

7.0 GROWTH INDUCING ASPECTS

As indicated in previous sections of the document, the proposed project would add a projected 918 people to the population of the Town of Fallsburg.

While there will be some added growth in population using municipal water, this will account for only 55 of the proposed units while the remaining 181 units will be supplied by an onsite community water supply system. Public water will only be extended into the project for the 55 units on the north portion of the property adjacent to Heiden Road, that fall within the water district. However, the project is not expected to result in the creation of drinking water infrastructure that could induce future growth since the creation of the onsite community water supply will be created only to maintain the needs of the proposed community.

The development of wastewater treatment facilities for the entire development, including the existing hotel, will be provided onsite and are not being sized for additional growth.

The project would promote increased construction employment in the short term and, on a cumulative basis, an increased long term demand for goods and services that would have a steady multiplier effect in the project area.

The construction value of the proposed project is estimated to be approximately \$34,664,000. Construction of the project would require a commitment of person hours of labor, which can be viewed as beneficial to the community, the local economy, and the construction industry with respect to the generation of jobs. Based on labor hour estimates published by the Urban Land Institute (1994), and accounting for secondary employment resulting from the construction, this project would generate approximately 185 full time equivalent jobs in the various construction trades associated with this project.

It is anticipated that construction workers would come from Sullivan County as well as nearby Orange and Ulster Counties in the lower Hudson River Valley. These workers are expected to have a positive impact on existing local businesses that provide such services as food convenience shopping, gasoline, etc.

Future residents would utilize area retail, personal service, and other commercial services. It is estimated that approximately 30 percent¹ of a typical household's income is spent on retail goods and services. It is estimated that a household income of at least \$72,000 annually would be required to support a residence valued at \$225,000. Thus, it is estimated that the 236 households would spend approximately \$5,097,600 annually on retail goods and services. A portion of these expenditures would be made at local area restaurants, supermarkets, convenience stores, apparel and household goods stores, and service businesses such as gas stations and hair salons. Since this is anticipated to be a seasonal development, the amount of expenditure would likely be in the range of \$1.2 to \$1.3 million annually.

In summary, no significant growth inducing effects on the area's utilities, community services, or facilities are expected. No adverse effects on area commercial services are expected as a result of the proposed development.

¹According to figures from the US Bureau of Economic Analysis published in the ULI Development Assessment Handbook, up to 40 percent of Total Personal Consumption Expenditures is composed of Shopping goods and Convenience goods. To provide a conservative analysis an estimate of 30 percent is used for this DEIS.