COMMENTS

on

DRAFT ENVIRONMENTAL IMPACT STATEMENT

for

BELLEAYRE RESORT AT CATSKILL PARK

April 19, 2004

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INTRODUCTION

The Town of Middletown has contracted with J. Kenneth Fraser and Associates, PE, LS, LA, P.C. to review and provide comments on aspects of the Draft Environmental Impact Statement for the Belleayre Resort at Catskill Park.

The project is divided into two parts - Big Indian Resort in the Town of Shandaken, Ulster County, and Wildacres Resort, situated in both Shandaken and Middletown Delaware County. These comments pertain primarily to the Wildacres project, although review of economic impacts pertains to the overall development, since impacts cannot be meaningfully separated.

These comments are organized into 1) a summary of findings and recommendations, and 2) topical DEIS review and comments. This review combines background discussion to inform Town officials with DEIS comments that could be submitted to DEC for public comment. It may be necessary to separate comments from review before formal submission.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

A. Visual Resources

Findings

1. Much of the project will be screened and softened from most areas of public view by vegetation, topography, and distance.

2. For those areas which have significant views, the project's character and design is visually compatible with the surrounding landscape and thus will not create significant adverse visual impact.

3. The wastewater treatment plant's design is utilitarian and does not match the high level of architectural design of the rest of the project.

Recommendations

1. During Town site plan review, the Applicant should submit detailed site and planting plans, and building elevations and perspectives.

2. Revise exterior design of treatment plant structures to better reflect the vernacular of the other Wildacres buildings.

B. Lighting

Findings

1. Site lighting is designed to a low level of illumination and directed downward to minimize light trespass and night glow.

2. During the winter, project lighting is seen in the context of the existing Belleayre Ski Resort who's bright lighting already sheds significant light into the viewshed and would dwarf project lighting.

Recommendations

1. Parking lot illumination should be reduced to an average/minimum level of 0.6/.15 foot candles.

2. "Warm" metal halide lamps should be used to moderate the bright white color of these lights.

C. Sound

Findings

1. Construction activities will create temporary (primarily 2-3 years) noise impacts which are unavoidable and typical for any construction project.

2. DEC criteria for assessing the severity of noise impacts are exceeded in several instances, necessitating employment of various mitigation measures.

3. Noise modeling calculations for the rock crushing plant contain some discrepancies, calling into question some assessment and mitigation conclusions.

4. Blasting noise will not result in significant impact due to its temporary and intermittent nature, noise muffling, and distance from sensitive receptors.

5. Following construction and during the operation of the project, the only significant source of increased noise will be the increased traffic on NYS Route 28, particularly during peaks on weekends during the winter. Calculations indicate a modest overall sound increase of 2 dBa, which is at the low range of perceptibility.

Recommendations

1. The Applicant should address discrepancies noted regarding rock crushing and receptor W-7 in the FEIS.

2. During construction, earthen berm sound barriers should be installed around the rock crushing plant.

3. The Town should establish its own daily and weekly construction schedule, enforce mitigation measures proposed in the FEIS, and require the Applicant to notify residents in advance of blasting activity.

4. The Applicant should monitor sound levels at sensitive receptors regularly during construction and adjust activities as required to comply with standards set forth in the DEIS.

D. Cultural Resources

Findings

1. The DEIS demonstrates that historic and archaeological resources will be adequately protected.

Recommendations

1. The Town should require the Applicant to have a field archaeologist on call to ensure protection of resources if uncovered during construction.

E. Air Resources

Findings

1. Based on DEC criteria, the projected traffic volumes and road configurations do not warrant detailed air quality studies, thus implying non-significant impact.

2. Wood stoves and fireplaces will likely increase in number, likely resulting in minimal, though unanalyzed impact.

3. Potential impacts from space heating furnaces were not analyzed in the DEIS.

3. Fugitive dust from construction impacts will have minimal impact on humans due to mitigation measures and air dispersion over distance. The effect of dust on homes, cars, and vegetation was not analyzed.

Recommendations

1. The FEIS should include a quantitative analysis of potential wood stove air quality impacts.

2. The FEIS should include an analysis of potential dust impacts for cars, homes, and vegetation.

3. The Town should require daily monitoring of dust collection equipment at cement and rock crushing plants, with shut down if equipment efficiency is inadequate.

4. The Town should require air quality monitoring at surrounding receptors, with shut down for non-compliance with government standards.

F. Vegetation

Findings

1. 212 of 718 acres of forest (30%) will be permanently cleared, 84% of which will be developed into vegetative cover (golf course, lawn, landscape).

2. The affected vegetative communities are common ones and no rare, threatened, or endangered vegetative species will be disturbed.

Recommendations

1. The Town should review site and planting plans during site plan review to ensure compliance with the mitigation measures proposed in the DEIS.

G. Wetlands

Findings

1. Proposed wetland disturbance clearance is below the Army Corps of Engineers threshold of 0.1 acre. Impacts are not significance.

Recommendations

1. The Applicant should comply with the mitigation measures proposed in the DEIS.

H. Wildlife

Findings

1. No rare, threatened or endangered species or habitants were observed.

2. Forest clearing will destroy habitat and kill nesting birds, fledgling and eggs, ground dwelling small mammals, reptiles and amphibians.

3. Forest interior habitat will be lost in favor of increased forest edge habitat, increasing local bio-diversity but decreasing global bio-diversity with respect to neotropical migrant birds.

Recommendations

1. Forest clearing should be prohibited during nesting season (mid May through mid July).

2. Prior to any winter clearing, Great Horned Owl nests should be located and protected until past nesting season.

3. The Applicant should comply with the mitigation measures proposed in the DEIS.

I. Soils

Findings and Recommendations

1. Soil resources can be protected by complying with the Stormwater Pollution Prevention Plan employing the mitigation measures proposed in the DEIS.

J. Golf Course Impacts

Findings

1. Potential construction impacts are related to potential soil erosion and storm water pollution associated with all construction activity. These are controllable with implementation of the measures proposed in the stormwater pollution prevention plan.

2. Research and computer modeling indicates that pesticide and fertilizer runoff and leaching will not likely adversely affect ground and surface water supplies.

3. The importance of maintaining public drinking water quality, and potential infiltration through and along subsurface rock, counsels special vigilance and several recommendations.

Recommendations

1. The erosion control specialist employed by the Applicant should report to the Town weekly so that compliance can be monitored.

2. The Applicant should conduct further field testing, coordinate with the County on well head protection, and monitor Village of Fleischmann water supply quality, as outlined in the review.

3. The FEIS should address the turfgrass implications of limiting phosphorus applications to comply with NYS DEP requirements. How will the limits be enforced?

4. The FEIS should address concerns about the risk assessment leaching model's applicability on thin soils.

5. The Applicant should be required to remedy any significant contamination of the Village of Fleischman water supply.

K. Potable Water Supply

Findings

1. The DEIS has not demonstrated adequate reliable capacity of the Village of Fleischmann supply system.

Recommendations

1. The Applicant should demonstrate adequate capacity pursuant to NYS DOH requirements in the FEIS.

2. The Applicant should perform 24 hour constant rate pump tests on the spring and wells to establish firm yields.

3. The Applicant should describe future plans for the existing wells.

L. Wastewater Treatment Plant

Findings

1. The proposed on-site plant will be designed and constructed to tertiary treatment standards meeting requirements of the NYS DED and the NYC DEP.

2. The DEIS does not address disposal of sludge produced by the plant.

3. The DEIS does not address potential odor impact on nearby residences on NYS Route 28.

Recommendation

1. The FEIS should address three issues: chlorine gas and other hazardous materials leakage; emergency planning; disposal of sludge, as outlined in the review.

2. The FEIS should address potential odor impacts on nearby residents.

M. Site Drainage and Stormwater Management

Findings

1. Construction phase sediment and erosion control measures and the Stormwater Pollution Prevention Plan are reasonable and adequate to protect soil and surface water resources.

2. The methodology for design of post construction, operational period storm water management represents standard engineering practice.

Recommendation

1. The FEIS should address a number of issues, outlined in the review.

N. Irrigation System

Findings and Recommendations

1. The use of tertiary treated wastewater for irrigation is a safe and commonly used practice.

2. The Village of Fleischmann water supply system capacity needs to be more dully demonstrated.

O. Socio Benefits and Fiscal Impacts

1. Absence of Important Socio-Economic and Housing Data from the 2000 Census

Findings

For the most part, the DEIS uses acceptable economic analysis methodology/techniques to describe, analyze and develop findings for Section 3.10: Socio-Economic Conditions (This statement excludes the fiscal related elements in this section –see #5). However, a major shortcoming is the absence of any detailed 2000 Census economic and demographic information for the defined Route 28 Study Area, and the towns of Middletown and Shandaken, as well as the Tri-County area.

A significant failure in the Applicant's analysis of the project's socio-economic impacts and implications is not including the detailed 2000 Census data, particularly most important information on the rental housing market in the towns surrounding the project and also for labor force for the same areas and tri-county area. The availability of a sufficient local labor pool, including commuting labor from the tri-County area, for the large number of new full-time and part-time job labor at the Resort is an important issue not sufficiently documented in the DEIS.

Recommendation

The Applicant should supplement the issued DEIS with updated information from the 2000 Census: 1) focusing on analyzing the rental housing market in the towns near the project, and; 2) obtaining more information on the supply of labor in the tri-county area.

2. Seasonal Resort Use/Occupancy: Resulting Seasonal Dimension to Economic Benefits

Findings

The Applicant's DEIS in a number of places states that the project will be "a four season world-class Resort..." However, there are likely to be some seasonal peaks and down periods. There is, however, no place in the DEIS, where the use/occupancy patterns are described and quantified by season.

Recommendation

It would be very useful for the Applicant to identify the seasonal patterns of use/occupancy at the Resort, to evaluate the implications for existing and potential new businesses in the Route 28 Corridor regarding the seasonal variation and effects for local spending by Resort visitors and employees in offsite locations. It would particularly strengthen their analysis and findings on the prospective benefits of the Resort to the local economy.

3. Reducing the Impacts of Employee Spending Due to "Out-shopping"

Findings

In Section 7 of the DEIS on the estimation of the increase in local Corridor spending attributable to employees of Belleayre, amounting to $11.6 million a year, there is no downward adjustment for the very typical substantial "out-shopping" that occurs in sparsely populated rural areas, like the Route 28 Corridor . These rural area markets cannot support big box discount stores, like Walmart and Home Depot, and the range of clothing, shoe and home furnishing stores typically located in power centers and malls, or even large supermarkets.

The close retail concentration in the Town of Ulster (immediately north of Kingston) with a much larger base of stores, merchandise and generally lower prices, will drain off employee spending.

The effects of out-shopping can have substantial ramifications for the level of the Project's spillover benefits for the local economy, and also reduce concerns about the levels of induced and secondary commercial development that might be generated by the Project.

Recommendation

The relevant DEIS analysis should be corrected to cover the estimation of potential "out-shopping" by employees of the Resort.

4. DEIS Findings on Economic Benefits, Induced/Secondary Growth & Cumulative Impacts

Findings

The DEIS makes a credible case that there are significant local and regional job and business benefits to be gained from the development and operation of the Resort.

The DEIS makes a credible case, that the Project is not very likely to generate substantial induced/secondary commercial growth. However, on the residential development front, the DEIS does not make as convincing an argument about the minimization of induced/secondary demand for residential development. Notwithstanding the land development constraints analysis, there are likely many sites/parcels that could be developed converted/redeveloped for residential use. There could be an acceleration of the current strong real estate market in the Catskills for high-end second/home seasonal housing, since the Belleayre Resort will make the Route 28 Corridor environs a more attractive place for upscale end homes.

The DEIS also does not adequately address the issue of the availability/sufficient supply of the local/regional labor pool within commuting distance --- versus the case that many new workers might need/seek such housing within the towns in the Corridor. These small rural towns, shown in the 2000 Census which was not utilized in the DEIS, have a limited supply of rental housing.

If new area rental housing and lower end housing cannot be developed (the DEIS identifies substantial limitations - environmental constraints, zoning and potential public policies), then the pricing of the existing stock of such housing

could increase, perhaps significantly. This possibility also has important ramifications for "community character" and is not adequately addressed by the DEIS.

Recommendation

Additional housing analysis should be conducted by the Applicant on the subjects of: 1) the outlook for seasonal/second home development in the Central Catskills, particularly focusing on the Route 28 Corridor, and; 2) the rental housing market in the towns around the Project site, using the 2000 Census data and other relevant sources.

5. The DEIS is Flawed with Respect to the Discussion of and Data on Estimated Sales and Property Taxes to be Generated by the Project

Findings

The following points document the important technical errors, inconsistencies in statements and treatment, and general lack of clarity/specificity on this very important subject:

- Lack of Sufficient Information/Clarity on Tax Receipts During Time of Construction

It is indicated that $ 11.4 million in direct tax revenues and $ 4.95 million in indirect tax revenues will be generated in construction-related taxes. Of the $ 11.4 million, $ 95,800 will accrue to the benefit of Delaware County, $ 732,100 to the benefit of Ulster County, and $ 10.57 million to New York State.

No breakdown is, however, provided as to the types/amounts of specific tax revenues (income/sales and etc.) The EIS states that the intent is to obtain IDA financing and that "sales tax revenue generation would not occur as a result of the project's direct construction expenditures". Where then do the tax revenues for Delaware and Ulster Counties come from during the construction stages? If not sales taxes what then?

While in Delaware County, the towns do not get any distributions from the County's sales tax revenues, most important to the towns of Middletown and Shandaken is the fact that no mention is made of property taxes during the construction state. Property is assessable and taxable each year based on what is in place each March 1 (taxable status date). Thus, some property tax revenue should be available as the project goes through its development stages. Nothing in the EIS provides information on the amount of construction that will take place on an annual basis during the life of the project.

- The Issue of Property Taxes on Undeveloped land

The EIS states that there will be 1,387 +/- acres that are "undeveloped and protected from future development by legal restrictions" (conservation easements or deed covenants). It is not clear who will own the conservation easements or deed covenants. From a property tax perspective it makes a significant difference. If held by a non-profit organization, this acreage, now currently taxable, could become exempt from taxation.

Potentially, if a forest management plan is approved by the Department of Environmental Conservation, the undeveloped acres could also as an option be entered into the Section 480a program of the Real Property Tax Law. If this were done, it would provide the property with approximately an 80 % property tax exemption. From a taxation perspective, there are, therefore, many unanswered questions about the intent and plans for the 1,387 acres of undeveloped land.

-The Critical Issue of IDA Financing

It is clearly the intent of Crossroads Ventures to obtain IDA financing for the project (see introduction to DEIS, page 1-23). As part of the IDA agreement there would be no sales tax related to the Project's construction activities (see item #1, above).

If the Project becomes eligible for IDA financing, Industrial Development Authorities can negotiate (on behalf of Crossroads) agreements for payments in lieu of taxes (PILOT) with local governments and school districts for a period of

years. When this occurs there is no property tax levied on the value of the improvements. No mention is made of requesting a PILOT or entering into negotiations for a PILOT. This does not mean that it could not occur as the project moves forward. It is important to have clarity on the intent not to request a PILOT on the project.

It is central to the DEIS discussion and documentation of prospective benefits of the Belleayre Project, and specifically critical to determining the public finance benefits for the towns of Middletown and Shandaken and the two relevant school districts, that the potential for a Pilot be clarified.

Any Pilot payments in lieu of taxes negotiated with any IDA's could significantly reduce the property taxes paid by the Project for an extended period of time. The two towns and school districts must be aware and sign-off on any Pilot agreements.

It should be noted that IDA Pilots are generally negotiated for projects that are "footloose" – that could locate in any jurisdiction. Hence, Pilots are used as incentives to attract business investment that might locate in many different jurisdictions. Given that this Project needs a location in close proximity to the State Ski Center, it is not "footloose". The justification for any Pilot is, therefore, not compelling from a public policy position. The Applicant has not made any case that a PILOT is necessary for the Project's financial viability and, therefore, to the development of the Project.

-The Project's Full Market Value is Understated/ The Highmount's Market Value Appears Overstated

The estimated full market value of $ 235.8 million for the Project, excluding the Highmount Estates subdivision, fails to include the value of the land and only covers the cost of the improvements. The land value must be added to determine a full market value. This includes the land value of both the developed 573 acres and the undeveloped 1,387 acres. Absent exemptions or PILOT payments (see above), significantly more property taxes should be obtained from the Resort's acreage holdings.

Normally land value runs 15-25 % of the total market value of an improved property. But the implicit estimated aggregate land value of the Highmount subdivision we derive from the DEIS exceeds the improvement value.

- Construction Costs vs. Estimate of Full Market Value

The estimate for full market value for the infrastructure, hotels, conference center, clubhouses, wilderness activity center, and children's center are all at 60 % of the construction cost, while the ratios for the detached lodging is 70.3 % and the golf courses, 32%. No explanation or rationale is given for reducing the various construction costs to get to full market value. Full market value is normally construction costs, plus the value of the land (which is missing –see above).

Under normal local governance circumstances, the local assessors are the ones who determine the relationships between construction costs and market value. We do not have any documentation that the percentages identified above were reviewed, approved or provided by the town assessors.

- Breakouts and Documentation Needed on Estimate of Assessed Value

Neither the construction costs nor the estimate of full market value are broken down between Shandaken and Middletown. For any meaningful property tax analysis it is necessary that there be such a breakdown.

There is no accurate way to assess the estimates of assessed values in Section 3, Table 3-73, and Appendix 26, table 4-10, which ultimately lead to the calculations and projections of property taxes. We examined the estimates of assessed value relationships to the estimates of full value and found that they have no logic.

- Use of Section 485b Business Exemption

State law allows local governments and school districts to provide a business investment exemption which shields a percentage of the new assessed value

associated with a business related investment from property taxation for a period of ten years. Individual jurisdictions have the authority to not grant this exemption benefit, or vary the extent to which the exemption will apply to a particular project.

The estimated future tax revenues shown in the DEIS are premised on the use of the Section 485b business exemption for all project components. However, this State law would not seem to be applicable to the detached lodging units and the Highmount Estates residential subdivision. This exemption cannot be authorized by local governments if a project is given IDA coverage and is thus taken off any assessment rolls. Therefore, Middletown and/or Shandaken and any school district encompassing the Belleayre Project cannot provide the 485b exemption if the project has received IDA financing.

It is also important to note that the 485b exemption may be granted by local taxing jurisdictions only after the construction or improvement project has been completed. For a project the size of Crossroads Venture this has special significance.

- Project Property Tax Projections

In Section 3-10 of the DEIS and Chapter 4 of Appendix 26 (and associated tables) the Project's estimated future tax revenues are discussed and presented. For a significant number of reasons, primarily associated with our documentation on the major problems with the base data on property values and taxes, this information and the associated tables have many very serious flaws with respect to assumptions and apparent data shortcomings. These include: the value of land over time; the 485b exemption issues and taxes during the construction phase; the need to separate out the two jurisdictional towns; the relationship of full market values to construction, and; the unexplained inconsistencies between the estimates of assessed to full market values.

Recommendation

We strongly recommend that because of the serious and extensive problems documented in our review of the Fiscal Impact – Sales and Property Revenue Generation - elements of the DEIS and its Appendix 26, that the towns of Middletown and Shandaken require new submission of all the relevant sections. Complete revisions to address technical and analytical errors and omissions should be undertaken by the Applicant. In addition, the Applicant should provide clarity regarding the intent to seek and use State and local authorizing authority to receive certain property and sales tax exemptions and subsidies. The Applicant should also be required to show the property and sales tax revenues generated by the Project's construction and operation with and without the intended exemptions/ subsidies. The information related to property values, assessments, and taxes should be broken down and displayed for both Middletown and Shandaken separately. This data should also be shown for the current status of the acreage in question, for the period while construction is in progress and at the end of the construction of the Project.

VISUAL RESOURCES & AESTHETICS

The DEIS covers this topic in three sections: Visual Resources, Lighting, and Sound Resources. These are discussed in turn, below.

Visual Resources

A visual resource assessment should include three main components: 1) a description of the affected landscape; 2) an assessment of the visual impact (positive or negative) resulting from a proposed development; and 3) a prescription for mitigating adverse impacts. The DEIS provides such an analysis and reaches conclusions based on sound methodology and recognized principles of landscape aesthetics.

The assessment clearly describes the Catskill landscape setting for the project. Absent however, is a scenic quality analysis based on regional criteria, often included in landscape assessment studies. Nevertheless, such a quality assessment would add little to the analysis for this project and is not recommended.

The methodology for the visual impact assessment has two parts: 1) a determination of the potential visibility of the project from important vantage points; and 2) a description of the character and significance of that visibility. This methodology provides a qualitative analysis that goes beyond the straightforward question of visibility by addressing how the project will be perceived by a viewer.

The first step, however, is determining visibility. The DEIS methodology included the following elements: 1) establishing a study area; 2) choosing potential distant vantage points such as mountain peaks and overlooks; 3) conducting a limit-of-visibility analysis for middleground and foreground views. Study methods included map analysis, cross sections, computer modeling, field checking, photographs, and balloon simulations; and 4) identifying particular vantage points for qualitative analysis.

Without having field checked the results, the visibility methodology is sound and seemingly thorough. The analysis considered important visibility factors like topography vegetation, autumn leaf drop, distance and prominence.

Of the 17 distant viewpoints, only four have any potential view of the development. However, each of these views exceed 15 miles, and from that distance, the project's visibility and impact will be negligible.

Middleground viewpoints with potential views to the Wildacres part of the project are limited to Wood Road in the Village of Fleischmann and Sunset Lodge at the Belleayre Ski Center. Views from NYS Route 28 are insignificant due to viewing angle, topographic and vegetative screening.

The character and significance of views is the heart of visual impact analysis. The question is not whether a development is visible, but how a view of a development will alter a person's perception of the landscape. Visibility alone does not mean adverse impact. Instead, a development's impact is a function of design and the nature of the development within its landscape context. For example, construction of a factory within an existing industrial district would be functionally and visually compatible, and to most people, there would be no adverse visual impact resulting from a view of that factory in that setting. However, that same factory located in a residential area or along a recreational lake would be incompatible and adversely affect one's view of those landscapes - hence adverse visual impact.

Visual impact is as much about people's perceptions and attitudes as it is about whether something can or cannot be seen. Another example demonstrates the concept of "visual meaning." Electricity producing wind turbines are being built around the world. Often, initial local opposition based on visual impact has given way to active acceptance as people embraced the concept of environmentally clean and sustainable energy. What was initially perceived as ugly is now considered interesting and often beautiful because of what it represents. Hence, its "meaning" can change people's perception.

While the DEIS's visual assessment does not provide a clear definition of visual impact, it does address (in the context of its discussions of particular views) important visibility and contextual factors used in visual analysis. These include distance, scale, prominence, design, land use context, and others. By weaving these factors into the discussion, the DEIS adequately addresses the nature of potential visual impacts.

As noted above, actual visibility of the Wildacres development is very limited. The view from Wood Road is the most pronounced as a large portion of the golf course and resort hotel would be visible from about 1.3 miles. However, the nature of the clearing creates a pattern of open land and forest that is similar to the existing rural residential and agricultural setting. A horizontal pattern actually blends with the landscape in a more naturalistic way than the vertical clearings of the Belleayre ski slopes, seen as a backdrop to the golf course. The recreational use and vegetation pattern are visually compatible in this context.

The architectural design of the proposed buildings is with the exception for the wastewater treatment plant, of high quality and reflective of Catskill vernacular architecture. It is a positive factor that contributes to the visual compatibility of the project in this setting.

In conclusion, because of the project's limited visibility, high quality landscape and architectural design, and essential landscape compatibility, the DEIS's assessment of insignificant adverse visual impact is well founded. In addition, the proposed mitigation measures listed on Page 3-168 of Volume 1 describe a high level of architectural and site design that will help ensure landscape compatibility. A further recommendation is to revise the design of the treatment plant buildings to reflect the high quality vernacular architecture proposed for the other project buildings.

Lighting

Site lighting at Wildacres is designed to illuminate access drives, parking areas at the golf course club house, Marlowe Mansion Restaurant parking, the clubhouse pool and tennis area, roadway intersections, and at individual housing units.

Road and parking lighting will be 250 watt "cut-off" fixtures with shields mounted on 20 foot poles. These fixtures cast light downward and also shield trespass light in chosen directions. The proposed illumination level is 0.75 foot candles, although the DEIS does not state if that is an average or a minimum level. Individual housing units will have residential level 70 watt fixtures on 6 foot poles.

When compared to typical commercial or residential lighting plans, this is a restrained plan that will keep overall light levels and trespass to a low level. The Illuminating Engineering Society of North America (IES) recommends average/minimum levels of 2.4/0.6 foot candles for medium commercial development like community shopping centers and office parking, and 0.8/0.2 foot candles for low level lighting of neighborhood shopping or educational facilities. These recommendations, however, are guidelines, not standards; the illumination levels chosen for each site are a function of several factors, including activity, setting and context. For example, Price Chopper lots are designed for an average of 1.7 foot candles which is below the IES recommended 2.4 foot candles.

We recommend that the parking lot lighting be designed to achieve an average lighting level of 0.60 and a minimum level of 0.15 foot candles. These levels are appropriate and adequate for this type development and setting.

Consideration of light impact from Wildacres must be made in the context of the existing Belleayre Ski Center. Trail lighting for skiers and illumination of late night snow making already introduces considerable light into the viewshed. This is not a dark, pristine wilderness area, and light from Wildacres will appear modest in comparison. Warm season lighting, of course, will not be drowned out by the ski center. Nevertheless, the lighting scheme will limit the development's contribution to night glow as much as possible by keeping overall levels low and directing light downward.

It is recommended that the developer provide illumination analysis of a completed lighting plan during site plan review.

Sound Resources

The DEIS describes and quantifies the existing sonic environment, separates impacts into construction and operational phases, and identifies mitigation measures to reduce sound increases that exceed a standard.

Two representative sites were monitored in the vicinity of Wildacres: one on County Route 49A and the other on Gunnison Road. Each of these was located to represent sensitive receptors (residences) in their vicinities. Ambient sound levels for different times of day and durations were taken. The primary source of background noise is NYS Route 28 and the sound

of wind blowing through trees. The existing sonic environment is typical of rural or small town/quiet residential settings. The methodology used for recording the ambient sound levels is standard.

Every development generates temporary construction period noise that can disturb surrounding residences and other sensitive receptors. It is part of the cost of progress that society generally accepts. However, it is important that such impacts be temporary and within tolerable limits. The primary noise generators include heavy equipment, trucks, rock crushing, and blasting.

The DEC references a NYS DEC document, entitled "Program Policy - Assessing and Mitigating Noise Impacts." published in 2000, to establish a 10 dBa increase as significant and requiring mitigation. Using equipment and other sound generation data, the DEIS models and projects sound levels from construction activities for each receptor. Several exceed the 10 dBa level and warrant mitigation measures, which include maintaining vegetative buffer for distances over 500 feet and constructing temporary earthen berms for closer receptors. Other general construction mitigation measures, including limiting work hours, requiring operational mufflers on trucks and heavy equipment, and using the smallest equipment needed for a particular job in sensitive locations, are standard.

The tables and figures of Appendices 22 and 22A raise some questions about the DEIS's conclusions. First, Table 4-4 - Access Road Construction Sound Levels - indicates that rock crushing activities are 1000 feet from Sensitive Receptor W-7, yet Figure 1 of Appendix 22A (Air Quality) depicts 700 feet, as does scaling off the site plan from the practice tee location. Table 4-4, footnote c, does state a different location for the rock crushing plant (Northwest Parking lot) that is 1,000 feet. The indicated 20 dBa reduction of sound is based on 1000 feet. However, another 15 dBa is based on 500 feet of forested buffer when the site plan scales 350 feet, and there is a 6 dBa reduction due to topographic barrier when the plan indicates no intervening hills. Table 5-2 then goes on to indicate that no mitigation is necessary for receptor W-7 because the increase in sound would be less than 10 dBa.

The above-noted discrepancies raise doubts about the impact assessment. In addition, rock crushing is the noisiest and most continuous construction activity proposed; it deserves special attention. We recommend that earthen barriers be constructed around and as close as possible to the rock crushing/cement mixing plant for effective noise mitigation.

Concern has been raised over blasting that would be required for some of the excavation. Blasting impacts can include vibrational damage to foundations, wells and utilities, fly rock, and instantaneous noise disturbances. With regard to noise, modern techniques like using the minimum amount of explosive charge needed for the task and placing blasting mats over the affected area greatly minimizes the blast noise. In addition, the 1,500 foot distance to the nearest sensitive receptor would reduce the estimated blast noise to 46 dBa - 4 dBa below the existing ambient sound level. Blasting would also be infrequent, brief, and performed over a limited duration. Blasting noise impacts, therefore, will be minimal.

Damage to wells and foundations is rare, but possible. We recommend that the developer be required to monitor before and after conditions at the nearest receptors, and be required to compensate landowners for damage caused. They should also be required to notify local residents, employ certified blasting personnel, and comply with all state and federal regulations.

Following the construction period and during the operation of Wildacres, very little additional noise will be produced. The only source of increase would be the increased traffic volume on NYS Route 28, particularly in the winter, as Belleayre is a major attraction. Traffic is estimated to increase 50% during peak winter periods, resulting in a 2 dBa noise increase. This level of increase is not perceptible by people.

In conclusion, construction period noise impacts are temporary, but still significant in some locations. The DEIS mitigation measures should be effective in minimizing the sound disturbance to acceptable levels. The Town should establish and enforce a daily construction schedule along with the mitigation measures listed on Table 5-2 of Appendix 22. In addition, the mitigation measures regarding blasting noted above should be imposed and enforced.

Estimate of Assessed Value

Neither the construction costs nor the estimate of full market value are broken down between Shandaken and Middletown. For any meaningful property tax analysis it is necessary that there such a breakdown be created. Tables 3-60, 3-73, and 4-10 need to have the data split between the towns of Shandaken and Middletown.

There is no accurate way to assess the estimates of assessed value in Tables 3-73 and 4-10, which ultimately lead to the calculations and projections of property taxes. The estimates of assessed value were examined in relationship to the estimates of full value. The estimates of assessed value to full value were found to be as follows:

Golf Courses	75.00 %
Highmount Estates Subdivision	75.00
Infrastructure	60.00
Detached Lodging Units	51.80
Hotels	73.12
Conference Center	50.00
Clubhouses	59.86
Wilderness Activity Center	50.00
Children's Center	50.00

The relationship of assessed value to full market value makes no apparent sense. The 2001 equalization rate for Shandaken was 45.69 and for Middletown 97.53. The equalization rates can be used to arrive at an estimated assessment, but the use of 2001 equalization rates would not likely produce the above relationships of assessed value to market value. The assessed value/full value relationship, at best, would indicate that the Conference Center, Wilderness Activity Center, and Children's Center are in Shandaken. Following this logic, one golf course would be completely in Shandaken and the other in Middletown (which pursuant to the maps is not true). One clubhouse would be in Shandaken and the other partially in Shandaken and partially in Middletown. One hotel would be in Shandaken, and the other mostly in Middletown, but with a small portion in Shandaken. The infrastructure costs would be largely in Shandaken.

An explanation is needed on the derivation by town of the assessed value estimates.

Section 485-b Business Exemption

On pages 3-205 and 4-10, the following statement is made, "New commercial development projects like the proposed Belleayre Resort are often provided a business investment exemption which shields a percentage of the new assessed value from taxation for a period of ten years. Individual municipalities have the authority to waive the exemption, or vary the extent to which the exemption will apply to a particular project". A municipality has several options. It may designate eligible business property by specific sectors and sub-sectors as defined by the North American Industry Classification System. It may identify specific geographic areas in which the exemption is available. It may limit the exemption to less than the standard set by the statute.

The Assessor's Manual prepared by the Office of Real Property Services states the following;

"State law allows the exemption to be granted to facilities used primarily for the buying, selling, storing, or development of goods or services, the manufacture or assembly of goods, or the processing of raw materials; however, local taxing jurisdictions may restrict exemption to only some types of businesses in any or all of these categories. If they are not excluded from eligibility by the taxing jurisdiction, the exemption also applies to hotels and motels, but not to property used primarily for the furnishing of other types of dwelling accommodations to residents or transients."

The estimated future tax revenues in Tables 3-74 and 4-11 are premised on the use of the Section 485-b business exemption for all project components. Based on the above citation, the Section 485-b exemption would not be applicable to the Detached Lodging Units and the Highmount Estates Subdivision.

It is also important to note that the exemption may be granted only after the construction or improvement project has been completed. For a project the size of Crossroads Venture this has special significance. Does it means that the entire eligible portion of the project must be completed, or could particular improvements, such as a hotel, qualify once it is completed. In any event, partial improvements would be fully taxable each year prior to the Section 485-b exemption being granted. This does not seem to be contemplated in the EIS.

Miscalculation of Section 485-b Phase-out

On pages 3-206 and 4-12 of the EIS it is stated that the "proposed Belleayre Resort project would generate approximately $ 2.15 million annually after reassessment, with this amount increasing by about $ 126,500 each year for ten years". For the moment, assuming the $ 2.15 million were correct (which it is not believed to be), the $ 126,500 is wrong. A phase in at 5 % a year over ten years would result in an annual increase of $ 215,000.

Current Tax Payments

Tables 3-71, 3-72, 4-8, and 4-9 show estimated property tax payments. Only the tax rates were checked for accuracy. The tax rates are all for 2001 taxes with the exception of the Delaware County General tax rate. The tax rate in the tables is for the 2000 tax year. The 2001 tax rate is slightly higher.

Based on the 2001 data, the Delaware County portion of current property taxes is 14.4 %.

A difference of nearly 100 acres exists in the acreage carried on the assessment roll and that cited in the EIS. The EIS recognizes this difference, which could have a prospective future property tax effect.

Property Tax Projections

Pages 3-205 to 3-206 and 4-10 to 4-12 discuss the estimated future tax revenues. Tables 3-74, 3-75, 4-11, and 4-12 portray this information. For a significant number of reasons this information and these tables are have serious problems and several inaccuracies. Among them are:

* the data and tables assume the current land value will remain unchanged and carry the same assessment as at the current time. With development, the existing land values should be much higher.

* the business exemption has been assumed for all project components. The business exemption will only apply to certain components.

* the project will occur over several years. The tables are premised on completion within one year. No recognition is given the period between the start of the project and the completion of the project. There needs to be year by year assumptions and projections.

* there is no ability based on the prior tables to separate out Middletown from Shandaken. It is necessary to separate the two towns both in terms of project components and estimated full market value.

* the estimate of full market value to construction cost is unexplained and is far below what the construction costs are estimated.

* the estimate of assessed value to the estimate of full market value vary widely and without explanation. On the surface they seem to be wrong.

The following comments have been prepared by the Delaware County Planning Department on behalf of the Town of Middletown Planning Board. The comments reflect the impact of the proposed Crossroads project in relation to the local plans and goals as well as local laws.

Executive Summary

The proposed project could place a strain on some community services including the Margaretville Hospital and the local volunteer fire and ambulance services.

Recommendation

The "Crossroads Foundation" or a foundation of the resort should establish an annual contribution fund to be contributed to these facilities for the purpose of alleviating some financial strain to these services.

As indicated by the applicant the resort should allow for staff to be trained as volunteer firemen and EMTs to assist the local fire and emergency squads.

2.1/2.1.2 Wildacres Resort

The sheer number of "visitors" that could potentially be in the area at one time would create quite a strain on the area infrastructure, specifically regarding to traffic congestion. It seems difficult to predict the popularity and attendance of the resort, therefore determining the number of patrons at anyone time would be difficult. Regular shift changes will only add to the traffic.

No discussion about the zoning of the area verses the rest of the facility. Will residential areas be sub-zones of another zone according to local land-use regulations? What about district regulations for these zones and the time and money needed to re-work existing codes and regulations to adequately apply to this multi-faceted development.

Recommendations

It may help if anything could be done to better prepare area residents for the increases in traffic expected during large special events such as seminars and conferences.

2.2.3 Potable water supply

Water demand was calculated for average use, peak demand and for fire protection. A 20% reduction was factored in due to the use of water-saving fixtures. 2/3 of the usage will be for "residential" uses with the rest for restaurants, laundry, etc. A large storage tank on-site will contain enough water for short-duration fire protection as well as one day's supply of potable water.

Raw water will be purchased directly from Fleischmanns and be treated on-site. Studies have been completed finding that the Village has enough water to adequately supply Wildacres while having enough for its future needs. Three wells, two of which may need some maintenance, and a spring supply the Village.

What role, if any, would the Wildacres resort complex perform regarding the Fleischmanns water supply if the Village happened to dissolve? Who is responsible for the maintenance of municipal lines, up to and on the site? Will this be a job of the Village crew, or will the complex hire its own staff to handle maintenance. There will not be any "back-up" wells onsite for potable water?

ecommendations
As a means of mitigation if water supply becomes a concern, the resort MUST drill a new well for Fleischmanns and its own use.

A contract with Fleischamnns for the purchase of water should include a clause requiring any contamination or destruction of the Village water supply as a result of this proposal will result in a new system for the village being developed and installed by the owners of the resort complex. The contract should also include a release clause that the village can impose at any time to protect their own supply and demand including in times of drought.

2.2.4 Wastewater treatment and disposal

Wastewater will be treated to tertiary standards to meet DEP requirements and will either be stored in a holding pond for use as irrigation water during golf season or will be discharged to an unnamed tributary of Emory Brook. Daily, maximum, peak and peak instantaneous loads were calculated, both with and without a 20% savings calculation for water-saving fixtures.

Discharge to the 7.4 million gallon pond will occur during the golf season and the water will be used for course irrigation. The pond will be lined and designed to deter spillage or failure. The pond and treatment plant will be sited outside of Fleischmanns' Wellhead Protection Areas. The discharge to the intermittent tributary will be inside the WPA but the surface discharge should not affect the water supply of Fleischmanns. The treatment plant will have emergency power if needed.

2.2.6 Site Drainage and Grading

Cuts and fills will be balanced as best as possible. Grading and stormwater control will be performed in accordance with the site's Erosion and Stormwater Plan. Impervious surfaces on Wildacres will be about 33 acres. This number is minimized by including pervious surfaces where possible and stacking impervious surfaces where possible (parking garage).

2.2.8 Lighting (see maps SL-1→SL-14)

Although many steps have been taken to reduce the amount of light "pollution", on-site safety should supercede outside concerns. There is undoubtedly going to be some ambient light glow from a complex of this size, and there isn't a need infringe on-site safety for a minimal decrease of glow.

2.2.10 Signage

No mention of the signage requirements for residences; will they adhere to local codes or will this be addressed in deed restrictions/use of property?

2.2.11 Utilities

Will local delivery schedules/frequency be affected by the energy demand of such a large capacity facility?

Utility upkeep/fuel management of non-hotel residences will be performed by staff, similar to that of a university, or will individual patrons have some means of control? Will utility costs be included with other costs or will they be stand-alone.

2.29 Landscaping and Open Space Management

Deciduous trees are prolific seeders. What is the advantage of planting deciduous trees vs. letting them reseed naturally? Was the impact of natural reseeding considered in the plan for tree planting or what impact will natural reseeding have on the tree planting plan?

Section 2.3 Construction Activities

Will there be time limits during the construction phase to mitigate potential noise and traffic impacts? Will they work on holidays?

2.4/2.41 Building Functions

Where will golf carts be stored on-site during both the open season and the off season?

Will the Highmount Estates (Ulster Co.) be constructed all at once by the developer, or will they be built according to demand?

Will lots be sold, if so, what type of restrictions will be placed on lots and will there be any input from the local level?

Is a specific housing type preferred, mandated?

What about colors & landscaping styles?

When will detailed deed descriptions be available?

2.4.6 Energy

Product purchasing: How will this be guaranteed, how would anyone know and what could be done if less environmentally sound products are brought into use?

Are there any proposals for on-sight alternate energy creating sources that potentially add excess energy back to the grid?

Section 2.4.7, Delivery of Goods and Services

What about delivery of goods and service during the construction phase? What can we anticipate regarding truck traffic and employee traffic during the construction phase? This section only talks about the operational stage.

3.1 Geologic and Topographic Resources

Blasting of rock for the Wildacres Hotel site looks like it won't impact well water resources in Fleischmann's – didn't address springs in the area but it seems unlikely that relieving overburden would impact underlying strata that supply the springs – blasting already occurs at the Belleayre Ski Center and no complaints have been registered from that – 375,000 cu yds over three months to be removed between the hotel site and part of the pond area – blasting will be mitigated by usual techniques

Cut and fill will be done only where needed and is balanced on the Wildacres site (minimizing truck traffic back and forth from Big Indian) – topsoil will eventually be brought in for the golf courses – 74% of site remains undisturbed

Slopes range from nearly 0% to greater than 40% - most building will occur on 3%-15% slopes – generally, greater slopes are avoided for building

3.2 Surface Water Resources

Wildacres is outside the 60-day travel time to the intake on the Pepacton

No streams on the parcel will be physically altered – one small bridge crossing an unnamed tributary of Emory Brook will be built but won't affect the run of the tributary.

No NYS wetlands or floodplains are on the parcel

The unnamed tributary of Emory Brook that will have the WWTP outfall is an intermittent, Class B stream

A concrete plant and rock crusher will be temporarily sited on the area of the future Wildacres Hotel – stormwater from this site will be mitigated

Water quality in the area is currently good – typical water quality indicators were within limits during several sampling events in the past few years (DEC and DEP)

The WWTP is going to discharge to one of the unnamed tributaries to Emory Brook for about half the year – the effluent will go through tertiary treatment – DEP will want to ensure quality, obviously - apparently the volume of effluent will not negatively affect the base flow of the creek – the rest of the year, effluent will be stored in an irrigation pond for use as spray irrigation on the golf course

DEP is running a 10-year baseline monitoring program around Crossroads in addition to other water quality monitoring efforts in the area

Erosion and sediment control – overall, the plan presented to us back in the summer/fall '03 regarding phasing and stabilization at the Big Indian golf course was impressive – it seems like they're going the distance with minimizing runoff and erosion and it looks like the same will be the case for the Wildacres section – in addition to the phasing plan, extra E&SC measures will be taken around the unnamed tributaries to Emory Brook during construction of the Wildacres/Highmount course.

Nutrients

Nutrient export was broken out by either point source (WWTP) or non point source (stormwater). This export could impact local stream/groundwater quality or, conceivably, some or all of the loads generated by Wildacres could reach the Pepacton. If everything reached the reservoir, P loading to the Pepacton would increase by a total of 90.7 kg/yr (42.7 point, 48 nonpoint). N loading would increase by 308 kg/yr (94 point, 214 nonpoint).

Since P is the contaminant of concern, what would the 90.7 kg/yr increase to the Pepacton mean? Very little. The TMDL for the Pepacton is 79,167 kg/yr. The Waste Load Allocation (WLA=point source or WWTP) is at 386kg/yr, the Load Allocation (LA=nonpoint source or stormwater) is at 70,864 kg/yr and the Existing load is at 37,327 kg/yr. With a difference between the existing load and the TMDL of 41840 kg/yr (this is the additional amount of P that could safely be absorbed by the reservoir), the possible 90.7 kg/yr increase attributable to Wildacres would represent only small

fractional increase in phosphorus to the Pepacton. The increase in nonpoint nitrogen is probably due to fertilizer use.

Both P and N exports were modeled and compared with existing tributary concentrations. In each case, the increases of P and N were not expected to result in significant impacts to the environment.

Pesticide and fertilizer use

Pesticide and fertilizer use is summarized in the Integrated Turf Management Plan (appendix 14). Overall, the use of pesticides and fertilizer will be minimized to prevent excess runoff. Both were modeled to try to better understand their fate and transport from the Wildacres site. The pesticides chosen for use are safe for use in NYS and will only be used in spot instances of disease – curative rather than preventative. Blanket applications will not occur.

Fertilizer use will follow a similarly managed program. Optimal, but not excessive, rates of fertilization will be applied based on climatic conditions, turf grass requirements, etc. Crossroads seems keenly aware that excessive runoff from fertilizer in the form of P and N could potentially negatively affect water quality off-site and raise DEP's ire. They're not into that.

3.3 Groundwater Resources

The Village of Fleischmann's water supply system consists of three wells and the springs (appendix 7). These sources provide approximately 550,000 GPD (about 220,000 GPD from the spring alone). The Wildacres portion of the resort will require approximately 110,000 GPD of potable water. As a result, it would seem the Village has ample supply. Wildacres would purchase this volume from the Village, which will be obtained from the springs. If supply to the Village was negatively impacted, several mitigation options were put forth, including Crossroads installing a new well for the Village or installing a well for their own use.

With regards to the soils, the term 'glacial till' may prove to be too vague of a generalization. In the regions surrounding the Fleischmanns Water Supply, the till is without fragipan (a clay layer) which could impede the infiltration of potential

contaminants. This particular till appears to be of supraglacial origin (top of the glacier) and therefore possess different properties that relate to its ability to transport groundwater. In general, supraglacial debris contains less of the finer components that otherwise impede the infiltration of groundwater.

There is very little overall concern about the conditions of the groundwater surrounding the Fleischmanns water supply. There currently is a water treatment facility proposed for the raw water purchased from the Village of Fleischmanns. There is little to no mention of where the chemical used to treat this water will be stored.

The use of pesticides on the golf courses is also of concern where the Village water supply is concerned. The report indicates no pesticides would have a residence time greater than the 30 to 60 days, in compliance with New York City regulations, however, there is no study done to show if this residence time is enough to prevent contaminants from entering the Village's water supply.

The water well data presented in the report is questionable. This is because of concerns with two of the reported wells. The two wells in question lie along Emory Brook. The first well is no longer connected (a result of the 1996? flood), and even if it were, it is in close proximity to the brook itself (less than 50 ft). In this situation, there may be a concern with the amount of water that could be pumped before inducing recharge from the brook itself. This is commonly referred to as "wells under the influence of surface water," and cannot be permitted for municipal drinking water supplies.

The other well in question is also along Emory Brook. This well, according to the current water superintendent, is no longer owned by the Village of Fleischmanns. In fact, if this is the same well, it has been capped and covered and is now worthless for data purposes. Therefore, the overall water capacity data for the Village of Fleischmanns may be inaccurate which may warrant concern for the availability of the spring water for the proposed usage by the Wildacres Resort.

Another issue of concern is the discharging of effluent into the unnamed tributary of Emory Brook that runs near the Village's water supply. To do this, the tributary needs to be acting as a 'gaining stream' meaning that it is fed by the water table rather than a

'losing stream' which adds to the groundwater in the area. Tributaries of this type have a tendency to do both at different times of the year, as long as the 'gaining' times match the effluent discharge times, there should be no problem.

A point of concern on page 3-4 regarding the soils and the placement of the Wildacres Resort Hotel: The site is located on shallow Halcott soils that are considered groundwater recharge soils. Disruptions of this area may have significant impacts on the quality and quantity of available groundwater for the Village of Fleischmanns.

In addition, the amount of blasting required in the area will have a net overall result of increasing infiltration in the surrounding areas from the blast. This induced increase in potential recharge allows for less time to react to potential contaminants once in the groundwater. This also may serve to create a new preferred orientation of groundwater transport which may ultimately cause Fleischmanns water supply to suffer. There is no mention of how the effects of proposed blasting and mass disturbance upslope of the Village's spring water supply.

The structural integrity of the Fleischmanns water supply is currently in question. The reservoir holding the springs and one well's water is leaking and may be adversely affected by the vibrations caused by blasting.

In section D, pg 3-14: Unmapped Drainages
The presence of unmapped drainages that appear in the upslope region, disappear at a point underground, and then reappear farther downslope is of great concern. The ability for these to influence the availability of groundwater should be taken into consideration. Any of these such drainages within the drainage basin of the Village's water supply has the potential to influence the Village's water supply and disturbance or contamination should be avoided at all costs.

There is a concern with the filling of wetlands in the proposed Wildacres area. These wetlands may actually contribute to the recharge of the Fleischmanns spring location. Filling these in my negatively impact the overall discharge of the springs down gradient of spring location.

The storage of the fertilizer, chlorine, and other chemicals used to treat the water supply and golf courses should be well away from potential contaminant locations and recharge areas involved with the Fleischmanns springs.

In the pesticide testing results for the region around the Village water supply fails to address all the soils in the area. The following soils are not listed in the analysis and should potentially be considered:

Lackawanna, Lewbath, Maplecerst, Mongaup, and Rockrift

Recommendations

The chemicals for treating the water at the resort should be stored in a secure location in the eastern section of the resort, in the area deemed least likely to contaminate the water supply.

There is very little that can be done to remove contaminants from groundwater; therefore, another water source location should be identified in an area geographically and hydrogeologically separated from the current sources to ensure the ability to provide for the community as well as the resort should an accident happen and the groundwater become contaminated.

Before blasting takes place, an emergency management plan for locating a new water supply for the Village as well as the resort should be undertaken.

Notification of residents within the allocated distance required for blasting should not be optional, it should be mandatory (see pg. 3-8 #6)

Subsection 3.3.3 addresses proposed mitigations to groundwater resources. Pesticide use will be tracked (DEC requirement) and reports will be produced annually. An ongoing monitoring program will be established to ensure that pollutant transport off-site is negligible. Groundwater will be tested for nitrate and for specific EPA Method 8081 pesticides used onsite. Applicant proposes two baseline surveys using two current wells, one on Big Indian and one on Wildacres. The Wildacres well, Rashid, is located on the lower part of the assemblage off Gunnison Road. No sampling during construction

phase, but annual sampling during grow-in and for five years after build-out. If samples are non-detect after that point, sampling will be discontinued.

Recommendation

Some sampling should continue indefinitely to ensure no contamination during operation statges.

Response to Subsection 3.3.3

The majority of mitigation techniques to protect the groundwater resources in the Fleischmanns vicinity are good. For example, minimizing the use of pesticides and fertilizers is the best first step to avoid contamination migrating off-site. The modeling used to judge proper application rates also seems to be sound. However, the groundwater quality testing program being proposed (3.3.3.G.2) by the applicant is unclear.

Prior to construction, the applicant proposes a baseline sampling regime on the existing Rashid well to test for nitrates and EPA 8081 pesticides that will be used onsite. During construction, no sampling is proposed. Then, annual sampling will resume during grow-in and for the first five years of full resort operation. If these samples are non-detect, sampling will be discontinued after the initial five-year period. A criticism of the rpopsed sampling is that the regime is lacking in timing, frequency and location since the bulk of the Wildacres assemblage falls directly within the primary and secondary recharge areas for the Village's spring water supply.

With respect to location, sampling the Rashid well will yield useful information about the lower portions of the Wildacres site. However, much of the recharge area of the springs is located fairly distant to that well.

The DEIS stated that fertilizers and pesticides will not be used during the construction phase. However, to have a functioning golf course on Wildacres by Year 3 of construction, turf management will have to begin soon after final grading is complete on each phase (Year 2 to Year 3).

Recommendations

The applicant should establish one or two additional monitoring sites in or near the primary spring recharge area (**as indicated on a Fleischmanns location map for submittal**). This site(s) should be established as soon as possible to order to obtain baseline data in addition to baseline data from the Rashid well.

In relation to the proposed monitoring the timing and frequency of sampling should be expanded.

During the early construction phase, monitoring should be done for contaminants like Polynuclear Aromatic Hydrocarbons and Total Petroleum Hydrocarbons in case of spills during the greatest use of heavy equipment. After the heaviest construction and during grow-in, nitrate and pesticides should be monitored.

During full operation, monitoring should continue indefinitely. While the resort may not contaminate the water supply, it remains uncertain if the homeowners in the Highmount Estates residential subdivision could avoid the same. If the residents of the subdivision are allowed to establish their own lawn maintenance schedules and practices, contaminated runoff from the subdivision may be a concern. The applicant may want to consider performing maintenance within the Highmount Estates in perpetuity as an additional mitigation measure.

Finally, regarding sampling frequency, sampling annually is insufficient. Sampling around spring sources and wells should occur monthly during the growing season (March – November) when potential contaminants will be used. The additional cost of sampling and analysis is small compared to cleaning up and treating a contaminated water supply. Plus, community residents will be assured indefinitely that their water supplies remain safe during the operation of the resort.

3.5 Terrestrial and Aquatic Ecology

529 acres (27%) of the total 1,960 acre assemblage will be disturbed. 73% will remain undisturbed. 85.16 acres will be transformed into non-vegetated areas like buildings and roads with 444 acres (84%) being revegetated with trees, plantings, golf turf, etc.

Revegation will include xeriscaping and the golf turf will be hardy bluegrass and fescues. The bulk of the site is homogenous beech maple mesic forest.

Regarding the clearing of forested areas and regarding removal of vegetation to create views:

- Will local logging companies be utilized for timber removal?
- How will logging crews be selected?
- Will it be a requirement that they be trained in BMPs for logging?
- Will tops be removed from the site if they are not used for building wildlife cover?
- When pruning limbs to create views, what will be done with the limbs?

11 acres of Army Corps wetlands exist on the Wildacres portion of the site. 6.39 acres are on undeveloped portions of the assemblage. The remaining wetlands will be avoided or be slightly impacted (<0.10 acres) and, as a result, the project does not require a special ACOE permit.

Wildlife in the assemblage contains no rare, threatened or endangered species. However, deer are edge-oriented in their habitat requirements. Is there concern that the creation of more edge-type habitat will increase the visibility and population of deer to the point that it interferes with guests and staff? In some parts of the state, there are signs warning people not to approach or feed deer, as they become a nuisance. Will signage or perhaps kiosks be visible that will provide educational information about what types of animals may be seen on the golf courses or on the walking trails. Signs should include information about not feeding deer or waterfowl, avoiding bear, what to do if they see an animal acting strangely, etc.

Recommendations

When at all possible the developer should utilize local contractors and local businesses.

3.6 Soils

Soil impacts will be minimal despite extensive grading; erosion will be minimized in accordance with the E&SC plan.

3.7 Traffic Patterns

Traffic will increase somewhat but not too far beyond current levels. While traffic currently peaks during ski season, it could be anticipated that traffic will peak during other seasons as well. Leaf peeping and fall festivals will cause peaks during the fall and future golf events may cause peaks during the summer. Depending on the conferences held at the resorts, traffic would also increase but be spread out over the day or weekend.

While some may find the extra traffic that is generated as an inconvenience, increased traffic usually means increased spending in the local area. The seasonal/event-based traffic signal at the crest of Rt. 28 at Highmount will mitigate safety concerns at that intersection. A shuttle service will be available for trips between the resorts and the ski center, minimizing that potential impact. Left-turn lanes at appropriate intersections and better signage will also be incorporated to ease traffic flow.

Recommendations

The resort should utilize signage and brochures to encourage guests to use the main corridor roads including NYS Route 28. This may help alleviate additional traffic concerns on the local and county roadways.

3.8 Land Use and Community Character

Currently, the land of the assemblage is undeveloped with some logging, hunting and hiking. Adjacent land is primarily state-owned with some residential land close by. Community character in the nearby area is very rural with increased residential development over the past 35 years. Tourism is the big draw for the area. Most commercial and residential development is in nearby hamlets and villages. Land in Middletown is zoned R-1, R-3 and R-5. Existing local and regional management plans support increasing tourism and expanding offerings in and around the Belleayre Ski Center. Visual impacts from the resort itself will be minimal from surrounding points of reference. Light and sound impacts will also be minimized by using appropriate lighting and noise mitigation techniques, both during and after construction.

Section 3.8.3, A

Special Permit applications in Middletown require Site Plan review. The project will require a Subdivision Review as well.

3.9 Community Services

Fire, ambulance, police and hospital services in the area all responded positively that they could handle the impact of the Crossroads development using existing resources and cooperative agreements. Water and wastewater have been discussed elsewhere. All solid waste will be handled by Ulster County. Utilities like electric, gas, phone, etc., all responded that they could handle the needs of Crossroads. Likewise, schools in the area are currently underutilized and could accept an influx of new students if that were to occur. Nearby recreational facilities appear to be adequate with skiing, fishing, swimming, hunting, and hiking all available. No new public roads will be constructed and roads built on the resort will be maintained by the resort.

Recommendations

The developer should make annual contributions to the local hospitals and fire and emergency squads to support the services that will be required.

The developer should provide a percentage of stage that would be trained in fire protection and as EMTs to assist in the shortage of man power in the volunteer squads.

Section 3.9.1, A

Is there sufficient ambulance coverage for Middletown in the project area? If not, are there plans to make arrangements?

3.10 Socioeconomic Setting

While it is assumed in the DEIS that locals will take the new jobs created at the resort, the general demographics of the local populations and examples from other resort areas don't necessarily support that belief. For example, unemployment in the nearby towns of Delaware and Ulster Counties has been running between 3.5% and 6.0% - not particularly high. The jobs people are doing may be lower-end service rather than agriculture or manufacturing, yet, people are working. The jobs created at Crossroads will be of two types: higher-end management and low-end/seasonal jobs. The management positions will probably be filled by workers from other areas (downstate?) who have the specific skill sets that these jobs will require. Local residents probably

don't have these skills. Those imports will be bringing families and children and will need a place to live year-round. Where will these people live?

The low-end/seasonal jobs will not be filled by local residents. I just don't buy that at all. They will be filled by immigrants and/or foreign workers imported specifically to fill the low-end/seasonal jobs. This trend has been seen at resorts across the country. For example, businesses on Nantucket used to use college students on break for summer seasonal employment but then switched to college students from Europe and the UK and now use migrant workers from Jamaica. These workers come for the season, leaving families behind in Jamaica, all for the better pay in the US. Because of the development's proximity to NYC, one could also expect a migration of folks from downstate to fill resort jobs. This seems even more reasonable given the current Mexican population in the Village of Fleischmanns. An existing local ethnic population often has established ties and networks with similar populations downstate. What housing opportunities exist for either of these groups?

This issue has remains unaddressed in the DEIS because the consultant's analysis did ot take the possibility into consideration. The high-end employees will probably find housing in the area between Oneonta to Kingston. The two larger cities offer more advantages; however, these workers may choose to locate closer to the resort. If that is the case, the Villages of Margaretville, Fleischmanns, Phoenicia and Boiceville may see population growth. Because of their ability to commute and the large area in which they may settle, the higher-end employees probably won't impact any one of the areas too greatly.

The lower-end employees probably do not have the ability to commute long distances. As a result, it would be expected that these groups would need to be as close as possible to Crossroads. Margaretville, Arkville, Fleischmanns and Pine Hill would all be likely destinations if suitable housing and transportation was available. Fleischmanns, in particular, would be a likely destination because of the existing ethnic population and proximity to the development. While larger single-family houses may be available in the area, group quarters for seasonal workers will probably need to be constructed. ffordable apartments and other seasonally available group quarters could be constructed by the applicant either in or around Fleischmanns or at the resort.

As for economic impacts from the resort and its guests, the money generated by the resort and its guests will have a positive impact on the area. Local governments will see enhanced tax revenues and local businesses should see increased sales from greater numbers of tourists.

Recommendations

Work with SUNY Delhi to develop and apprenticeship that could employee students in the hotel management school, the culinary school and the turf management school.

3.11 Cultural Resources

No state or federally-listed historical places are on the assemblage. Phase 1A thru 2B site investigations have been done. Any work on the Brisbane and Marlowe mansions will be reviewed by SHPO.

3.11.2

Impact on the cultural significance of the existing historical structures is vague. While preserving certain aesthetic, and historical features of the structures glory days, the setting and use of the site is being modernized. On the other hand, many more (visitors) can learn about the history whether physically saved or preserved through informative historical accounts. Will there be historic markers and or brochures available to educate visitors of the historical significance of the site.

Section 4 – Unavoidable Adverse Environmental Impacts

Impacts on or involving vegetation, wildlife, erosion, dust, sound, visual and traffic are summarized. These impacts are mitigated to the extent possible by using good site design (leaving 78% of the assemblage as open space, vegetative replacement and screening) and best management practices (E&SC plans, blasting mats, etc.).

4.5 Sound

A study has examined sound levels, but does it take into account the long-term non-stop construction involved in a project of this size? Will impact on surrounding properties be mitigated if problems arise, i.e. sound barriers

4.6 Visual

Rather than in addition to stating that the visual impact will be minimal, they should expand upon some of the techniques chosen to mask the built landscape with that of the existing.

5.4 Alternative Water Supply

Numerous alternatives were examined for the water supply to Wildacres. Individual onsite wells were examined, as were onsite springs and an existing onsite well. However, given the size of the size of the project, using the Village of Fleischmanns' water public water supply as an 'out of district' user was the preferred alternative. The resort will purchase raw water from the Village and treat it onsite so as to minimize impact the Village's water treatment plant.

5.5 Alternative Wastewater Disposal

Individual onsite disposal systems, onsite WWTPs, and tying into Fleischmanns' proposed WWTP were evaluated. Due to the lack of available public WWTP facilities from DEP and DEP's concern for a high level of effluent discharge essentially eliminating individual onsite disposal, an onsite WWTP was the only remaining alternative. This facility will have tertiary treatment, and during the golf season, the treated effluent will be used as irrigation water for the golf course. During the remainder of the year, the treated effluent will be released to the surface in an unnamed, intermittent trib of Emory Brook.

5.8 Alternative Stormwater Management Practices

Te stormwater management practices, as proposed, are state-of-the-art and used to the maximum extent practicable. Additional management practices were either not physically practical or economically viable.

5.10.1-5.10.3 No Action Alternative

Even though the no-action alternative wouldn't include the 1,387 acres of deed restricted, natural land provisions, there wouldn't be the large-scale development complex of this particular proposal. Certain statements seem to contradict one another: Although local plan call for increased tourism to the area, other portions of the plan

speak of minimal amount of impact outside of the resort complex. Town planning goals are general, and other factors must be taken into consideration. Other goals to preserve the rural nature and historical character may be circumvented by fulfilling a tourism goal in this manner. If the jobs are primarily low-wage, will there be an increased need for community assistance creating a burden on aid resources. Secondly, substantial housing may need to be provided for workers. Have there been any studies or indications as to the areas ability to accommodate such a lodging demand.

6.0 Irreversible and Irretrievable Commitment of Resources

Some resources like energy, vegetation, and building materials will be used during the project. Air, water and socioeconomic impacts will not be detrimental over the long term.

Perspective relative to DCAP

With regards to DCAP and what we're trying to do in Delaware County, the project complies with the goals established. Although the project is large, it concentrates development in one area (Belleayre, which will essentially be like a village with many of its own services), mitigates stormwater and wastewater impacts to a great extent, generates jobs and municipal revenue, furthers the tourist economy, has a really neat vegetative-roofed hotel, has two golf courses, and it proposes to reuse it's wastewater and stormwater for irrigation purposes. The DEIS even discussed using alternative energy sources like fuel cells to power the project.

CULTURAL RESOURCES

The DEIS included a Phase 1A Literature Review and Archaeological Sensitivity Assessment, A Phase 1B Cultural Resources Survey, and correspondence from the NYS Office of Parks, Recreation and Historic Preservation (OPRHP). This material concluded that no additional archaeological study is warranted and that the historic properties in the development would not be adversely affected.

Based on these conclusions, the identified potential impacts, and the list of mitigation measures in Section 3.11 of Volume 1, we believe that cultural resources would be adequately protected in the development of this project.

During construction, the developer is responsible to comply with applicable state and federal laws and regulations regarding protection of historical and archaeological resources. We recommend that the town require the developer to employ a field archaeologist to ensure compliance and protection of these resources.

AIR RESOURCES

The DEIS reports that Ulster and Delaware counties are classified as attainment areas for carbon monoxide and ozone.

Air quality could be affected by construction activities, including fugitive dust, blasting, rock crushing, concrete production, and truck and equipment exhaust. Post-construction sources include wood stoves and fireplaces, space heating furnaces, and vehicle emissions from an expected traffic increase.

The DEIS analyzed the potential for ongoing traffic-related impacts to air quality at the microscale and mesoscale levels. Based on NYS Department of Environmental Conservation and Department of Transportation criteria, the projected traffic numbers and intersection configurations will not jeopardize attainment of ambient air quality standards and therefore detailed quantitative air quality analysis is not required.

Wood burning stoves and fireplaces are analyzed in a less formal manner. The DEIS calculates that the project will result in a reduction of three wood burning stoves or fireplaces from the existing number (16 to 13). However, it is pointed out that the 20 single family homes of Highmount Estates subdivision will likely have wood stoves or fireplaces. The analysis concludes that this potential increase of 17 wood burners would be over the entire 1960 acres of the project, implying negligible adverse impact to local air quality.

Negative impact may be the result, as modern wood stoves burn fairly cleanly and the smell of wood smoke is a common and accepted part of rural life, but the DEIS offers no criteria or analysis of wood stove emissions to support its implied assessment. Further analysis should be provided by the applicant.

Temporary construction related air impacts from fugitive dust and blasting are adequately addressed through mitigation measures such as watering gravel construction roads and using blasting mats.

The club houses, condominiums, and private houses will require energy for space heating. Electric heat would have no local effects on air quality; however, the potential effects from oil or gas fired systems was not analyzed.

Dust from rock crushing and concrete production during construction is analyzed by employing an air dispersion modeling methodology using US Environmental Protection Administration protocols. The results were compared to National Air Quality Standards for particulate matter. The modeling program generates a distance from the crusher/concrete plant at which air dispersion has reduced concentrations of particulate matter in the air down to acceptable levels or "complaint concentrations." The model assumed worse case weather conditions, flat topography, and dust collection technology on the equipment.

Based on the proposed location of the rock crushing/concrete plant, the dispersion model calculated that particulate would disperse down to compliant concentrations after 533 feet for the 24 hour standard and 148 feet for the annual standard. The nearest receptor, a residence on Gunnison Road, is 700 feet away - beyond the compliant distance. The DEIS uses this comparison to conclude that there will be no significant impact on humans.

While the DEIS concludes that particulate concentrations in the air would not adversely affect humans, it did not note or address the effect of accumulating dust on homes and automobiles, or the impact of highly basic rock and cement dust on surrounding vegetation. Such analysis should be provided.

The results seem to hinge upon reliable and continuous operation of very highly efficient (95%) dust collection equipment. We recommend that 1) this equipment be monitored daily and that operations be shut down if dust collection efficiency is inadequate; and 2) that air quality be monitored at several surrounding receptors weekly for compliance with EPA standards, with plant shutdown for non-compliance.

The DEIS offers no analysis of the effects of emissions from diesel construction equipment and trucks. This analysis should be provided.

NATURAL RESOURCES

The DEIS covers four key areas under this topic: 1) vegetation; 2) wetlands; 3) wildlife; and 4) soils.

Vegetation

The DEIS described the existing plant communities as classified by the NYS Natural Heritage Program. The project site has a low diversity of plant communities with about 95% made up of the Beach-Maple mesic forest and Hemlock-northern hardwoods forest communities. Field work identified numerous individual species, none of which are listed as rare, threatened, or endangered in New York State.

While clearing of large areas of forest is destructive - damaging to habitat, soils, and hydrological conditions - in our forested environment, a large portion of new development has historically required forest clearing. Our goal is to evaluate the consequences of clearing in light of various societal objectives, and minimize and mitigate the destructive aspects.

One objective is the protection of rare, threatened or endangered species. Vegetation surveys have indicated no such plant species. While we don't like to see forests cleared, these are not unique in the Catskills or New York, and impacts from clearing would not be significant from this standpoint.

Regarding the extent of clearing, the Wildacres development would disturb 212 of 718 acres, or 30% of the total. This is a favorable ratio of cleared to undisturbed forest for any development.

The DEIS itemizes a number of mitigation measures regarding clearing, starting on Page 3-86 of Volume 1. These are appropriate measures that will minimize clearing and ensure a higher level of landscape design. They also include the planting of over 1,500 new trees on the Wildacres site along with thousands of ornamental shrubs and trees. We recommend that site plans be reviewed by the Town during site plan review to ensure compliance with the listed mitigation measures, especially the use of non-invasive plant species.

Wetlands

Wetlands on the development parcels were identified and delineated using U.S. Army Corps of Engineers (ACOE) criteria. All of the wetlands are smaller than 12.4 acres, thus not regulated by New York State; however, all are under the jurisdiction of the ACOE. The Wildacres lands contain slightly under 11 acres of wetlands. Most of these wetlands are located either in non-development portions or will be completely avoided. The remaining 4+ acres will be incorporated into the Highmount Golf Course layout, with minimal disturbance for walkways, bridges, and selective hand clearing of large trees.

The total amount of wetland filled for the entire project would be 0.0993 acre. This is below the 0.1 acre ACOE threshold, for a Nationwide Permit; no individual permit would be required. Wetlands impacts are not significant, and no creation of offset wetlands will be required by the ACOE.

The DEIS does propose other mitigation measures, however, including buffer zones, deed restrictions, selective hand clearing and streambank plantings. These are standard, commonly used measures that will reduce impacts further.

Wildlife

The DEIS provides inventories of birds, mammals, reptiles and amphibians gained through field surveys. The species found are typical of the vegetative communities, in the northeast, and there was no evidence found, nor sightings made of any rare, threatened or endangered species. Reference to the NYS DEC Natural Heritage Program data base revealed no record of "rare or state-listed animals or plants, significant natural communities, or other significant habits, on or in the immediate vicinity of the project site."

The proposed development, particularly the forest clearing, will destroy wildlife habitat and kill those animals who are not mobile enough to avoid the construction, primarily reptiles, amphibians and ground dwelling small mammals. Another vulnerable group is nesting birds. Clearing during the prime nesting season - mid May through mid July - will kill many, especially eggs and fledglings caught in the construction. Also, winter clearing poses a serious threat to Great Horned Owls.

Since clearing is an integral and inevitable aspect of much development, the goal is to protect the most vulnerable fauna and its habitat - namely, rare, threatened or endangered species as identified by NYS DEC. Since none have been found on the site, from an endangered species standpoint, there is no adverse impact.

Large-scale clearing, however, results in forest fragmentation and creation of new forest/grassland edge habitat. These pose a threat to forest-interior neotropical migrant birds who's deep forest habitat has been under stress in recent years. This threat is somewhat lessened because some neotropical species inhabit elevations above 3,000 feet, whereas 2,750 feet is the limit of Belleayre. Also this habitat destruction occurs within the Catskill Park and should be viewed in the context of hundreds of thousands of acres of "forever wild" state forest preserve. The undeveloped portions of Wildacres would be added to protected habitat via the DEIS proposed deed restrictions or conservation easements.

The addition of new forest/grassland edge favors many species of wildlife who are drawn to this habitat, thus increasing overall bio-diversity. Ultimately, a trade-off results as some forest interior habitat is replaced by new forest edge habitat.

The DEIS coverage of potential pesticide impacts on birds at golf courses cites studies revealing no significant impacts. In addition, the sections on golf course management state that the most toxic pesticides will not be used. We concur with the DEIS assessment.

The DEIS briefly reviews potential impacts on wildlife from stormwater basins and blasting, concluding no significant impact. We concur with this assessment.

A number of wildlife related mitigation measures are proposed, beginning on Page 3-107 of Volume 1. These are standard wildlife management measures and should be employed. We recommend an important additional measure. Forest clearing should not occur between mid May and mid July, to protect nesting birds. Also, to protect Great Horned Owls during any winter clearing, their nests should be field located and trees protected until early spring.

Soils

The DEIS coverage of soils is adequate and the proposed mitigation measures represent standard practices that will be effective in conserving soil resources.

GOLF COURSE - Construction and Maintenance Impacts

Construction

The Wildacres Golf Club course construction period will last approximately 2 years, proceeding along with construction of the entire Wildacres development with a projected opening during the third year. Activities would take place 10 to 12 hours per day, six days per week, from April through November. The main potential impacts during this period concern air quality, noise, soil erosion, and surface water quality. These areas are covered in other portions of this review. In addition, soil erosion and surface water quality concerns are addressed by the requirement for all construction activity in New York to comply with strict new standards for controlling erosion and preserving water quality. These are codified in the SPDES regulations that require all developments to prepare and comply with a Construction Storm Water Pollution Prevention Plan. The DEIS also includes a long list of mitigation measures, including, among other items a very conservative phasing plan that limits the area of exposed soil during construction to a maximum of 25 acres. Also about 50 acres of sod will be used on steep slopes on the golf course to immediately stabilize soils.

The plans and mitigation measures in the DEIS will minimize adverse effects if complied with. Because of the importance and scale of these potential impacts, we recommend that the erosion control specialist included in the stormwater pollution prevention plan report to the Town weekly of his team's activities.

Maintenance

A major concern surrounding the project is the potential adverse effect of golf course chemicals on drinking water resources, particularly the New York City reservoirs and the Village of Fleischmann's groundwater supplied system. The DEIS addresses this issue by presenting a maintenance plan that incorporates the principles and practice of "integrated pest management", along with a conservative fertilization plan. It uses computer modeling and the results of extensive research to predict levels of chemicals that leach through and run off a golf course, and then compares these concentrations with established NYC, DEC and EPA criteria.

Golf course pesticides are divided into three categories: herbicides for weeds; fungicides for fungi-related grass diseases; and insecticides for insects. Integrated Pest Management (IPM) has become the standard approach to golf course maintenance. Its operating principle is to use pesticides only as a curative to a specific localized problem, not as a general preventative. This represents a significant change from golf course maintenance in the past, when pesticides were over used. The DEIS defines IPM as "a sustainable approach to managing pests by combining biological, cultural, physical, and chemical tools in a way that minimizes economic, health, or environmental risks." Appendix 14 of the DEIS describes IPM more fully.

The term Integrated Turf Management (ITM) is used to describe the application of the principles of IPM to the turf grass environment. Management elements include grass selection, mowing, fertilization, irrigation, pest monitoring and treatment, and biological pest control.

A comprehensive fertilizer and pesticide risk assessment was performed and included in the DEIS as Appendix 15. Only approved DEC, EPA, and Cornell listed pesticides were tested, and worst-case parameters of soil, rainfall, slope, dilution, and fertilizer/pesticide quantity were used in the modeling. Any substance which migrated in concentrations beyond drinking water standards or levels injurious to stream life were eliminated from the list of acceptable products, thus reducing the list by a third.

The risk assessment modeled both fertilizer and pesticide risks to surface and groundwater. The results are as follows: Seventeen of the 53 pesticides had leaching or runoff concentrations greater than the standards and were eliminated. Nitrogen fertilizer can be applied at up to 4 pounds per 1,000 square feet and still result in nitrate leachate and runoff concentrations well below the drinking water standard of 10 milligram/liter (mg/l.) For example, undiluted leaching into groundwater equaled less than 1 mg/l; and worse case undiluted surface runoff equaled 1.4 mg/l. Interestingly, the nitrate concentration associated with fertilizer application was only slightly greater than the background level of nitrates (no fertilization).

Phosphorus is of concern because of the Ashokan and Pepacton reservoirs. Based on existing phosphorus loading rates in the two watersheds and NYC DEP standards, the surface runoff modeling indicated that phosphorus application must be limited to 0.25 pound per 1,000

square feet. This is below the initially tested application rates of 1.4 and 0.7 pounds, so the question arises whether 0.25 pounds per 1,000 square feet per year will be adequate to sustain healthy golf course turf. If not, will the course managers tend to increase the application, thus resulting in excessive phosphorus runoff? This should be addressed.

The Fertilizer and Pesticide Risk assessment draws upon extensive research and is well documented and reasoned. It's methodology models worst case conditions and calculates results before dilution by surface and ground water, thus providing a large margin of safety when real world conditions are encountered. For example, one study on Cape Cod found that significant leaching does not occur under golf course turf even in very course soils. Another study found that computer modeling tended to over predict loss of most pesticides through leaching and runoff.

There is concern about the applicability of the leaching modeling program to the thinner soils present on the site. The FEIS should address this concern.

We conclude that pesticide and fertilizer application will not likely adversely affect ground and surface water drinking water supplies, particularly when IPM best management practices and application limits are complied with. However, since the Village of Fleischmann's wells and springs are located down hill from the golf course, extra concern is warranted.

First, while the Fleischmann wells are in rock and presumably shielded from leachate in the soil horizons above, fissures in the bedrock could provide an avenue for vertical transport into water bearing veins. The question is whether or not the leachate would be of such concentration as to adversely affect those veins and eventually the wells. Second, after having percolated through shallow and porous soils, leachate could follow the sloping bedrock down the mountain to the water supply springs. Given the results of the risk assessment modeling described above, it seems unlikely that concentrations of nitrates or pesticides would reach the safety standards, unless the materials accumulated in some manner. However, given the public health imperative to ensure safe drinking water, we recommend the following:

- Develop a field study to test whether a traceable solution applied on the golf course area migrates into the Fleischmann water supply.

- Coordinate with Delaware County and the Village of Fleischmann in the development of protocols and standards for the ongoing well head protection program.

- Regularly monitor Village water quality and report to the Village and DEC. Be prepared to cease fertilizer and pesticide applications if monitoring results warrant.

- The Applicant should guarantee Fleischman water supply quality by agreeing to remedy contamination caused by its activities.

POTABLE WATER SUPPLY, WILDACRES RESORT

The DEIS narrative and the Conceptual Design Report (Appendix 7) provide an analysis of the total Village of Fleischmanns (Village) available water capacity with all wells and springs in service and pumping at maximum capacity. In addition, the analysis provides a comparison of total capacity versus the Village's potable water usage (prior to repair of Village leaking water mains and after repair of leaking water mains) and concludes that the Village has excess capacity and can easily provide service to the proposed Wildacres development. New York State Department of Health (NYSDOH) Guidelines for design of new water systems require that the Village be capable of providing adequate water service when the largest water source (Well No. 2) is out of service (reference NYSDOH letter dated March 2, 2201, in Appendix 7).

Supplemental information provided during the public comment period ("Responses to January 21, 2004 Meeting Comments, Water Supply for the Belleayre Resort at Catskill Park, dated March 1, 2004, prepared by Delaware Engineering, P.C.) has revised the estimated peak day demand calculations for the Wildacres Resort, Highmount Golf Club and Highmount Estates (Wildacres). The revised estimated peak day demand for Wildacres is stated as approximately 109,308 gallons per day, which accounts for a 20% water use reduction allowance for water saving fixtures.

The peak day demand for the Village (reference May 15, 2003 letter from Delaware Engineering, Exhibit I, Appendix 7) is 134,100 gpd. The total estimated peak day demand including the Village and Wildacres is approximately 243,408 gpd. This estimated demand does not include finished potable water for irrigation purposes.

Based upon the results of the well and spring pump tests performed by Alpha Geoscience, the total Village capacity with well No. 2 out of service is estimated to be approximately 278,000 gallons per day (gpd). This estimate assumes a sustained spring flow capacity of approximately one half of its measured flow rate of 78.8 gpm, or approximately 39 gpm, as stated in Alpha Geoscience's Water Supply Evaluation Report. The NYSDOH has acknowledged in a letter dated December 27, 2001, that some portion of the spring flow could be considered as legitimate source "capacity" when making source vs. demand calculations.

The supplemental information states that improvements to the Village water system required by the Village directly related to the supply of raw water to the Wildacres Resort will be the responsibility of the Wildacres Resort. Such improvements may include the rehabilitation of Well No. 1 and the possible drilling of a new well. In addition, it is stated that the contract with the Village for providing water to Wildacres, as an out of district user, would contain a clause for provision of up to a certain amount of water on an average day basis, with an upset limit for the maximum day potable demand of the resort.

Based upon the provided information, and the capacity versus demand analysis, the Village supply system will have adequate reliable capacity to provide service to Wildacres.

The well and spring pump tests for Village well nos. 1, 3, and the spring were performed for short durations. Subsequently, firm yields for these water supply sources have not been established.

The DEIS discusses a potential new supply well to be paid for by Wildacres, owned by the Village, and dedicated to the production of raw potable water to serve the Wildacres development. The capacity of the proposed well and the influence of that proposed well on adjacent wells is unknown at this time. Adequate pump testing of a new test well and monitoring of nearby wells early in the project will be necessary. The proposed well, as indicated on concept plans prepared by Delaware Engineering, is located down gradient of the proposed golf course and development. A well head protection plan for this well is necessary to prevent any surface or subsurface contamination of the well, as discussed in the section regarding the golf course. It is stated that a well head protection plan is currently being prepared by the Delaware County Soil and Water Conservation District for the Village of Fleischmanns water system. In addition, the plans indicate several existing wells on the Wildacres site. The DEIS describes the wells but does not indicate the future plans for each well (abandoned, abandoned and filled, non-potable use, potable use). Any well which may supply potable water will require a well head protection plan.

Recommendations Regarding Potable Water Supply: The FEIS should address the following issues:

- Perform longer term (24 hour minimum) constant rate pump tests on Well Nos. 1 and 3 to establish firm yields for use in the source vs. demand calculations. The firm yield of these wells needs to be confirmed to ensure adequate capacity should Well No. 2 be out of service. Substantiate through longer term constant rate pump tests the yield of the spring, or demonstrate sufficient capacity in the system if the spring yield decreases.

- Describe the future plans for existing wells.

- Include well head protection plans for any of the wells to be used for potable water.

- The Village should contractually require the necessary improvements to the Village system in order to provide raw water to the Wildacres Resort. In addition, maximum firm peak potable water limits for providing services should be established. A means of monitoring and controlling peak water use should be established.

WASTEWATER TREATMENT PLANT

Wastewater from the Wildacres Resort, Highmount Golf Course, and Highmount Estates (Wildacres) is proposed to be treated by an on-site wastewater treatment plant (WWTP). The plant is to be designed to tertiary treatment standards to meet all requirements of the New York State Department of Environmental Conservation (NYSDEC) SPDES permit, requirements of the New York City Department of Environmental Protection (NYCDEP), and applicable regulations. An alternate plan described in the DEIS is to convey wastewater to a proposed wastewater treatment plant to be owned and operated by the Village of Fleischmanns.

The treatment of wastewater generated from the Wildacres development at a WWTP is the only viable option. The existence of shallow bedrock and impermeable soils prevent the design of a subsurface disposal system.

The construction of a WWTP typically creates visual and potential adverse olfactory impacts to aesthetics. These impacts can be minimized through proper design of the plant. Required access to the plant will be via Van Loan Road located west of County Route 49A. The final design of the WWTP site should provide for all required vehicular and pedestrian access.

The DEIS includes correspondence with the local fire departments regarding their ability to provide service to the Wildacres development. The fire departments have indicated that they have capacity to provide emergency service with mutual aid from neighboring fire departments. The need for hazardous materials protection should be minimal.

The DEIS has not addressed the available acceptable off-site locations that would be willing to receive sludge from the WWTP.

Recommendations Regarding WWTP; The FEIS should address the following issues:

- Discuss the potential for leakage from gaseous chlorine cylinders, if employed in the final design of the WWTP. Include a discussion of any required hazardous materials protection required to respond to a chlorine leakage situation.

- An emergency hazardous materials preplan should be developed, working with the local fire department as a condition of site plan approval.

- Discuss acceptable locations and associated impacts at the locations that would be willing to receive sludge from the WWTP, including those resulting from trucking sludge from the WWTP to deposition sites.

SITE DRAINAGE AND STORMWATER MANAGEMENT

The DEIS narrative describes the stormwater management system as being designed to control a twenty-five (25) year storm (6.3 inch rainfall event) event while withstanding the discharge from a one hundred (100) year storm event. It is stated that the detention ponds are designed to attenuate a 10 year storm (6.0 inch rainfall event). Unless the detention ponds are designed to attenuate a 25 year storm, the stormwater management system is really designed to attenuate peak flows to pre-development levels for a 10 year storm, not a 25 year storm. The stated concept for stormwater management system is to attenuate post-development flow rates and volumes to not exceed pre-development flow rates and volumes. The plan incorporates several detention ponds which will be designed to attenuate peak flows, with impermeable bottoms to minimize infiltration, and controlled dewatering capability. The stormwater management concept of controlling flows to not exceed pre-development levels is a good and generally accepted methodology for stormwater management. The Soil Conservation Service (SCS) method of analyzing the stormwater runoff is a good and accepted method for performing the analysis.

The height of fill around proposed detention basins (currently indicated by 5 foot contours) is one of the determining factors as to whether a particular pond will require a dam safety permit. This requirement should be reviewed by the design professional as the design progresses. Final design review of the detention basins will be required during the more detailed review phase of this project.

DEIS Appendix 9, Construction Phase Stormwater Quality Management Plan describes a proposed detention basin level spreader dewatering program to control post-construction discharges to not exceed pre-development discharge levels. The narrative includes dewatering procedures intended to address stated concerns that dispersed flow may become concentrated flow and cause erosion, and concerns that percolated water could reappear downslope as surface flow. The FEIS should address the potential for possible plugging of the level spreader which could cause concentrated flow, and measures that would be taken to minimize erosion potential if plugging becomes a problem.

The analysis for controlling the discharge flowrate to pre-existing flow rates does not discuss the effect of the increased total volume of runoff (as compared to pre-development conditions) which may be discharged from the detention ponds. An increased volume of runoff could saturate soils potentially creating groundwater mounding, resulting in weeps or surficial discharge of infiltrated water. In addition, potential slope stability issues could result from increased "lubrication" of the bedrock or impervious soil interface with more permeable overlying soils.

Runoff of de-icing chemicals from parking lots and roads is a potential source of pollution. Water quality control is required in a SWPPP; however, stormwater monitoring should be mindful of this potential source.

The sediment and erosion control measures as discussed for the construction and operational phases of the project are reasonable, and appropriate best management practices are proposed for implementation. The criteria and stated goals for the erosion control/sediment control program and the construction phasing plan look reasonable for the application.

A draft stormwater pollution prevention plan narrative (SWPPP) has been included in the DEIS. The SWPPP requires the employment of a Professional Erosion Control Specialist certified by the International Erosion Control Association, and a dedicated erosion control team of 4 to 6 people per golf course. The primary role for the erosion control team will be the repair, maintenance, and upgrade of erosion control devices.

The SWPPP and the Stormwater Management Plan (SWMP) should be updated during the construction period if the phasing or construction sequence dictates new information.

Recommendations Regarding Site Drainage and Stormwater Management. The FEIS should address the following issues:

- Discuss whether any of the detention ponds may require a dam safety permit, as regulated by NYSDEC Dam Safety Regulations.

- The analysis of stormwater runoff should include the effects of a frozen ground condition to determine the impacts of no infiltration on post development runoff.

- In additions, the stormwater analysis should evaluate the effects of "perched" water that may travel along the surface bedrock/impervious soil layer, possibly resulting in groundwater discharge near the toe of the slopes.

- The potential for possible plugging of the level spreaders which could cause concentrated flow, and measures that would be taken to minimize erosion potential if plugging becomes a problem.

- Address whether any slope stability issues may result from the proposed stormwater management plan, especially at embankments built for detention ponds.

- Evaluate all existing storm culverts under roadways to determine the pre-development capacity and adequacy of the culverts and their existing flooding and erosion potential. Any existing undersized culverts should be identified as well as any history of downstream flooding problems.

- Erosion control measures for controlling erosion from larger storm events (i.e., 100 year storm event) which cannot be hydraulically discharged by level spreaders.

- Require the erosion control team to perform its responsibilities for the entire project site, not just the golf course.

IRRIGATION SYSTEM

The DEIS describes the proposed source of irrigation water for the Highmount Golf Club as wastewater treatment plant effluent supplemented with water from the Village of Fleischmann's (Village) water distribution system. The use of tertiary treated WWTP effluent is an acceptable source for irrigation purposes and is acceptable in the irrigation industry. Irrigation system components are designed to use effluent water as the source. The capacity of the Village water supply system must be more firmly established (as discussed previously under the water supply section) prior to design and development of the irrigation system.

- Discuss and address the Village water system capacity to provide service to Wildacres Resort, Highmount Golf Club, and Highmount Estates (Wildacres).

- The irrigation plan needs to be clarified as to the proposed irrigation water sources.

SOCIO-ECONOMICS

3.10.1 Existing Conditions (Pages 3-185 to 3-218)

(Page 3-186) The position is that the original economic study for the DEIS was completed before the 9-11 event and its subsequent economic fallout. They indicate that notwithstanding these effects, the financial/market viability of the Belleayre Resort Project remains and the economic benefit dimensions of the project still hold...

We cannot directly validate or invalidate this position. However, we believe the 9-11 event, while having a major short-term effect on the economy, cannot be presumed to affect adversely the long run viability of the project. Just as the recent national and state economic downturn, starting in 2000-2001, must be abstracted from the long-term viability and economic analysis, unless one has reason to believe longer term forces and conditions will be affected in some way.

- Absence of Socio-Economic and Housing Data from the 2000 Census

(Pages 3-186/187) Methodology/Data sources:

While the consultant to the Applicant used a wide range of good methodology and economic/ demographic/business information and sources, (as detailed in Appendix 26), it behooved the Applicant to update the Consultant's basically pre- 2000 Census data availability with critical information from this Census. **Without this update the consultant had to rely upon the 1990 Census and Claritas Inc. 2000 estimates.**

The report by the Applicant's consultant, Allee, King et al, on "Economic Benefits and Growth Inducing Effects" (Appendix 26 of the DEIS) is dated January 10, 2002 and is the source of the socio-economic materials shown in the main DEIS document. While this date is before detailed 2000 Census data started coming On-Line in the Spring of 2002, the DEIS, itself, is dated September 2003, and all the detailed Census data was readily available as of the Spring of 2003.

Not including the detailed 2000 Census data, particularly most important information on the rental housing market in the towns surrounding the project and also for labor force data for the same areas and tri-County area, in the Applicant's analysis of the project's socio-economic impacts and implications is a significant failing. The availability of a sufficient local labor pool, including commuting labor from the tri-County area, for the large number of new full-time and part-time jobs labor Resort is an important issue not necessarily sufficiently documented in the DEIS.

Therefore, the question of people out of commute range accepting jobs at Resort and moving into the more immediate area has major ramification for the housing market in the towns around the Project. The absence of the analysis of the housing market – availability primarily of rental units and their prices - in any quantitative way is a major shortcoming in the DEIS. Applicable information from the 2000 Census would significantly help address the very important labor force and housing availability issues. (See comments later on "Induced Growth").

There appears to be an error in interpretation on page 3-187, fourth para (also refers to table 3-39) in discussing households versus **physical** housing units. It says that "The household figures....include a large proportion of second homes in the area". This is analytically and definitionally incorrect – The Census only counts population and households who reside **full-time** in the geographic area. However the Census count of physical housing units includes those that are seasonal, recreational or occasional use, which in the Census counts are considered vacant, as their part-time users are full –time residents in another location and counted in these latter places.

(Pages 3-188 top and table 3-40)

This discussion covers household income information and here the limits of the Claritas data and the absence of 2000 Census data is very striking.

Clarita uses **average** household income as the measure of absolute and comparative incomes for 1990 and 2000. However, all researchers recognize the shortcoming of using the arithmetic averages for income, since it can be skewed by a relatively few households with very high

income levels. The preferred single measure that captures absolute and comparative income levels is **median** household incomes. In the table below we demonstrate the differences/weakness of using the Claritas data, rather than the accepted median income levels for the tri- County area.

Table C-1: Household Incomes: Median Compared to Average for 2000

	Median		Average	
	$	Relative to NYS	$	Relative
NY State	66,124	100	43,393	100
Delaware	40,341	61	32,461	75
Greene	44,733	68	36,493	84
Ulster	49,583	75	42,551	98

Source: US Census Bureau Website, using the American Fact Finder database and DEIS table 3-40.

We do note that median household incomes for the entire study area, defined by ZIP codes, would have to be estimated from Census tract household/block group income data.

(Pages 3-188 & 189)

This discussion of workforce and labor force demographics also suffers form lack of reference to 2000 Census data and updates are needed and available from 1999 State Department of Labor data (tables 3-42 through 3-49).

(Pages 3-193-195)

This is a good presentation and analysis of economic trends and conditions, which, however, would be improved by updating with more recent data through 2002.

(Pages 3-195 to top of 3-198) Potential Impacts- Construction Phase, *except Fiscal Benefits, See Sections B and D.*

This section contains an accepted economic impact model, and its use and ancillary analysis meets accepted standards. We agree with the basic findings.

(Pages 3-198 bottom to top of 3-203) Potential Impacts- Operational Phase

(Pages 199-200) Direct Employment

We have developed comments on the issue of the supply of the available local labor for the 542 full-time jobs and 330 seasonal and part-time jobs estimated to be needed at the Resort that are found above.

Page 201 top. The data on 1999 average wages in Delaware and Ulster County should be updated with more recent information available from the State Labor Department.

(Pages 3-203 to 206) -Fiscal Impacts (see Attachment B)

(Pages 3-207-218) Effects of Resort Visitors and Guests

Our review of this section and the comparable material that originated in Appendix 26, Section E. appears to be analytically acceptable and uses credible source and information with the necessary assumptions and stipulations about this project. The estimates of onsite and offsite spending by visitors, p. 217-218 and table 3-85, appears to be acceptable estimates.

We must admit, however, that we have no special expertise on the time-share/vacation club/hotel markets, so the occupancy/use levels and characteristics, the basis for the visitor expenditures, cannot be rigorously scrutinized.

-Seasonal Resort Use/Occupancy: Resulting Seasonal Dimension to Economic Benefits

The Applicant's DEIS in a number of places states that the project will be "a four season world-class Resort..." (See for example Executive Summary, page ii bottom). We don't refute this statement given the warm weather golfing, the winter access to Belleayre Ski Center and the year round availability of the conference center and other amenities onsite and offsite. However

there are likely to be some degree seasonal peaks and down periods. There is, however, no place in the DEIS, where the use/occupancy patterns are described and quantified by season.

The DEIS traffic analysis peak traffic impacts assessment is based upon the Martin Luther King Holiday weekend, and there is no doubt that both winter and summer months will be peaking periods. Overall, in the Catskills recreational and other visitors normally peak in the summer and spring and fall periods tend to be slow seasons for visitor dependent facilities and businesses. This situation is confirmed by the response to questions 16/17 in Appendix 28: Business Community Survey.

It would be very useful for the Applicant to identify the seasonal patterns of use/occupancy at the Resort, to evaluate the implications for existing and potential new businesses in the Route 28 Corridor regarding any seasonal effects for local spending levels by visitors and employees in offsite locations. It would particularly strengthen their analysis and findings on the benefits of the Resort to the local economy, if it can be shown that the expected new spending will help to reduce the depth of the spring and fall business troughs

-DEIS Findings on Economic Benefits

The Applicant's DEIS makes a credible case that there are significant local and regional job and local business benefits to had by the development and operation of the Belleayre Resort; that it would greatly increase visitations to the State Ski Center, and; that the Project would strengthen the Central Catskills area's recreation and tourism market draw.

Section 7: Growth Inducing, Secondary and Cumulative Impacts of the Proposed Action (Pages 7-1 to 7-16)

Two main types of potential induced economic activity are considered for the defined study area – a corridor covering six zip codes stretching from Boiceville (Ulster County) to Margaretville in Delaware County.

"New commercial development... along NY Route 28;
New residential development, both seasonal and year-round."

For the first category, two components were estimated – offsite spending by visitors to the Resort (covered in section 3.10 and table 3-85), and spending by employees of the Resort in the Study Area Corridor. For the latter, the DEIS states that "...the expenditure model assumes that **50 percent** of the wages will be paid to (and subsequently spent by) employees within the corridor."
(Page 7-3 bottom).

This 50 percent assumption is based upon the Applicant's consultant determination that a large proportion of the Resort's employees will come from with the Route 28 Corridor. This finding is based upon the consultant's previous labor force and unemployment analysis for the tri-county area, which we have faulted because of lack of use of 2000 Census data (see previous comments). This finding needs more substantiation.

Disregarding the lack of substantiation, the spending levels and patterns of Resort employees are estimated partly... "Based the Household Expenditure Survey of the US Department of Commerce"...This is an error in identification –The agency is the Bureau of Labor Statistics in the federal Labor Department.

On page 7-5 the DEIS summarizes the derived estimates of induced spending, " $11.81 million from off-site visitor expenditures and $11.57 million from new spending by ...resort employees and general secondary activity."

These figures, and their disaggregated subtotals by type of spending, (figure 7-1/table 7-1)form the basis for estimating the demand for new commercial/retail space and businesses. Pages 7-5 to 7-8 describe the expenditures by type and the methods used to convert these to commercial square footage needs. We have reviewed this methodology and find it generally acceptable, except for the major conceptual shortcoming regarding **"out-shopping factor"** by employees of the Resort.

-Reducing the Impacts of Employee Spending Due to "Out-shopping"

For the estimation of the increase in local Route 28 Corridor spending attributable to employees of Belleayre, amounting, as noted above, to $11.57 million annually (page 7-5 top), there is no downward adjustment for the very typical substantial "out-shopping" that occurs in sparsely populated rural areas, like the Route 28 Corridor study area. These rural area markets cannot support big box discount stores, like Walmart and Home Depot, and the range of clothing, shoe and home furnishing stores typically located in power centers and malls, or even large supermarkets.

In a market research study that focused on the downtown of the small urban Village of Liberty downtown (in nearby Sullivan County) we have recently documented the out-shopping that occurs to the power centers and malls around the City of Middletown and Newburgh in Orange County from households within the "Liberty Trading Area". A comparable concentration of power center and malls exists around 9W/209 intersection in the Town of Ulster, immediately north of Kingston, which is within easy access (about 35-40 miles) from the project site via Route 28 and Routes 209.

The retail concentration in the Town of Ulster, with a much larger base of stores, merchandise and generally lower prices, will drain off employee spending in such store categories as general merchandise, apparel and accessories, home furniture &furnishings, building materials and even other merchandise like automotive supplies and large supermarket food commodities.

The effects of out-shopping, as described above, can have substantial ramifications for the level of the Project's spillover benefits for the local economy, as well as the degree of concern about the levels of induced and secondary commercial development that could be generated by the project.

(Pages 7-8/7-9) Guiding New Commercial Development and Land Supply Issues

The amount of new commercial space estimated in the DEIS to be required by the spending demands within the Corridor amounts to 76,700 square feet, which the DEIS says converts to "between 5 and 10 acres," which the DEIS states is not a significant increase in a total study area of "107,000 acres," (pages 7-9). Given the out-shopping factor, this amount could even be less.

Our review of the Land Supply Analysis Chapter 5 of Appendix 26 confirms the fact most of the privately owned lands within the Route 28 Corridor have environmental/physical and regulatory constraints that are very likely to preclude large scale commercial or residential tract development. The DEIS presumes that a good deal of any induced commercial economic development would concentrate in village and hamlet areas within the Corridor and that the local governments, through planning review, zoning and other regulation can guide the scope and character of new projects.

We, however, do note that in-fill development for commercial businesses like convenience stores/ gas stations is possible and typical of highways and roads leading to resort areas. Working with the State DOT, local communities could adopt/or strengthen access management planning tools, which would limit excessive curb cuts and help contain strip type commercial development projects. The recently released Ulster County Transportation Plan, in April, 2003, contains two supplements dealing with traffic access management and transportation planning for quality communities, which provide guidelines and examples to improve the character of development projects within highway corridors.

-Summary Evaluation of Induced Commercial Growth

The applicant's DEIS makes a credible case that the Project is not very likely to generate substantial induced/secondary commercial growth. Furthermore, we accept the position that much of this growth would likely occur in nearby existing villages and hamlets and that existing business would benefit. Its analysis of land availability/suitability constraints is very good, but not definitive with respect to small buildable parcels in the Corridor that could have the potential for commercial development. They, however, on the demand side also make a good case that Belleayre Resort visitors/users spending levels and patterns would not generate a significant retail and services demand to create a "strip mall" environment.

(Pages 7-9 to 7-15) New Residential Development

On the residential development front, the Applicant's DEIS does not make as convincing an argument about the minimization of induced/secondary demand for residential development. Notwithstanding the land development constraints analysis, there are likely many sites/parcels

that could be developed or converted/redeveloped for residential use. There could be a acceleration of the current strong residential real estate market in the Catskills for the high end of the second/home seasonal market.

We have documented this situation for adjacent Sullivan County in our recent market research study for Liberty Village –which appears to be, at least in part, resulting from the fallout of the 9-11 terrorist attack on the World Trade Center.

The development of the Belleayre Resort will make the Route 28 Corridor environs a more attractive place for upscale end homes. We are not convinced by the analysis and conclusions in the DEIS that "The Resort is expected to meet the housing demand that its amenities generate...." (Page 7-16). The case studies of other ski resorts by themselves, while interesting, do not provide the basis to assess the current and mid term/long-term post 9-11 upscale second home residential market in the Catskills.

With respect to the rental housing market and lower end priced housing market, the points raised in our comments on the Socio-Economics Section are very relevant. The DEIS does not adequately address the issue of the availability/sufficient supply of the local/regional labor pool within commuting distance --- versus the case that many new workers might need/seek such housing within the towns in the Corridor. These small rural towns as shown in the 2000 Census, which was not utilized in the DEIS, have a limited supply of rental housing.

The Census shows the following data on the rental housing market for the towns of Middletown and Shandaken.

	Middletown	Shandaken
Occupied rental units	382	406
Vacant units for rent	54	79
Total Rental Dwelling Units	436	487

Source: US Census Bureau Website/American Fact Finder search.

Small-scale residential development (and unauthorized modifications for commercial activities) and unauthorized group housing may on the other hand become quite prevalent as the area becomes more popular.

Many resort communities experience these many small, but cumulatively significant changes. Seasonal workers are housed in rudimentary additions or finished basements. Summer homes with under designed insulation or utilities are marginally upgraded for peak winter use. Garages become repair shops or rented storage with stored building materials, vehicles and equipment waiting for service on the property. These property use changes may add to area income, may provide needed support services for the area, and may facilitate housing seasonal workers. However, the incremental changes involved are also are hard to detect or control, while they significantly add to traffic, health and safety problems and can detract from area aesthetics.

Given the State's on-going investment in the Belleayre Ski Center and in time possibly reviving use at Highmount, some of these problematic additions and upgrades to existing private properties may be inevitable, but the Belleayre Resort could accelerate these types development pressures.

As mentioned earlier, strict curb-cut constraints and other access management initiatives, as well as strictly enforced health department and building code requirements can help control some of these impacts. These public services will likely, however, add to the tasks of public agencies and volunteer emergency services.

Finally, if substantial numbers of needed new area rental housing and lower end owner occupied housing cannot be properly developed consistent with land use, zoning and other local public health and welfare regulations, because of substantial environmental constraints, costs to adhere to zoning and/or other public regulations, then the pricing of the existing stock of such housing could increase dramatically. This possibility has important ramifications for the Route 28 Corridor's community character dimensions, which have not been adequately addressed by the DEIS.

Appendix 26: Economic Benefits and Growth Inducing Effects

We reviewed the DEIS Appendix 26, the source of information, analysis and findings in Section 3.10 and Section 7 of the DEIS. Our evaluations of major aspects and issues associated with this core document are noted in the proceeding comments on Section 3.10 and Section 7.

We have only two data oriented points to further mention about this document:

-An apparent inconsistency in numbers exists between certain data shown in table 7-1/figure 7 of Section 7, and data in Appendix 26, table 5-10: Summary of Business Inventory. For the former, for the Study Area Corridor the combined sales figure shown for general merchandise stores/misc. retail is $28.3 million. But, as shown in table 5-10, the combined sales number for these types of stores is only $16.2 million... .We don't know if this is a typo.

-The source of the data for Table 5-10 and Table 7-1 is the Claritas Inc. Zip Code based economic database. We have in a limited way compared this data with another source of data – the US Census Bureau's 2000 County Business Patterns (CBP), which also contains a count of business establishments by Zip Code. We did this for certain categories for two zip codes- Margaretville (12455) and Phoenicia (124634).

We found the count of establishments in the Claritas database much higher than the CBP counts. The counts should be higher in the former, if it includes all businesses not just those with paid reported employees, as covered by the CBP. Many small retail stores in the Corridor no doubt are "mom and pop" operations with perhaps "off the books" seasonal employees. However, the Claritas counts are 2-3 fold higher than the CBP, when combining retail, food services and accommodations categories -This needs some further explanation.

Appendix 28: Business Community Survey in the Summer of 2000

In July and August of 2000 surveys were mailed or distributed to 321 known businesses in Middletown and Shandaken. A total of 153 were returned for a rate of 48 percent. The purpose of the survey was to ascertain business history, current business operations and conditions, views of the local economy and views about the prospective impacts of the Belleayre Project on their businesses.

There were a total of 39 questions in the survey for general response .Of the greatest interest to this review was the question/responses on the seasonality characteristics of responding businesses and their attitudes about the implication of the Project on them.

The busiest season for the responding businesses was summer by far, with 73 percent giving this answer. The slowest business time was winter and spring, with 45 percent and 42 percent responding, respectively.

Regarding the effects of the Belleayre project,, 40 percent said it would greatly improve their business and another 39 percent said improve, with 17 percent saying "not much change", and 3 percent indicating "harmful".

FISCAL IMPACTS -SALES AND PROPERTY TAX GENERATION

The focus of this review is on the elements within the Draft Environmental Impact Statement that relate to the estimated sales and property tax revenues to be generated from the construction and operation of the Belleayre Project. The comments are directly related to specific sections with the Statement.

Tax Receipts During Time of Construction

On page iv and page 3-198, it is indicated that $ 11.4 million in direct tax revenues and $ 4.95 million in indirect tax revenues will be generated in construction-related taxes. Of the $ 11.4 million, $ 95,800 will accrue to the benefit of Delaware County, $ 732,100 to the benefit of Ulster County, and $ 10.57 million to New York State. No breakdown of where these taxes will actually come from. The narrative states that the largest portion will be derived from "sales taxes, personal income taxes, and corporate, business, and related taxes on the direct and indirect economic activity". Elsewhere in the EIS (page 1-23) it states that the intent is to obtain IDA financing and that "sales tax revenue generation would not occur as a result of the project's direct construction expenditures". Where then do the tax revenues for Delaware and Ulster Counties come from during the construction stages.

No mention is made of property taxes during the construction stage. Property is assessable and taxable each year based on what is in place each March 1 (taxable status date). Partially constructed properties on March 1 will be subject to assessment and taxation based on their condition and state of completion at that time. Thus, some property tax revenue should be available as the project goes through its development stages. Nothing in the EIS provides information on the amount of construction that will take place on an annual basis during the life of the project.

Undeveloped land

The EIS states that there will be 1,387 +/- acres that are "undeveloped and protected from future development by legal restrictions (conservation easements or deed covenants)". The discussion on the 1,387 acres is very limited. It is not clear who will own the conservation easements or

deed covenants. From a property tax perspective it makes a significant difference. If held by a non-profit organization, this acreage, now currently taxable, could become exempt from taxation. Potentially, the undeveloped acres could be entered into the Section 480a program of the Real Property Tax Law. If this were done, it would provide the property with approximately an 80 % exemption. A forest management plan approved by the Department of Environmental Conservation would be required.

From a taxation perspective, there are many unanswered questions about the intent and plans for the 1,387 acres of undeveloped land.

IDA Financing

It is clearly the intent of Crossroads Ventures to obtain IDA financing for the project. On page 1-23 (Introduction for the DEIS) it is stated that "the construction of the project is expected to take advantage of tax-related benefits available through the Industrial Development Agency (IDA), sales tax revenue generation would not occur as a result of the project's direct construction expenditures. Frequently, Industrial Development Authorities enter into agreements for payments in lieu of taxes (PILOT) for a period of years. When this occurs there is no property tax levied on the value of the improvement. No mention is made of requesting a PILOT or entering into negotiations for a PILOT. This does not mean that it could not occur as the proposed project moves forward. It would be useful to have clarity on the intent not to request a PILOT on the project.

Sales Tax

Discussion of sales tax receipts occurs on pages 3-203 and 4-7, and in table 3-70. The assumption is made that one-third of retail sales would be clothing items costing less than $ 110, which would be exempt from New York State and Delaware County sales taxes. The estimated taxable sales are $ 30,267,300. This discussion and tables 3-70 and 4-7 raise a number of issues.

First, on pages 7-5 to 7-8 new commercial activity is discussed. In these pages, "total expenditures of approximately $ 23.4 would be spent on a variety of retail goods and services in the corridor". The $ 23.4, which includes some non-sales taxable items (food and personal services) is substantially less than the $ 30.3 million cited in sections 3 and 4. From the data in the Statement it was not possible to reconcile the differences.

Second, differences exist in pages 7-5 and 7-6 over the amount of new sales to be generated. On page 7-5, the expenditures are estimated at $ 23.4 million. On page 7-6 the expenditures are estimated at $ 19.2 million. Table 7-1 with a breakdown of the expenditures totals $ 19.2 million.

Third, the projected sales tax revenue assumes that one-third of retail sales would be clothing items costing less than $ 110. This seems extremely high. Table 7-1 breaks down the $ 19.2 million into spending categories. Of the $ 19.2 million only $ 815,305 (table 7-1) would come from the sale of apparel/accessories or 4.2 %. The entire increase in expenditures for apparel/accessories would come from sales generated from non-visitors to the resort. This breakdown is inconsistent with the statements found in tables 3-70 and 4-7.

As a footnote, the state has now changed the sales tax law with respect to the exemption of clothing under $ 110. More of this clothing is now taxable than at the time the EIS was put together.

Estimated Full Market Value

The project cost, excluding Highmount Estates Subdivision, is estimated at $ 235.8 million (page 3-196), which, in addition, to construction includes site preparation, legal, and related costs of construction. Excluded from the $ 235.8 million are financing, value of land, and marketing costs.

The cost of construction of the Highmount Estates Subdivision is estimated to be $ 5.25 million (21 housing units at $ 250,000 @). The estimated full market value of the Highmount Estates Subdivision is placed at $ 12.6 million. This creates a residual land value of $ 7.35 million. There is no explanation for the $ 12.6 million figure. Normally land value runs 15-25 % of the total value. It is highly unlikely that the land value of the Highmount Estates Subdivision will exceed the improvement value.

The estimate of full market value of $ 235.8 million for the Crossroads Venture project fails to include the value of the land and only covers the cost of the improvements. The land value must be added to determine a full market value. This includes the land value of both the developed 573 acres and the undeveloped 1387 acres. While there is no full value given for the current acreage, it is estimated based on the 2001 assessed valuations to have a 2001 market value in excess of $ 5 million. The full value market value of the 1960 will be worth more at the completion of the project than they are currently. Absent exemptions or PILOT payments significantly more property taxes should be obtained from the acreage within the Crossroads Ventures resort holdings.

Construction Costs vs. Estimate of Full Market Value

Page 3-196 discusses construction costs which are broken down in table 3-60. These construction costs are then converted to estimates of full market value in tables 3-73 and 4-10. There is no explanation of the conversion and why full market value should be less than that of the construction costs. The estimate for full market value for the infrastructure, hotels, conference center, clubhouses, wilderness activity center, and children's center are all at 60 % of the construction cost. No explanation or rational is given for reducing the construction cost by 40 % to get to full market value. Full market value is normally construction costs, plus the value of the land (which is missing). The estimated full market value of the detached lodging units is 70.33 % of the construction costs. No reason is given for this result, or why the detached lodging units are treated differently from the other project components.

The estimated full market value of the golf courses is estimated to be 32 % of the construction costs of $ 18.0 million. The full market value estimate apparently comes from the $ 160,000 per hole value for a golf course provided by the Greene County Assessors' Association. This estimate may not recognize and reflect the championship nature intended for the Crossroads Ventures golf courses. The $ 18 million construction cost produces a per hole cost of $500,000.