

Appendix B.4

Evaluation of Potential Long-Term Regional Land Use Changes Associated with the Proposed Belleayre Resort

Project Technical Memorandum

To: NYCDEP – OEPA
Subject: Crossroads DEIS Review -Deliverable B.5 – Evaluation of Potential Long-Term Regional Land Use Changes Associated with the Proposed Belleayre Resort
Date: February 6, 2004 (Finalized February 2004)

Introduction

This Technical Memorandum evaluates the potential for induced growth and long-term land use changes which may occur as a result of the construction and operation of the proposed Belleayre Resort. We conclude that the DEIS fails to adequately analyze the potentially significant adverse environmental impacts that may result from induced growth and long-term land use changes. In particular, the proposed Belleayre Resort is expected to accelerate population growth, housing development and commercial development in the primary and secondary economic impacts areas (see Appendix A.1, Review of Study Areas Used in the DEIS for Economic and Labor Market Impacts). This development will result in increased impervious surface, stormwater flows, wastewater flows and water usage, all of which have the potential to affect the region's water quality. It is important to note that this analysis is based on the specific components of the proposed Belleayre Resort, and assumes that no additional development beyond that which is identified in the DEIS will be constructed on the properties owned by Crossroads Ventures, LLC.

Influences on Land Use

As discussed in prior Technical Memoranda, the proposed Belleayre Resort at Catskill Park is expected to have a significant impact on the host communities and the larger region (see Appendix B.4, Evaluation of Economic Impacts of the Proposed Belleayre Resort Using the REMI Model). The DEIS indicates that the resort will require more than 2,100 person-years of construction, or an average of 264 construction workers per year during the eight-year construction period (see DEIS Appendix 26, Page 3-3). The DEIS also indicates that the resort will employ almost 750 direct workers during operations (see DEIS Appendix 26, page 4-2, Table 4-1).

RKG's evaluation of the project using the REMI model indicates that approximately 80,000 square feet of commercial and retail space would be required in the primary economic impact area¹ to support spending by workers and visitors to the resort over the first ten years of the project, with an additional 20,000 square feet or more through 2023 region (see Appendix B.4, Evaluation of Economic Impacts of the Proposed Belleayre Resort Using the REMI Model). Beyond the primary economic impact area, the proposed Belleayre Resort will have additional impacts, creating demand for an additional 65,000 square feet of commercial and retail demand through 2023. The demand for additional commercial and retail space of 80,000 square feet

¹ Shandaken, Middletown, Olive and Andes

estimated by the REMI model is similar to the estimate of 76,700 square feet used in the DEIS, which was estimated using the RIMS II model (see DEIS Appendix 26, page 7-6).

According to the REMI model, population growth is likely to be induced by the proposed Belleayre Resort. RKG estimates that more than 700 people will move to the area as a result of the proposed project. As noted in Appendix B.1, Evaluation of Current Socioeconomic and Market Data, the primary economic impact area saw an increase in population of approximately 1,400 during the 1990s. Population growth associated with the proposed resort would represent 50% of the population growth experienced during the 1990s, excluding other factors.

In addition, while the DEIS indicates that the project will not induce any residential growth, RKG estimates that as many as 158 new housing units will be required in the primary economic impact area by 2013, with an additional 165 units through 2023, to support economic immigration induced by the proposed Belleayre Resort. It is significant to note that the host communities of Middletown and Shandaken only added 137 new housing units during the 1990s, such that the growth associated with the proposed resort would represent a significant increase in the rate of growth for the area. Beyond the primary economic impact area, the proposed Belleayre Resort will have similar impacts, inducing demand for an additional 155 housing units through 2013.

In total, it is estimated that the proposed Belleayre Resort will result in demand for 313 housing units over the next ten years over and above the baseline economic forecast for Delaware and Ulster Counties. It should also be noted that some of this demand could be met through existing housing units, either through conversion of seasonal residences to year-round units, or through reductions in vacancy of existing properties.

A portion of the population growth which occurs as a result of the proposed project is likely to be school-aged children, which will affect the region's schools. At .3 to .6 students per new housing unit, the schools in the four town study area could see an additional 50 to 100 students. Occupancy of existing vacant units and conversion of seasonal residences to year-round units could drive these numbers even higher.

It should be noted that school capacity could be an issue, if the proposed Belleayre Resort at Catskill Park induces population growth as projected by the REMI model. While the DEIS indicates that the Margaretville Central School District "stated that they have capacity to serve the proposed project", a review of a letter provided by Marcia Franklin, Superintendent of Schools, indicates "Our organization has the capacity to service the Belleayre Resort at Catskill Park project, with the understanding that probably only the privately-owned homes in Highmount Estates might house school-aged children."

The proposed Belleayre Resort is expected to accelerate development, population growth, housing development and commercial development in the primary and secondary economic impacts areas (see Appendix A.1, Review of Study Areas Used in the DEIS for Economic and Labor Market Impacts). Impacts include increased impervious surface, stormwater flows,

wastewater flows and water usage, all of which have the potential to affect the region's water quality.

Anticipated Land Use Impacts

Over the course of the next twenty years, regional land use changes associated with development of the proposed Belleayre Resort are expected to be significant. Assuming an average of 3 to 5 acres per new housing unit, between 975 and 1,625 acres of land could be developed for residential uses to support the 323 housing units which are expected to be constructed in the primary economic impact area. Since locational considerations for siting residential development are different than those associated with non-residential development, residential uses are more likely to be spread across a broader geographic area of each community.

However, from a practical perspective, developers are likely to pursue development at those locations which are: 1.) Easiest to permit, such that their projects are not unduly delayed; and 2.) Result in reasonable profit levels. To this end, RKG anticipates that the existing village and hamlet areas which are served (or can be served through expansion of the sewer district) will see increasing development pressure for residential uses. In fact, there is evidence that the marketplace may already be seeking to capitalize on the anticipated investment associated with the Belleayre Resort at Catskill Park. There is reportedly a residential cluster development proposed in Pine Hill, and a Margaretville Hotel is reported to be seeking approval to add as many as 65 rooms. This is similar to the experience of other resort communities. RKG's research at comparable resort communities indicated that:

- Roadway access has been improved during the early stages of the project, in order to enhance access to and from the resort.
- Communities have seen that new development is, to some extent, tied to the availability of sewer service.
- Developers not affiliated with the resort are likely to try to capitalize on the tourism associated with the resort development.
- Communities showed indications of other developers creating competing housing opportunities to the proposed development.
- Communities also experienced rapid increases in housing and land pricing.

The maps which appear at the end of this report (Figures 1, 2 and 3) provide information regarding the availability of developable and potentially subdividable land in Margaretville/Arkville, Fleischmanns and Pine Hill. As shown on the maps, each community has some land in close proximity to NYS Route 28 and within sewer districts that is available for development. Based on the experience of other resort communities, these parcels are expected to

see the most significant development pressure, particularly for non-residential development, although higher density seasonal housing may also be possible in these locations.

Table 1		
Undeveloped or Potentially Subdividable Parcels in the Hamlet/Village Areas of Arkville, Margaretville, Fleischmanns, and Pine Hill		
	Map/Lot	Acres
ARKVILLE	307.1-1-54.1	38.19
	285.-2-48.31	34.33
	285.-2-48.32	20.97
	307.1-1-3	12.30
	307.1-3-43	10.70
	307.1-3-39.11	6.73
	307.1-1-52	6.10
	307.1-3-44	4.71
MARGARETVILLE	284.-1-16	94.00
	284.-1-21	55.00
	306.7-7-31	21.30
	306.10-1-25	17.15
	306.10-1-28	16.80
	306.14-1-10.1	13.30
	306.10-1-1	7.70
	284.19-1-13	7.00
	306.7-8-4.11	6.32
FLEISCHMANNS	286.-1-47	76.30
	286.-1-24.1	60.00
	287.-1-43	42.54
	287.13-1-6	13.40
	309.-1-25	9.60
	286.-1-24.23	7.12
	286.-1-24.211	5.82
	286.-1-24.212	5.67
	286.-1-24.213	4.67
	286.-1-24.214	4.45
	PINE HILL	4.37-1-2.112
4.46-4-35.100		11.40
4.37-1-2.500		4.57
4.46-4-35.400		4.40
4.-2-18.220		4.30
4.-2-18.230		3.40
4.46-4-35.600		3.20
4.46-4-35.300		2.00

Source: Property assessment database records and RKG Associates, Inc.

Specific parcel numbers on Figures 1 through 3 can be matched to Table 1, which provides an indication of the size of each of the parcels considered to be most likely to see development pressure in the future.

It is significant to note that non-residential development is expected to require less than 20 acres in total, and as such, there are a number of sites which are likely to experience development pressure. In particular, those development sites closest to the entrances for the Belleayre Ski Area and the proposed Belleayre Resort are expected to see the most significant development pressure. Over the longer term, properties east of the proposed resort located on NYS Route 28 are likely to see more development pressure than those located west of the proposed resort based on traffic patterns, though some additional pressure could be seen between the proposed Belleayre Resort and Margaretville.

On the residential side, RKG anticipates that development pressure would be felt in two areas. First, there could be pressure for clustered developments within the areas served by public sewer systems. This development could include single-family homes, townhouses, condominiums, apartments and mobile homes, for both year-round and seasonal residents. Second, residential development outside the boundaries of existing sewer systems is most likely to be in the form of single family homes, though the demand for low cost housing options for workers at the proposed resort could fuel consideration of multi-family projects, including apartments and mobile home communities.

Figure 1

Development Potential - Margaretville/Arkville
 Town of Middletown

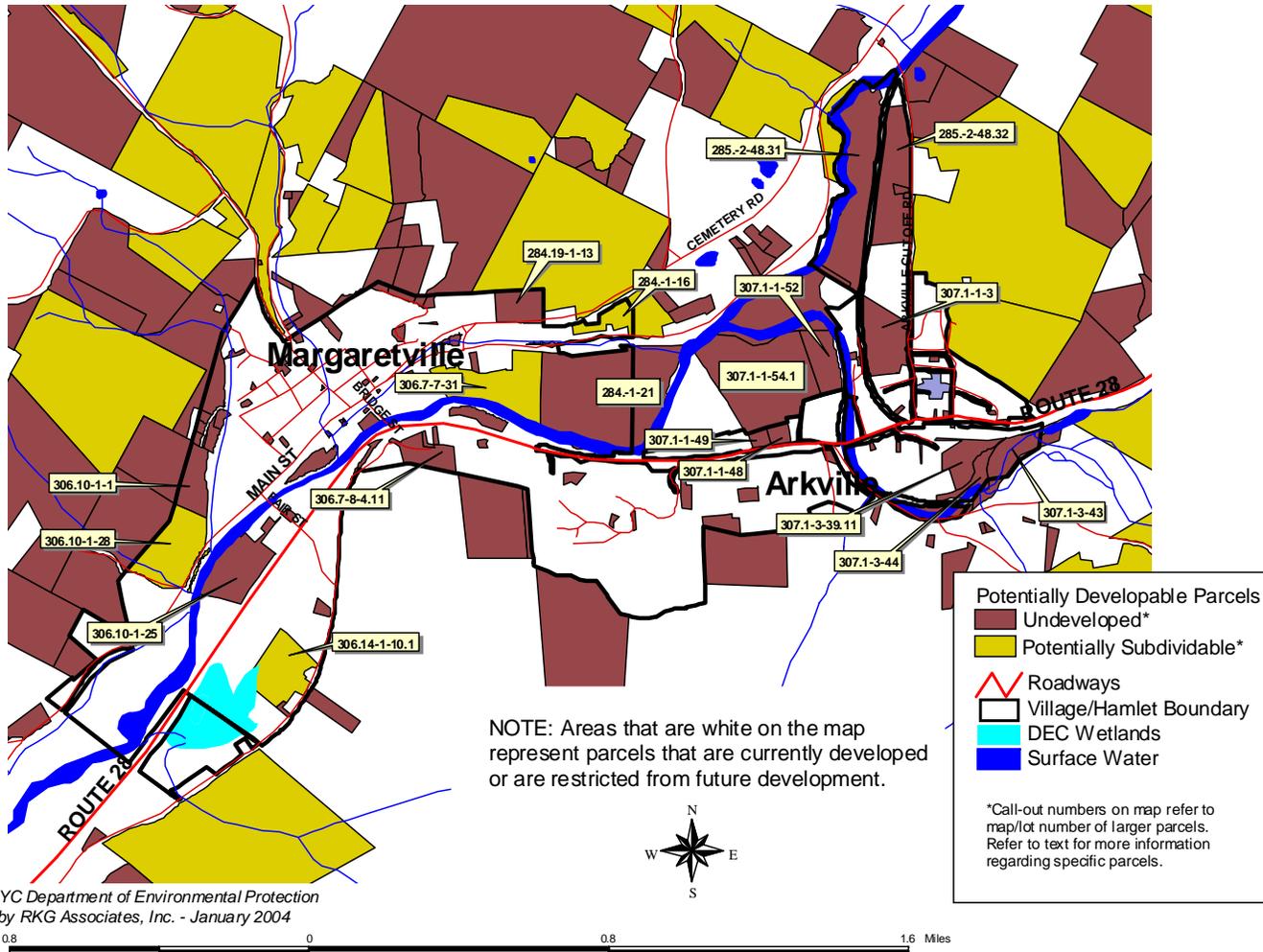


Figure 2

Development Potential - Fleischmanns
 Town of Middletown

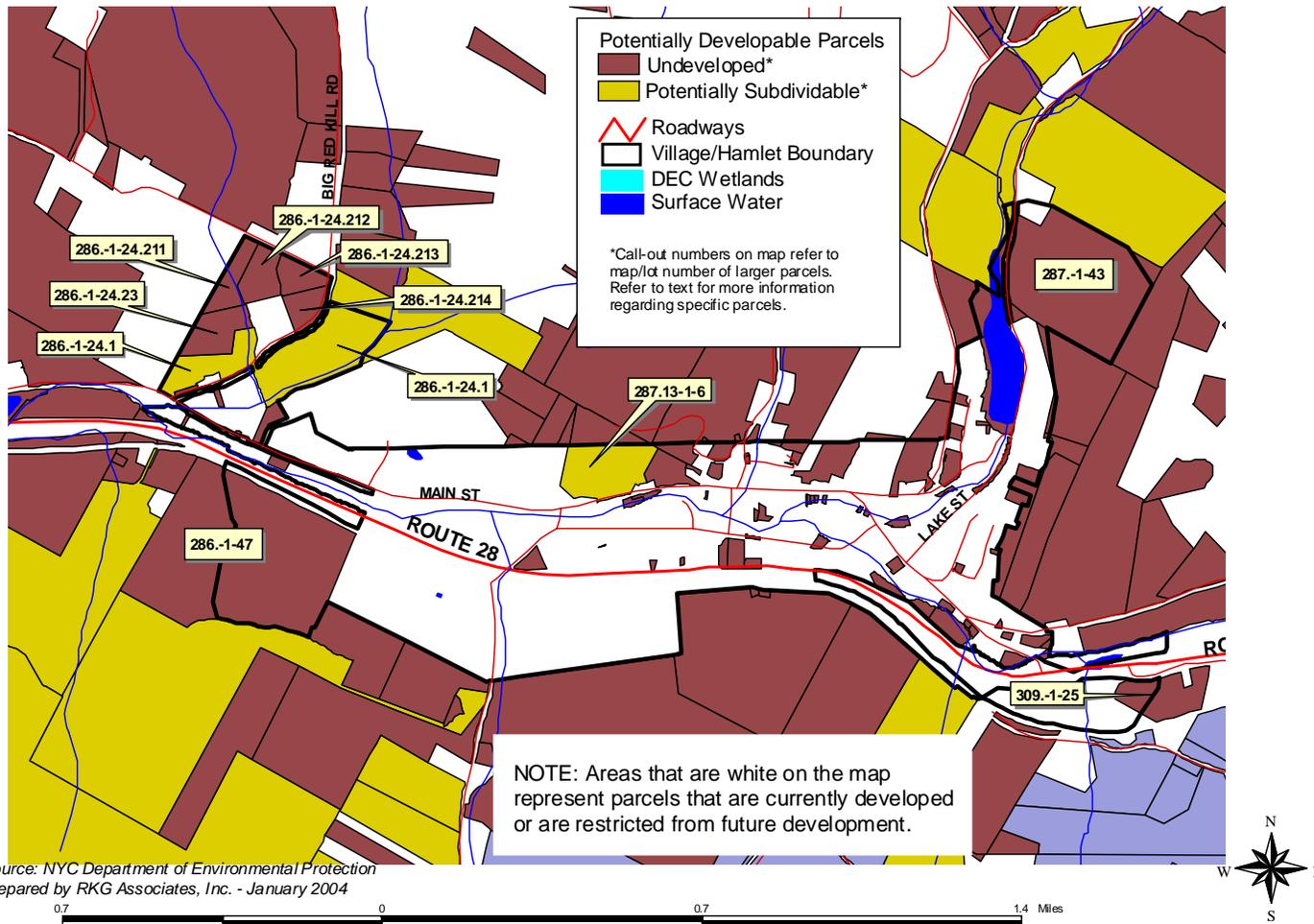


Figure 3

Development Potential - Pine Hill
 Town of Shandaken

