
ATTACHMENT VIII.B.3.b-2

**DIRECT AND INDIRECT ECONOMIC IMPACTS OF THE
GAMING FACILITY AT ADELAAR
TOWN OF THOMPSON, NY**

Prepared for:

Empire Resorts, Inc.
Montreign Resort Casino
Gaming Facility at Adelaar

Prepared by:



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INTRODUCTION

AKRF, Inc. (AKRF) was retained to conduct various analyses of the economic and fiscal benefits of the proposed Gaming Facility in support of Empire’s application to the New York Gaming Facility Location Board to be granted a Gaming Facility License. The Gaming Facility will include the Montreign Resort Casino, Entertainment Village, the Indoor Waterpark Lodge, and the Monster Golf Course. In addition, there will be roadway and other infrastructure improvements within and outside of the Project Site.

This economic impact report presents estimates of direct and indirect jobs, employee compensation, and total economic output generated by the construction and operations of the proposed Gaming Facility on the Town of Thompson, Sullivan County, Region One, and New York State. The estimates are based on the IMPLAN input-output model.

The analysis was conducted to address Evaluation Criteria submitted as Exhibit VIII.B.3.b: *Submit economic impact studies completed by an independent expert showing the proposed Gaming Facility’s positive and negative impacts on the local and regional economy, and on the host and nearby municipalities including impacts on incremental job creation, unemployment rates, cultural institutions and small businesses.* This study presents the economic benefits, or positive impacts, that would result from the Gaming Facility, and in doing so supports the content found within Exhibit VIII.B.3.b.

Exhibit VIII.B.3.b is also supported by AKRF’s tax revenue analysis found in Exhibit VIII.B.4, as well as the municipal costs analysis prepared by HR&A, found within Exhibit IX.A.2.

Following this introduction, the report is organized as follows:

- **Section A** presents an overview of the methodology, including data sources and assumptions.
- **Section B** presents the direct and indirect economic benefits resulting from construction of the Gaming Facility under the “No Regional Competition” Scenario.
- **Section C** presents the direct and indirect economic benefits resulting from construction of the Gaming Facility for the “With Regional Competition” Scenario.
- **Section D** presents the direct and indirect economic benefits resulting from annual operations of the Gaming Facility for the “No Regional Competition” Scenario.
- **Section E** presents the direct and indirect economic benefits resulting from annual operations of the Gaming Facility for the “With Regional Competition” Scenario.
- **Section F** describes the overall benefits of the Gaming Facility’s economic activities in terms of its effects on job creation and unemployment rates, cultural institutions, and small businesses.
- The report’s **Appendix** presents a detailed breakdown of the above-described analysis, reporting for both scenarios the economic benefits generated by the construction and operations of each separate component of the Gaming Facility (i.e., the Montreign Resort Casino, Indoor Waterpark Lodge, Entertainment Village, and Monster Golf Course).

A. METHODOLOGY

The principal economic model used to estimate the effect on the economy of constructing and operating the Proposed Project was IMPLAN (IMpact Analysis for PLANning), which was originally developed by the U.S. Department of Agriculture Forest Service in 1979 and was subsequently privatized by the Minnesota IMPLAN Group (MIG). The model uses the most recent economic data from sources such as the U.S. Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, and the U.S. Census Bureau to predict effects on the local economy from direct changes in spending. The operations analysis was modeled in Sullivan County, Region One, and New York State. The IMPLAN model contains data for Sullivan County on 440 economic sectors, showing how each sector affects every other sector as a result of a change in the quantity of its product or service. A similar IMPLAN model for Region One and New York State were used to trace the effects on Region One and the State economy. Using these models and the specific characteristics of the Gaming Facility, the total effect has been projected for Sullivan County, Region One, and New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town's current share of Sullivan County employment (33.9 percent).¹

The construction analysis was modeled on Region One and New York State. Region One includes the following seven counties: Columbia, Delaware, Dutchess, Greene, Orange, Sullivan, and Ulster. Because the study area for an economic benefits analysis should include the place of residence of most of the labor force, the construction analysis was not modeled for Sullivan County. Sullivan County has a relatively small construction labor pool, estimated at 694 workers in the construction sector, including 213 workers who work in building construction, 431 specialty trade contractors, and 51 heavy and civil engineering construction workers.² Indirect and induced effects to Sullivan County were estimated based on Sullivan County's current share of employment in Region One for each affected industry Sector using data from New York State Department of Labor.

The construction analyses are based on the construction schedule provided by Empire and EPR. Assuming timely issuance of a Gaming License, construction of is expected to start in November 2014. The Gaming Facility is expected to open by November 2016, with 2017 representing the first full year of operations. This analysis assumes 30 months from start of construction in November 2014, to full opening of the final Gaming Facility amenities in April 2017.³ The construction period effects for the "No Regional Competition" scenario are not influenced by the low-, average, and high-revenue cases. For the "With Regional Competition" scenario, there is a High-Revenue/Average-Revenue case and a Low-Revenue case. All dollar amounts in the construction section are in today's dollars (constant 2014 dollars). In future years, the actual dollar amounts are expected to increase with inflation.

¹ ESRI Business Analyst's Business Summary Report, queried June 2014.

² 2013 Quarterly Census of Employment and Wages.

³ The construction period is an estimated 18 months for Entertainment Village, 19 months for the Indoor Waterpark Lodge, and 18 months for the Monster Golf Course.

The operations analyses are based on the first full year of operations for the Gaming Facility, which is 2017. This analysis is conservative since it is expected that there will be a ramp-up period and does not account for increases in economic activity associated with fully stabilized operations. Furthermore, future development is planned for Adelaar Resort, including residential, commercial, hospitality uses, as described in the Comprehensive Development Plan, which was adopted by the Town of Thompson in 2013 and is included in Exhibit VIII.C.3.a. This analysis does not account for economic activity and associated benefits that would result from this future development at Adelaar.

MEASURES OF ECONOMIC IMPACT

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

Direct effects represent the initial benefits to the economy of a specific new investment, e.g., a construction project or changes in employment.

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

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

The IMPLAN model provides the following economic impacts: Employment, Employee Compensation, and Economic Output.

Employment in the IMPLAN model is presented in full- and part-time employment. IMPLAN's employment data are based on Bureau of Labor Statistics' Covered Employment and Wages (CEW) data, Bureau of Economic Analysis' (BEA) Regional Economic Accounts (REA) data, and U.S. Department of Census' County Business Patterns.

Employee compensation is the total payroll cost of the employee paid by the employer. This includes wage and salary, all benefits (e.g., health, retirement) and payroll taxes (both sides of social security, unemployment taxes, etc). IMPLAN's employee compensation data is derived from CEW data and REA data.

Economic output is a measure of the total value of all goods produced. Output is defined as the total value of production, including intermediate goods and services (raw materials, transportation, utilities, and contracted services) and value added (employee compensation, proprietary income, and indirect business taxes). IMPLAN's output data are derived from a

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number of sources including BEA’s Annual Industry Accounts and the Annual Survey of Manufacturers. Retail data come from the U.S. Census Bureau's Annual Census of Retail Trade.

**B. CONSTRUCTION BENEFITS FROM THE GAMING FACILITY
“NO REGIONAL COMPETITION” SCENARIO**

This section presents the economic benefits from construction for the Gaming Facility, which includes Montreign Resort Casino, Indoor Waterpark Lodge, Monster Golf Course, and Entertainment Village. Benefits are presented for the “No Regional Competition” Scenario, which assumes that there is no other gaming facility license awarded within Region One.

VALUE OF CONSTRUCTION

Based on construction cost estimates provided by Empire and EPR Properties (EPR), the total hard and soft cost for developing the Gaming Facility, excluding financing and the value of land, is approximately \$714.49 million in 2014 dollars. For the economic benefits analysis, the cost of fixtures, furniture, and equipment (FFE) (\$95.52 million) are excluded as it is assumed that these are imported to New York State and not constructed on the Project Site. It is likely that some portion of FFE would be purchased and/or constructed on the Project Site, and in this respect the analysis understates potential benefits.

Physical improvements to the Project Site (\$581.70 million) are assumed to occur in Region One (see **Table 1**).

**Table 1
Construction Costs for Gaming Facility
“No Regional Competition” Scenario**

IMPLAN Sector	Description of Industry Sector	Construction Costs (Millions of 2014 dollars)	
		Region One	New York State
34	Construction of new nonresidential commercial structures	\$413.67	\$413.67
36	Construction of other new nonresidential structures	\$158.28	\$158.28
39	Maintenance and repair construction of nonresidential structures	\$9.75	\$9.75
367	Legal services	\$5.95	\$9.66
369	Architectural, engineering, and related services	\$11.89	\$23.68
Total Construction Cost		\$599.54	\$615.04
<p>Notes: Numbers may not add precisely to totals due to rounding.</p> <p>1 The cost of FFE (\$95.52 million) is excluded from the construction cost as it is assumed that these are imported to New York State and not constructed on the site. In addition, it is estimated that \$3.93 million of soft costs are estimated to be outside of New York State. The estimated total construction cost for the Gaming Facility with FFE and out-of-state soft costs is \$714.49 million.</p> <p>Source: Construction costs provided by Empire Resorts and EPR Properties.</p>			

Soft costs, including legal, engineering, and architecture, are estimated at \$33.34 million in New York State, of which \$17.84 million are analyzed in the Region One model.¹ Including the physical improvements to the Project Site and soft costs, the construction cost appropriate for this analysis is \$599.54 million in Region One and \$615.04 million in New York State.

ECONOMIC BENEFITS FROM CONSTRUCTION

Employment

As discussed above, the construction cost appropriate for the economic benefits analysis is \$615.04 million in New York State, of which \$599.54 million is assumed to occur in Region One. As a result of the direct expenditures, direct employment from construction of the Gaming Facility (including both on-site construction jobs and jobs resulting from construction soft costs such as architecture and engineering) is estimated at 3,086 person-years of employment in New York State, of which 3,029 person-years are anticipated in Region One.²

As discussed above, when new direct jobs are introduced to an area, those jobs lead to the creation of additional indirect and induced jobs. Indirect employment resulting from construction expenditures includes jobs in industries that provide goods and services to the contractors, and induced employment includes jobs generated by new economic demand from households spending salaries earned through the direct and indirect jobs. Based on the IMPLAN model's economic multipliers for Region One sectors, construction of the Gaming Facility would generate an additional 506 person-years of indirect employment and 829 person-years of induced employment within the region, bringing the total number of jobs from construction to 4,364 person-years (see **Table 2**). In the larger New York State economy, the model estimates that construction would generate 4,870 person-years of direct, indirect and induced employment. Over the construction build out, construction would generate an average of 2,100 full-time equivalent jobs in Region One and 2,335 full-time equivalent jobs in New York State.

As indicated above, indirect and induced effects to Sullivan County were estimated based on the County's current share of employment in Region One for each affected industry sector. Based on this data, construction of the Gaming Facility will support 75 indirect and induced person-years of employment in Sullivan County. Including the 3,029 person-years of direct employment associated with hard and soft costs, construction of the Gaming Facility will support approximately 3,104 person-years of employment within Sullivan County. Over the

¹ As described in the following sections, for Montreign Resort Casino, it is assumed that 100 percent of legal costs and 75 percent of architecture and engineering costs would occur in New York State but outside Region One. For Entertainment Village, the Waterpark, and Monster Golf Course, IMPLAN's local purchase assumptions were applied to soft costs.

² A person-year is the equivalent of one person working full time for a year. A person-year is technically not equivalent to one "job" since construction work, by its nature, is temporary, and workers work on a site for varying lengths of time. For instance, a person-year can represent a single person who works 40 hours a week, or it could represent two workers who work 20 hours each per week.

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construction build out, construction would generate an average of 1,493 full-time equivalent jobs in Sullivan County.

Employee Compensation

The direct employee compensation during the construction period of the Gaming Facility is estimated at \$176.73 million in Region One and \$183.85 million in New York State (see **Table 2**). Total direct, indirect, and induced employee compensation in the Region One resulting from construction of the Gaming Facility is estimated at \$249.56 million. In the broader New York State economy, total direct, indirect, and induced employee compensation from construction of the Gaming Facility is estimated at \$297.74 million.

Within Sullivan County, indirect and induced employee compensation generated by construction of the Gaming Facility is estimated to be \$4.06 million. Including the \$176.73 million of employee compensation associated with hard and soft costs, construction of the Gaming Facility will create approximately \$180.79 million in employee compensation within Sullivan County.

Table 2
Economic Benefits from Construction
Gaming Facility Summary
“No Regional Competition” Scenario

	Sullivan County ³	Region One	New York State
Employment (Person-years)¹			
Direct (jobs associated with hard & soft costs)	3,029	3,029	3,086
Indirect (jobs in support industries)	29	506	757
Induced (jobs from household spending)	46	829	1,028
Total	3,104	4,364	4,870
Employee Compensation (Millions of 2014 dollars)			
Direct (earnings in construction)	\$176.73	\$176.73	\$183.85
Indirect (earnings in support industries)	\$1.69	\$30.16	\$54.62
Induced (earnings from household spending)	\$2.37	\$42.67	\$59.27
Total	\$180.79	\$249.56	\$297.74
Total Economic Output or Demand² (Millions of 2014 dollars)			
Direct (output from construction)	\$593.54	\$593.54	\$609.04
Indirect (output from support industries)	\$6.78	\$120.68	\$196.58
Induced (output from household spending)	\$9.76	\$167.96	\$218.17
Total	\$610.08	\$882.18	\$1,023.79
Notes: Numbers may not add precisely to totals due to rounding.			
¹ A person-year is the equivalent of one person working full-time for a year.			
² Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.			
³ Indirect and induced economic benefits in Sullivan County were estimated based on Sullivan County’s current share of employment in each sector in Region One.			
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and New York State Department of Labor.			

Total Effect on the Local Economy

As indicated above, the total construction cost appropriate for the economic benefits analysis is \$615.04 million in New York State, of which \$599.54 million is expected to occur in Region One. Based on the IMPLAN models for Region One and New York State, the total economic activity that would result from construction of the Gaming Facility is estimated at \$1.02 billion in New York State, of which \$882.18 million will occur in Region One. The total effect on the Sullivan County economy from construction of the Gaming Facility is estimated at \$610.08 million.

**C. CONSTRUCTION BENEFITS FROM THE GAMING FACILITY
“WITH REGIONAL COMPETITION” SCENARIO**

This section presents the economic effects for the proposed Gaming Facility under low-, average-, and high-revenue cases assuming that a second Region One applicant is awarded a gaming license. The location of the second Region One casino varies by revenue case:

- **High-revenue case** – assumes a second Region One casino would be located in Liberty, Sullivan County.
- **Average-revenue case** – assumes a second Region One casino would be located in Newburgh, Orange County.
- **Low-revenue case** – assumes a second Region One casino would be located in the southern portion of Orange County.

The “With Regional Competition” scenario would have smaller facilities compared to the facility under the “No Regional Competition” scenario. Under the “No Regional Competition” scenario, the Gaming Facility is currently envisioned to have an estimated 2,150 slot machines, 58 tables, and 391 hotel rooms in the Montreign Casino Resort hotel. The high- and average-revenue cases under the “With Regional Competition” scenario would be scaled back to have an estimated 1,750 slot machines, 58 tables, 232 hotel rooms in the Montreign Casino Resort hotel, and smaller dining offerings compared with the “No Regional Competition” scenario. Under the low-revenue case, the facility would be scaled back further to have 900 slot machines, 40 tables, 125 hotel rooms, and smaller dining offerings as compared to the high- and average-revenue cases.

HIGH- AND AVERAGE-REVENUE CASES

VALUE OF CONSTRUCTION

Based on construction cost estimates provided by Empire and EPR, the total hard and soft cost for developing the Gaming Facility for the “With Regional Competition” Scenario for the high- and average-revenue cases, excluding financing and the value of land, is approximately \$477.31 million in 2014 dollars. For the economic benefits analysis, the cost of fixtures, furniture, and equipment (FFE) (\$67.51 million) are excluded as it is assumed that these are imported to New York State and not constructed on the Project Site. It is likely that some portion of FFE would be purchased and/or constructed on the Project Site, and in this respect the analysis understates potential benefits.

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Physical improvements to the Project Site (\$457.39 million) are assumed to occur in Region One (see **Table 3**). Soft costs, including legal, engineering, and architecture, are estimated at \$19.92 million in New York State, of which \$17.84 million are analyzed in the Region One model.¹ Including the physical improvements to the Project Site and soft costs, the construction cost appropriate for this analysis is \$475.23 million in Region One and \$477.31 million in New York State.

Table 3
Construction Costs for Gaming Facility
“With Regional Competition” Scenario
High- and Average-Revenue Cases

IMPLAN Sector	Description of Industry Sector	Construction Costs (Millions of 2014 dollars)	
		Region One	New York State
34	Construction of new nonresidential commercial structures	\$291.29	\$291.29
36	Construction of other new nonresidential structures	\$156.35	\$156.35
39	Maintenance and repair construction of nonresidential structures	\$9.75	\$9.75
367	Legal services	\$5.95	\$6.78
369	Architectural, engineering, and related services	\$11.89	\$13.14
Total Construction Cost		\$475.23	\$477.31
<p>Notes: Numbers may not add to totals due to rounding.</p> <p>1 The cost of FFE (\$67.51 million) is excluded from the construction cost as it is assumed that these are imported to New York State and not constructed on the site. In addition, it is estimated that \$0.42 million of soft costs are estimated to be outside of New York State. The estimated total construction cost for the Gaming Facility with FFE and out-of-state soft costs is \$477.31 million.</p> <p>Source: Construction costs provided by Empire Resorts and EPR Properties.</p>			

ECONOMIC BENEFITS FROM CONSTRUCTION

Employment

As described above, the construction cost appropriate for these revenue cases is \$477.31 million in New York State, of which \$475.23 million is assumed to occur in Region One. As a result of the direct expenditures, direct employment from construction of the Gaming Facility under the “With Regional Competition” Scenario for the high- and average-revenue cases (including both on-site construction jobs and jobs resulting from construction soft costs such as

¹ For Montreign Resort Casino, it is assumed that 100 percent of legal costs and 75 percent of architecture and engineering costs would occur in New York State but outside Region One. For Entertainment Village, the Waterpark, and Monster Golf Course, IMPLAN’s local purchase assumptions were applied to soft costs.

architecture and engineering) is estimated at 2,389 person-years of employment in New York State, of which 2,382 person-years are anticipated in Region One.¹

When new direct jobs are introduced to an area, those jobs lead to the creation of additional indirect and induced jobs. Indirect employment resulting from construction expenditures includes jobs in industries that provide goods and services to the contractors, and induced employment includes jobs generated by new economic demand from households spending salaries earned through the direct and indirect jobs. Based on the IMPLAN model's economic multipliers for Region One sectors, construction of the Gaming Facility would generate an additional 408 person-years of indirect employment and 655 person-years of induced employment within the region, bringing the total number of jobs from construction to 3,446 person-years (see **Table 4**). In the larger New York State economy, the model estimates that construction would generate 3,773 person-years of direct, indirect and induced employment. Over the construction build out, construction would generate an average of 1,734 full-time equivalent jobs in Region One and 1,896 full-time equivalent jobs in New York State.

Indirect and induced effects to Sullivan County were estimated based on the County's current share of employment in Region One for each affected industry sector. Based on this data, construction of the Gaming Facility will support 59 indirect and induced person-years of employment in Sullivan County. Including the 2,382 person-years of direct employment associated with hard and soft costs, construction of the Gaming Facility will support approximately 2,441 person-years of employment within Sullivan County. Over the construction build out, construction would generate an average of 1,228 full-time equivalent jobs in Sullivan County.

Employee Compensation

The direct employee compensation during the construction period of the Gaming Facility for the "With Regional Competition" Scenario for the high- and average-revenue cases is estimated at \$139.11 million in Region One and \$140.02 million in New York State (see **Table 4**). Total direct, indirect, and induced employee compensation in the Region One resulting from construction of the Gaming Facility is estimated at \$197.08 million. In the broader New York State economy, total direct, indirect, and induced employee compensation from construction of the Gaming Facility is estimated at \$227.58 million.

Within Sullivan County, indirect and induced employee compensation generated by construction of the Gaming Facility for the "With Regional Competition" Scenario for the high- and average-revenue cases is estimated to be \$3.23 million. Including the \$139.11 million of employee compensation associated with hard and soft costs, construction of the Gaming Facility will create approximately \$139.11 million in employee compensation within Sullivan County under the "With Regional Competition" Scenario for the high- and average-revenue cases.

¹ A person-year is the equivalent of one person working full time for a year. A person-year is technically not equivalent to one "job" since construction work, by its nature, is temporary, and workers work on a site for varying lengths of time. For instance, a person-year can represent a single person who works 40 hours a week, or it could represent two workers who work 20 hours each per week.

Total Effect on the Local Economy

As indicated above, the total construction cost appropriate for the economic benefits analysis is \$477.31 million in New York State, of which \$475.23 million is expected to occur in Region One. Based on the IMPLAN models for Region One and New York State, the total economic activity that would result from construction of the Gaming Facility is estimated at \$792.08 million in New York State, of which \$698.73 million will occur in Region One. The total effect on the Sullivan County economy from construction of the Gaming Facility under the “With Regional Competition” Scenario for the high- and average-revenue cases is estimated at \$482.40 million.

Table 4
Economic Benefits from Construction
Gaming Facility Summary
“With Regional Competition” Scenario
High- and Average-Revenue Cases

	Sullivan County ³	Region One	New York State
Employment (Person-years)¹			
Direct (jobs associated with hard & soft costs)	2,382	2,382	2,389
Indirect (jobs in support industries)	23	408	593
Induced (jobs from household spending)	36	655	790
Total	2,441	3,446	3,773
Employee Compensation (Millions of 2014 dollars)			
Direct (earnings in construction)	\$139.11	\$139.11	\$140.02
Indirect (earnings in support industries)	\$1.36	24.22	\$42.39
Induced (earnings from household spending)	\$1.87	33.75	\$45.18
Total	\$142.34	197.08	\$227.58
Total Economic Output or Demand² (Millions of 2014 dollars)			
Direct (output from construction)	\$469.23	\$469.23	\$471.31
Indirect (output from support industries)	\$5.45	\$96.65	\$153.56
Induced (output from household spending)	\$7.72	\$132.85	\$167.20
Total	\$482.40	\$698.73	\$792.08
Notes: Numbers may not add precisely to totals due to rounding.			
¹ A person-year is the equivalent of one person working full-time for a year.			
² Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.			
³ Indirect and induced economic benefits in Sullivan County were estimated based on Sullivan County’s current share of employment in each sector in Region One.			
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and New York State Department of Labor.			

LOW-REVENUE CASE

VALUE OF CONSTRUCTION

Based on construction cost estimates provided by Empire and EPR, the total hard and soft cost for developing the Gaming Facility under the “With Regional Competition” for the low-revenue case, excluding financing and the value of land, is approximately \$366.21 million in 2014 dollars. For the economic benefits analysis, FFE (\$56.51 million) are excluded as it is assumed that these are imported to New York State and not constructed on the Project Site. It is likely that some portion of FFE would be purchased and/or constructed on the Project Site, and in this respect the analysis understates potential benefits.

Physical improvements to the Project Site (\$343.28 million) are assumed to occur in Region One (see **Table 5**). Soft costs, including legal, engineering, and architecture, are estimated at \$22.92 million in New York State, of which \$17.84 million are analyzed in the Region One model.¹ Including the physical improvements to the Project Site and soft costs, the construction cost appropriate for this analysis is \$361.13 million in Region One and \$366.21 million in New York State.

Table 5
Construction Costs for Gaming Facility
“With Regional Competition” Scenario
Low-Revenue Case

IMPLAN Sector	Description of Industry Sector	Construction Costs (Millions of 2014 dollars)	
		Region One	New York State
34	Construction of new nonresidential commercial structures	\$196.04	\$196.04
36	Construction of other new nonresidential structures	\$137.49	\$137.49
39	Maintenance and repair construction of nonresidential structures	\$9.75	\$9.75
367	Legal services	\$5.95	\$7.98
369	Architectural, engineering, and related services	\$11.89	\$14.94
Total Construction Cost		\$361.13	\$366.21
<p>Notes: Numbers may not add to totals due to rounding.</p> <p>¹ The cost of FFE (\$56.51 million) is excluded from the construction cost as it is assumed that these are imported to New York State and not constructed on the site. In addition, it is estimated that \$1.02 million of soft costs are estimated to be outside of New York State. The estimated total construction cost for the Gaming Facility with FFE and out-of-state soft costs is \$366.21 million.</p> <p>Source: Construction costs provided by Empire Resorts and EPR Properties.</p>			

¹ As described in the following sections, for Montreign Resort Casino, it is assumed that 100 percent of legal costs and 75 percent of architecture and engineering costs would occur in New York State but outside Region One. For Entertainment Village, the Waterpark, and Monster Golf Course, IMPLAN’s local purchase assumptions were applied to soft costs.

ECONOMIC BENEFITS FROM CONSTRUCTION

Employment

As discussed above, the construction cost appropriate for the economic benefits analysis is \$366.21 million in New York State, of which \$361.13 million is assumed to occur in Region One. As a result of the direct expenditures, direct employment from construction of the Gaming Facility under the “With Regional Competition” Scenario for the low-revenue case (including both on-site construction jobs and jobs resulting from construction soft costs such as architecture and engineering) is estimated at 1,811 person-years of employment in New York State, of which 1,793 person-years are anticipated in Region One.¹

As discussed above, when new direct jobs are introduced to an area, those jobs lead to the creation of additional indirect and induced jobs. Indirect employment resulting from construction expenditures includes jobs in industries that provide goods and services to the contractors, and induced employment includes jobs generated by new economic demand from households spending salaries earned through the direct and indirect jobs. Based on the IMPLAN model’s economic multipliers for Region One sectors, construction of the Gaming Facility would generate an additional 315 person-years of indirect employment and 496 person-years of induced employment within the region, bringing the total number of jobs from construction to 2,604 person-years (see **Table 6**). In the larger New York State economy, the model estimates that construction would generate 2,873 person-years of direct, indirect and induced employment. Over the construction build out, construction would generate an average of 1,397 full-time equivalent jobs in Region One and 1,537 full-time equivalent jobs in New York State.

As indicated above, indirect and induced effects to Sullivan County were estimated based on the County’s current share of employment in Region One for each affected industry sector. Based on this data, construction of the Gaming Facility will support 46 indirect and induced person-years of employment in Sullivan County. Including the 1,793 person-years of direct employment associated with hard and soft costs, construction of the Gaming Facility will support approximately 1,839 person-years of employment within Sullivan County. Over the construction build out, construction would generate an average of 987 full-time equivalent jobs in Sullivan County.

Employee Compensation

The direct employee compensation during the construction period of the Gaming Facility (under the “With Regional Competition” Scenario for the low-revenue case) is estimated at \$104.86 million in Region One and \$107.09 million in New York State (see **Table 6**). Total direct, indirect, and induced employee compensation in the Region One resulting from construction of the Gaming Facility is estimated at \$149.00 million. In the broader New York State economy,

¹ A person-year is the equivalent of one person working full time for a year. A person-year is technically not equivalent to one “job” since construction work, by its nature, is temporary, and workers work on a site for varying lengths of time. For instance, a person-year can represent a single person who works 40 hours a week, or it could represent two workers who work 20 hours each per week.

total direct, indirect, and induced employee compensation from construction of the Gaming Facility is estimated at \$174.38 million.

Within Sullivan County, indirect and induced employee compensation generated by construction of the Gaming Facility is estimated to be \$2.47 million. Including the \$104.86 million of employee compensation associated with hard and soft costs, construction of the Gaming Facility will create approximately \$107.32 million in employee compensation within Sullivan County.

**Table 6
Economic Benefits from Construction
Gaming Facility Summary
“With Regional Competition” Scenario
Low-Revenue Case**

	Sullivan County ³	Region One	New York State
Employment (Person-years)¹			
Direct (jobs associated with hard & soft costs)	1,793	1,793	1,811
Indirect (jobs in support industries)	18	315	457
Induced (jobs from household spending)	28	496	605
Total	1,839	2,604	2,873
Employee Compensation (Millions of 2014 dollars)			
Direct (earnings in construction)	\$104.86	\$104.86	\$107.09
Indirect (earnings in support industries)	\$1.05	\$18.59	\$32.55
Induced (earnings from household spending)	\$1.42	\$25.56	\$34.74
Total	\$107.32	\$149.00	\$174.38
Total Economic Output or Demand² (Millions of 2014 dollars)			
Direct (output from construction)	\$355.13	\$355.13	\$360.21
Indirect (output from support industries)	\$4.19	\$74.01	\$117.72
Induced (output from household spending)	\$5.85	\$100.61	\$128.28
Total	\$365.17	\$529.75	\$606.22
Notes: Numbers may not add precisely to totals due to rounding.			
¹ A person-year is the equivalent of one person working full-time for a year.			
² Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.			
³ Indirect and induced economic benefits in Sullivan County were estimated based on Sullivan County’s current share of employment in each sector in Region One.			
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and New York State Department of Labor.			

Total Effect on the Local Economy

As indicated above, the total construction cost appropriate for the economic benefits analysis is \$366.21 million in New York State, of which \$361.13 million is expected to occur in Region One. Based on the IMPLAN models for Region One and New York State, the total economic activity that would result from construction of the Gaming Facility is estimated at \$606.22 million in New York State, of which \$529.75 million will occur in Region One. The total effect on

the Sullivan County economy from construction of the Gaming Facility is estimated at \$365.17 million.

**D. ANNUAL OPERATIONS BENEFITS OF GAMING FACILITY
“NO REGIONAL COMPETITION” SCENARIO**

This section presents the economic benefits from annual operations for the Gaming Facility for the “No Regional Competition” Scenario for the high-revenue, average-revenue, and low-revenue cases. The operations analysis is based on the first full year of operations for the Gaming Facility, which is 2017.

HIGH-REVENUE CASE

The total effect of annual operations in 2017 of the Gaming Facility under the “No Regional Competition” Scenario for the high-revenue case has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The 2017 operating costs are estimated at \$209.09 million, which includes \$75.97 million for payroll and \$133.12 million for non-payroll expenses related to the Montreign Resort Casino, Indoor Waterpark Lodge, Monster Golf Course, and Entertainment Village (see **Table 7**).

Table 7
2017 Operating Assumptions for the Gaming Facility
“No Regional Competition” Scenario
High-Revenue Case

	Assumptions
Direct Full and Part Time Employees	2,420
Direct Employee Compensation	\$75.97 million
Non-Payroll Operating Costs	\$133.12 million
Total Operating Costs	\$209.09 million
Sources: Data was provided by Gaming Hospitality Experts, Moelis & Company, and EPR Properties.	

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, the Gaming Facility will have an estimated 2,420 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of the Gaming Facility will generate an estimated 3,433 full-and part-time direct, indirect, and induced employees in New York State, of which 3,329 jobs will be in Sullivan County and 3,384 jobs will be in Region One. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the 2,420 direct full-and part-time jobs, there will be an estimated 2,728 full- and part-time jobs generated in the Town of Thompson from the Gaming Facility.

Employee Compensation

The direct employee compensation generated in 2017 from the Gaming Facility is estimated at \$75.97 million (see **Table 8**). Based on the IMPLAN model’s economic multipliers, total direct,

indirect, and induced employee compensation is estimated at \$100.29 million in Sullivan County, \$102.22 million in Region One, and \$105.96 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$75.97 million of employee compensation generated on-site, there will be an estimated \$84.20 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Gaming Facility in 2017.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses for the Gaming Facility were estimated at \$133.12 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from the Gaming Facility’s annual operations in 2017 is estimated at \$492.88 million in New York State, of which \$474.88 million will occur in Sullivan County and \$483.05 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations in 2017 of the Gaming Facility is estimated at \$385.54 million.

Table 8
Economic Benefits from Annual Operations of Gaming Facility
“No Regional Competition” Scenario
High-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	2,420	2,420	2,420	2,420
Indirect (jobs in support industries)	183	541	549	570
Induced (jobs from household spending)	125	368	415	444
Total	2,728	3,329	3,384	3,433
Employee Compensation (Millions)				
Direct (on-site)	\$75.97	\$75.97	\$75.97	\$75.97
Indirect (earnings in support industries)	\$4.52	\$13.36	\$13.65	\$15.26
Induced (earnings from household spending)	\$3.71	\$10.96	\$12.60	\$14.73
Total	\$84.20	\$100.29	\$102.22	\$105.96
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$339.81	\$339.81	\$339.81	\$339.81
Indirect (output from support industries)	\$28.16	\$83.19	\$84.75	\$88.97
Induced (output from household spending)	\$17.56	\$51.88	\$58.49	\$64.09
Total	\$385.54	\$474.88	\$483.05	\$492.88
Notes: Numbers may not add precisely to totals due to rounding.				
¹ Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

AVERAGE-REVENUE CASE

The total effect of annual operations in 2017 of the Gaming Facility has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The 2017 operating costs are estimated at \$198.09 million, which includes \$68.46 million for payroll and \$129.63 million for non-payroll expenses related to the Montreign Resort, Indoor Waterpark Lodge, Monster Golf Course, and Entertainment Village (see **Table 9**).

Table 9
2017 Operating Assumptions for Gaming Facility
“No Regional Competition” Scenario
Average-Revenue Case

	Assumptions
Direct Full and Part Time Employees	2,160
Direct Employee Compensation	\$68.46 million
Non-Payroll Operating Costs	\$129.63 million
Total Operating Costs	\$198.09 million
Sources: Data was provided by Gaming Hospitality Experts, Moelis & Company, and EPR Properties.	

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, the Gaming Facility will have an estimated 2,160 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of the Gaming Facility will generate an estimated 3,121 full-and part-time direct, indirect, and induced employees in New York State, of which 3,023 jobs will be in Sullivan County and 3,075 jobs will be in Region One. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the 2,160 direct full-and part-time jobs, there will be an estimated 2,452 full- and part-time jobs generated in the Town of Thompson from the Gaming Facility.

Employee Compensation

The direct employee compensation generated in 2017 from the Gaming Facility is estimated at \$68.46 million (see **Table 10**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$91.52 million in Sullivan County, \$93.30 million in Region One, and \$96.85 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$68.46 million of employee compensation generated on-site, there will be an estimated \$76.27 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Gaming Facility in 2017.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses for the Gaming Facility were estimated at \$129.63 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from the Gaming Facility’s annual operations in 2017 is estimated at \$477.32 million in New York State, of which \$460.42 million will occur in Sullivan County and \$468.00 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations in 2017 of the Gaming Facility is estimated at \$375.40 million.

Table 10
Economic Benefits from Annual Operations of the Gaming Facility
“No Regional Competition” Scenario
Average-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	2,160	2,160	2,160	2,160
Indirect (jobs in support industries)	178	526	534	553
Induced (jobs from household spending)	114	338	381	408
Total	2,452	3,023	3,075	3,121
Employee Compensation (Millions)				
Direct (on-site)	\$68.46	\$68.46	\$68.46	\$68.46
Indirect (earnings in support industries)	\$4.40	\$12.99	\$13.28	\$14.84
Induced (earnings from household spending)	\$3.41	\$10.06	\$11.56	\$13.55
Total	\$76.27	\$91.52	\$93.30	\$96.85
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$331.89	\$331.89	\$331.89	\$331.89
Indirect (output from support industries)	\$27.39	\$80.91	\$82.43	\$86.53
Induced (output from household spending)	\$16.12	\$47.62	\$53.67	\$58.90
Total	\$375.40	\$460.42	\$468.00	\$477.32
Notes: Numbers may not add precisely to totals due to rounding.				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

LOW-REVENUE CASE

The total effect of annual operations in 2017 of the Gaming Facility has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The 2017 operating costs are estimated at \$188.12 million, which includes \$65.99 million for payroll and \$122.13 million for non-payroll expenses related to the Montreign Resort, Indoor Waterpark Lodge, Monster Golf Course, and Entertainment Village (see Table 11).

Table 11
2017 Operating Assumptions for Gaming Facility
“No Regional Competition” Scenario
Low-Revenue Case

	Assumptions
Direct Full and Part Time Employees	2,077
Direct Employee Compensation	\$65.99 million
Non-Payroll Operating Costs	\$122.13 million
Total Operating Costs	\$188.12 million

Sources: Data was provided by Gaming Hospitality Experts, Moelis & Company, and EPR Properties.

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, the Gaming Facility will have an estimated 2,077 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of the Gaming Facility will generate an estimated 2,990 full-and part-time direct, indirect, and induced employees in New York State, of which 2,896 jobs will be in Sullivan County and 2,945 jobs will be in Region One. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the 2,077 direct full-and part-time jobs, there will be an estimated 2,354 full- and part-time jobs generated in the Town of Thompson from the Gaming Facility.

Employee Compensation

The direct employee compensation generated in 2017 from the Gaming Facility is estimated at \$65.99 million (see **Table 12**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$87.89 million in Sullivan County, \$89.60 million in Region One, and \$92.96 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$65.99 million of employee compensation generated on-site, there will be an estimated \$73.40 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Gaming Facility in 2017.

Total Effect on the Local Economy

As indicated above, the 2017 non-payroll operating expenses for the Gaming Facility were estimated at \$122.13 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from the Gaming Facility’s annual operations is estimated at \$453.09 million in New York State, of which \$437.02 million will occur in Sullivan County and \$444.25 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations of the Gaming Facility is estimated at \$356.33 million.

Table 12
Economic Benefits from Annual Operations of the Gaming Facility
“No Regional Competition” Scenario
Low-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	2,077	2,077	2,077	2,077
Indirect (jobs in support industries)	168	495	503	522
Induced (jobs from household spending)	110	324	365	391
Total	2,354	2,896	2,945	2,990
Employee Compensation (Millions)				
Direct (on-site)	\$65.99	\$65.99	\$65.99	\$65.99
Indirect (earnings in support industries)	\$4.15	\$12.25	\$12.53	\$13.99
Induced (earnings from household spending)	3.26	\$9.64	\$11.08	\$12.98
Total	\$73.40	\$87.89	\$89.60	\$92.96
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$315.04	\$315.04	\$315.04	\$315.04
Indirect (output from support industries)	\$25.84	\$76.33	\$77.76	\$81.62
Induced (output from household spending)	\$15.45	\$45.65	\$51.45	\$56.44
Total	\$356.33	\$437.02	\$444.25	\$453.09
Notes: Numbers may not add precisely to totals due to rounding.				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

E. ANNUAL OPERATIONS BENEFITS OF THE GAMING FACILITY
“WITH REGIONAL COMPETITION” SCENARIO

This section presents the economic benefits from annual operations for the Gaming Facility for the “With Regional Competition” Scenario for the high-revenue, average-revenue, and low-revenue cases. The operations analysis is based on the first full year of operations for the Gaming Facility, which is 2017.

HIGH-REVENUE CASE

The total effect of annual operations in 2017 of the Gaming Facility for the “With Regional Competition” Scenario for the high-revenue case has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The 2017 operating costs are estimated at \$174.33 million, which includes \$52.36 million for payroll and \$121.97 million for non-payroll expenses related to the Montreign Resort Casino, Indoor Waterpark Lodge, Monster Golf Course, and Entertainment Village (see **Table 13**).

Table 13
2017 Operating Assumptions for the Gaming Facility
“With Regional Competition” Scenario
High-Revenue Case

	Assumptions
Direct Full and Part Time Employees	1,624
Direct Employee Compensation	\$52.36 million
Non-Payroll Operating Costs	\$121.97 million
Total Operating Costs	\$174.33 million

Sources: Data was provided by Gaming Hospitality Experts, Moelis & Company, and EPR Properties.

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, the Gaming Facility will have an estimated 1,624 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of the Gaming Facility will generate an estimated 2,468 full-and part-time direct, indirect, and induced employees in New York State, of which 2,385 jobs will be in Sullivan County and 2,427 jobs will be in Region One. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the 1,624 direct full-and part-time jobs, there will be an estimated 1,882 full- and part-time jobs generated in the Town of Thompson from the Gaming Facility for the “With Regional Competition” Scenario for the high-revenue case.

Employee Compensation

The direct employee compensation generated in 2017 from the Gaming Facility is estimated at \$52.36 million (see **Table 14**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$72.66 million in Sullivan County, \$74.12 million in Region One, and \$77.23 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$52.36 million of employee compensation generated on-site, there will be an estimated \$59.23 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Gaming Facility in 2017.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses for the Gaming Facility were estimated at \$121.97 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from the Gaming Facility’s annual operations in 2017 is estimated at \$443.20 million in New York State, of which \$428.75 million will occur in Sullivan County and \$435.01 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations in 2017 of the Gaming Facility is estimated at \$353.30 million.

Table 14
Economic Benefits from Annual Operations of Gaming Facility
“With Regional Competition” Scenario
High-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	1,624	1,624	1,624	1,624
Indirect (jobs in support industries)	165	489	496	514
Induced (jobs from household spending)	92	273	307	330
Total	1,882	2,385	2,427	2,468
Employee Compensation (Millions)				
Direct (on-site)	\$52.36	\$52.36	\$52.36	\$52.36
Indirect (earnings in support industries)	\$4.12	\$12.18	\$12.45	\$13.90
Induced (earnings from household spending)	\$2.75	\$8.12	\$9.32	\$10.97
Total	\$59.23	\$72.66	\$74.12	\$77.23
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$314.69	\$314.69	\$314.69	\$314.69
Indirect (output from support industries)	\$25.61	\$75.65	\$77.06	\$80.87
Induced (output from household spending)	\$13.00	\$38.41	\$43.26	\$47.64
Total	\$353.30	\$428.75	\$435.01	\$443.20
Notes: Numbers may not add precisely to totals due to rounding.				
¹ Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

AVERAGE-REVENUE CASE

The total effect of annual operations in 2017 of the Gaming Facility has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The 2017 operating costs are estimated at \$167.00 million, which includes \$52.36 million for payroll and \$114.65 million for non-payroll expenses related to the Montreign Resort Casino, Indoor Waterpark Lodge, Monster Golf Course, and Entertainment Village (see **Table 15**).

Table 15
2017 Operating Assumptions for Gaming Facility
“With Regional Competition” Scenario
Average-Revenue Case

	Assumptions
Direct Full and Part Time Employees	1,624
Direct Employee Compensation	\$52.36 million
Non-Payroll Operating Costs	\$114.65 million
Total Operating Costs	\$167.00 million

Sources: Data was provided by Gaming Hospitality Experts, Moelis & Company, and EPR Properties.

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, the Gaming Facility will have an estimated 1,624 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of the Gaming Facility will generate an estimated 2,430 full-and part-time direct, indirect, and induced employees in New York State, of which 2,351 jobs will be in Sullivan County and 2,392 jobs will be in Region One. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the 1,624 direct full-and part-time jobs, there will be an estimated 1,870 full- and part-time jobs generated in the Town of Thompson from the Gaming Facility.

Employee Compensation

The direct employee compensation generated in 2017 from the Gaming Facility is estimated at \$52.36 million (see **Table 16**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$71.78 million in Sullivan County, \$73.21 million in Region One, and \$76.18 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$52.36 million of employee compensation generated on-site, there will be an estimated \$58.93 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Gaming Facility in 2017.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses for the Gaming Facility for the “With Regional Competition” Scenario for the Average-Revenue Case were estimated at \$114.65 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from the Gaming Facility’s annual operations in 2017 is estimated at \$420.92 million in New York State, of which \$407.01 million will occur in Sullivan County and \$413.11 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations in 2017 of the Gaming Facility for the “With Regional Competition” Scenario for the Average-Revenue Case is estimated at \$335.00 million.

Table 16

**Economic Benefits from Annual Operations of the Gaming Facility
“With Regional Competition” Scenario
Average-Revenue Case (2017)**

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	1,624	1,624	1,624	1,624
Indirect (jobs in support industries)	155	459	466	483
Induced (jobs from household spending)	91	268	302	323
Total	1,870	2,351	2,392	2,430
Employee Compensation (Millions)				
Direct (on-site)	\$52.36	\$52.36	\$52.36	\$52.36
Indirect (earnings in support industries)	\$3.88	\$11.45	\$11.70	\$13.06
Induced (earnings from household spending)	\$2.70	\$7.97	\$9.15	\$10.76
Total	\$58.93	\$71.78	\$73.21	\$76.18
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$298.15	\$298.15	\$298.15	\$298.15
Indirect (output from support industries)	\$24.08	\$71.13	\$72.46	\$76.03
Induced (output from household spending)	\$12.77	\$37.72	\$42.50	\$46.74
Total	\$335.00	\$407.01	\$413.11	\$420.92
Notes: Numbers may not add precisely to totals due to rounding.				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

LOW-REVENUE CASE

The total effect of annual operations in 2017 of the Gaming Facility has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The 2017 operating costs are estimated at \$127.30 million, which includes \$49.84 million for payroll and \$77.46 million for non-payroll expenses related to the Montreign Resort Casino, Indoor Waterpark Lodge, Monster Golf Course, and Entertainment Village (see **Table 17**).

Table 17
2017 Operating Assumptions for Gaming Facility
“With Regional Competition” Scenario
Low-Revenue Case

	Assumptions
Direct Full and Part Time Employees	1,558
Direct Employee Compensation	\$49.84 million
Non-Payroll Operating Costs	\$77.46 million
Total Operating Costs	\$127.30 million

Sources: Data was provided by Gaming Hospitality Experts, Moelis & Company, and EPR Properties.

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, the Gaming Facility will have an estimated 1,558 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of the Gaming Facility will generate an estimated 2,159 full-and part-time direct, indirect, and induced employees in New York State, of which 2,096 jobs will be in Sullivan County and 2,130 jobs will be in Region One. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the 1,558 direct full-and part-time jobs, there will be an estimated 1,740 full- and part-time jobs generated in the Town of Thompson from the Gaming Facility.

Employee Compensation

The direct employee compensation generated in 2017 from the Gaming Facility is estimated at \$49.84 million (see **Table 18**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$64.53 million in Sullivan County, \$65.74 million in Region One, and \$67.96 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$49.84 million of employee compensation generated on-site, there will be an estimated \$54.81 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Gaming Facility in 2017.

Total Effect on the Local Economy

The non-payroll operating expenses for the Gaming Facility were estimated at \$77.46 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from the Gaming Facility’s annual operations in 2017 is estimated at \$305.69 million in New York State, of which \$294.81 million will occur in Sullivan County and \$299.89 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations in 2017 of the Gaming Facility is estimated at \$241.40 million.

Table 18
Economic Benefits from Annual Operations of the Gaming Facility
“With Regional Competition” Scenario
Low-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	1,558	1,558	1,558	1,558
Indirect (jobs in support industries)	103	305	309	320
Induced (jobs from household spending)	79	233	263	281
Total	1,740	2,096	2,130	2,159
Employee Compensation (Millions)				
Direct (on-site)	\$49.84	\$49.84	\$49.84	\$49.84
Indirect (earnings in support industries)	\$2.62	\$7.74	\$7.91	\$8.81
Induced (earnings from household spending)	\$2.35	\$6.94	\$7.99	\$9.31
Total	\$54.81	\$64.53	\$65.74	\$67.96
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$214.06	\$214.06	\$214.06	\$214.06
Indirect (output from support industries)	\$16.21	\$47.90	\$48.75	\$51.11
Induced (output from household spending)	\$11.12	\$32.86	\$37.08	\$40.52
Total	\$241.40	\$294.81	\$299.89	\$305.69
Notes: Numbers may not add precisely to totals due to rounding.				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

F. OVERALL EFFECTS ON UNEMPLOYMENT RATES, CULTURAL INSTITUTIONS, AND SMALL BUSINESSES

As set forth in this analysis of economic benefits, the proposed Gaming Facility will generate a substantial level of short- and long-term economic activity in the Town of Thompson, Sullivan County, Region One, and New York State. These economic benefits result from the large capital investment during the construction period as well as annual operations of the resort once operational. Economic activity in terms of the wages and salaries paid to workers as well as from the purchase of goods and services is expected to have overwhelmingly positive impacts on the local and regional economy including incremental job creation, lowering overall unemployment rates, and benefits to area cultural institutions and small businesses.

INCREMENTAL JOB CREATION

As detailed in Exhibit VIII.B.7.a the Town of Thompson and Sullivan County have had many decades of economic stagnation that has limited the growth in employment opportunities. This is evidenced by overall declines in population and workforce participation and persistent high levels of unemployment for the remaining workforce. With a local economy that continues to

be heavily oriented towards tourism and seasonal visitors (even many decades after its peak in the Golden Age of the Catskills), the labor force is also subject to high seasonality where the two peak summer months of July and August provide employment that is typically twice the level of shoulder and off-season periods (see Exhibit VIII.B.3.a, Figure 11). Low household incomes and high unemployment led to the 1999 and current designation of Sullivan County as a Rural Economic Area Partnership Zone seeking opportunities to enhance economic opportunity.

The proposed Gaming Facility will immediately introduce demand for employment during the construction period, where over 1,240 workers, on average, would be involved during the construction effort. On completion, the diverse employment operations generated by the gaming and non-gaming elements of the proposed Gaming Facility are expected to introduce over 2,000 full and part time workers. Thus, beginning almost immediately, there is a sizeable increase local and regional employment opportunities to the Town of Thompson's approximately 5,800 households and Sullivan County's aggregate workforce estimate of about 33,000 workers.

UNEMPLOYMENT

The most likely outcome of the increased employment generated by the proposed Gaming Facility is a pronounced reduction in unemployment rates, most notably in Sullivan County where current unemployment remains well above regional and state rates. As detailed in Exhibit VIII.B.7.a, existing labor market conditions and trends indicate that there is a capacity in the Town of Thompson, Sullivan County and other Region One areas (within expected commuting distances) to meet the labor demand generated by the proposed Gaming Facility.

With the proposed Gaming Facility, Sullivan County's unemployment rate is anticipated to decrease from an annual rate of approximately 8.7 percent in 2013 to levels below 4.5 percent, particularly considering the indirect economic effects. In fact, the unemployment rate in Sullivan County was approximately 4.6 percent at the end of 2000, before the 2001 economic recession occurred in the U.S. It is assumed that many of the positions at the proposed Gaming Facility will be filled by unemployed workers who are searching for employment. In addition, there are "underemployed" people who hold part-time jobs and may be looking for additional work. The unemployed and underemployed would be the primary labor pool from which the employment for the proposed Gaming Facility would be drawn. Nevertheless, even with hiring unemployed persons and under-employed workers, there could be an additional demand for employees not met by the existing labor force within the Catskills Region.

CULTURAL INSTITUTIONS AND SMALL BUSINESSES

The direct investment generated by the facility, as well as the indirect and induced effects of the proposed Gaming Facility, are anticipated to result in positive impacts on other cultural and tourism resources as well as small businesses in Thompson and the surrounding region.

CULTURAL RESOURCES

There are numerous cultural and tourism resources in the region that will benefit from the increased visitation to the region and the cross-selling of events and points of interest to visitors.

For example, the proposed Gaming Facility has already made agreements with the Bethel Woods Center for the Arts to incorporate cross-marketing efforts. These efforts include the coordination of entertainment events to avoid adverse impacts to entertainment offered by Bethel Woods Center for the Arts as well as the minimization of any pricing of tickets impact that may be felt by Bethel Woods Center for the Arts. The proposed Gaming Facility would sell hotel packages that would include tickets and transportation to events at Bethel Woods Center for the Arts. The proposed Gaming Facility would also provide space for Bethel Woods Center for the Arts to sell tickets, list their schedule of events on the in-house TV marketing system, and include their location on the map featuring regional attractions. In addition, the proposed Gaming Facility has agreed to be a major sponsor of Bethel's program of the arts for underprivileged children in Sullivan County. Ultimately, such cross-marketing efforts would result in positive impacts to Bethel Woods Center for the Arts, a cultural institution within the region.

There is a considerable variety of other cultural and arts-related activities and organizations active in Sullivan County that can benefit from similar common interests (see **Figure 1**). While the proposed Gaming Facility is a destination resort that will retain much of the activities and spending by visitors, part of the area's unique attribute and physical setting is the ability to offer a range of on-resort and off-resort experiences for its own customers as well as existing visitors to the region. This is a diverse offering, ranging from the 700,000-acre state Catskill Park, the regional destination of places such as Bethel Woods, to a variety of smaller museums and attractions. Visitors are likely to integrate one or more experiences to any single visit to the area, and that could vary with return visits based on the area's proximity to its major customer base.

SMALL BUSINESSES

Like most rural economies, Thompson, Sullivan County, and the region as a whole have many small businesses that represent a large portion of the employment and economic base of the region. Large developments and major employers such as the proposed Gaming Facility provide substantial opportunities to small business to benefit from increased economic activity in the local economy in several key ways:

- Direct spending on goods and services—As noted above, the proposed resort is expected to spend over \$100 million per year when the facility is in full operation. A portion of this will find its way to local small businesses based on convenience and immediate supply resources and the increasingly important marketing value of local resources to resort visitors. The proposed Gaming facility has already met with, and identified, potential local suppliers including energy, custodial, food and beverage suppliers, local farms, local artisans, building supplies, and taxi and limousine services. Furthermore, Empire anticipates utilizing its existing relationships with over 150 vendors in the area. **Figure 2** identifies the name and location of many existing and potential vendors Empire would hope to utilize at the Gaming Facility.

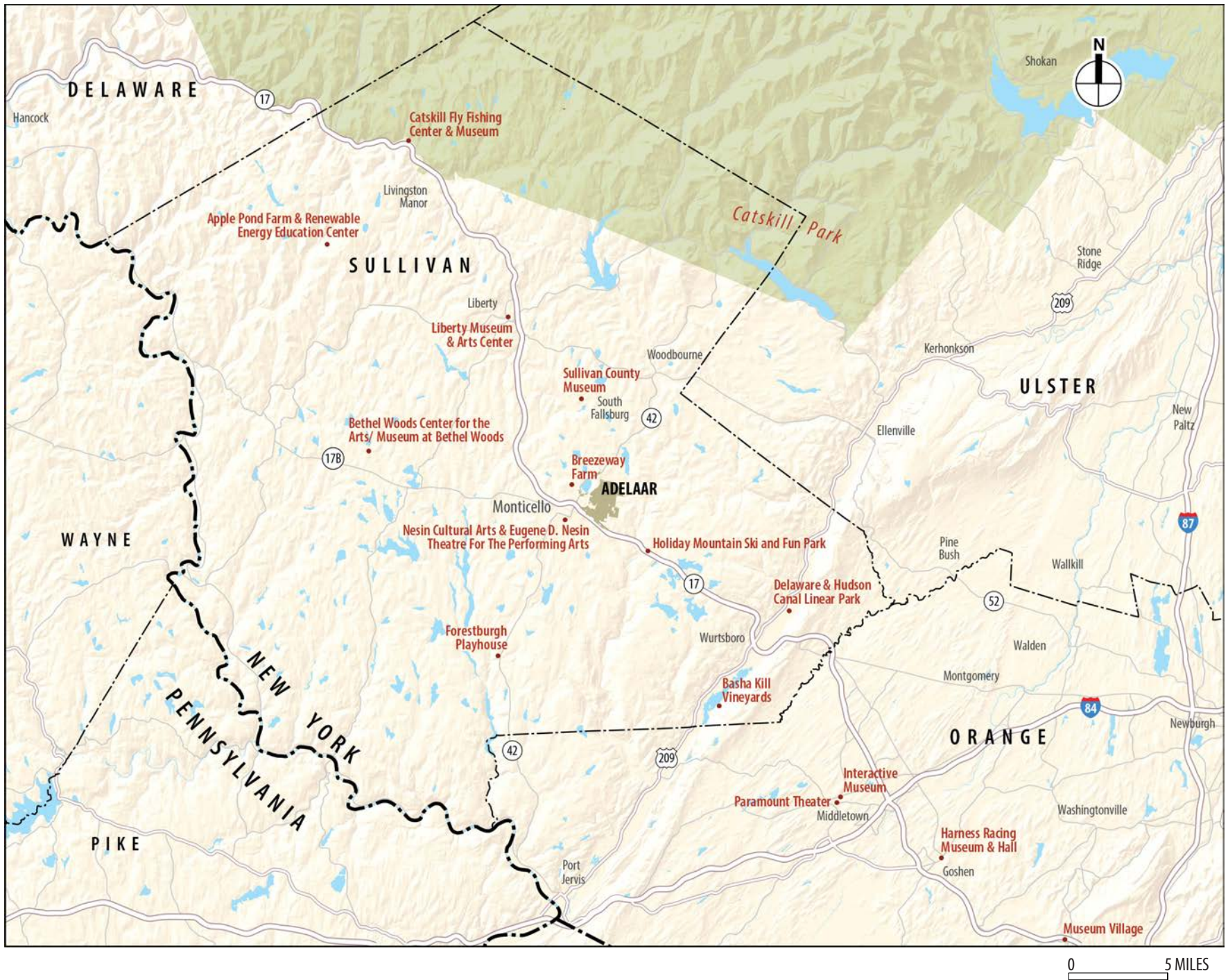


Figure 1 Gaming Facility at Adelaar - Cultural Attractions Surrounding the Project Site

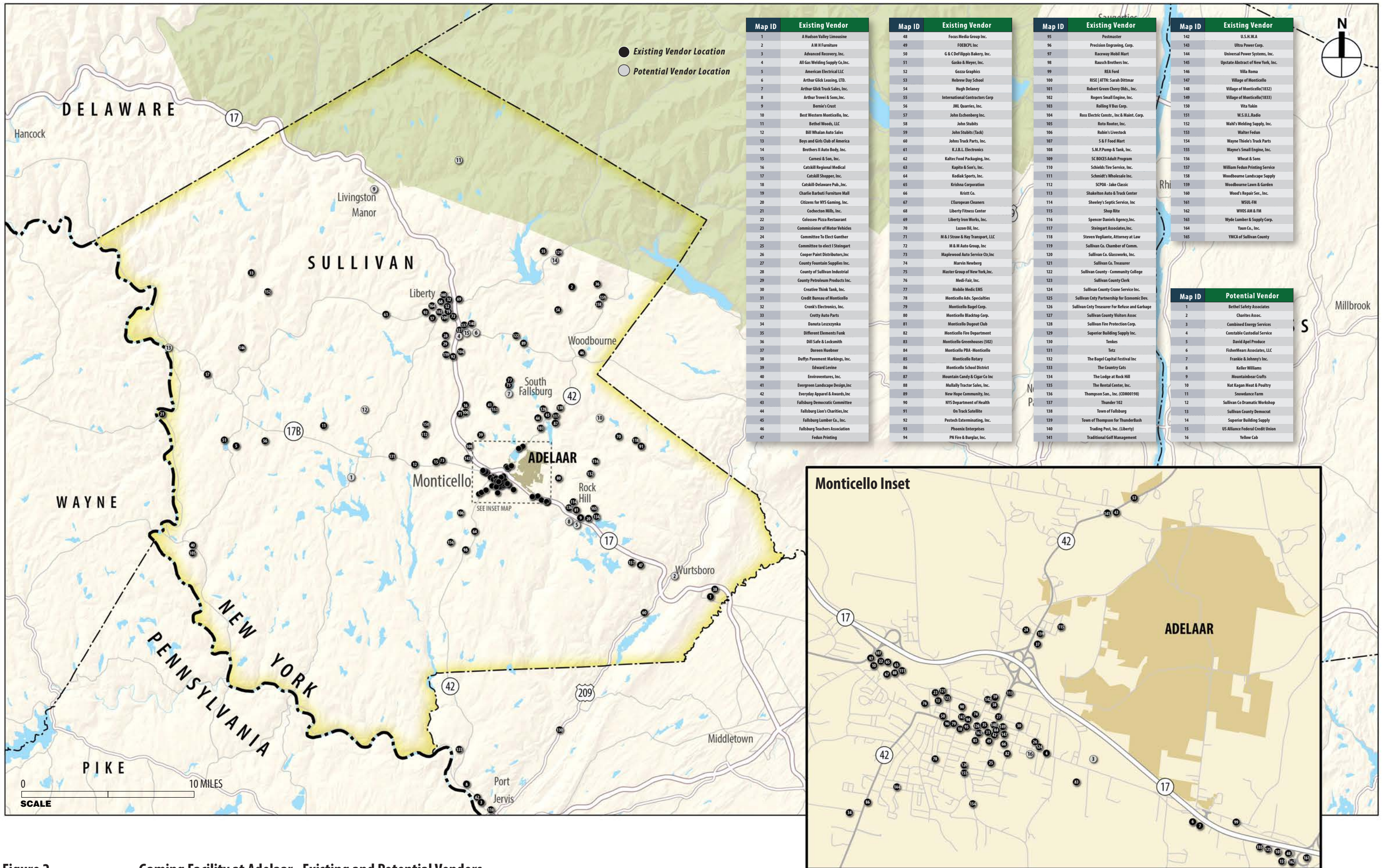


Figure 2 Gaming Facility at Adelaar - Existing and Potential Vendors

Gaming Facility at Adelaar

- Wages and salaries to local and regional workers—Based on the large potential increases in full and part time employment in Thompson and Sullivan County, a wide range of small businesses will benefit from spending derived from new wages and salaries that, as presented in the economic benefits analysis of this Exhibit, are expected to reach up to \$75 million per year in direct wages and up to \$84 million per year including indirect and induced employment. Typical expenditure patterns would indicate that a large portion of those wages are spent locally on everyday household expenses such as housing, purchases of goods (i.e., groceries), meals purchased outside the home, and services. These expenditures are the basis for much of the indirect and induced economic activity estimated in this benefits analysis.
- Visitor spending—additional direct and indirect growth effects would arise as visitors spend money in the local and regional economies. These range from incidental expenses such as local gasoline purchases and more discretionary expenditures such as visiting other cultural activities in the local area. For example, in the 2011 update to the Bethel Woods economic summary, it was noted in comments from local business leaders and elected officials that the Arts Center has substantially added economic activity in terms of new visitors and more business for many sectors of the local economy, local hiring and new business start-ups, and other benefits.

SUMMARY

Overall, the proposed Gaming Facility is expected to bring an overall strengthening of the regional economy through job creation and the resulting decrease in the unemployment rate, the purchase of goods and services from small businesses, and offsite spending by visitors and employees.

APPENDIX

CONSTRUCTION BENEFITS FROM EACH COMPONENT OF THE GAMING FACILITY

This section of the appendix presents the economic benefits from construction for each component of the Gaming Facility, including:

- Montreign Resort Casino (“No Regional Competition” Scenario)
- Montreign Resort Casino (“With Regional Competition” Scenario under the High- and Average-Revenue Case)
- Montreign Resort Casino (“With Regional Competition” Scenario under the Low-Revenue Case)
- Entertainment Village
- Indoor Waterpark Lodge
- Monster Golf Course

The presentation of these components cumulatively represents the benefits described in Sections B and C of the report.

MONTREIGN RESORT CASINO (INCLUDING GAMING FACILITY INFRASTRUCTURE) “NO REGIONAL COMPETITION” SCENARIO

VALUE OF CONSTRUCTION

Based on construction cost estimates provided by Empire, the total hard and soft cost for developing Montreign Resort Casino under the “No Regional Competition Scenario,” excluding financing and the value of land, is approximately \$493.5 million in 2014 dollars. For the economic benefits analysis, the cost of fixtures, furniture, and equipment (FFE) (\$80 million) is excluded as it is assumed that these are imported to New York State and not constructed on the Project Site. It is likely that some portion of FFE would be purchased and/or constructed on the Project Site, and in this respect the analysis understates potential benefits.

Physical improvements to the Project Site (\$394.06 million) are assumed to occur in Region One (see **Appendix Table 1**). Soft costs, including legal, engineering, and architecture, are estimated at \$19.43 million. For this analysis, it is assumed that 100 percent of legal costs and 75 percent of architecture and engineering costs would occur in New York State but outside the Region One. Of the \$19.43 million of soft costs, \$15.50 million are estimated in New York State. Including the physical improvements to the Project Site and soft costs, the construction cost appropriate for this analysis is \$394.06 million in Region One and \$409.56 million in New York State.

Appendix Table 1
Construction Costs for Montreign Resort Casino
“No Regional Competition” Scenario

IMPLAN Sector	Description of Industry Sector	Construction Costs (Millions of 2014 dollars)	
		Region One	New York State
34	Construction of new nonresidential commercial structures	\$285.83	\$285.83
36	Construction of other new nonresidential structures	\$108.23	\$108.23
367	Legal services	See below	\$3.72
369	Architectural, engineering, and related services	See below	\$11.78
Total Construction Cost		\$394.06	\$409.56
Notes:			
1 The cost of FFE (\$80 million) are excluded from the construction cost as it is assumed that these are imported to New York State and not constructed on the site.			
2 Approximately 25 percent of soft costs (or \$3.93 million) are assumed to be out New York State. The estimated total construction cost for Montreign Resort with FFE and out-of-state soft costs is \$493.49 million.			
Source: Construction costs provided by the Empire Resorts.			

ECONOMIC BENEFITS FROM CONSTRUCTION

Employment

As discussed above, the construction cost appropriate for the economic benefits analysis is \$409.56 million in New York State, of which \$394.06 million is assumed to occur in Region One. As a result of the direct expenditures, direct employment from construction of Montreign Resort Casino under the “No Regional Competition” Scenario (including both on-site construction jobs and jobs resulting from construction soft costs such as architecture and engineering) is estimated at 2,078 person-years of employment in New York State, of which 2,021 person-years are anticipated in Region One.

As discussed above, when new direct jobs are introduced to an area, those jobs lead to the creation of additional indirect and induced jobs. Indirect employment resulting from construction expenditures includes jobs in industries that provide goods and services to the contractors, and induced employment includes jobs generated by new economic demand from households spending salaries earned through the direct and indirect jobs. Based on the IMPLAN model’s economic multipliers for Region One sectors, construction of the Montreign Resort Casino under the “No Regional Competition” Scenario will generate an additional 333 person-years of indirect employment and 549 person-years of induced employment within the region, bringing the total number of jobs from construction to 2,903 person-years (see **Appendix Table 2**). In the larger New York State economy, the model estimates that construction would generate 3,278 person-years of direct, indirect and induced employment. Over the estimated 2.5-year construction build out, construction will generate an average of 1,161 full-time equivalent direct, indirect, and induced jobs in Region One and 1,311 full-time equivalent direct, indirect, and induced jobs in New York State.

As indicated above, indirect and induced effects to Sullivan County were estimated based on the County's current share of employment in Region One for each affected industry sector. Based on this data, construction of Montreign Resort Casino will support 50 indirect and induced person-years of employment in Sullivan County. Including the 2,021 person-years of direct employment associated with hard and soft costs, construction of Montreign Resort Casino will support approximately 2,071 person-years of employment within Sullivan County. Over the estimated 2.5-year construction build out, construction will generate an average of 828 full-time equivalent direct, indirect, and induced jobs in Sullivan County.

Employee Compensation

The direct employee compensation during the construction period of Montreign Resort Casino is estimated at \$117.57 million in Region One and \$124.69 million in New York State (see **Appendix Table 2**). Total direct, indirect, and induced employee compensation in the Region One resulting from construction of Montreign Resort Casino is estimated at \$165.80 million. In the broader New York State economy, total direct, indirect, and induced employee compensation from construction of Montreign Resort Casino is estimated at \$201.74 million.

Within Sullivan County, indirect and induced employee compensation generated by construction of Montreign Resort Casino is estimated to be \$2.68 million. Including the \$117.57 million of employee compensation associated with hard and soft costs, construction of Montreign Resort Casino will create approximately \$120.25 million in employee compensation within Sullivan County.

Total Effect on the Local Economy

As indicated above, the total construction cost appropriate for the economic benefits analysis is \$409.56 million in New York State, of which \$394.06 million is expected to occur in Region One. Based on the IMPLAN models for Region One and New York State, the total economic activity that would result from construction of Montreign Resort Casino is estimated at \$689.04 million in New York State, of which \$585.12 million will occur in Region One. The total effect on the Sullivan County economy from construction of Montreign Resort Casino is estimated at \$405.00 million.

Appendix Table 2
Economic Benefits from Construction
Montreign Resort Casino
“No Regional Competition” Scenario

	Sullivan County ³	Region One	New York State
Employment (Person-years)¹			
Direct (jobs associated with hard & soft costs)	2,021	2,021	2,078
Indirect (jobs in support industries)	19	333	507
Induced (jobs from household spending)	31	549	693
Total	2,071	2,903	3,278
Employee Compensation (Millions of 2014 dollars)			
Direct (earnings associated with hard & soft costs)	\$117.57	\$117.57	\$124.69
Indirect (earnings in support industries)	\$1.11	\$19.93	\$36.85
Induced (earnings from household spending)	\$1.57	\$28.30	\$40.20
Total	\$120.25	\$165.80	\$201.74
Total Economic Output or Demand² (Millions of 2014 dollars)			
Direct (output associated with hard & soft costs)	\$394.06	\$394.06	\$409.56
Indirect (output from support industries)	\$4.47	\$79.68	\$132.00
Induced (output from household spending)	\$6.47	\$111.38	\$147.48
Total	\$405.00	\$585.12	\$689.04
Notes: Numbers may not add precisely to totals due to rounding.			
¹ A person-year is the equivalent of one person working full-time for a year.			
² Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.			
³ Indirect and induced economic benefits in Sullivan County were estimated based on Sullivan County’s current share of employment in Region One for each affected industry sector.			
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and New York State Department of Labor.			

“WITH REGIONAL COMPETITION” SCENARIO
HIGH- AND AVERAGE-REVENUE CASES

VALUE OF CONSTRUCTION

Based on construction cost estimates provided by Empire, the total hard and soft cost for developing Montreign Resort Casino, excluding financing and the value of land, is approximately \$324.25 million in 2014 dollars. For the economic benefits analysis, the cost of fixtures, furniture, and equipment (FFE) (\$52.0 million) is excluded as it is assumed that these are imported to New York State and not constructed on the Project Site. It is likely that some portion of FFE would be purchased and/or constructed on the Project Site, and in this respect the analysis understates potential benefits.

Physical improvements to the Project Site (\$269.75 million) are assumed to occur in Region One (see **Appendix Table 3**). Soft costs, including legal, engineering, and architecture, are

estimated at \$2.50 million. For this analysis, it is assumed that 100 percent of legal costs and 75 percent of architecture and engineering costs would occur in New York State but outside the Region One. Of the \$2.50 million of soft costs, \$2.08 million are estimated in New York State. Including the physical improvements to the Project Site and soft costs, the construction cost appropriate for this analysis is \$269.75 million in Region One and \$271.83 million in New York State.

**Appendix Table 3
Construction Costs for Montreign Resort Casino
“With Regional Competition” Scenario
High- and Average-Revenue Cases**

IMPLAN Sector	Description of Industry Sector	Construction Costs (Millions of 2014 dollars)	
		Region One	New York State
34	Construction of new nonresidential commercial structures	\$163.45	\$163.45
36	Construction of other new nonresidential structures	\$106.30	\$106.30
367	Legal services	See below	\$0.83
369	Architectural, engineering, and related services	See below	\$1.25
Total Construction Cost		\$269.75	\$271.83
Notes:			
1 The cost of FFE (\$52.0 million) are excluded from the construction cost as it is assumed that these are imported to New York State and not constructed on the site.			
2 Approximately 25 percent of architecture and engineering costs (or \$0.42 million) are assumed to be out New York State. The estimated total construction cost for Montreign Resort (With Competition for the High- and Average-Revenue case) with FFE and out-of-state soft costs is \$324.25 million.			
Source: Construction costs provided by the Empire Resorts.			

ECONOMIC BENEFITS FROM CONSTRUCTION

Employment

As discussed above, the construction cost appropriate for the economic benefits analysis is \$271.83 million in New York State, of which \$269.75 million is assumed to occur in Region One. As a result of the direct expenditures, direct employment from construction of Montreign Resort Casino (including both on-site construction jobs and jobs resulting from construction soft costs such as architecture and engineering) is estimated at 1,382 person-years of employment in New York State, of which 1,374 person-years are anticipated in Region One.

As discussed above, when new direct jobs are introduced to an area, those jobs lead to the creation of additional indirect and induced jobs. Indirect employment resulting from construction expenditures includes jobs in industries that provide goods and services to the contractors, and induced employment includes jobs generated by new economic demand from households spending salaries earned through the direct and indirect jobs. Based on the IMPLAN model’s economic multipliers for Region One sectors, construction of the Montreign Resort Casino will generate an additional 235 person-years of indirect employment and 376 person-years of induced employment within the region, bringing the total number of jobs from construction to

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1,986 person-years (see **Appendix Table 4**). In the larger New York State economy, the model estimates that construction would generate 2,181 person-years of direct, indirect and induced employment. Over the estimated 2.5-year construction build out, construction will generate an average of 794 full-time equivalent direct, indirect, and induced jobs in Region One and 872 full-time equivalent direct, indirect, and induced jobs in New York State.

As indicated above, indirect and induced effects to Sullivan County were estimated based on the County’s current share of employment in Region One for each affected industry sector. Based on this data, construction of Montreign Resort Casino will support 34 indirect and induced person-years of employment in Sullivan County. Including the 1,374 person-years of direct employment associated with hard and soft costs, construction of Montreign Resort will support approximately 1,408 person-years of employment within Sullivan County. Over the estimated 2.5-year construction build out, construction will generate an average of 563 full-time equivalent direct, indirect, and induced jobs in Sullivan County.

Appendix Table 4
Economic Benefits from Construction
Montreign Resort Casino
“With Regional Competition” Scenario
High- and Average-Revenue Cases

	Sullivan County ³	Region One	New York State
Employment (Person-years)¹			
Direct (jobs associated with hard & soft costs)	1,374	1,374	1,382
Indirect (jobs in support industries)	13	235	343
Induced (jobs from household spending)	21	376	456
Total	1,408	1,986	2,181
Employee Compensation (Millions of 2014 dollars)			
Direct (earnings associated with hard & soft costs)	\$79.95	\$79.75	\$80.86
Indirect (earnings in support industries)	\$0.78	\$14.00	\$24.61
Induced (earnings from household spending)	\$1.08	\$19.37	\$26.10
Total	\$81.81	\$113.32	\$131.57
Total Economic Output or Demand² (Millions of 2014 dollars)			
Direct (output associated with hard & soft costs)	\$269.75	\$269.75	\$271.83
Indirect (output from support industries)	\$3.14	\$55.66	\$88.98
Induced (output from household spending)	\$4.43	\$76.26	\$96.52
Total	\$277.32	\$401.66	\$457.33
Notes: Numbers may not add precisely to totals due to rounding.			
¹ A person-year is the equivalent of one person working full-time for a year.			
² Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.			
³ Indirect and induced economic benefits in Sullivan County were estimated based on Sullivan County’s current share of employment in Region One for each affected industry sector.			
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and New York State Department of Labor.			

Employee Compensation

The direct employee compensation during the construction period of Montreign Resort Casino is estimated at \$79.95 million in Region One and \$80.86 million in New York State (see **Appendix Table 4**). Total direct, indirect, and induced employee compensation in the Region One resulting from construction of Montreign Resort Casino is estimated at \$113.32 million. In the broader New York State economy, total direct, indirect, and induced employee compensation from construction of Montreign Resort Casino is estimated at \$131.57 million.

Within Sullivan County, indirect and induced employee compensation generated by construction of Montreign Resort Casino is estimated to be \$1.86 million. Including the \$79.95 million of employee compensation associated with hard and soft costs, construction of Montreign Resort Casino will create approximately \$81.81 million in employee compensation within Sullivan County.

Total Effect on the Local Economy

As indicated above, the total construction cost appropriate for the economic benefits analysis is \$271.83 million in New York State, of which \$269.75 million is expected to occur in Region One. Based on the IMPLAN models for Region One and New York State, the total economic activity that would result from construction of Montreign Resort Casino is estimated at \$457.33 million in New York State, of which \$401.66 million will occur in Region One. The total effect on the Sullivan County economy from construction of Montreign Resort Casino is estimated at \$277.32 million.

**“WITH REGIONAL COMPETITION” SCENARIO
LOW-REVENUE CASE**

VALUE OF CONSTRUCTION

Based on construction cost estimates provided by Empire, the total hard and soft cost for developing Montreign Resort Casino, excluding financing and the value of land, is approximately \$202.75 million in 2014 dollars. For the economic benefits analysis, the cost of FFE (\$41 million) is excluded as it is assumed that these are imported to New York State and not constructed on the Project Site. It is likely that some portion of FFE would be purchased and/or constructed on the Project Site, and in this respect the analysis understates potential benefits.

Physical improvements to the Project Site (\$155.65 million) are assumed to occur in Region One (see **Appendix Table 5**). Soft costs, including legal, engineering, and architecture, are estimated at \$6.10 million. For this analysis, it is assumed that 100 percent of legal costs and 75 percent of architecture and engineering costs would occur in New York State but outside the Region One. Of the \$6.10 million of soft costs, \$5.08 million are estimated in New York State. Including the physical improvements to the Project Site and soft costs, the construction cost appropriate for this analysis is \$155.65 million in Region One and \$160.73 million in New York State.

Appendix Table 5
Construction Costs for Montreign Resort Casino
“With Regional Competition” Scenario
Low-Revenue Case

IMPLAN Sector	Description of Industry Sector	Construction Costs (Millions of 2014 dollars)	
		Region One	New York State
34	Construction of new nonresidential commercial structures	\$68.20	\$68.20
36	Construction of other new nonresidential structures	\$87.44	\$87.44
367	Legal services	See below	\$2.03
369	Architectural, engineering, and related services	See below	\$3.05
Total Construction Cost		\$155.65	\$160.73
Notes:			
1 The cost of FFE (\$41.0 million) are excluded from the construction cost as it is assumed that these are imported to New York State and not constructed on the site.			
2 Approximately 25 percent of architecture and engineering costs (or \$1.02 million) are assumed to be out New York State. The estimated total construction cost for Montreign Resort Casino (With Regional Competition for the Low-Revenue case) with FFE and out-of-state soft costs is \$202.75 million.			
Source: Construction costs provided by the Empire Resorts.			

ECONOMIC BENEFITS FROM CONSTRUCTION

Employment

As discussed above, the construction cost appropriate for the economic benefits analysis is \$160.73 million in New York State, of which \$155.65 million is assumed to occur in Region One. As a result of the direct expenditures under the “With Regional Competition” Scenario for the Low-Revenue Case, direct employment from construction of Montreign Resort Casino (including both on-site construction jobs and jobs resulting from construction soft costs such as architecture and engineering) is estimated at 804 person-years of employment in New York State, of which 786 person-years are anticipated in Region One.

As discussed above, when new direct jobs are introduced to an area, those jobs lead to the creation of additional indirect and induced jobs. Indirect employment resulting from construction expenditures includes jobs in industries that provide goods and services to the contractors, and induced employment includes jobs generated by new economic demand from households spending salaries earned through the direct and indirect jobs. Based on the IMPLAN model’s economic multipliers for Region One sectors, construction of the Montreign Resort will generate an additional 141 person-years of indirect employment and 217 person-years of induced employment within the region, bringing the total number of jobs from construction to 1,144 person-years (see **Appendix Table 6**). In the larger New York State economy, the model estimates that construction would generate 1,282 person-years of direct, indirect and induced employment. Over the estimated 2.5-year construction build out, construction will generate an average of 458 full-time equivalent direct, indirect, and induced jobs in Region One and 513 full-time equivalent direct, indirect, and induced jobs in New York State.

As indicated above, indirect and induced effects to Sullivan County were estimated based on the County’s current share of employment in Region One for each affected industry sector. Based on this data, construction of Montreign Resort Casino will support 20 indirect and induced person-years of employment in Sullivan County. Including the 786 person-years of direct employment associated with hard and soft costs, construction of Montreign Resort Casino will support approximately 806 person-years of employment within Sullivan County. Over the estimated 2.5-year construction build out, construction will generate an average of 322 full-time equivalent direct, indirect, and induced jobs in Sullivan County.

Appendix Table 6
Economic Benefits from Construction
Montreign Resort Casino
“With Regional Competition” Scenario
Low-Revenue Case

	Sullivan County ³	Region One	New York State
Employment (Person-years)¹			
Direct (jobs associated with hard & soft costs)	786	786	804
Indirect (jobs in support industries)	8	141	207
Induced (jobs from household spending)	12	217	271
Total	806	1,144	1,282
Employee Compensation (Millions of 2014 dollars)			
Direct (earnings associated with hard & soft costs)	\$45.70	\$45.70	\$43.93
Indirect (earnings in support industries)	\$0.47	\$8.36	\$14.78
Induced (earnings from household spending)	\$0.62	\$11.18	\$15.67
Total	\$46.79	\$65.24	\$78.37
Total Economic Output or Demand² (Millions of 2014 dollars)			
Direct (output associated with hard & soft costs)	\$155.65	\$155.65	\$160.73
Indirect (output from support industries)	\$1.88	\$33.02	\$53.14
Induced (output from household spending)	\$2.56	\$44.02	\$57.59
Total	\$160.08	\$232.68	\$271.46
Notes: Numbers may not add precisely to totals due to rounding.			
¹ A person-year is the equivalent of one person working full-time for a year.			
² Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.			
³ Indirect and induced economic benefits in Sullivan County were estimated based on Sullivan County’s current share of employment in Region One for each affected industry sector.			
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and New York State Department of Labor.			

Employee Compensation

The direct employee compensation during the construction period of Montreign Resort Casino is estimated at \$45.70 million in Region One and \$43.93 million in New York State (see **Appendix Table 6**). Total direct, indirect, and induced employee compensation in the Region One resulting from construction of Montreign Resort is estimated at \$65.24 million. In the

Gaming Facility at Adelaar

broader New York State economy, total direct, indirect, and induced employee compensation from construction of Montreign Resort Casino is estimated at \$78.37 million.

Within Sullivan County, indirect and induced employee compensation generated by construction of Montreign Resort Casino is estimated to be \$1.09 million. Including the \$45.70 million of employee compensation associated with hard and soft costs, construction of Montreign Resort Casino will create approximately \$46.79 million in employee compensation within Sullivan County.

Total Effect on the Local Economy

As indicated above, the total construction cost appropriate for the economic benefits analysis is \$160.73 million in New York State, of which \$155.65 million is expected to occur in Region One. Based on the IMPLAN models for Region One and New York State, the total economic activity that would result from construction of Montreign Resort is estimated at \$271.46 million in New York State, of which \$232.68 million will occur in Region One. The total effect on the Sullivan County economy from construction of Montreign Resort is estimated at \$160.08 million.

ENTERTAINMENT VILLAGE

VALUE OF CONSTRUCTION

Based on construction cost estimates provided by EPR Properties, the total hard and soft cost for developing Entertainment Village, excluding financing and the value of land, is \$57.55 million in 2014 dollars. It was assumed that 10 percent of the construction cost (or \$5.75 million) is for FFE and are excluded from the analysis as it is assumed that these are imported to New York State and not constructed on the Project Site. It is likely that some portion of FFE would be purchased and/or constructed on the Project Site, and in this respect the analysis understates potential benefits.

**Appendix Table 7
Construction Costs for Entertainment Village**

IMPLAN Sector	Description of Industry Sector	Construction Costs (Millions of 2014 dollars) ¹	
		Region One	New York State
34	Construction of new nonresidential commercial structures	\$43.16	\$43.16
367	Legal services ²	\$2.88	\$2.88
369	Architectural, engineering, and related services ²	\$5.75	\$5.75
Total Construction Cost		\$51.79	\$51.79
Notes:			
1 The cost of FFE (\$5.75 million) are excluded from the construction cost as it is assumed that these are imported to New York State and not constructed on the site. The estimated total construction cost for Entertainment Village with FFE is \$ 57.55 million.			
2 Applied IMPLAN local purchase assumptions to soft costs.			
Source: Construction costs provided by EPR Properties.			

Physical improvements to the Project Site (\$43.16 million) are assumed to occur in Region One (see **Appendix Table 7**). Soft costs, including legal, engineering, and architecture, are estimated at \$8.63 million. For this analysis, IMPLAN's local purchase assumptions were applied to soft costs. Including the physical improvements to the Project Site and soft costs, the construction cost appropriate for this analysis is \$51.79 million.

ECONOMIC BENEFITS FROM CONSTRUCTION

Employment

As discussed above, the construction cost appropriate for the economic benefits analysis is \$51.79 million. As a result of the direct expenditures, direct employment from construction of Entertainment Village (including both on-site construction jobs and jobs resulting from construction soft costs such as architecture and engineering) is estimated at 244 person-years of employment.

Based on the IMPLAN model's economic multipliers for Region One sectors, construction of Entertainment Village would generate an additional 40 person-years of indirect employment in Region One and 68 person-years of induced employment within the region, bringing the total number of jobs from construction to 352 person-years (see **Appendix Table 8**). In the larger New York State economy, the model estimates that construction would generate 384 person-years of direct, indirect and induced employment. The construction period for Entertainment Village is an estimated 18 months. Over the estimated 1.5-year construction build out, construction would generate an average of 235 full-time equivalent jobs in Region One and 256 full-time equivalent jobs in New York State.

As indicated above, indirect and induced effects to Sullivan County were estimated based on the County's current share of employment in Region One for each affected industry sector. Based on this data, construction of Entertainment Village will support 6 indirect and induced person-years of employment in Sullivan County. Including the 244 person-years of direct employment associated with hard and soft costs, construction of Entertainment Village will support approximately 250 person-years of employment within Sullivan County. Over the estimated 1.5-year construction build out, construction would generate an average of 167 full-time equivalent jobs in Sullivan County.

Employee Compensation

The direct employee compensation during the construction period of Entertainment Village is estimated at \$14.44 million (see **Appendix Table 8**). Total direct, indirect, and induced employee compensation in the Region One resulting from construction of Entertainment Village is estimated at \$20.32 million. In the broader New York State economy, total direct, indirect, and induced employee compensation from construction of Entertainment Village is estimated at \$23.34 million.

Within Sullivan County, indirect and induced employee compensation generated by construction of Entertainment Village is estimated to be \$0.32 million. Including the \$14.44 million of employee compensation associated with hard and soft costs, construction of Entertainment Village will create approximately \$14.76 million in employee compensation within Sullivan County.

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Total Effect on the Local Economy

As indicated above, the total construction cost appropriate for the economic benefits analysis is \$51.79 million. Based on the IMPLAN models for Region One and New York State, the total economic activity that would result from construction of Entertainment Village is estimated at \$81.57 million in New York State, of which \$72.40 million will occur in Region One. The total effect on the Sullivan County economy from construction of Entertainment Village is estimated at \$50.23 million.

**Appendix Table 8
Economic Benefits from Construction
Entertainment Village**

	Sullivan County ³	Region One	New York State
Employment (Person-years)¹			
Direct (jobs associated with hard & soft costs)	244	244	244
Indirect (jobs in support industries)	2	40	59
Induced (jobs from household spending)	4	68	81
Total	250	352	384
Employee Compensation (Millions of 2014 dollars)			
Direct (earnings in construction)	\$14.44	\$14.44	\$14.44
Indirect (earnings in support industries)	\$0.13	\$2.38	\$4.25
Induced (earnings from household spending)	\$0.19	\$3.50	\$4.65
Total	\$14.76	\$20.32	\$23.34
Total Economic Output or Demand² (Millions of 2014 dollars)			
Direct (output from construction)	\$48.89	\$48.89	\$48.89
Indirect (output from support industries)	\$0.54	\$9.72	\$15.44
Induced (output from household spending)	\$0.80	\$13.79	\$17.24
Total	\$50.23	\$72.40	\$81.57
Notes: Numbers may not add precisely to totals due to rounding.			
¹ A person-year is the equivalent of one person working full-time for a year.			
² Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.			
³ Indirect and induced economic benefits in Sullivan County were estimated based on Sullivan County's current share of employment in Region One for each affected industry sector.			
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and New York State Department of Labor.			

INDOOR WATERPARK LODGE

VALUE OF CONSTRUCTION

Based on construction cost estimates provided by EPR Properties, the total hard and soft cost for developing the Indoor Waterpark Lodge, excluding financing and the value of land, is approximately \$145.81 million in 2014 dollars. It was assumed FFE for the Waterpark will cost \$8.00 million. The construction cost appropriate for this analysis, which excludes FFE, is \$137.81 million.

Physical improvements associated with the Indoor Waterpark Lodge are estimated to be \$131.25 million (see **Appendix Table 9**). Soft costs, including legal, engineering, and architecture, are estimated at \$6.56 million. For this analysis, IMPLAN’s local purchase assumptions were applied to soft costs. Including the physical improvements to the Project Site and soft costs, the construction cost appropriate for this analysis is \$137.81 million.

Appendix Table 9
Construction Costs for the Indoor Waterpark Lodge

IMPLAN Sector	Description of Industry Sector	Construction Costs (Millions of 2014 dollars) ¹	
		Region One	New York State
34	Construction of new nonresidential commercial structures	\$81.20	\$81.20
36	Construction of other new nonresidential structures	\$50.05	\$50.05
367	Legal services ²	\$2.19	\$2.19
369	Architectural, engineering, and related services ²	\$4.38	\$4.38
Total Construction Cost		\$137.81	\$137.81
Notes:			
1 The cost of FFE (\$8.0 million) are excluded from the construction cost as it is assumed that these are imported to New York State and not constructed on the site. The estimated total construction cost for Indoor Waterpark Lodge with FFE is \$ 145.81 million.			
2 Applied IMPLAN local purchase assumptions to soft costs.			
Source: Construction costs provided by EPR Properties.			

ECONOMIC BENEFITS FROM CONSTRUCTION

Employment

As discussed above, the construction cost appropriate for the economic benefits analysis is \$137.81 million. As a result of the direct expenditures, direct employment from construction of the Indoor Waterpark Lodge (including both on-site construction jobs and jobs resulting from construction soft costs such as architecture and engineering) is estimated at 684 person-years of employment.

Based on the IMPLAN model’s economic multipliers for Region One sectors, construction of the Indoor Waterpark Lodge will generate an additional 119 person-years of indirect employment in Region One and 189 person-years of induced employment within the region, bringing the total number of jobs from construction to 992 person-years (see **Appendix Table 10**). In the larger New York State economy, the model estimates that construction will generate 1,083 person-years of direct, indirect and induced employment. The construction period is an estimated 19 months for the Indoor Waterpark Lodge. Over the estimated 1.6-year construction build out, construction would generate an average of 627 full-time equivalent jobs in Region One and 684 full-time equivalent jobs in New York State.

As indicated above, indirect and induced effects to Sullivan County were estimated based on the County’s current share of employment in Region One for each affected industry sector. Based on this data, construction of the Indoor Waterpark Lodge will support 18 indirect and induced person-years of employment in Sullivan County. Including the 684 person-years of

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direct employment associated with hard and soft costs, construction of the Indoor Waterpark Lodge will support approximately 702 person-years of employment within Sullivan County. Over the estimated 1.6-year construction build out, construction would generate an average of 443 full-time equivalent jobs in Sullivan County.

Employee Compensation

The direct employee compensation during the construction period of the Indoor Waterpark Lodge is estimated at \$39.97 million (see **Appendix Table 10**). Total direct, indirect, and induced employee compensation in the Region One resulting from construction of the Indoor Waterpark Lodge is estimated at \$56.74 million. In the broader New York State economy, total direct, indirect, and induced employee compensation from construction of the Indoor Waterpark Lodge is estimated at \$65.14 million.

Appendix Table 10
Economic Benefits from Construction
Indoor Waterpark Lodge

	Sullivan County ³	Region One	New York State
Employment (Person-years)¹			
Direct (jobs associated with hard & soft costs)	684	684	684
Indirect (jobs in support industries)	7	119	172
Induced (jobs from household spending)	11	189	227
Total	702	992	1,083
Employee Compensation (Millions of 2014 dollars)			
Direct (earnings in construction)	\$39.97	\$39.97	\$39.97
Indirect (earnings in support industries)	\$0.39	\$7.04	\$12.24
Induced (earnings from household spending)	\$0.54	\$9.74	\$12.94
Total	\$40.90	\$56.74	\$65.14
Total Economic Output or Demand² (Millions of 2014 dollars)			
Direct (output from construction)	\$135.61	\$135.61	\$135.61
Indirect (output from support industries)	\$1.58	\$28.09	\$44.38
Induced (output from household spending)	\$2.23	\$38.32	\$47.95
Total	\$139.42	\$202.02	\$227.94
Notes: Numbers may not add precisely to totals due to rounding.			
¹ A person-year is the equivalent of one person working full-time for a year.			
² Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.			
³ Indirect and induced economic benefits in Sullivan County were estimated based on Sullivan County's current share of employment in Region One for each affected industry sector.			
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and New York State Department of Labor.			

Within Sullivan County, indirect and induced employee compensation generated by construction of the Indoor Waterpark Lodge is estimated to be \$0.93 million. Including the

\$39.97 million of employee compensation associated with hard and soft costs, construction of the Indoor Waterpark Lodge will create approximately \$40.90 million in employee compensation in Sullivan County.

Total Effect on the Local Economy

As indicated above, the total construction cost appropriate for the economic benefits analysis is \$137.81 million. Based on the IMPLAN models for Region One and New York State, the total economic activity that would result from construction of the Indoor Waterpark Lodge is estimated at \$227.94 million in New York State, of which \$202.02 million will occur in Region One. The total effect on the Sullivan County economy from construction of the Indoor Waterpark Lodge is estimated at \$139.42 million.

MONSTER GOLF COURSE

VALUE OF CONSTRUCTION

Based on construction cost estimates provided by EPR Properties, the total hard and soft cost for redeveloping the Monster Golf Course, excluding financing and the value of land, is approximately \$17.63 million in 2014 dollars. It was assumed that 10 percent of the construction cost (or \$1.76 million) is for FFE and is excluded from the analysis as it is assumed that these are imported to New York State and not constructed on the Project Site. It is likely that some portion of FFE would be purchased and/or constructed on the Project Site, and in this respect, the analysis understates potential benefits.

**Appendix Table 11
Construction Costs for Monster Golf Course**

IMPLAN Sector	Description of Industry Sector	Construction Costs (Millions of 2014 dollars) ¹	
		Region One	New York State
34	Construction of new nonresidential commercial structures	\$3.48	\$3.48
39	Maintenance and repair construction of nonresidential structures	\$9.75	\$9.75
367	Legal services ²	\$0.88	\$0.88
369	Architectural, engineering, and related services ²	\$1.76	\$1.76
Total Construction Cost		\$15.87	\$15.87
Notes:			
1 The cost of FFE (\$1.76 million) is excluded from the construction cost as it is assumed that these are imported and not constructed on the site. The estimated total construction cost for Monster Golf Course with FFE is \$ 17.63 million.			
2 Applied IMPLAN local purchase assumptions to soft costs.			
Source: Construction costs provided by EPR Properties.			

Physical improvements associated with the Monster Golf Course are estimated to be \$13.23 million (see **Appendix Table 11**). Soft costs, including legal, engineering, and architecture, are

estimated at \$2.64 million. For this analysis, IMPLAN's local purchase assumptions were applied to soft costs. Including the physical improvements to the Project Site and soft costs, the construction cost appropriate for this analysis is \$15.87 million.

ECONOMIC BENEFITS FROM CONSTRUCTION

Employment

As discussed above, the construction cost appropriate for the economic benefits analysis is \$15.87 million. As a result of the direct expenditures, direct employment from construction of the Monster Golf Course (including both on-site construction jobs and jobs resulting from construction soft costs such as architecture and engineering) is estimated at 80 person-years of employment.

Based on the IMPLAN model's economic multipliers for Region One sectors, construction of the Monster Golf Course will generate an additional 15 person-years of indirect employment in Region One and 22 person-years of induced employment within the region, bringing the total number of jobs from construction to 117 person-years (see **Appendix Table 12**). In the larger New York State economy, the model estimates that construction will generate 126 person-years of direct, indirect and induced employment. The construction period is an estimated 18 months for Monster Golf Course. Over the estimated 1.5-year construction build out, construction would generate an average of 78 full-time equivalent jobs in Region One and 84 full-time equivalent jobs in New York State.

As indicated above, indirect and induced effects to Sullivan County were estimated based on the County's current share of employment in Region One for each affected industry sector. Including the 80 person-years of direct employment associated with hard and soft costs, redevelopment of the Monster Golf Course will support approximately 82 person-years of employment in Sullivan County. Over the estimated 1.5-year construction build out, construction would generate an average of 55 full-time equivalent jobs in Sullivan County.

Employee Compensation

The direct employee compensation during the construction period of the Monster Golf Course is estimated at \$4.75 million (see **Appendix Table 12**). Total direct, indirect, and induced employee compensation in the Region One resulting from construction of the Monster Golf Course is estimated at \$6.69 million. In the broader New York State economy, total direct, indirect, and induced employee compensation from construction of the Monster Golf Course is estimated at \$7.51 million.

Including the \$4.75 million of employee compensation associated with hard and soft costs, renovation of the Monster Golf Course will create approximately \$4.86 million in employee compensation in Sullivan County.

Total Effect on the Local Economy

As indicated above, the total construction cost appropriate for the economic benefits analysis is \$15.87 million. Based on the IMPLAN models for Region One and New York State, the total economic activity that would result from construction of the Monster Golf Course is estimated at \$25.25 million in New York State, of which \$22.65 million will occur in Region One. The total

effect on the Sullivan County economy from construction of the Monster Golf Course is estimated at \$15.43 million.

**Appendix Table 12
Economic Benefits from Construction
Monster Golf Course**

Host Municipality	Sullivan County ³	Region One	New York State
Employment (Person-years)¹			
Direct (jobs associated with hard & soft costs)	80	80	80
Indirect (jobs in support industries)	1	15	20
Induced (jobs from household spending)	1	22	26
Total	82	117	126
Employee Compensation (Millions of 2014 dollars)			
Direct (earnings in construction)	\$4.75	\$4.75	\$4.75
Indirect (earnings in support industries)	\$0.05	\$0.80	\$1.28
Induced (earnings from household spending)	\$0.06	\$1.14	\$1.48
Total	\$4.86	\$6.69	\$7.51
Total Economic Output or Demand² (Millions of 2014 dollars)			
Direct (output from construction)	\$14.98	\$14.98	\$14.98
Indirect (output from support industries)	\$0.19	\$3.19	\$4.76
Induced (output from household spending)	\$0.26	\$4.48	\$5.50
Total	\$15.43	\$22.65	\$25.25
Notes: Numbers may not add precisely to totals due to rounding.			
¹ A person-year is the equivalent of one person working full-time for a year.			
² Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.			
³ Indirect and induced economic benefits in Sullivan County were estimated based on Sullivan County's current share of employment in each sector in Region One.			
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and New York State Department of Labor.			

BENEFITS FROM ANNUAL OPERATIONS FROM EACH COMPONENT OF THE GAMING FACILITY

This section provides economic benefits from operations for the each component of the Gaming Facility, including:

- Montreign Resort Casino-“No Regional Competition” Scenario for the high-revenue case;
- Montreign Resort Casino-“No Regional Competition” Scenario for the average-revenue case;
- Montreign Resort Casino-“No Regional Competition” Scenario for the low-revenue case;
- Montreign Resort Casino- “With Regional Competition” Scenario for the high-revenue case;
- Montreign Resort Casino- “With Regional Competition” Scenario for the average-revenue case;

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- Montreign Resort Casino- “With Regional Competition” Scenario for the low-revenue case;
- Entertainment Village;
- Indoor Waterpark Lodge; and
- Monster Golf Course.

MONTREIGN RESORT CASINO (CASINO, CASINO HOTEL, AND INFRASTRUCTURE) “NO REGIONAL COMPETITION” SCENARIO HIGH-REVENUE CASE

The total effect of annual operations in 2017 of Montreign Resort Casino has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The operating costs for 2017 are estimated at \$131.81 million, which includes \$54.86 million for payroll and \$76.95 million for non-payroll expenses related to the hotel, food and beverage, entertainment, and the casino (see **Appendix Table 13**).

Appendix Table 13
Operating Assumptions for the Montreign Resort Casino
“No Regional Competition” Scenario
High-Revenue Case (2017)

	Assumptions
Direct Full and Part Time Employees	1,569
Direct Employee Compensation	\$54.86 million
Non-Payroll Operating Costs	\$76.95 million
Total Operating Costs	\$131.81 million

Sources: Data was provided by Gaming Hospitality Experts and Moelis & Company.

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, Montreign Resort Casino will have 1,569 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations will generate an estimated 2,227 full-and part time direct, indirect, and induced employees in New York State, of which 2,156 jobs will be in Sullivan County and 2,195 jobs will be in Region One. Indirect and induced effects to the Host Municipality were estimated based on the Town’s current share of employment in Sullivan County. Including the 1,569 direct full-and part-time jobs, there will be an estimated 1,768 full- and part-time jobs generated in the Town of Thompson from the Montreign Resort Casino.

Employee Compensation

The direct employee compensation of Montreign Resort is estimated at \$54.86 million in 2017 (see **Appendix Table 14**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$70.39 million in Sullivan County, \$71.72 million in Region One, and \$74.16 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$54.86 million of on-site employee

compensation, there will be an estimated \$60.12 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Montreign Resort Casino.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses for the Montreign Resort Casino were estimated at \$76.95 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from Montreign Resort Casino High-Revenue Case’s annual operations in 2017 is estimated at \$271.49 million in New York State, of which \$259.51 million will occur in Sullivan County and \$265.11 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations of the Montreign Resort Casino is estimated at \$203.04 million.

Appendix Table 14
Economic Benefits from Annual Operations of Montreign Resort Casino
“No Regional Competition” Scenario
High-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	1,569	1,569	1,569	1,569
Indirect (jobs in support industries)	112	331	336	349
Induced (jobs from household spending)	87	257	289	309
Total	1,768	2,156	2,195	2,227
Employee Compensation (Millions)				
Direct (on-site)	\$54.86	\$54.86	\$54.86	\$54.86
Indirect (earnings in support industries)	\$2.67	\$7.89	\$8.07	\$9.06
Induced (earnings from household spending)	\$2.59	\$7.64	\$8.78	\$10.24
Total	\$60.12	\$70.39	\$71.72	\$74.16
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$174.14	\$174.14	\$174.14	\$174.14
Indirect (output from support industries)	\$16.66	\$49.21	\$50.19	\$52.78
Induced (output from household spending)	\$12.24	\$36.16	\$40.78	\$44.57
Total	\$203.04	\$259.51	\$265.11	\$271.49
Notes: Numbers may not add precisely to totals due to rounding.				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

**MONTREIGN RESORT CASINO (CASINO, CASINO HOTEL, AND INFRASTRUCTURE)
 “NO REGIONAL COMPETITION” SCENARIO
 AVERAGE-REVENUE CASE**

The total effect of annual operations of Montreign Resort Casino has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The total operating costs for 2017 are estimated at \$120.28 million, which includes \$47.36 million for payroll and \$73.46 million for non-payroll expenses related to the hotel, food and beverage, entertainment, and the casino (see **Appendix Table 15**).

**Appendix Table 15
 Operating Assumptions for the Montreign Resort Casino
 “No Regional Competition” Scenario
 Average-Revenue Case (2017)**

	Assumptions
Direct Full and Part Time Employees	1,309
Direct Employee Compensation	\$47.36 million
Non-Payroll Operating Costs	\$73.46 million
Total Operating Costs	\$120.82 million
Sources: Data was provided by Gaming Hospitality Experts and Moelis & Company.	

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, Montreign Resort Casino would have 1,309 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of Montreign Resort Casino will generate an estimated 1,914 full-and part-time direct, indirect, and induced employees in New York State, of which 1,851 jobs will be in Sullivan County and 1,885 jobs will be in Region One. Indirect and induced effects to the Host Municipality were estimated based on the Town’s current share of employment in Sullivan County. Including the 1,309 direct full-and part-time jobs, there will be an estimated 1,492 full- and part-time jobs generated in the Town of Thompson from the Montreign Resort Casino.

Employee Compensation

The direct employee compensation during annual operations in 2017 from Montreign Resort Casino is estimated at \$47.36 million (see **Appendix Table 16**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$61.63 million in Sullivan County, \$62.81 million in Region One, and \$65.05 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$47.36 million of employee compensation generated on-site, there will be an estimated \$52.19 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Montreign Resort Casino.

Total Effect on the Local Economy

The non-payroll operating expenses for the Montreign Resort Casino in 2017 were estimated at \$73.46 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from annual operations of the Montreign Resort Casino Average-Revenue Case under the “No Regional Competition” Scenario is estimated at \$255.96 million in New York State, of which \$245.06 million will occur in Sullivan County and \$250.05 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations of the Montreign Resort Casino is estimated at \$192.91 million.

Appendix Table 16
Economic Benefits from Annual Operations of Montreign Resort Casino
“No Regional Competition” Scenario
Average-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	1,309	1,309	1,309	1,309
Indirect (jobs in support industries)	107	315	320	333
Induced (jobs from household spending)	77	226	255	273
Total	1,492	1,851	1,885	1,914
Employee Compensation (Millions)				
Direct (on-site)	\$47.36	\$47.36	\$47.36	\$47.36
Indirect (earnings in support industries)	\$2.55	\$7.52	\$7.70	\$8.64
Induced (earnings from household spending)	\$2.28	\$6.74	\$7.75	\$9.05
Total	\$52.19	\$61.63	\$62.81	\$65.05
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$166.22	\$166.22	\$166.22	\$166.22
Indirect (output from support industries)	\$15.89	\$46.93	\$47.87	\$50.34
Induced (output from household spending)	\$10.80	\$31.91	\$35.96	\$39.37
Total	\$192.91	\$245.06	\$250.05	\$255.93
Notes:				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

MONTREIGN RESORT CASINO (CASINO, CASINO HOTEL, AND INFRASTRUCTURE)- NO REGIONAL COMPETITION SCENARIO-LOW-REVENUE CASE

The total effect of annual operations of Montreign Resort Casino has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The operating costs for 2017 are estimated at \$110.85 million, which includes \$44.89 million for payroll and \$65.96 for non-payroll expenses related to the hotel, food and beverage, entertainment, and the casino (see **Appendix Table 17**).

Appendix Table 17
Operating Assumptions for the Montreign Resort Casino
“No Regional Competition” Scenario
Low-Revenue Case

	Assumptions
Direct Full and Part Time Employees	1,226
Direct Employee Compensation	\$44.89 million
Non-Payroll Operating Costs	\$65.96 million
Total Operating Costs	\$110.85 million
Sources: Data was provided by Gaming Hospitality Experts and Moelis & Company.	

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, Montreign Resort would have 1,226 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of Montreign Resort will generate an estimated 1,783 full-and part-time direct, indirect, and induced employees in New York State, of which 1,724 jobs will be in Sullivan County and 1,756 jobs will be in Region One. Indirect and induced effects to the Host Municipality were estimated based on the Town’s current share of employment in Sullivan County. Including the 1,226 direct full-and part-time jobs, there will be an estimated 1,395 full- and part-time jobs generated in the Town of Thompson from the Montreign Resort Casino.

Employee Compensation

The direct employee compensation generated in 2017 from Montreign Resort is estimated at \$44.89 million (see **Appendix Table 18**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$58.00 million in Sullivan County, \$59.10 million in Region One, and \$61.16 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$44.89 million of employee compensation generated on-site, there will be an estimated \$49.32 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Montreign Resort Casino.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses for the Montreign Resort Casino were estimated at \$65.96 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from annual operations of the Montreign Resort Casino is estimated at \$231.71 million in New York State, of which \$221.65 million will occur in Sullivan County and \$226.31 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations of the Montreign Resort Casino is estimated at \$173.84 million.

Appendix Table 18
Economic Benefits from Annual Operations of Montreign Resort Casino
“No Regional Competition” Scenario
Low-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	1,226	1,226	1,226	1,226
Indirect (jobs in support industries)	97	285	290	301
Induced (jobs from household spending)	72	212	239	256
Total	1,395	1,724	1,756	1,783
Employee Compensation (Millions)				
Direct (on-site)	\$44.89	\$44.89	\$44.89	\$44.89
Indirect (earnings in support industries)	\$2.30	\$6.79	\$6.94	\$7.79
Induced (earnings from household spending)	\$2.14	\$6.32	\$7.27	\$8.48
Total	\$49.32	\$58.00	\$59.10	\$61.16
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$149.37	\$149.37	\$149.37	\$149.37
Indirect (output from support industries)	\$14.34	\$42.35	\$43.20	\$45.43
Induced (output from household spending)	\$10.13	\$29.93	\$33.74	\$36.91
Total	\$173.84	\$221.65	\$226.31	\$231.71
Notes: Numbers may not add precisely to totals due to rounding.				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

MONTREIGN RESORT CASINO (CASINO, CASINO HOTEL, AND INFRASTRUCTURE)-WITH REGIONAL COMPETITION SCENARIO- HIGH-REVENUE CASE

The total effect of annual operations in 2017 of Montreign Resort Casino has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The operating costs for 2017 are estimated at \$97.05 million, which includes \$31.25 million for payroll and \$65.80 million for non-payroll expenses related to the hotel, food and beverage, entertainment, and gaming (see **Appendix Table 19**).

Appendix Table 19
Operating Assumptions for the Montreign Resort Casino
“With Regional Competition” Scenario
High-Revenue Case (2017)

	Assumptions
Direct Full and Part Time Employees	773
Direct Employee Compensation	\$31.25 million
Non-Payroll Operating Costs	\$65.80 million
Total Operating Costs	\$97.05 million

Sources: Data was provided by Gaming Hospitality Experts and Moelis & Company.

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, Montreign Resort Casino would have 773 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of Montreign Resort Casino will generate an estimated 1,261 full-and part-time direct, indirect, and induced employees in New York State, of which 1,213 jobs will be in Sullivan County and 1,237 jobs will be in Region One. Indirect and induced effects to the Host Municipality were estimated based on the Town’s current share of employment in Sullivan County. Including the 773 direct full-and part-time jobs, there will be an estimated 922 full- and part-time jobs generated in the Town of Thompson from the Montreign Resort Casino.

Employee Compensation

The direct employee compensation generated in 2017 from Montreign Resort Casino is estimated at \$31.25 million (see **Appendix Table 20**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$42.76 million in Sullivan County, \$43.63 million in Region One, and \$45.42 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$31.25 million of employee compensation generated on-site, there will be an estimated \$35.15 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Montreign Resort Casino.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses for the Montreign Resort Casino were estimated at \$65.80 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from annual operations of the Montreign Resort Casino is estimated at \$221.81 million in New York State, of which \$213.38 million will occur in Sullivan County and \$217.07 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations of the Montreign Resort Casino is estimated at \$170.81 million.

Appendix Table 20
Economic Benefits from Annual Operations of Montreign Resort Casino
“With Regional Competition” Scenario
High-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	773	773	773	773
Indirect (jobs in support industries)	94	279	283	294
Induced (jobs from household spending)	55	161	181	195
Total	922	1,213	1,237	1,261
Employee Compensation (Millions)				
Direct (on-site)	\$31.25	\$31.25	\$31.25	\$31.25
Indirect (earnings in support industries)	\$2.27	\$6.71	\$6.87	\$7.70
Induced (earnings from household spending)	\$1.62	\$4.80	\$5.50	\$6.47
Total	\$35.15	\$42.76	\$43.63	\$45.42
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$149.02	\$149.02	\$149.02	\$149.02
Indirect (output from support industries)	\$14.11	\$41.67	\$42.50	\$44.68
Induced (output from household spending)	\$7.68	\$22.69	\$25.55	\$28.11
Total	\$170.81	\$213.38	\$217.07	\$221.81
Notes: Numbers may not add precisely to totals due to rounding.				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

MONTREIGN RESORT CASINO (CASINO, CASINO HOTEL, AND INFRASTRUCTURE)-WITH REGIONAL COMPETITION-AVERAGE-REVENUE CASE

The total effect of annual operations in 2017 of Montreign Resort Casino has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The operating costs for 2017 are estimated at \$89.73 million, which include \$31.25 million for payroll and \$58.47 million for non-payroll expenses related to the hotel, food and beverage, entertainment, and gaming (see **Appendix Table 21**).

Appendix Table 21
Operating Assumptions for the Montreign Resort Casino
“With Regional Competition” Scenario
Average-Revenue Case (2017)

	Assumptions
Direct Full and Part Time Employees	773
Direct Employee Compensation	\$31.25 million
Non-Payroll Operating Costs	\$58.47 million
Total Operating Costs	\$89.73 million
Sources: Data was provided by Gaming Hospitality Experts and Moelis & Company.	

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, Montreign Resort Casino would have 773 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of Montreign Resort Casino will generate an estimated 1,224 full-and part-time direct, indirect, and induced employees in New York State, of which 1,178 jobs will be in Sullivan County and 1,202 jobs will be in Region One. Indirect and induced effects to the Host Municipality were estimated based on the Town’s current share of employment in Sullivan County. Including the 773 direct full-and part-time jobs, there will be an estimated 910 full- and part-time jobs generated in the Town of Thompson from the Montreign Resort Casino.

Employee Compensation

The direct employee compensation generated in 2017 from Montreign Resort is estimated at \$31.25 million (see **Appendix Table 22**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$41.89 million in Sullivan County, \$42.72 million in Region One, and \$44.38 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$31.25 million of employee compensation generated on-site, there will be an estimated \$34.85 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Montreign Resort Casino.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses for the Montreign Resort Casino were estimated at \$58.47 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from annual operations of the Montreign Resort Casino is estimated at \$199.54 million in New York State, of which \$191.64 million will occur in Sullivan County and \$195.16 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations of the Montreign Resort Casino is estimated at \$152.51 million.

Appendix Table 22
Economic Benefits from Annual Operations of Montreign Resort Casino
“With Regional Competition” Scenario
Average-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	773	773	773	773
Indirect (jobs in support industries)	84	249	253	262
Induced (jobs from household spending)	53	156	176	188
Total	910	1,178	1,202	1,224
Employee Compensation (Millions)				
Direct (on-site)	\$31.25	\$31.25	\$31.25	\$31.25
Indirect (earnings in support industries)	\$2.03	\$5.98	\$6.12	\$6.86
Induced (earnings from household spending)	\$1.57	\$4.65	\$5.34	\$6.26
Total	\$34.85	\$41.89	\$42.72	\$44.38
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$132.48	\$132.48	\$132.48	\$132.48
Indirect (output from support industries)	\$12.58	\$37.15	\$37.89	\$39.84
Induced (output from household spending)	\$7.45	\$22.01	\$24.79	\$27.22
Total	\$152.51	\$191.64	\$195.16	\$199.54
Notes: Numbers may not add precisely to totals due to rounding.				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

MONTREIGN RESORT CASINO (CASINO, CASINO HOTEL, AND INFRASTRUCTURE)-WITH REGIONAL COMPETITION-LOW-REVENUE CASE

The total effect of annual operations in 2017 of Montreign Resort Casino has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The operating costs for 2017 are estimated at \$50.03 million, which include \$28.74 million for payroll and \$21.29 million for non-payroll expenses related to the hotel, food and beverage, entertainment, and gaming (see **Appendix Table 23**).

Appendix Table 23
Operating Assumptions for the Montreign Resort Casino
“With Regional Competition” Scenario
Low-Revenue Case (2017)

	Assumptions
Direct Full and Part Time Employees	707
Direct Employee Compensation	\$28.74 million
Non-Payroll Operating Costs	\$21.29 million
Total Operating Costs	\$50.03 million
Sources: Data was provided by Gaming Hospitality Experts and Moelis & Company.	

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, Montreign Resort Casino would have 707 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of Montreign Resort Casino will generate an estimated 952 full-and part-time direct, indirect, and induced employees in New York State, of which 923 jobs will be in Sullivan County and 940 jobs will be in Region One. Indirect and induced effects to the Host Municipality were estimated based on the Town’s current share of employment in Sullivan County. Including the 707 direct full-and part-time jobs, there will be an estimated 780 full- and part-time jobs generated in the Town of Thompson from the Montreign Resort Casino.

Employee Compensation

The direct employee compensation generated in 2017 from Montreign Resort Casino is estimated at \$28.74 million (see **Appendix Table 24**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$34.64 million in Sullivan County, \$35.24 million in Region One, and \$36.15 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$28.74 million of employee compensation generated on-site, there will be an estimated \$30.73 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Montreign Resort Casino.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses for the Montreign Resort Casino were estimated at \$21.29 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from annual operations of the Montreign Resort Casino is estimated at \$84.31 million in New York State, of which \$79.45 million will occur in Sullivan County and \$81.94 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations of the Montreign Resort Casino is estimated at \$58.90 million.

Appendix Table 24
Economic Benefits from Annual Operations of Montreign Resort Casino
“With Regional Competition” Scenario
Low-Revenue Case (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	707	707	707	707
Indirect (jobs in support industries)	32	94	96	100
Induced (jobs from household spending)	41	122	137	146
Total	780	923	940	952
Employee Compensation (Millions)				
Direct (on-site)	\$28.74	\$28.74	\$28.74	\$28.74
Indirect (earnings in support industries)	\$0.77	\$2.28	\$2.33	\$2.61
Induced (earnings from household spending)	\$1.23	\$3.62	\$4.17	\$4.81
Total	\$30.73	\$34.64	\$35.24	\$36.15
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$48.39	\$48.39	\$48.39	\$48.39
Indirect (output from support industries)	\$4.71	\$13.92	\$14.19	\$14.92
Induced (output from household spending)	\$5.80	\$17.14	\$19.37	\$21.00
Total	\$58.90	\$79.45	\$81.94	\$84.31
Notes: Numbers may not add precisely to totals due to rounding.				
¹ The total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system.				

ENTERTAINMENT VILLAGE

The total effect of annual operations of Entertainment Village has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The operating costs for 2017 are estimated at \$41.98 million, which includes \$11.66 million for payroll and \$30.32 million for non-payroll expenses related to the entertainment, dining, retail, and specialty components of Entertainment Village (see **Appendix Table 25**).

Appendix Table 25
Operating Assumptions for Entertainment Village

	Assumptions
Direct Full and Part Time Employees	396
Direct Employee Compensation	\$11.66 million
Non-Payroll Operating Costs	\$30.32 million
Total Operating Costs	\$41.98 million
Source: Data was provided EPR Properties	

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, Entertainment Village will have 396 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of Entertainment Village will generate an estimated 585 full-and part-time direct, indirect, and induced employees in New York State, of which 567 jobs will be in Sullivan County and 576 jobs will be in Region One. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the 396 direct full-and part-time jobs, there will be an estimated 453 full- and part-time jobs generated in the Town of Thompson from Entertainment Village.

Employee Compensation

The direct employee compensation generated in 2017 from Entertainment Village is estimated at \$11.66 million (see **Appendix Table 26**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$16.36 million in Sullivan County, \$16.69 million in Region One, and \$17.39 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$11.66 million of employee compensation generated on-site, there will be an estimated \$13.25 million in direct, indirect, and induced employee compensation in the Town of Thompson from Entertainment Village.

Total Effect on the Local Economy

As indicated above, the 2017 non-payroll operating expenses for Entertainment Village were estimated at \$30.32 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from annual operations of the Entertainment Village is estimated at \$131.93 million in New York State, of which \$128.71 million will occur in Sullivan County and \$130.09 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations of Entertainment Village is estimated at \$110.82 million.

Appendix Table 26
Economic Benefits from Annual Operations of
Entertainment Village (2017)

	Host Municipality ²	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	396	396	396	396
Indirect (jobs in support industries)	37	111	112	116
Induced (jobs from household spending)	20	61	68	73
Total	453	567	576	585
Employee Compensation (Millions)				
Direct (on-site)	\$11.66	\$11.66	\$11.66	\$11.66
Indirect (earnings in support industries)	\$0.98	\$2.90	\$2.95	\$3.29
Induced (earnings from household spending)	\$0.61	\$1.80	\$2.07	\$2.44
Total	\$13.25	\$16.36	\$16.69	\$17.39
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$101.66	\$101.66	\$101.66	\$101.66
Indirect (output from support industries)	\$6.27	\$18.53	\$18.82	\$19.68
Induced (output from household spending)	\$2.89	\$8.53	\$9.61	\$10.59
Total	\$110.82	\$128.71	\$130.09	\$131.93
Notes: Numbers may not add precisely to totals due to rounding.				
¹ Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
² Indirect and induced economic benefits in the Town of Thompson were estimated based on the Town's current share of employment in Sullivan County.				
Sources: The characteristics and construction cost of the proposed development, the IMPLAN economic modeling system, and ESRI Business Analyst's Business Summary Report.				

INDOOR WATERPARK LODGE

The total effect of annual operations in 2017 of the Indoor Waterpark Lodge has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. The total operating costs for the Indoor Waterpark Lodge are estimated at \$33.05 million, which includes \$8.45 million for payroll and \$24.60 million for non-payroll expenses related to the Indoor Waterpark Lodge (see **Appendix Table 27**).

Appendix Table 27
Operating Assumptions for Indoor Waterpark Lodge

	Assumptions
Direct Full and Part Time Employees	400
Direct Employee Compensation	\$8.45 million
Non-Payroll Operating Costs	\$24.60 million
Total Operating Costs	\$33.05 million
Source: Data was provided EPR Properties	

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, the Indoor Waterpark Lodge will have an estimated 400 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of the Indoor Waterpark Lodge will generate an estimated 557 full-and part-time direct, indirect, and induced employees in New York State, of which 542 jobs will be in Sullivan County and 549 jobs will be in Region One. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the 400 direct full-and part-time jobs, there will be an estimated 448 full- and part-time jobs generated in the Town of Thompson from the Indoor Waterpark Lodge.

Employee Compensation

The direct employee compensation generated in 2017 from the Indoor Waterpark Lodge is estimated at \$8.45 million (see **Appendix Table 28**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$12.30 million in Sullivan County, \$12.56 million in Region One, and \$13.13 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$8.45 million of employee compensation generated on-site, there will be an estimated \$19.75 million in direct, indirect, and induced employee compensation in the Town of Thompson from the Indoor Waterpark Lodge.

Total Effect on the Local Economy

As indicated above, the 2017 non-payroll operating expenses for the Indoor Waterpark Lodge were estimated at \$24.60 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from the Indoor Waterpark Lodge’s annual operations is estimated at \$84.12 million in New York State, of which \$81.50 million will occur in Sullivan County and \$82.61 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations of the Indoor Waterpark Lodge is estimated at \$67.38 million.

Appendix Table 28
Economic Benefits from Annual Operations of
Indoor Waterpark Lodge(2017)

	Host Municipality	Sullivan County ²	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	400	400	400	400
Indirect (jobs in support industries)	32	95	96	100
Induced (jobs from household spending)	16	47	53	57
Total	448	542	549	557
Employee Compensation (Millions)				
Direct (on-site)	\$8.45	\$8.45	\$8.45	\$8.45
Indirect (earnings in support industries)	\$0.83	\$2.46	\$2.52	\$2.79
Induced (earnings from household spending)	\$0.47	\$1.39	\$1.60	\$1.89
Total	\$9.75	\$12.30	\$12.56	\$13.13
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$60.16	\$60.16	\$60.16	\$60.16
Indirect (output from support industries)	\$5.00	\$14.76	\$15.04	\$15.78
Induced (output from household spending)	\$2.23	\$6.58	\$7.41	\$8.19
Total	\$67.38	\$81.50	\$82.61	\$84.12
Notes: Numbers may not add to totals due to rounding.				
¹ Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.				
² Indirect and induced economic benefits in the Town of Thompson were estimated based on the Town's current share of employment in Sullivan County.				
Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system, and ESRI Business Analyst's Business Summary Report.				

MONSTER GOLF COURSE

The total effect of annual operations in 2017 of Monster Golf Course has been projected for the Host Municipality, Sullivan County, Region One, and New York State using the IMPLAN model and specific operating data. Monster Golf Course's operating costs for 2017 are estimated at \$2.25 million, which includes \$1.00 million for payroll and \$1.25 million for non-payroll expenses (see **Appendix Table 29**).

Appendix Table 29
Operating Assumptions for Monster Golf Course (2017)

	Assumptions
Direct Full and Part Time Employees	55
Direct Employee Compensation	\$1.00 million
Non-Payroll Operating Costs	\$1.25 million
Total Operating Costs	\$2.25 million
Source: Data was provided EPR Properties	

EMPLOYMENT AND ECONOMIC EFFECTS

As discussed above, Monster Golf Course will have an estimated 55 full- and part-time employees on-site in 2017. Based on the IMPLAN model’s economic multipliers, operations of Monster Golf Course will generate an estimated 65 full-and part-time direct, indirect, and induced employees in Region One and New York State, of which 64 jobs will be in Sullivan County. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the 55 direct full-and part-time jobs, there will be an estimated 58 full- and part-time jobs generated in the Town of Thompson from Monster Golf Course.

Employee Compensation

The direct employee compensation generated in 2017 from Monster Golf Course is estimated at \$1.00 million (see **Appendix Table 30**). Based on the IMPLAN model’s economic multipliers, total direct, indirect, and induced employee compensation is estimated at \$1.08 million in Sullivan County, \$1.23 million in Region One, and \$1.29 million in New York State. Indirect and induced effects to the Town of Thompson were estimated based on the Town’s current share of employment in Sullivan County. Including the \$1.00 million of employee compensation generated on-site, there will be an estimated \$1.08 million in direct, indirect, and induced employee compensation in the Town of Thompson from Monster Golf Course.

Total Effect on the Local Economy

As indicated above, the non-payroll operating expenses in 2017 for Monster Golf Course were estimated at \$1.25 million. Based on the IMPLAN models for Sullivan County, Region One, and New York State, the total economic activity that would result from Monster Golf Course’s operations in 2017 is estimated at \$5.33 million in New York State, of which \$5.15 million will occur in Sullivan County and \$5.24 million will occur in Region One. The total effect on the Town of Thompson’s economy from annual operations in 2017 of Monster Golf Course is estimated at \$4.30 million.

Appendix Table 30
Economic Benefits from Annual Operations of
Monster Golf Course (2017)

	Host Municipality	Sullivan County	Region One	New York State
Employment (Permanent Full- and Part-Time Jobs)				
Direct (on-site)	55	55	55	55
Indirect (jobs in support industries)	2	5	5	5
Induced (jobs from household spending)	1	4	5	5
Total	58	64	65	65
Employee Compensation (Millions)				
Direct (on-site)	\$1.00	\$1.00	\$1.00	\$1.00
Indirect (earnings in support industries)	\$0.04	\$0.11	\$0.11	\$0.12
Induced (earnings from household spending)	\$0.04	\$0.13	\$0.15	\$0.17
Total	\$1.08	\$1.23	\$1.26	\$1.29
Total Economic Output or Demand¹ (Millions)				
Direct (on-site)	\$3.86	\$3.86	\$3.86	\$3.86
Indirect (output from support industries)	\$0.23	\$0.69	\$0.70	\$0.73
Induced (output from household spending)	\$0.21	\$0.61	\$0.69	\$0.73
Total	\$4.30	\$5.15	\$5.24	\$5.33
<p>Notes: Numbers may not add precisely to totals due to rounding.</p> <p>¹ Total economic output or demand is the total effect on the local economy, including the sum of the cost of goods and services used to produce a product and the associated payments to workers, taxes, and profits.</p> <p>² Indirect and induced economic benefits in the Town of Thompson were estimated based on the Town's current share of employment in Sullivan County.</p> <p>Sources: The characteristics and construction cost of the proposed development and the IMPLAN economic modeling system and ESRI Business Analyst's Business Summary Report.</p>				

About AKRF, Inc.

AKRF, founded in 1981, is a multidisciplinary consulting firm specializing in environmental, planning, economic, and engineering services. We bring together the talents of over 200 professionals in five locations to complete a wide variety of projects for public agencies, private clients, and municipalities, and deliver solutions with substantial, measurable value.

Our people are key to our long record of success. Our professional staff—many of whom are recognized industry leaders with many years of experience—include economists, urban planners, historians, air quality and noise analysts, civil engineers, transportation planners, and hazardous materials specialists. Our range of expertise enables us to offer our clients, from a small private developer to a large public agency, a single source to meet all their regulatory, engineering, and planning needs.

Because AKRF's growth has been from within and not through acquisition, our departments and our staff members have worked side-by-side for decades. This means that there are no barriers to communication as projects evolve and new challenges are addressed. When you work with AKRF, you have immediate and constant access to the full range of our staff expertise and we can seamlessly respond to your project's needs.

AKRF's Economic and Real Estate Advisory Services practice helps public and private clients make informed, cost-effective decisions through a broad range of services including market and demand analyses, financial feasibility analyses, economic and fiscal impact analyses and comprehensive development strategies. Our team includes economists, MBAs, input-output modelers, accredited real estate professionals, and former real estate developers. For over 30 years we have worked on award-winning, small town revitalization projects as well as some of the region's signature multi-million-dollar development projects. Our experts are well versed in analyzing markets, conducting financial pro forma assessments, assessing economic impacts, and creating economic development strategies that help not only to get things built but also unfold each project's catalytic potential.

AKRF's Economic and Real Estate Advisory Services practices areas are as follows:

Demographics & Market Conditions

We provide demographic and market studies for residential, commercial, industrial, and mixed-use projects. Private-sector clients call on AKRF to determine or test demand for their real estate developments, and to help them navigate the public approval process by forecasting potential socioeconomic impacts. Public-sector clients frequently use our services to plan for population and job growth and to verify the market for proposed real estate projects. Specific areas of expertise include:

- Market and feasibility studies
- Consumer spending analysis
- Capture rate/gap analysis
- Housing demand analysis
- Demographic trends and forecasts

- CEQR/SEQR/NEPA socioeconomic impact and environmental justice analyses

Tourism & Hospitality

Tourism and the hospitality industry are key contributors to the economy of an area, urban or rural. AKRF understands how attracting, entertaining, and lodging visitors provides opportunities to capture consumer expenditures. Clients who have used these services include real estate developers, state and municipal finance authorities, economic development agencies, operating corporations such as casinos and convention centers, local development corporations, and museums and cultural facilities. Specific areas of expertise include:

- Market assessments / Facility programming
- Feasibility studies and performance evaluation
- Visitation projections / Marketing strategy
- Sales and revenue projections
- Strategic development planning

Economic & Fiscal Impacts

AKRF is well-known for top-notch economic and fiscal impact modeling capabilities. Using RIMS II and IMPLAN input-out models, we help economic development agencies, public development corporations, and private-sector developers understand and communicate the value of proposed development projects in terms of direct and indirect jobs, wages and salaries, property and sales taxes, personal income and corporate taxes, and utility and special district taxes. In addition to economic and fiscal impact modeling, specific expertise includes:

- Cost-benefit analysis
- Cost of services analysis
- Employment and labor market analysis
- Tax Increment Financing (TIF) planning and analysis
- EB-5 application support

Real Estate & Economic Development

We help public development agencies and private real estate investors determine how best to generate sustainable economic development in a region, town, neighborhood, or single development parcel. Our staff works to maximize development opportunities by weighing economic, financial, environmental, and physical factors, setting priorities, and evaluating the public and private return on investment. Our services include:

- Corridor studies / Revitalization strategy / Blight studies
- Transit Oriented Development (TOD) studies
- Research & Development (R&D) studies

Gaming Facility at Adelaar

- Strengths Weaknesses Opportunities and Threats analysis
- Highest-and-best use analysis / Financial feasibility studies
- Urban renewal plans
- Cash-flow analysis / Site selection studies
- Public private partnership (P3) strategy