

Business Plan: Hudson Hideaway

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Contents:

Introduction & What We Stand For

- I. Biography
- II. Our Vision
- III. Our Story
- IV. Our Brand

Business Details

- V. The Land
- VI. The Site
- VII. Environmental Sustainability
- VIII. The Cabins
- IX. Amenities
- X. Seasonal Uses

Development and Go-to-Market Plan

- XI. Development Timeline
- XII. Go-to-Market Strategy & Distribution

Investment

- XIII. Cabin Investment
- XIV. Land, Start-Up, and Site Investment
- XV. Total Investment
- XVI. P&L
- XVII. Benefits to the Local Community

Introduction & What We Stand For

I. Biography

Hudson Hideaway will be led by Derek Leung and Tommy Yan.

Derek is an experienced startup growth operator who has helped scale multiple companies from seed stage to Series B and beyond. Derek is a brand visionary who is focused on sustainability and user experience. He has built many growth marketing teams from scratch and has helped streamlined call center operations for over 300 agents. With a deep passion for travel in the alternative lodging space, Hudson Hideaway is a natural fit to both his professional pursuits and personal interests.

Tommy is a career investor, financier, and business builder. Tommy brings a decade of experience in evaluating the business prospects of companies as an investor. With a passion for building, operating, and managing businesses, Tommy has added value to communities through the construction and day-to-day operations of a large-scale fitness franchise, the rehabilitation of multi-family real estate, and other ground-up projects. His love for building beautiful spaces makes Hudson Hideaway a perfect fit for his passions and interests.

Derek's focus on Hudson Hideaway is on brand vision, marketing, and operations. Tommy's focus is on finance and construction. Derek and Tommy will be 50/50 owners.

II. Our Vision

We are Hudson Hideaway, a collection of 39 cabins located at 38 Hudson Lane in Ulster Park, NY.

Our goal is for 38 Hudson Lane to be a wellness retreat. We believe a big contributor to an individual's well-being is their connection with nature. Spending time in nature offers a multitude of wellness benefits that nurture both the mind and body. Immersing oneself in the tranquility of natural surroundings can lead to reduced stress, as the serene environment helps to lower cortisol levels. This calming effect also encourages improved mental health as we have experienced firsthand ourselves.

Nature's diverse landscapes encourage physical activity, whether it's a gentle walk or a more strenuous hike, promoting cardiovascular health and improving overall fitness. Additionally, the sensory experience of being in nature—listening to birdsong, feeling the breeze, and smelling the earth—enhances mindfulness and connectivity to the environment, fostering a sense of peace and well-being. This reconnection with the natural world is not just a retreat from the hustle and bustle of urban life, but a fundamental aspect of holistic health, reminding us of our place within the larger ecosystem.

Our design is intentional, and we plan to create a tranquil and rejuvenating environment through the construction of 39 custom-designed cabins using design cues that help our cabins blend seamlessly into the woods and local landscape. We plan to open our doors for guest stays via short-term rentals. The goal of our retreat is for guests to connect with themselves, loved ones, and the environment.

Every cabin will have a high level of privacy through physical spacing and intentional softscaping that creates natural screening. Our goal is to develop at a minimal level, maintaining the beauty of the natural ecosystem, and by doing so, we believe that we can create a special place for guests to connect deeply to those around them and to themselves.

The foundation of our vision is our commitment to safeguarding the destination in which we operate, in form and spirit, for generations of travelers to come. We recognize that our planet needs help. Neutrality is not enough. We plan to give more than we take. We plan to plant a tree for every booking, and we plan to plant 5 trees for every tree removed during our construction process. We will also explore concepts that can help the planet. We will seek like-minded companies that share our beliefs so that we can run eco-friendly spaces with sustainably made products.

III. Our Story

Derek and Tommy are outdoorsmen and childhood friends. We bonded over our passion for camping, nature, stargazing, birdwatching, hiking, and biking over the past 20 years.

We have frequented Hudson Valley over this time. We fell in love with the town of Esopus, other charming towns in Ulster County, and the lush greenery of Hudson Valley. We have hiked state parks in the Hudson Valley, skied nearby mountains, and enjoyed evenings at local restaurants in New Paltz and Kingston.

In 2021, we decided that we wanted to share our mutual life goal with others. This life goal was, and continues to be, a joint desire to create a beautiful space for guests to enjoy the outdoors. We thought we could best achieve this goal by creating a quiet, tranquil, and serene collection of tourist cabins. As we looked for a site, we felt that 38 Hudson Lane was the perfect plot of land to bring our vision to reality.

As we reviewed the Town's Comprehensive Plan, we were thrilled to find that our vision was in alignment with the Town of Esopus' Comprehensive Plan. There is currently a major lack of overnight accommodations in the Town of Esopus, and 38 Hudson Lane is in an area that the Town placed in its focus for tourism. The Town of Esopus has an opportunity to capitalize on its agricultural, recreational and historic/cultural amenities, particularly along the US Rt. 9W eco/agritourism corridor between West Park and Ulster Park. The Town's historic and cultural resources are under-utilized, and the introduction of Hudson Hideaway as an entity that pays sales tax, occupancy tax, and property tax will help further the town's goals.

We coalesced around a set of crucial sticking points as we formed our vision. First, we are looking to develop our site at a minimal level in order to maintain the beauty of our natural ecosystem. Second, we will not have a central clubhouse, an event space, a bar, a restaurant, bright lights, or loud music. Third, the foundation of our vision is our commitment to safeguarding the destination where we operate, in form and spirit, for generations of travelers to come. Our site will be carbon-neutral ready, and we seek to plant one tree for every booking made.

Our guests will provide an economic benefit to local businesses when they dine, shop, and experience the beauty of Hudson Valley. We plan to do our part as well. Derek and Tommy will source talent locally to the best of our ability, ensuring that our operations contribute positively to the community's economic fabric. We are committed to fostering a symbiotic relationship with the area, where not only do we benefit from the local charm and resources, but we also give back through sustainable practices and supporting local enterprises. Our vision is to create a circle of prosperity, where our success feeds into the local economy, which in turn enriches our guests' experiences. This approach will help in cultivating a sense of community and belonging, not just for our visitors but for everyone involved in this exciting journey.

At Hudson Hideaway, we are building a set of tourist cabins for guests to escape from their busy and stressful lives. We are building a destination that we would frequent ourselves. Our goal is to enable a sense of calmness and serenity the very moment that our guests walk into our property.

IV. Our Brand

Brand Vision

Hudson Hideaway represents tranquility, connection, and a place of healing.

Our brand is built to serve guests who are balancing their personal lives, work responsibilities, social and familial obligations, and the demands of the modern world, all at the same time. At Hudson Hideaway, our guests can escape into nature and recharge. We put wellness first, and we let our guests know that balance is achievable with a stay at the retreat.

Brand Positioning

Our guests are always “plugged-in” and feel pressure from work. This constant state of busyness leaves them with limited time to reflect and to prioritize their well-being.

Our guests, in their ideal state, are rejuvenated, calm, and content. They live in the present moment, away from phone notifications and sirens. They are refreshed and recentered on themselves. They believe that work is important, but not at the expense of their health and wellbeing.

Hudson Hideaway aims to provide a space for guests to achieve their ideal state. A chaotic external environment can exacerbate life’s stressors. We want to provide the feeling of a second home, a place with no chaos that is conducive to decompression, reflection, and introspection.

For Hudson Hideaway to communicate this ideal state to our guests, our brand voice will be empathetic, inclusive, and reflective. Our guests will feel a tone of mutual understanding across our communications. Our creative strategy will be anchored on intentional photography and videography that brings the beauty of Hudson Valley indoors.

Customer Demographics

Our target guests are individuals, couples, and families in their high 20s to early 50s. Our guests are generally working individuals with disposable income. We believe that our positioning will attract both city dwellers and visitors local to Ulster, Greene, and nearby counties. We will have the amenities to support all our guests, from couples without children to families who just want to come and unplug. We will welcome all respectful guests to our property with open arms.

Our target guest is interested in travel, nature, glamping, wellness, and relaxation. More fundamentally, they are seeking peace and quiet, a place to read, and a unique place to stay. They value mental health, emotional connection, and a serene environment to enjoy a cup of coffee.

Our target guests are quiet and respectful, moving through Hudson Hideaway with a gentle awareness that speaks to their consideration for others. Each person is likely attuned to the shared need for a peaceful environment. Their actions are measured and deliberate. Even their laughter, when it arises, is light and unobtrusive, adding to the overall sense of warmth at Hudson Hideaway. The respect they show towards one another is evident in the way they patiently wait their turn, offer polite smiles, and engage in quiet, thoughtful conversations. This respectful demeanor extends to their interaction with the surroundings, treating everything with care and appreciation. The overall effect is a harmonious balance, where the presence of each guest contributes to a tranquil, respectful atmosphere, making it a pleasant and uplifting experience for everyone involved.

Customer Archetypes

We have identified four key customer archetypes as our target audience:

1. Staycationers

- The Staycationer is looking to get away and rejuvenate. This person is seeking reprieve from their day-to-day responsibilities – pressure from work, packed calendars, and the overall feeling of being a cog in a wheel. The Staycationer will choose Hudson Hideaway as an easy, low-pressure way to replenish their energy levels. Spas are too crowded, long-distance vacations require too much planning, and the airport process is overwhelming.
- Example: Andrew and Adrienne, both 41-year-old software engineers, seek a peaceful escape for the weekend. Andrew opts for a weekend stay at Hudson Hideaway, drawn by its promise of tranquility and ease. Upon arrival, Andrew and Adrienne are enveloped in the calm of the retreat. Days are spent lounging, reading outside, and enjoying the solitude of a private cabin. The simplicity of the staycation allows Andrew and Adrienne to unwind, reflect, and disconnect from the digital world, returning home feeling refreshed and reenergized.

2. Wanderers

- The Wanderer seeks direction and a sense of self. They are looking for a place to go inward and reflect. The Wanderer will choose Hudson Hideaway to answer fundamental questions – what is the meaning of love, of belonging, of overall fulfillment?
- Example: Tori, a 29-year-old architect, feels overwhelmed by the constant buzz of city life. Seeking clarity and a deeper connection with her creative spirit, Tori decides to spend a week alone at Hudson Hideaway. The retreat's serene environment and the solitude of its cabins offer the perfect backdrop for self-reflection. Each day, Tori takes walks through the lush forests surrounding the hideaway, journaling thoughts and sketching the natural beauty encountered along the way. Evenings are spent in quiet contemplation by a private fire pit, pondering life's big questions under the stars. This retreat becomes a transformative journey, providing Tori with fresh insights into personal and professional paths.

3. Connectors

- Connectors are looking for a safe space to develop deep connections. Connections first start from within and then progress to others. The Connector will choose Hudson Hideaway for a weekend date, a small group gathering, or to bond over a campfire.
- Example: James and Sue, a couple in their early thirties who recently moved to Kingston from Buffalo, are looking to build friendships and strengthen their own bond. They organize a weekend getaway for themselves and two other couples they've met through a local community group, choosing Hudson Hideaway as their destination. The retreat's inviting cabins offer the perfect setting for deep conversations and shared experiences. Over the weekend, the three couples engage in relationship-building activities like hiking at the Ashokan Reservoir Promenade followed by dinner at End Cut. By the end of their stay, not only has each couple grown closer, but new friendships have been formed, fostering a sense of community that extends beyond the retreat's boundaries.

4. Adventurers

- Adventurers will travel to Hudson Hideaway for the novelty factor. The unique and stunning architecture of the retreat's custom-designed cabins, the onsite experiences, and the offsite wonders of the Hudson Valley will draw in the Adventurer. The Adventurer will likely take photographs while looking for unique walking paths and fun activities nearby.
- Example: Sam and Taylor, an adventurous couple in their late thirties, have spent decades visiting Hudson Valley. Attracted by Hudson Hideaway's unique cabins and the Hudson Valley's adventures, they book a weekend stay. They capture the sunrise from their cabin, share breathtaking views on social media, and explore hidden walking paths within the retreat. Venturing out, they try zip-lining and visit a historic lighthouse, documenting their journey with photos and humor. Their evenings are spent enjoying local cuisine and live music at a nearby vineyard, ending with stargazing back at their cabin. For them, Hudson Hideaway is a memorable mix of on-site exploration and local adventures.

Business Details

V. The Land

Hudson Hideaway will be located at 38 Hudson Lane, Ulster Park, NY 12487. We are working with Willingham Engineering to prepare a thorough and comprehensive site plan.

We will construct one main septic system on-site to support all our cabins. Percolation tests have been witnessed and approved by the UCDOH. We will also drill a well to provide water on-site, ensuring a consistent and reliable source of fresh water for various needs. We will engage with expert hydrologists and geologists to determine the most suitable location for a well, ensuring that we tap into a sustainable aquifer without disrupting the local ecosystem.

We will not be connected to any public water, drainage, sewer system, or any other municipal facility. Hudson Hideaway will employ practices that are consistent with NYSDEC's stormwater regulations, and our systems will be constructed to treat and detain stormwater to mimic pre-development conditions. A State Pollutant Discharge

Board, we will seek to position and nestle our cabins in between trees to the extent possible, so the exact placement of cabins and parking spot may vary by a few feet to reduce potential tree cutting.

Wetlands will be left undisturbed, and all structures will be located more than 100' away from the wetlands.

As an added benefit, we plan to have EV chargers present at 25 – 30% of our cabins to do our part in battling carbon emissions. Guests will have the opportunity to select a cabin equipped with an EV charger at the time of booking.

38 Hudson Lane and the surrounding areas in the Hudson Valley have been devastated by the invasive emerald ash borer in the past decade. The current site has been very poorly maintained, and there are a lot of dead trees that will need to be removed. We will take this opportunity to replace dead trees with conifer trees that are local to Hudson Valley. We intend to also address other invasive local plants and bushes as part of our plan for ecological restoration and sustainable landscaping.

We will seek to implement plant / tree screening with native species that serve multiple purposes. Plant screening serves as an effective non-invasive boundary that provides privacy for guests, on-site neighbors, and off-site neighbors. This is the most sustainable approach.

We are already working to increase the self-sustainability of the site once operational. We plan to work with local food vendors for ready-for-oven meals and local delivery services to batch orders to further reduce traffic. We plan to work with a shuttling service from Poughkeepsie Train Station to reduce the number of cars coming in and out of our site. Finally, we plan to work with concierge services to help batch off-site needs into as few trips as possible. We welcome other suggestions as well.

We have reached out to Central Hudson's Clean Energy Market as we look to power as much of our site via local community solar projects and other renewable sources of energy as possible. Purchasing clean local energy supports renewable energy jobs and development, is accessible unlike rooftop solar, and is good for the planet. We anticipate this can cover 100% of our site's energy use.

VIII. The Cabins

Our cabins will be prefabricated in Spain and installed on site at the time of completion. This approach significantly reduces the environmental impact of construction in several ways.

First, modular construction involves building components in a controlled, factory setting, which leads to a substantial reduction in material waste compared to traditional on-site construction. Second, since the modules are constructed off-site, there will be a notable decrease in disturbance relative to a traditional on-site construction process, including less noise pollution and less dust from regular activities. The efficiency of modular construction also means lower energy consumption during the building process. Finally, the precision of this method allows for better insulation and energy efficiency in the final structure, aligning with our commitment to sustainability and environmental responsibility.

As discussed, the installation of our modular cabins, once completed in the factory, will be on helical piles. Helical piles cause minimal ground disturbance, require less heavy machinery to install, and are reusable.

Each cabin at our retreat is designed to offer comfort and privacy, featuring an extended deck area with outdoor seating. These decks provide a perfect space for guests to relax and enjoy the natural surroundings. Inside, every cabin is equipped with essential amenities, including running water, septic systems, and electricity, ensuring a comfortable stay without compromising on modern conveniences. We have carefully positioned each cabin to ensure sufficient privacy, allowing guests to feel secluded and immersed in nature, while still enjoying a sense of community and connectivity to the overall retreat.

Each cabin will be its own unit with its own entrance and its own parking space. The retreat comprises 39 individual tourist cabins. The one-bedroom cabins are designed to accommodate no more than 2 guests while the two-bedroom cabins are designed to accommodate no more than 4 guests. Each cabin is designed for occupancy by only

one family and contains complete cooking, sanitary, and sleeping facilities for the exclusive use of the occupants in the cabin. The self-sustaining aspect of our cabins will reduce the need for guests to make frequent trips into and out of the site. This reduces traffic in the process. 10% of our cabins will be ADA accessible.

The exterior of the cabins will be beautifully designed. We will utilize a rich and weathered vertical lattice wood façade that blends each cabin seamlessly into its wooded surroundings. Large picture windows allow ample natural light to filter into the cabin during the day, while at night, they frame cozy views of the cabin's warm interior. Guests in our cabins will be afforded the luxury of privacy, courtesy of elegantly designed, custom blinds that grace each window. These carefully selected window treatments not only enhance the aesthetic appeal of the cabins but also offer our guests the serenity and seclusion they seek, at their discretion.

The interior of each cabin has a cozy and inviting ambiance. We plan to use a blend of natural materials such as oak flooring, warm wood walls, and stone washed floors. The focal point of the living / dining area is the cabin's harmony with the wooded environment that surrounds it. Kitchens will be well appointed with sleek and built-in appliances, modern countertops, and a sink. Our fully equipped kitchens will allow guests to prepare a gourmet meal that can be enjoyed on the wooden table in the living / dining area behind it.

The living / dining area blends seamlessly into the sleeping area. Plush bedding, soft throws, and ample pillows ensure a restful night's sleep with the soothing sound of raindrops outside. In the morning, large picture windows will allow guests to wake up to the beauty of the woods with the sun peaking over the horizon. Our thoughtful, yet minimal, design creates a cozy and peaceful wellness retreat for our guests.

Finally, each cabin will have a well-appointed bathroom with clean and modern amenities. All units will feature a toilet, ample counterspace, and an oversized shower that has been thoughtfully designed for guest toiletries.

IX. Amenities

On-Site Amenities

Every cabin at Hudson Hideaway will have its own private hot tub, giving all guests private access to a popular form of wellness. These hot tubs will be complemented by a campfire, 2 Adirondack chairs, and an outdoor picnic table. This provides our guests with a space to bond, connect, and roast marshmallows.

Every cabin will also feature its own deck, providing guests with a private outdoor space to enjoy the stunning natural surroundings. These decks are designed as tranquil retreats where guests can relax, dine al fresco, or simply soak up the peaceful ambiance of the countryside. This feature is integral to our vision of blending comfort with the beauty of nature, offering an ideal spot for guests to connect with the environment while enjoying the comforts of their cabin. The inclusion of a deck with each cabin enhances the overall experience, making each stay at Hudson Hideaway memorable and unique.

We pride ourselves on what our site does not have – a restaurant, a bar, a central clubhouse, live music, and loud noises. When guests are on site, we will provide them with a peaceful respite from day-to-day life. Hudson Hideaway is an escape where the hustle and bustle of the outside world fades away.

Offsite Amenities

Without an on-site restaurant, bar, or clubhouse, we have the opportunity to build partnerships with local artisans and businesses. This will help promote the region's culture while boosting small businesses in the Town of Esopus and other nearby towns. Our desire is to fuel the local economy while providing our guests with a diverse set of experiences nearby. By collaborating with local artisans, restaurants, and service providers, we intend to create a network of community-based offerings. We hope that a symbiotic relationship where the success of Hudson Hideaway is intertwined with the prosperity of local businesses can create a vibrant and sustainable economic ecosystem in Ulster County.

Nearby historical and charming towns of Saugerties, Woodstock, New Paltz, and Kingston also provide endless possibilities for guests. The town of Kingston has all the potential needs that our guests may require – supermarkets, Main Street, restaurants, and drug stores – all within a 10-minute drive. The Esopus Meadows Preserve & Lighthouse is under a mile away on River Road. Guests can also enjoy a morning stroll by the Hudson River.

Half of the official Catskill Association of Tourism Service’s [recommendation of best hikes](#) are within a 30-minute drive from Hudson Hideaway. This list includes famed hikes such as the Ashokan Reservoir Rail Trail. The other half, such as Kaaterskill Falls and Minnewaska State Park, are only a 45-minute drive away. Guests of Hudson Hideaway have a plethora of diverse and unreplaceable scenic landscapes at their fingertips. This is aligned with our mission of helping guests reconnect with nature without compromising on the comforts of site’s modern minimalist living.

Offsite Amenities – Group Activities and Considerations

At Hudson Hideaway, we are focused on reducing traffic impact while enhancing the guest experience.

One key initiative is our planned partnership with local restaurants to enable group food deliveries to cabins. We plan to curate exquisite menus that showcase local culinary delights, allowing our guests to savor unique, local flavors right from the comfort of their accommodations. We are actively seeking local partnerships for frozen homestyle foods so that we can deliver around dinner time from our maintenance facility. We anticipate that this program will have up to a 35-50% participation rate per stay, further increasing the self-sustainability of the site. This strategy is designed not only to enrich the guest experience but also to minimize the need for off-site dining, thereby reducing traffic.

Additionally, we are looking to collaborate with local tour services to organize group excursions to nearby vineyards, state parks, and other attractions. This initiative will support the local economy and provide our guests with memorable experiences exploring the region's natural beauty and cultural offerings. By arranging group trips, we aim to further reduce the necessity for individual travel, aligning with our commitment to sustainability and community engagement. Furthermore, we plan to offer a shuttle service from Poughkeepsie Train Station for arriving guests. This will encourage guests to travel to the site without a vehicle. We will also seek to provide a local concierge service as a one-stop shop to bundle multiple guests needs into one trip, thereby further reducing traffic to and from our site.

X. Seasonal Uses

The tourist cabins at Hudson Hideaway are perfect for seasonal use in the spring, summer, fall, and winter. Without even stepping foot off the site, guests can enjoy the beauty of all four seasons.

In the spring, guests can see the blooming wildflowers and budding trees. Birds will begin their migration back north and can be seen at Hudson Hideaway. On rainy days, guests can enjoy board games indoors while listening to the sound of raindrops on their windows.

In the summer, guests can enjoy evenings around their campfire. They can spend time telling stories, enjoying marshmallow roasting, and soaking in the warmth of the sun. Guests can dine outdoors on Adirondack chairs while stargazing into the evening.

In the fall, Hudson Hideaway will be a spectacular place to view fall foliage as the leaves change colors. Guests can carve pumpkins in their cabins while enjoying fall delicacies like cider. Crisp mornings and crunchy leaves provide a perfect setting to enjoy a cup of coffee as the sun rises.

In the winter, guests can enjoy an evening in their hot tub as the snow gently falls around them. Inside the cabins, guests will have a cozy space to craft, cook, read, and relax. An indoor hammock with a cup of hot chocolate provides the perfect reprieve to escape the cold while watching the snow fall.

Elimination System (SPDES) General Permit for Stormwater Discharges from Construction Activity, or Construction General Permit (CGP), will be obtained as part of this process.

Willingham Engineering is designing an optimal stormwater prevention plan (SWPPP) that creates the least amount of disturbance possible. We have focused on utilizing the most advanced engineering techniques, understanding the local ecosystem, and preserving natural habitats and water quality in our design. Water runoff and erosion will be controlled site-wide, and plans are tailored specifically to the unique characteristics of the land. Furthermore, we are incorporating sustainable practices and materials wherever possible to foster a harmonious balance between development and conservation.

Wetlands on site have been surveyed by Ecological Solutions, LLC, a reputable firm with decades of experience in local geography. All wetlands will be preserved and undeveloped. This decision underlines our dedication to environmental stewardship, recognizing the vital role these wetlands play in maintaining biodiversity, supporting wildlife habitats, and regulating the local water cycle. By preserving these natural assets, we are not only complying with environmental regulations but also actively contributing to the conservation of our region's natural heritage.

We have also engaged with Ecological Solutions, LLC to conduct a Threatened and Endangered Species Habitat Suitability Assessment as per the NYSDEC Environmental Assessment Form mapper and US Fish and Wildlife IPaC species list. A Habitat Suitability Assessment was completed for six listed species including the Indiana bat (*Myotis sodalis*), Northern long-eared bat (*Myotis septentrionalis*), Atlantic sturgeon (*Acipenser oxyrinchus oxyrinchus*), shortnose sturgeon (*Acipenser brevirostrum*), bald eagle (*Haliaeetus leucocephalus*), and monarch butterfly (*Danaus plexippus*). A field assessment was conducted on the property to review habitats. None of these species were observed on the property, and all potential mitigation measures proposed have been noted.

Furthermore, we have engaged with Atlas Archaeology, an experienced cultural resource management and archaeological consulting firm to conduct a Phase 1A and Phase 1B archaeology study on the site. The Phase 1A study involved an extensive review of historical documents and maps, while the Phase 1B study included a detailed field survey. The investigations concluded with no significant archaeological findings, ensuring that our development plans can proceed without impacting any valuable cultural or historical artifacts. This was further confirmed by New York State Parks, Recreation and Historic Preservation (OPRHP).

VI. The Site

Hudson Hideaway is being designed with a deep commitment to environmental sensitivity and minimal disturbance to the natural landscape. Under the ownership of the site's prior owner, a roadway system, including the main driveway and several other driveways planned for a multi-unit subdivision, were constructed. Gravel was also laid. This roadway system still exists, and we are strategically reusing as many of the existing roads as possible to limit disturbance by designing our cabins along these roads.

By reusing the existing roadway, this will significantly minimize the need for the construction of new infrastructure, thereby reducing our impact on the surrounding environment. Furthermore, in our efforts to be as eco-conscious as possible, we plan to remove only a minimal area of trees, the majority of which is necessary for the construction of our DEC mandated stormwater management system.

We have completed a Long Environmental Assessment Form under the State Environmental Quality Review Act (SEQRA). This process provides more information to the Planning Board and the public on detailed questions about the project's location, size, existing environmental conditions, and potential impacts on land, water, air, plants, and animals.

We have proactively engaged with Creighton Manning Engineering, a local expert in transportation planning for both the NYSDOT and regional organizations, to perform a traffic study. We conducted a traffic study when we had a higher cabin count – 47 cabins – in our prior submission to the Planning Board. This study was conducted according to the Institute of Transportation Engineers' (ITE) Trip Generation Manual, 11th Edition. Even at 47 cabins, the

project is only estimated to have weekday peak hour trip generation of 10 to 14 trips, and weekend (Friday and Sunday peak hours) of 16 to 24 trips. This is well below the 100 peak-hour trip threshold that the DEC considers to be significant. All other hours are considered non-peak and would generate a fraction of the number of trips compared to peak hours. This magnitude of traffic is very low and will not have any significant traffic impacts.

While Creighton Manning Engineering's professional opinion is that no road capacity improvements are necessary to accommodate the project given the limited additional flow of traffic, we are exploring measures to add an extra level of safety. This includes installing pedestrian road signs and speed limit signs. We are further exploring the possibility of working with the Town of Esopus and the NYSDOT to reduce the speed limit to 25mph on Hudson Lane. From a business perspective, we will communicate with guests ahead of time to be respectful of neighbors and to drive below the speed limit, especially on River Road and Hudson Lane.

Traffic generated from tourist cabins is lower than a comparable single family residence. According to the ITE, tourist cabins generate only 0.34 trips per site. This is 1/3 of the 0.99 trips per site generated by a single-family residence. This lower traffic impact can be attributed to several factors, including less than 100% occupancy rates for tourist cabins and the lack of daily commuting trips to and from work typically associated with permanent residences.

Furthermore, the project will not generate school children despite contributing to the local tax base. Police protection is provided by the NYS Police and Ulster County Sheriff's Office, and there is no information that suggests that there will be any need for significant or routing police presence. The Esopus Fire Department has reviewed the project and voiced no concerns regarding the provision of fire protection and emergency services. There is nothing unique or unusual about the tourist cabins that would suggest that there would be a significant number of medical calls generated beyond those generated by the general public.

We have proactively reached out to the Town of Esopus Highway Superintendent, the Town of Esopus Fire Inspector, and the Town of Esopus Volunteer Ambulance Squad. All consulted parties have reviewed our plans and access points. All parties have opined that road capacity is sufficient and site access is acceptable for emergency services.

VII. Environmental Sustainability

We plan to employ environmental best practices in the design, development, and operation of Hudson Hideaway.

Our existing site plan design re-uses much of the existing site as possible, especially pre-built roads. The majority of our required site disturbance is from our SWPPP's compliance with the NYSDEC-mandated rules to contain stormwater runoff. The SWPPP is a comprehensive document with over 250 pages in technical details and sophisticated modelling techniques. The Town of Esopus has retained CHA Solutions, an engineering design consultancy, to work alongside Willingham Engineering to ensure sound SWPPP design. Willingham Engineering, CHA Solutions, and NYSDEC must all sign off on the SWPPP before the plans can be implemented.

Hudson Hideaway will be built with sustainable building materials and energy-efficient building techniques to create strong building thermal envelopes. This helps reduce our environmental footprint and energy usage by an estimated 60% compared to a standard hospitality project. The Town of Esopus is in Climate Zone 6A, which is characterized by extreme temperature fluctuations and is therefore held to the highest standards in New York for building design, efficient energy consumption, and weatherization requirements. We are also subject to snow loads at 40lb/sq ft, and wind loads at 90mph.

Cabins are designed in accordance with the NYStretch Energy Code. This Code improves the State Energy Code's efficacy by roughly 10% and is considered a model for New York jurisdictions to use to meet their energy and climate goals.

We are using the latest technologies in foundations, specifically helical piles, to minimize soil disturbance and eliminate the use of concrete foundations. We are also using modular construction techniques that minimize our on-site construction time and potential disturbances in the building process. If granted permission by the Planning

As a bonus, there are countless other activities that can be enjoyed on a seasonless basis or found off-site. Our personal favorites are photography and cooking. Off-site, Hudson Hideaway provides the perfect springboard for local destinations, hikes, restaurants, shops, and tours.

Development and Go-to-Market Plan

XI. Development Timeline

3 – 6 months: Upon securing our special use permit, we will commence our site work at Hudson Hideaway. This phase will encompass a variety of essential tasks. Site work will include trenching for water and electrical lines, constructing a well and water treatment facility, and establishing our Stormwater Pollution Prevention Plan (SWPPP). Additionally, road work and grading will be necessary for proper site access and management. We also plan to construct an on-site septic system and undertake the clearing of dead trees to ensure safety and maintain the health of the surrounding ecosystem. These efforts are critical for laying the foundation of our development while adhering to environmental best practices.

In tandem with our site work, we will also initiate the construction of our maintenance facility. The facility's exterior, mirroring the design approach of our cabins, will be manufactured off-site and then installed on-site once complete. Following the setup and installation of the maintenance facility, we will collaborate with a local general contractor to complete the interior work. This will include finalizing the interior spaces and ensuring all necessary utility connections are in place. This approach allows us to maintain consistency in design and efficiency in construction across our property.

2 – 3 months: Once the required site work is completed at Hudson Hideaway, we will proceed to prepare the foundations for our cabins. The cabins will be set on helical piles, an eco-friendly and efficient foundation method. Upon the arrival of the cabins on-site, they will be promptly hooked up to the necessary utilities, including water, electricity, and septic systems. This process ensures a swift transition from transport to full functionality, allowing us to streamline the setup while maintaining our commitment to environmental sustainability.

1 – 2 months: During and after our construction process, we will work on securing the necessary building and operating permits from the town. Obtaining these permits is crucial as they ensure that our facilities meet all local building codes, zoning laws, and safety regulations. This process is integral for demonstrating our compliance with legal and environmental standards, which is vital for the longevity and legitimacy of our operations.

XII. Go-to-Market Strategy & Distribution

Hudson Hideaway's primary form of distribution will be through our own website. Direct bookings are the preferred channel given greater control over our brand and guest experience. CloudBeds will offer guests a seamless booking experience while providing us with efficient management tools for reservations and guest services. By focusing on direct bookings through our website, we aim to foster a direct relationship with our guests, offering them a personalized experience from the moment they book their stay.

Our goal is to focus on quality of guests over sheer quantity. We are willing to forego high occupancy rates to attract discerning guests who value and appreciate our unique offerings. This strategic approach allows us to command higher average nightly rates and create a more enriching experience for our guests. By emphasizing guest quality, we aim to establish Hudson Hideaway as a sought-after destination known for its exceptional service and ambiance.

Organic Channels

To grow our business, we will place a strong emphasis on organic marketing. Our organic marketing initiatives have already commenced. The goal of our organic marketing is to build brand awareness and to create a community. We plan to engage with relevant local businesses such as wineries, tour operators, and event venues. Exclusive events that are carefully crafted for our guests will not only drive bookings, but also enhance the overall guest experience,

making Hudson Hideaway a preferred choice for travelers seeking local immersion. As we build a referral program with local businesses, we will create a word-of-mouth buzz across the community.

We plan to gain a following through relevant media outlets and publication features. We will target prominent wellness, design, and hospitality publications. As we build our brand, we will actively manage our brand awareness through digital media retargeting functions that target customers who express interest in said publications. This ensures that our brand remains on the radar of potential guests who align with our target demographic, ultimately driving engagement and bookings.

We will also build our brand through relevant social media influencers. We plan to reach out directly to influencers with profiles that exhibit target audience insights that align with our desired audience. We will also utilize third-party platforms. These third-party platforms provide influencers with free stays in exchange for producing content on our behalf. This content machine feels organic and helps to fuel our social media presence. This will allow us to stay top of mind for our target market.

Paid Channels

In addition to building a local presence, we will implement a 90-day pre-sale marketing campaign leading up to our grand opening. The primary objective of this campaign is to generate leads and create anticipation. To achieve this, we will employ performance marketing campaigns on Google and Meta properties to reach a wider audience. Once we generate leads, our strategy includes nurturing them through targeted email drip campaigns and enticing limited time offers, encouraging potential guests to book their stay with us.

After we open, we plan to continue marketing to our prospective customer base. The message and offer will change, however. We will pivot our goal from lead generation towards conversion. We will have key messages that encourage guests to book. We will run optimized targeting and re-targeting campaigns across both Google and Meta properties. Our campaigns will be continuously monitored and optimized. We will track key performance indicators like click-through rates, conversion rates, and return on advertising spend to understand the effectiveness of our campaigns. This data will inform adjustments and refinements to our strategy, ensuring that our marketing efforts are as effective and efficient as possible.

Investment

XIII. Cabin Investment

Each cabin will be custom-designed and prefabricated before being installed on-site. We plan to offer 2 options to our guests: one-bedroom (31 units), and two-bedroom cabins (8 units). The average investment in a one-bedroom cabin, inclusive of foundation, MEP, crane, setting, deck, landscaping, furnishings, labor, and miscellaneous expenses is expected to be ~\$199,000. The average investment of a two-bedroom cabin, inclusive of the same, will be ~\$266,000. Based on this split, we expect a total investment of ~\$8,290,000 in our cabins.

XIV. Land, Start-Up, and Site Investment

The land investment was ~\$358,000, inclusive of closing costs.

Total soft investments are expected to total ~\$420,000. This is inclusive of engineering, architectural work, accounting, administration, and enrollment, financial, legal, and other functions.

Total hard investments are expected to total \$1,027,000. Hard investments include trenching, electrical + electrician, roads and driveways, landscaping, septic, well and water treatment, maintenance facility construction, and EV chargers. This breaks down into ~\$44,000, ~\$102,000, ~\$130,000, ~\$100,000, ~\$110,000, ~\$251,000, ~\$150,000, ~\$40,000, and ~\$100,000, respectively.

Total land, soft costs, and hard investments are expected to total ~\$1,805,000. We plan to spend all our soft costs and hard investments locally through the hiring of local trades and professionals.

XV. Total Investment

We expect our total capital investment from this project to be ~\$10,095,000.

XVI. Profit & Loss

Revenue will primarily be generated through room nights. Room night revenue is a function of occupancy multiplied by the average daily rate (ADR). The property should also generate an additional 10 – 14% of ancillary revenue from pet fees, early check-in fees, and add-on sales. We are currently expecting 13% of room night revenue to be derived from ancillary sources.

Given our focus on driving quality guests, we are prioritizing higher average daily rates (ADRs) over occupancy. In our base case, we are aiming for an ADR of \$275 in our one-bedroom cabins and ADRs of \$400 in our two-bedroom cabins. This results in a blended ADR of \$300 / night. We also believe that we will have seasonally higher periods and seasonally lower periods. We would expect occupancy to follow a similar seasonal pattern. On average, we believe that we can achieve an annual occupancy rate between 50 – 60%.

We are expecting to have a team of 12 full-time equivalent employees. Our team consists of professional and managerial staff, including one General Manager (\$75,000 / year), two Assistant General Managers (\$120,000 / year), and one Operations Manager (\$60,000 / year). Additionally, our operational staff comprises eight members: one Housekeeping Manager (\$45,000 / year), four Housekeeping Staff (\$150,000 / year), one Grounds/Site Manager (\$60,000 / year), and two Grounds/Site Keepers (\$90,000 / year). We plan to invest \$600,000 in local wages before employment and other taxes.

We expect to have other operating expenses in addition to labor. This includes marketing, maintenance and supplies, insurance, utilities, professional fees, property taxes, payment processing, payroll processing, equipment rental, software and storage, telecommunications, web service, waste management, travel, training, recruitment, and other fees. We expect the largest buckets of our non-personnel operating expenses to be maintenance and supplies (~\$211,000) and marketing (~\$187,000 based on an estimated \$400 / month in marketing investment per cabin). In total, we expect to spend ~\$988,000 annually on non-personnel investments every year at Hudson Hideaway.

In total, we expect to invest ~\$1,588,000 in total operating costs / year into the local economy.

Our annual debt payment is calculated using an 8% interest rate with a 20-year amortization, and we are reserving \$10,000 / cabin * occupancy for maintenance and capital reserves.

P&L

Number of units	39				
Average Night	\$300.64				
Average Days in Month	30.4				
Occupancy	45.0%	50.0%	55.0%	60.0%	65.0%
Revenue per Unit	\$4,115	\$4,572	\$5,029	\$5,487	\$5,944
Monthly Occupancy Revenue	\$160,486	\$178,318	\$196,149	\$213,981	\$231,813
Monthly Ancillary Revenue	\$20,863	\$23,181	\$25,499	\$27,818	\$30,136
Total Revenue	\$181,349	\$201,499	\$221,649	\$241,799	\$261,949
Monthly Expenses	\$132,295	\$132,295	\$132,295	\$132,295	\$132,295
Mo. NOI	\$49,054	\$69,204	\$89,354	\$109,504	\$129,654
				232126.86	
Annual Revenue	\$2,176,189	\$2,417,988	\$2,659,787	\$2,901,586	\$3,143,385
Annual Expenses	\$1,587,539	\$1,587,539	\$1,587,539	\$1,587,539	\$1,587,539
Annual NOI	\$588,650	\$830,449	\$1,072,248	\$1,314,047	\$1,555,846
- Annual Debt Payment	\$792,695	\$792,695	\$792,695	\$792,695	\$792,695
- Maintenance and Capital Reserves	\$175,500	\$195,000	\$214,500	\$234,000	\$253,500
= FCF	(\$379,544)	(\$157,245)	\$65,053	\$287,352	\$509,651

XVII. Benefits to the Local Community**Tax Revenue**

The State Legislature recently approved Ulster County's plan to raise its occupancy tax on hotel, motel and short-term rental stays from 2% to 4%. At the midpoint of our estimates, Hudson Hideaway will be contributing ~\$106,000 in occupancy taxes. Ulster County also has a 4% sales tax that will apply to all sales. At the midpoint of our revenue estimate, we expect Hudson Hideaway to contribute ~\$106,000 in Ulster County sales tax. As a result, we expect our total tax contribution to be ~\$212,000. If we can hit the high end of our projections, we will be able to contribute ~\$232,000 in taxes to the local economy.

Occupancy and sales taxes will largely be paid for by out-of-town occupants who will not utilize public services. These tax dollars will contribute to local services, local schools, local buses, local infrastructure, and lower the property taxes of local residents.

Jen Metzger, the County Executive, said she would propose devoting a quarter of the annual revenue from an increased occupancy tax to a new Housing Action Fund to address long-term housing needs. 1% of the taxes collected would be dedicated to the County Housing Fund, which Metzger outlined in her State of the County address. Metzger has said that fund, created with an initial \$15 million investment from the county's budget surplus, is intended to work with a yet-to-be-created countywide land bank to "catalyze the development of housing that people can afford." She has called for the other 1% increase to be dedicated to transportation, which she said could be used to cover the continued costs associated with free ridership on the Ulster County Area Transportation system as well as expand the bus system's services.

Majority Leader, Jonathan Heppner (District 23 – Woodstock & Hurley), has further commented that, "this revenue could be used to address our housing crisis, meet our climate goals and fix roads in our community."

Direct Guest Spending

Guests will spend money in the local economy. The average guest will spend >\$100 per night on their stay at local restaurants, cafes, shops, and attractions. At the midpoint of our estimated occupancy range, we expect our guests to contribute an additional ~\$2,000,000 from direct expenditures in the local economy.

The allocation of this >\$100 per night spend will vary based on the guest's preferences, but we can create a hypothetical breakdown as follows. First, a significant portion of the budget is likely spent on meals. Assuming two meals at a local restaurant or delivered to our site from a group delivery at a local restaurant, this would account for \$40 – \$50. Second, for lighter meals, snacks, or beverages, guests may spend around \$10 – \$20 at local cafes and coffee shops. Third, shopping habits will vary by guest, but a portion of this budget will likely be allocated to buying souvenirs, local goods, or necessities forgotten at home. This is likely around \$20 – \$30. Finally, nearby attractions will make up the remainder of this budget. Expenses on local attractions like parks, tours, or entertainment venues will likely range from \$20 – \$30 per guest.

Our guests not only support local businesses but also contribute to job creation and the sustainability of the economic health of the area. This is an important aspect of our business model that aligns with our commitment to being a positive force in the community. Our guests, therefore, are not just patrons of our establishment but are also indirect contributors to the economic vitality and sustainability of the region we serve.

Direct Spending from Hudson Hideaway

As outlined above, we plan to employ a team of ~10-12 FTE employees for a total wage investment of \$600,000. In addition, other operational investments in the business will total ~\$988,000. Our total direct investment in the local economy will total \$1,588,000. This figure underscores our role not just as a business entity, but as a proactive community partner, invested in the economic prosperity and sustainability of the region.

We seek to invest as much as we can locally. We plan to hire local talent, purchase from local suppliers, and engage with local contractors. By hiring locally, we aim to boost the local job market, providing stable employment and skill development opportunities to residents. We are also exploring partnerships with local educational institutions such as SUNY New Paltz, SUNY Ulster, and BOCES for internship and training programs, which would provide valuable hands-on experience for students and help nurture the next generation of professionals in the industry.

Positive Impact on Housing Availability

Hudson Hideaway is committed to addressing the housing crisis by providing dedicated lodging options for guests. Our business directly ensures that local housing stock is not diverted for use as short-term rentals (Airbnbs), thus preserving available housing for the community's residents. In July 2022, the Ulster County Office of the Comptroller released a Short-Term Rental Snapshot. This publication acknowledged that short-term rentals expanded lodging options and brought revenue to local municipalities, but that short-term rentals also reduced the long-term housing supply.

At the same time, the study also found that Ulster County was not capturing all taxes due from short-term rentals. Hudson Hideaway, as a dedicated lodging alternative, will directly improve housing availability as guests have more lodging option while paying both the Ulster County Sales Tax (4%) and the Ulster County Occupancy Tax (4%). By contributing to the solution rather than exacerbating the problem, Hudson Hideaway aims to support the local community and maintain a positive impact on the housing landscape.