

**A. INTRODUCTION**

This chapter presents the existing conditions and assesses the Proposed Action’s potential socioeconomic impacts along the Fjord Trail North Corridor. An evaluation of the proposed Fjord Trail South is provided in Chapter IV.K, “Socioeconomics – Fjord Trail South,” of this DGEIS.

Construction of the Fjord Trail would create jobs. Once completed, the Fjord Trail would attract additional visitors to Dutchess and Putnam Counties, which would generate increased spending and support permanent jobs. This chapter discusses the potential economic benefits of increased economic activity generated by, and the potential municipal costs of, the proposed Fjord Trail on municipalities along the Fjord Trail North Corridor.

**B. EXISTING CONDITIONS****DEMOGRAPHICS AND MUNICIPAL BOUNDARIES**

The Fjord Trail North Corridor extends through the City of Beacon and Town of Fishkill in Dutchess County.

As shown in **Table III.K-1**, as of 2022, the population of Beacon was 13,876, a decrease of about 10 percent from 2010. Beacon has a land area of 4.74 square miles and a population density of 2,928 persons per square mile. It is located on the Hudson River and has a Metro-North Railroad (MNR) train station. The City of Beacon is surrounded by the Town of Fishkill; however, Beacon is an independent jurisdiction.

The Town of Fishkill had a population of 24,110 as of 2022. The population of Fishkill grew by 11 percent from 2010 to 2022. The Town of Fishkill has a land area of 27.34 square miles and a population density of 884.5 persons per square mile and is predominantly suburban. The Town contains one village, the Village of Fishkill.

The Town of Fishkill and the City of Beacon are in Dutchess County. Dutchess County had a total population of 296,467 as of 2022, with little change in population since 2010. Dutchess County has a land area of 796 square miles and a population density of 372.6 persons per square mile. The Town of Fishkill contains approximately eight percent of the population of Dutchess County and the City of Beacon contains about five percent of the population of Dutchess County.

**Table III.K-1  
Population and Population Density  
2018–2022 ACS 5-Year Estimate**

	Population		Land Area (Square Miles)	Population Density (persons per square mile)
	2022	% Change Since 2010		2022
<b>City of Beacon</b>	13,876	-10.4%	4.74	2,928
<b>Town of Fishkill</b>	24,110	11.0%	27.34	884.5
<b>Dutchess County</b>	296,467	0.1%	795.65	372.6

**Source:** U.S. Census 2018–2022 ACS 5-Year Estimates

**ECONOMY**

As shown in **Table III.K-2**, as of 2021, an estimated 4,236 jobs are located in the City of Beacon. The industry with the highest employment is public administration, which comprises 37.2 percent of jobs in the City. Fishkill Correctional Facility is partially located in Beacon and is a major employer. The next largest industries are educational services (11.9 percent of jobs) and healthcare and social assistance (10.3 percent of jobs). Industries that are affected by tourism include accommodation and food services, retail trade, and arts, entertainment, and recreation. Together, these industries make up 19.6 percent of total jobs in Beacon. The City has a lively Main Street with small businesses, including restaurants and retail. Beacon is also home to Dia Beacon, the largest contemporary art museum in the United States. Beacon is a weekend destination for many visitors from New York City and the surrounding area.

**Table III.K-2  
Primary Employment by Industry (2021)**

	Beacon	Fishkill	Dutchess County
<b>Total Primary Jobs</b>	<b>4,236</b>	<b>8,307</b>	<b>97,894</b>
Construction	1.3%	8.3%	5.3%
Manufacturing	4.3%	0.8%	7.4%
Wholesale Trade	0.4%	1.1%	1.8%
Retail Trade	6.7%	16.3%	11.8%
Transportation & Warehousing	0.9%	20.3%	3.5%
Information	1.0%	1.3%	1.0%
Finance and Insurance	1.2%	3.3%	2.3%
Real Estate, Rental & Leasing	1.4%	2.0%	1.2%
Prof., Scientific, & Tech. Services	3.5%	4.6%	3.4%
Mgmt of Companies & Enterprises	0.1%	0.1%	1.2%
Admin & Support, Waste Mgmt & Remediation	2.5%	3.7%	5.4%
Educational Services	11.9%	1.3%	16.1%
Health Care & Social Assistance	10.3%	14.5%	18.7%
Arts, Entertainment, & Recreation	2.5%	1.6%	1.1%
Accommodation & Food Services	10.4%	11.7%	7.4%
Other Services (ex. Public Admin)	4.4%	4.9%	3.4%
Public Administration	37.2%	3.6%	7.3%

**Note:** Mining, Quarrying, and Oil and Gas Extraction, Utilities, and Agriculture, Forestry, Fishing & Hunting are excluded from this table as these industries represent less than 1.0 percent of employment in all municipalities shown in this table. Data from 2021 is the most recent data available.

**Source:** U.S. Census Longitudinal Employer Household Dynamics 2021, Primary Jobs.

As of 2021, an estimated total of 8,307 jobs are located in the Town of Fishkill. The largest industries in Fishkill are Transportation and Warehousing, comprising 20.3 percent of the jobs in the Town, and retail trade, comprising 16.3 percent of jobs in the Town. Fishkill has a large amount of destination retail along US Route 9. The next largest industries are health care and social assistance (14.5 percent of jobs) and accommodation and food services (11.1 percent of jobs). Industries that are affected by tourism, including accommodation and food services, retail trade, and arts, entertainment and recreation, total 29.6 percent of the jobs in Fishkill.

Like Beacon and Fishkill, Dutchess County overall has a primarily service-based economy. Health care and social assistance (18.7 percent of jobs) and educational services (16.1 percent of jobs) are the largest employment sectors. Industries affected by tourism make up 20.3 percent of jobs in Dutchess County.

Tourism, including outdoor tourism (hiking, cycling, kayaking, and other similar activities), is an important sector of the Hudson Valley’s economy. The consulting firm Tourism Economics produces an annual report, “Economic Impact of Visitors in New York” that uses the IMPLAN input-output model to estimate the economic impact of tourism spending in New York State.<sup>1,2</sup> The results of the Tourism Economics reports from 2019, 2020, 2021, and 2022, are summarized in **Table III.K-3**. Prior to 2020, the Hudson Valley was experiencing steady growth in tourism spending, showing a seven percent total increase in tourism spending from 2016 to 2019, accounting for inflation. The tourism sector experienced a loss of economic activity in 2020 due to the COVID-19 pandemic. Data on tourism spending for 2021 and 2022 indicates the Hudson Valley experienced an increase in tourism from 2020, and total sales tax receipts exceeded pre-pandemic levels in both Dutchess and Putnam Counties (see below, “Fiscal Conditions”). Many residents of New York City sought outdoor destinations within proximity to the city, during the COVID-19 pandemic, as long-distance travel and air travel were infeasible or less appealing.

**Table III.K.3  
Tourism Sales and Tax Revenue  
Millions of Nominal Dollars**

	Tourism Sales				Tourism-Generated Local Taxes (Direct, Indirect, and Induced)			
	2019	2020	2021	2022	2019	2020	2021	2022
Dutchess County	\$674.2	\$417.8	\$632.0	\$706.0	\$45.8	\$40.2	\$50.5	\$51.1

**Sources:** Tourism Economics, *Economic Impact of Visitors in New York: Hudson Valley Focus* 2019, 2020, 2021, 2022.

Data from 2019 are presented to show a typical year prior to the COVID-19 pandemic. In 2019, visitors spent \$674.2 million in Dutchess County. This direct spending by visitors generated \$40.2 million in local tax revenue due to direct, indirect, and induced economic activity.<sup>3</sup> In 2020, visitors spent \$417.8 million and generated \$40.2 million in tax revenue, including direct, indirect,

<sup>1</sup> Tourism Economics, “Economic Impact of Visitors in New York, Hudson Valley Focus.” 2019, 2020, 2021, 2022 (<https://esd.ny.gov/>).

<sup>2</sup> IMPLAN is an economic input-output model. Input-output models measure the “ripple-effect” through an economy of a given input, such as spending or employment.

<sup>3</sup> Direct economic activity refers to the spending by visitors. Indirect economic activity occurs through the supply chain as a result of the direct visitor spending. Induced economic activity occurs as a result of increased household income due to the direct visitor spending.

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and induced tax revenue. In 2021, visitors spent \$632 million and generated \$50.5 million in tax revenue, and in 2022, visitors spent \$706 million and generated \$51.1 million in tax revenue, including direct, indirect, and induced tax revenue.

As explained in further detail below, Dutchess County shares a portion of its sales tax revenues with its cities, towns, and villages.

### **FISCAL CONDITIONS**

#### *SALES TAX SHARING AGREEMENT*

New York State collects sales tax at a rate of four percent. All counties in New York State collect additional sales tax, 46 of which share their tax revenue with cities, towns, villages, and school districts.<sup>4</sup>

Dutchess County charges a sales tax rate of 3.75 percent and redistributes a portion of its sales tax revenue with its cities, towns, and villages. Dutchess County guarantees a baseline payment to its cities, towns, and villages of \$25 million. Of that \$25 million, the City of Poughkeepsie receives 38 percent (\$9.6 million), and the City of Beacon receives 17 percent (\$4.3 million). The remaining 45 percent of the \$25 million is distributed to the towns and villages. In addition to the base payment of \$25 million, cities, towns, and villages receive collectively just over 18.4 percent of the growth in sales tax calculated from a base year of 2012. Towns' allocations are based on population, while villages' allocations are based on share of real property valuation within their respective towns. In 2019, Dutchess County collected \$208.6 million in sales tax revenues and shared \$32.84 million with its municipalities. In 2020, due to the COVID-19 pandemic and resultant decrease in economic activity, Dutchess County received \$200.1 million in sales tax revenues and shared \$31.26 million with its municipalities. Sales tax collection rebounded in 2021, with \$250.4 million collected and \$40.55 million shared with its municipalities.<sup>5</sup> Sales tax collection further rebounded in 2022, with \$254.4 million collected and \$44.28 million shared with its municipalities.<sup>6</sup>

#### *MUNICIPAL EXPENDITURES*

The properties that would comprise the Fjord Trail North section of the Fjord Trail are owned and maintained by a variety of public, not-for-profit, agency, and private entities/individuals including the Town of Fishkill, Hudson Highlands Fjord Trail, Inc./Scenic Hudson, the Metropolitan Transportation Authority (MTA), the New York State Office of Parks, Recreation and Historic Preservation (OPRHP), and private owners (see Figures III.B-1a and III.B-1b). Outreach was conducted to the City of Beacon and Town of Fishkill to understand municipal expenditures related to the Fjord Trail North section properties, summarized in the following sections.

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<sup>4</sup> New York State Comptroller Thomas P. DiNapoli. "Understanding Local Government Sales Tax in New York State 2020 Update." October 2020. <https://www.osc.state.ny.us/files/local-government/publications/pdf/understanding-local-government-sales-tax-in-nys-2020-update.pdf>

<sup>5</sup> Robin L. Lois, Dutchess County Comptroller, Special Report on Dutchess County 2021 Sales Tax Revenue. <https://www.dutchessny.gov/Departments/Comptroller/Docs/Dutchess-County-2021-Sales-Tax-Report-03252022.pdf>

<sup>6</sup> Robin L. Lois, Dutchess County Comptroller, Special Report on Dutchess County 2022 Sales Tax Revenue. <https://www.dutchessny.gov/Departments/Comptroller/Docs/2022-Sales-Tax-Update.pdf>

*City of Beacon*

Other than the Klara Sauer Trail, the City of Beacon does not allocate any budget or labor toward the maintenance of the proposed Fjord Trail properties or connected parks, including Long Dock Park, Denning’s Point, and Madam Brett Park.<sup>7</sup>

*Town of Fishkill*

The Town of Fishkill currently has no expenditures related to the proposed Fjord Trail properties.<sup>8</sup>

*EMERGENCY SERVICES*

Please see Chapter III.N, “Emergency and Public Services – Fjord Trail North,” for information on emergency service providers along the Fjord Trail North Corridor.

**C. FUTURE WITHOUT THE PROPOSED ACTION**

In the future without the Fjord Trail, visitation to the Hudson Highlands State Park Preserve (HHSPP) and local parks and trails in the Fjord Trail Corridor is expected to continue to increase through the design year of 2033 (see Chapter III.L, “Traffic and Transportation – Fjord Trail,” Visitor Projection Study). Visitors would be expected to continue to shop at local businesses and restaurants near the Fjord Trail North Corridor. Municipal expenditures on the properties that comprise the Fjord Trail North Corridor would be anticipated to remain substantially the same. Additionally, there would not be expected to be increases in jobs or tax revenues above the yearly growth experienced in recent years.

**D. FUTURE WITH THE PROPOSED ACTION**

It is anticipated that construction of the Fjord Trail would generate local construction jobs in Dutchess and Putnam Counties. As the Fjord Trail North section is still at concept design level, construction costs have not yet been finalized to the level required to accurately estimate job creation. Nevertheless, jobs created by construction of the Fjord Trail, as well as patronage by construction workers at local businesses, would be expected to be a beneficial economic effect.

The proposed Fjord Trail (North and South) is anticipated to increase the number of visitors to the area. As described in Chapter III.L, “Traffic and Transportation – Fjord Trail,” the proposed Fjord Trail is anticipated to result in approximately 268,700 net new annual visits to the project area. This would translate into an estimated 1,710 visitors on a typical weekend day. A portion of the additional visitors to the Fjord Trail are expected to spend money at local businesses in the surrounding jurisdictions along the Fjord Trail North Corridor. Additional spending at local businesses would be beneficial to the local economy and would generate additional sales tax revenue for the City of Beacon, the Town of Fishkill, and Dutchess County.

As discussed in Chapter III.N, “Emergency and Public Services – Fjord Trail North,” increased visitation is expected to result in increased demand on emergency service providers along the Fjord Trail North Corridor. To promote safety along the Fjord Trail and limit demand on emergency service providers, the Main Trail would be designed to be Accessible, and Meanders would be Accessible to the extent practicable. An increase in calls from lost or injured hikers is anticipated, but many calls can be handled by HHSPP staff and HHFT, Inc. staff, and would not

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<sup>7</sup> Mark Price, City of Beacon, Director, Department of Recreation, Personal Correspondence via email, November 12, 2021.

<sup>8</sup> Town of Fishkill Comptroller, Sharon A. Mitchell. Personal Correspondence via email, October 19, 2021.

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require the involvement of municipal emergency response. In addition, a major goal of the Fjord Trail is to provide safer conditions for the visitors to HHSPP and to mitigate existing traffic, parking, and safety issues. The Fjord Trail would provide access points that can be used by emergency responders, intended to facilitate quick and efficient emergency response. The provision of additional parking along the Fjord Trail Corridor is also intended to redistribute vehicles and alleviate traffic congestion and prevent pedestrians from traveling unsafely along NYS Route 9D and within the MNR right-of-way.

The Fjord Trail would not result in an increase in municipal expenditures related to trail maintenance along the Fjord Trail North Corridor because it would be privately maintained. Parks and trails that would be connected by the Fjord Trail are maintained by Scenic Hudson or OPRHP.

### **E. CONCLUSION**

No significant adverse socioeconomic or fiscal impacts are anticipated; therefore, mitigation is not proposed. \*