in office utilizing industries, it will be hard to make office space development feasible on the Rome BOA site.