



Michael P. Hein
Ulster County Executive

Ulster County Economic Development Alliance

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JUMP START COMPETITION PROGRAM APPLICATION

APPLICATION DEADLINE: JUNE 1, 2018 @ 4:00PM

Form submission:

via email to OED@co.ulster.ny.us or UCEDA 244 Fair Street PO Box 1800, Kingston, NY 12402

GENERAL INFORMATION:

Applicant Name: Alex Shiffer

Business Name (if applicable): Electric Valley Media LLC (Shawangunk Journal) / Zelacom EP, LLC

Mailing Address: P.O. Box 669 / 1 Market Street, Ellenville, NY 12428

Daytime phone: 845-647-9190 Cell Phone: 845-399-1392

Email address: publisher@gunkjournal.com

Applicant is the: Proposed New Business Existing Business

What type of business are you proposing: A coworking space/business center

What do you do now? I run a software development company and a weekly newspaper.

What type of business experience do you have? Have you started a business before?

I have extensive business experience – founding companies, operating and selling them. For the last 25 years I have owned and operated a software development company, writing highly specialized web and mobile applications for various industry segments – mostly in insurance and publishing. Over the years we have generated tens of millions of dollars in IP value for our clients. We also own our own software applications that service the commercial loss control industry. Twelve years ago I started a traditional publishing company, producing a weekly newspaper and seasonal magazine. I am quite experienced in all aspects of running a business: managing employees, finances, operations, marketing, etc.

PROJECT DESCRIPTION

Please briefly describe what you intend to use the grant funds for, if awarded. Include a description of special finishes and your fit-out as well as an early projection of the costs of the project. Attach additional sheet as necessary.

Grant funds will be used to lease, renovate and furnish an existing retail space, and to support the operation as it comes up to speed. The Shawangunk Journal/Zelacom and their 6 full time staff will be the founding, anchor tenant of the facility, providing an initial income stream of \$2K/month. They will also provide the initial administrative and management needs of the operation.

Rent, utilities & facilities management are estimated to be \$6K/month. For a modest (2000sf) space, the build-out, furnishings and IT infrastructure and equipment costs are estimated to be \$50K. The space will include a commons area for coworking, small private offices, a meeting room and conference room, a reception area and a kitchen area. The space will be adaptable for large public meetings and training sessions.

The charge to coworkers to use the facility will be comparable to other regional coworking spaces, around \$200/month for full access, and a \$20 day rate. The goal by year one is to have 20 monthly tenants, and 25 or so day passes per month, for a combined monthly revenue stream of \$4.5K. Coupled with the anchor tenant's rent, we should be break-even at 12 months.

The challenge, of course, is to find those tenants. The newspaper has been publicizing the project for most of May and we have received a good response, so we are confident we will be able to populate the center.

Why is this business appropriate and consistent with the business climate of the Village of Ellenville and/or surrounding areas?

The business climate of Ellenville is still recovering from the loss of its manufacturing and resort industries. Something new needs to start and prosper here, just like those long gone businesses did decades ago. What that may be is unknown, but what Ellenville has to do is create an environment where new ventures are welcome and supported. What better way than a facility to help a new, small local business get a foothold and grow? Ellenville is fairly isolated, and needs a place where new entrepreneurs can network and collaborate.

Once the center is established, it will be a great asset for Ellenville to attract capable people to the community. For someone thinking of moving upstate, having a facility where they can run their small business without the huge headache of renting traditional commercial space could be the deciding factor of where they choose to move. Right now, Ellenville is at a disadvantage; most space is in terrible shape, there is no broadband for many homes, there is no active community for entrepreneurs. How can it attract people who can make a difference? With a coworking space, they can move right in.

How many jobs will this project create?

There is the potential to create myriad new jobs for tenants who are unable to operate from their homes, and who would otherwise be discouraged from pursuing or creating a new enterprise — therefore every new tenant of the Ellenville coworking space is a local job, and then potentially a local business that creates more jobs. We will need 2 people to actually run the coworking space, but the goal is to create an incubator for local businesses to start, expand and create jobs themselves.

PROJECT DESCRIPTION (cont.)

What gives you the confidence this is a project you can undertake successfully? Do you have any partners? If yes, please identify them.

I have run a successful software company (Zelacom) for 25 years, and created an award winning and sustainable newspaper (Shawangunk Journal) – a challenging industry, to say the least. My partner in the coworking venture – Sharon Richman – is my partner in these other businesses, bringing top notch management and financial skills to the enterprise.

A key factor to the success of this venture will be the partnership with the newspaper and software companies. They will provide the center with the management, marketing and IT resources crucial to get it launched and help it grow. Ellenville is not a college town full of young entrepreneurs like New Paltz, nor has it been discovered by Brooklynites, like Kingston or Beacon has. As any local landlord will verify, tenants are hard to come by here, so a coworking space launched without ancillary support could have a tough time getting established. My other companies provide that support, with an added bonus: we employ many freelancers, some occasionally, some very heavily, so partnering with a company that provides working space will benefit everyone.

Tell us why you believe you can open by December 2018?

There is an excess of available commercial space in the Ellenville area, so finding and securing a suitable location should go quickly. Renovating for office space is comparatively easy compared to other uses – we need a commons room, some private offices and meeting spaces, and some network infrastructure. For a space that isn't a wreck, the renovation should be an easy job. And that's all that is required to open the doors.

May 29, 2018

Signature of Applicant

Date of Application