



*An Economic Impact Analysis  
for The Lumberyard, Catskill, NY*

FAIRWEATHER  

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CONSULTING

March, 2018

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## Introduction

In 2018, Fairweather Consulting was commissioned by the LUMBERYARD (formerly the American Dance Institute) to prepare an economic impact assessment of its operations proposed for its property in the Village of Catskill, NY. The LUMBERYARD is process of renovating a former lumberyard in the Village of Catskill to create a 5,000-square-foot black box theater, artist housing, and other amenities.

The site is intended to host the development of new work and build new audiences for contemporary dance. Activities at the facility will involve regular programming of performances by artists in residence, workshops and conferences related to the performing arts and other subjects, extended workshops during which theater companies will stage and refine new productions, opportunities for film and video production along with special events such as weddings. The performance and conference spaces will be complemented by some housing for participants, space for a restaurant, and other amenities.

This economic impact analysis examines the affect the Lumberyard will have on the economy in two ways: the temporary effect of the \$7.197 million in construction to bring the facilities on line, and the annual, ongoing economic impact of the operation of programs at the site. This study had several alternatives specified for it. It examined the impacts of the LUMBERYARD construction and operations in three geographic areas: Greene County, the 12414 ZIP code (as a proxy for the Village of Catskill), and a multi-county region that included Albany, Columbia, Delaware, Dutchess, Greene, Rensselaer, Schoharie, and Ulster counties.

In addition to the alternative geographies, the analysis was prepared for three separate scenarios specified by the management of the LUMBERYARD. The scenarios included a “worst-case” situation in which programs, events and attendance were at levels far below expectations, a “best-case” situation in which programs, events and attendance were at levels far above expectations, and a “realistic” or “most likely” scenario in which programs, events and attendance were at levels akin to what was expected by the LUMBERYARD given their management team’s experience in operating programs in other locations including Rockville, MD and New York City.

The first section of this report is a summary of the “most likely” economic impact of the LUMBERYARD on the Greene County economy. The second section of the report is a detailed description of the three alternative scenarios (“most likely/realistic,” “worst case,” and “best case”) for each of the three geographies (i.e., Greene County, the 12414 ZIP code and the multi-county Hudson Valley/Catskills region).

### About Fairweather Consulting

Fairweather Consulting’s work has ranged from a nationally recognized technology-led economic development strategy for Ontario County, NY to a variety of main street-focused development plans for small towns and rural areas, participation in a multi-consultant team that designed the economic development strategy and structure for the \$60 Catskills Fund for the Future, and development of a state-wide innovation strategy for the New York State Economic Development Council. We’ve provided market and feasibility studies to clients in such diverse fields as education, housing, outdoor recreation, and retail development. Our fiscal impact analyses have assisted the decision-making processes for municipalities and private developers. Fairweather Consulting has completed numerous feasibility and impact analysis projects throughout New York State for municipalities, planning organizations and private developers.

## I. The LUMBERYARD: A Catalyst for the Creative Economy

### \$3 million in annual total impact & 40 permanent jobs in its “start-up” year following a \$9 million one-time boost from construction.

As the LUMBERYARD prepares to open its inaugural season in the Village of Catskill in Greene County, a comprehensive study of their prospective economic impact has been completed. Based upon the LUMBERYARD’s experience in Rockville, MD and New York City, the estimates of activity are intended to be conservative in nature, but they suggest the transformative nature this project on the creative economy of Greene County and beyond, generating over \$3 million in impact during its first full year of operations, with that impact potentially growing every year.

#### The Performing Arts in Greene County and the Region—A Cluster Poised for Growth.

The table shows that Greene County and all of its neighboring counties have higher concentrations of employment in the performing arts than the US as a whole. Note, that Greene County’s concentration of 2.28 only trails Ulster and Columbia Counties. It is a sector ripe for growth in the County and the surrounding region. And in this context, ***the LUMBERYARD has the potential to be a transformative development for the County and the surrounding region.***

#### The LUMBERYARD and Greene County’s Performing Arts Cluster—Performing Arts Jobs at Livable Wages

In 2015, the US Economic Development Administration reported that Greene County had 87 jobs in the performing arts. In 2018, the LUMBERYARD by itself is expected to add 5 to 10 new jobs to that sector. The

numbers may seem small, but it represents between a six to 12 percent increase. According to the US Economic Development Administration, in 2015, the average annual wage in the Performing Arts cluster in Greene County was \$17,143, compared to the US average of \$52,328. The professional positions being added at the LUMBERYARD are expected to be at or above the US average, dramatically boosting the prospects for those in the Performing Arts in Greene County.

#### The Impact on the Local Economy—\$ Millions in spending, 84 temporary jobs and 40 permanent jobs, thousands of tax dollars

During its first year of full operations, the LUMBERYARD will generate \$1.9 million in direct economic impact. This is only counting the money being brought in by visitors and productions using the space. This does not include

any multiplier effects to account for the “spin-offs” from this impact. When this “ripple effect” added of

County	Employment	Concentration compared to US Economy (1.0=Same share as US)
Albany	947	2.13
Columbia	85	2.65
Delaware	49	1.4
Dutchess	385	1.35
<b>Greene</b>	<b>87</b>	<b>2.28</b>
Schoharie	10	0.59
Ulster	531	5.56

Source: Compiled by Fairweather Consulting from the US Economic Development Administration, US Cluster Mapping Project.

United States	\$52,328
Greene County	\$17,143
<b>Projected Average Annual Wage for the LUMBERYARD Employees</b>	<b>\$55,000</b>

Source: Compiled by Fairweather Consulting from the US Economic Development Administration, US Cluster Mapping Project. Projected Average Wage Supplied by the LUMBERYARD.

the spending by the LUMBERYARD, its visitors and households who earn more due to the presence of the LUMBERYARD, the total impact rises to \$3 million.

### The One-time Impact of Construction of the Lumberyard Facilities--\$9.8 million in impact & 84 jobs

Improvement of the LUMBERYARD’s Catskill facilities will provide a significant one-time boost to the local economy. If completed in a single year, the \$7.197 million project will produce a total one-time impact of \$9.8 million, adding a total of 84 temporary jobs to the economy. (See Table I-3.)

Table I-3. Estimated One-time Impact of LUMBERYARD Construction/Improvements			
Impact Type	Employment	Labor Income	Output
Direct Impact	66.67	\$2,513,968	\$7,197,000
Indirect Impact (purchases by other businesses)	8.27	\$445,160	\$1,228,170
Induced Impact (purchases by households earning money from the direct & indirect effects)	9.74	\$338,412	\$1,334,736
<b>Total One-time Impact</b>	<b>84.68</b>	<b>\$3,297,540</b>	<b>\$9,759,906</b>

Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.

### The Ongoing Impact of the LUMBERYARD—\$3 million in Total Impacts, 40 permanent jobs & \$1 million in wages in its First Year

In its first year of operation in Catskill, the LUMBERYARD is expected to bring in 7,000 visitors to attend performances at the space. According to a 2014 study by SUNY New Paltz, each arts-related visitor generated approximate \$115 in direct impact in nearby Ulster County.<sup>1</sup> If, as is likely, this same figure holds true for visitors to the LUMBERYARD, in its first full year of operation, the total impacts will amount to \$3 million. (See Table I-4.)

Table I-4. Estimated Annual Impact on Greene County Economy			
Impact Type	Employment	Labor Income	Output
Direct Impact	32.7	\$753,214	\$1,984,637
Indirect Impact (purchases by other businesses)	2.6	\$103,699	\$347,938
Induced Impact (purchases by households earning money from the direct & indirect effects)	5.0	\$174,609	\$687,840
<b>Total Impact</b>	<b>40.3</b>	<b>\$1,031,521</b>	<b>\$3,020,416</b>

Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.

<sup>1</sup> Compiled by Fairweather Consulting based upon total visitation and total impact data from SUNY New Paltz, CRREO, *Mid-Hudson Arts & Culture the Economic Impact*, 2014

## The Impact on Taxes—over \$200,000 in local property taxes annually; \$120,000 in State & County sales taxes

The economic activity associated with construction will also provide a one-time increase of \$200,000 in property taxes, with most of that in the form of local special district (e.g., school) taxes. In addition, construction will produce a one-time increase in state and local sales tax of approximately \$115,000, with approximately one-third of that accruing to the County. In addition to this one-time boost in taxes, the ongoing operations of the LUMBERYARD are also expected to generate approximately \$200,000 in local property taxes and \$120,000 in state and local sales taxes.

## This is Only the Beginning of the Story: \$ Millions more in economic impact

2018 marks the first year of the LUMBERYARD’s presence in Greene County and the upper Hudson Valley. As the LUMBERYARD’s audience and programs grow in the years ahead, that impact will also swell to over \$11 million annually, adding over 140 jobs to the economy, and the potential to stimulate over \$900,000 in property tax revenues and over \$500,000 in State and local sales taxes.

Table I-5. Estimated Annual Impact on Greene County Economy with LUMBERYARD at Full Capacity			
Impact Type	Employment	Labor Income	Output
Direct Impact	118.2	\$2,695,871	\$7,920,847
Indirect Impact (purchases by other businesses)	10.6	\$422,421	\$1,415,042
Induced Impact (purchases by households earning money from the direct & indirect effects)	14.1	\$489,932	\$1,930,317
<b>Total Impact</b>	<b>142.9</b>	<b>\$3,608,225</b>	<b>\$11,266,207</b>

Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.

## A Commitment to Youth & Community

The transformative potential of the LUMBERYARD is not just economic. The organization also has a deep commitment to promoting the common good in their home community. In 2018, in collaboration with the Catskill Community Center, the LUMBERYARD will initiate its Young Performers, providing a series of free weekly after-school workshops in the performing arts to Greene County School District students in grades 4-10, culminating in a performance at the Catskill Community Center in June 2018. The students will be immersed in the performing arts, learning new tools and techniques to identify and address important problems facing them and the communities in which they live.

## II. Detailed Analyses

### Methodology

The economic impact of the LUMBERYARD is the total economic activity that is generated as a result of the LUMBERYARD operations and special projects. The LUMBERYARD pays employees and vendors who, in turn, spend their earnings on the consumption of various goods and services. Additionally, the purchase of goods and services by the vendor spurs additional rounds of spending. Each of the LUMBERYARD’s vendors also pays its employees, which in turn generates higher levels of personal consumption.

In order to estimate the value of these successive rounds of spending by down-stream businesses (suppliers) and households (employees), economists turn to regional input/output tables, which capture the ripple-effects of spending for over 500 detailed industries. Our analysis uses input/output tables generated by the Minnesota IMPLAN Group (MIG). In the tables containing the estimated economic impacts, the “direct” effect column estimates the immediate impact of the spending on businesses in the County or other geographic area that directly receive that money. The indirect impact measures the impact of that spending on suppliers to the businesses that directly received that money. The induced impact is the effect of spending by households whose members are employed by the businesses that benefitted from the direct and indirect spending.

### Data Sources and Assumptions

The quality of any economic impact analysis is largely determined by the quality of the data that is used to calculate impacts. The data used in this economic impact study was provided by the LUMBERYARD, an organization with vast experience working in the art industry.

The analysis focuses on three different scenarios of the LUMBERYARDS first year of operation. Using data provided by the LUMBERYARD, three scenarios were created. The first scenario is a most-likely estimate that is believed to reflect what will actually happen during the first year of operation. The second scenario is a low-end estimate and is the worst possible scenario that could occur during the first year of operation. The final estimate is the high-end estimate that displays the best scenario that could happen within the LUMBERYARD’S first year of operation.

### Impact of Facility Construction

This analysis also examined the expected impact of construction at the LUMBERYARD site. Assuming construction takes place within a one-year time frame, the following one-time impacts are expected during that year. (See Table II-1.)

Table II-1. Estimated One-time Impact on the Greene County Economy of LUMBERYARD Construction/Improvements			
Impact Type	Employment	Labor Income	Output
Direct Impact	66.67	\$2,513,968	\$7,197,000
Indirect Impact (purchases by other businesses)	8.27	\$445,160	\$1,228,170
Induced Impact (purchases by households earning money from the direct & indirect effects)	9.74	\$338,412	\$1,334,736
<b>Total One-time Impact</b>	<b>84.68</b>	<b>\$3,297,540</b>	<b>\$9,759,906</b>
Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.			

### Continuing Operations and Ongoing Annual Impacts

The economic impact of the ongoing operations of the LUMBERYARD involved assessing the economic impact of a variety of activities. These included:

- Seasonal programming
- Operation of the facility year-round (including off-season)
- Special programs and events (including conferences and weddings)
- Broadway Pre-production & Production
- Film & Television Production
- The Operation of an on-site restaurant

Each of these is described below.

#### LUMBERYARD Season Programming

The LUMBERYARD season programming will provide audiences a first look at performances following the completion of week-long technical residencies. As described on the organization’s website, “the LUMBERYARD Contemporary Performing Arts is the only organization in the United States dedicated to providing technical residencies that culminate in out-of-town premieres. At the LUMBERYARD campus in Catskill, NY) and at partner venues in New York City, the LUMBERYARD provides artists and their companies with at least one week of unrestricted theater access prior to a premiere. This includes a fee, dedicated use of our production staff, equipment, and production materials as well as photo/video documentation, housing and meals during the residency.”

The season programming is expected to include shows from five to sixteen different artists. Audience members are expected to attend shows and also spend locally while in town. Season programming will require the creation of new employment (seasonal and part time) positions, production costs, hospitality costs, and marketing expenditures. The following table describes the three scenarios for the LUMBERYARDS’s season programming economic impact.

Table II-2. LUMBERYARD Season Programming			
	Most-Likely Scenario	Worst-Case Scenario	Best-Case Scenario
Number of artists presented	13	5	16
Number of shows per artist	3.5	3	5
Number of seats per show	150	200	400
New employment positions created	5	3	13
Salaries (@ \$55,000 per position)	275,000	165,000	715,000
Audience members	6,825	3,000	32,000
Hospitality during residence period (food & beverages for artists; audience receptions)	25,000	9,615	30,769
Production materials, rentals, equipment	97,500	37,500	120,000
Labor (W2 crew part-time employees, seasonal)	405,691	156,035	499,312
Production budget - miscellaneous items	19,292	7,420	23,744
Production - local videographer and photographer	12,000	4,615	14,769
Marketing to local outlets	139,500	50,000	150,000
Audience spending locally while in town for a show	238,875	105,000	1,120,000
Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.			



**Off-Season and year-round Facility Operations**

Out of performing season, the LUMBERYARD will serve as a host for events such as conferences, weddings, TV and film production, and Broadway production. These programs in addition to the in-season programming will allow the LUMBERYARD to have an economic impact all year. The following table displays the services required to operate the LUMBERYARD facility both in season and out.

Table II-3. Off-season and/or year-round facility operations			
	Most-Likely Scenario	Worst-Case Scenario	Best-Case Scenario
Cleaning service	62,790	41,860	83,720
Laundry service	2,119	616	7,424
Facilities maintenance	47,534	35,000	45,000
Facilities Utilities	33,326	35,000	49,989
Facilities IT tech support service	21,600	19,800	30,000
Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.			

**Weddings**

One of the additional programs at the LUMBERYARD is to host weddings. The number of weddings is expected to range from two to twenty. Hosting wedding will require the purchasing of goods and services from local vendors. Guests will also require accommodations for lodging, dining, and are expected to shop while staying in town for the wedding.

Table II-4. Weddings			
	Most-Likely Scenario	Worst-Case Scenario	Best-Case Scenario
Rentals per year	5	2	20
Average number of guests	125	75	200
Vendors locally	156,065	62,426	624,260
Dining, shopping, lodging	57,500	13,800	368,000
Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.			

**Conferences**

The LUMBERYARD will also serve as a conference and facility center and is expected to host anywhere from two to twenty conferences per year. Conference and Banquet attendees are expected to spend locally while in town for the event. The following table outlines the three possible economic impacts of the conference and banquet facility.

Table II-5. Conference/Banquet Facility			
	Most-Likely Scenario	Worst-Case Scenario	Best-Case Scenario
Rentals per year for 1-day conference	5	2	20
Average number of attendees	125	75	200
Attendee daily spend locally	31,250	7,500	200,000
Food and beverage	31,250	7,500	200,000
Photographer/videographer locally	5,000	2,000	20,000
Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.			

**Film and TV Production**

The LUMBERYARD also intends to rent space out for 5-day shoots between two and twenty times per year. While the cast and crew are in town, they are expected to contribute to the local economy. Accommodations will also be required for both the cast and crew. Table II-6 summarizes the three scenarios for film and TV production rentals.

Table II-6. Film & TV Production			
	Most-Likely Scenario	Worst-Case Scenario	Best-Case Scenario
Rentals per year for 5-day shoot	5	2	20
Size of cast/crew on site	50	25	100
Cast/crew daily spend locally	62,500	12,500	500,000
Craft services	31,250	6,250	250,000
Accommodation for cast/crew larger than 14 people	135,000	13,500	1,290,000
Film and TV production	108	54	129
Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.			

**Broadway Production**

The LUMBERYARD will serve as a location for stage companies to develop Broadway Productions. While in town developing Broadway productions, crews and cast require accommodations. While in town for two weeks, crew and cast will also spend locally. Table II-7 outlines the three scenarios for Broadway production’s economic impact.

Table II-7. Broadway Production			
	Most-Likely Scenario	Worst-Case Scenario	Best-Case Scenario
Rentals per year for 2-week rehearsal	5	2	10
Size of cast/crew on site	50	25	100
Cast/crew daily spend locally	175,000	35,000	700,000
Craft services	87,500	17,500	350,000
Accommodation for cast/crew larger than 14 people	378,000	37,800	1,806,000
Broadway production rental	108	54	129
Restaurant	2,520	252	12,040
Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.			

**Restaurant**

The restaurant located at 81 Water Street will also provide an economic impact. Table II-8 provides the three estimated scenarios of the restaurant tenant’s economic impact. Restaurant sales were based upon estimates from other establishments provided by the LUMBERYARD. The average estimate of \$175 per square foot was used for the “Best-Case” scenario. The Most-likely case used \$85 of sales per square foot and the “Worst-Case” scenario assumed \$42.50 per square foot of sales.

Table II-8. Restaurant tenant at 81 Water St			
	Most-Likely Scenario	Worst-Case Scenario	Best-Case Scenario
Build out construction costs	313,500	148,500	570,900
Staff/labor	30,000	25,000	40,000
Local food purchases	20,000	20,000	30,000
Utilities	3,000	2,000	4,000
RESTAURANT SALES (BASED ON 3,300 FT: \$85/sq.ft. for Most-likely scenario, \$42.50/sq.ft. for Worst-Case and \$170/sq.ft. for Best-Case)	280,500	140,250	561,000
Source: Compiled by Fairweather Consulting using data provided by the LUMBERYARD.			

Economic Impact Analysis: 3 Scenarios, 3 Geographies

This section presents the results of the economic impact analysis of the LUMBERYARD using the three scenarios: most likely, worst-possible case and best-possible case. The analysis presents these results for each of the three geographies described above: Greene County, the Catskill Zip Code, and the Catskills/Hudson Valley region of Albany, Columbia, Delaware, Dutchess, Greene, Rensselaer, Schoharie, and Ulster counties and the 12414 ZIP Code as a proxy for the Village of Catskill.

As indicated above, the impact types examined include direct, indirect, and induced effect. The direct effect estimates the immediate impact of the spending on businesses in the area that directly receive that money. The indirect impact measures the impact of that spending on suppliers to the businesses that directly received that money. The induced impact is the effect of spending by Households whose members are employed by the businesses that benefitted from the direct and indirect spending.

The taxes generated as a result of the LUMBERYARDS impact were also examined for each of the three scenarios. Taxes generated by employee compensation, production and imports, households, corporations were estimated. The taxes are estimated in several categories: corporate (which include corporate profits and dividends, social insurance taxes (e.g., social security, workers compensation, etc.)), personal taxes (income tax, license fees and personal property tax. In addition, taxers are estimated for taxes on production and imports (TOPI). According to IMPLAN:

TOPI includes all payments to governments other than payroll and end of year income/profit taxes. TOPI includes excise, sales, and property taxes, fees and fines, and licenses and permits. The sector that collects the sales taxes (retail, lodging, restaurants, etc.) turns the collected money over to government through their TOPI. (IMPLAN, Tax Impact Report FAQ,<sup>2</sup>

One caveat on the IMPLAN Model needs to be mentioned. It is essentially composed of county-level estimates and data. When examining some levels of geography, the IMPLAN model assumes that, for any geography for which an impact is conducted, the economy within that geography will make the maximum effort to capture new demand, particularly when that new demand is high relative to the existing supplier of producers and services and when the area in question is surrounded by areas of much lower density. As is explained below, this had the effect of producing some inconsistent results at the ZIP code level. It also created some problems defining the impact of the “Worst-Case” scenario for the Hudson Valley/Catskills region. Nonetheless, in all its iterations, the model provides a reasonable sense of the scale of the impact of the LUMBERYARD’s activities on economic activity and tax revenues.

#### The Economic Impact of the Most-Likely Scenario

This scenario represents the level of activity anticipated for the LUMBERYARD in its first full year of operation.

#### The Impact on Greene County

Table II-9 provides an overview of the economic impact on Greene County of the most likely scenario. Like the other tables below that display the economic impact, its columns show:

- Employment: the number of jobs created under this scenario by the direct, indirect, induced and total impact
- Labor Income: the amount of wages created in the economy under this scenario.
- Value added: the amount of new value created in the economy above the costs of the supplies needed to meet new demand
- Output: the total amount of new economic activity added to the gross regional product of the County.

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<sup>2</sup> <https://implanhelp.zendesk.com/hc/en-us/articles/115009679588-Tax-Impact-Report-FAQ>

Table II-9. Greene County- Most-Likely Impact				
Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Impact	32.7	753,214	1,122,673	1,984,637
Indirect Impact	2.6	103,699	177,214	347,938
Induced Impact	5.0	174,609	404,222	687,840
<b>TOTAL IMPACT</b>	<b>40.3</b>	<b>1,031,521</b>	<b>1,704,108</b>	<b>3,020,416</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

Table II-10 shows the impact of the LUMBERYARD’s operations under the “Most-likely” scenario on State and Local taxes within Greene County. From a local perspective, the most important taxes to consider are the property taxes on rows 5 and 14 as well as the Sales Tax in row 4 of the Table. These are the key sources of revenue for the County, Town, Village and Special Districts (e.g., schools). Note that, under this scenario, the LUMBERYARD generates \$126,913 in sales taxes, \$213,233 in property taxes generated via businesses along with \$940 in personal (e.g., residential) property taxes.

Table II-10. Greene County – Taxes Generated by the LUMBERYARD Based on Most-Likely Scenario				
Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Dividends	-	-	-	167
Social ins Tax- Employee Contribution	923	-	-	-
Social ins Tax- Employer Contribution	1,932	-	-	-
<b>TOPI: Sales Tax</b>	-	<b>126,913</b>	-	-
<b>TOPI: Property Tax</b>	-	<b>213,233</b>	-	-
TOPI: Motor Vehicle Lic	-	2,121	-	-
TOPI: Severance Tax	-	-	-	-
TOPI: Other Taxes	-	15,009	-	-
TOPI: S/L NonTaxes	-	173	-	-
Corporate Profits Tax	-	-	-	2,611
Personal Tax: Income Tax	-	-	32,319	-
Personal Tax: NonTaxes (Fines- Fees	-	-	3,976	-
Personal Tax: Motor Vehicle License	-	-	922	-
<b>Personal Tax: Property Taxes</b>	-	-	<b>940</b>	-
Personal Tax: Other Tax (Fish/Hunt)	-	-	165	-
<b>Total</b>	<b>2,857</b>	<b>357,449</b>	<b>38,323</b>	<b>2,779</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

### The Impact on the Hudson Valley/Catskills Region

Table II-11 shows the impact of the “Most-likely” Scenario on the Catskills/Hudson Valley region of Albany, Columbia, Delaware, Dutchess, Greene, Rensselaer, Schoharie, and Ulster counties. Like the other tables below that display the economic impact, its columns show:

- Employment: the number of jobs created under this scenario by the direct, indirect, induced and total impact
- Labor Income: the amount of wages created in the economy under this scenario.
- Value added: the amount of new value created in the economy above the costs of the supplies needed to meet new demand
- Output: the total amount of new economic activity added to the gross regional product of the of the 8-county region.

Since the region is larger, the impact (spread over those eight counties) is also larger, with 43.6 total jobs generated, \$1.3 million in labor income, \$2.1 million in added value and \$3.6 million in new output. This larger output is spread over the entire 8-county region.

Table II-11. Region- Most-Likely Scenario				
Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Impact	32.1	772,405	1,156,163	1,982,103
Indirect Impact	3.2	160,844	271,649	486,465
Induced Impact	8.3	374,235	705,197	1,161,370
<b>TOTAL IMPACT</b>	<b>43.6</b>	<b>1,307,486</b>	<b>2,133,009</b>	<b>3,629,937</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

Table II-12 shows the impact of the LUMBERYARD’s operations under the “Most-likely” scenario on State and Local taxes within the 8-county region. As with economic impacts, the tax impacts, while larger, are also spread over the entire region. Thus, the local property taxes and County share of the sales taxes is dispersed among all eight counties in the region.

Table II-12. Region- Taxes Generated by the LUMBERYARD Based on Most-Likely Scenario				
Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Dividends	-	-	-	266
Social Ins Tax- Employee Contribution	1,217	-	-	-
Social Ins Tax- Employer Contribution	2,549	-	-	-
<b>TOPI: Sales Tax</b>	-	<b>150,787</b>	-	-
<b>TOPI: Property Tax</b>	-	<b>191,570</b>	-	-
TOPI: Motor Vehicle Lic	-	1,842	-	-
TOPI: Severance Tax	-	-	-	-
TOPI: Other Taxes	-	14,071	-	-
TOPI: S/L NonTaxes	-	1,478	-	-

Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Corporate Profits Tax	-	-	-	3,948
Personal Tax: Income Tax	-	-	42,589	-
Personal Tax: NonTaxes (Fines- Fees	-	-	3,235	-
Personal Tax: Motor Vehicle License	-	-	948	-
<b>Personal Tax: Property Taxes</b>	-	-	<b>973</b>	-
Personal Tax: Other Tax (Fish/Hunt)	-	-	216	-
<b>Total</b>	<b>3,766</b>	<b>359,748</b>	<b>47,963</b>	<b>4,212</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

**The Impact on the 12414 ZIP Code**

Table II-13 shows the impact of the “Most-likely” Scenario on 12414 ZIP Code, a proxy for the Village of Catskill. Like the other tables below that display the economic impact, its columns show:

- Employment: the number of jobs created under this scenario by the direct, indirect, induced and total impact
- Labor Income: the amount of wages created in the economy under this scenario.
- Value added: the amount of new value created in the economy above the costs of the supplies needed to meet new demand
- Output: the total amount of new economic activity added to the gross regional product of the of the ZIP code.

Note that the results of the model show that most of the impact is felt within the Village, including 40 jobs and close to \$3 million in new output. The IMPLAN model assumes that, for any geography for which an impact is conducted, the economy within that geography will make the maximum effort to capture new demand, particularly when that new demand is high relative to the existing supplier of producers and services and when the area in question is surrounded by areas of much lower density. This is clearly the case with the 12414 ZIP, so that the results of this analysis may overstate exactly how much of the impact will be contained in the ZIP code. Nonetheless, this provides a clear sense of the scale of potential benefits to Catskill from the LUMBERYARD’s operations.

Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Impact	32.3	749,891	1,151,109	1,949,262
Indirect Impact	3.0	111,953	188,595	371,945
Induced Impact	5.2	178,516	381,244	656,421
<b>TOTAL IMPACT</b>	<b>40.5</b>	<b>1,040,361</b>	<b>1,720,948</b>	<b>2,977,627</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

Table II-14 provides an estimate of the tax benefits associated with the LUMBERYARD. As noted above, the IMPLAN model may overstate the actual tax benefits accruing to local governments with jurisdiction

inside the ZIP code (e.g., Greene County, the Town, the Village and School District). In particular, the sales and property tax revenues for the ZIP code are greater than for Greene County as shown in Table II-10. However, it still provides an indication of the scale of benefits associated with the LUMBERYARD.

Table II-14. The 12414 ZIP Code – Taxes generated by the LUMBERYARD based on Most-likely Scenario				
Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Dividends	-	-	-	159
Social Ins Tax- Employee Contribution	954	-	-	-
Social Ins Tax- Employer Contribution	1,998	-	-	-
<b>TOPI: Sales Tax</b>	-	<b>138,532</b>	-	-
<b>TOPI: Property Tax</b>	-	<b>232,755</b>	-	-
TOPI: Motor Vehicle Lic	-	2,315	-	-
TOPI: Severance Tax	-	-	-	-
TOPI: Other Taxes	-	16,384	-	-
TOPI: S/L NonTaxes	-	188	-	-
Corporate Profits Tax	-	-	-	2,486
Personal Tax: Income Tax	-	-	25,757	-
Personal Tax: NonTaxes (Fines- Fees	-	-	4,210	-
Personal Tax: Motor Vehicle License	-	-	838	-
<b>Personal Tax: Property Taxes</b>	-	-	<b>861</b>	-
Personal Tax: Other Tax (Fish/Hunt)	-	-	174	-
<b>Total</b>	<b>2,952</b>	<b>390,172</b>	<b>31,840</b>	<b>2,645</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.



The Economic Impact of the Worst-Case Scenario

This scenario represents the conditions if the LUMBERYARD operates below expectations. In the tables below, data are provided in the economic impact and tax impact of this scenario for Greene County, the 8-County Hudson Valley/Catskills Region and the 12414 ZIP Code as a proxy for the Village of Catskill.

**The Impact on Greene County**

Table II-15 shows the economic impact of the Worst-Case Scenario on the Greene County economy. Note that even under these suboptimal conditions, the LUMBERYARD still generates 31.6 jobs in Greene County and adds \$2.4 million to the County’s economy.

Table II-15. Greene County- Worst-Case Scenario Total Impact				
Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Impact	23.9	558,404	749,467	1,311,583
Indirect Impact	2.0	94,978	165,876	298,615
Induced Impact	5.7	248,755	483,421	800,375
<b>TOTAL IMPACT</b>	<b>31.6</b>	<b>902,138</b>	<b>1,398,764</b>	<b>2,410,571</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

As with the economic impact, the tax impact for the LUMBERYARD still shows \$90,000 in sales taxes and \$123,000 in property taxes, despite the organization not drawing its anticipated level of activity.

Table II-16. Greene County – Taxes Generated by the LUMBERYARD Based on Best-Case Scenario				
Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Dividends	-	-	-	154
Social ins Tax- Employee Contribution	815	-	-	-
Social Ins Tax- Employer Contribution	1,707	-	-	-
<b>TOPI: Sales Tax</b>	-	<b>90,993</b>	-	-
<b>TOPI: Property Tax</b>	-	<b>122,348</b>	-	-
TOPI: Motor Vehicle Lic	-	1,185	-	-
TOPI: Severance Tax	-	-	-	-
TOPI: Other Taxes	-	8,902	-	-
TOPI: S/L NonTaxes	-	753	-	-
Corporate Profits Tax	-	-	-	2,302
Personal Tax: Income Tax	-	-	29,231	-
Personal Tax: NonTaxes (Fines- Fees	-	-	2,470	-
Personal Tax: Motor Vehicle License	-	-	684	-
<b>Personal Tax: Property Taxes</b>	-	-	<b>701</b>	-
Personal Tax: Other Tax (Fish/Hunt)	-	-	149	-
<b>Total</b>	<b>2,522</b>	<b>224,180</b>	<b>33,235</b>	<b>2,454</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

**Impact on the Hudson Valley/Catskills Region**

As with the impact on Greene County, the impact on the region still nets 18 jobs and \$1.3 million in output. However, at this lower level of activity, the IMPLAN model assumes that more of the activity will be lost to existing enterprises outside of the region, as those inside of the region will not bother to pursue these reduced opportunities. This holds true for the tax impacts found in Table II-18 as well.

Table II-17. Region – Worst-Case Scenario Total Impact				
Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Impact	13.3	297,000	401,342	708,244
Indirect Impact	1.1	55,458	95,226	169,506
Induced Impact	3.5	156,460	294,835	485,677
<b>TOTAL IMPACT</b>	<b>17.8</b>	<b>508,919</b>	<b>791,403</b>	<b>1,363,426</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

Table II-18. Region – Taxes Generated by the LUMBERYARD Based on Worst-Case Scenario				
Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Dividends	-	-	-	95
Social ins Tax- Employee Contribution	455	-	-	-
Social Ins Tax- Employer Contribution	953	-	-	-
<b>TOPI: Sales Tax</b>	-	<b>49,489</b>	-	-
<b>TOPI: Property Tax</b>	-	<b>62,874</b>	-	-
TOPI: Motor Vehicle Lic	-	605	-	-
TOPI: Severance Tax	-	-	-	-
TOPI: Other Taxes	-	4,618	-	-
TOPI: S/L NonTaxes	-	485	-	-
Corporate Profits Tax	-	-	-	1,402
Personal Tax: Income Tax	-	-	16,630	-
Personal Tax: NonTaxes (Fines- Fees	-	-	1,263	-
Personal Tax: Motor Vehicle License	-	-	370	-
<b>Personal Tax: Property Taxes</b>	-	-	<b>380</b>	-
Personal Tax: Other Tax (Fish/Hunt)	-	-	85	-
<b>Total</b>	<b>1,408</b>	<b>118,071</b>	<b>18,729</b>	<b>1,497</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

**The Impact on the 12414 ZIP Code**

Under the “Worst-Case” Scenario, the ZIP code still sees 16.4 jobs generated and \$1.1 million in new output. In addition, the LUMBERYARD’s activity producing \$76,000 in property taxes and \$45,000 in sales taxes.

Table II-19. The 12414 ZIP Code- Worst-Case Scenario Total Impact				
Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Impact	13.2	293,656	405,928	694,527
Indirect Impact	1.1	39,249	66,802	131,694
Induced Impact	2.2	75,983	162,281	279,598
<b>TOTAL IMPACT</b>	<b>16.4</b>	<b>408,889</b>	<b>635,008</b>	<b>1,105,819</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

Table II-20. The 12414 ZIP Code- Taxes Generated by the LUMBERYARD Based on Worst-Case Scenario				
Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Dividends	-	-	-	54.3
Social Ins Tax- Employee Contribution	360	-	-	-
Social Ins Tax- Employer Contribution	754	-	-	-
<b>TOPI: Sales Tax</b>	-	<b>45,402.3</b>	-	-
<b>TOPI: Property Tax</b>	-	<b>76,282.9</b>	-	-
TOPI: Motor Vehicle Lic	-	758.6	-	-
TOPI: Severance Tax	-	-	-	-
TOPI: Other Taxes	-	5,369.5	-	-
TOPI: S/L NonTaxes	-	61.7	-	-
Corporate Profits Tax	-	-	-	848.6
Personal Tax: Income Tax	-	-	10,247.8	-
Personal Tax: NonTaxes (Fines- Fees	-	-	1,675.1	-
Personal Tax: Motor Vehicle License	-	-	333.2	-
<b>Personal Tax: Property Taxes</b>	-	-	<b>342.7</b>	-
Personal Tax: Other Tax (Fish/Hunt)	-	-	69.4	-
<b>Total</b>	<b>1,115</b>	<b>127,876.0</b>	<b>12,668.0</b>	<b>903.0</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

The Economic Impact of the Best-Case Scenario

The following section of tables estimate the “Best-Case” scenario for the LUMBERYARD on Greene County, the 8-county Hudson Valley/Catskills region and the 12414 ZIP code.

**The Impact on Greene County**

The “Best-Case” Scenario shows Greene County gaining 142.9 jobs and over \$11 million in new output (c.f., Table II-21.) Similarly, under this scenario, property and sales taxes are both higher, with property taxes over \$900,000 and sales taxes exceeding \$500,000. (See Table II-22.)

Table II-21. Greene County- Best-Case Scenario Total Impact				
Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Impact	118.2	2,695,871	4,517,191	7,920,847
Indirect Impact	10.6	422,421	716,422	1,415,042
Induced Impact	14.1	489,932	1,134,180	1,930,317
<b>TOTAL IMPACT</b>	<b>142.9</b>	<b>3,608,225</b>	<b>6,367,793</b>	<b>11,266,207</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

Table II-22. Greene County – Taxes Generated by the LUMBERYARD Based on Best-Case Scenario				
Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Dividends	-	-	-	641
Social ins Tax- Employee Contribution	3,350	-	-	-
Social Ins Tax- Employer Contribution	7,018	-	-	-
<b>TOPI: Sales Tax</b>	-	<b>545,639</b>	-	-
<b>TOPI: Property Tax</b>	-	<b>916,759</b>	-	-
TOPI: Motor Vehicle Lic	-	9,117	-	-
TOPI: Severance Tax	-	-	-	-
TOPI: Other Taxes	-	64,530	-	-
TOPI: S/L NonTaxes	-	742	-	-
Corporate Profits Tax	-	-	-	10,007
Personal Tax: Income Tax	-	-	112,696	-

Personal Tax: NonTaxes (Fines- Fees	-	-	13,864	-
Personal Tax: Motor Vehicle License	-	-	3,215	-
<b>Personal Tax: Property Taxes</b>	-	-	<b>3,278</b>	-
Personal Tax: Other Tax (Fish/Hunt)	-	-	575	-
<b>Total</b>	<b>10,366</b>	<b>1,536,787</b>	<b>133,630</b>	<b>10,647</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

**Impact on the Hudson Valley/Catskills Region**

Again, since the region is larger than Greene County, the impact (spread over those eight counties) is also larger, with 152.6 total jobs generated, \$4.5 million in labor income, \$7.9 million in added value and \$13.4 million in new output. This larger output is spread over the entire 8-county region. (See Table II-23.)

Table II-23. Region- Best-Case Scenario Total Impact				
Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Impact	115.5	2,835,489	4,727,424	7,976,652
Indirect Impact	13.0	669,100	1,109,908	1,997,802
Induced Impact	24.1	1,089,352	2,052,710	3,379,879
<b>TOTAL IMPACT</b>	<b>152.6</b>	<b>4,593,938</b>	<b>7,890,041</b>	<b>13,354,334</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

As with economic impacts, the tax impacts in Table II-24, while larger, are also spread over the entire region. Note that the property tax for the regional analysis is lower than for Greene County. This is driven primarily by the IMPLAN model assuming that Greene County would get higher shares of accommodations because of the scale of demand for that was large relative to the supply in the County. Again, the model assumes that the smaller geographic area will be mobilized to capture more of this demand than a larger area (e.g., the region) to whom such demand is not as critical.

Table II-24. Region- Taxes Generated by the LUMBERYARD Based on Best-Case Scenario				
Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Dividends	-	-	-	1,001
Social ins Tax- Employee Contribution	4,426	-	-	-
Social Ins Tax- Employer Contribution	9,271	-	-	-
<b>TOPI: Sales Tax</b>	-	<b>639,591</b>	-	-
<b>TOPI: Property Tax</b>	-	<b>812,581</b>	-	-
TOPI: Motor Vehicle Lic	-	7,813	-	-
TOPI: Severance Tax	-	-	-	-
TOPI: Other Taxes	-	59,686	-	-
TOPI: S/L NonTaxes	-	6,271	-	-
Corporate Profits Tax	-	-	-	14,846
Personal Tax: Income Tax	-	-	149,203	-

Personal Tax: NonTaxes (Fines- Fees)	-	-	11,335	-
Personal Tax: Motor Vehicle License	-	-	3,322	-
<b>Personal Tax: Property Taxes</b>	-	-	<b>3,408</b>	-
Personal Tax: Other Tax (Fish/Hunt)	-	-	758	-
<b>Total</b>	<b>13,696</b>	<b>1,525,943</b>	<b>168,028</b>	<b>15,847</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

### The Impact on the 12414 ZIP Code

As in the previous scenarios, it is worth noting that the results of the model show that most of the impact is felt within the Village, including 144 jobs and over to \$11 million in new output. The IMPLAN model assumes that, for any geography for which an impact is conducted, the economy within that geography will make the maximum effort to capture new demand, particularly when that new demand is high relative to the existing supplier of producers and services and when the area in question is surrounded by areas of much lower density. As before, this is clearly the case with the 12414 ZIP, so that the results of this analysis may overstate exactly how much of the impact will be contained in the ZIP code. Nonetheless, this provides a clear sense of the scale of potential benefits to Catskill from the LUMBERYARD's operations.

Table II-25. The 12414 ZIP Code – Best-Case Scenario Total Impact

Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Impact	117.6	2,691,489	4,653,815	7,861,987
Indirect Impact	12.1	460,940	768,374	1,517,656
Induced Impact	14.6	502,980	1,074,163	1,849,505
<b>TOTAL IMPACT</b>	<b>144.2</b>	<b>3,655,409</b>	<b>6,496,350</b>	<b>11,229,147</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.

Table II-26. The 12414 ZIP Code – Taxes Generated by the LUMBERYARD Based on Best-Case Scenario

Description	Employee Compensation	Tax on Production and Imports	Households	Corporations
Dividends	-	-	-	627
Social Ins Tax- Employee Contribution	3,477	-	-	-
Social Ins Tax- Employer Contribution	7,284	-	-	-
<b>TOPI: Sales Tax</b>	-	<b>598,105</b>	-	-
<b>TOPI: Property Tax</b>	-	<b>1,004,911</b>	-	-
TOPI: Motor Vehicle Lic	-	9,994	-	-

TOPI: Severance Tax	-	-	-	-
TOPI: Other Taxes	-	70,735	-	-
TOPI: S/L NonTaxes	-	813	-	-
Corporate Profits Tax	-	-	-	9,784
Personal Tax: Income Tax	-	-	89,778	-
Personal Tax: NonTaxes (Fines- Fees)	-	-	14,676	-
Personal Tax: Motor Vehicle License	-	-	2,919	-
<b>Personal Tax: Property Taxes</b>	-	-	<b>3,002</b>	-
Personal Tax: Other Tax (Fish/Hunt)	-	-	608	-
<b>Total</b>	<b>10,763</b>	<b>1,684,557</b>	<b>110,984</b>	<b>10,412</b>

Source: Compiled by Fairweather Consulting from an IMPLAN model & data provided by the LUMBERYARD.