

### **Exhibit IX.A.3 - Mitigation of Impact to Host Municipality and Nearby Municipalities**

The host municipality for the proposed casino project is the Town of Union, which provides a number of municipal services and which is comprised of a number of smaller municipalities that provide many of their own municipal services. In their expert report, Econsult Solutions, Inc. determined that the following jurisdictions could potentially be impacted through additional expenditures due to the casino's development and operation: Town of Union, the Village of Johnson City, the Village of Endicott, and the Hamlet of Endwell. The complete Econsult Solutions, Inc. report is included in Exhibit VIII.B.3.b.2. Throughout the Econsult's report, unless otherwise noted, these jurisdictions are referred to collectively as the "Town of Union".

Econsult Solutions, Inc. utilized a standard fiscal impact analysis framework to translate the net new activity associated with the arrival of the proposed casino project into a commensurate amount of net new general fund expenditures borne by the host municipality. Where assumptions were used to derive this estimate, Econsult Solutions, Inc. conservatively overstated the potential impact, so as to avoid minimizing its magnitude.

These additional expenditures arise from the fact that a new casino may result in the following impacts: net new households and school-aged children living in a jurisdiction; net new employees who are commuting to and working in a jurisdiction; and net new visitors who are coming into and spending time in a jurisdiction.

It is possible that the net new expenditure burden from the proposed casino project is zero or close to zero. If that is the case, it is likely that any net new expenditure burden to any of the local jurisdictions is exceeded by the net fiscal benefits generated to those local jurisdictions, in the form of property tax revenues and other net new revenues and as described in the Innovation Group economic impact report.

Nevertheless, Econocult, to be conservative, overstated the possible net new expenditure burden and arrived at the estimated an annual general fund expenditure impact on the Town of Union of about \$430,000. This is broken down as follows:

- Public Safety \$290,000
- Street/Infrastructure \$80,000
- Culture and Recreation \$30,000
- Home and Community Services \$30,000

It is also possible that, even if the net new expenditure burden is not zero or close to zero, it will be some number at or below the figures generated in this report.

It is possible that the net new expenditure burden to the local jurisdictions is not exceeded by the net fiscal benefits generated to those local jurisdictions. If that is the case, Traditions

## Exhibit IX.A.3

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Resort and Casino is prepared to discuss with any and all local jurisdictions a mitigation plan for any net new expenditure burden the proposed casino project will impose on them, which would take the form of additional payments to these local jurisdictions and/or additional services borne directly and privately by Traditions Resort and Casino.

It is important to note that prior to completing their report, Econsult Solutions, Inc contacted public safety agencies who had responsibility for EMS, Fire and Law Enforcement who independently concurred this project would not have an impact on their individual departments or operations. In addition, the Mayor of Johnson City stated he felt there would not be any impact on the services provided by Johnson City.

Following receipt of the report from Econsult Solutions, Inc., Traditions Resort & Casino drafted three specific agreements to address the mitigation of potential impact to the Endwell Fire Department, The Broome County's Sherriff's Office, and the Town of Union.

These agreements are currently in negotiation and are included in the following pages. A summary of our plan and agreements is as follows:

- 1.) Town of Union: Estimated potential impact of \$140,000 per year.

Should the Town of Union incur additional impact in the services provided to the Town of Union a result of the casino, upon request, Traditions Resort and Casino will contribute to the Town of Union as the follows;

- a. \$80,000 per calendar year to be paid in January of each year to the Town of Union general fund to be used for Street Infrastructure. This money will be provided to the Town of Union and may be used at their discretion.
- b. \$30,000 per calendar year to be paid in January of each year to the Town of Union general fund to be used for Culture and Recreation. This money will be provided to the Town of Union and may be used at their discretion.
- c. \$30,000 per calendar year to be paid in January of each year to the Town of Union general fund to be used for Home and Community Services. This money will be provided to the Town of Union and may be used at their discretion.

- 2.) Endwell Volunteer Fire Department: Estimated potential impact of \$90,000 per year.

Should the Fire Department incur additional impact in the services provided to the Town of Union by a substantial increase in call volume as a result of the increased activity in their Fire District, upon request, Traditions Resort and Casino will contribute to the Fire Department as the follows;

- a. \$60,000 per calendar year to be paid in January of each year to the Fire District to be used for operational items. This money will be provided to the District and may be used at their discretion for activities directly related to

## Exhibit IX.A.3

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providing services to the Town of Union residents. (Fuel, Maintenance, Equipment, Training, Vehicle Purchase, etc.)

- b. \$30,000 per calendar year to be paid in January of each year to the Fire Company to be used for the benefit of the members. It is important to recognize the importance of the volunteer contributions of the membership and support their activities. This money will be provided to the Company and may be used at their discretion for activities directly related to company activities. (Social Activities, Volunteer Rewards & Recognition, LOSAP or similar program funding, etc.)

3.) Broome County Sherriff's Office: Estimated potential impact of \$200,000 per year.

Should Sherriff's Department incur additional impact in the services provided to the Town of Union by either a substantial increase in call volume as a result of the increased activity the area of the casino or require additional patrols in the area, upon request, Traditions Resort and Casino will contribute to the Broome County Sherriff's Office as the follows;

- a. \$200,000 per calendar year to be paid in January of each year to the Broome County Sherriff's Office to be used at their discretion for activities directly related to providing services to the Town of Union residents. (Fuel, Maintenance, Equipment, Training, Vehicle Purchase, etc.)

Should an unanticipated impact occur, upon request from appropriate officials and/or community members, the owners and management will discuss the impacts and work to develop a good faith, mutually acceptable mitigation solution