

Exhibit VIII.C.4.B

MASTER PLAN AND BUILDING PROGRAM: SUITABILITY OF PROJECT SITE

Submit as Exhibit VIII. C.4.b. a detailed analysis of the suitability of the proposed Project Site for the proposed Gaming Facility and the ways in which the proposed Gaming Facility supports revitalization, if applicable, and the proposed relationship of the Project Site to adjoining land uses and proposed land uses to ensure compatibility with those adjoining land uses.

SUITABILITY OF PROJECT SITE

The Nevele project site and all of its history has always been an important part of the Catskill resort industry. The development of the resort industry from its very beginning became a dominant force that forever changed the economic base of Ulster and Sullivan counties from leather tanning, lumbering, quarrying and farming to tourism and hospitality.

Nevele has operated at this location for over 100 years, and continuing this use is consistent with smart growth practices. Nevele is believed to have officially opened in 1903 as a resort called “The Falls View Farm House”. The property was later renamed Nevele and grew over the years to become the preeminent property on the eastern side of the Catskills historic resort region. Nevele has always been an important economic driver in the region considering that, at its peak, it employed over 800 workers and would often host over 1,200 guests. In the late 1990s the property was sold by the original owners and operated as the Nevele Grand Hotel until it closed in 2009 after years of decline, which reflected an overall drop in the popularity of the Catskill region as a vacation destination.

Nevele Resort, Casino & Spa will restore the historic Nevele site to its former prominence as the anchor property for the eastern Catskills resort region and will include adaptive reuse of several existing structures and facilities and demolition of on-site structures to accommodate construction of planned new facilities, all within the existing development footprint.

The development program is focused on repurposing those facilities that are structurally sound, can be updated in a cost effective manner and can help maintain the historic identity of Nevele resort. A principal design objective of the design team was to minimize environmental impacts and maintain the existing development footprint of the site. (see DGEIS Figure 1.3.3 Tax Map). Physical development (with the exception of the existing golf course) is largely confined to the 40 acre area that centers on the existing hotel structures.

The proposed Nevele project is consistent with surrounding land uses, which include a mix of resort, residential, vacant, commercial, and wild, forested, conservation lands and public parks (see DGEIS Figure 3.9.1, Existing Land Use Map). Just north and adjacent to the Nevele project site, Honors Haven Resort and Spa operates a four

season resort with 235 guest rooms, banquet room, conference facilities and a 9-hole golf course. The two resorts and the Shawangunk golf course located north of and adjacent to Honors Haven are the predominant land uses on the east side of US Route 209.

The Town of Wawarsing Comprehensive Plan adopted in 2006 provides guidance on the Town's land use policies and related actions. There are a series of goals and recommendation that directly speak to the redevelopment of Nevele and, which recognize the need to take proactive measures that will encourage investments and improvements to the Town's aging tourism resort infrastructure. The Comprehensive Plan specifically recommends establishing zoning and development policies that support the existing resort industry in the Town and promotes establishing zoning and development policies that respond to the emerging needs of the tourism industry.

The existing transportation network provides excellent connectivity to travel to the facility from various locations. US Route 209 is the primary north-south corridor in the region connecting I-87 in Kingston to NY Route 17 (I-86 designated), and I-84 in Port Jervis, NY. US Route 209 splits a portion of the Project site along its western edge and connects to Country Club Road and Arrowhead Road leading to the Project site. NYS Route 52 travels west from the village of Ellenville and south along the Shawangunk Ridge State Forest, adjacent to the Project site.

There is adequate existing infrastructure for water and wastewater connections, and sufficient capacity exists to supply the project with water and treat wastewater effluent generated by the project.

One of the goals of the redevelopment is to enhance direct and indirect economic activity in the Hudson Valley/Catskill region and to provide jobs both for the construction and operation of the resort. The Catskill Region has experienced significant decline in tourism since the 1970's. Nevele Resort, Casino & Spa will have significant positive economic and fiscal benefits. The Nevele project will result in significant positive fiscal impacts resulting from the collection of property and sales tax revenue, income tax revenue, gaming tax, and hotel tax revenue. The net fiscal impacts (accounting for increased expenses to the taxing jurisdiction) over the 20-year window include \$142.7 million in net revenue to the Town and its special districts and \$88.6 million to the Ellenville School District.

The economic impact of Nevele Resort, Casino & Spa is a result of the new employment at Nevele (the direct effects) and also a result of spending re-circulating throughout the economy, as local businesses make additional purchases and employees spend their wages locally (the indirect effects). The impacts have been projected over 20 years, three years beyond the 15 year life of the PILOT agreement - using a 3 percent annual inflation factor. Nearly 3,600 jobs will be created over the 20 year period, spending/sales will reach \$830 million and wage/earning will reach \$251 million.

There is enormous local support for the redevelopment of Nevele as a destination resort. Redevelopment of Nevele is consistent with local land use and the Town's Comprehensive Plan. The Comprehensive Plan recommends establishing zoning and development policies that support the existing resort industry in the Town and respond to the emerging needs of the tourism industry for bed and breakfast facilities, ecotourism, campgrounds and small-scale niche resorts.

It is the hope of local residents and potential developers that the area can be returned to economic prosperity through the redevelopment of Nevele, which will restore the resort's proud heritage within the region. Having once been one of the largest employers in the region, Nevele has the potential to revitalize the region – most directly impacting Wawarsing and surrounding towns, but also having a significant positive economic impact on Ulster County and the Catskills region.

The site has been developed with new uses to minimize new impervious coverage and to retain open space and existing trees. Accordingly, new construction is planned on the footprint of the demolished buildings and structured parking has been included to reduce the amount of on-grade parking. As noted, the redevelopment of Nevele will generally be confined to the 40-acre area occupied by present development. The hardscape (buildings and pavement) constitutes approximately 18 acres under the current condition and will occupy 21.4 acres post development. The casino structure will include a 1.9 acre green roof. Employee parking is proposed to be located off-site, further minimizing surface parking and hardscape on-site.

Nevele will convert a vacant, once grand resort, to a modern and vibrant tourist destination and activity center. Nevele is synonymous with Ellenville/Wawarsing and the Catskills and will have profound positive effects on the Hudson Valley economy, as well as on the Town of Wawarsing and Ulster County. This includes increases in real property

taxes to the Town and the Town's Fire and EMS Special Districts, the Ellenville School District and Ulster County.

Additional public benefits include:

- Innovation and variety in the type and design of commercial resort development and the establishment of new structures as well as the renovation of existing structures capable of cost-effective reuse;
- Efficient use of the site, and particularly the existing footprint of development to facilitate adequate and economical construction, operation and maintenance of the access-ways, stormwater management facilities, water distribution and sewage collection facilities;
- Preservation of significant natural resources, such as wetlands and water bodies, and other areas of scenic and ecological value;
- Preservation of property values and long standing land uses consistent with community character and adjoining or nearby uses;
- Significant enhancement of tourism activity and related support services;
- Creation of diverse full- and part-time employment opportunities for residents of the Town, County and region; and
- Inducement of private investment in the Town, County and region, including reinvestment in existing businesses, existing housing developments, and the attraction of new seasonal and year-round businesses.

Supporting Documentation

To fully respond to the Exhibit, copies of the following reports are provided as an attachment:

- DGEIS Figure 1.3.3 Tax Map
- DGEIS Figure 3.9.1 Existing Land Use

As requested, these reports have also been provided on the designated jump drives.