

APPENDIX 14

ECONOMIC AND FISCAL IMPACT ASSESSMENT

Appendix 14:

Economic and Fiscal Impact Assessment

**Windham Mountain Sporting Club
Windham, New York**



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INTRODUCTION

This assessment describes the potential effects of the proposed project on population and housing characteristics and on employment and workforce conditions, as well as the potential for growth-inducing and secondary impacts as a result of changes to the local economy as a result of the project. This analysis focuses on whether the economic activities generated by the proposed project could alter the demographics of the population or the composition of the workforce, and includes the following sections:

Section 1 provides a description of demographic characteristics of the Town of Windham, with comparative information provided for Greene County and New York State. This section presents information on population, households, and existing housing patterns.

Section 2 provides an overview of the labor force, employment, and workforce conditions in Greene County and New York State.

Section 3A provides an overview of the residential units that would be provided by the proposed project. **Section 3B** provides a description of the employment that would be directly introduced by the proposed project. **Section 3C** examines the potential effects of the proposed project on the workforce and estimates potential in-migration.

Section 4A estimates the economic and fiscal benefits from the construction period. **Section 4B** estimates the direct and indirect/secondary economic and non-property tax fiscal benefits from annual operations. Within Section 4A and 4B are discussions of the potential growth-inducing and cumulative effects of the construction and operations of the project upon full build-out.

Section 5 estimates the future property taxes that potentially would be generated by the project upon full build-out.

METHODOLOGY

DATA SOURCES

Various data sources have been used to prepare this analysis: U.S. Census Bureau's 2000 and 2010 Census, and 2005-2009 American Community Survey (ACS); New York State Department of Labor (DOL). Recent housing sales data was obtained from Trulia.com. Labor force data was from Bureau of Labor Statistics' Local Area Unemployment Statistics. Employment data by industry is from Quarterly Census of Employment and Wages, developed through a cooperative program between the State of New York and the U.S. Bureau of Labor Statistics. Journey to work data was obtained from a Census Transportation Planning Package (CTPP) data product that was developed by the American Association of State Highway and Transportation Officials based on 2006-2008 ACS data.

Sections 3 and 4 provide estimates of economic benefits of the proposed project. The economic impact analysis was conducted using IMPLAN, an economic input-output modeling system. The IMPLAN model was developed by the United States Department of Agriculture Forest Service in 1979 and was subsequently privatized by the Minnesota IMPLAN Group (MIG). This analysis is based on the 2009 models for Greene County and New York State, and uses economic data from

sources such as the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, and the U.S. Census Bureau to predict effects on the local economy from direct changes in spending. The model contains data for Greene County on 440 economic sectors, showing how each sector affects every other sector as a result of a change in the quantity of a product or service. A similar IMPLAN model for New York State was used to trace the effects on the state economy. Using these models and the specific characteristics of the projected development, the total effect has been projected for Greene County and New York State.

The analysis and estimation of future property taxes utilizes current Town of Windham tax assessment records as accessed through actual tax bills and through the Greene County Tax Service's on-line data base. In addition, records of the New York State Office of Real Property Tax Services and the New York State Comptroller's Office were reviewed, and real estate sales data were reviewed through on-line sources, including Trulia.com and the web sites of several Windham area real estate offices. Using these data sources, future property taxes were estimated for the single family and the condominium/duplex/townhome residential units, and for the nonresidential amenity components of the project based on tax assessment of comparable Windham properties.

SECTION 1: EXISTING DEMOGRAPHIC AND ECONOMIC PROFILE

POPULATION

The Town of Windham had 1,703 residents in 2010, which was a 2.6 percent increase from its population in 2000 (see Table 1). The population in the county and the state grew at 2.1 percent during this time period.

Table 1
Population

	2000	2010	Percent Change
Windham	1,660	1,703	2.6%
Greene County	48,195	49,221	2.1%
New York State	18,976,457	19,378,102	2.1%
Sources: U.S. Census Bureau, Census 2000 and 2010.			

HOUSEHOLDS

In 2010, there were 773 households in Windham, 7.4 percent higher than the number of households in 2000. Between 2000 and 2010, the town's household growth rate was twice as fast as the state's (3.7 percent); however, it was lower than the county's 8.6 percent growth rate (see Table 2).

Windham's 2010 average household size was 2.20 people, which was lower than the average household size in the state (2.57 people per household) and the county (2.31 people per household).

Table 2
Households and Average Household Size

	Households			Average Household Size	
	2000	2010	Percent Change	2000	2010
Windham	720	773	7.4%	2.31	2.20
Greene County	18,256	19,823	8.6%	2.42	2.31
New York State	7,056,860	7,317,755	3.7%	2.61	2.57
Sources: U.S. Census Bureau, Census 2000 and 2010.					

INCOME

Table 3 displays the median household income and per capita income in 1999 and in the 2005-2009 time periods. Over the 2005-2009 time period, the median household income in the Town of Windham was \$53,056, which was 8.7 percent higher than the median household income in the county, but 9.1 percent lower than the median household income in the state. Between 1999 and the 2005-2009 time period, Windham's median household income grew at 47.3 percent, which was a faster rate of growth compared to the state and the county.

Over the 2005-2009 time period, the per capita income in Windham was \$23,941, which was 26.0 percent lower than the per capita income in New York State (see Table 3). Windham's per capita income decreased by 23.3 percent from \$31,202 in 1999 to \$23,941 over the 2005-2009 time period. The per capita income in the county had a less significant decrease during this time period, decreasing by 6.5 percent.

Table 3
Median Household Income and Per Capita Income

	Median Household Income			Per Capita Income		
	1999	2005-2009	Percent Change	1999	2005-2009	Percent Change
Windham	\$36,010	\$53,056	47.3%	\$31,202	\$23,941	-23.3%
Greene County	\$36,493	\$48,820	33.8%	\$26,436	\$24,712	-6.5%
New York State	\$60,596	\$58,349	-3.7%	\$32,661	\$32,362	-0.9%
Notes: Median household income and per capita income are presented in constant 2011 dollars based on the U.S. Department of Labor Bureau of Labor Statistics' July 2011 Consumer Price Index for all urban consumers for the northeast. Sources: U.S. Census Bureau, Census 2000, Summary File 3; U.S. Census Bureau, 2005-2009 American Community Survey.						

HOUSING

In 2010, there were 2,457 housing units in Windham, a 22.7 percent increase compared with the number of housing units in 2000 (see Table 4). Housing unit growth in the town outpaced the county and the state. The number of housing units in the County increased by 10.0 percent. The state's housing stock increased by 5.6 percent.

In 2010, the majority (70.5 percent) of the occupied housing units in Windham were owner occupied. This percentage was similar to the county (72.5 percent), but was significantly higher than the owner occupancy rate in the state (53.3 percent).

Table 4
Housing Unit Characteristics

	Total Housing Units			2010 Tenure All Occupied Units		2010 Vacancy Rate	
	2000	2010	% Increase	% Owner Occupied	% Renter Occupied	% Occupied	% Vacant
Windham	2,002	2,457	22.7%	70.5%	29.5%	31.5%	68.5%
Greene County	26,544	29,210	10.0%	72.5%	27.5%	67.9%	32.1%
New York State	7,679,307	8,108,103	5.6%	53.3%	46.7%	90.3%	9.7%
Sources: U.S. Census Bureau, Census 2000 and 2010.							

Based on 2010 Census data, 68.5 percent of the housing units in Windham were vacant (see Table 4). This was more than double the vacancy rate in the county (32.1 percent). According to the Census, a housing unit is vacant if it is physically not occupied, unless its occupants are only temporarily absent. Units temporarily occupied by people who have a usual residence elsewhere are also classified as vacant. The high vacancy in Windham was due to the high percentage of units that were used for seasonal, recreational, or occasional use. As shown in Table 5, 88.3 percent (or 1,487 units) of housing units in Windham were vacant for seasonal, recreational, or occasional use. For example, there are over 400 residential units around the Windham Mountain ski area. West of the ski area are approximately 102 townhouse units on South Street, 82 townhouse units in the Enclave and along

Brainard Ridge Road, 36 condos in an Enclave building, and 135 single-family homes south of Brainard Ridge Road. Additionally, there are approximately 51 single-family homes east of the ski area.

Table 5
2010 Vacancy Status

	New York	Greene County	Windham
For rent	25.3%	5.9%	2.5%
Rented, not occupied	1.6%	0.5%	0.0%
For sale only	9.8%	5.6%	3.3%
Sold, not occupied	2.7%	1.0%	0.2%
For seasonal, recreational, or occasional use	36.6%	72.3%	88.3%
For migrant workers	0.1%	0.1%	0.2%
Other vacant	23.9%	14.7%	5.5%
Notes: According to the Census, a housing unit is vacant if no one is living in it at the time data was collected, unless its occupants are only temporarily absent. Units temporarily occupied entirely by people who have a usual residence elsewhere are also classified as vacant. Sources: U.S. Census Bureau, 2010 Census.			

Table 6 shows housing value characteristics within Windham, Greene County, and New York State. Over the 2005-2009 time period, the median contract rent in Windham was \$642 per month, which was 14.2 percent higher than the median contract rent in Greene County, but was 26.0 percent lower than the median contract rent in New York State.

Windham's median housing value over the 2005-2009 time period was \$237,271, which was 50.4 percent higher than the median housing value in 2000. Windham's median housing value was 25.4 percent higher than the median housing value in Greene County, but was 25.3 percent lower than the median housing value in New York State.

Table 6
Housing Value Characteristics¹

	Median Contract Rent			Median Housing Value		
	2000	2005-2009	% Change ²	2000	2005-2009	% Change
Windham	\$575	\$642	NA	\$157,740	\$237,271	50.4%
Greene County	\$579	\$562	NA	\$124,112	\$189,204	52.4%
New York State	\$817	\$868	NA	\$199,336	\$317,559	59.3%
Notes: ¹ Housing value characteristics are presented in constant 2011 dollars based on the U.S. Department of Labor Bureau of Labor Statistics' July 2011 Consumer Price Index for all Northeast urban consumers. ² Median contract rent is not comparable between Census 2000 and the 2005-2009 ACS study since the universe in the ACS is "renter-occupied" whereas the universe in Census 2000 was "specified renter-occupied housing units." Sources: U.S. Census Bureau, Census 2000, Summary File 3; U.S. Census Bureau, 2005-2009 American Community Survey.						

To obtain a more accurate picture of current home values, additional information was gathered from local real estate sources. Table 7 shows sales prices for homes in Windham from December 2010 through mid-April 2011. Based on this limited sample, sales prices in Windham ranged from \$115,000 for a 1,742-square-foot single family home built in 2000 to \$2.3 million for a 5,548-square-foot single family home built in 1999. The average sales price for this limited sample of residential units was \$529,267 and the median was \$310,000. As shown in the table, these sales prices are for homes built between 1900 and 2006. Including the residential units built between 1999 and 2006, the median sales price for these recent sales is \$950,000 and the average sales price is \$1.07 million, which was significantly higher than Windham's 2005-2009 median housing value (\$237,271).

Table 7
Recent Sales in Windham

Address	BR/BA	Year Built	SF	\$/SF	Sales Price	Date Sold
37 The Loop	5BR/ 3BA	2004	3,740	\$207.22	\$775,000	12/1/2010
29 Club Road	4BR/ 2BA	1970	1,928	\$168.57	\$325,000	12/1/2010
17 Brockett Road	3BR/ 1BA	1987	1,552	\$83.76	\$130,000	12/14/2010
31 Holiday Court	3BR/ 2BA	1988	1,600	\$93.75	\$150,000	12/30/2010
49 Sky Hill Road	3BR/ 2BA	1989	1,600	\$193.75	\$310,000	1/14/2011
104 Cambridge Heights Road	3BR/ 2BA	1972	1,680	\$119.05	\$200,000	2/2/2011
21 Case Road	3BR/ 2BA	1978	768	\$259.11	\$199,000	2/15/2011
41 Sun Dance Drive	4BR/3BA	2003	3,974	\$239.05	\$950,000	2/28/2011
90 Cambridge Heights Rd.	3BR/2BA	1966	1,458	\$216.05	\$315,000	3/11/2011
1114 County Route 10	3BR/2BA	1986	1,573	\$117.61	\$185,000	4/4/2011
42 Steele Rd.	3BR/2BA	2000	1,742	\$66.02	\$115,000	4/7/2011
16 Meadow Lane	4BR/3BA	1982	1,332	\$397.90	\$530,000	4/8/2011

151B Trailside Road	5BR/4BA	2006	5,548	\$414.56	\$2,300,000	4/13/2011
607 Case Road	3BR/2BA	1900	2,044	\$124.76	\$255,000	4/14/2011
15 Meadow Lane	4BR/3BA	1999	2,238	\$536.19	\$1,200,000	4/15/2011
Sources: trulia.com [Accessed August 25, 2011]						

SECTION 2: EXISTING EMPLOYMENT

In 2010, the labor force, which includes the total number of people employed or seeking employment, had 24,068 people in Greene County (see Table 8). Between 2000 and 2010, the county's labor force increased by 6.3 percent from 22,632 people in 2000. This growth rate was higher than the state's 5.1 percent growth rate.

Table 8
Average Annual Labor Force

Area	2000	2010	Percent Growth 2000-2010
Greene County	22,632	24,068	6.3%
New York State	9,166,972	9,630,854	5.1%
Source: Bureau of Labor Statistics, Local Area Unemployment Statistics			

Of the approximate 24,068 residents in Greene County's labor force in 2010, 22,007 were employed. This was a 1.8 percent increase in the number of employed people since 2000 (see Table 9). During the same time period, employment in the state experienced 0.6 percent growth.

Table 9
Average Annual Employment

Area	2000	2010	Percent Growth 2000-2010
Greene County	21,609	22,007	1.8%
New York State	8,751,441	8,806,778	0.6%
Source: Bureau of Labor Statistics, Local Area Unemployment Statistics			

According to Bureau of Labor Statistics' Local Area Unemployment Statistics, in 2010, there were approximately 2,061 unemployed people in Greene County, representing 8.6 percent of the county's labor force (see Table 10). The state's unemployment rate was also 8.6 percent in 2010.

Unemployment data generally underestimate the true number of unemployed persons in any given labor market. 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.

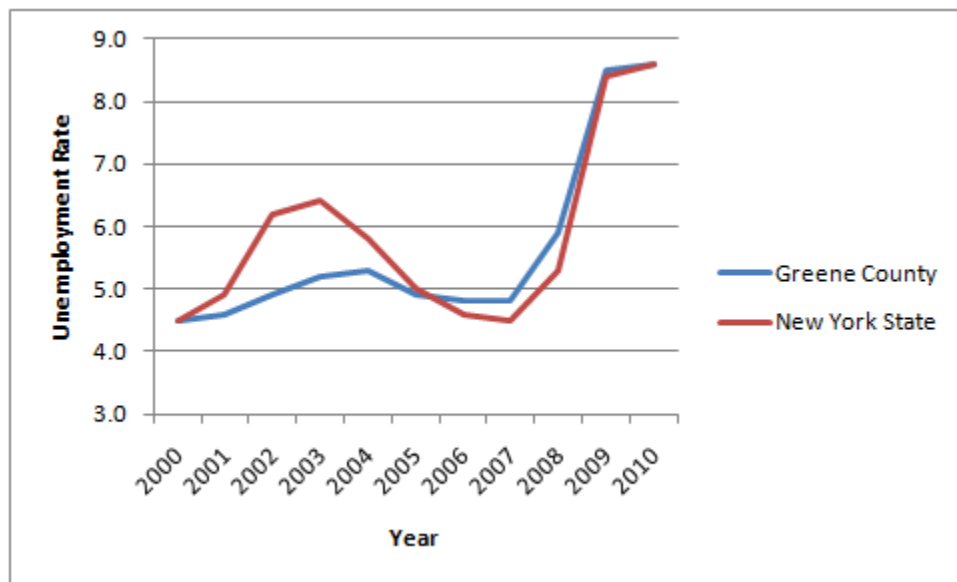
Table 10
Unemployment

Area	Unemployed		Unemployment Rate	
	2000	2010	2000	2010
Greene County	1,023	2,061	4.5%	8.6%
New York State	415,531	824,076	4.5%	8.6%

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics

Figure 1 displays Greene County and New York State unemployment rates from 2000 to 2010. Between 2000 and 2007, annual average unemployment rates in the county were between 4.5 percent and 5.3 percent. In 2008, the unemployment rate in the county increased to 5.9 percent. The county's unemployment rate had a more significant increase in 2009, jumping to 8.5 percent.

Figure 1
2000-2010 Unemployment Rate



EMPLOYMENT BY SECTOR

This section discusses the employment sectors that represent high shares of employment in Greene County, followed by a discussion of sectors that are underrepresented in comparison to the state.

In 2010, there were 14,373 employees in Greene County, an 8.6 percent increase from the number of employees in 2000 (see Table 11). The government sector had the highest share of employment in the county at 30.3 percent. The retail trade sector had the next highest share of employees within the county at 14.5 percent. This sector experienced significant growth in employment between 2000 and 2010, growing by 25.1 percent from 1,663 employees in 2000 to 2,081 employees in 2010. Approximately 11.2 percent of employment (or 1,614 employees) was in the accommodation and food services sector. The health care and social assistance sector followed with 1,232 employees (or 8.6 percent of total employment).

Several sectors were underrepresented in Greene County when compared to the industry composition for the state as a whole. Approximately 15.4 percent of state employees worked in the health care and social assistance sector. In comparison, 8.6 percent of employees worked in this sector in the

county. Employment in the professional and technical services sector was also underrepresented in the county with 1.9 percent of employees in this sector in Greene County compared with 6.6 percent of state employees working in the professional and technical services sector. The finance and insurance sector was also underrepresented in Greene County (2.1 percent or 299 employees) compared to 5.8 percent in the state. These sectors generally require more training than other sectors that were strong in Greene County.

Table 11

2000 and 2010 Employment by Industry (Greene County and New York State)

Industry	Greene County		New York State	
	2000	2010	2000	2010
Total Employment	13,233	14,373	8,471,278	8,339,290
Agriculture, Forestry, Fishing & Hunting	0.7%	0.6%	0.3%	0.3%
Mining	0.0%	0.0%	0.1%	0.1%
Utilities	0.0%	0.0%	0.5%	0.5%
Construction	4.4%	4.6%	3.8%	3.7%
Manufacturing	7.5%	6.6%	8.8%	5.5%
Wholesale Trade	3.6%	5.0%	4.5%	3.9%
Retail Trade	12.6%	14.5%	10.3%	10.5%
Transportation and Warehousing	2.7%	2.4%	2.8%	2.6%
Information	2.2%	1.3%	3.8%	3.0%
Finance and Insurance	2.4%	2.1%	6.6%	5.8%
Real Estate and Rental and Leasing	0.7%	0.8%	2.2%	2.1%
Professional and Technical Services	2.8%	1.9%	6.5%	6.6%
Management of Companies and Enterprises	0.0%	0.2%	1.4%	1.6%
Administrative and Waste Services	1.6%	1.3%	5.3%	4.9%
Educational Services	0.0%	0.1%	2.7%	3.6%
Health Care and Social Assistance	7.3%	8.6%	12.7%	15.4%
Arts, Entertainment, and Recreation	5.4%	5.2%	1.4%	1.7%
Accommodation and Food Services	12.9%	11.2%	6.1%	7.1%
Other Services	2.8%	2.9%	3.7%	3.8%
Total, All Government	29.7%	30.3%	16.5%	17.2%
Unclassified	0.1%	0.1%	0.2%	0.3%
Source: Quarterly Census of Employment and Wages, developed through a cooperative program between the State of New York and the U. S. Bureau of Labor Statistics [Accessed August 2011].				

In 2009 in the Town of Windham, there were 699 employees, representing 5.0 percent of the 2009 employment in Greene County (14,063 employees).¹ Based on the Department of Labor data, the highest percentage of employment in Windham was in the accommodation and food services sector (147 employees or 21.0 percent of total employment) followed by the retail trade sector (84 employees or 12.0 percent). The construction sector had the third highest number of employees in Windham, with 64 employees, representing 9.2 percent of employment in Windham (see Table 12).

Wages in 2009 totaled \$13.89 million in Windham. Approximately \$2.30 million in wages were paid to employees in the construction sector. The sectors with the next highest total wages were the retail trade sector (\$1.99 million) and the accommodation and food services sector (\$1.75 million). Average wages were highest for the transportation and warehousing sector (\$40,175), the construction sector (\$35,974), and the educational services sector (\$34,590).

Table 12
2009 Windham Employment and Wages by Sector

Sector	Employment	% of Employment	Total Wages	Average Wage by Sector
Total	699		\$13,889,423	\$19,870
Construction	64	9.2%	\$2,302,358	\$35,974
Retail Trade	84	12.0%	\$1,993,784	\$23,736
Transportation & Warehousing	8	1.1%	\$321,397	\$40,175
Finance & Insurance	8	1.1%	\$246,139	\$30,767
Professional, Scientific, and Technical Services	13	1.9%	\$296,134	\$22,780
Administrative, Support, and Waste Management and Remediation Services	9	1.3%	\$202,358	\$22,484
Educational Services	14	2.0%	\$484,259	\$34,590
Accommodation & Food Services	147	21.0%	\$1,746,778	\$11,883
Other Services (except public administration)	9	1.3%	\$218,188	\$24,243
Unknown	343	49.1%		

Notes:

(1) In order to ensure the anonymity of individual employers, employment and wage data are not released for any industry level in any location that a) consists of fewer than three reporting units; or b) contains a single unit that accounts for 80 percent or more of the industry's employment. Due to these confidentiality requirements, some data are suppressed so data does not add up to the total.

(2) This employment data for the Town of Windham was provided by New York State Department of Labor in March 2011. Since that time, DOL has discontinued providing employment at the town level. Therefore, this table could not be updated with 2010 data.

Sources: New York State Department of Labor, March 2011

¹ 2009 employment at the town level was provided by New York State Department of Labor (DOL) in March 2011. Since March 2011, DOL discontinued distributing data at the town level therefore this data could not be updated with 2010 data.

TRAVEL TIME TO WORK

Table 13 shows the travel time to work for workers in Windham, Greene County, and New York State. As shown in the table, employees in Windham worked closer to home compared with employees in New York State. Approximately 57.9 percent of employees in Windham traveled less than 20 minutes to work compared with 35.0 percent of employees in New York State. While 16.4 percent of employees in the state worked 30-39 minutes away from their home, only 6.7 percent of employees in Windham travel between 30 and 39 minutes to work.

Table 13
Travel Time to Work (2005-2009)

	New York	Greene County	Windham
Less than 10 minutes	11.2%	20.4%	31.3%
10 to 19 minutes	23.8%	27.5%	26.6%
20 to 29 minutes	17.7%	16.1%	13.4%
30 to 39 minutes	16.4%	13.4%	6.7%
40 to 44 minutes	4.6%	4.9%	3.9%
45 to 59 minutes	10.0%	10.2%	6.9%
60 to 89 minutes	11.4%	5.0%	8.9%
90 minutes or more	4.8%	2.5%	2.2%
Note: Universe: WORKERS 16 YEARS AND OVER WHO DID NOT WORK AT HOME			
Source: 2005-2009 American Community Survey 5-Year Estimates			

GREENE COUNTY EMPLOYEES- PLACE OF RESIDENCE

Based on Census Transportation Planning Package, approximately 72.6 percent of workers in Greene County are residents of Greene County. Albany County, Columbia County, and Ulster Counties follow with the next highest shares of workers (7.4 percent, 6.5 percent, and 5.5 percent, respectively).

Table 14
Greene County Workers' County of Residence

County of Residence	County of Employment	Workers	Percent
Greene County, New York	Greene County, New York	12,265	72.6%
Albany County, New York	Greene County, New York	1,245	7.4%
Columbia County, New York	Greene County, New York	1,105	6.5%
Ulster County, New York	Greene County, New York	925	5.5%
Rensselaer County, New York	Greene County, New York	205	1.2%
Delaware County, New York	Greene County, New York	180	1.1%
Schenectady County, New York	Greene County, New York	180	1.1%
Schoharie County, New York	Greene County, New York	160	0.9%
Saratoga County, New York	Greene County, New York	130	0.8%
Dutchess County, New York	Greene County, New York	120	0.7%
Sub-Total for Top 10 Counties		16,515	97.7%
Remainder ¹		388	2.3%
Total		16,903	100%
Note: ¹ "Remainder" includes Greene County employees who live in counties in New York (305), Massachusetts (49), New Jersey (20) Pennsylvania (10), and Connecticut (4). Source: Census Transportation Planning Package (CTPP) data based on 2006 – 2008 3-year American Community Survey (ACS) Data.			

GREENE COUNTY RESIDENTS- PLACE OF EMPLOYMENT

Based on Census Transportation Planning Package, approximately 58.1 percent of residents work in Greene County. Greene County residents also travel to Albany County (16.7 percent), Columbia County (9.4 percent), and Ulster County (7.1 percent) for work.

Table 15
Greene County Residents' County of Employment

County of Residence	County of Employment	Workers	Percent
Greene County, New York	Greene County, New York	12,265	58.1%
Greene County, New York	Albany County, New York	3,520	16.7%
Greene County, New York	Columbia County, New York	1,975	9.4%
Greene County, New York	Ulster County, New York	1,490	7.1%
Greene County, New York	Dutchess County, New York	370	1.8%
Greene County, New York	Rensselaer County, New York	340	1.6%
Greene County, New York	New York County, New York	210	1.0%
Greene County, New York	Delaware County, New York	145	0.7%
Greene County, New York	Schenectady County, New York	115	0.5%
Greene County, New York	Schoharie County, New York	90	0.4%
Sub-Total for Top 10 Counties		20,520	97.2%
Remainder ¹		594	2.8%
Total		21,114	100.0%
Notes: ¹ "Remainder" includes Greene County residents working in counties in New York (400), New Jersey (106), Tennessee (50), Massachusetts (20), Texas (10), and Connecticut (4), and California (4).			
Source: Census Transportation Planning Package (CTPP) data based on 2006 – 2008 3-year American Community Survey (ACS) Data.			

SECTION 3: FUTURE WITH THE PROPOSED PROJECT

Section 3A provides an overview of the residential units that would be provided by the proposed project. **Section 3B** provides a description of the employment that would be directly introduced by the proposed project. **Section 3C** examines the potential direct, indirect/secondary, and induced effects of the proposed project on the workforce and estimates potential in-migration.

SECTION 3A: TARGET MARKET FOR PROPOSED PROJECT

The proposed project would add 302 residential units, which would be a 12.3 percent increase compared to the number of housing units in 2010. The residential units that would be added by the proposed project are expected to be predominately seasonal homes, which are common in the area. As shown in Table 5, approximately 88.3 percent of vacant units in Windham (or 1,487 units) are for seasonal, recreational or occasional use. Also, as discussed above, there are more than 400 townhouses, condos, and single-family homes around the ski area.

It is expected that the residential units would attract households of between 2 and 4 people, who live within a three-hour drive from Windham. The average cost for single-family homes are expected to be approximately \$600,000 plus the value of land which is expected to start at \$250,000, depending on location and views. This reflects sales prices of recently built units in Windham. Based on a limited sample of recently sold units, residential units in Windham built between 1999 and 2006 have median sales prices of \$950,000 and average sales prices of \$1.07 million. Since seasonal homes are already common in Windham and since the sales prices are expected to reflect the sales prices of recently built units, it is not expected that the proposed project would have significant adverse impacts on the local housing market.

SECTION 3B: EMPLOYMENT AT THE PROPOSED PROJECT

As shown in Table 16, the proposed project would introduce approximately 170 employees, including 98 full-time employees and 72 part-time employees with total employee compensation of \$4.92 million.

Table 16
Operating Data Assumption

	Operating Data Assumptions
Staff	170 full-time and part-time employees
Employee Compensation	\$4,916,500
Sources: Data provided by Design Management LLC (August 2011)	

Table 17 presents the jobs and average salaries that would be introduced by the proposed project. Salaries would range from \$12,000 for lift operator assistants to \$225,000 for the vice president of development.

Employment at the proposed project would include 16 full-time and 4 part-time general and administrative workers. Average salaries for full-time general and administrative employees range from \$35,000 for accounts receivable to \$225,000 for the vice president of development. There would be 19 full-time and 19 part-time common areas employees. Salaries range from \$30,000 for general staff to \$65,000 for the superintendent. There would be 13 part-time lift operators earning between \$12,000 and \$24,000. The 28 full-time and 24 part-time food and beverage employees would have salaries ranging from \$24,000 for dishwashers, servers, and bartenders to \$75,000 for chefs. The wellness center would have 5 full time and 2 part-time employees earning between \$20,000 and \$45,000. There would be 7 full-time and 4 part-time spa employees. These employees

would earn between \$25,000 and \$50,000. Finally, there would be 23 full-time and 6 part-time condo/lodging employees earning between \$20,000 and \$75,000 per year.

Table 17
Staffing and Salary Assumptions

	Average Salary¹	Full Time	Part Time	Total
General & Administrative				
VP- Development	\$225,000	1	0	1
General Manager	\$100,000	1	0	1
Concierges	\$30,000	4	2	6
Human Resources	\$35,000	2	0	2
Controller	\$55,000	2	0	2
Accounts Receivable	\$35,000	3	1	4
Accounts Payable	\$35,000	3	1	4
Common Areas				
Superintendant	\$65,000	1	0	1
Assistant Super	\$50,000	2	2	4
Mechanic	\$50,000	2	0	2
Asst Mechanic	\$40,000	2	1	3
Irrigation Tech	\$40,000	2	2	4
Staff	\$30,000	10	14	24
Lift Operations				
Operator	\$15,000	0	2	2
Assistants	\$12,000	0	8	8
Mechanic	\$24,000	0	3	3
Food & Beverage				
F&B Manager	\$65,000	1	1	2
Dining Service Manager	\$50,000	2	0	2
Chef	\$75,000	2	2	4
Line Cooks	\$50,000	3	3	6
Sous Chef	\$65,000	2	2	4
Pastry Chef	\$60,000	2	1	3
Dish washers	\$24,000	6	4	10
Servers	\$24,000	7	7	14
Bartenders	\$24,000	3	4	7
Wellness Center				
Dir. of Outdoors	\$45,000	1	0	1
Naturalist	\$35,000	1	0	1
Wellness Center	\$30,000	3	1	4

Intern	\$20,000	0	1	1
Spa Staff				
Manager	\$50,000	1	0	1
Reception	\$25,000	2	1	3
Masseuse	\$30,000	2	2	4
Hourly	\$18,000	2	1	3
Condo/Lodging				
Lodging Manager	\$75,000	2	1	3
Maintenance	\$50,000	4	3	7
Housekeepers	\$20,000	15	0	15
Telephone/ Guest Services	\$20,000	2	2	4
Total Staff		98	72	170
Notes: ¹ Salaries are average annual salaries when full-time employees. Where applicable, they reflect reduced annual salaries for part-time employees.				
Sources: Design Management LLC				

SECTION 4: ECONOMIC, FISCAL, AND GROWTH-INDUCING EFFECTS

This section quantifies the direct, indirect/secondary, and induced growth effects to the county and state economy from the construction period and during annual operations using the IMPLAN model (IMpact Analysis for PLANning). All dollar amounts in this analysis are in constant 2011 dollars. In future years, the dollar amounts are expected to increase with inflation. The fiscal effects discussed in this section relate to non-property tax effects. Property tax-related effects are covered in Section 5.

After an overview of the IMPLAN terminology, the economic activity and growth-inducing resulting from the construction period (4A) and from annual operations (4B) is summarized

IMPLAN TERMINOLOGY

Using IMPLAN terminology, economic impacts are broken into three components: direct, indirect, and induced.

Direct effects represent the initial benefits to the economy of a specific new investment; e.g., this would include direct construction cost and the resulting demand in employment and changes in employee compensation.

Indirect (secondary) effects represent the benefits generated by industries purchasing from other industries as a result of the direct investment; e.g., indirect employment resulting from construction expenditures would include jobs in industries that provide goods and services to the contractors. A direct investment triggers changes in other industries as businesses alter their production to meet the needs of the industry in which the direct impact has occurred. These businesses in turn purchase goods and services from other businesses, causing a ripple effect through the economy. The ripple effect continues until leakages from the region (caused, for example, by imported goods) stop the cycle. The sum of these iterative inter-industry purchases is called the indirect effect.

Induced effects represent the impacts caused by increased income in a region. Direct and indirect effects generate more worker income by increasing employment and/or salaries in certain industries. Households spend some of this additional income on local goods and services, such as food and drink, recreation, and medical services. Benefits generated by these household expenditures are quantified as induced effects.

SECTION 4A: CONSTRUCTION PERIOD EFFECTS

Based on preliminary estimates, the construction cost for the proposed project is estimated at \$185.09 million (in 2011 dollars). The total estimated amount of \$185.09 million reflects the cost of physical improvements to the site, and therefore excludes other values, such as financing, the value of the land, initial marketing, and similar costs not directly a part of the expenditures for construction.

CONSTRUCTION EMPLOYMENT

Direct Effects of Construction Employment

The \$185.09 million represents the direct expenditures during the construction period. As a result of the direct expenditures, the direct employment demand from construction is estimated at 845 person-years of employment (see Table 18). Over the estimated 15-year construction build-out, the project would directly generate an average of 56 full-time equivalent jobs.

Indirect/Secondary Effects of Construction Employment

As discussed above, when new direct jobs are introduced to an area, those jobs lead to the creation of additional indirect and induced jobs. Indirect employment resulting from construction expenditures would include jobs in industries that provide goods and services to the contractors, and induced employment would include jobs generated by new economic demand from households spending salaries

earned through the direct and indirect jobs. Based on the IMPLAN model's economic multipliers for Greene County industry sectors, the proposed project would generate an additional 211 indirect person-years of employment and 221 induced person-years of employment in Greene County, bringing the total number of jobs from construction to 1,277 person-years (see Table 18). In the larger New York State economy, the model estimates that the proposed project would generate 614 indirect and induced jobs, bringing the total direct and generated jobs from construction of the proposed project to 1,459 person-years of employment in the state.

CONSTRUCTION EMPLOYEE COMPENSATION

Direct and Indirect/Secondary Effects of Construction Compensation

The direct employee compensation during the construction period is estimated at \$45.29 million (see Table 18). Total direct, indirect, and induced employee compensation resulting in Greene County from construction is estimated at \$64.53 million. In the broader state economy, total direct, indirect, and induced employee compensation from construction of the proposed project is estimated at \$89.16 million.

Table 18
Economic and Fiscal Benefits from Construction

	Greene County	New York State
Employment (Person-Years) ¹		
Direct (jobs in construction)	845	845
Indirect (jobs in support industries)	211	358
Induced (jobs from household spending)	221	256
Total	1,277	1,459
Employee Compensation (Millions of 2011 dollars)		
Direct (earnings in construction)	\$45.29	\$45.29
Indirect (earnings in support industries)	\$10.10	\$23.30
Induced (earnings from household spending)	\$9.14	\$20.57
Total	\$64.53	\$89.16
Total Economic Output (Millions of 2011 dollars) ²		
Direct (output from construction)	\$185.09	\$185.09
Indirect (output from support industries)	\$32.38	\$73.97
Induced (output from household spending)	\$32.00	\$69.44
Total	\$249.47	\$328.50
Fiscal Benefits from Construction		
	Greene County	New York State
Sales Taxes on Construction Materials ³	\$2,351,700	\$2,351,700
Sales Taxes from Workers' Expenditures ⁴	\$138,300	\$883,000
Personal Income Taxes		\$3,269,100
Total	\$2,490,000	\$6,503,800

Notes:

¹ IMPLAN Employment results were given in full and part time employees. These were converted into “person-years of employment” using Quarterly Census of Employment and Wages, U.S. Bureau of Labor Statistics, Table B2. Average weekly hours and overtime of all employees on private nonfarm payrolls by industry sector, seasonally adjusted; US Department of Commerce, Bureau of Economic Analysis Table 6.2D Compensation of Employees by Industry, Table 6.3D Wage and Salary Accruals by Industry, Table 6.4D Full-Time and Part-Time Employees by Industry, and Table 6.5D Full-Time Equivalent Employees by Industry.

² Economic output is defined as the total cost of production, including intermediate goods and services (raw materials, transportation, utilities, contracted services) and value added (employee compensation, proprietary income, and indirect business taxes).

³ In order to estimate sales taxes on construction materials, it was assumed that soft costs are 20 percent of hard costs. In addition, it was assumed that taxable construction materials average 38.12 percent of hard costs based on the 2007 Economic Census for Construction for New York State.

⁴ In order to estimate indirect and induced sales taxes on workers’ expenditures in Greene County, it was assumed that 73 percent of Greene County workers live in Greene County based on Reverse Journey to Work data and that 30 percent of direct, indirect, and induced wages and salaries is spent on taxable items based on the 2009 Consumer Expenditure Survey for the northeast. This estimate does not include direct sales taxes on employee spending because construction workers come from a wider geography than typical workers.

Sources: The characteristics and construction cost of the proposed development; the IMPLAN economic modeling system; and the tax rates by applicable jurisdiction.

TOTAL EFFECT ON THE LOCAL COMMUNITY

As indicated above, the total construction cost for the proposed project is estimated at approximately \$185.09 million. Based on the IMPLAN models for Greene County and New York State, the total economic activity that would result from construction of the proposed project is estimated at \$328.50 million in New York, of which \$249.47 million would occur in Greene County (see Table 18).

SALES TAXES FROM CONSTRUCTION

Construction of the proposed project would have associated with it tax revenues for Greene County and for New York State. Non-property tax revenues from construction of the proposed project are estimated to total approximately \$6.50 million in New York State (see Table 18). Of this amount, the largest portion would be derived from personal income taxes (\$3.27 million), followed by sales taxes on construction materials (\$2.35 million) and sales taxes on workers’ expenditures \$0.88 million. In Greene County, construction of the proposed project would result in \$2.49 million in taxes. Approximately 94.5 percent of these revenues would result from sales taxes on construction materials. In addition, Greene County would receive approximately \$0.14 million in sales taxes on indirect and induced workers’ expenditures.¹

GROWTH-INDUCING AND CUMULATIVE EFFECTS OF CONSTRUCTION

Because the WMSC would be built-out over a 15-year period, the number of construction jobs and the expenditure of these construction-related salaries and wages would be spread out over the 15-year time period, thereby avoiding a short-term “boom” in construction-related spending in the local or

¹ This estimate is conservative as it includes sales taxes on indirect and induced employee spending based on Reverse Journey to Work data, which indicates that approximately 72.6 percent of Greene County workers live in Greene County. The estimate for sales taxes on worker spending does not include sales taxes on direct workers’ expenditures in the County since construction workers typically drive further for construction jobs than other jobs. Since the percentage of construction workers that would reside in Greene County is not known, an estimate for county sales taxes on direct worker expenditures is not provided.

regional economies. The project, due to its extended build period, would result in a period of employment and local spending that would buoy the local and regional economies.

Contacts with local officials undertaken during the preparation of the Traffic Impact Study (see Appendix 13) identified other development projects that would likely be constructed during the 15 year build-out period of the WMSC. These could result in the addition of an additional 130 residential units in Windham, and include the following:

- Upper Wipeout – 9 single family homes
- Copper Ridge – 12 single family homes
- Stonewall Glen – 59 condominiums, clubhouse, commercial building
- The Diamonds – 9 condominiums
- Destination Windham – 41 condominiums and ice rink

The construction of these other projects in the immediate area would draw from the same construction labor pool as the project, and would occur at a market-driven rate and would likely be phased over time, providing a steady stream of employment for members of the construction industry and the constituent trades. It is anticipated that these construction employees and tradespersons would draw from the local labor pool. The induced jobs and economic activities resulting from these project expenditures would support and stabilize local employment and businesses and employment patterns. It is unlikely that new construction workers would move into the Windham area as a result of the project, given the availability of local and regional construction suppliers.

It is expected that existing businesses would benefit from increased rates of trade and economic activity during the construction period as a result of the expenditure of workers' wages and salaries and the purchase of construction-related materials. To the extent that a portion of this spending occurred locally, it would be expected that increased level of activity would stimulate the local economy.

The level of new local business activity resulting from the construction of the WMSC is not expected, however, to result in new commercial construction development. Rather, it is expected that the existing businesses in and around Windham would absorb most, if not all, of the construction-period economic demands by making more sales, extending business hours, increasing inventories, and hiring more workers (e.g., indirect employment). New business starts in Windham would be expected to take root in the vacant storefront and commercial spaces, mainly in the Windham hamlet area along Route 23.

SECTION 4B: ECONOMIC AND FISCAL EFFECTS OF ANNUAL OPERATION

EMPLOYMENT

Indirect/Secondary Effects of Annual Operation Employment

Based on estimates provided by Design Management LLC, there would be an estimated 170 full-time and part-time employees at the proposed project.

Total employment from annual operations would include jobs in business establishments providing goods and services to WMSC (indirect jobs), and jobs resulting from new household spending (induced jobs). Based on the IMPLAN model's economic multipliers for Greene County industry sectors, the proposed project would generate an estimated 43 permanent indirect and induced jobs within Greene County, bringing the total number of direct, indirect, and induced jobs from the annual operation of the proposed project to 213 jobs within the county (see Table 19).

In the larger New York State economy, the model estimates that operations of the proposed project would generate an estimated 75 indirect and induced jobs. Including the 170 direct jobs, the total number of direct, indirect, and induced jobs in New York State is expected to be approximately 245.

EMPLOYEE COMPENSATION

Direct and Indirect/Secondary Effects of Annual Operation Compensation

Direct employee compensation from annual operation of the proposed project is estimated to be \$4.92 million (in 2011 dollars, see Table 19). Based on the IMPLAN model's economic multipliers for Greene County industry sectors, total direct, indirect, and induced employee compensation is estimated at \$6.22 million. In the broader New York State economy, total direct, indirect, and induced employee compensation from the annual operation of the proposed project is estimated at \$8.00 million.

TOTAL ANNUAL EFFECT ON THE LOCAL ECONOMY

Based on the IMPLAN model for the state, the direct effect on the local economy from annual operations is estimated at \$15.93 million. In Greene County, in addition to the \$15.93 million of direct spending, indirect and induced output is estimated at \$4.78 million. The direct, indirect, and induced economic activity that would result from the proposed project is estimated at \$26.51 million in New York State, of which \$20.71 million would be in Greene County (see Table 19).

Table 19
Economic and Fiscal Benefits from Annual Operations

	Greene County	New York State
Employment (Permanent Full- and Part-Time)		
Direct (On-site)	170	170
Indirect (jobs in support industries)	19	33
Induced (jobs from household spending)	24	42
Total	213	245
Employee Compensation (Millions of 2011 dollars)		
Direct (On-site)	\$4.92	\$4.92
Indirect (earnings in support industries)	\$0.60	\$1.47
Induced (earnings from household spending)	\$0.70	\$1.61
Total	\$6.22	\$8.00
Total Economic Output (Millions of 2011 dollars)¹		
Direct (On-site)	\$15.93	\$15.93
Indirect (output from support industries)	\$2.33	\$5.14
Induced (output from household spending)	\$2.45	\$5.44
Total	\$20.71	\$26.51
Fiscal Benefits from Annual Operations		
	Greene County	New York State
Personal Income Tax		\$166,350

Sales Taxes on Purchases at the Proposed Project	\$60,880	\$60,880
Sales Taxes from Workers' Expenditures ²	\$45,960	\$95,960
Total	\$106,840	\$323,190
<p>Notes: Detailed amounts may not add to totals due to rounding.</p> <p>¹ Economic output is defined as the total cost of production, including intermediate goods and services (raw materials, transportation, utilities, contracted services) and value added (employee compensation, proprietary income, and indirect business taxes).</p> <p>² In order to estimate sales taxes on workers expenditures, it was assumed that 30 percent of direct, indirect, and induced wages is spent on taxable items based on the 2009 Consumer Expenditure Survey for the northeast.</p> <p>Sources: The characteristics and construction cost of the proposed development; the IMPLAN economic modeling system.</p>		

SALES TAXES FROM ANNUAL OPERATION

Annual operations of the proposed project would have associated with it tax revenues for Greene County and New York State. These tax revenues would include property-related revenues and non-property tax revenues.

The operation of the completed development is estimated to generate \$323,190 annually (in 2011 dollars) in non-property-related tax revenues for New York State. Of these tax revenues, the largest portion (\$166,350) would come from personal income taxes from direct, indirect, and induced activity. In addition, the state would receive an estimated \$95,960 annually from sales taxes on direct, indirect, and induced workers' expenditures, and \$60,880 annually from sales taxes on retail and food and beverage purchases at the proposed project.

The county would receive an estimated \$106,840 in non-property-related taxes as a result of the proposed project. This would include approximately \$45,960 in sales taxes from direct, indirect, and induced workers' expenditures and \$60,880 annually in sales taxes on purchases made at the proposed project.

In addition, the project would generate property-related payments, which are not included in the above figures. Taxes would change from year to year and in any year would be based on the taxable assessed value and the applicable tax rate. The projection of property taxes is complex, and the actual future property taxes would be determined by the assessed value of the property, as evaluated by the assessor's office, and the tax rates, which could change year to year. Upon reaching full taxable assessed value, the property tax revenues from the proposed project would be substantial.

GROWTH-INDUCING AND CUMULATIVE EFFECTS OF ANNUAL OPERATIONS

The potential for growth-inducing and cumulative effects would stem from the new employment created by the WMSC, upon full operation, and from the effects of its seasonal residents.

Employment Effects

An analysis of the projected employee profile and employment opportunities suggests that the majority of the year-round (and seasonal) jobs created by the proposed project could be filled by local residents or people within a commuting radius. As discussed above, there were 2,061 unemployed people in Greene County who may be eligible to acquire jobs at the proposed project. In addition to the unemployed people in Greene County, there are also "underemployed" people residing within the local labor pool who may seek to acquire jobs at the proposed project. In general, because of the presence of an available and potentially available local workforce, it is expected that the employment opportunities offered by the proposed project would not result in employee relocation, and would not

consequently induce or result in secondary or indirectly caused new year-round occupancies or new construction in Windham or the surrounding communities.

The proposed project would, however, provide a small number of mid- and upper-management jobs or specialized jobs that would likely be filled by non-residents. These would include management positions, such as the Vice President of Development, General Manager, Food & Beverage Manager, Dining Service Manager, Chef, Pastry Chef, Director of Outdoors, Spa Manager, and Lodging Manager. Because of the specialty or technical nature of these positions, filling them from among the available labor pool may not be possible. Consequently, the recruitment program would likely search nationally or internationally for the best candidates, and the proposed project would therefore be likely to import these workers into the region. These positions would have salaries ranging from \$45,000 to \$225,000. Approximately 18 such positions would fall into this category.

It is anticipated, that the majority of the employees would be drawn from the local labor pool and would therefore already reside in existing housing, and that only a small number would be new renters and purchasers of existing housing stock. Very few, if any, new employees would be expected to construct new year-round housing. No other potential new housing construction is anticipated as a result of resort development and operations.

Resident Effects

The WMSC would add 302 residential units, which would represent a 12.3 percent increase compared to the number of housing units in Windham 2010. The WMSC residential units are expected to be predominately seasonal homes, which are common in the area. As shown in Table 5 of Appendix 14, about 88.3 percent of vacant units in Windham (or 1,487 units) are for seasonal, recreational or occasional use. Since seasonal homes are already common in Windham and since the sales prices are expected to reflect the sales prices of recently built units, it is not expected that the proposed project would have significant adverse impacts on the local housing market.

On a seasonal basis, it is expected that WMSC would attract households of between 2 and 4 people. These visiting residents would be expected to incur typical expenditures on general and merchandise, food and groceries, automotive (e.g., gasoline), eating and drinking establishments, apparel and accessories, home furnishings, and amusement and recreational businesses.

Based upon windshield inventories existing businesses in Windham and Hensonville, it appears , there appears to be sufficient capacity within existing businesses to accommodate the needs of the seasonal visitors of the WMSC. As noted above, the highest percentage of employment in Windham was in the some of the main business sectors likely to be targeted by WMSC residents, including the food services sector and the retail trade sector.

The primary potential growth-inducing effect of the built-out WMSC would be that the overall existing Windham business economy would increase its activities in response to the WMSC residents' creating new demands for goods and services. As a result, many businesses would simply experience increased sales resulting in higher profits and/or wages. Some businesses may stay open later or hire an additional employee as a result of new spending. Other businesses that experience an increase in revenues may also respond by increasing inventory and sales, modifying the product line to cater to different consumer tastes, or by adding nominal amounts of area to existing structures. The anticipated predominant economic response would be the growth and expansion of existing businesses or the re-occupancy of existing commercial spaces within Windham hamlet or Hensonville to take advantage of the opportunities.

As discussed above, there are several other seasonal residential development projects that would likely be constructed during the 15 year build-out period of the WMSC. These could result in the addition of an additional 130 residential units in Windham. In combination with the 302 units of the WMSC, the incremental cumulative effect of these additional new residential units would be to

further strengthen the economy of Windham and the overall Mountaintop Region by providing a wider clientele to the area's existing businesses, particularly in the restaurant, food and groceries, and recreational business sectors. It is expected that the economic activity and the demand for goods and services, particularly recreational opportunities, would further encourage existing recreation providers to expand the seasonality of their offerings thereby strengthening Windham as a year-round leisure destination. The effect of this would be to help existing and new businesses achieve similar year-round business activities, resulting in a general lifting and stabilization of the year-round Mountaintop area economy.

SECTION 5: PROPERTY TAX EFFECTS OF THE PROPOSED PROJECT

SECTION 5A: EXISTING PROPERTY TAXES

According to the Town of Windham Tax Assessor's records, the five parcels comprising the Windham Mountain Sporting Club (WMSC) site total 436.6 acres. As shown in Table 20, below, the Town of Windham Fiscal Year 2011 tax bills assign these parcels a fair market value (FMV) of \$927,691, and a taxable assessed value (TAV) of \$603,000, based on the Town and Greene County's equalization rate for the year ending December 31, 2011 of 65.00 percent.

Table 20

Actual Taxable Assessed Value of Parcels Comprising WMSC Property

Parcel	Acres	FMV	TAV
95.00-1-28.1	431.5	\$804,615	\$523,000
95.00-1-47.111	1.2	\$30,769	\$20,000
95.00-1-47.2	1.3	\$30,769	\$20,000
95.00-1-47.112	1.3	\$30,769	\$20,000
95.00-1-47.12	1.3	\$30,769	\$20,000
Total	436.6	\$927,691	\$603,000
Sources: Town/County tax bills for subject parcels for Fiscal Year 01/01/2011 to 12/31/2011.			

As seen in Table 21, for the year ending December 31, 2011, the WMSC property generated \$12,015 in property taxes, of which \$3,192 was for Greene County, \$2,694 for the Town and its taxing jurisdictions, and \$6,129 was collected for the Windham-Ashland-Jewett School District.

Table 21

Actual Fiscal Year 2011 Assessments and Taxes Generated by WMSC Property

Taxing District	TAV	Tax Rate/\$1,000	Taxes Paid 2011
Greene County	\$603,000	\$5.29343	\$3,192
Town of Windham	\$603,000	\$3.72071	\$2,244
Windham Fire	\$603,000	\$0.33635	\$203
Windham Light	\$603,000	\$0.36836	\$222
Batavia Kill Watershed	\$603,000	\$0.04072	\$25
Windham-Ashland-Jewett School	\$572,849	\$10.70	\$6,129
Total Taxes Paid FY 2011			\$12,015
Notes: Based on Windham-Ashland-Jewett School District equalization rate of 61.75.			
Sources: Town/County tax bills for subject parcels for Fiscal Year 01/01/2011 to 12/31/2011.			

SECTION 5B:

FUTURE PROPERTY TAX AT FULL BUILD-OUT

The WMSC would create 302 residential units, including 143 single family homes, 24 duplex homes, and 54 townhomes, and 81 condominium units. In addition, the project would include a Members Lodge and Clubhouse, the East Village Lodge, and a Wellness Center. Based on preliminary estimates, the total construction cost for the proposed project is estimated at \$185.09 million, and the estimated average cost for single-family homes are expected to be approximately \$600,000, plus the value of land, which is expected to start at \$250,000, depending on location and views. This reflects sales prices of recently-built units in Windham.

The development of these components would add considerable value to existing property, and would consequently add value to the Town's 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 the land and of these improvements, and the application of the future equalization rates 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 assessor, and given the uncertainties of future budgetary requirements, it is impossible to precisely predict future values, equalization rates, or tax rates.

For this analysis, the future tax projection discussed below is based on an analysis of recent sales of comparable Windham properties, and of Fiscal Year 2011 property assessments of comparable properties in the Town of Windham. The analysis considers similar single-family residential properties, as well as recent sale values and assessed values of condominium/townhome properties and nonresidential amenity properties in order to estimate potential assessed values applicable to the components of the WMSC. The analysis concentrated on similar vacation residential property types located south of South Street, in the vicinity of Windham Mountain ski area. The analysis of the food and beverage and spa/wellness facilities considered the current assessments of a similar use in the Town.

The estimation of future property taxes is provided to illustrate the order of magnitude of new tax revenues that Greene County, the Town of Windham, and the School District could anticipate upon completion of the WMSC. This analysis is conservative, in that it assumes that the existing tax and equalization rates would remain static.

The estimation of each of the major property types comprising the WMSC is discussed below.

Single Family Residential Units

For the estimation of future taxes generated by the 143 single family residential units of the WMSC, this analysis considered an average tax levy per household based on pre-recession 2005 Greene County data, as well as the actual Fiscal Year 2011 assessments and tax bills for representative Windham properties. The resulting annual tax amount was used to estimate an average assessed valuation for the proposed 143 single family homes.

According to the New York State Comptroller, the average household in Greene County paid real property taxes of \$5,404 during fiscal year 2005. Fiscal year 2011 tax bills for Windham residences of a similar character and value as those anticipated for the WMSC indicate Town taxes in the range of approximately \$5,300 to \$7,000 per home valued in the \$850,000 to \$1.2 million range, representing an approximate assessed value of approximately \$600,000 per home.¹ For this analysis,

¹Taxation, assessment, and sales data used in this discussion sourced from the Greene County Tax Service's web-based assessment and tax data service, found at <http://greene.sdgny.com/>. Most recently accessed November 8, 2011.

an average assessment of \$620,000 per home is assumed, resulting in annual combined county and town bill of about \$6,000 per single family home.

As shown in Table 22, below, upon full build-out the WMSC's 143 single family homes would generate an estimated \$1.8 million per year in taxes for the county and town, combined. These would include approximately \$469,316 in tax revenues for Greene County, and about \$397,268 for the Town of Windham and its taxing jurisdictions. Approximately \$901,229 in tax revenues would be generated for the Windham-Ashland-Jewett School District. As noted above, the current 2011 taxes generated by the WMSC property is \$5,886, of which \$3,192 was collected for Greene County, \$2,694 for the Town of Windham and its taxing jurisdictions, and \$6,129 in school taxes each year.

Table 22
Estimated Future Assessments and Taxes:
Single Family Residential Units at Full Build-Out

Taxing District	TAV: 143 Single Family Residential Units	Tax Rate/\$1,000	Estimated Taxes Generated Upon Full Build-Out
Greene County	\$88,660,000	\$5.29343	\$469,316
Town of Windham	\$88,660,000	\$3.72071	\$329,878
Windham Fire	\$88,660,000	\$0.33635	\$29,821
Windham Light	\$88,660,000	\$0.36836	\$32,659
Batavia Kill Watershed	\$88,660,000	\$0.04072	\$3,610
Windham-Ashland Jewett School	\$84,227,000	\$10.70	\$901,229
Estimated Total Taxes Generated at Full Build-Out			\$1,767,813
Notes: 1) TAV is Total Assessed Value. 2) School tax estimation based on WAJ School District equalization rate of 61.75			

Condominium, Duplex, and Townhome Units

Upon full build-out, the WMSC would include 24 duplex units, 54 townhomes, and 81 condominium units, for a total of 159 attached dwelling units. The Town of Windham assessment records do not distinguish between these precise types of units, yet does recognize the general townhouse form of condominium development. For this analysis, 48 recent condominium sales, half of which occurred since 2005, were analyzed to determine a likely potential assessment value to be used to estimate an average assessed value of the 159 comparable WMSC units. As noted above, this analysis concentrated on, but was not limited to, seasonal units located to the south of South Street, in the vicinity of Windham Mountain. Recent sales data and current 2011 tax assessment data for attached/condominium/townhouse residences in The Enclave, Brainard Ridge, and Windham Mountain were among those reviewed.

Based on the reviewed assessment and sales data, Windham's average 3-4 bedroom seasonal unit was approximately 1,650 square feet in size, ranging from 944 to 2,334 square feet. The actual sales price achieved was, on average, \$523,500, with a range from \$150,000 to \$1,350,000. Of these sales, one-third (16) occurred in the post-2008 recession era at an average sales price of \$610,000. In comparison to the attached residential units that would be constructed at WMSC, these recent sales can be considered comparable for the estimation of future property tax assessments.

From a tax assessment perspective, the average Town of Windham assessed value of the 48 sales that were reviewed for the 2011 assessment year is \$379,800; the assessed value of those sold in the post-

recession period since 2008 is \$369,400. For the purposes of estimating the future taxes that the WMSC condominium, duplex, and townhome units would generate, this analysis takes the conservative route by applying the Town's average assessed value of \$369,400 to each of the 159 units that would be constructed. Each of these residential units benefits from the amenities available at the WMSC, and it is assumed that the value of these amenities is reflected in this valuation.

Table 23
Estimated Future Assessments and Taxes:
Attached Residential Units at Full Build-Out

Taxing District	Estimated TAV: 159 Attached Residential Units	Tax Rate/\$1,000	Estimated Taxes Generated Upon Full Build-Out
Greene County	\$52,824,200	\$5.29343	\$279,621
Town of Windham	\$52,824,200	\$3.72071	\$196,544
Windham Fire	\$52,824,200	\$0.33635	\$17,767
Windham Light	\$52,824,200	\$0.36836	\$19,459
Batavia Kill Watershed	\$52,824,200	\$0.04072	\$2,151
Windham-Ashland Jewett School	\$50,182,990	\$10.70	\$536,958
Estimated Total Taxes Generated at Full Build-Out			\$1,052,500
Notes: 1) TAV is Total Assessed Value. 2) School tax estimation based on WAJ School District equalization rate of 61.75			

Members Lodge and Clubhouse, Wellness Center, and East Village Lodge

In addition to the above residential components, the WMSC would include non-residential amenity structures that would, in theory, add taxable assessed value to the overall property. The non-residential facilities would include a Members Lodge and Clubhouse that would include common areas comprised of lounges, a restaurant and bar, and a full-service spa. A Wellness Center, including tennis and squash courts, exercise areas, and a pool would also be constructed, as well as the East Village Lodge, containing a grill/restaurant, pool, and exercise facilities. These lodge facilities would also include some of the residential units that have been accounted for in the above discussion.

As noted above, because all of the WMSC residential units benefit from or are physically associated with these amenity facilities, the majority of the taxable assessed values of these nonresidential structures would be reflected in the assessed values of the residential units. It is anticipated, however, that certain amenity features would be assessed separately because they would operate within the WMSC as commercial ventures. These would include the Wellness Center and the food and beverage services. For the purposes of this analysis, these components of the WMSC are considered taxable, and the property tax generation that might be anticipated from these facilities is estimated.

The exact nature of the WMSC wellness and food and beverage services is not known at this time and will be further defined as detailed architectural and operating plans are developed. For this analysis, the Town of Windham's current (2011) valuation and assessment of 16 representative food and beverage establishments in Windham was reviewed, as well as the one commercial venture in Windham categorized as a spa. The average per square foot assessed valuation of these businesses was used to generate a reasonable estimate of future value and tax generation of the WMSC Wellness Center and the food and beverage operations.

Based on this analysis, it was shown that Town of Windham food and beverage establishments are assessed at the rate of approximately \$86 per square foot for town and county taxation, and

approximately \$82 per square foot for school taxes; the only establishment in Windham classified as a spa or health club-type facility (Fitness Concepts) is assessed at approximately \$45 per square foot for town and county taxation, and approximately \$43 per square foot for school taxes.

Table 24

**Estimated Future Assessments and Taxes:
Food and Beverage and Spa/Wellness Facilities Upon Full Build-Out**

Estimated Taxable Assessed Value per Square Foot					
	Food and Beverage Uses	Spa/Wellness Center Uses			
Approx. Square Footage	3,900	15,000			
Ave. Assessment/SF for Town and County Taxes	\$86/SF	\$45/SF			
Average Assessment/SF for School Taxes	\$82/SF	\$43/SF			
Taxing District	Estimated TAV: Food and Beverage Uses	Estimated TAV: Spa/Wellness Center Uses	Total Assessed Valuation	Tax Rate/\$1,000	Estimated Taxes at Full Build-Out
Greene County	\$335,400	\$335,400	\$670,800	\$5.29343	\$3,551
Town of Windham	\$335,400	\$335,400	\$670,800	\$3.72071	\$2,496
Windham Fire	\$335,400	\$335,400	\$670,800	\$0.33635	\$226
Windham Light	\$335,400	\$335,400	\$670,800	\$0.36836	\$247
Batavia Kill Watershed	\$335,400	\$335,400	\$670,800	\$0.04072	\$27
Windham-Ashland Jewett School	\$319,800	\$645,000	\$964,800	\$10.70	\$10,323
Total Estimated Taxes Generated at Full Build-Out					\$16,870
Notes: Based on WAJ School District equalization rate of 61.75 percent and Town rate of 65 percent.					

SUMMARY OF ESTIMATED PROPERTY TAXES AT FULL BUILD-OUT

The above discussion presents a reasonable estimation of the potential future assessed values and taxes generated by the main components of the WMSC: its 143 single family residences; 159 attached condominium/duplex/townhome units; and its nonresidential amenity facilities, such as food and beverage services and spa/wellness center. The analysis takes a conservative approach by assuming that current equalization rates and tax rates remain static into the future. As it is likely that the trend of escalating assessments and tax rates will continue into the future, the multipliers would increase, and the taxes that would actually be generated would be greater for all affected jurisdictions. This analysis intends to present a realistic order of magnitude estimation of the tax-related fiscal effects of the WMSC at full build-out.

As shown in Table 25, below, the existing taxes generated by the WMSC parcels for all taxing jurisdictions totals \$12,015. At full build-out, it is estimated that the WMSC would be expected to generate an estimated \$2.8 million per year in property taxes. Of this amount, approximately \$634,885 would be paid to the Town of Windham and its individual taxing jurisdictions, \$752,488 to Greene County, and about \$1.4 million to the Windham Ashland Jewett School District.

Table 25

Estimated Future Taxes Generated by WMSC Upon Full Build-Out

Taxing District	Taxes Paid 2011	Single Family Residential	Attached Units	Food and Beverage and Spa/Wellness Facilities	Estimated Total WMSC Taxes Upon Full Build-Out
Greene County	\$3,192	\$469,316	\$279,621	\$3,551	\$752,488
Town of Windham	\$2,244	\$329,878	\$196,544	\$2,496	\$528,918
Windham Fire	\$203	\$29,821	\$17,767	\$226	\$47,814
Windham Light	\$222	\$32,659	\$19,459	\$247	\$52,365
Batavia Kill Watershed	\$25	\$3,610	\$2,151	\$27	\$5,788
Windham-Ashland Jewett School	\$6,129	\$901,229	\$536,958	\$10,323	\$1,448,510
Total Taxes Paid	\$12,015	\$1,766,512	\$1,052,500	\$16,870	\$2,835,882

As discussed above, the estimates of future taxes are based on an analysis of the existing Fiscal Year 2011 Town of Windham tax base, and it relies on aggregated average assessed values of existing properties that were deemed representative of comparable uses or property type classifications. Ultimately, the determination of fair market value and taxable assessed value is the responsibility of the Town of Windham Assessor's Office. The future conditions affecting property tax generation, including market factors, property values, equalization rates, and tax rates, is not knowable into the future, so the conservative approach was taken in estimating WMSC's future taxes. Nonetheless, by applying existing taxation data sources and rates, an order of magnitude estimation of future tax generation was undertaken and presented.

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