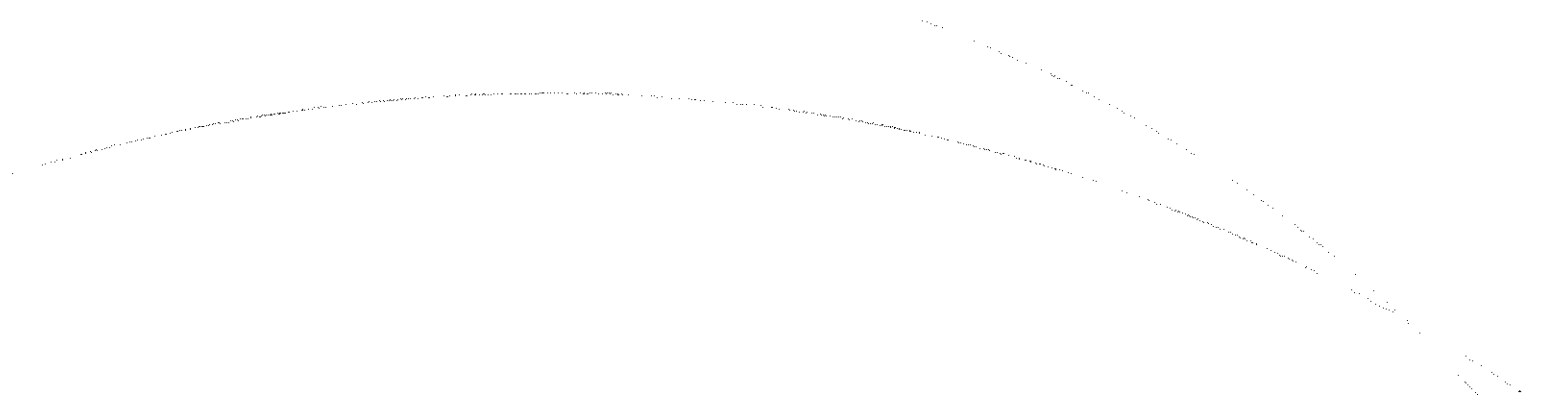


EXHIBIT **IX.A.2.a.**

EFFECTS ON HOST MUNICIPALITY



Please see the attached Fiscal Impact Analysis produced by Camoin Associates.
Please also see the Economic Impact Analysis included in Exhibit VIII.B.3.a.



Fiscal Impact Analysis of the Proposed Rensselaer Casino in the City of Rensselaer, Rensselaer County & State of New York

June 2014

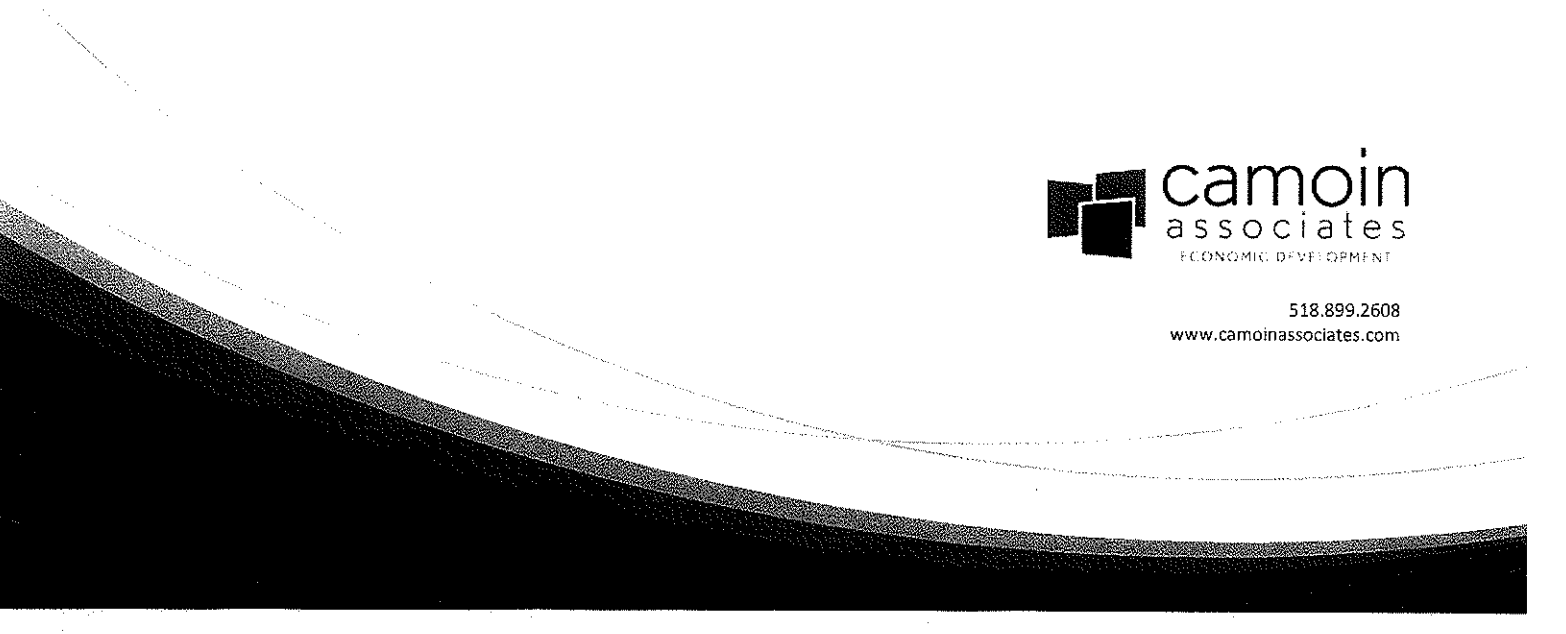
Prepared for:

NYS Funding, LLC



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About Camoin Associates

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. We specialize in real estate market analysis to evaluate the feasibility and impacts of proposed projects. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to Texas; corporations and organizations that include Lowe's Home Improvement, FedEx, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$600 million. Our reputation for detailed, place-specific, and accurate analysis has led to projects in twenty states and garnered attention from national media outlets including *Marketplace (NPR)*, *Forbes* magazine, and *The Wall Street Journal*. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. The firm currently has offices in Saratoga Springs, NY, Portland, ME, and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter @camoinassociate and on Facebook.

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Executive Summary

Camoin Associates was commissioned by NYS Funding, LLC (the "Company") to conduct a fiscal impact study of the proposed Rensselaer Casino development project (the "Project") in the State of New York. The Project is proposed to be built on approximately 24 acres of land located along the Hudson River in the City of Rensselaer (the "Site" or "Project Site"). The Project will include the creation of a 100-room hotel, three restaurants, and a casino featuring 1,650 slot machines and 50 table games. The expected fiscal impacts are summarized below, starting with the anticipated revenues and moving to the anticipated expenses associated with the Project.

REVENUES

City of Rensselaer

The fiscal impact analysis examined the impact that the Project would have on the fiscal resources of the City of Rensselaer. Variable revenues of the City's budget will change as a function of the overall size of the City. Therefore, following standard methodology, we used the increase in assessed value of the City resulting from the Project as a proxy for how the City will "grow." For special cases such as emergency service providers, interviews with local fire and emergency response personnel were conducted. In addition to existing revenues, new revenues associated with the Project were estimated including gaming tax revenue, property tax revenue, sales tax revenue (distributed from County), etc.

The table below provides a summary of the projected revenue from the Project to the City.

Unadjusted Revenue - City							
Year	Added TAV	Property Tax Rate	Property Tax Revenue	Gaming Tax Revenue	Sales Tax Revenue	All Other Variable Revenue for City	Total Unadjusted Revenue
1		51.243				\$0	
2		51.243				\$0	
3		51.243				\$530,620	
4		51.243				\$530,620	
5		51.243				\$530,620	
6		51.243				\$530,620	
7		51.243				\$530,620	
8		51.243				\$530,620	
9		51.243				\$530,620	
10		51.243				\$530,620	
11		51.243				\$530,620	
12		51.243				\$530,620	
13		51.243				\$530,620	
14		51.243				\$530,620	
15		51.243				\$530,620	
16		51.243				\$530,620	
17		51.243				\$530,620	
18		51.243				\$530,620	
19		51.243				\$530,620	
20+		51.243				\$530,620	

Source: Camoin Associates

We then adjusted these revenues for inflation into the future at a rate of 3% per year, to which we add the revenues the City's school district will receive, as shown in the table below.



Projected Revenues to the City and School District

Year	Inflation Factor	City	School District	Total
1	1.000			
2	1.030			
3	1.061			
4	1.093			
5	1.126			
6	1.159			
7	1.194			
8	1.230			
9	1.267			
10	1.305			
11	1.344			
12	1.384			
13	1.426			
14	1.469			
15	1.513			
16	1.558			
17	1.605			
18	1.653			
19	1.702			
20+	1.754			
20 yr Total				

Source: Camoin Associates

Rensselaer County

Revenues to the County as a result of the project include sales tax, hotel (occupancy) tax, property tax, and gaming tax. As with the economic analysis, only "net new" fiscal impacts are examined (i.e., incremental impacts resulting from out-of-state spending and in-state repatriation.) The table below summarizes the anticipated fiscal impacts of the Project in project Year 3, the first full year of operation, expressed in 2014 dollars.

Year 3 Fiscal Impacts to Rensselaer County

Rensselaer County Sales Tax Revenue	
Rensselaer County Occupancy Tax	
Rensselaer County Property Tax Revenue	
Rensselaer County Gaming Tax Revenue	
Total Year 3 County Fiscal Impacts	

Source: Camoin Associates

As the casino operates over time, those revenue streams increase significantly. Using an inflation factor of 3 percent, we show the fiscal impact of years 1-20 in the table below.



Projected Revenue to Rensselaer County						
Year	Unadjusted Revenue				Inflation Factor	Adjusted County Revenue
	Sales & Occupancy Tax	Property Tax	Gaming Tax Revenue	Total County Tax Revenue		
1*					1.000	
2*					1.030	
3					1.061	
4					1.093	
5					1.126	
6					1.159	
7					1.194	
8					1.230	
9					1.267	
10					1.305	
11					1.344	
12					1.384	
13					1.426	
14					1.469	
15					1.513	
16					1.558	
17					1.605	
18					1.653	
19					1.702	
20+					1.754	
20 yr Total					-	

Source: Camoin Associates

*Construction period only, revenues not shown.

State of New York

Revenues to the State of New York as a result of the project include sales tax revenue, income tax revenue, gaming tax, gaming fee, and a one-time casino licensing fee. The table below does not include the casino licensing fee or application fee. Only "net new" fiscal impacts are examined (i.e., incremental impacts resulting from out-of-state spending and in-state repatriation), with the exception of the Gaming Tax which we assume to be all "net new". The table below summarizes the anticipated fiscal impacts of the Project in project Year 3, the first full year of operation, expressed in 2014 dollars.

Year 3 Fiscal Impacts to the State of New York	
State Gaming Fee	\$850,000
State Gaming Tax	
State Income Tax Revenue	
State Sales Tax Revenue	
Total Year 3 State Fiscal Impacts	

Source: Camoin Associates



As the casino operates over time, those revenue streams increase significantly. Using an inflation factor of 3 percent, we show the fiscal impact of years 1-20 in the table below.

Projected Revenue to New York State							
Year	Unadjusted Revenue					Inflation Factor	Adjusted State Revenue
	Gaming Fee	Gaming Tax	Income Tax	Sales Tax	Total		
1*	\$0					1.000	
2*	\$0					1.030	
3	\$850,000					1.061	
4	\$850,000					1.093	
5	\$850,000					1.126	
6	\$850,000					1.159	
7	\$850,000					1.194	
8	\$850,000					1.230	
9	\$850,000					1.267	
10	\$850,000					1.305	
11	\$850,000					1.344	
12	\$850,000					1.384	
13	\$850,000					1.426	
14	\$850,000					1.469	
15	\$850,000					1.513	
16	\$850,000					1.558	
17	\$850,000					1.605	
18	\$850,000					1.653	
19	\$850,000					1.702	
20+	\$850,000					1.754	
20 yr Total	\$15,300,000					-	

Source: Camoin Associates

*Construction period only, revenues not shown.

Low-Case & High-Case

A majority of the fiscal impacts to the City and School District are driven by a change in assessed value of the subject property or other similar metrics. Therefore, they do not rely on visitation and a low and high case are not presented for the City as a whole. However, gaming tax and sales tax revenue are dependent on visitor spending and a low-case and high-case scenario are estimated below with a range of 5 percent around the average.



Low-Average-High Case: Gaming and Sales Tax Revenue to the City

Year	City Gaming and Sales Tax Revenue		
	Low	Average	High
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20+			
20-yr total			

-- Source: Camoin Associates



The table below provides high and low estimates of the total new tax revenue to the City including property tax revenue in addition to the sales tax and gaming tax revenue shown in the table above.

Low-Average-High Case: Tax Revenue to the City			
Year	City Tax Revenue		
	Low	Average	High
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20+			
20-yr total			

Source: Camoin Associates



For the State and County, the low-case and high-case represent a range of 5 percent around the average, shown in the table below.

Low-Average-High Case: Total Annual State & County Fiscal Impacts Through Year 20+						
Year	State Tax Revenue			County Tax Revenue		
	Low	Average	High	Low	Average	High
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20+						
20-yr total						

Source: Camoin Associates

EXPENSES

City of Rensselaer

The fiscal impact analysis examined the impact that the proposed Rensselaer casino would have on the fiscal resources of the City of Rensselaer. With the exception of special cases of emergency service providers and the Water Fund, variable City expenses will change as a function of the overall size of the City. Therefore, following standard methodology, we use the increase in assessed value of the City resulting from the Project as a proxy for how the City will “grow”. The table below provides a summary of the projected expenses related to the Project to the City.



Projected Expenses for City		
Year	Inflation Factor	Expenses
1	1.000	\$0
2	1.030	\$0
3	1.061	\$1,820,104
4	1.093	\$1,874,707
5	1.126	\$1,930,948
6	1.159	\$1,988,877
7	1.194	\$2,048,543
8	1.230	\$2,110,000
9	1.267	\$2,173,300
10	1.305	\$2,238,499
11	1.344	\$2,305,653
12	1.384	\$2,374,823
13	1.426	\$2,446,068
14	1.469	\$2,519,450
15	1.513	\$2,595,033
16	1.558	\$2,672,884
17	1.605	\$2,753,071
18	1.653	\$2,835,663
19	1.702	\$2,920,733
20+	1.754	\$3,008,355
20 yr Total		\$42,616,711

Source: Camoin Associates

Water Fund

As a result of the Project, the City will need to increase its spending on bulk water purchases from the City of Troy. Based on the expected water use at the Site, the City will need to spend 5.7% more on bulk water purchases and related expenditures.

Increased Cost of Bulk Water Purchases	
Bulk Water Purchase	\$ 990,000
Current Bulk Water Purchase Per Day (Gallons)	3,064,745
Project Water Usage Per Day (Gallons)	175,000
% Increase	5.7%
Cost Increase for Bulk Water Purchase	\$ 56,530
Related Contractual Expenditures	\$ 206,500
Cost Increase for Related Contractual Expenditures	\$ 11,791
Total Increased Cost	\$ 68,321

Source: Client Data, City of Rensselaer Water Quality Report



Fire Department

The City of Rensselaer Fire Department provides fire and EMS services to the Site and would be affected by the Project. The expected change in call volume is used to estimate the anticipated increase in costs to the Department.

Rensselaer Fire Department				
Rensselaer Fire Department	Expense	Metric	Year 3+	
			Factor	Change
Personal Services	\$ 943,419	3	20%	\$ 188,684
Equipment	\$ 19,250	3	20%	\$ 3,850
Contractual Expenditures	\$ 132,595	3	20%	\$ 26,519
Total	\$ 1,095,264			\$ 219,053

Source: City of Rensselaer Budget, Camoin Associates

Police Department

The City of Rensselaer Police Department provides police services to the project site. It is anticipated that the additional activity resulting from the Project would require the Police Department to add up to five additional officers and one additional civilian dispatcher. The Department would also need two new vehicles at a cost of \$50,000 per vehicle, (assuming a three-year depreciation). This is an annual expense of \$33,333. Additional staffing, general, and vehicle expenses total to \$667,231 for an overall cost increase of \$500,565 annually.

Annual New Cost to City of Rensselaer Police Department	
Current Staffing	34
Increase in Staff as a result of Project	6
Percent Increase in Department Employment	17.6%
Total Budget	\$2,647,644
Percent Increase in Department Expenses	17.6%
New Police Department Expenses	\$467,231
New Police Vehicles Needed	2
Total Cost per Vehicle	\$50,000
Annual Cost per Vehicle	\$16,667
New Vehicle Expenses	\$33,333
Total New Cost to Police Department	\$500,565

Source: City of Rensselaer Police Department, Camoin Associates

School Districts

The Project will be a significant employer and it is likely to attract some employees from outside the region to relocate to the City of Rensselaer and surrounding municipalities. It is anticipated that on-site employment at the site will result in approximately 284 new school-age children in the Capital Region. Of those students, it is expected that 99 will enroll in schools in Rensselaer County.



New School Age Children in Region

County	New Households (Direct)	Households w/Children	Children per HH	New School-age Children
		30%	1.9	80%
Rensselaer	217	65	124	99
Albany	211	63	120	96
Fulton	14	4	8	7
Montgomery	13	4	7	6
Saratoga	66	20	38	30
Schenectady	78	24	45	36
Schoharie	10	3	6	5
Washington	13	4	7	6
Total	624	187	355	284

Source: Camoin Associates, US Census

It is anticipated that the Project will generate approximately 50 new students in the Rensselaer City School District. As shown in the following table, school property taxes only cover about 33% of the district's budget. In 2011, the average spending per student in New York was \$19,076. When projected to 2017, the cost is approximately \$23,800. New students generated as a result of the Project would result in an annual local cost of \$373,000 to be derived from local property taxes with the remaining portion of the \$1.13 million total cost covered by other sources such as state and federal aid.

Impact to City School District		
Budget Categories		Cost of 50 Students
Total	\$22,624,700	\$1,129,530
% Local	33%	33%
Total Local Cost Net	\$7,476,678	\$373,270

Source: Camoin Associates, New York State Education Department

Introduction

Camoin Associates was commissioned by NYS Funding, LLC, (the "Company") to conduct a fiscal impact study of the proposed Rensselaer Casino development project (the "Project") in the State of New York. The Project is proposed to be built on approximately 24 acres of land located along the Hudson River in the City of Rensselaer (the "Site" or "Project Site"). The Project will include the development of a 100-room hotel, three restaurants, and a casino featuring 1,650 slot machines and 50 table games.

The objective of this study is to analyze the impact of the Project on the local economy and on the fiscal resources of the City of Rensselaer, the Rensselaer City School District, Rensselaer County, and the State of New York. Various sources provided information for this study, as detailed below:

- The Company provided all information regarding the Project itself, including a description of the planned uses at the Site, construction costs, anticipated hiring and payroll, property tax records, etc.
- Camoin Associates used the economic input-output model provided by Economic Modeling Specialists Intl. (EMSI) to determine the economic impact of the Project on the regional and statewide economy.
- A report prepared by Union Gaming provided the financial analysis with gross gaming revenue projections.
- The City of Rensselaer 2013 Budget supplied revenue and expense information for the various departments that provide services to City Residents. The Rensselaer City School District Budget provided information on district spending and revenues. The Rensselaer County Bureau of Finance provided information on the County's sales and occupancy taxes.
- Camoin Associates conducted interviews with City of Rensselaer Community Service Providers. City Fire Department Chief Bill Hummel and Assistant Chief Phil Smith provided information on the anticipated cost and service impacts to the Fire Department. Deputy Rensselaer Police Chief James Frankoski provided information on the anticipated cost and service impacts to the City Police Department.



City of Rensselaer Fiscal Impact Analysis

The following analysis examines the impacts of the Project on the fiscal resources of the City of Rensselaer. It is anticipated that the City's General Fund, Water Fund, and Sanitary Sewers Fund will be affected by the proposed Project.

Using the 2013 budget, each line item from these funds has been coded to apply a metric based on the anticipated impact, if any, that the Project will have. Every metric has been assigned a factor for each phase of the Project, which is used to calculate the impact of each phase. The methodology for determining each metric is discussed below.

Code 1: Fixed Cost

Expenses and revenues that will not change as a result of the Project are "fixed" and assigned a factor of zero to reflect no change.

Code 2: Variable Cost

The variable line items will change as a function of the overall size of the City. Therefore, following standard methodology, we use the increase in assessed value of the City resulting from the Project as a proxy for how the City will "grow." It is estimated that upon full build-out of the Project, all else held constant, the assessed value of the City will increase by \$ [REDACTED] million.

Change in Assessed Value (AV) of the Site		
	Years 1-2	Years 3+
Equalization Rate	29.4%	
Market Value Added	\$0	
Market Value	\$1,130,952	
Assessed Value	\$332,500	
Change in Site AV		

Source: Camoin Associates, City of Rensselaer, Client Data

The change in the Site's assessed value is applied to the City assessed value to determine the assessed value factor (i.e., the percent change in assessed value of the City as a result of the Project). Therefore, as shown, the City's total assessed value will increase by [REDACTED] once operation begins.

Change in Assessed Value		
	Years 1-2	Years 3+
Existing City AV	\$372,374,718	
Change in Site AV	\$0	
Assessed Value Factor		

Source: Camoin Associates, City of Rensselaer, Client Data

Code 3: Special Cases

The "Special Case" category includes sections of the City budget that require a deeper look into projected revenues and expenses beyond applying a simple factor. For example, emergency service providers are special cases as their expenses are affected by changes in call volume and their ability to provide service to the Project with current equipment. We show the calculation of each factor below.



Property Tax Revenue

The most significant revenue source for the City is the local property tax. The following table summarizes the anticipated property tax revenue, which is expected to begin in Project Year 3.

Change in Property Tax Revenue: General Fund		
	Years 1-2	Years 3+
Existing Property Tax Rev.	\$17,038	
Tax Rate (per \$1,000 of AV)	51.242691	
Assessed Value	\$332,500	
Property Tax Revenue	\$17,038	
Change in Property Tax Rev.	\$0	

Source: Camoin Associates, City of Rensselaer, Client Data

Sales Tax

The County of Rensselaer imposes a local sales tax of 4 percent. The County distributes a set percentage of this tax revenue to the City of Rensselaer. The following tables estimate the anticipated sales tax revenue, which is expected to begin in Project Year 3. For more information on how visitor spending and spending of earnings was calculated, see Exhibit VIII.B.3.a.

Taxable Sales: Direct Spending by Visitors	
On-Site Spending	
Hotel	
Food & Drink	
Other	
Off-Site Spending	
Transportation	
Food & Drink	
Entertainment	
Retail	
Total Taxable Direct Spending	

Source: Camoin Associates

Sales Tax Revenue - On-Site & Off-Site Spending	
Sales	
New Tax Revenue (8%)	
NYS Portion (4%)	
Rensselaer County Portion (4%)	

Source: Camoin Associates, Rensselaer County Bureau of Finance

Sales Tax Revenue - Earnings

Earnings (Year 3)	\$33,799,809
Earnings Spent in State (70%)	\$23,659,866
New Tax Revenue (8%)	\$1,656,191
NYS Portion (4%)	\$946,395
Rensselaer County Portion (4%)	\$946,395

Source: Camoin Associates, Rensselaer County Bureau of Finance

Total Sales Tax Revenue - City of Rensselaer

County Revenue from Direct Sales	
County Revenue from Indirect Earnings	\$946,395
Total County Sales Tax Revenue	
Distribution Percentage to City	2.857%
Sales Tax Revenue to City	

Source: Camoin Associates, Rensselaer County Bureau of Finance

Water and Sewer

The City's Water Department is expected to have an increase in revenues due to the Project. The City charges a rate of \$5.95 per 1,000 gallons of water provided by the municipality. It also collects a sewer line maintenance fee of 20 percent of the water bill for commercial customers, which is transferred to the City's Sanitary Sewers Fund. The following table summarizes the anticipated revenue, which is expected to begin in Project Year 3.

City of Rensselaer Budget Revenues: Water and Sewer

Water Rate Per 1,000 Gallons	\$ 5.95
Estimated Average Daily Use (In Gallons)	175,000
Average Use Charges Per Day	\$ 1,041
Estimated Annual Charges (Water Fund)	\$ 380,056
Sewer Line Maintenance Fee (Sanitary Sewers Fund)	\$ 76,011

Source: Client Data, City of Rensselaer Water Department

The City is also expected to have increased expenses to the Water Fund as a result of the Project. The most significant increase in cost is for the bulk purchase of water that will be used at the Project Site. The City purchases water from the City of Troy water supply at a bulk rate, and then sells the water to City of Rensselaer customers and the towns of North Greenbush and East Greenbush. In 2013, bulk water purchases averaged about 3,065,000 gallons per day. The 2013–2014 appropriation for bulk water purchase was \$990,000. The increased water usage as a result of this Project, 175,000 gallons per day, is a 5.7% increase in total water usage for the Water Fund, which translates into \$56,350 in additional bulk water purchase.

A similar increase in cost for contractual expenses will also occur as the system will need additional chlorination and other purchases. Since the developer will pay for all necessary infrastructure improvements, there will be no significant increase in transmission and distribution costs.

The following table summarizes the increases in costs associated with an increase in the amount of water purchased.



Increased Cost of Bulk Water Purchases

Bulk Water Purchase	\$ 990,000
Current Bulk Water Purchase Per Day (Gallons)	3,064,745
Project Water Usage Per Day (Gallons)	175,000
% Increase	5.7%
Cost Increase for Bulk Water Purchase	\$ 56,530
Related Contractual Expenditures	\$ 206,500
Cost Increase for Related Contractual Expenditures	\$ 11,791
Total Increased Cost	\$ 68,321

Source: Client Data, City of Rensselaer Water Quality Report

The positive net annual impact to the City Water Fund will be approximately \$312,600, as shown in the Table below. The "other" Water Fund variable expenses and revenues can be found in the following section. Note that the table below does not include the Sewer Line Maintenance Fee, which is shown in the following section as revenue for the City's Sanitary Sewers Fund.

Annual Impact to City Water Fund

Increased Cost From Bulk Water Purchases	\$ 68,321
Increased Cost From Other Variable Categories	\$ 10,867
Total Increased Cost	\$ 79,188
Increased Revenue From Water Sales	\$ 380,056
Increased Revenue From Other Variable Categories	\$ 11,736
Total Increased Revenue	\$ 391,792
Net Impact	\$ 312,604

Source: Camoin Associates

Fire Department

The City of Rensselaer Fire Department ("Department") provides fire and EMS protection services to the Project Site. The Department Fire Chief provided the following information.

The Department currently has 3 part-time chief positions, 16 career firefighters, and approximately 20 active volunteer firefighters. The Department operates two stations in the City, one in the northern area of the City and one in the southern part. Response times throughout the city are estimated at less than three minutes, exceeding standards. The Chief indicated that the department has a ladder engine and that no new equipment will be needed due to the height of any on-site buildings.

Call volume has been increasing at a rate of 5% to 7% each year. In 2013 the Department received approximately 1,800 calls. About one-third of these calls were fire-related with the remaining two-thirds being medical-related. The Chief expects that the Fire Department will experience a 10% to 20% increase in call volume upon full build-out of the Project. Many of these calls are expected to be traffic accident calls, especially in the period before highway and road improvements are completed. Please see below for a letter from Rensselaer Fire Department Chief Bill Hummel confirming the information provided to Camoin Associates.

We assume a 20% increase in call volume to be conservative. That is, our estimate is more likely to overestimate costs rather than underestimate them.



Rensselaer Fire Department Call Volume Projections	
Average Annual Call Volume (Existing)	1,800
% Increase Years 3+	20%
Total Calls Year 3+	2,160
# Increase in Calls Year 3+	360

Source: Rensselaer Fire Department, Camoin Associates

The percent change in call volume for the two timeframes are used as the factors applied to variable expenses in the Department's budget (coded as "3" in the table below).

Rensselaer Fire Department				
Rensselaer Fire Department	Expense	Metric	Year 3+	
			Factor	Change
Personal Services	\$ 943,419	3	20%	\$ 188,684
Equipment	\$ 19,250	3	20%	\$ 3,850
Contractual Expenditures	\$ 132,595	3	20%	\$ 26,519
Total	\$ 1,095,264			\$ 219,053

Source: City of Rensselaer Budget, Camoin Associates

The fire department is funded through the City's General Fund. Therefore, increased costs to the Department are expected to be met by increased revenue to the General Fund, the majority of which will be new property tax revenue.





CITY OF RENSSELAER

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PHILIP B. SMITH
CHIEF OF ADMINISTRATION
JAMES J. CORCORAN
CHIEF OF OPERATIONS

16 June, 2014

Dear Ms. Selsky:

This letter is confirmation that you and I reviewed the potential impacts of the proposed casino and hotel development projected located on Broadway ("Project") on the City of Rensselaer Fire Department ("Fire Department"). It is my assertion that the bulleted points below accurately reflect the information I provided to you during our conversation on 13 June, 2014, as well as my impressions of what the potential impacts of the development will be on the City of Rensselaer Fire Department.

SUMMARY:

- Service area for the Fire Department is the City of Rensselaer
- All funds come from the City General Fund (there is not a separate tax)
- City funds are used for Personal Services (including salaries and benefits, etc.); Equipment; and Contractual Expenditures (including office supplies, training, fuel, etc.)
- Current staff:
 - 1 Chief
 - 2 Assistant Chiefs
 - 16 Career Firefighters, approximately 20 active Volunteer Firefighters
- Current facilities
 - 1 station located in Northern area of City (North End Station)
 - 1 station located in Southern area of City (Broadway Station)
- Current equipment
 - 3 engines
 - 1 ladder
 - All engines are relatively new and in good shape
- Current call volume:
 - 1,800 calls in 2013
 - Approximately two-thirds (1,200) of calls are medical related
 - Approximately one-third (600) of calls are fire calls
 - Call levels are increasing 5%-7% annually

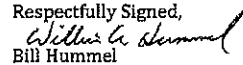
IMPACTS:

- Expect that call volume may increase between 10% and 20% due to the Project
- There will not be a need initially for any additional equipment or vehicles
- There may be a need for additional firefighters as the project develops due to increased call volume related to the Project and associated travel impacts (i.e., automobile accidents).

ADDITIONAL:

- The Fire Department requests that they be consulted related to project site review to ensure proper fire and safety precautions are incorporated, particularly with regard to compliance with building and fire codes.

Respectfully Signed,


Bill Hummel
Fire Chief
City of Rensselaer Fire Department

Emergency Medical Services (EMS)

The City of Rensselaer Fire Department provides first response emergency medical services within the City in conjunction with a private service provider. The service providers recoup costs by billing private patients and insurance directly. Since the City does not appropriate funds to Ambulance or EMS service, there is will be no fiscal impact to the City from the Project for EMS services. Any increased costs to the Fire Department for EMS are included in the "Fire Department" section.

City Police Department

The City of Rensselaer Police Department ("Department") provides police services to the site. The Department has 27 full time-officers, including 1 Chief, 1 Deputy Chief, 3 Detectives, 6 Sergeants, and 17 Patrolmen. The Department also employs 7 civilians, including 5 dispatchers and 2 clerks. The Department currently has 8 marked patrol cars, 5 unmarked cars, 3 bikes, 2 ATVs, and 2 trailers. The 2013–2014 annual budget of the Department is \$2.65 million.

In order to determine the possible impact that the Project might have on the level of police services that the Department provides to residents, Camoin Associates interviewed Deputy Chief James Frankoski. Deputy Chief Frankoski estimated that the additional activity resulting from the Project would require the Police Department to add 3 to 5 additional officers and 1 additional civilian dispatcher. See below for the letter from Rensselaer Police Department Deputy Chief James Frakoski confirming the information provided to Camoin Associates.

We assume that 5 additional officers will be hired to be conservative. That is, our estimate is more likely to overestimate costs rather than underestimate them.

The addition of 6 positions in the Department would result in a 17.6% increase in employment by the Police Department and would result in a proportional increase in salaries, wages, fringe benefits, and general expenses. Deputy Chief Frankoski also estimated that the Department would need two new vehicles, at a cost of \$50,000 per vehicle. We assume a three-year depreciation, which results in an annual cost of \$16,667 per vehicle. Additional staffing, general, and vehicle expenses total to \$500,565 annually, an overall budget increase of about 19%.

Annual New Cost to City of Rensselaer Police Department	
Current Staffing	34
Increase in Staff as a result of Project	6
Percent Increase in Department Employment	17.6%
Total Budget	\$2,647,644
Percent Increase in Department Expenses	17.6%
New Police Department Expenses	\$467,231
New Police Vehicles Needed	2
Total Cost per Vehicle	\$50,000
Annual Cost per Vehicle	\$16,667
New Vehicle Expenses	\$33,333
Total New Cost to Police Department	\$500,565

Source: City of Rensselaer Police Department, Camoin Associates





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CITY OF RENSSELAER

OFFICE OF
CHIEF OF POLICE
201 BROADWAY
RENSSELAER, NEW YORK 12144

FREDERICK M. FUSCO
Chief of Police

JAMES R. FRANKOSKI
Deputy Chief

Dear Ms. Selsky:

This letter is confirmation that you and I reviewed the potential impacts of the proposed casino and hotel development project located on Broadway ("Project") on the City of Rensselaer Police Department. It is my assertion that the bulleted points below accurately reflect the information I provided to you during our conversation on June 18th, 2014, as well as my Impressions of what the potential impacts of the development will be on the City of Rensselaer Police Department.

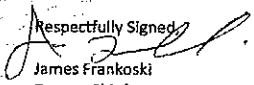
SUMMARY:

- Service area for the Police Department is the City of Rensselaer
- All funds come from the City General Fund
- City funds are used for Personal Services (including salaries and benefits, etc.); Equipment; and Contractual Expenditures (including office supplies, gasoline, vehicle maintenance etc.)
- Current staff:
 - 1 Chief
 - 1 Deputy Chief
 - 17 Patrolmen
 - 6 Sergeants
 - 2 Detectives
 - 5 Civilian Dispatchers
 - 2 Civilian Clerks
- Current equipment:
 - 8 marked patrol cars
 - 5 unmarked cars
 - 3 bikes
 - 2 All-terrain vehicles (ATVs)
 - 2 trailers
- Current call volume:
 - 9,000 calls in 2013; 9,300 calls in 2012
 - Calls are any calls into the Department that require it to take action
 - Call volume is relatively steady year to year

IMPACTS:

- 3-5 officers will likely need to be hired. The number hired will depend on the actual increase in call volume
- 1 additional civilian dispatcher will likely need to be hired
- There will be a need for 2 additional marked police cars at a cost of approximately \$50,000 each
- Police Department has capacity to hold 2 individuals in cells and another 3 individuals on a bench at any given time. if arrest levels increase significantly as a result of the project there will not be adequate capacity; however, that is not anticipated at this time

Respectfully Signed,


James Frankoski
Deputy Chief
Rensselaer Police Department

City of Rensselaer Summary of Fiscal Impacts

The financial metrics are summarized in the table below. For special cases, the projected change is calculated and inserted directly into the City budget tables with the exception of the Real Property Tax and the Sales Tax, which are considered separately.

Financial Metrics			
Code	Metric	Construction Period Factor	Operation Factor
1	Fixed	0.0%	0.0%
2	Variable	0.0%	9.78%
3	Special Case	Year 1 Change	Year 3+ Change
	General Fund		
	Real Property Taxes	\$0	
	Sales Tax	\$0	
	Fire Dept. Expenses	\$0	\$219,053
	Police Dept. Expenses	\$0	\$500,565
	Water Fund		
	Metered Water Sales (Revenue)	\$0	\$380,056
	Bulk Water Purchase (Expenses)	\$0	\$68,321
	Sanitary Sewers Fund		
Sewer Line Maint. Fee (Revenue)	\$0	\$76,011	

Source: Camoin Associates

City of Rensselaer Budget Revenues: General Fund

General Fund Income	Revenue	Memo	Year 3:	
			Factor	Change
Real Property Taxes	\$ 6,333,654	3	-	-
Unneeded Reserve for Dqt. Tax	\$ 200,000	1	0.0%	\$ -
In REM Sales	\$ -	1	0.0%	\$ -
Gain on Sale of City Property	\$ 400,000	1	0.0%	\$ -
PILOT	\$ 767,000	1	0.0%	\$ -
Interest & Penalties on Taxes	\$ 60,000	2	9.8%	\$ 5,868
Penalties on School Taxes	\$ 10,000	2	9.8%	\$ 978
Penalties on County Taxes	\$ 1,500	2	9.8%	\$ 147
Sales Tax	\$ 2,200,000	3	-	-
Utility Gross Receipts Tax	\$ 120,000	2	9.8%	\$ 11,736
Franchises (Cable)	\$ 105,000	1	0.0%	\$ -
Treasurer Fees	\$ 27,600	2	9.8%	\$ 2,699
School District Share of Civil Service	\$ 2,800	1	0.0%	\$ -
City Clerk Fees	\$ 3,000	2	9.8%	\$ 293
Police Fees	\$ -	1	0.0%	\$ -
DPW Services	\$ 2,000	1	0.0%	\$ -
Other Gen. Serv. To Other Gov.	\$ 8,918	1	0.0%	\$ -
School Stipend	\$ 7,910	2	9.8%	\$ 774
Planning/Zoning Misc. Sales	\$ 1,600	2	9.8%	\$ 156
SAFER Grant	\$ 305,000	1	0.0%	\$ -
Administrative Service Charges	\$ 65,000	2	9.8%	\$ 6,357
Certificate of Occupancy Permits	\$ 33,500	2	9.8%	\$ 3,276
Interest Earnings	\$ 6,000	1	0.0%	\$ -
Rental of Real Property	\$ 10,000	2	9.8%	\$ 978
Commissions on Vending Machines	\$ 25	1	0.0%	\$ -
Bingo Licenses	\$ -	1	0.0%	\$ -
Dog Licenses	\$ 4,250	1	0.0%	\$ -
Building & Alterations Permits	\$ 36,200	2	9.8%	\$ 3,540
Sidewalk Opening Permits	\$ 1,000	1	0.0%	\$ -
Vacant Building Permits	\$ 16,000	2	9.8%	\$ 1,565
Street Opening Permits	\$ 4,000	1	0.0%	\$ -
Curb Cut Permits	\$ 1,000	1	0.0%	\$ -
Dunn Hauling	\$ 25,000	1	0.0%	\$ -
New Castle Charges	\$ 25,000	1	0.0%	\$ -
Fines & Penalties - City Court	\$ 80,000	2	9.8%	\$ 7,824
Parking Violations Fines	\$ 40,000	2	9.8%	\$ 3,912
Parking Violation Surcharge	\$ 10,000	2	9.8%	\$ 978
Sale of Equipment	\$ -	1	0.0%	\$ -
Insurance Recoveries	\$ 70,000	1	0.0%	\$ -
Refund Prior Years Expense	\$ 3,000	1	0.0%	\$ -
Specific Gifts & Donations	\$ 4,425	1	0.0%	\$ -
Other Unclassified Revenue	\$ 5,000	1	0.0%	\$ -
Reimb. - DPW Comm. - Water	\$ 12,000	1	0.0%	\$ -
Reimb. - DPW Comm. - Solid Waste	\$ 5,150	1	0.0%	\$ -
Reimb. - DPW Comm. - Sewers	\$ 3,000	1	0.0%	\$ -
Reimb. - Community & Economic Dev.	\$ 600,000	1	0.0%	\$ -



Reimb. - CSO	\$	-	1	0.0%	\$	-
Reimb. - Brownfield EPA Grant	\$	-	1	0.0%	\$	-
Reimb. - Brownfield Opportunity Area Prog.	\$	-	1	0.0%	\$	-
City Hall Relocation Grant	\$	39,844	1	0.0%	\$	-
State Aid - Per Capita	\$	1,137,317	1	0.0%	\$	-
Mortgage Tax	\$	120,000	2	9.8%	\$	11,736
Court Facility Aid	\$	30,000	1	0.0%	\$	-
State Aid Additional	\$	11,730	1	0.0%	\$	-
County Sting Operation	\$	-	1	0.0%	\$	-
Traffic Safety Grant	\$	-	1	0.0%	\$	-
FEMA Grant	\$	-	1	0.0%	\$	-
Public Safety/Police Grants	\$	25,000	1	0.0%	\$	-
Buckle Up Grant	\$	3,000	1	0.0%	\$	-
D.O.T. State Aid	\$	-	1	0.0%	\$	-
State Aid Police	\$	-	1	0.0%	\$	-
State Aid-Traffic Safety	\$	-	1	0.0%	\$	-
State Aid CHIPS Program	\$	194,100	1	0.0%	\$	-
Youth & Recreation Programs	\$	4,356	1	0.0%	\$	-
State Aid - Recreation Project	\$	-	1	0.0%	\$	-
Total General Fund Revenues		\$13,180,879				\$ 62,617

City of Rensselaer Budget Revenues: Water Fund					
Water Fund Income	Revenue	Metric	Year 3+		
			Factor	Change	
Appropriated from Fund Balance	\$ 125,121	1	0.0%	\$ -	
Relevy Charges	\$ 85,000	2	9.8%	\$ 8,313	
Metered Water Sales	\$ 1,705,000	3	-	\$ 380,056	
Other Water (HVCC) Armory	\$ 1,500	1	0.0%	\$ -	
North Greenbush Water District	\$ 185,000	1	0.0%	\$ -	
Bloominggrove	\$ 625	1	0.0%	\$ -	
Water Service Charges	\$ 35,000	2	9.8%	\$ 3,423	
O/M Charge Renss. Co Monor	\$ -	1	0.0%	\$ -	
Fire Service Charges	\$ 12,500	1	0.0%	\$ -	
Miscellaneous Revenue	\$ -	1	0.0%	\$ -	
Penalties on Water Rents	\$ 28,000	1	0.0%	\$ -	
Non-Compliance	\$ 1,500	1	0.0%	\$ -	
Reimbursement from East Greenbush	\$ 165,000	1	0.0%	\$ -	
Interest on Deposits	\$ 6,800	1	0.0%	\$ -	
Insurance Recoveries	\$ -	1	0.0%	\$ -	
Unclassified Revenue	\$ -	1	0.0%	\$ -	
Contribution from General Fund	\$ 15,000	1	0.0%	\$ -	
Estimated Annual Charges	\$ 2,366,046			\$ 391,792	

City of Rensselaer Budget Revenues: Solid Waste Fund

Solid Waste Fund Income	Revenue	Metric	Year 3+	
			Factor	Change
Solid Waste Charges	\$ 276	1	0.0%	\$ -
City Charges	\$ 688,771	1	0.0%	\$ -
Refund from Scrap	\$ 9,334	1	0.0%	\$ -
Solid Waste Fees Commercial	\$ 9,000	1	0.0%	\$ -
Interest on Solid Waste Bills	\$ 1,746	1	0.0%	\$ -
Non Resident Solid Waste Bills	\$ 13,950	1	0.0%	\$ -
Interest Earnings	\$ 35	1	0.0%	\$ -
Interest & Penalties	\$ -	1	0.0%	\$ -
Total Solid Waste Fund Revenues	\$ 723,112			\$ -

City of Rensselaer Budget Revenues: Sanitary Sewers (G Fund)

Sanitary Sewers Fund Income	Revenue	Metric	Year 3+	
			Factor	Change
Appropriated From Fund Balance	\$ 201,000	1	0.0%	\$ -
Sewer Charges	\$ 287,130	3		\$76,011
Total Sanitary Sewers Fund Revenues	\$ 488,130			\$76,011

City of Rensselaer Budget Revenues: Library Fund

Library Fund Income	Revenue	Metric	Year 3+	
			Factor	Change
Interest Earned Library Trust	\$ -	1	0.0%	\$ -
County Aid Library	\$ 5,700	1	0.0%	\$ -
LLSA State Funding	\$ 4,888	1	0.0%	\$ -
Other Unclassified Revenue	\$ 2,226	1	0.0%	\$ -
Transfer from City General Fund	\$ 98,511	1	0.0%	\$ -
Total Library Fund Revenues	\$ 111,325			\$ -

Total General, Water, Solid Waste, Sanitary Sewers, Library	\$16,869,492			\$530,620
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City of Rensselaer Budget Expenses: General Fund

General Fund Expense	Expense	Metric	Year 3+	
			Factor	Change
Common Council	\$ 82,338	2	9.8%	\$ 8,052
Mayor	\$ 93,997	2	9.8%	\$ 9,193
Treasurer	\$ 176,711	2	9.8%	\$ 17,282
Purchasing	\$ 35,438	2	9.8%	\$ 3,466
Assessment	\$ 58,812	2	9.8%	\$ 5,752
City Clerk	\$ 104,099	2	9.8%	\$ 10,181
Law Department	\$ 268,809	2	9.8%	\$ 26,289
Administrative Services	\$ 87,452	2	9.8%	\$ 8,553
Elections	\$ 1,100	1	0.0%	\$ -
Public Works Administration	\$ 139,609	2	9.8%	\$ 13,653
Buildings	\$ 359,217	2	9.8%	\$ 35,131
Engineering	\$ 113,500	2	9.8%	\$ 11,100
Building Code Enforcement	\$ 110,601	2	9.8%	\$ 10,817
Public Health	\$ 5,000	2	9.8%	\$ 489
Maintenance of Roads-Highway	\$ 1,165,403	1	0.0%	\$ -
Snow Removal	\$ 95,900	1	0.0%	\$ -
Street Lighting	\$ 216,800	1	0.0%	\$ -
Senior Citizens	\$ 9,200	1	0.0%	\$ -
Recreation	\$ 79,898	1	0.0%	\$ -
Youth Bureau	\$ 41,371	1	0.0%	\$ -
Celebrations	\$ 17,300	1	0.0%	\$ -
Planning	\$ 865,933	2	9.8%	\$ 84,687
Undistributed Employee Benefits	\$ 3,536,681	2	9.8%	\$ 345,880
Special Items	\$ 792,704	2	9.8%	\$ 77,525
Central Services	\$ 6,000	2	9.8%	\$ 587
Central Data Processing	\$ 62,450	2	9.8%	\$ 6,107
Control of Animals	\$ 5,000	1	0.0%	\$ -
Debt Service	\$ 857,150	1	0.0%	\$ -
Interfund Transfers	\$ 113,511	1	0.0%	\$ -
Police Department				
Salaries	\$ 2,357,644	3	-	\$ 416,055
Equipment	\$ 76,000	3	-	\$ 13,412
Cont. Services	\$ 214,000	3	-	\$ 37,765
Fire Department				
Salaries	\$ 943,419	3	-	\$ 188,684
Equipment	\$ 19,250	3	-	\$ 3,850
Cont. Services	\$ 132,595	3	-	\$ 26,519
Less: Projected Salary/Benefit Savings	\$ (64,013.00)	1	0.0%	\$ -
Total General Fund Expenses	\$ 13,180,879			\$ 1,580,080



City of Rensselaer Budget Expenses: Capital Budget

Capital Budget Expense	Expense	Metric	Year 3+	
			Factor	Change
Planning/Engineering				
Brownfield Cleanup	\$ 200,000	1	0.0%	\$ -
City Hall Rehab Project	\$ 39,844	1	0.0%	\$ -
Green Infrastructure Project	\$ 945,000	1	0.0%	\$ -
Route 20 Bike/Pedestrian Project	\$ 900,000	1	0.0%	\$ -
CHIPS	\$ 194,100	1	0.0%	\$ -
Fire Department				
Vehicle	\$ 110,000	1	0.0%	\$ -
Police Department				
Replacement Vehicle	\$ 45,000	3	-	\$ 33,333
Department of Public Works				
Renovations to City-owned Buildings	\$ 25,000	1	0.0%	\$ -
Department of Recreation				
Replacement Equipment	\$ 25,000	1	0.0%	\$ -
Total General Fund Expenses	\$ 2,483,944			\$ 33,333

City of Rensselaer Budget Expenses: Water Fund

Water Fund Expense	Expense	Metric	Year 3+	
			Factor	Change
Water Administration				
Personal Services	\$ 72,821	1	0.0%	\$ -
Equipment	\$ 500	1	0.0%	\$ -
Contractual Expenditures	\$ 10,235	1	0.0%	\$ -
Cross Street				
Personal Services	\$ 39,107	1	0.0%	\$ -
Equipment	\$ 300	1	0.0%	\$ -
Contractual Expenditures	\$ 1,196,500	3	-	\$ 68,321
Water Crew (Street)				
Personal Services	\$ 164,578	1	0.0%	\$ -
Equipment	\$ 88,000	1	0.0%	\$ -
Contractual Expenditures	\$ 111,115	2	9.8%	\$ 10,867
Special Items				
Liability Insurance	\$ 40,700	1	0.0%	\$ -
Contracted Services	\$ 58,000	1	0.0%	\$ -
Refund on Water Rents	\$ 1,000	1	0.0%	\$ -
Undistributed				
Social Security	\$ 20,457	1	0.0%	\$ -
Health Insurance	\$ 90,500	1	0.0%	\$ -
NYS Emp. Retirement Sys.	\$ 40,000	1	0.0%	\$ -
Workers' Compensation	\$ 18,000	1	0.0%	\$ -
Debt Service				
Principal on Debt	\$ 350,083	1	0.0%	\$ -
Interest on Debt	\$ 64,150	1	0.0%	\$ -
Interfund Transfers				
Transfer Capital Sewer Maint. Fees	\$ -	1	0.0%	\$ -
Total Water Fund Expenses	\$ 2,366,046			\$79,188



City of Rensselaer Budget Expenses: Solid Waste Fund				
Solid Waste Fund Expense	Expense	Metric	Year 3+	
			Factor	Change
Solid Waste Department				
Personal Service	\$ 218,358	1	0.0%	\$ -
Equipment	\$ 2,400	1	0.0%	\$ -
Contractual Expenditures	\$ 296,200	1	0.0%	\$ -
Special Items				
Liability Insurance	\$ 11,900	1	0.0%	\$ -
Contracted Services	\$ 34,150	1	0.0%	\$ -
Contingency Account	\$ 20,000	1	0.0%	\$ -
Refund on Water Rents	\$ 1,000	1	0.0%	\$ -
Undistributed				
Social Security	\$ 16,704	1	0.0%	\$ -
Health Insurance	\$ 81,000	1	0.0%	\$ -
NYS Emp. Retirement System	\$ 28,600	1	0.0%	\$ -
Workers' Compensation	\$ 12,800	1	0.0%	\$ -
Total Solid Waste Fund Expenses	\$ 723,112			\$ -

City of Rensselaer Budget Expenses: Sanitary Sewers (G Fund)				
Sanitary Sewers Fund Expense	Expense	Metric	Year 3+	
			Factor	Change
Sanitary Sewers				
Personal Services	\$ 117,260	1	0.0%	\$ -
Equipment	\$ 18,000	1	0.0%	\$ -
Contractual Expenditures	\$ 132,000	2	9.8%	\$ 12,909
Special Items				
Liability Insurance	\$ 5,400	2	9.8%	\$ 528
Contracted Services	\$ 73,000	2	9.8%	\$ 7,139
Contingency Fund	\$ 25,000	2	9.8%	\$ 2,445
Undistributed				
Social Security	\$ 8,970	1	0.0%	\$ -
Health Insurance	\$ 56,000	1	0.0%	\$ -
NYS Emp. Retirement System	\$ 15,500	1	0.0%	\$ -
Workers' Compensation	\$ 7,000	1	0.0%	\$ -
Debt Service				
Interest on Debt	\$ 30,000	1	0.0%	\$ -
Total Sanitary Sewers Fund Expenses	\$488,130			\$ 23,022

City of Rensselaer Budget Expenses: Library Fund				
Library Fund Expense	Expense	Metric	Year 3+	
			Factor	Change
Public Library				
Personal Service	\$ 83,092	1	0.0%	\$ -
Equipment	\$ 1,000	1	0.0%	\$ -
Contractual Expenditures	\$ 27,233	1	0.0%	\$ -
Total Library Fund Expenditures	\$ 111,325			\$ -

Total General, Capital, Water, Solid Waste, Sanitary Sewers, Library	\$19,353,436			\$1,715,823
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A summary of the unadjusted totals from the budget tables is provided below. Please note that increased property and sales tax revenue as a result of the Project are not included in this table.

Unadjusted Totals	
	Year 3+ Change
Revenues	\$530,620
Expenses	\$1,715,623

As host communities, the City and County will collectively receive 10 percent of the gaming tax revenue collected by the State (split evenly). The State will impose a tax rate of 45% on revenue from slot machines and a 10% tax on all other gaming.

Gaming Tax Revenue	
Gross Gaming Revenue	
New Slot Machine Revenue	
Tax Rate on Slot Machine Revenue	45%
New Slot Machine Tax Revenue	
New Other Gaming Revenue	
Tax Rate on Other Gaming	10%
New Other Gaming Tax Revenue	
Total New Gaming Tax Revenue	
New Rensselaer County Gaming Tax Revenue	
New City of Rensselaer Gaming Tax Revenue	

Source: Camoin Associates, NYS Local Gaming Facility RFA



The following table summarizes the total annual unadjusted revenue to the City.

Unadjusted Revenue - City							
Year	Added TAV	Property Tax Rate	Property Tax Revenue	Gaming Tax Revenue	Sales Tax Revenue	All Other Variable Revenues to City	Total Unadjusted Revenue
1		51.243					
2		51.243					
3		51.243					
4		51.243					
5		51.243					
6		51.243					
7		51.243					
8		51.243					
9		51.243					
10		51.243					
11		51.243					
12		51.243					
13		51.243					
14		51.243					
15		51.243					
16		51.243					
17		51.243					
18		51.243					
19		51.243					
20+		51.243					

Source: Camoin Associates

In the table below the calculated revenues and expenses through year 20 are adjusted for inflation.



Year	Revenue Adjusted for Inflation		Expenses Adjusted for Inflation		Net Fiscal Impact to City
	Inflation Factor	Total Unadjusted Revenue	Total Adjusted Revenue	Total Unadjusted Expenses	
1	1.000			\$ -	\$ -
2	1.030			\$ -	\$ -
3	1.061			\$ 1,715,623	\$ 1,820,104
4	1.093			\$ 1,715,623	\$ 1,874,707
5	1.126			\$ 1,715,623	\$ 1,930,948
6	1.159			\$ 1,715,623	\$ 1,988,877
7	1.194			\$ 1,715,623	\$ 2,048,543
8	1.230			\$ 1,715,623	\$ 2,110,000
9	1.267			\$ 1,715,623	\$ 2,173,300
10	1.305			\$ 1,715,623	\$ 2,238,499
11	1.344			\$ 1,715,623	\$ 2,305,653
12	1.384			\$ 1,715,623	\$ 2,374,823
13	1.426			\$ 1,715,623	\$ 2,446,068
14	1.469			\$ 1,715,623	\$ 2,519,450
15	1.513			\$ 1,715,623	\$ 2,595,033
16	1.558			\$ 1,715,623	\$ 2,672,884
17	1.605			\$ 1,715,623	\$ 2,753,071
18	1.653			\$ 1,715,623	\$ 2,835,663
19	1.702			\$ 1,715,623	\$ 2,920,733
20+	1.754			\$ 1,715,623	\$ 3,008,355
20-yr total				\$ 30,881,209	\$ 42,616,711

Source: Camoin Associates

School District Fiscal Impacts

The Project will be a significant employer in the City and is anticipated to attract some of its employees from outside of the Region. Some employees relocating to the City of Rensselaer and surrounding municipalities may already have children or start families after relocating to the area. We project that the new employment at the Project site (direct jobs) would result in 183 new households in Rensselaer County and a total of 524 households in the Region consisting of the following counties: Rensselaer, Albany, Fulton, Montgomery, Saratoga, Schenectady, Schoharie, and Washington. Please see Exhibit IX.A.4, submitted separately, for details on the methodology used to estimate household generation.

The “high” scenario estimates that up to 217 new households may be generated in Rensselaer County and 624 total new households in the eight-county region. For the purposes of the school district fiscal impact analysis we consider the “high” scenario of household creation. Therefore, the following analysis should be considered a “worst-case” scenario in terms of new costs associated with student enrollment as a result of the Project and is more likely to overestimate new costs than underestimate them.

As described in Exhibit IX.A.4, it is estimated that 30% of these new households will have children at a rate of approximately 1.9 children per household. Approximately 80% of these children will be school-age. Based on these assumptions, we estimate the Project to result in approximately 284 new school-age children in the Region.



New School Age Children in Region

County	New Households (Direct)	Households w/Children	Children per HH	New School-age Children
		30%	1.9	80%
Rensselaer	217	65	124	99
Albany	211	63	120	96
Fulton	14	4	8	7
Montgomery	13	4	7	6
Saratoga	66	20	38	30
Schenectady	78	24	45	36
Schoharie	10	3	6	5
Washington	13	4	7	6
Total	624	187	355	284

Source: Camoin Associates, US Census

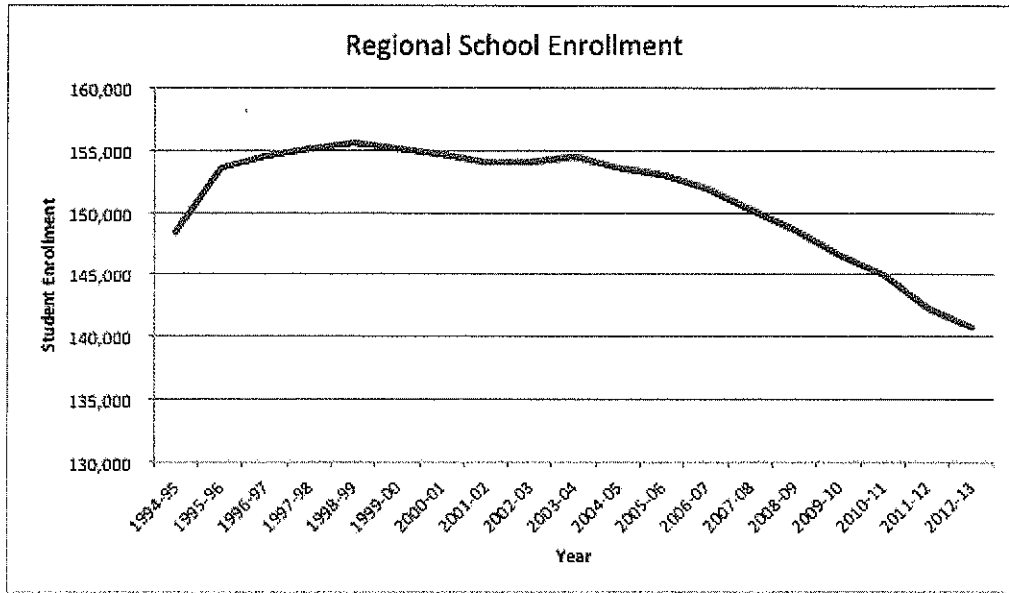
The following table estimates the number of new students per district if the new households and associated students were spread relatively evenly across the school districts within each county. On average, Rensselaer County is expected to have the greatest number of new students per school district.

New Students per District

County	New Students	# of School Districts in County	Average New Students per District
Rensselaer	99	12	8.3
Albany	96	12	8.0
Fulton	7	7	0.9
Montgomery	6	5	1.2
Saratoga	30	12	2.5
Schenectady	36	6	6.0
Schoharie	5	6	0.8
Washington	6	11	0.5
Total	284		

Source: Camoin Associates, US Census

There are 71 school districts in the Region. As shown in the following chart, student enrollment peaked in the 1998–99 school year and declined steadily following since 2003–04. In the 10-year period between the 2003–04 and 2012–13 school years, student enrollment declined by approximately 13,800 (9%). Therefore, we anticipate regional schools would have more than enough capacity within existing buildings to accommodate the expected increase in students associated with the Project.



Source: New York State Education Department

The 12 school districts of Rensselaer County will likely be impacted by the Project more than school districts in the rest of the Capital Region. The following table provides a breakdown of the expected costs of new students for each Rensselaer County school district. School districts were divided into three categories based on the expected level of impact as measured by new students.

Rensselaer City School District is expected to experience the greatest impact of all county districts and is the only district in the "High Impact Level" category. Five county school districts are included in the "Medium Impact Level" category due to their geographic proximity to the project site. The remaining six school districts compose the "Low Impact Level" category.

We estimate that 50% of new students in the county will be enrolled in the "High Impact" area consisting of the Rensselaer City School District. We estimate that 40% of new county students will enroll in "Medium Impact" districts. These students are expected to be distributed across the six districts at a ratio equal to the current enrollment of each district. For example, Troy City School District has 33.3% of all students enrolled in the six "Medium Impact" districts and is therefore expected to gain 33.3% of the new students in the "Medium Impact" category. The remaining 10% of students are anticipated to enroll in the other six "Low Impact" school districts in the County.



New Students Per District in Rensselaer County

Impact Level	School District	Share of County Students	Students	Impact Level Share of Students	New Students
High	Rensselaer City School District	50%	50	100%	49.6
	North Greenbush Common School District (Williams)			0.1%	0.1
Medium	East Greenbush Central School District	40%	40	36.5%	14.5
	Troy City School District			33.3%	13.2
	Wynantskill Union Free School District			2.6%	1.0
	Averill Park Central School District			27.5%	10.9
Low	All Other County School Districts	10%	10	100%	9.9

Source: Camoin Associates, New York State Education Department

State aid accounts for approximately 48% of the district's budget. Another 15% is derived from other revenue sources such federal aid. School property taxes only cover about 33% of the district's budget. In 2011, the average spending per student in New York was \$19,076. When projected to 2017, the cost is approximately \$23,800. Based on the above analysis, the Project is expected to result in about 50 new students in the district, which would result in an annual local cost of \$373,000 to be covered by local property taxes with the remaining portion of the \$1.13 million total cost covered by other sources such as state and federal aid.

Impact to City School District

Budget Categories	Cost of 50 Students	
Total	\$22,624,700	\$1,129,530
% Local	33%	33%
Total Local Cost Net	\$7,476,678	\$373,270

Source: Camoin Associates, New York State Education Department

The primary direct impact of the Project to the Rensselaer City School District will be an increase in property tax revenue shown in the table below.

Change in School Property Tax Revenue

	Years 1-2	Years 3+
Existing Property Tax Rev.	\$19,703	
Tax Rate (per \$1,000 of AV)	59.258074	
Assessed Value	\$332,500	
Property Tax Revenue	\$19,703	
Change in Property Tax Rev.	\$0	

Source: Camoin Associates, Company

The following table summarizes the total annual revenue to the Rensselaer City School District.



School District Revenue

Year	Added TAV	Tax Rate	Unadjusted Revenue	Inflation Factor	Adjusted Revenue
1		59.258074		1.000	
2		59.258074		1.030	
3		59.258074		1.061	
4		59.258074		1.093	
5		59.258074		1.126	
6		59.258074		1.159	
7		59.258074		1.194	
8		59.258074		1.230	
9		59.258074		1.267	
10		59.258074		1.305	
11		59.258074		1.344	
12		59.258074		1.384	
13		59.258074		1.426	
14		59.258074		1.469	
15		59.258074		1.513	
16		59.258074		1.558	
17		59.258074		1.605	
18		59.258074		1.653	
19		59.258074		1.702	
20+		59.258074		1.754	
20-year total					

Source: Camoin Associates



Statewide Fiscal Impact Analysis

Following standard methodologies in the field, the following analysis examines the impacts of the Project on the fiscal resources of the State of New York.

Sales Tax Revenue

Gaming revenues are not subject to sales tax; however, on-site and off-site spending related to lodging, prepared food, recreation, and travel will be taxable. Taxable sales were projected using revenue estimates from the Company. As discussed above, the focus of this analysis is on taxable sales specific to spending at non-gaming amenities (restaurants, entertainment, etc.). However, gaming customers receive promotional allowances including comps and/or the retail value of goods and services, which are not taxable. Based on discount rates provided by the Company, total on-site taxable sales for the "Hotel" category has been discounted by [REDACTED] and the "Dining, Retail, and Other" spending category has been discounted by [REDACTED] to capture only actual spending by gaming visitors. Please refer to Exhibit VIII.B.3.b for the statewide economic impact study, which provides a detailed description of the methodology used to estimate visitor spending.

Taxable Sales: Direct Spending by Visitors	
On-Site Spending	
Hotel	[REDACTED]
Food & Drink	[REDACTED]
Other	[REDACTED]
Off-Site Spending	
Transportation	[REDACTED]
Food & Drink	[REDACTED]
Entertainment	[REDACTED]
Retail	[REDACTED]
Total Taxable Direct Spending:	[REDACTED]

Source: Camoin Associates

New York imposes a 4% sales tax and Rensselaer County imposes a 4% tax rate, which combine for an 8% tax rate on taxable sales.

Sales Tax Revenue - On-Site & Off-Site Spending	
Sales	[REDACTED]
New Tax Revenue (8%)	[REDACTED]
	NYS Portion (4%)
	Rensselaer County Portion (4%)

Source: Camoin Associates, Rensselaer County Bureau of Finance

A portion of the earnings associated with the jobs created by the Project will be spent on taxable goods and services in the state. We estimate that approximately 70% of the total earnings would be spent in the State of New York on taxable goods and services.



Sales Tax Revenue - Earnings

Earnings (Year 3)	\$33,799,809
Earnings Spent in State (70%)	\$23,659,866
New Tax Revenue (8%)	\$1,656,191
NYS Portion (4%)	\$946,395
Rensselaer County Portion (4%)	\$946,395

Source: Camoin Associates, Rensselaer County Bureau of Finance

The following table summarizes the total annual sales tax revenue expected to be generated by the Project.

Total Annual Sales Tax Revenue

	NYS	Rensselaer County
Revenue from Direct Sales		
Revenue from Indirect Earnings	\$946,395	\$946,395
Total Sales Tax Revenue		

Source: Camoin Associates

Income Tax Revenue

As incomes rise, the total pool of taxable income in the state rises proportionately. Therefore, income tax revenue (both business and personal income tax) is calculated as the total economic impact to spending (above) divided by the gross state product, multiplied by the total state income tax receipts for 2012 (the most recent year).

State Income Tax Revenue

A. Economic Impact of Project (Spending)	
B. Gross State Product	
C. Proportion (A/B)	
D. Total State Income Tax Receipts (2012)	
E. New Income Tax Revenue (C*D)	

Source: American Fact Finder, Camoin Associates

Gaming Tax

Gaming taxes will be 45% for electronic gaming devices and 10% on table games and other gaming revenue. Taxes generated on gross gaming revenue are expected to be approximately \$ million in year 3 (expressed in 2014 dollars), and increase annually.



Gaming Tax Revenue

Gross Gaming Revenue	
New Slot Machine Revenue	
Tax Rate on Slot Machine Revenue	45%
New Slot Machine Tax Revenue	
New Other Gaming Revenue	
Tax Rate on Other Gaming	10%
New Other Gaming Tax Revenue	
Total New Gaming Tax Revenue	
New Rensselaer County Gaming Tax Revenue	
New City of Rensselaer Gaming Tax Revenue	

Source: Camoin Associates, NYS Local Gaming Facility RFA

Gaming Fee

The State will impose a gaming fee of \$500 per gaming machine and table game, which will generate an annual fee in addition to the gaming tax.

State Gaming Fee Revenue

Fee per Machine/Table Game	\$500
Gaming Machines	1,650
Table Games	50
Total Gaming Fee Revenue	\$850,000

Source: Camoin Associates, NYS Local Gaming Facility RFA, Client Data

One-Time Casino Licensing Fees

New York State will require a one-time licensing fee for the Project. The fee for the Project would be \$50 million. Additionally, the Company paid an application fee of \$1 million.



State of New York Revenue Summary

The table below summarizes the new gaming, income, and sales tax revenue that would be generated for New York State by the Project over a 20-year time period, adjusted for inflation.

Projected Revenue to New York State						
Year	Unadjusted Revenue				Inflation Factor	Adjusted State Revenue
	Gaming Fee	Gaming Tax	Income Tax	Sales Tax		
1*	\$0					1.000
2*	\$0					1.030
3	\$850,000					1.061
4	\$850,000					1.093
5	\$850,000					1.126
6	\$850,000					1.159
7	\$850,000					1.194
8	\$850,000					1.230
9	\$850,000					1.267
10	\$850,000					1.305
11	\$850,000					1.344
12	\$850,000					1.384
13	\$850,000					1.426
14	\$850,000					1.469
15	\$850,000					1.513
16	\$850,000					1.558
17	\$850,000					1.605
18	\$850,000					1.653
19	\$850,000					1.702
20+	\$850,000					1.754
20-yr Total	\$15,300,000					

Source: Camoin Associates

*Construction period only, revenues not shown.

As shown, over a 20-year time period the total fiscal impact of the Project on New York State is \$ [REDACTED] billion.



Rensselaer County Fiscal Impacts

Revenues to the County as a result of the project include property tax revenue, gaming tax, hotel (occupancy) tax, and sales tax. It is not anticipated there will be a significant increase in expenditures for the County as a result of the Project. Impacts to public health and addiction services are evaluated in a separate report.

Property Tax

The following table summarizes the anticipated property tax revenue generated by the project for Rensselaer County.

Rensselaer County Property Tax Revenue					
Year	Added TAX	Tax Rate	Unadjusted Revenue	Inflation Factor	Adjusted Revenue
1		21.915782		1.000	
2		21.915782		1.030	
3		21.915782		1.061	
4		21.915782		1.093	
5		21.915782		1.126	
6		21.915782		1.159	
7		21.915782		1.194	
8		21.915782		1.230	
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14		21.915782		1.469	
15		21.915782		1.513	
16		21.915782		1.558	
17		21.915782		1.605	
18		21.915782		1.653	
19		21.915782		1.702	
20+		21.915782		1.754	
20-yr total					

Source: Camoin Associates

Sales Tax

As described above in the fiscal impact analysis to the State, Rensselaer County will receive sales tax revenue from visitor spending and on spending by new employees of the Project.

Total Annual Sales Tax Revenue		
	NYS	Rensselaer County
Revenue from Direct Sales		
Revenue from Indirect Earnings	\$946,395	\$946,395
Total Sales Tax Revenue		

Source: Camoin Associates



Gaming Tax

As host municipality, Rensselaer County will receive 5% of the gaming tax revenue collected by the State.

Gaming Tax Revenue	
Gross Gaming Revenue	
New Slot Machine Revenue	
Tax Rate on Slot Machine Revenue	
New Slot Machine Tax Revenue	
New Other Gaming Revenue	
Tax Rate on Other Gaming	
New Other Gaming Tax Revenue	
Total New Gaming Tax Revenue	
New Rensselaer County Gaming Tax Revenue	
New City of Rensselaer Gaming Tax Revenue	

Source: Camoin Associates, NYS Local Gaming Facility RFA

Occupancy Tax Revenue

Rensselaer County charges a 3% occupancy tax on hotel stays in the County. The occupancy tax revenue assumes a [redacted] vacancy rate (provided by the Company). Paid hotel room nights account for the fact that the Company expects to "comp" [redacted] of hotel nights.

Occupancy Tax Revenue	
Paid Hotel Room Nights	
Average Daily Room Rate	
Annual Hotel Sales	
County Occupancy Tax Rate	
New County Occupancy Tax	



Rensselaer County Revenue Summary

The table below summarizes the new sales, occupancy, property, and gaming tax revenue that would be generated for Rensselaer County by the Project over a 20-year time period, adjusted for inflation.

Projected Revenue to Rensselaer County						
Year	Unadjusted Revenue				Inflation Factor	Adjusted County Revenue
	Sales & Occupancy Tax	Property Tax	Gaming Tax Revenue	Total County Tax Revenue		
1*					1.000	
2*					1.030	
3					1.061	
4					1.093	
5					1.126	
6					1.159	
7					1.194	
8					1.230	
9					1.267	
10					1.305	
11					1.344	
12					1.384	
13					1.426	
14					1.469	
15					1.513	
16					1.558	
17					1.605	
18					1.653	
19					1.702	
20+					1.754	
20 yr Total					-	

Source: Camoin Associates

*Construction period only, revenues not shown.

As shown, over a 20-year time period the total fiscal impact of the Project on Rensselaer County is [REDACTED] million.

Public Health and Addiction Services

The Upstate NY Gaming Economic Development Act establishes a fund for problem gambling (\$500 per slot machine and table game). The Project would generate \$825,000 annually for the purpose of addressing public health and addiction service concerns associated with the Project.



State Gaming Fee Revenue

Fee per Machine/Table Game	\$500
Gaming Machines	1,650
Table Games	50
Total Gaming Fee Revenue	\$850,000

Source: Camoin Associates, NYS Local Gaming Facility RFA, Client Data

Background Conditions

The RFA requests a discussion of background conditions. As described above, the State and County fiscal impacts are motivated by tax revenues generated as a result of the anticipated "net new" visitor spending associated with the Project. While the Project will undoubtedly attract non-gamers, the focus of the fiscal impact analysis is strictly on economic and fiscal impacts driven by spending by gamers (i.e. "net new" spending). Spending at the site by non-gamers is not considered "net new" because, if the Project did not occur, this spending would likely occur at other existing recreational amenities. Non-gamer spending was not included in the calculation of new tax revenues generated by the project. For additional information on the assumptions that went into building this case, please refer to Exhibit VIII.B.3.b submitted separately.

Therefore, to arrive at the background condition—the condition in which the proposed Rensselaer casino is not developed—one must simply subtract the fiscal impacts described above.



Comparison of Results to Observed Conditions

Per the RFA, findings from the economic and fiscal impact analysis of the Project were compared to a report prepared by the Center for Governmental Research (CGR) on the Seneca Niagara Casino, Fiscal & Economic Impact on Niagara Falls, NY (hereafter, the "CGR report").

Overall, the CGR report found that costs of the casino on the City of Niagara Falls is minimal:

*"Costs imposed on the City of Niagara Falls as a consequence of the Casino are also small. While additional traffic for Casino-sponsored events has increased the burden on the Niagara Falls Police Department, a substantial portion of additional staffing costs is reimbursed through an agreement with Seneca Gaming Corporation. The City appears to be earning offsetting revenue from parking violations, however."*¹

And that the net benefits, greatly outweigh the costs:

*"The Casino has affected the City of Niagara Falls in a number of ways. The Success of the Casino itself highlights the fact that total traffic to the community has increased substantially. Overall, the Casino compliments the Falls and other community attractions, broadening the appeal of the community. The most demonstrable economic impact in the community is the increased employment."*²

The following table compares the economic and fiscal impacts of the Seneca Casino, as described in the CGR report, to the proposed Project. We note that this is not a straight "apples-to-apples" comparison as different assumptions were used for each analysis. Please refer to the footnotes below the table for clarification.

Comparison of Results to Observed Conditions		
	Casino	Seneca Casino
Slot Machines		3,238
Table Games		97
Annual Patrons (Gamers)		4,300,000
Net Gaming Revenue		\$366,685,000
Net Employment		1,500
Onsite Wages		\$55,935,000
Average Earnings per Worker (onsite)		\$37,290
Net New Total Jobs (onsite & offsite) ²		2,600
Income Tax Revenue to State		\$3,107,500
Total Sales Tax		\$8,701,000
Sales Tax to Local Governments		\$3,853,300
Sales Tax to State		\$4,350,500

1. Shown in 2014 dollars, where applicable.

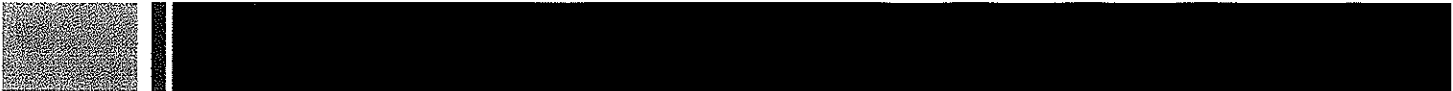
2. Assumes new jobs in NYS as a whole, Seneca case assumes new jobs in adjacent counties.

Source: Camoin Associates, Company, CGR Report: Seneca Niagara Casino Fiscal & Economic Impact on Niagara Falls, NY

¹ Source: http://www.cgr.org/reports/05_R-1418_SenecaNiagaraCasinoEcon.pdf

² Source: http://www.cgr.org/reports/05_R-1418_SenecaNiagaraCasinoEcon.pdf





Seneca Casino's Impact to Emergency Service Providers

EMS: Overall, the impact of the impact of the Seneca Casino on medical response has been negligible as the casino provides its own staff to respond to medical emergencies among its patrons. The Seneca Casino has on staff its own EMS professionals and it purchased an ambulance, allowing it to respond internally to medical emergencies.

Fire Protection: The local fire department asked the Seneca Gaming Corporation to accommodate equipment storage on higher floors of new buildings, to aid in their response.

Police: Since the Casino is located in an existing tourist area, the local police department issues increased citations in the area related to the tourism sector as a whole. The local police department incurred some increased overtime costs related to special events at the Casino, but most of these costs are covered by the Casino as it hires additional officers at its own expense. Under the coverage arrangement, Niagara Falls polices the exterior of the site and state police are hired by the Casino to cover the interior properties.



Attachments

A. About Camoin Associates

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. We specialize in market analysis to evaluate the feasibility and impacts of proposed projects. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to Texas; corporations and organizations that include Lowes Home Improvement, FedEx, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$600 million. Our reputation for detailed, place-specific, and accurate analysis has led to projects in twenty states and garnered attention from national media outlets including Marketplace (NPR), Forbes magazine, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. The firm currently has offices in Saratoga Springs, NY, Portland, ME, and Brattleboro, VT.

Our work experience includes economic and fiscal impact studies of:

- Proposed MGM Casino on the City of Northampton, MA
- Erie County Raceway & Casino
- NYS Sire Stakes
- Nassau Coliseum
- Walkway Over the Hudson
- Friends of Old 7 Pedestrian Bridge
- Adirondack Rail Corridor
- Oak Mountain Ski Area
- Fort Stanwix
- Catskill Mountain Rail Trail
- Erie County National Heritage Corridor
- Select County Fairgrounds across New York State (Erie, Dutchess, Washington, Saratoga, and Jefferson)
- And more...

To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter @camoinassociate and on Facebook.



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