

## **APPENDIX 3**

### **SOCIOECONOMIC AND FISCAL CONDITIONS AND EFFECTS**



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## Memorandum

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**To:** Kevin Franke, L.A. Group  
**From:** John Feingold  
**Date:** February 17, 2012  
**Re:** Applicability of Appendices 3 and 4 the *Supplemental Draft Environmental Impact Statement for the Modified Belleayre Resort at Catskill Park* to the “Modified Project Design”

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We have reviewed the “Modified Project Design” in regard to the applicability of the analyses in Appendix 3, “Socioeconomic and Fiscal Conditions and Effects,” and Appendix 4, “Growth Inducing and Secondary Impacts,” that were originally prepared for the AIP plan alternative, and were part of the April 2011 submission to the Lead Agency.

It is noted that there are plan differences between the Modified Project Design (the Applicant’s preferred alternative) and the AIP plan alternative. These differences regard the removal of 24 units from Highmount and the addition of 24 units to Wildacres. While units are shifted in location, the overall number of units of all types remains the same between the two plans (i.e., 629 units). In addition, the Modified Project Design includes the removal of a segment of proposed roadway at Highmount. The effect of these differences on the analyses in the affected appendices is discussed below.

### APPENDIX 3 - SOCIOECONOMIC AND FISCAL CONDITIONS

The analysis contained in Appendix 3 evaluates the project’s affect on socioeconomic conditions of a study area including the immediate towns, and a wider area encompassing a segment of the Route 28 Corridor; certain economic effects are estimated for the two affected counties and New York State. The analysis estimates the fiscal effects of the project, including potential property tax generation for the affected local and county jurisdictions, including the school districts.

The relocation of housing units from the Highmount area to Wildacres results in 10 units moving from the Town of Shandaken to the Town of Middletown. In addition, 8 units are shifted from the Middletown School District to the Onteora School District. The shifting of units between different taxing jurisdictions potentially affects allocation of tax revenues as shown in the analysis of the future property taxes presented in Appendix 3.

It is our conclusion that the analyses and conclusions presented in Appendix 3 remain applicable to this preferred alternative. This conclusion is based on the fact that only a very small percentage of project units – less than 2 percent of the total – have shifted jurisdiction. This magnitude of change falls well within the range of error reflected in the future property tax estimations, which are highly conditional and conservative estimates.

It should be noted, however, that the deletion of the Highmount roadway in the Modified Project Design could affect the outcome of the economic benefits analysis of the construction period which estimates the economic effects – in terms of construction jobs, construction and labor-related taxes, and overall economic output – of the construction activities. The deletion of the roadway segment is estimated to reduce the overall construction costs by approximately \$2 million. The analysis presented in Appendix 3 assumed a total construction cost of \$364.7 million (in 2008 dollars). The decrease of this construction cost by \$2 million represents less than a 1 percent change, and a change of this degree is within a reasonable range of error in these types of modeling analyses, and this change would have a minimally discernible effect – if any – on the results of the analysis.

In all other respects that are relevant to the analyses presented in Appendix 3, the two project designs are identical. Therefore, the conclusions and estimates presented in Appendix 3 are applicable to the Modified Project Design.

#### **APPENDIX 4 – GROWTH INDUCING AND SECONDARY IMPACTS**

Appendix 4 considers the possibility of wider-ranging effects that may be caused by or induced by the project, including its potential to stimulate growth or population changes in the affected area.

None of the changes shown in the Modified Project Design would alter the analyses or conclusions presented in Appendix 4. Therefore, Appendix 4 is applicable to the Modified Project Design.



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John Feingold

***Socioeconomic and Fiscal Conditions and Effects***

**of the  
Modified Belleayre Resort at Catskill Park  
in  
Shandaken and Middletown, New York**

Prepared by

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**March 8, 2011**

### INTRODUCTION

This appendix provides background and elaboration of the analyses presented report describes the potential effects of the proposed Modified Belleayre Resort at Catskill Park (the “proposed project”) on population and housing characteristics and on employment and workforce conditions within the areas most likely to be affected by the proposed project. This appendix report was prepared in support of the Supplemental Draft Environmental Impact Statement pursuant to the New York State Environmental Quality Review Act (SEQRA). SEQRA’s definition of the environment protects the socioeconomic elements reflected in existing population patterns and neighborhood and community character. Pure economic or competitive interests, however, fall outside the purview of SEQRA review. This appendix therefore evaluates socioeconomic elements as distinct from competitive impacts, focusing upon whether the economic activities generated by the proposed project could alter the demographics of the population or the composition of the workforce, and whether any such changes could result in significant adverse impacts to neighborhood and community character.

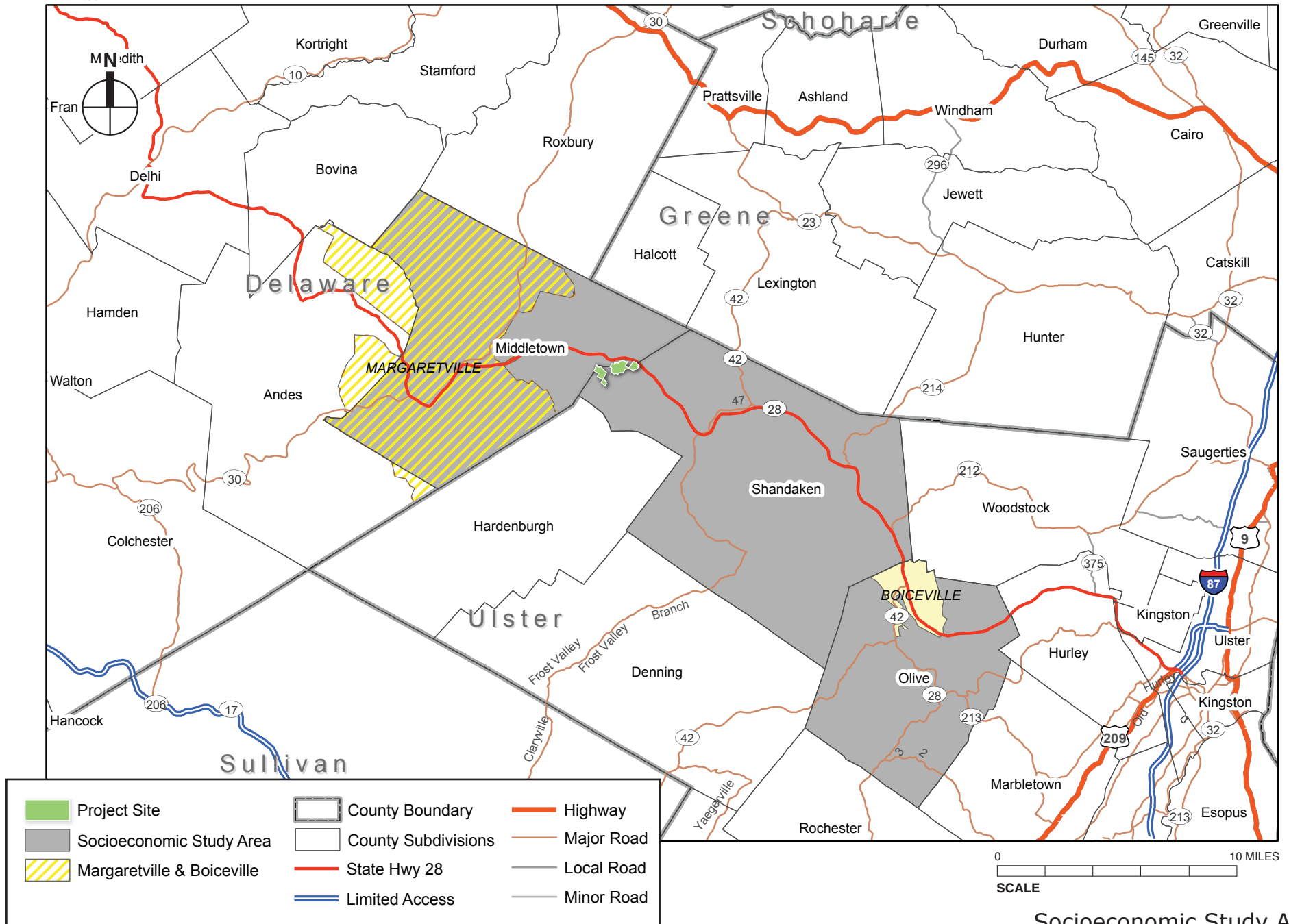
This appendix begins with a description of the proposed project and an explanation of the methodology used for the analysis, including the study area definition and data sources. This is followed by a discussion within Section 3.9.1 of the study areas’ demographic characteristics, including population, household, and housing unit characteristics. Section 3.9.2 presents a discussion of employment and workforce in the study area. It describes employment and workforce trends, evaluates whether the existing workforce would be able to meet the expected demand for employees directly generated by the proposed project, and estimates the effects on local housing markets from the potential in-migration of workers from outside the study area. Section 3.9.3 estimates the economic and fiscal benefits that would result from the construction and operation of the proposed project.

For this analysis, demographic studies are used to describe existing population and housing conditions within the socioeconomic study area, which includes the county subdivisions along the NY Route 28 corridor between Boiceville and Margaretville (see Figure 3.9-1). Employment and workforce trends are described in the workforce study area, which is the area from which approximately 80 percent of the proposed project’s employees would originate and/or reside (see Figure 3.9-2).

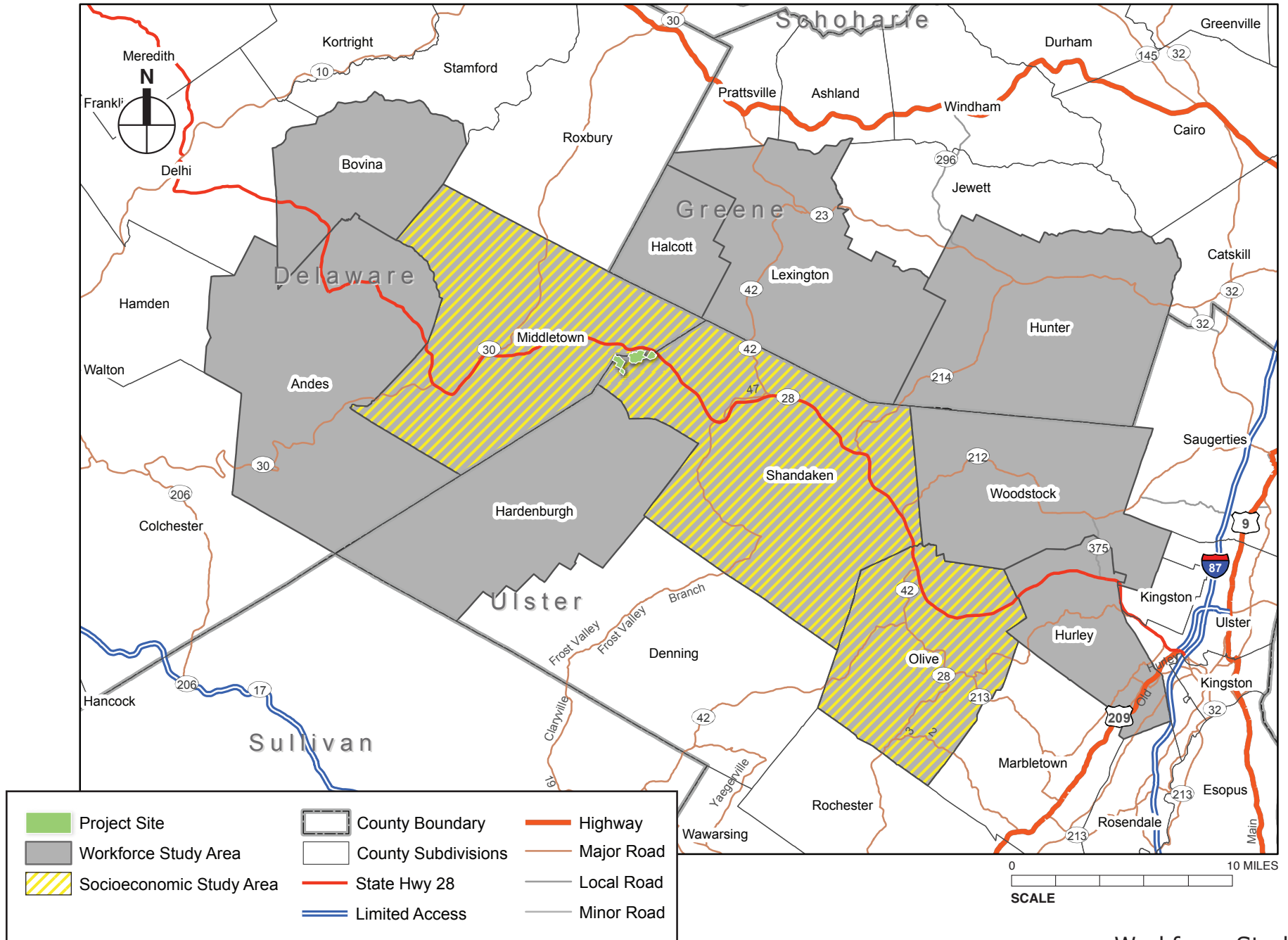
### PRINCIPLE CONCLUSIONS

The proposed project is estimated to generate approximately 541 full-time jobs and 230 part-time jobs, a 5.0 percent increase from the number of employees in the workforce study area in 2007. It was assumed that the part-time positions would be filled by workers in the area that work part-time but are looking for additional work, unemployed persons who are searching for part-time employment, and others who are not technically in the labor force. Because part-time employment generally does not offer a salary that would support moving from one area to another, it was assumed that they would not adversely affect the housing market in the study area.

Of the full-time jobs, it was assumed that about 20 percent would live outside of the workforce study area. Also, discounting people who are over- or under-qualified for positions at the proposed project, it was assumed that approximately 183 unemployed persons from within the workforce study area would be qualified to fill positions at the proposed project. Thus, it was determined that there would be an additional demand for as many as 250 employees from within the study area. Based on an online search conducted in June 2008, there were 259 single family homes for sale and 93 rental units available in the study area, indicating that the existing housing stock could accommodate the employment generated at the proposed project.



11.11.08



Workforce Study Area  
Figure 3.9-2

## *ECONOMIC AND FISCAL BENEFITS*

### *Construction Period Benefits*

Construction of the proposed project would create an estimated 2,176 person-years of direct construction employment (a person-year is the equivalent of one person working full-time for a year). This would represent an average of 218 full-time jobs during the ten-year construction period. Total direct and indirect employment (from secondary or induced expenditures) is estimated at 3,988 person-years, or an average of 399 jobs during the construction period. Total wages and salaries are estimated at \$191.34 million (all dollar amounts in 2008 dollars). The total economic effect from construction of the project is estimated at \$703.07 million. Total local and state tax revenues generated by the project, exclusive of real estate taxes, are estimated at \$16.85 million.

### *Operating Period Benefits*

Upon completion, the project would create total direct and indirect employment estimated at 1,035 permanent jobs in the Delaware-Ulster-Greene tri-county region and a total of 1,184 jobs in the wider New York State economy. Total wages and salaries are estimated at \$47.17 million in New York State. The total recurring effect from operating the project is estimated at \$210.49 million annually in New York State. The annual operation of the project would have associated with it substantial sales tax, person income tax, corporate and business taxes, and other tax revenue.

### *Future Property Tax Revenues with the Proposed Project*

The proposed project would generate significant future tax revenues for Delaware and Ulster Counties, Onteora and Margaretville school districts, and other taxing districts. The properties on which the proposed project would be located generated about \$87,300 in annual tax revenues in 2007. With the proposed project, the properties could generate over \$2.16 million annually, representing a 2,375 percent increase over the fiscal year 2007 tax revenue of approximately \$87,300.

## **PROPOSED PROJECT**

The proposed project would develop the Highmount Spa and Resort and the Wildacres Resort on the 712-acre project site. Highmount Spa and Resort would be built out in four phases (see Table 3.9-1). Phase 1 would include the development of a 120-unit hotel, 53 attached fractional units<sup>1</sup>, a spa/fitness center, and parking for 275 cars. Phase 2 would include the development of 27 detached fractional units and parking for 30 cars. Phase 3 and 4 would include the development of 40 fractional units and a 12,000-square-foot conference center.

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<sup>1</sup> Fractional ownership is shared ownership of real estate. It gives the owner a deed to the property. In comparison, timeshare buyers own the weeks they purchase for a vacation.



<b>Table 3.9-1</b> <b>Highmount Spa and Resort Proposed Program</b>		
	<b>Comments</b>	<b>Proposed Program (Square feet)</b>
Phase 1		
Hotel	120 units	70,200
Fractionals	53 units (attached)	89,800
Hotel Services		76,000
Spa / Fitness Center		24,000
Mechanical Plant		10,000
Parking	(±275 cars)	85,000
Phase 1 Total		355,000
Phase 2		
Fractionals	27 units (detached)	46,100
Services		11,200
Mechanical Plant		2,200
Parking	(±30 cars)	9,000
Phase 2 Total		68,500
Phase 3 & 4		
Fractionals	40 units	175,800
Leach Farm Conference Center		12,000
Phase 3 & 4 Total		187,800
Highmount total:		611,300
<b>Source:</b> Crossroads Ventures, LLC		

Wildacres Resort would be constructed in two phases (see Table 3.9-2). Phase 1 would include the development of the golf course and its clubhouse, a 208-unit hotel, 42 attached fractional units, a conference/spa/fitness center, parking for 458 cars. Phase 2 would include the development of 84 timeshare units, 55 fractional units, a community club house, and activity center. In addition, Marlowe Mansion, a historic landmark that was built in 1904, would be renovated to include a social hall for resort guests and area residents.

<b>Table 3.9-2</b> <b>Wildacres Resort Proposed Program</b>		
	<b>Comments</b>	<b>Proposed Program (Square feet)</b>
Phase 1		
Golf Course		
Hotel	208 units	140,000
Fractionals	42 units (attached)	65,000
Hotel Services		101,000
Conference/ Spa / Fitness Center		65,000
Golf Clubhouse		15,000
Mechanical Plant		15,000
Parking	(±250 cars)	75,000
Detached Parking	(±208 cars)	84,000
Phase 1 Total		560,000
Phase 2		
Timeshare	84 units	117,600
Fractionals	55 units	90,550
Community Club House		6,000
Wilderness Activity Center		8,000
Marlowe Mansion		12,000
Phase 2 Total		234,150
Wildacres Resort total		794,150
<b>Source:</b> Crossroads Ventures, LLC		

## METHODOLOGY

### STUDY AREA DEFINITION

The analysis on population and households focuses on a “socioeconomic study area,” which is the area in which demographic and workforce characteristics are most likely to be affected by the proposed project. The socioeconomic study area includes the county subdivisions along the NY Route 28 corridor between Boiceville and Margaretville (see Figure 3.9-1). These include the towns of Middletown, Shandaken, and Olive. The analysis on population and households focuses on the socioeconomic study area, with comparative information provided for the workforce and labor study area (described below), New York State, and the three counties that encompass the workforce and labor study area (Ulster, Delaware, and Greene Counties). In addition, when appropriate, comparisons are made to Upstate New York, which is defined as all counties in New York State except the following: Bronx, Kings, New York, Queens, Richmond, Nassau, and Suffolk.

The study area for the workforce and labor analysis comprises the area from which approximately 80 percent of the proposed project’s employees would originate and/or reside. Based on a geographic evaluation of the region, it was determined that a majority of the employment and other economic impacts related to the proposed project would be expected to occur within the following 11 county subdivisions: Andes, Bovina, Middletown, Halcott, Hunter, Lexington, Hardenburgh, Hurley, Olive, Shandaken, and Woodstock (see Figure 3.9-2). Therefore, the economic conditions presented in this appendix focuses on the 11 county subdivisions when possible, with comparative information provided for New York State, as well as Ulster, Delaware, and Greene Counties.

## **DATA SOURCES**

Various data sources have been used to prepare this analysis: U.S. Census Bureau's 1990 and 2000 Census; New York State Department of Labor (DOL); New York State Office of Real Property Services (ORPS); and various real estate websites including trulia.com, harmonhomes.com, realestate-nextag.com, realtor.com, homeaway.com, and fitzgeraldrealestate.com. Also, interviews were conducted with the following local real estate firms: Coldwell Banker; Catskills for Rent; Deegan and Sanglyn; and Jeff Prince Real Estate. Population, household, and housing unit 2008 estimates were obtained from ESRI, Inc., a national provider of geographic planning data. Population projections were obtained from Cornell University Program of Applied Demographics.

In rural study areas where there are few employers in particular industry categories, the U.S. Census Bureau and Bureau of Labor Statistics follow a common policy to suppress industry-specific data for any jurisdiction that might inadvertently reveal information about a specific firm which by itself employs a substantial share of the workforce in that industry. This problem of suppression of data arose frequently in evaluations of business data at the municipal level. Given these limits, data were collected from multiple sources and at a variety of municipal levels in an effort to present the most accurate data available. In several cases, county level data were used to ensure that the information presented was as robust as possible.

### **3.9.1 DEMOGRAPHIC AND ECONOMIC PROFILE**

#### *POPULATION*

The socioeconomic study area had 11,865 residents in 2000, a 12.9 percent increase from 1990 (see Table 3.9.1-1). The socioeconomic study area had a higher population growth rate compared to the tri-county area, which had a 6.5 percent growth rate during this time period. Within the socioeconomic study area, Middletown experienced the most growth between 1990 and 2000 at 18.9 percent, followed by Olive (12.1 percent) and Shandaken (7.4 percent).

Between 2000 and 2008, the population in the socioeconomic study area increased by approximately 2.9 percent. This growth rate was slightly lower than the tri-county area (4.3 percent). During this time period, Shandaken had the highest growth rate at 5.9 percent from 3,235 residents in 2000 to 3,426 residents in 2008. Middletown's population remained flat during this time period with 4,051 residents in 2000 and 4,045 residents in 2008.

Table 3.9.1-1 Population Change 1990 to 2008					
	1990	2000	Est. 2008	1990-2000 % change	2000-2008 % change
Socioeconomic Study Area	10,505	11,865	12,210	12.9%	2.9%
Middletown town	3,406	4,051	4,045	18.9%	-0.1%
Olive town	4,086	4,579	4,739	12.1%	3.5%
Shandaken town	3,013	3,235	3,426	7.4%	5.9%
Workforce Study Area	28,721	30,642	31,561	6.7%	3.0%
Tri-County Area	257,268	273,999	285,915	6.5%	4.3%
Delaware County	47,225	48,055	48,114	1.8%	0.1%
Greene County	44,739	48,195	51,139	7.7%	6.1%
Ulster County	165,304	177,749	186,662	7.5%	5.0%
New York State	17,990,455	18,976,457	19,554,879	5.5%	3.0%
<b>Sources:</b> U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1; ESRI Inc., Market Profile 2008, Accessed May 2008.					

Residents in the socioeconomic study area were notably older than those in the tri-county area and in New York State a whole, when measured as a percentage of total population in each area. In 2000, 38.9 percent of people in the socioeconomic study area were above 50 years of age (see Table 3.9.1-2). In comparison, this age group made up 28.1 percent of the population in New York State. The share of young adults was lower in the socioeconomic study area compared to the State. In 2000, 14.1 percent of the population in the socioeconomic study area was between the ages of 18 and 34. In comparison, 23.6 percent of the population in the State were part of this age group.

Table 3.9.1-2 2000 Age Distribution								
	Under 5	5-9 (elementary school)	10-14 (middle school)	15-17 (high school)	18-34	35-49	50-64	65+
Socioeconomic Study Area	4.8%	6.7%	7.1%	3.6%	14.1%	24.8%	20.5%	18.4%
Middletown town	4.8%	6.5%	6.7%	3.1%	14.0%	20.6%	20.3%	24.0%
Olive town	4.7%	7.5%	8.0%	4.1%	14.1%	26.8%	21.3%	13.5%
Shandaken town	4.9%	5.9%	6.2%	3.5%	14.3%	27.3%	19.6%	18.3%
Workforce Study Area	4.5%	6.2%	6.9%	3.8%	13.4%	24.5%	22.5%	18.1%
Tri-County Area	5.3%	6.7%	7.1%	4.1%	20.5%	24.4%	17.2%	14.6%
Delaware County	5.1%	6.0%	7.3%	4.6%	17.8%	21.6%	18.9%	18.6%
Greene County	5.2%	6.4%	7.3%	3.9%	20.8%	23.2%	17.6%	15.6%
Ulster County	5.4%	7.0%	7.0%	4.0%	21.2%	25.4%	16.7%	13.3%
New York State	6.5%	7.2%	7.0%	4.0%	23.6%	23.6%	15.2%	12.9%
<b>Source:</b> U.S. Department of Commerce, Bureau of the Census, 2000 Census, Summary File 3								

Between 1990 and 2000, the population of adults above 50 years of age increased in share in the socioeconomic trade area. The percentage of adults in the socioeconomic trade area increased from 35.4 percent in 1990 to 38.9 percent in 2000 (see Tables 3.9.1-2 and 3.9.1-3). This age group increased by only 0.9 percentage points in New York State. At the same time, the young adult population (18-34 year olds) decreased in share from 19.9 percent of the population in 1990 to 14.1 percent of the population in

2000 in the socioeconomic study area, and from 19.6 percent of the population in 1990 to 13.4 percent of the population in 2000 in the workforce study area. The increased share of adults above 50 years of age indicates that there will be an increase in the number of people who will reach retirement age and will leave the workforce. In addition, the decreasing share of young adults in the socioeconomic study area could further weaken the supply of available labor in the study area.

<b>Table 3.9.1-3 1990 Age Distribution</b>								
	<b>Under 5</b>	<b>5-9 (elementary school)</b>	<b>10-14 (middle school)</b>	<b>15-17 (high school)</b>	<b>18-34</b>	<b>35-49</b>	<b>50-64</b>	<b>65+</b>
Socioeconomic Study Area	6.2%	6.7%	5.8%	3.7%	19.9%	22.3%	17.2%	18.2%
Middletown town	5.7%	7.1%	5.2%	4.1%	17.3%	19.5%	18.3%	22.9%
Olive town	6.1%	6.6%	6.9%	3.7%	21.3%	24.4%	16.6%	14.4%
Shandaken town	7.0%	6.3%	5.1%	3.4%	20.9%	22.5%	16.7%	18.0%
Workforce Study Area	6.3%	6.5%	6.0%	3.7%	19.6%	24.3%	18.0%	15.6%
Tri County Area	6.8%	6.7%	6.4%	3.8%	26.7%	21.4%	14.0%	14.2%
Delaware County	6.7%	7.2%	7.0%	4.2%	23.8%	19.7%	14.8%	16.6%
Greene County	6.5%	6.7%	6.2%	4.0%	25.9%	20.8%	14.1%	15.9%
Ulster County	6.9%	6.6%	6.2%	3.6%	27.8%	22.1%	13.7%	13.0%
New York State	6.9%	6.5%	6.4%	3.8%	28.2%	21.0%	14.1%	13.1%
<b>Source:</b> U.S. Department of Commerce, Bureau of the Census, 1990 Census, Summary File 3								

Table 3.9.1-4 displays population projections for Delaware, Greene, and Ulster County. These population projections are based on Census 2000 populations that have been projected using life expectancy and survival rates, age specific fertility rates, and net migration. The population projections also take into account one-time events such as military base closures. Delaware County's population is expected to experience the most change between 2005 and 2035. As shown in Table 3-9.1-4, the population in Delaware County is expected to decrease by 21.5 percent during the 30 year period. The populations in Greene County and Ulster County are projected to increase by 3.4 percent and 2.0 percent between 2005 and 2035. Based on these projections, market demand for residential and retail uses would not be significantly increased by a population increase in the tri-county area.

<b>Table 3.9.1-4 Population Projections</b>								
	<b>2005</b>	<b>2010</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>% change 2005-2035</b>
Delaware County	47,360	46,978	45,952	44,404	42,382	39,956	37,165	-21.5%
Greene County	49,559	50,526	51,273	51,773	51,956	51,770	51,238	3.4%
Ulster County	182,433	185,575	187,905	189,313	189,540	188,397	186,012	2.0%
New York State	19,315,721	19,547,993	19,766,612	19,961,588	20,101,492	20,165,840	20,155,957	4.4%
<b>Sources:</b> Cornell University, Program on Applied Demographics, Preliminary New York State Projection Data by County, May 2008, <a href="http://pad.human.cornell.edu/che/BLCC/pad/data/projections.cfm">http://pad.human.cornell.edu/che/BLCC/pad/data/projections.cfm</a> [Accessed June 4, 2008]								

### *HOUSEHOLDS AND INCOME*

The number of households in the socioeconomic study area increased by 16.3 percent, from 4,303 households in 1990 to 5,004 households in 2000 (see Table 3.9.1-5). This growth rate was significantly

higher than the household growth in New York State, which saw 6.3 percent growth during this time period. Within the socioeconomic study area, Olive had the most significant increase in the number of households between 1990 and 2000, increasing by 18.8 percent.

Between 2000 and 2008, the number of households in the socioeconomic study area increased by approximately 4.2 percent, from 5,004 households in 2000 to 5,216 households in 2008. During this time period, the number of households in the workforce study area increased by a comparable amount (4.6 percent). Generally, the county subdivisions along major roads, including Route 28, Route 42, Route 214, and Route 212 had more households, with 1,221 households in Hunter and 3,150 households in Woodstock. More remote towns such as Hardenburgh, Halcott, and Bovina had fewer than 300 households.

<b>Table 3.9.1-5 Households (1990, 2000, 2008)</b>					
	<b>1990</b>	<b>2000</b>	<b>Est. 2008</b>	<b>1990-2000 % change</b>	<b>2000-2008 % change</b>
Socioeconomic Study Area	4,303	5,004	5,216	16.3%	4.2%
Middletown town	1,450	1,672	1,682	15.3%	0.6%
Olive town	1,573	1,869	1,963	18.8%	5.0%
Shandaken town	1,280	1,463	1,571	14.3%	7.4%
Workforce Study Area	11,722	13,153	13,758	12.2%	4.6%
Tri-County Area	95,049	105,025	111,323	10.5%	6.0%
Delaware County	17,646	19,270	19,735	9.2%	2.4%
Greene County	16,596	18,256	19,821	10.0%	8.6%
Ulster County	60,807	67,499	71,767	11.0%	6.3%
New York State	6,639,322	7,056,860	7,270,269	6.3%	3.0%
<b>Sources:</b> U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1; ESRI Inc., Market Profile 2008.					

Between 2000 and 2008, the average household size in the State remained flat at 2.61 persons per household. In the socioeconomic study area, the average household size decreased from 2.31 persons per household to 2.27 persons per household during this time period. In the socioeconomic study area, the average household sizes ranged from 2.13 persons per household in Shandaken to 2.39 persons per household in Olive.

Table 3.9.1-6 Average Household Size (1990, 2000, 2008)					
	1990	2000	Est. 2008	1990-2000 % Change	2000-2008 % change
Socioeconomic Study Area	2.41	2.31	2.27	-4.4%	-1.6%
Middletown town	2.32	2.29	2.26	-1.4%	-1.3%
Olive town	2.58	2.43	2.39	-5.8%	-1.6%
Shandaken town	2.31	2.17	2.13	-6.1%	-1.8%
Workforce Study Area	2.43	2.27	2.24	-6.6%	-1.4%
Tri-County Area	2.57	2.44	2.41	-4.8%	-1.4%
Delaware County	2.56	2.39	2.33	-6.8%	-2.5%
Greene County	2.54	2.42	2.38	-4.6%	-1.7%
Ulster County	2.58	2.47	2.44	-4.2%	-1.2%
New York State	2.63	2.61	2.61	-0.7%	0.0%
<b>Sources:</b> U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1; ESRI Inc., Market Profile 2008.					

Table 3.9.1-7 displays median household income trends from 1989 to 1999 presented in constant 2008 dollars, as well as trends in the poverty rate. In 1999, the median household income in the socioeconomic study area was \$48,466, which was a 9.6 percent increase from the median household income in 1989. In comparison, the median household income in Upstate New York decreased by 2.2 percent during this time period. Despite the increase in the socioeconomic study area, the 1999 median household income in the socioeconomic study area was 16.7 percent lower than the median household income in Upstate New York (\$58,208).

Between 1989 and 1999, the poverty rate in the socioeconomic study area decreased from 12.1 percent in 1989 to 10.9 percent in 1999. The decrease in the poverty rate contrasted broader area trends as the poverty rates increased in the workforce study area, tri-county area, and New York State. Within the socioeconomic study area, Olive had the lowest poverty rate in 1999 at 5.0 percent. Middletown and Shandaken had higher poverty rates at 16.8 percent and 12.3 percent, respectively.

Table 3.9.1-7 Median Household Income and Poverty Status						
	Median Household Income			Poverty Status		
	1989	1999	% change	1989	1999	% change
Socioeconomic Study Area	\$44,219	\$48,466	9.6%	12.1%	10.9%	-10.2%
Middletown town	\$35,077	\$41,409	18.1%	17.2%	16.8%	-2.3%
Olive town	\$56,615	\$59,987	6.0%	6.7%	5.0%	-25.9%
Shandaken town	\$39,664	\$41,700	5.1%	13.9%	12.3%	-11.1%
Workforce Study Area	\$57,394	\$55,467	-3.4%	9.7%	10.5%	8.0%
Tri-County Area	\$55,578	\$52,376	-5.8%	9.5%	11.8%	23.8%
Delaware County	\$43,205	\$42,882	-0.7%	12.8%	12.9%	0.4%
Greene County	\$49,180	\$48,208	-2.0%	9.7%	12.2%	25.5%
Ulster County	\$60,932	\$56,211	-7.7%	8.6%	11.4%	33.5%
New York State	\$59,019	\$57,323	-2.9%	13.0%	14.6%	12.0%
<b>Notes:</b> Median household income is presented in constant 2008 dollars based on the U.S. Department of Labor Bureau of Labor Statistics' April 2008 Consumer Price Index for all urban consumers for New York-Northern New Jersey-Long Island. Estimates for median household income for tri-county and study area are based on weighted averages of median household incomes in the areas. <b>Sources:</b> U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 U.S. Census, Summary File 1 and Summary File 3; ESRI's Market Profile 2008, Accessed May 2008; AKRF, Inc.						

As shown in Table 3.9.1-8, which displays 1999 household income distribution in 2008 dollars, households with incomes above \$99,076 represented 17.0 percent of the socioeconomic study area. In comparison, the Upstate New York's share of households in this income bracket was 23.2 percent, 6.1 percentage points higher than the socioeconomic study area. Within the socioeconomic study area, Olive's share of households at this income level was 22.0 percent, which was comparable to Upstate New York. Approximately half (48.8 percent) of households in the socioeconomic study area had incomes below \$46,234. Upstate New York and New York State as a whole had lower shares of households at this income level, at 41.2 percent and 41.0 percent, respectively.



Table 3.9.1-8 1999 Household Income Distribution (percent)						
	Less than \$19,814	\$19,815- \$33,024	\$33,025- \$46,234	\$46,235- \$66,050	\$66,051- \$99,075	More than \$99,076
Socioeconomic Study Area	17.4%	15.4%	16.0%	16.1%	18.2%	17.0%
Middletown town	22.0%	17.5%	16.9%	14.5%	16.5%	12.6%
Olive town	11.6%	10.6%	14.1%	19.2%	22.5%	22.0%
Shandaken town	19.5%	19.0%	17.5%	13.8%	14.5%	15.6%
Workforce Study Area	15.2%	14.2%	13.5%	16.3%	18.9%	21.9%
Tri-County Area	16.5%	13.9%	14.0%	17.3%	19.7%	18.7%
Delaware County	20.2%	16.1%	17.4%	17.7%	17.0%	11.7%
Greene County	17.9%	14.7%	15.2%	18.2%	18.3%	15.7%
Ulster County	15.1%	13.1%	12.7%	16.9%	20.8%	21.5%
New York State	17.9%	11.7%	11.4%	14.8%	18.4%	25.8%
<b>Notes:</b> Household income distribution is presented in constant 2008 dollars based on the U.S. Department of Labor Bureau of Labor Statistics' April 2008 Consumer Price Index for all urban consumers for New York-Northern New Jersey-Long Island. <b>Sources:</b> U.S. Department of Commerce, Bureau of the Census, 2000 U.S. Census, Summary File 3; AKRF, Inc.						

## HOUSING

In 2000, there were 7,985 housing units in the socioeconomic study area, which was a 5.3 percent increase from the number of housing units in 1990 (see Table 3.9.1-9). In comparison, the tri-county area and the State had higher growth rates in the number of housing units at 7.3 percent and 6.3 percent, respectively. Within the socioeconomic study area, Olive had the highest growth rate in the number of housing units, increasing by 13.2 percent from 2,038 housing units in 1990 to 2,306 housing units in 2000. In comparison, the growth rates in Middletown and Shandaken were 1.4 percent and 3.7 percent, respectively.

There were 8,298 housing units in the socioeconomic study area in 2008, a 3.9 percent increase from 2000. In Shandaken, there were 186 housing units built between 2000 and 2008, representing a 7.0 percent increase during this time period. The number of housing units in Olive increased by 122 units (or by 5.3 percent). Middletown's housing supply increased by only 5 units during this time period. In 2000, owner occupancy of housing units in the socioeconomic study area was 76.8 percent. This was higher than the tri-county area (70.1 percent) and the State (53.0 percent). This vacancy rate in the socioeconomic study area was 37.4 percent. This was significantly higher than New York State (8.1 percent). The vacancy rates were particularly high in Middletown (44.5 percent) and Shandaken (45.3 percent).

<b>Table 3.9.1-9 Housing Unit Characteristics</b>							
	<b>Total Housing Units</b>			<b>2000 Vacancy Rate</b>		<b>2000 Tenure, All Occupied Units</b>	
	<b>1990</b>	<b>2000</b>	<b>Est. 2008</b>	<b>% Occupied</b>	<b>% Vacant</b>	<b>% Owner Occupied</b>	<b>% Renter Occupied</b>
Socioeconomic Study Area	7,580	7,985	8,298	62.6%	37.4%	76.8%	23.2%
Middletown	2,972	3,013	3,018	55.5%	44.5%	77.3%	22.7%
Olive	2,038	2,306	2,428	81.0%	19.0%	79.8%	20.2%
Shandaken	2,570	2,666	2,852	54.7%	45.3%	72.5%	27.5%
Workforce Study Area	20,287	20,882	21,657	62.9%	37.1%	78.5%	21.5%
Tri-County Area	124,077	133,152	140,739	78.9%	21.1%	70.1%	29.9%
Delaware County	27,361	28,952	29,591	66.6%	33.4%	75.7%	24.3%
Greene County	25,000	26,544	28,519	68.8%	31.2%	72.1%	27.9%
Ulster County	71,716	77,656	82,629	86.9%	13.1%	68.0%	32.0%
New York State	7,226,891	7,679,307	8,015,819	91.9%	8.1%	53.0%	47.0%
<b>Sources:</b> U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 U.S. Census, Summary File 1 and Summary File 3; ESRI's Market Profile 2008, Accessed May 2008; AKRF, Inc.							

The high housing vacancy rate in the socioeconomic study area is largely due a high percentage of second homes. Of the 2,981 vacant housing units in the socioeconomic study area, approximately 73.3 percent of the housing units were for seasonal, recreational, or occasional use (see Table 3.9.1-10). This was significantly higher than the State's share of seasonal housing units (37.8 percent). Within the socioeconomic study area, there were 1,095 housing units that were used for seasonal, recreation, or occasional use, representing half of the seasonal housing units in the socioeconomic study area.

<b>Table 3.9.1-10 2000 Vacancy Status</b>						
	<b>For rent</b>	<b>For sale only</b>	<b>Rented or sold, not occupied</b>	<b>For seasonal, recreational, or occasional use</b>	<b>For migrant workers</b>	<b>Other vacant</b>
Socioeconomic Study Area	150	142	56	2,185	3	445
Middletown town	54	57	22	1,095	1	112
Olive town	17	32	7	304	0	77
Shandaken town	79	53	27	786	2	256
Workforce Study Area	495	335	126	5788	12	973
Tri-County Area	2,550	1,834	933	18,882	66	3,862
Delaware County	576	462	145	7,700	5	794
Greene County	704	465	220	5,944	3	952
Ulster County	1,270	907	568	5,238	58	2,116
New York State	158,569	59,405	40,439	235,043	750	128,241
<b>Sources:</b> U.S. Department of Commerce, Bureau of the Census, 2000 U.S. Census, Summary File 1.						

Table 3.9.1-11 shows housing value characteristics within the socioeconomic study area, the workforce study area, the tri-county area, and New York State. In 2000, the median contract rent in the socioeconomic study area was \$580, which was 11.0 percent lower than the median contract rent in the workforce study area, 9.4 percent lower than the tri-county area, and 25.2 percent lower than the State's

median contract rent. Within the socioeconomic study area, there was a range in median contract rents, from \$470 per month in Middletown to \$670 per month in Olive.

The median housing value in 2000 in the socioeconomic study area was \$126,675. Similar to median contract rents, this was lower than the State (\$189,108), the workforce study area (\$147,800), and the tri-county area (\$129,051). In the socioeconomic study area, the median housing values ranged from \$110,441 in Middletown to \$147,980 in Olive.

<b>Table 3.9.1-11</b>					
<b>1990 and 2000 Housing Value Characteristics</b>					
	<b>Median Contract Rent</b>			<b>Median Housing Value</b>	
	<b>1990</b>	<b>2000</b>	<b>1990-2000 % change</b>	<b>1990</b>	<b>2000</b>
<b>Socioeconomic Study Area</b>	\$583	\$580	-0.6%	NA	\$126,675
Middletown town	\$488	\$470	-3.6%	NA	\$110,441
Olive town	\$692	\$670	-3.2%	NA	\$147,980
Shandaken town	\$611	\$591	-3.4%	NA	\$116,463
<b>Workforce Study Area</b>	\$647	\$644	-0.5%	NA	\$147,800
<b>Tri-County</b>	\$685	\$640	-6.6%	NA	\$129,051
Delaware County	\$471	\$459	-2.6%	NA	\$95,835
Greene County	\$567	\$550	-3.1%	NA	\$117,744
Ulster County	\$760	\$694	-8.6%	NA	\$142,856
<b>New York State</b>	\$723	\$775	7.3%	NA	\$189,108
<b>Notes:</b> 1. Median contract rent and median housing value presented in 2008 dollars. 2. Median home values for 1990 and 2000 are not comparable because the Census Bureau's 1990 housing value is based on sample data that excluded multi-unit buildings ("specified owner-occupied units"), while the 2000 median is based on "all owner-occupied units."					
<b>Sources:</b> 1990 and 2000 U.S. Census, Summary File 1 and Summary File 3, AKRF, Inc.					

Table 3.9.1-12 shows home sales prices recorded by the New York State Office of Real Property Services (ORPS), which tracks arms-length transactions<sup>2</sup> of non-condominium single family homes in New York State. According to ORPS, there were approximately 3,689 single family home sales in the tri-county area in 2006, with 59.4 percent of the sales in Ulster County. The 2006 median sales price ranged from \$124,775 in Delaware County to \$244,800 in Ulster County. The median sales prices in 2006 were higher than the 2000 median housing values reported in the Census. In particular, the median price increased by 71.4 percent from \$189,108 in 2000 to \$244,800 in 2006.

<b>Table 3.9.1-12</b>		
<b>Single Family Homes Sales and Median Sales Prices - 2006</b>		
<b>County</b>	<b>Number of Sales during 2006</b>	<b>Median Sales Price</b>
Delaware County	748	\$124,775
Greene County	749	\$175,000
Ulster County	2,192	\$244,800
<b>Notes:</b> The data are collected on the county level, and are reported on an annual basis. <b>Sources:</b> New York State Office of Real Property Services		

<sup>2</sup> An "arm's length" transaction refers to a real estate sale in the open market freely arrived at by normal negotiations without undue pressure on either the buyer or the seller.

Table 3.9.1-13 displays ranges of recent sales listings for county subdivisions in the workforce study area. An internet search conducted in June 2008 identified 259 single-family homes for sale in the workforce study area. The highest number of listings were found in Hunter (57 listings), Woodstock (48 listings), and Middletown (32 listings). There were 10 or fewer listings in each of the following county subdivisions: Lexington, Bovina Center, and Andes. Single-family homes in the workforce study area ranged from \$84,900 in Middletown to \$2.8 million in Woodstock (see Appendix 3.9-1 for a detailed table). As shown in Table 3.9.1-11, the 2000 median housing value in Middletown was \$110,441 (in 2008 dollars) according to the US Census. Out of 32 online listings of single family homes for sale in Middletown in 2008, the median listing price was \$235,250—evidence of a substantial increase over an eight year period. Olive’s median housing value in 2000 was \$147,980, compared to a 2008 median listing price was \$269,900 (34 listings total). Shandaken similarly showed a considerable increase, with a median value in 2000 of \$116,463, and a median listing price of \$327,000 (18 listings total). Overall, the median for 259 single-family home listings from June 2008 in the workforce study area was \$299,000, more than double the 2000 median housing value (\$147,800).

Table 3.9.1-13 Listing Price Range for Single-Family Homes			
County	County Subdivision	Total Listings	Listing Price Range
Delaware County	Bovina Center	7	\$222,500 to \$925,000
	Andes	9	\$115,000 to \$1,300,000
	Middletown	32	\$84,900 to \$1,750,000
Ulster County	Hardenburgh	7	\$147,842 to \$852,083
	Shandaken	18	\$85,000 to \$1,895,000
	Woodstock	48	\$145,457 to \$2,799,000
	Olive	34	\$129,000 to \$1,750,000
	Hurley	27	\$103,000 to \$950,000
Greene County	Halcott Center	15	\$98,502 to \$650,000
	Lexington	5	\$119,000 to \$659,000
	Hunter	57	\$110,000 to \$1,900,000
Total		259	
<b>Sources:</b> Websites include: trulia.com, harmonhomes.com, realestate-nextag.com, realtor.com, and fitzgeraldrealestate.com. All sites were accessed in June, 2008.			

Interviews with local real estate professionals indicate a high demand, yet decreasing availability for housing in the Catskill Mountain Region. The share of second home buyers—typically coming from New York, New Jersey, and Connecticut— has increased, constricting the supply of available housing units in the area.<sup>3</sup> In addition, the New York watershed limits the construction of new homes on vacant land, further constricting options for potential home buyers.<sup>4</sup> For these reasons, there is a decrease in the availability of housing in the Catskill Mountain Region.

In general, the rental housing stock surrounding the proposed project consists of single-family homes, some of which include attached land. This type of housing is unlike competing resort areas such as Windham and Hunter, which contain smaller condominium and apartment units.

<sup>3</sup> Interview with Eric Wedemeyer of Coldwell Banker. June 2008.

<sup>4</sup> Interview with Anette Sievert of Catskills for Rent, June 2008.

The rental housing stock can be divided into two separate markets: year-round and seasonal homes.<sup>5</sup> The supply of year-round rental units has exceeded the demand.<sup>6</sup> Most year-round tenants consist of locals who are less affluent, and cannot afford to finance a home. Also, year-round renters include seniors who recently sold their home and have opted to rent. According to local real estate experts, many renters are unable to find work for a full 12 months out of the year, thus making renting a more financially feasible option than owning a home.<sup>7</sup>

The seasonal or vacation home rental market has historically attracted more affluent renters in search of a summer or winter getaway for two to three months of the year. The steady influx of affluent New York City metropolitan area residents to the Catskills area has kept monthly rents high for seasonal units.<sup>8</sup> A May 2008 *New York Times* article indicated a higher demand for rental units in the Catskills during recent years, particularly for seasonal housing. Rents for units during the summer season ranged from \$750 a month for a small home to \$10,000 a month for a large home.<sup>9</sup>

The availability of fractional units is limited in the workforce study area in one development: Kaatskill Mountain Club in Hunter, NY. At Kaatskill Mountain Club, there are 77 ski-in, ski-out units that range from 356 square foot studios to 2,000 square foot suites.<sup>10</sup> The fractional units range in price from \$55,900 for a 356-square foot studio to \$199,000 for a 1,994-square foot, three-bedroom unit.<sup>11</sup>

In an internet search of rental units in June 2008, there were 93 rental listings in the workforce study area (see Table 3.9.1-14 and Appendix 3.9-2). Shandaken, Middletown, Hunter, and Woodstock had the most listings, between 14 and 22 listings in each county subdivision. However, no rental listings were found in Bovina Center or Olive. Few rental units were found in Lexington and Hardenburgh, (1 and 2 listings, respectively).

Overall, recent rental listings in the workforce study area varied in size and price. Out of 22 Woodstock listings, prices ranged from \$1,700 for a two bedroom unit to \$15,000 for a three bedroom home. Andes also had a wide range of rental rates, ranging from \$750 to \$10,000 for a three bedroom unit. The high monthly rental rates in Andes and Woodstock are likely due to their size and adjacent land, which make these units more suitable for larger families or groups. Conversely, rental rates for housing near Hunter Mountain range from \$120 for a two-bedroom unit to \$3,500 for a six bedroom unit (out of 17 listings). The low rental rates in Hunter were mainly for smaller units such as condominiums.

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<sup>5</sup> Interview with Anette Sievert of Catskills For Rent. June 2008.

<sup>6</sup> Interview with Daniel LeFever of Deegan and Sanglyn, June 2008.

<sup>7</sup> Interview with Daniel LeFever of Deegan and Sanglyn, June 2008.

<sup>8</sup> Interview with Jeff Prince of Jeff Prince Real Estate. June 2008.

<sup>9</sup> Lawlor, Julia, "Wiggle Room for Summer Rentals". *New York Times*, May 2, 2008.

<sup>10</sup> Bill Pennington, "Fully Slopeside, Part of the Time." *New York Times*, February 10, 2006.

<sup>11</sup> [http://hunterresortvacations.com/photos/kmc/kmc\\_prices\\_10-08.pdf](http://hunterresortvacations.com/photos/kmc/kmc_prices_10-08.pdf) [Accessed November 10, 2008]

<b>Table 3.9.1-14 Monthly Rental Rates</b>			
<b>County</b>	<b>County Subdivision</b>	<b>Total Listings</b>	<b>Monthly Rental Rate Range</b>
Delaware County	Bovina Center	NA	NA
	Andes	8	\$750 to \$10,000
	Middletown	16	\$625 to \$1,300
Ulster County	Hardenburgh	2	\$1,850 to \$3,200
	Shandaken	14	\$850 to \$3,100
	Woodstock	22	\$1,700 to \$15,000
	Olive	NA	NA
	Hurley	8	\$680 to \$1,315
Greene County	Halcott Center	5	\$900 to \$2,200
	Lexington	1	\$1,300
	Hunter	17	\$120 to \$3,500
Total Rental Listings		93	
<b>Notes:</b> Websites include: craigslist.com, catskills4rent.com, and hudsonvalley.com, www.homeaway.com. All sites were accessed in June, 2008.			

### 3.9.2 EMPLOYMENT AND WORKFORCE

#### EXISTING EMPLOYMENT/WORKFORCE CONDITIONS

In 2007, the labor force, which includes the total number of people employed or seeking employment, had 138,800 people in the tri-county area (includes Delaware County, Greene County, and Ulster County). Between 2000 and 2007, the labor force increased by 4.0 percent from 133,400 in 2000 (see Table 3.9.2-1). This growth was comparable to the State's growth rate (3.8 percent). In 2007, 65.9 percent of the labor force in the tri-county area was in Ulster County. The labor force in this county increased by 3.2 percent between 2000 and 2007—the lowest growth rate in the tri-county area. Greene County's labor force experienced the most growth between 2000 and 2007 (7.1 percent).

<b>Table 3.9.2-1 Average Annual Labor Force: 1990, 2000, 2007</b>					
<b>Area</b>	<b>1990</b>	<b>2000</b>	<b>2007</b>	<b>1990-2000 percent growth</b>	<b>2000-2007 percent growth</b>
Tri-County Area	127,100	133,400	138,800	5.0%	4.0%
Delaware County	21,700	22,200	23,200	2.3%	4.5%
Greene County	21,000	22,600	24,200	7.6%	7.1%
Ulster County	84,400	88,600	91,400	5.0%	3.2%
New York State	8,808,900	9,167,000	9,519,300	4.1%	3.8%
<b>Sources:</b> New York State Department of Labor, Local Area Unemployment Statistics, <a href="http://www.labor.state.ny.us/workforceindustrydata/lslaus.shtml">http://www.labor.state.ny.us/workforceindustrydata/lslaus.shtml</a> , Accessed May 2008.					
<b>Notes:</b> Data are not seasonally adjusted. Data are preliminary and subject to revision.					

Of the approximately 138,800 tri-county area residents in the labor force in 2007, approximately 132,700 were employed. This was a 3.3 percent increase in the number of employed persons since 2000, and was a comparable growth rate to that experienced in the State during the same time period (see Table 3.9.2-2). Within the tri-county area, Ulster County—which had 65.9 percent of employment in the tri-county

area—had the lowest increase in employment (2.3 percent) between 2000 and 2007. Greene County's employment increased the most (6.5 percent).

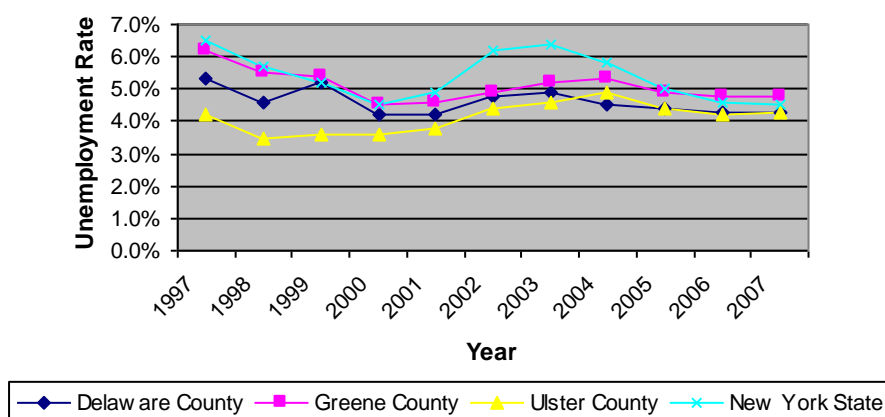
<b>Table 3.9.2-2</b>					
<b>Employment: 1990, 2000, 2007</b>					
	<b>1990</b>	<b>2000</b>	<b>2007</b>	<b>1990-2000 percent growth</b>	<b>2000-2007 percent growth</b>
Tri-County Area	121,900	128,400	132,700	5.3%	3.3%
Delaware County	20,600	21,300	22,200	3.4%	4.2%
Greene County	20,000	21,600	23,000	8.0%	6.5%
Ulster County	81,300	85,500	87,500	5.2%	2.3%
New York State	8,339,800	8,751,400	9,087,300	4.9%	3.8%
<b>Sources:</b> New York State Department of Labor, Local Area Unemployment Statistics, <a href="http://www.labor.state.ny.us/workforceindustrydata/lslaus.shtm">http://www.labor.state.ny.us/workforceindustrydata/lslaus.shtm</a> , Accessed May 2008.					

According to the New York State Department of Labor, in 2007 there were approximately 6,100 unemployed people in the tri-county area, representing 4.4 percent of the total labor force (see Table 3.9.2-3). The unemployment rates in the three counties were similar to each other—ranging from 4.3 percent in Delaware and Ulster Counties to 4.8 percent in Greene County—and to the State's unemployment rate of 4.5 percent. Unemployment rates (September 2008) are higher than the 2007 unemployment rates. Greene County's September 2008 unemployment rate is the highest at 6.2 percent, followed by 5.9 percent in Delaware County, and 5.8 percent in Ulster County. New York State's unemployment rate has also increased to 5.6 percent, as of September 2008.

<b>Table 3.9.2-3</b>				
<b>Unemployment, 2000 and 2007</b>				
	<b>Unemployed (in thousands)</b>		<b>Unemployment Rate</b>	
	<b>2000</b>	<b>2007</b>	<b>2000</b>	<b>2007</b>
Delaware County	0.9	1.0	4.2%	4.3%
Greene County	1.0	1.2	4.5%	4.8%
Ulster County	3.1	3.9	3.6%	4.3%
New York State	415.5	432.0	4.5%	4.5%
<b>Sources:</b> New York State Department of Labor, Local Area Unemployment Statistics, <a href="http://www.labor.state.ny.us/workforceindustrydata/lslaus.shtm">http://www.labor.state.ny.us/workforceindustrydata/lslaus.shtm</a> , Accessed November 2008.				

Figure 3.9.2-1 displays trends in unemployment rates from 1997 to 2007. Greene County's unemployment rate remained slightly higher than the unemployment rates in Delaware County and Ulster County over the last decade, and surpassed the State's unemployment rate in 2006.

**Figure 3.9.2-1**  
**Unemployment Rate, 1997-2007<sup>12</sup>**



### *LABOR FORCE DEMOGRAPHICS*

Level of education is often used to evaluate the ability of a workforce to meet the challenges of high-value-added occupations. The workforce study area's proportion of the population over 25 years old with a high school diploma is similar to the State's at 27.7 percent and 27.8 percent respectively (see Table 3.9.2-4). However, 30.5 percent of the population over 25 years in age in Upstate New York had a high school degree, which was slightly higher than the share in the workforce study area. The workforce study area had a high share of college graduates in comparison to the tri-county area, Upstate New York, and New York State. In the workforce study area, 24.3 percent of people over 25 years of age had a bachelor's degree or associate degree. This was higher than the tri-county area (20.5 percent), Upstate New York (23.6 percent), and New York State (22.7 percent). This high percentage of college graduates may be a reflection of the presence of State University of New York (SUNY), a four-year institution in New Paltz.

Although there is a higher percentage of people with a college degree in the workforce study area, there has been a decrease in the percentage of adults between the ages of 18 and 34. As discussed above, this age group decreased in share by 6.2 percentage points in the workforce study area from 19.6 percent in 1990 to 13.4 percent in 2000 (see Tables 3.9.1-2 and 3.9.1-3). The decreased share of young adults in the workforce study area indicates that young adults are not staying in the area, and suggests that the availability of young workers entering the labor market could be an issue.

<sup>12</sup> New York State Department of Labor, Workforce New York, Local Area Unemployment Statistics Program



Table 3.9.2-4 Education Level for Persons over 25		
	Percent High School Graduates	Percent College Graduates
Socioeconomic Study Area	31.3%	20.5%
Middletown town	35.7%	16.1%
Olive town	27.3%	23.5%
Shandaken town	31.1%	21.9%
Workforce Study Area	27.7%	24.3%
Tri-County Area	32.4%	20.5%
Delaware County	37.4%	18.4%
Greene County	36.5%	16.6%
Ulster County	30.0%	22.1%
New York State	27.8%	22.7%
<b>Source:</b> U.S. Department of Commerce, Bureau of the Census, 2000 U.S. Census, Summary File 3.		

Like many rural areas, the NYS Route 28 corridor and surrounding area is widely dispersed, limiting the informal connections and cross-sector contacts that promote economic innovation and growth in denser areas. The commuting patterns indicate that a significant portion—between 29.7 percent in Delaware County and 42.7 percent in Greene County—commute to work outside of the county in which they reside (see Table 3.9.2-5).

Table 3.9.2-5 Location of County Residents' Workplaces in 2000			
Area	Percent in Town or Village of Residence	Percent in County of Residence	Percent Outside County
Delaware County	40.1%	70.3%	29.7%
Greene County	30.8%	57.3%	42.7%
Ulster County	29.2%	67.0%	33.0%
<b>Source:</b> U.S. Census Bureau 2000. STF 3 (PO26001, 27003, 26003, 26004)			

Table 3.9.2-6 shows the major destinations for out-commuters from each of the three counties. The major destinations for out-commuters from each of the three counties in the region are dispersed primarily among counties in the Hudson Valley (Sullivan, Ulster, Dutchess, and Orange), Capital District (Albany and Columbia), and Southern Tier (Broome and Chenango).

<b>Table 3.9.2-6 Major Destinations for Out-Commuters</b>		
<b>County of Residence</b>	<b>Major Destination Counties of Employment</b>	<b>Total Commuters</b>
Delaware County	Otsego	2,279
	Broome	620
	Sullivan	477
	Chenango	466
	Ulster	453
Greene County	Albany	3,553
	Ulster	1,124
	Columbia	1,473
Ulster County	Dutchess	10,642
	Orange	8,612
	New York	1,569
<b>Source:</b> U.S. Census Bureau 2000. STF 3		

#### *CHARACTERISTICS OF THE UNEMPLOYED*

To assess the characteristics of the region's unemployed population, data on unemployment insurance beneficiaries by age was analyzed. According to New York State Department of Labor, these "experienced unemployed" members of the labor force typically represent about one third of the total unemployed population. In Delaware, Greene, and Ulster counties, approximately one-quarter of the unemployment insurance beneficiaries were between the ages of 45 and 54. Approximately 17 percent of the unemployment insurance beneficiaries in the three counties were between the ages of 25 and 34 (see Table 3.9.2-7).

<b>Table 3.9.2-7 Unemployment Insurance Beneficiaries: Age Breakdown 2007</b>						
	<b>Delaware County</b>		<b>Greene County</b>		<b>Ulster County</b>	
<b>Age</b>	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
Under 20	70	1.8%	44	0.8%	85	0.5%
20 to 24	388	10.1%	463	8.9%	1,256	7.3%
25 to 34	675	17.5%	931	17.9%	2,969	17.3%
35 to 39	426	11.1%	587	11.3%	1,864	10.8%
40 to 44	514	13.4%	678	13.1%	2,252	13.1%
45 to 54	975	25.3%	1,224	23.6%	4,623	26.9%
55 to 59	354	9.2%	471	9.1%	1,803	10.5%
60 to 64	223	5.8%	394	7.6%	1,196	7.0%
65 and Over	222	5.8%	396	7.6%	1,132	6.6%
Total	3,847	100.0%	5,188	100.0%	17,180	100.0%
<b>Source:</b> New York State Department of Labor, Division of Research and Statistics, January 2008.						

Table 3.9.2-8 shows that there were over 26,000 people in Delaware County, Greene County, and Ulster County who were unemployment insurance beneficiaries in 2007. The majority (65.7 percent) of the beneficiaries were in Ulster County.

The highest percentage of unemployment insurance beneficiaries were individuals with prior construction work experience, ranging from 19.0 percent in Ulster County to 25.3 percent in Delaware County. There

also was a high percentage of unemployment insurance beneficiaries with prior manufacturing experience, particularly in Delaware and Ulster counties. Approximately 10.4 percent of unemployment insurance beneficiaries in the tri-county area (2,715 unemployed workers) had prior work experience in accommodation and food services and retail trade.

<b>Table 3.9.2-8</b> <b>Unemployment Insurance Beneficiaries</b> <b>Previous Work Experience by NAICS Industry (2007)</b>						
Industry	Delaware County		Greene County		Ulster County	
	Number	%	Number	%	Number	%
Agriculture, Forestry, Fishing And Hunting	16	0.4%	33	0.6%	200	1.2%
Mining	101	2.7%	141	2.7%	165	1.0%
Construction	961	25.3%	1,117	21.6%	3,261	19.0%
Manufacturing	512	13.5%	448	8.7%	2,084	12.1%
Wholesale Trade	94	2.5%	119	2.3%	612	3.6%
Retail Trade	259	6.8%	380	7.4%	1,588	9.3%
Transportation And Warehousing	63	1.7%	219	4.2%	884	5.2%
Information	10	0.3%	57	1.1%	287	1.7%
Finance And Insurance	33	0.9%	91	1.8%	604	3.5%
Real Estate And Rental And Leasing	19	0.5%	111	2.1%	225	1.3%
Professional, Scientific, And Technical Services	130	3.4%	170	3.3%	718	4.2%
Management Of Companies And Enterprises	7	0.2%	283	5.5%	1,940	11.3%
Admin./Support /Waste Mgmt/Remediation Svcs	178	4.7%	36	0.7%	152	0.9%
Health Care And Social Assistance	392	10.3%	302	5.8%	1,113	6.5%
Arts, Entertainment, And Recreation	125	3.3%	492	9.5%	423	2.5%
Accommodation And Food Services	380	10.0%	755	14.6%	1,580	9.2%
Other Services, Except Public Administration	107	2.8%	134	2.6%	369	2.2%
Unclassified	50	1.3%	33	0.6%	192	1.1%
Federal Government Owned	55	1.5%	42	0.8%	177	1.0%
State Government Owned	109	2.9%	105	2.0%	183	1.1%
Local Government Owned	190	5.0%	98	1.9%	402	2.3%
TOTAL	3,791	100.0%	5,166	100.0%	17,159	100.0%
<b>Source:</b> New York State Department of Labor, Division of Research and Statistics, January 2008.						

Within the workforce study area, the average number of unemployed persons per month in 2007 was 665 (see Table 3.9.2-9). Approximately 25 percent of the unemployment was in Woodstock, which had 168 unemployed people. Hurley followed, with 145 unemployed people. Approximately 15 percent of the unemployment in the workforce study area was in Shandaken, which had 101 unemployed people.

**Table 3.9.2-9**  
**Labor Force, Employment, and Unemployment in the Workforce Area**

	<b>Labor Force</b>	<b>Employed</b>	<b>Unemployed (monthly average in 2007)</b>	<b>Unemployment Rate</b>
Andes town	625	609	16	2.6%
Bovina town	339	315	24	7.1%
Middletown town	1,941	1,860	81	4.2%
Halcott town	103	103	0	0%
Hunter town	1,204	1,151	53	4.4%
Lexington town	431	410	21	4.9%
Hardenburgh town	106	106	0	0%
Hurley town	3,443	3,298	145	4.2%
Olive town	2,450	2,394	56	2.3%
Shandaken town	1,782	1,681	101	5.7%
Woodstock town	3,626	3,458	168	4.6%
<b>Total</b>	<b>16,050</b>	<b>15,385</b>	<b>665</b>	<b>4.1%</b>

**Sources:** New York State Department of Labor, September 2008.

#### *EMPLOYMENT BY INDUSTRY*

This section discusses the employment sectors that represent high shares of employment in the tri-county area, followed by a discussion of sectors that are underrepresented in comparison to the State.

In 2006, there were 94,047 employees in the tri-county area (see Table 3.9.2-10). The government sector had the highest share of employment in the tri-county area at 24.5 percent. The retail trade sector had the next highest share of employees within the tri-county area at 13.9 percent. Ulster County had 9,266 employees in the retail trade sector, representing 14.9 percent of Ulster County's total employment. There were 1,889 employees in the retail trade sector in Delaware County, followed by 1,894 employees in the retail trade sector in Greene County.

The manufacturing sector also had a high share of employment in the tri-county area. Employment in this sector represented 10.6 percent of jobs in the tri-county area—a higher share compared to the State's share of manufacturing jobs (6.7 percent of total employees). Delaware County had 4,690 employees in this sector, which represented 27.0 percent of jobs within the County. There were 4,349 manufacturing employees in Ulster County, which represented 7.0 percent of the county's total employment. Greene County only had 953 employees in the manufacturing sector, representing 9.5 percent of manufacturing jobs in the tri-county area.

Several sectors were underrepresented in the tri-county area when compared to the industry composition for the State as a whole. Approximately 6.5 percent of State employees worked in the professional and technical services sector. In comparison, only 2.3 percent of employees within the tri-county area work in this sector (2,177 employees). The finance and insurance sector is also underrepresented in the tri-county area (3.0 percent or 2,859 employees) compared to 6.4 percent in the State. Other sectors that are underrepresented include educational services, health care and social assistance, and real estate and rental and leasing. These sectors generally require more academic training than other sectors that are strong in the tri-county area.

Table 3.9.2-10 Employment by Industry (2006)					
Industry	Tri County Area	Delaware County	Greene County	Ulster County	New York State
Agriculture, Forestry, Fishing & Hunting	1.3%	0.8%	0.5%	1.5%	0.3%
Mining	0.3%	0.5%	NA	0.3%	0.1%
Utilities	0.0%	NA	NA	NA	0.5%
Construction	4.7%	4.7%	6.2%	4.4%	4.0%
Manufacturing	10.6%	27.0%	6.6%	7.0%	6.7%
Wholesale Trade	2.2%	1.7%	3.7%	2.0%	4.2%
Retail Trade	13.9%	10.9%	13.2%	14.9%	10.4%
Transportation and Warehousing	2.2%	1.1%	2.9%	2.3%	2.7%
Information	1.7%	1.5%	1.5%	1.8%	3.2%
Finance and Insurance	3.0%	2.7%	2.0%	3.4%	6.4%
Real Estate and Rental and Leasing	1.0%	0.5%	0.9%	1.2%	2.2%
Professional and Technical Services	2.3%	1.3%	2.6%	2.5%	6.5%
Management of Companies and Enterprises	0.6%	0.3%	0.4%	0.7%	1.5%
Administrative and Waste Services	3.8%	0.8%	1.2%	5.2%	5.0%
Educational Services	0.9%	NA	0.4%	1.2%	3.3%
Health Care and Social Assistance	11.9%	9.8%	7.9%	13.4%	14.1%
Arts, Entertainment, and Recreation	1.7%	0.7%	5.2%	1.2%	1.6%
Accommodation and Food Services	9.3%	5.4%	11.5%	9.9%	6.4%
Total, All Government	24.5%	26.2%	29.5%	22.8%	16.8%
Other Services	3.3%	2.8%	2.9%	3.5%	3.8%
Unclassified	0.4%	0.2%	0.4%	0.4%	0.5%
Total Employment	94,047	17,353	14,349	62,345	8,430,125
<b>Notes:</b> Detailed amounts may not add to 100% due to rounding. Data for 2006 are preliminary and subject to revision. <b>Source:</b> New York State Department of Labor, Quarterly Census of Employment and Wages, Accessed May 2008.					

Table 3.9.2-11 shows the 2006 average annual wages by NAICS sector (in 2008 dollars). In 2006, the tri-county area's average annual wage was \$35,431, which was 39.7 percent lower than the State's average wage (\$58,777). Within the tri-county area, Greene County's average wage was the lowest at \$34,615. Ulster County had the highest average wage at \$35,832. The highest average annual wage in the tri-county area was in the management of companies and enterprises sector (\$51,792). This sector, however, represented less than one percent of all jobs in the tri-county area. Manufacturing, which accounted for 10.6 percent of jobs in the tri-county area, had the second highest average annual wage in the tri-county area at \$47,220. In comparison, the State's average wage in the manufacturing sector was 20.6 percent higher at \$56,954. Although the finance and insurance sector had the third highest wage (\$47,171), only 3.0 percent of all jobs in the tri-county area were employed in this sector. Within the tri-county area, the highest average wage was for the construction sector in Delaware County (\$55,272). Also, manufacturing jobs in Greene County had a high average wage at \$50,110.

The lowest average annual wage in the tri-county area was in the accommodation and food services sector at \$15,461. The tri-county average was 27.9 percent lower than the State's average (\$21,455). Within the tri-county area, the average wage for this sector ranged from \$12,047 in Delaware County to \$16,528 in Ulster County. The retail trade sector, which represented 13.9 percent of employees in the tri-county area, also had a low average wage (\$25,739). This was 13.8 percent lower than the State's average

(\$29,859). The average wages in Delaware, Greene, and Ulster counties for the retail trade sector were fairly similar, ranging from \$25,425 to \$26,479.

<b>Table 3.9.2-11</b>					
<b>Average Annual Wages by NAICS Sector, 2006</b>					
<b>Industry</b>	<b>Tri-County Area</b>	<b>Delaware County</b>	<b>Greene County</b>	<b>Ulster County</b>	<b>New York State</b>
Agriculture, Forestry, Fishing & Hunting	\$23,043	\$23,947	\$28,093	\$22,513	\$27,606
Mining	\$40,641	\$34,110	NA	\$44,315	\$53,674
Utilities	NA	NA	NA	NA	\$92,873
Construction	\$42,067	\$55,272	\$39,966	\$38,841	\$56,036
Manufacturing	\$47,220	\$47,981	\$50,110	\$45,766	\$56,954
Wholesale Trade	\$43,919	\$45,701	\$40,114	\$45,099	\$69,392
Retail Trade	\$25,739	\$26,479	\$25,425	\$25,652	\$29,859
Transportation and Warehousing	\$28,487	\$28,782	\$24,822	\$29,526	\$42,799
Information	\$39,773	\$41,571	\$43,146	\$38,692	\$85,959
Finance and Insurance	\$47,171	\$38,976	\$38,940	\$50,133	\$188,291
Real Estate and Rental and Leasing	\$31,843	\$28,164	\$29,997	\$32,594	\$54,092
Professional and Technical Services	\$36,986	\$27,867	\$41,701	\$37,153	\$85,206
Management of Companies and Enterprises	\$51,792	\$27,915	\$54,873	\$54,041	\$133,889
Administrative and Waste Services	\$34,797	\$20,249	\$24,272	\$35,953	\$38,882
Educational Services	\$25,266	NA	\$25,290	\$25,264	\$44,069
Health Care and Social Assistance	\$33,501	\$27,255	\$30,553	\$35,177	\$42,353
Arts, Entertainment, and Recreation	\$20,838	\$16,081	\$19,491	\$23,022	\$46,526
Accommodation and Food Services	\$15,461	\$12,047	\$13,422	\$16,528	\$21,455
Total, All Government	\$43,976	\$30,236	\$46,335	\$47,669	\$51,362
Other Services	\$23,002	\$18,057	\$22,374	\$24,239	\$32,364
Unclassified	\$24,976	\$26,215	\$17,511	\$26,547	\$41,035
Total, All Industries	\$35,431	\$34,665	\$34,615	\$35,832	\$58,777
<b>Notes:</b> Data for 2006 is preliminary and subject to revision. Data from the NYSDOL were reported in nominal values, and were updated with the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers, New York-New Jersey-Long Island. Values in this table are in 2008 dollars. <b>Source:</b> New York State Department of Labor, Quarterly Census of Employment and Wages, Accessed May 2008.					

Overall, average wages in the tri-county area showed slightly higher growth than the State (see Table 3.9.2-12). The average wage in New York State was \$58,777 in 2006, an increase of only 1.1 percent from \$58,113 in 2000. The average wage in the tri-county area increased at 4.0 percent during this time period, from \$34,075 to \$35,431. Average wages in the retail trade sector increased by 4.4 percent in the tri-county area while the State average wages remained relatively flat between 2000 and 2006. The growth rates in the three counties were similar, ranging between 4.1 percent in Greene County to 4.6 percent in Ulster County.

The accommodation and food services sector's average wage in the tri-county area as a whole was relatively flat between 2000 and 2006. However, the growth rate in Delaware County was notably higher, increasing by 10.3 percent from \$10,925 in 2000 to \$12,047 in 2006. Although the knowledge-based sectors (information, finance and insurance, real estate and rental and leasing, professional and technical services, and management of companies and enterprises) represented only approximately 8.6 percent of

total jobs in the tri-county area, these sectors experienced significant increases in wages between 2000 and 2006. In Ulster County, the average wages for jobs in the information sector and in the management of companies and enterprises sector had significant increases, by 56.2 percent and 72.5 percent, respectively. The average wages for jobs in the finance and insurance sector increased by 13.5 percent in Delaware County and by 15.1 percent in Ulster County. Average wages for jobs in the real estate and rental and leasing sector experienced significant increases in Greene County (26.1 percent) and Ulster County (20.8 percent). Average wages in the professional and technical services sector increased by 16.6 percent in Delaware County from \$23,904 in 2000 to \$27,867 in 2006.

<b>Table 3.9.2-12</b>					
<b>Change in Average Wages by Industry, 2000-2006</b>					
<b>Industry</b>	<b>Tri-County Area</b>	<b>Delaware County</b>	<b>Greene County</b>	<b>Ulster County</b>	<b>New York State</b>
Agriculture, Forestry, Fishing & Hunting	1.7%	-0.7%	-0.7%	3.4%	3.8%
Mining	-11.1%	-20.8%	NA	-6.8%	-3.2%
Utilities	NA	NA	NA	NA	1.9%
Construction	9.7%	23.5%	19.4%	0.9%	-1.0%
Manufacturing	2.4%	2.2%	16.8%	-0.7%	3.6%
Wholesale Trade	4.1%	19.1%	2.2%	3.1%	0.0%
Retail Trade	4.4%	4.5%	4.1%	4.6%	-0.4%
Transportation and Warehousing	-3.0%	9.1%	-4.7%	-3.1%	-2.8%
Information	43.6%	5.8%	-4.1%	56.2%	2.5%
Finance and Insurance	8.3%	13.5%	-31.3%	15.1%	11.8%
Real Estate and Rental and Leasing	20.1%	6.2%	26.1%	20.8%	5.8%
Professional and Technical Services	3.6%	16.6%	3.8%	0.9%	-0.9%
Management of Companies and Enterprises	68.9%	8.3%	NA	72.5%	-2.9%
Administrative and Waste Services	6.5%	7.3%	43.5%	3.4%	3.5%
Educational Services	-0.9%	NA	NA	-0.9%	2.9%
Health Care and Social Assistance	7.1%	9.3%	2.5%	7.4%	2.9%
Arts, Entertainment, and Recreation	-4.0%	19.9%	-10.9%	-0.3%	2.0%
Accommodation and Food Services	0.7%	10.3%	3.7%	-1.9%	-2.1%
Total, All Government	1.5%	-20.1%	4.7%	6.3%	-2.2%
Other Services	3.0%	0.6%	1.8%	2.8%	5.2%
Total, All Industries	4.0%	1.6%	4.3%	4.6%	1.1%
<b>Notes:</b> Data for 2006 is preliminary and subject to revision. Data from the NYSDOL was updated with the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers, New York-New Jersey-Long Island. Values in this table are in 2008 dollars.					
<b>Sources:</b> New York State Department of Labor Quarterly Census of Employment and Wages, Accessed May 2008.					

## INDUSTRIES POTENTIALLY AFFECTED BY THE PROPOSED PROJECT

This section provides further detail on trends in industries most likely to be affected by the proposed project. Detailed information is provided for the accommodation and food services sector and the retail trade sector.

### ACCOMMODATION AND FOOD SERVICES SECTOR

In the tri-county area, there were 8,743 employees in the accommodation and food services sector in 2006. Between 2000 and 2006, the number of employees in this sector increased by only 2.9 percent from 8,497 employees in 2000 to 8,743 employees in 2006 (see Table 3.9.2-13).

In 2006, employment in the accommodations and food services sector was concentrated in Ulster County (70.4 percent). Of the tri-county area counties, only Ulster County had a positive growth rate in average employment during this time period, increasing by 6.7 percent from 5,768 employees in 2000 to 6,153 employees in 2006. This was largely due to the 14.2 percent increase in employment in the food services and drinking places from 3,592 employees in 2000 to 4,102 employees in 2006.

Employment decreased in the accommodation subsector by 6.2 percent in the tri-county area. In 2006, the average wage for the accommodation subsector in Ulster County was \$22,202—higher than the average wage for this subsector in Delaware County (\$19,080) and Greene County (\$15,296). Similarly, the average wage for the food services and drinking places subsector was higher in Ulster County (\$13,690), compared to Greene County (\$12,231) and Delaware County (\$11,090).

<b>Table 3.9.2-13 Accommodations and Food Services</b>						
	<b>Average Employment</b>			<b>Average Wages In 2008 Dollars</b>		
Tri-County Area	<b>2000</b>	<b>2006</b>	<b>% Change</b>	<b>2000</b>	<b>2006</b>	<b>% Change</b>
Accommodation and Food Services	8,497	8,743	2.9%	\$15,348	\$15,461	0.7%
Accommodation	2,992	2,806	-6.2%	\$20,236	\$20,495	1.3%
Food Services and Drinking Places	5,506	5,937	7.8%	\$12,689	\$13,081	3.1%
Delaware County						
Accommodation and Food Services	1,028	935	-9.0%	\$10,925	\$12,047	10.3%
Accommodation	104	112	7.7%	\$17,768	\$19,080	7.4%
Food Services and Drinking Places	924	823	-10.9%	\$10,155	\$11,090	9.2%
Greene County						
Accommodation and Food Services	1,701	1,655	-2.7%	\$12,938	\$13,422	3.7%
Accommodation	712	643	-9.7%	\$15,230	\$15,296	0.4%
Food Services and Drinking Places	990	1,012	2.2%	\$11,277	\$12,231	8.5%
Ulster County						
Accommodation and Food Services	5,768	6,153	6.7%	\$16,847	\$16,528	-1.9%
Accommodation	2,176	2,051	-5.7%	\$21,992	\$22,202	1.0%
Food Services and Drinking Places	3,592	4,102	14.2%	\$13,730	\$13,690	-0.3%
<b>Notes:</b> Data for 2006 is preliminary and subject to revision. Data from the NYSDOL was updated with the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers, New York-New Jersey-Long Island. Values in this table are in 2008 dollars. <b>Sources:</b> New York State Department of Labor Quarterly Census of Employment and Wages, Accessed May 2008.						

## RETAIL TRADE SECTOR

As discussed above, the retail trade sector in 2006 represented 13.9 percent of total tri-county area employment. Overall, the number of employees in the retail trade sector in the tri-county area remained relatively flat between 2000 and 2006, increasing by only 0.7 percent during this time period (see Table 3.9.2-14). In the tri-county area, retail trade employment was concentrated in several subsectors,



including food and beverage stores (24.9 percent), motor vehicle and parts dealers (12.4 percent), general merchandise stores (11.9 percent), and building material and garden supply stores (10.3 percent). The 2006 average wage for the retail trade sector was \$25,739, ranging from \$16,519 for clothing and clothing accessories stores to \$37,624 for motor vehicle and parts dealers.

<b>Table 3.9.2-14</b>						
<b>Retail Trade Sector in the Tri-County Area (2000, 2006)</b>						
<b>Industry</b>	<b>Average Employment</b>			<b>Average Wages</b>		
	<b>2000</b>	<b>2006</b>	<b>% change</b>	<b>2000</b>	<b>2006</b>	<b>% change</b>
Retail Trade Total	12,957	13,049	0.7%	\$24,660	\$25,739	4.4%
Motor Vehicle and Parts Dealers	1,526	1,615	5.8%	\$38,151	\$37,624	-1.4%
Furniture and Home Furnishings Stores	175	192	9.7%	\$22,649	\$23,960	5.8%
Electronics and Appliance Stores	361	300	-16.9%	\$27,575	\$24,954	-9.5%
Building Material & Garden Supply Stores	1,113	1,341	20.5%	\$29,323	\$29,701	1.3%
Food and Beverage Stores	3,241	3,246	0.2%	\$21,454	\$21,199	-1.2%
Health and Personal Care Stores	899	862	-4.1%	\$24,647	\$28,239	14.6%
Gasoline Stations	923	1,142	23.7%	\$18,181	\$18,138	-0.2%
Clothing and Clothing Accessories Stores	542	652	20.3%	\$17,944	\$16,519	-7.9%
Sporting Goods/Hobby/Book/Music Stores	441	758	71.9%	\$23,303	\$20,532	-11.9%
General Merchandise Stores	1,948	1,551	-20.4%	\$18,941	\$19,046	0.6%
Miscellaneous Store Retailers	644	553	-14.1%	\$16,429	\$19,523	18.8%
Non-store Retailers	1,146	833	-27.3%	\$33,852	\$51,085	50.9%
<b>Notes:</b> Data for 2006 is preliminary and subject to revision. Data from the NYSDOL was updated with the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers, New York-New Jersey-Long Island. Values in this table are in 2008 dollars. <b>Sources:</b> New York State Department of Labor Quarterly Census of Employment and Wages, Accessed May 2008.						

Ulster County had 9,266 employees in the retail sector in 2006, accounting for 71.0 percent of the retail employees in the tri-county area (see Table 3.9.2-15). Nearly a quarter of the employees in Ulster County's retail trade sector worked in the food and beverage stores subsector (23.9 percent), followed by the general merchandise stores subsector (14.4 percent), and the motor vehicle and parts dealers subsector (10.6 percent). In 2006, the average wage for this sector in Ulster County was \$25,652, which was 4.6 percent higher than the average wage in 2000. Within the retail trade sector, average wages for subsectors ranged from \$16,315 for the clothing and clothing accessories stores subsector to \$40,597 for the motor vehicle and parts dealers subsector.

Table 3.9.2-15 Retail Trade Sector in Ulster County (2000, 2006)						
Industry	Average Employment			Average Wages		
	2000	2006	% change	2000	2006	% change
Retail Trade Total	9,058	9,266	2.3%	\$24,534	\$25,652	4.6%
Motor Vehicle and Parts Dealers	1,006	985	-2.1%	\$38,986	\$40,597	4.1%
Furniture and Home Furnishings Stores	140	179	27.9%	\$22,581	\$24,305	7.6%
Electronics and Appliance Stores	296	271	-8.4%	\$27,442	\$25,473	-7.2%
Building Material & Garden Supply Stores	736	794	7.9%	\$28,364	\$28,737	1.3%
Food and Beverage Stores	2,207	2,216	0.4%	\$21,631	\$21,781	0.7%
Health and Personal Care Stores	640	584	-8.8%	\$23,649	\$28,479	20.4%
Gasoline Stations	502	632	25.9%	\$18,813	\$19,812	5.3%
Clothing and Clothing Accessories Stores	489	627	28.2%	\$18,583	\$16,315	-12.2%
Sporting Goods/Hobby/Book/Music Stores	400	711	77.8%	\$23,952	\$20,863	-12.9%
General Merchandise Stores	1,669	1,335	-20.0%	\$19,280	\$19,685	2.1%
Miscellaneous Store Retailers	470	408	-13.2%	\$17,609	\$21,094	19.8%
Non-store Retailers	503	525	4.4%	\$38,589	\$50,025	29.6%
<b>Notes:</b> Data for 2006 is preliminary and subject to revision. Data from the NYSDOL was updated with the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers, New York-New Jersey-Long Island. Values in this table are in 2008 dollars. <b>Sources:</b> New York State Department of Labor Quarterly Census of Employment and Wages, Accessed May 2008.						

In 2006, there were 1,894 employees in the Greene County's retail trade sector, representing 14.5 percent of employees in this sector in the tri-county area (see Table 3.9.2-16). Compared to Delaware and Ulster Counties, Greene County experienced the greatest increase in the number of employees in the retail sector during this time period, increasing by 13.9 percent. There were 530 employees in the food and beverage store subsector, representing 28.0 percent of employees in this sector. The building material and garden supply stores subsector and motor vehicle and parts dealers subsector followed with 359 employees and 313 employees, respectively. In 2006, the average wage for the retail trade sector in this county was \$25,425. The motor vehicle and parts dealers subsector had the highest average wage in 2006 (\$38,301).

Table 3.9.2-16 Retail Trade Sector in Greene County (2000, 2006)						
Industry	Average Employment			Average Wages		
	2000	2006	% change	2000	2006	% change
Retail Trade Total	1,663	1,894	13.9%	\$24,417	\$25,425	4.1%
Motor Vehicle and Parts Dealers	195	313	60.5%	\$46,650	\$38,301	-17.9%
Furniture and Home Furnishings Stores	24	0	-100.0%	\$23,555	\$0	-100.0%
Electronics and Appliance Stores	21	16	-23.8%	\$22,981	\$16,089	-30.0%
Building Material & Garden Supply Stores	152	359	136.2%	\$31,032	\$30,926	-0.3%
Food and Beverage Stores	584	530	-9.2%	\$19,705	\$18,702	-5.1%
Health and Personal Care Stores	145	153	5.5%	\$28,756	\$30,136	4.8%
Gasoline Stations	207	243	17.4%	\$20,369	\$18,399	-9.7%
Clothing and Clothing Accessories Stores	22	12	-45.5%	\$15,805	\$31,830	101.4%
Sporting Goods/Hobby/Book/Music Stores	31	27	-12.9%	\$16,113	\$15,705	-2.5%
General Merchandise Stores	111	86	-22.5%	\$15,572	\$14,430	-7.3%
Miscellaneous Store Retailers	110	84	-23.6%	\$14,853	\$19,070	28.4%
Non-store Retailers	62	66	6.5%	\$26,471	\$31,368	18.5%
<b>Notes:</b> Data for 2006 is preliminary and subject to revision. Data from the NYSDOL was updated with the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers, New York-New Jersey-Long Island. Values in this table are in 2008 dollars. <b>Sources:</b> New York State Department of Labor Quarterly Census of Employment and Wages, Accessed May 2008.						

Delaware County experienced the greatest decrease in the number of employees in the retail trade sector, decreasing by 15.5 percent from 2,236 employees in 2000 to 1,889 employees in 2006 (see Table 3.9.2-17). Similar to Greene County, the food and beverage stores subsector had the highest share of employees in this sector in 2006 (26.5 percent). The motor vehicle and parts dealer subsector and the gasoline station subsector followed with 16.8 percent and 14.1 percent of the retail trade employees in the county. The average wage for the retail trade sector in 2006 was \$26,479. The average wages for the subsectors ranged from \$9,641 in the miscellaneous store retailers subsector to \$31,435 in the building material and garden supply stores subsector.

Table 3.9.2-17 Retail Trade Sector in Delaware County (2000, 2006)						
Industry	Average Employment			Average Wages		
	2000	2006	% change	2000	2006	% change
Retail Trade Total	2,236	1,889	-15.5%	\$25,348	\$26,479	4.5%
Motor Vehicle and Parts Dealers	325	317	-2.5%	\$30,467	\$27,712	-9.0%
Furniture and Home Furnishings Stores	11	13	18.2%	\$21,526	\$19,215	-10.7%
Electronics and Appliance Stores	44	13	-70.5%	\$30,661	\$25,068	-18.2%
Building Material & Garden Supply Stores	225	188	-16.4%	\$31,303	\$31,435	0.4%
Food and Beverage Stores	450	500	11.1%	\$22,853	\$21,270	-6.9%
Health and Personal Care Stores	114	125	9.6%	\$25,025	\$24,793	-0.9%
Gasoline Stations	214	267	24.8%	\$14,579	\$13,937	-4.4%
Clothing and Clothing Accessories Stores	31	13	-58.1%	\$9,375	\$12,246	30.6%
Sporting Goods/Hobby/Book/Music Stores	10	20	100.0%	\$19,597	\$15,303	-21.9%
General Merchandise Stores	168	130	-22.6%	\$17,801	\$15,545	-12.7%
Miscellaneous Store Retailers	64	61	-4.7%	\$10,473	\$9,641	-7.9%
Non-store Retailers	581	242	-58.3%	\$30,539	\$58,762	92.4%
<b>Notes:</b> Data for 2006 is preliminary and subject to revision. Data from the NYSDOL was updated with the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers, New York-New Jersey-Long Island. Values in this table are in 2008 dollars. <b>Sources:</b> New York State Department of Labor Quarterly Census of Employment and Wages, Accessed May 2008.						

## UNRELATED COMMERCIAL DEVELOPMENTS

Based on information from the project team, there are no large, unrelated commercial development projects within the study area.

## EMPLOYMENT EXPECTED TO BE GENERATED BY THE PROPOSED PROJECT

Based on employment projections provided by Crossroads Ventures, LLC, it is estimated that the operations of the proposed project would generate approximately 541 full-time jobs and 230 part-time jobs (see Table 3.9.2-18). Employment opportunities at the proposed project would be varied, including front office staff, valet, chefs, golf manager, sales staff, security, housekeeping staff, and spa consultants.

<div> <div>Table 3.9.2-18</div> <div>Employment Estimate at the Proposed Project</div> </div>			
Project Component	Full Time (Salaried)	Full Time (Hourly)	Part Time
Hotel/Lodging/ Conference Center	46	215	77
Timeshares/Fractionals	14	5	2
Retail	1	9	3
Food & Beverage	25	143	82
Spa	2	67	12
Golf	2	0	40
Community Clubhouse	0	4	0
Children's Center	0	4	10
Wilderness Activity Center	0	4	4
<b>Total</b>	<b>90</b>	<b>451</b>	<b>230</b>
<b>Sources:</b> Table is based on data provided by Crossroads Ventures, L.L.C, June 2008.			

Approximately half of the full-time employment would be salaried and hourly staff related to the hotel/lodging/conference center. These would include hourly workers—such as front office staff, valet, and security—who would have wages ranging from \$12.00 per hour to \$25.00 per hour. The hotel/lodging/conference center jobs also would include salaried workers, such as the Director of Rooms, Assistant Front Office Manager, and Executive Secretary. The salaries for the hotel/lodging/ conference center would range from \$30,000 to \$130,000. In addition to the full-time employment, there would be approximately 77 part-time workers in hotel/lodging/conference center jobs. About three-quarters of the part-time employees would be housekeeping staff.

Approximately one-third of the full-time employees would be in food and beverage operations. Over 80 percent of these employees are expected to be hourly workers. For example, it is anticipated that there would be an estimated 55 restaurant employees making around \$17.00 per hour and an estimated 47 kitchen stewards with wages at around \$15.00 per hour. Approximately 20 percent of the food and beverage employees would be salaried positions. It is expected that the salaries of these positions would range from \$35,000 for the Catering Sales Manager to \$86,200 for the Food and Beverage Operations Manager. There would also be approximately 80 part-time employees working in food and beverage, these would include restaurant employees, kitchen stewards, and bar employees.

Approximately 10 percent of the full-time employment would be at the spa. Nearly all of these employees would be hourly spa consultants with estimated hourly wages of \$30.00 per hour. In addition, there would be approximately 2 spa managers with estimated annual salaries of between \$80,000 and 100,000.

## POTENTIAL EFFECTS OF THE PROPOSED PROJECT ON STUDY AREA WORKFORCE

The following section describes the proposed project's potential effects on the labor supply in the workforce study area, and estimates whether the study area's workforce would have the capacity to absorb the employment demand generated by the proposed project.

As detailed in the section above, it is estimated that the operations of the proposed project would generate approximately 541 full-time jobs and 230 part-time jobs. It is expected that the labor force in the workforce study area would be able to fulfill the needs of the proposed project in terms of part-time employment. These positions would mostly be filled by workers in the area that work part-time but are looking for additional work, unemployed persons that are searching for part-time employment, and others in the area that might not technically be in the labor force because they are not actively looking for work,

but would be interested in the employment offered at the proposed project. Part-time employment generally does not offer a salary that would support moving from one area to another and therefore is not considered an aspect of potential in-migration. While it may occur, the number of workers that would move into the study area for part-time work is considered negligible, and would not adversely affect the housing market in any community within the study areas.

With respect to full-time employment, based on Census travel time data shown in Table 3.9.2-19, it is assumed that approximately 80 percent, or 433 of the 541 full-time positions at the proposed project, would be filled by workers commuting from within the workforce study area, which was delineated by an approximately 45-minute drive-time of the project site. As detailed below, these workers would be a combination of existing residents, as well as new residents moving to the workforce study area. Because the remaining 20 percent of the proposed project's full-time employees are expected to reside outside the workforce study area, the analysis of potential effects on the labor pool within the workforce study area focuses on the 433 full-time positions projected for the workforce study area.

<b>Table 3.9.2-19</b>		
<b>Travel Time to Work for Workforce Study Area Workers 16 Years and Over</b>		
<b>Travel Time</b>	<b>Workers 16+</b>	<b>Percent</b>
Less than 10 minutes	2,345	18%
10-19 minutes	3,504	27%
20-29 minutes	2,374	18%
30-39 minutes	1,516	12%
40-59 minutes	1,447	11%
60+ minutes	1,687	13%
<b>Total</b>	<b>12,873</b>	<b>100%</b>
<b>Sources:</b> U.S. Department of Commerce, Bureau of the Census, 2000 U.S. Census, Summary File 3.		

As shown in Table 3.9.2-9 there were approximately 16,050 people in the workforce study area's labor force in 2007. Approximately 665 of those people, or 4.1 percent of the total workforce, were unemployed. Local labor pools are expected to be larger than conventional data reveal, although precise estimations are difficult, if not impossible, to obtain. However, anecdotal information derived from interviews with labor analysts at the New York State Department of Labor indicate that unemployment data generally underestimates the true number of unemployed persons in any given labor market.<sup>13</sup> One of the main reasons for this is that unemployment data are derived principally from unemployment compensation rosters, and not all unemployed individuals apply for unemployment benefits. In addition, unemployment data do not include "under-employed" persons who hold part-time jobs and produce at less than their potential and/or desired capacity. These individuals represent a highly mobile segment of the workforce who are seen as ready, willing, and able to take stable jobs close to home.

As noted above, approximately 20 percent of the residents in the workforce study area commute more than 45 minutes to work. The commuting workers represent a volatile segment of the labor pool likely to change jobs in favor of a closer to home job. These residents with a long commute in lower-paying, non-managerial jobs may seek jobs at the proposed project to shorten their commutes, as workers are less willing to commute long distances for such jobs. Short commutes are also important for part-time employees, particularly if they are caring for children or parents, or are phasing in retirement. This assessment is confirmed by interviews with the Department of Labor and with leaders of community

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<sup>13</sup> Frank M. Surdey, Principal Economist, New York State Department of Labor. June 2002.

development organizations close to employment training and placement issues.<sup>14</sup> These individuals, plus the resident unemployed and “under-employed” are seen as a primary labor pool from which full-time employees of the proposed project would be drawn.

Nevertheless, even with the hiring of skilled unemployed workers, under-employed persons and job-changers, there could be an additional demand for employees not met by the existing labor force within the workforce study area. Discounting for structural unemployment, which would include people who are either under- or overqualified for positions offered at the resort, an estimated 183 unemployed persons living in the workforce study area would be qualified to fill positions at the proposed project.<sup>15</sup> Conservatively assuming that none of the other positions were filled by other unemployed workers, under-employed workers, and job-changers, there would be an additional demand for as many as 250 full-time employees from within the workforce study area.

## POTENTIAL IN-MIGRATION OF WORKERS

The potential unmet employment demand at the proposed project would be satisfied in part by workers that move to the workforce study area. The following sections illustrate the likely geographic distribution of new employees within the workforce study area, and assess whether the in-migration projected could alter local real estate markets.

There are numerous and sometimes complex factors that could influence whether a worker would be willing to accept employment at the proposed project, and in addition, possibly relocate to the study area. These include the type of employment and salary offered, how far a worker is willing to travel for employment, how much time they are willing to spend commuting, and the increasing cost of commuting, among others. While this analysis cannot account for all the variables that play into individual decision-making, there are a two primary factors for which existing data is available—area drive times and population densities—and which can help illustrate the potential distribution of new employees throughout the study area.

As detailed in the section above, it is conservatively assumed that as many as 250 workers could be “in-migrants,” or new worker/residents within the workforce study area. In order to estimate where these additional employees might live, the population densities of the individual county subdivisions within the study area and the drive times between population centers in those county subdivisions and the project site were used to determine the likely “pull” that each of the areas might have on the decisions of workers and where they might choose to live. Towns with more population are likely to have more housing options available, amenities geared toward residential living (grocery stores, retail, auto related businesses, etc.), schools, and would therefore have a greater attraction for new people to the area. The time it takes to travel from these population centers to the project site was also taken into consideration because areas closer to the project site could be considered more attractive because of the reduced commuting time.

Table 3.9.2-20 shows an illustrative distribution of the 250 full-time employees needed at the proposed project throughout the study area, the travel times between the town and the project site, and the population in the county subdivision. Based on population density and travel times, it is expected that the highest percentage of employees (28 percent or about 70 employees) would migrate to Shandaken—the town in which the proposed project is located. Approximately 27 percent, or 69 employees, would

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<sup>14</sup>Telephone interview with M.A. Wiltse. Columbia-Greene Community College, Office of Employment and Training, June 12, 2002, and telephone interviews with Jennifer Gould, M-Ark Project, and Jane Todd, SHARP, June 17, 2002.

<sup>15</sup>The analysis assumes that 3 percent of the total workforce would be structurally unemployed, leaving 183 unemployed persons from within the workforce study area qualified for employment at the proposed project.

commute from Middletown, followed by about 11 percent, about 28 employees, from Woodstock, and 10 percent, or about 24 employees from Olive (see Table 3.9.2-20).

**Table TitleTable 3.9.2-20**

**Estimated Distribution of New Employment by Town of Residence**

County Subdivision	Estimated 2008 County Subdivision Population	Estimated Time to Travel Distance (min)	Estimated percentage of project employment to the study area by town	Worst Case
				Estimated number of workers at the proposed project who live in each town
Andes	1,311	30	4%	9
Bovina	654	40	1%	3
Halcott	177	17	1%	2
Hardenburgh	224	13	1%	4
Hunter	2,897	47	5%	13
Hurley	6,755	59	9%	23
Lexington	761	28	2%	6
Middletown	4,045	12	27%	69
Olive	4,739	40	10%	24
Shandaken	3,426	10	28%	70
Woodstock	6,572	47	11%	28
<b>Total</b>	<b>31,561</b>		<b>100%</b>	<b>250</b>

**Sources:** ESRI Market Profile Reports; Google Maps; AKRF, Inc., Crossroads Ventures, LLC.

#### *NEW RESIDENTIAL DEMAND GENERATED BY THE PROPOSED PROJECT*

The proposed project's potential for generating year-round residential occupancy in the region would derive principally from its employment of new workers in the area. The proposed project is designed to allow participants in the fractional and timeshare units to stay for limited periods of time, and therefore the proposed project itself would have a negligible effect on year-round residential occupancy in the study area.

Demand for housing in the workforce study area may be reduced due to the highly mobile nature of the hospitality industry. This industry workforce typically rotates jobs, often on a national and international basis. Employees of this mobile nature are not likely candidates to purchase or construct new homes. However, there may be a small number of employees among the management positions who may choose to purchase or build a permanent year-round residence once their employment at the proposed project is stable and considered long-term.

It is expected that fewer than 250 employees would be initially introduced to the study area. As shown in Tables 3.9-1 and 3.9-2, the proposed project would be developed in four phases over 10 years at Highmount Resort and in two phases over 7 years at Wildacres Resort. The estimated 250 potential immigrants are for the full build out of the project, and would be introduced as the phases are complete. For purposes of a conservative analysis, however, it is assumed that all 250 employees are introduced at once.

#### *RESIDENTIAL SUPPLY*

As discussed above, it is conservatively assumed that there would be an additional demand for as many as 250 full-time employees from within the workforce study area. Although there is no precise method to determine where people may want to live due to the wide array of factors involved with that decision, Table 3.9.2-20 provides an illustrative distribution of the residential demand based on drive times and population densities. Under this illustrative distribution, it is expected that the highest percentage of immigrating employees (28 percent) would locate in Shandaken and Middletown, followed by approximately 12 percent in Woodstock, and about 10 percent in Olive (see Table 3.9.2-20).



The new employees would likely rent or purchase already constructed homes. In 2000, there were 495 units in the workforce study area that were vacant and available for rent, and 335 vacant units that were for sale (see Table 3.9.1-10). Based on an online search in June 2008, there were 259 single-family homes for sale and 93 rental units available in the workforce study area (see Tables 3.9.1-13 and 3.9.1-14). The existing supply of for sale single-family homes and rental units in the workforce study area is greater than the number of potential in-migrants. Thus, it is likely that the existing housing supply could accommodate the new workers/residents. However, it is possible that the new workers would not be satisfied with the existing housing stock. In this case, there could be an increase in demand for new construction.

In 9 of the 11 county subdivisions in the workforce study area, there are the same number or more residential units available to rent and buy as compared to the estimated number of in-migrants predicted to move to that county subdivision. For instance, under the illustrative scenario presented in Table 3.9.2-20, there would be an estimated 29 new worker/residents in Woodstock. As of June 2008 when the search for residential units was conducted, there were 48 single-family homes for sale and 22 residential units for rent. It is likely that the potential in-migrants that are projected to move to Woodstock would be able to find housing in the existing available housing stock, as there are more units available compared to the estimated number of people that are predicted to move to the area. Another county subdivision that had a greater number of available residential units compared to potential in-migrants was Hunter. Based on the illustrative distribution, there would be approximately 13 new worker/residents in Hunter. The number of single family homes for sale (57) and units for rent (17) exceeds the number of potential in-migrants. Thus, in 9 out of the 11 county subdivisions in the workforce study area, it is possible that the existing supply of for rent and for sale residential units could accommodate the potential in-migrants due to the proposed project.

There are two county subdivisions that have fewer available housing units compared to the estimated number of potential in-migrants. Based on the illustrative distribution shown in Table 3.9.2-20, there are approximately 70 potential in-migrants in Shandaken. However, there were only 18 single-family homes for sale and 14 available rental units in this county subdivision. Also, there were fewer homes for sale and for rent in Middletown compared to the estimated number of potential in-migrants. Based on the illustrative distribution, there would be approximately 69 potential in-migrants in Middletown. However, only 48 units were available for rent or for sale when the search for residential units was conducted. Although the estimated number of in-migrants in Shandaken and Middletown was higher than the number of housing units available, it is likely that these new workers/residents would be able to find housing in another area of the workforce study area.

### **3.9.3 ECONOMIC AND FISCAL BENEFITS**

This section estimates the potential economic and fiscal benefits that would result from the construction and operation of the proposed project. The first section examines the effect of the project in terms of employment, wages and salaries, and total economic output or demand generated during the construction period. The following section discusses the economic benefits of the proposed project upon full completion of its development. Last, the section will estimate future property taxes that would be generated by the proposed project.

#### **CONSTRUCTION PERIOD EFFECTS**

Construction of Belleayre Resort would result in considerable activity in the regional and New York State economies. Effects during construction would stem from the direct construction employment and spending from the project, as well as the secondary, or indirect, economic activity generated throughout the economy by the direct spending (often referred to as the “ripple” effect). This analysis examines the effect of the project in terms of employment, wages and salaries, and tax dollars generated during the projected eight-year construction period.

For this analysis, the method used for modeling the direct and indirect (or generated) effects of construction activity on the state's economy was the Regional Input-Output Modeling System, known as RIMS II, developed by the U.S. Department of Commerce, Bureau of Economic Analysis. The model contains data on nearly 500 economic sectors, showing how each sector affects every other sector as a result of a change in the quantity of its product or service. The model, based on recent data,<sup>16</sup> has been further adjusted to reflect changes in the consumer price index. Using the model and the specific characteristics of the proposed construction of the Belleayre Resort, the total economic effect of the project has been estimated.

### *CONSTRUCTION COST*

The development of the proposed Belleayre Resort would be undertaken by the private investment of funds into the area. Based on preliminary estimates, the private investment for construction of Belleayre Resort is estimated to equal about \$364.7 million (in 2008 dollars). This amount reflects the cost of physical improvements to the property, including site preparation and hard costs (actual construction), and de-sign, legal, and related costs. The \$364.7 million estimate therefore excludes other values (such as financing, the value of the land, marketing, etc.) not directly a part of the expenditures for construction. The total cost—including financing, the value of the land, management, initial marketing expenditures, and similar expenditures—would be substantially more.

Table 3.9.3-1 provides a breakdown of the estimated construction costs for the proposed project by type of construction and location.

### *ECONOMIC BENEFITS*

Jobs during the construction period for any particular component of the project would include many different specialty contractors, some employed for only a brief period and others, such as those employed by the general contractors, employed for most of the multi-year construction period. For this reason, jobs during the construction period are measured in "person-years." A person-year is the equivalent of one person working full-time for one year.

Table 3.9.3-2 presents the projected employment and economic benefits in the region from construction of Highmount Spa and Resort. Table 3.9.3-3 presents the employment and economic benefits from construction of Wildacres Resort. Table 3.9.3-4 presents a summary of the employment and economic benefits from construction of the entire Belleayre Resort project. Each table shows the estimated cumulative effects of the project investments over the multi-year construction period, and models the projected benefits on an annual basis.

#### *Employment*

Based on \$364.7 million in direct construction expenditures, the Resort's capital program is estimated to generate demand for 1,086 person-years of employees to construct Highmount Spa and Resort, and 1,090 person-years to construct Wildacres Resort, for a total of 2,176 person-years of employment. As shown on Table 3.9.3-4, on average during the period the project would directly support approximately 218 person-years of employment annually.

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<sup>16</sup> The model of the New York State economy was created by the U.S. Department of Commerce in May 2008, and for the tri-county Ulster, Delaware, and Greene County region, in June 2008.

<b>Table 3.9.3-1</b> <b>Estimated Construction Cost</b> <b>(Millions of 2008 Dollars)</b>	
<b>Construction Element and County of Construction</b>	<b>Construction Costs</b>
<b>Highmount Spa and Resort:</b>	
Ulster County:	
Residential Construction (Fractionals)	\$93.51
Nonresidential Building Construction	\$54.42
Non-building and Other Construction (Golf, Parking, etc.)	\$31.86
Total in Ulster County	\$179.79
Delaware County:	
Nonresidential Building Construction	\$2.40
Total in Delaware County	\$2.40
Total Highmount Spa and Resort	\$182.19
<b>Wildacres Resort:</b>	
Ulster County:	
Residential Construction (Fractionals, Timeshare)	\$42.99
Nonresidential Building Construction	\$68.40
Non-building and Other Construction (Golf, Parking, etc.)	\$42.60
Total in Ulster County	\$153.99
Delaware County:	
Residential Construction (Fractionals, Timeshare)	\$11.70
Non-building and Other Construction (Golf Course)	\$16.84
Total in Delaware County	\$28.54
Total Wildacres Resort	\$182.53
<b>TOTAL PROJECT</b>	<b>\$364.72</b>
<b>Note:</b> All figures independently rounded. Costs exclude the value of the land, financing costs, and initial start-up and marketing costs, which would be additional. Source: Crossroads Ventures, LLC.	

<b>Table 3.9.3-2</b> <b>Employment and Economic Benefits from Construction of</b> <b>Highmount Spa and Resort</b>		
	<b>Total in New York State During 10-Year Construction Period</b>	<b>Average Amount Per Year</b>
<b>Employment</b>		
Employment (Person-Years)*		
<b>Direct (Construction)</b>	<b>1,086</b>	<b>109</b>
Indirect (Secondary and Induced)	905	91
Total	1,991	199
Wages and Salaries (Millions of 2008 dollars)		
Direct (Construction)	\$55.96	\$5.60

Indirect (Secondary and Induced)	\$39.05	\$3.91
Total	\$95.01	\$9.50
Total Economic Output or Demand** (Millions of 2008 dollars)		
Direct (Construction)	\$182.19	\$18.22
Indirect (Secondary and Induced)	\$169.02	\$16.90
Total	\$351.21	\$35.12
Fiscal		
Tax Revenues*** (Constant 2008 dollars, exclusive of property taxes)		
Tax Revenues from Direct Activity	\$3,302,100	
Tax Revenues from Indirect Activity	\$5,079,500	
Total Tax Revenues	\$8,381,600	
Notes:		
*	A person-year is the equivalent of one person working full-time for a year.	
**	The economic output or total effect on the local economy derived from the direct construction spending.	
***	Includes personal income taxes, corporate and business taxes, sales tax on indirect activities, and numerous other taxes on construction and secondary expenditures.	
Source:	The characteristics and construction cost of the Highmount development; the Regional Input-Output Modeling System (RIMS II), U.S. Department of Commerce, Bureau of Economic Analysis; the U.S. Census Bureau, <i>2002 Economic Census, Construction, New York</i> , issued August 2005; and the tax rates by applicable jurisdiction.	

<b>Table 3.9.3-3</b> <b>Employment and Economic Benefits from Construction of Wildacres Resorts</b>		
<b>Employment</b>		
<b>Employment (Person-Years)*</b>		
Direct (Construction)	1,090	136
Indirect (Secondary and Induced)	907	113
<b>Total</b>	<b>1,997</b>	<b>250</b>
<b>Wages and Salaries (Millions of 2008 Dollars)</b>		
Direct (Construction)	\$56.74	\$7.09
Indirect (Secondary and Induced)	\$39.58	\$4.95
<b>Total</b>	<b>\$96.33</b>	<b>\$12.04</b>
<b>Total Economic Output or Demand** (Millions of 2008 dollars)</b>		
Direct (Construction)	\$182.53	\$22.82
Indirect (Secondary and Induced)	\$169.33	\$21.17
<b>Total</b>	<b>\$351.86</b>	<b>\$43.98</b>
<b>Fiscal</b>		

Tax Revenues*** (Constant 2008 dollars, exclusive of property taxes)	
Tax Revenues from Direct Activity	\$3,334,400
Tax Revenues from Indirect Activity	\$5,136,500
Total Tax Revenues	\$8,470,900
<b>Notes:</b> <p>* A person-year is the equivalent of one person working full-time for a year.</p> <p>** The economic output or total effect on the local economy derived from the direct construction spending.</p> <p>*** Includes personal income taxes, corporate and business taxes, sales tax on indirect activities, and numerous other taxes on construction and secondary expenditures.</p> <p><b>Source:</b> The characteristics and construction cost of the Wildacres Resorts development; the Regional Input-Output Modeling System (RIMS II), U.S. Department of Commerce, Bureau of Economic Analysis; the U.S. Census Bureau, <i>2002 Economic Census, Construction, New York</i>, issued August 2005; and the tax rates by applicable jurisdiction.</p>	

<b>Table 3.9.3-4</b> <b>Employment and Economic Benefits from Construction of the Entire Belleayre Resort Project</b>		
	<b>Total in New York State During 10-Year Construction Period</b>	<b>Average Amount Per Year</b>
<b>Employment</b>		
Employment (Person-Years)*		
Direct (Construction)	2,176	218
Indirect (Secondary and Induced)	1,812	181
Total	3,988	399
Wages and Salaries (Millions of 2008 Dollars)		
Direct (Construction)	\$112.70	\$11.27
Indirect (Secondary and Induced)	\$78.63	\$7.86
Total	\$191.34	\$19.13
Total Economic Output or Demand** (Millions of 2008 dollars)		
Direct (Construction)	\$364.72	\$36.47
Indirect (Secondary and Induced)	\$338.35	\$33.84
Total	\$703.07	\$70.31
<b>Fiscal</b>		
Tax Revenues*** (Constant 2008 dollars, exclusive of property taxes)		
Tax Revenues from Direct Activity	\$6,636,500	
Tax Revenues from Indirect Activity	\$10,216,000	
Total Tax Revenues	\$16,852,500	
<b>Notes:</b> * A person-year is the equivalent of one person working full-time for a year. ** The economic output or total effect on the local economy derived from the direct construction spending. *** Includes personal income taxes, corporate and business taxes, sales tax on indirect activities, and numerous other taxes on construction and secondary expenditures. Source: The characteristics and construction cost of the Belleayre Resort development; the Regional Input-Output Modeling System (RIMS II), U.S. Department of Commerce, Bureau of Economic Analysis; the U.S. Census Bureau, <i>2002 Economic Census, Construction, New York</i> , issued August 2005; and the tax rates by applicable jurisdiction.		

In addition to the direct employment resulting from construction activities, the total employment resulting from construction expenditures includes jobs in businesses providing goods and services to contractors and workers, thereby resulting in the creation of indirect or generated employment. Based on the RIMS II's economic multipliers for the state's industrial sectors, construction would indirectly generate another 1,812 person-years of employment, or an average of 181 jobs annually. In total, the project's construction would create an estimated 3,988 person-years of employment, or an average of nearly 400 (399) jobs annually.

#### *Wages and Salaries*

The direct and indirectly-generated employment attributed to the construction activities would result in the creation of wages and salaries earned by the workers. Direct wages and salaries generated by the capital improvement expenditures are estimated at \$112.70 million. The multi-year construction activity

is expected to directly support wages and salaries valued at an average of \$11.27 million per year. In total, including indirect and generated wages and salaries, construction of the proposed project is projected to have wages and salaries equaling approximately \$191.34 million, or an average of \$19.13 million per year.

#### *Economic Activity*

Based on the RIMS II model for New York State, the total economic activity, including indirect expenditures, is estimated at a little more than \$700 million (\$703.07 million). This figure is a measure of the estimated output, or demand, for State industries, and expresses the amount of total effect of the proposed project on the economy in constant 2008 dollars.

Although construction of the proposed project is projected to have a substantial economic effect on the regional economy in southern New York State, it would be expected to have a positive, but more marginal, effect on the local economy within the NY Route 28 corridor. This is because the existing construction sector of the local economy is relatively small, with (according to the New York State Department of Labor) Delaware County's entire construction sector averaging 565 workers in 2007, and Ulster County's averaging 2,658. In addition, much of the existing construction in the local economy is oriented toward construction of single-family homes, as well as contracting for municipal and county governments on road, water and sewer, and similar projects. The residential component of the proposed project, as well as other portions of the project that would employ specialty trades that currently occur, but are underemployed locally, would be expected to have the largest local effect.

As a result, the economic effects (though not necessarily the fiscal effects) from construction of the proposed project would, to a large degree, not be localized but would occur throughout the regional economy in southern New York State. With the exception of those trade specialties mentioned above, construction workers would be expected to travel fairly long distances to work at the project site, as there are not enough specialized construction workers locally within Delaware and Ulster Counties. Vendors and businesses serving the construction activities would also be expected to be drawn from a wide area. Construction activity is not permanent but is temporary; therefore construction workers would not be expected to relocate closer to the site. Rather, the construction workers and suppliers who would serve the construction activities would come from a broad area. Therefore, construction of the proposed project would not be expected to induce permanent growth in the construction industry at the state, county, or local levels.

#### *FISCAL BENEFITS*

The construction activity would have associated with it tax revenues for New York State, and Ulster and Delaware Counties. Although the project is expected to be exempt from paying sales tax on construction materials, these tax revenues would be substantial. Most of the tax revenues would accrue to the State, although the local counties would receive tax revenues from indirect and generated economic activity. In total, non-property tax revenues from construction of the proposed project are projected to total approximately \$16.85 million. Of this amount, the largest portions would be derived from personal income taxes, sales tax on indirect activity, corporate and business taxes, and numerous miscellaneous taxes on the direct and indirect economic activity.

### **ANNUAL OPERATION**

#### *INTRODUCTION*

This section estimates the economic benefits of the Belleayre Resort's operations upon full completion of its development. It addresses the direct and indirect effects of Resort operations and their effect on the local and state economy.

The direct economic benefits of the Resort's operations would include direct employment, generation of wages and salaries, and gross revenues from operations. Annual tax revenues also would be generated from the operation of the Resort, primarily through personal income taxes paid by employees, as well as corporate and business taxes paid by vendors, and sales tax paid by the visitors. Direct economic benefits generate additional indirect economic benefits as funds are re-circulated through the local and regional economy. The Resort would also be expected to result in other, more qualitative, effects, such as renewing the image of the Catskills as an attractive destination for tourists and visitors.

The analysis estimates the total, or cumulative, economic effects of the Resort during full operation. In actuality, the Resort would be built in phases over a multi-year period, during which completed elements would begin to generate economic activity.

#### *OVERVIEW OF METHODOLOGY*

As was the case with construction benefits, the model used to analyze the overall effect of the annual operation of the project was the Regional Input-Output Modeling System (RIMS II) model, developed by the U.S. Department of Commerce, Bureau of Economic Analysis. Separate models were developed by the U.S. Department of Commerce for the tri-county region of Delaware, Ulster, and Greene Counties, and for New York State.<sup>17</sup> Using the model and the projected direct permanent jobs, earnings and other direct spending at the Resort, the total annual, recurring economic effects of Belleayre Resort operations were projected.

The RIMS II sectors utilized for this analysis and their corresponding components of the project were accommodation (hotel/conference center); food service and drinking places (food and beverage); amusement and recreation activities (golf); real estate operation (timeshare/fractional); retail trade( retail); other services (spa); and museums, art, and related activities (wilderness and children's center).

#### *EMPLOYMENT*

Based on employment projections provided by Crossroads Ventures, LLC, it is estimated that the Resort would ultimately provide employment to approximately 771 workers, including 541 full-time workers and 230 part-time workers. Full-time employment opportunities at the Resort would span a wide range of career fields, from management positions at the Resort's hotels, to restaurant chefs and retailers. Given the seasonal nature of many of Belleayre Resort's planned amenities, it is projected that the Resort is also projected to hire approximately seasonal and part-time workers. Most aspects of the Resort's operations would require additional workers during peak seasons, including golf-related activities as well as hotel and restaurant operations.

In addition to the above direct employment, total employment resulting from the annual operation of the completed development program would include jobs in business establishments providing goods and services to the project's components and resulting in indirect and generated employment. Table 3.9.3-5 summarizes the projected permanent employment and recurring economic benefits from the annual operation of Belleayre Resort. Based on the RIMS II model's economic multipliers for the tri-county region's industrial sectors, the completed development would generate an additional 264 permanent jobs within the region, bringing the total direct and generated jobs from the annual operation of the completed development to 1,035 jobs within the region. In the larger New York State economy, the model estimates that the completed development would generate 413 jobs of indirect employment, bringing the total direct and generated jobs from the annual operation of the completed development to 1,184 jobs in New York State.

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<sup>17</sup> The model of the New York State economy was created by the U.S. Department of Commerce in May 2008, and for the tri-county Ulster, Delaware, and Greene County region, in June 2008.



<b>Table 3.9.3-5</b> <b>Permanent Employment and Recurring Economic Benefits from the</b> <b>Annual Operation of Belleayre Resort</b>		
	<b>Economic Effects Within the Tri-County Region</b>	<b>Total Economic Effects Within New York State</b>
<b>Employment (Full- and Part-Time Jobs)</b>		
Direct (On-Site)	771	771
Indirect (Secondary and Induced)	264	413
<b>Total</b>	<b>1,035</b>	<b>1,184</b>
<b>Wages and Salaries (Millions of 2008 dollars)</b>		
Direct (On-Site)	\$24.85	\$24.85
Indirect (Secondary and Induced)	\$12.96	\$22.32
<b>Total</b>	<b>\$37.81</b>	<b>\$47.17</b>
<b>Total Economic Output or Demand* (Millions of 2008 dollars)</b>		
Direct (On-Site)	\$111.16	\$111.16
Indirect (Secondary and Induced)	\$56.78	\$99.33
<b>Total</b>	<b>\$167.94</b>	<b>\$210.49</b>
<b>Fiscal</b>		
<b>Non-Property Tax Revenues**</b>		
State Sales Tax	\$2,694,080	
County Sales Tax	\$2,694,080	
Hotel Occupancy Tax	\$708,440	
<b>Total of above Non-Property Tax Revenues</b>	<b>\$6,096,600</b>	
<b>Notes:</b> The Tri-County region is composed of Delaware, Ulster, and Greene Counties. * The economic output or total effect on the local economy derived from the direct spending during annual operation. ** In addition to the indicated non-property tax revenues, the project would produce other revenues, such as personal income tax for the State, corporate and business taxes, and numerous other tax revenues from the direct and indirect economic activity. <b>Source:</b> The projected employment and wages and salaries provided by Crossroads Ventures, L.L.; the Regional Input-Output Modeling System (RIMS II), U.S. Department of Commerce, Bureau of Economic Analysis; tax rates by applicable jurisdiction; and AKRF, Inc.		

### WAGES AND SALARIES

Based on the projected wages and salaries from the annual operation of the completed development program, direct wages are estimated at \$24.85 million (in 2008 dollars, see Table 3.9.3-5). Total direct and generated wages and salaries resulting in the tri-county region from the annual operation of the completed development are estimated at \$37.81 million. In the broader New York State economy, total direct and generated wages and salaries from the annual operation of the completed development are estimated at \$47.17 million.

### *TOTAL ANNUAL EFFECT ON THE LOCAL ECONOMY*

The direct effect on the local economy from the completed development program, measured as economic output or demand, is estimated at approximately \$111.16 million annually. Based on the U.S. Bureau of Economic Analysis' RIMS II model for the tri-county region and the state, the total economic activity, including indirect expenditures (those generated by the direct expenditures), that would result from operation of the development is estimated at \$210.49 million annually in New York State, of which \$167.94 million annually would occur in the tri-county region (see Table 3.9.3-5).

### *FISCAL EFFECTS*

The annual operation of the completed development would have associated with it tax revenues for Ulster and Delaware Counties and New York State. These tax revenues would include property-related revenues in the form of payments to the applicable taxing jurisdictions (discussed in the next section) and non-property tax revenues.

Non-property taxes would include sales tax revenues to Ulster County and New York State, personal income tax for the State, corporate and business taxes, and numerous other tax revenues from the direct and indirect economic activity from the project. As shown in Table 3.9.3-5, based on revenue projections provided by Crossroads Ventures of \$40.14 million per year at Wildacres Hotel and \$27.21 million per year at Highmount Resort, there would be recurring annual sales taxes of \$2.69 million to both to New York State and Ulster County.

Of the revenues discussed above, room revenues are estimated at \$20.97 million at Wildacres Hotel and \$14.45 million at Highmount Resort. Based on a 2 percent hotel occupancy tax rate, the proposed project would generate \$708,440 in hotel occupancy tax revenues to Ulster County.

In total, these non-property tax revenues would generate \$6.10 million annually in tax revenues to New York State and Ulster County.

### **PROPERTY TAX REVENUES**

#### *EXISTING PROPERTY TAXES*

The collection of land parcels that comprise the proposed project site are taxed based on the existing value of land and improvements made to that land. The land parcels total approximately 712 acres in size, with about 358 acres located in the Town of Middletown in Delaware County and 354 acres located in the Town of Shandaken in Ulster County.

Based on real property tax bills for the 2007 fiscal year, the property within the Town of Shandaken had an estimated assessed value of \$890,800, and generated a total property tax levy of approximately \$67,685 in 2007. As shown in Table 3.9.3-6, this tax revenue is allocated to a number of different taxing districts. While all of the parcels provide tax revenues to Ulster County, the Town of Shandaken, and Shandaken Highways, parcels differ in their fiscal obligations to other jurisdictional districts depending on a parcel's location.

<b>Table 3.9.3-6</b> <b>Assessments and Taxes Generated by Project Parcels</b> <b>Town of Shandaken (Ulster County)</b>				
<b>Taxing District</b>	<b>Acreage in Taxing District</b>	<b>Assessed Valuation</b>	<b>Tax Rate/\$1,000</b>	<b>Estimated Total Tax Paid 2007</b>
Ulster County General	353.74	\$890,800	15.447566	\$13,761
Shandaken Town General	353.74	\$890,800	8.53392	\$7,602
Shandaken Town Highway	353.74	\$890,800	8.0861	\$7,203
Highmount Fire	329.83	\$848,800	4.023468	\$3,415
Pine Hill Fire	23.91	\$42,000	3.916439	\$164
Pine Hill Light	23.91	\$42,000	1.538139	\$65
Pine Hill Water	17.81	\$37,000	2.314422	\$86
Onteora Central School <sup>1</sup>	99.84	\$310,300	42.05748	\$13,050
Onteora School Library <sup>1</sup>	99.84	\$310,300	0.024834	\$8
Margaretville Unpaid School Tax	253.90	\$580,500		\$22,331
<b>Total Taxes Paid</b>				<b>\$67,685</b>
<b>Sources:</b> Real Property Tax Bills provided by Crossroads Ventures, LLC for fiscal year 2007 <b>Notes:</b> <sup>1</sup> Onteora Central School Tax Rate and Library Tax Rate was obtained from <a href="http://www.co.ulster.ny.us/realproperty/schoolrates04-07.PDF">http://www.co.ulster.ny.us/realproperty/schoolrates04-07.PDF</a> (accessed on July 23, 2008)				

The approximately 358 acres of property located within the Town of Middletown had an estimated assessed value of \$639,800 and generated a total property tax levy of approximately \$19,581 in 2007. Table 3.9.3-7 provides a breakdown of the tax revenues among taxing districts. Unlike the parcels in Shandaken, all the concerned land parcels within Middletown provide tax revenues to the same collection of taxing districts.

<b>Table 3.9.3-7</b> <b>Assessments and Taxes Generated by Project Parcels</b> <b>Town of Middletown (Delaware County)</b>				
<b>Taxing District</b>	<b>Acreage in Taxing District</b>	<b>Assessed Valuation</b>	<b>Tax Rate/\$1,000</b>	<b>Estimated Total Tax Paid 2007</b>
Delaware County General	357.71	\$639,800	8.65443	\$5,537
Town General & Highway	357.71	\$639,800	3.86456	\$2,473
Highway Outside Village	357.71	\$639,800	2.40425	\$1,538
General Outside Village	357.71	\$639,800	0.15994	\$102
Middletown FD #1	357.71	\$639,800	0.62999	\$403
Margaretville Returned School Tax	357.71	\$639,800		\$9,527
<b>Total Taxes Paid</b>				<b>\$19,581</b>
<b>Sources:</b> Real Property Tax Bills provided by Crossroads Ventures, LLC for fiscal year 2007				

Between the two towns, the properties on which the proposed project would be located had a total fiscal year 2007 assessed value of approximately \$1.53 million, generating a total of about \$87,266 in annual tax revenues. Of this total, school-related taxes account for approximately \$44,916, or about 51.5 percent of the total tax revenue.

### *FUTURE PROPERTY TAX REVENUES WITH THE PROPOSED PROJECT*

The proposed project would include development of Highmount Spa and Resort and Wildacres Resort. The development of these resort components would add value to existing land parcels which would consequently add value to the real estate property tax base, resulting in higher property taxes generated by the proposed project. Future tax revenues would be based on an assessment of the value of these improvements, and the application of equalization and tax rates, as well as the consideration of any applicable exemptions or abatements. The valuation and assessment of properties for tax levy purposes is ultimately the responsibility of the local assessors, and it is anticipated that the Towns' actual tax value assessments of the Belleayre Resort will occur annually as construction advances. For the purposes of this analysis, an estimation of future tax revenues is presented based on a conservative valuation of the construction value invested as of January of each year of the construction period.

As shown in Table 3.9.3-1, the total value of the construction planned for the project parcels is expected to be approximately \$364.7 million. The estimated construction cost for Highmount Spa and Resort is an estimated \$182.2 million, and this construction is expected to occur over a 10 year period, from about March 2012 to March 2022. Approximately 99 percent of the Highmount construction cost would be expended in Ulster County. The construction cost of the Wildacres Resort is estimated to be \$166.5 million, plus the approximately \$16 million golf course component, for a total of \$182.5 million. Wildacres would be built out over an 8-year construction period running from approximately March 2012 to March 2019. Approximately 84 percent of the Wildacres construction cost would be incurred in Ulster County, with the balance being in Delaware County.

Estimating the full market value of the planned resort components is the first step in calculating future tax revenues. Given the varied nature of the proposed project's amenities, two primary approaches were used to establish an estimated full market value. The estimated full market value for most of the resort components, including the build elements, such as the hotels, lodging units, club houses, and conference center, was based on 60 percent of the anticipated cost of construction. The estimated value of the Wildacres golf course is based on a per-hole valuation rate.

Since taxes are assessed on January of every year, this analysis estimates taxes based on the total amount of construction value invested as of January of each year. Tables 3.9.3-8 and 3.9.3-9, below, show the estimated annual progression of construction investments over the anticipated build periods for the Highmount and Wildacres Resort developments, with construction investment allocated over time to each of the major affected taxing jurisdictions.

<b>Table 3.9.3-8 Highmount Resort Construction Costs Allocated to Taxing District per Assessment Year</b>					
	Construction Costs in Ulster County			Construction Costs in Delaware County	
Assessed in:	Margaretville School District	Onteora School District	Total Ulster County	Margaretville School District	Total Delaware County
January 2013	\$42,600,000	\$0	\$42,600,000	\$960,000	\$960,000
January 2014	\$51,120,000	\$0	\$51,120,000	\$1,152,000	\$1,152,000
January 2015	\$12,780,000	\$0	\$12,780,000	\$288,000	\$288,000
January 2016	\$0	\$0	\$0	\$0	\$0
January 2017	\$12,490,625	\$0	\$12,490,625	\$0	\$0
January 2018	\$21,559,375	\$0	\$21,559,375	\$0	\$0
January 2019	\$8,769,231	\$0	\$8,769,231	\$0	\$0
January 2020	\$6,230,769	\$0	\$6,230,769	\$0	\$0
January 2021	\$3,900,000	\$0	\$3,900,000	\$0	\$0
January 2022	\$14,965,714	\$0	\$14,965,714	\$0	\$0
January 2023	\$5,374,286	\$0	\$5,374,286	\$0	\$0
<b>Total</b>	<b>\$179,790,000</b>	<b>\$0</b>	<b>\$179,790,000</b>	<b>\$2,400,000</b>	<b>\$2,400,000</b>

<b>Table 3.9.3-9 Wildacres Resort Construction Cost Allocated to Taxing District per Assessment Year</b>					
	Construction Costs in Ulster County			Construction Costs in Delaware County	
Assessed in:	Margaretville School District	Onteora School District	Total Ulster County	Margaretville School District	Total Delaware County
January 2013	\$26,240,000	\$19,040,000	\$45,280,000	\$0	\$0
January 2014	\$31,488,000	\$22,848,000	\$54,336,000	\$0	\$0
January 2015	\$10,691,269	\$13,713,832	\$24,405,101	\$4,591,182	\$4,591,182
January 2016	\$5,373,488	\$5,660,000	\$11,033,488	\$497,138	\$497,138
January 2017	\$990,000	\$3,990,000	\$4,980,000	\$3,525,000	\$3,525,000
January 2018	\$1,500,000	\$1,680,000	\$3,180,000	\$6,330,000	\$6,330,000
January 2019	\$300,000	\$3,117,692	\$3,417,692	\$3,409,615	\$3,409,615
January 2020	\$0	\$872,308	\$872,308	\$685,385	\$685,385
<b>Total</b>	<b>\$76,582,757</b>	<b>\$70,921,832</b>	<b>\$147,504,589</b>	<b>\$19,038,320</b>	<b>\$19,038,320</b>
<b>Notes:</b> The value of the Wildacres golf course improvements is not reflected in this table since its taxable assessment is not based on construction value.					

The assessed value is the basis for a municipality's tax base, and is calculated by applying the equalization rate of the municipality in which a property is located to the full market value of the property. The project site is located in two municipalities—the Towns of Middletown, in Delaware County, and Shandaken, in Ulster County—which have different equalization rates. Therefore, the full market value of the project within Shandaken was multiplied by Shandaken's final 2006 equalization rate of 24 percent to arrive at an estimate of the assessed value. Similarly, the full market value of the

proposed project in Middletown was multiplied by Middletown's 2006 equalization rate of 62 percent to arrive at an estimate of the assessed value. In cases where a component would fall within both towns, the full market value for the component was divided among the townships in proportion to the percentage of its distribution within each township. As shown in Table 3.9.3-10, the estimated assessed value of the proposed project (including the golf course) is estimated at \$59.9 million, representing a 3,814 percent increase in the assessed value of the property compared to its existing, pre-development assessed value of \$1.53 million.

<b>Table 3.9.3-10</b>		
<b>Full Market Value and Assessed Value of Proposed Project Components</b>		
<b>Project Component</b>	<b>Estimate of Full Market Value</b>	<b>Estimate of Assessed Value</b>
Highmount Spa and Resort		
Phase 1	\$63,900,000	\$15,336,000
Phase 2	\$12,330,000	\$2,959,200
Phase 3 & 4	\$33,084,000	\$8,487,360
Highmount Total	\$109,314,000	\$26,782,560
Wildacres Resort		
Golf Course	\$3,509,158	\$1,642,286
Phase 1	\$67,200,000	\$16,128,000
Phase 2	\$30,620,250	\$11,189,332
Wildacres Total	\$101,329,408	\$28,959,618
Total without Infrastructure	\$210,643,408	\$55,742,178
Infrastructure <sup>1</sup>	\$15,318,398	\$4,170,284
Proposed Project Total	\$225,961,805	\$59,912,462
<b>Source:</b> Crossroad Ventures, LLC., AKRF, Inc., August 2008.		
<b>Notes:</b> <sup>1</sup> Infrastructure costs were estimated to be 7 percent of construction costs in each township.		

New commercial development projects like the proposed project are often provided a business investment exemption which shields a percentage of the new assessed value from taxation for a period of 10 years. Individual municipalities have the authority to waive the exemption, or vary the extent to which the exemption will apply to a particular project. This analysis assumes that the full business investment exemption would likely apply for the proposed project. The exemption would provide a 50 percent deduction in the assessed value after the first re-assessment, with the deductible amount decreasing by 5 percent each year for 10 years, after which the proposed project would pay property taxes based on the full assessed value. The business investment exemption would apply to all taxing districts within the municipalities with the exception of fire districts and school districts.

The estimates presented are considered to be conservative, especially in respect to the underlying assumption that the tax rates for each taxing jurisdiction remain constant during the analysis period. Further, the analysis assumes that the New York State equalization rates for Shandaken (24 percent) and Middletown (62 percent) remain constant. The estimates are presented to offer a general magnitude of the property revenue effects of the Belleayre Resort project. The actual market and assessed valuations will be determined by the Town of Shandaken and Town of Middletown assessors as construction proceeds.

The real property tax projections for the proposed project in the Town of Shandaken and the Town of Middletown are shown in Tables 3.9.3-11 through 3.9.3-14, respectively. As shown in the tables, taxes are expected to incrementally increase each year throughout the construction period as new buildings come on line and are valued by Shandaken and Middletown Assessors for property taxation purposes. It has been the practice of both towns to re-appraise land parcels as they are improved. The tables show

estimates of future tax revenues for the Wildacres and Highmount resorts, individually, on an annual basis, as the construction of these resort complexes proceeds over the 8- and 10-year development periods. Further, these tables summarize how the estimated tax revenues would be apportioned among the applicable taxing districts in which the proposed project component would be located.

In addition to showing increasing tax revenues due to increasing capital improvements of the affected properties, the property tax projections reflect the phase-in over time of taxes as a result of decreasing business investment exemptions. The projections therefore present the estimated amount that tax revenues would be expected to increase each year for the first 10 years after reassessment due to the decreasing tax shield provided by the business investment exemption. In addition, the total assessed value of property within the town was distributed among school districts according to the project distribution provided by Crossroad Ventures, LLC.

The business tax exemption is assumed to apply to newly constructed elements at the time such construction occurs (e.g., every January, as reassessment occurs), resulting in, for example, a phasing-out of exemptions for investments made in year one and a simultaneous phasing-in of exemptions for investments made in year 10. As a consequence of continual annual construction investments over the build period – 8 years for Wildacres and 10 years for Highmount – there will be overlapping exemptions in any given year, with all exemptions having expired on the 10th assessment year following completion of construction.

**Table 3.9.3-11**

[illegible]



**Table 3.9.3-11 (continued)**  
**Highmount Resort – Estimated Future Tax Revenues (Ulster County)**

	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>
Ulster County General Tax	\$327,588	\$335,771	\$343,923	\$352,074	\$358,837	\$363,201	\$366,590	\$369,286	\$371,548	\$372,146
Shandaken Town General Tax	\$180,974	\$185,495	\$189,998	\$194,501	\$198,237	\$200,648	\$202,521	\$204,010	\$205,260	\$205,590
Shandaken Town Highway Tax	\$171,477	\$175,761	\$180,028	\$184,295	\$187,835	\$190,119	\$191,893	\$193,304	\$194,489	\$194,802
Highmount Fire	\$90,378	\$90,378	\$90,378	\$90,378	\$90,378	\$90,378	\$90,378	\$90,378	\$90,378	\$90,378
Pine Hill Fire	\$6,377	\$6,377	\$6,377	\$6,377	\$6,377	\$6,377	\$6,377	\$6,377	\$6,377	\$6,377
Pine Hill Light	\$2,205	\$2,260	\$2,314	\$2,369	\$2,415	\$2,444	\$2,467	\$2,485	\$2,500	\$2,504
Pine Hill Water	\$2,471	\$2,532	\$2,594	\$2,655	\$2,706	\$2,739	\$2,765	\$2,785	\$2,802	\$2,807
Onteora Library	\$149	\$152	\$156	\$160	\$163	\$165	\$166	\$168	\$169	\$169
Onteora Central School	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Margaretville School	\$995,953	\$995,953	\$995,953	\$995,953	\$995,953	\$995,953	\$995,953	\$995,953	\$995,953	\$995,953
<b>Total</b>	<b>\$1,777,570</b>	<b>\$1,794,679</b>	<b>\$1,811,721</b>	<b>\$1,828,763</b>	<b>\$1,842,900</b>	<b>\$1,852,024</b>	<b>\$1,859,109</b>	<b>\$1,864,746</b>	<b>\$1,869,475</b>	<b>\$1,870,725</b>
<b>Notes:</b> see above										

**Table 3.9.3-12**  
**Highmount Resort – Estimated Future Tax Revenues (Delaware County)**

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2010</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Delaware County General	\$1,545	\$3,554	\$24,467	\$26,864	\$29,261	\$31,658	\$34,055	\$36,453	\$38,850	\$41,247	\$43,644
Middletown Town	\$690	\$1,587	\$10,925	\$11,996	\$13,066	\$14,137	\$15,207	\$16,278	\$17,348	\$18,418	\$19,489
Highway Outside Village	\$429	\$987	\$6,797	\$7,463	\$8,129	\$8,795	\$9,461	\$10,127	\$10,793	\$11,459	\$12,125
General Outside Village	\$29	\$66	\$452	\$496	\$541	\$585	\$629	\$674	\$718	\$762	\$807
Middletown FD #1	\$225	\$495	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490
Margaretville School	\$5,318	\$11,699	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295
<b>Total</b>	<b>\$8,236</b>	<b>\$18,389</b>	<b>\$59,426</b>	<b>\$63,604</b>	<b>\$67,782</b>	<b>\$71,959</b>	<b>\$76,137</b>	<b>\$80,315</b>	<b>\$84,493</b>	<b>\$88,671</b>	<b>\$92,849</b>
<b>Notes:</b> see above											

**Table 3.9.3-12 (continued)**  
**Highmount Resort– Estimated Future Tax Revenues (Delaware County)**

	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>
Delaware County General	\$45,887	\$47,944	\$47,944	\$47,944	\$47,944	\$47,944	\$47,944	\$47,944	\$47,944	\$47,944
Middletown Town	\$20,490	\$21,409	\$21,409	\$21,409	\$21,409	\$21,409	\$21,409	\$21,409	\$21,409	\$21,409
Highway Outside Village	\$12,748	\$13,319	\$13,319	\$13,319	\$13,319	\$13,319	\$13,319	\$13,319	\$13,319	\$13,319
General Outside Village	\$848	\$886	\$886	\$886	\$886	\$886	\$886	\$886	\$886	\$886
Middletown FD #1	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490	\$3,490
Margaretville School	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295	\$13,295
<b>Total</b>	<b>\$96,758</b>	<b>\$100,343</b>	<b>\$100,343</b>	<b>\$100,343</b>	<b>\$100,343</b>	<b>\$100,343</b>	<b>\$100,343</b>	<b>\$100,343</b>	<b>\$100,343</b>	<b>\$100,343</b>
<b>Notes:</b> see above										

**Table 3.9.3-13**  
**Wildacres Resort – Estimated Future Tax Revenues (Ulster County)**

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Ulster County General Tax	\$50,362	\$115,832	\$155,096	\$194,577	\$216,572	\$237,119	\$258,284	\$276,998	\$294,839
Shandaken Town General Tax	\$27,822	\$63,990	\$85,682	\$107,493	\$119,644	\$130,995	\$142,687	\$153,026	\$162,882
Shandaken Town Highway Tax	\$26,362	\$60,633	\$81,186	\$101,852	\$113,365	\$124,121	\$135,200	\$144,996	\$154,335
Highmount Fire	\$24,461	\$53,815	\$67,504	\$73,465	\$76,155	\$77,873	\$79,719	\$80,191	\$80,191
Pine Hill Fire	\$1,726	\$3,797	\$4,763	\$5,183	\$5,373	\$5,494	\$5,625	\$5,658	\$5,658
Pine Hill Light	\$339	\$779	\$1,044	\$1,309	\$1,457	\$1,596	\$1,738	\$1,864	\$1,984
Pine Hill Water	\$380	\$874	\$1,170	\$1,468	\$1,633	\$1,788	\$1,948	\$2,089	\$2,224
Onteora Library	\$23	\$53	\$70	\$88	\$98	\$108	\$117	\$126	\$134
Onteora Central School	\$115,312	\$253,685	\$339,574	\$373,852	\$398,017	\$408,191	\$427,073	\$432,356	\$432,356
Margaretville School	\$145,357	\$319,786	\$381,603	\$411,369	\$416,853	\$425,163	\$426,825	\$426,825	\$426,825
<b>Total</b>	<b>\$392,143</b>	<b>\$873,243</b>	<b>\$1,117,691</b>	<b>\$1,270,657</b>	<b>\$1,349,169</b>	<b>\$1,412,448</b>	<b>\$1,479,217</b>	<b>\$1,524,128</b>	<b>\$1,561,427</b>
<b>Notes:</b> see above									

**Table 3.9.3-13 (continued)**  
**Wildacres Resort – Estimated Future Tax Revenues (Ulster County)**

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Ulster County General Tax	\$312,680	\$330,521	\$343,326	\$350,087	\$354,030	\$355,415	\$356,246	\$356,723	\$356,820
Shandaken Town General Tax	\$172,738	\$182,595	\$189,669	\$193,404	\$195,582	\$196,347	\$196,806	\$197,070	\$197,123
Shandaken Town Highway Tax	\$163,674	\$173,013	\$179,716	\$183,255	\$185,319	\$186,044	\$186,479	\$186,728	\$186,779
Highmount Fire	\$80,191	\$80,191	\$80,191	\$80,191	\$80,191	\$80,191	\$80,191	\$80,191	\$80,191
Pine Hill Fire	\$5,658	\$5,658	\$5,658	\$5,658	\$5,658	\$5,658	\$5,658	\$5,658	\$5,658
Pine Hill Light	\$2,104	\$2,224	\$2,310	\$2,356	\$2,382	\$2,392	\$2,397	\$2,401	\$2,401
Pine Hill Water	\$2,358	\$2,493	\$2,589	\$2,640	\$2,670	\$2,681	\$2,687	\$2,691	\$2,691
Onteora Library	\$142	\$150	\$156	\$159	\$161	\$161	\$162	\$162	\$162
Onteora Central School	\$432,356	\$432,356	\$432,356	\$432,356	\$432,356	\$432,356	\$432,356	\$432,356	\$432,356
Margaretville School	\$426,825	\$426,825	\$426,825	\$426,825	\$426,825	\$426,825	\$426,825	\$426,825	\$426,825
<b>Total</b>	<b>\$1,598,726</b>	<b>\$1,636,025</b>	<b>\$1,662,795</b>	<b>\$1,676,931</b>	<b>\$1,685,174</b>	<b>\$1,688,069</b>	<b>\$1,689,806</b>	<b>\$1,690,803</b>	<b>\$1,691,006</b>
<b>Notes:</b> see above									

**Table 3.9.3-14**  
**Wildacres Resort – Estimated Future Tax Revenues (Delaware County)**

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Delaware County General	\$0	\$0	\$9,650	\$14,616	\$21,656	\$33,778	\$42,218	\$46,822	\$50,432
Middletown Town	\$0	\$0	\$4,309	\$6,527	\$9,670	\$15,083	\$18,852	\$20,908	\$22,520
Highway Outside Village	\$0	\$0	\$2,681	\$4,060	\$6,016	\$9,384	\$11,728	\$13,007	\$14,010
General Outside Village	\$0	\$0	\$178	\$270	\$400	\$624	\$780	\$865	\$932
Middletown FD #1	\$0	\$0	\$1,405	\$1,521	\$2,348	\$3,831	\$4,630	\$4,791	\$4,791
Margaretville School	\$0	\$0	\$33,208	\$35,962	\$55,489	\$90,554	\$109,442	\$113,238	\$113,238
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$51,432</b>	<b>\$62,958</b>	<b>\$95,579</b>	<b>\$153,254</b>	<b>\$187,650</b>	<b>\$199,631</b>	<b>\$205,924</b>
<b>Notes:</b> see above									

**Table 3.9.3-14 (continued)**  
**Wildacres Resort – Estimated Future Tax Revenues (Delaware County)**

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Delaware County General	\$54,043	\$57,654	\$61,264	\$64,875	\$67,521	\$69,766	\$71,444	\$72,104	\$72,214
Middletown Town	\$24,132	\$25,745	\$27,357	\$28,969	\$30,151	\$31,154	\$31,903	\$32,197	\$32,246
Highway Outside Village	\$15,013	\$16,017	\$17,020	\$18,023	\$18,758	\$19,381	\$19,848	\$20,031	\$20,061
General Outside Village	\$999	\$1,065	\$1,132	\$1,199	\$1,248	\$1,289	\$1,320	\$1,333	\$1,335
Middletown FD #1	\$4,791	\$4,791	\$4,791	\$4,791	\$4,791	\$4,791	\$4,791	\$4,791	\$4,791
Margaretville School	\$113,238	\$113,238	\$113,238	\$113,238	\$113,238	\$113,238	\$113,238	\$113,238	\$113,238
<b>Total</b>	<b>\$212,217</b>	<b>\$218,509</b>	<b>\$224,802</b>	<b>\$231,095</b>	<b>\$235,706</b>	<b>\$239,620</b>	<b>\$242,544</b>	<b>\$243,693</b>	<b>\$243,886</b>
<b>Notes:</b> see above									