

## Guest Editorial

### Make sure resort happens

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With the revised plan for the Belleayre Resort at Catskill Park now completed it seems to be the appropriate time to understand the regional importance of a project of this magnitude from the perspective of my 30 years of rural banking and economic development experience.

First, a couple of observations. One can best describe the region's economy as "stably depressed." By that I mean there is little abject poverty in the region and conversely no pockets of extreme wealth generated locally. Per capita income for Delaware County continues to be near the bottom of all New York State counties. Even Ulster County's per capita income is below the state's average. Secondly, job creation is a difficult process that requires vision, capital, determination and cooperation. The absence of one of these components usually dooms a project.

What I have observed in other areas of the country is that to move a region's economy forward, measured in years and not decades, requires a large employer providing full-time jobs with wages and benefits that exceed minimum wages. What those in the economic development field also know is that it is extremely difficult to attract large amounts of private capital for businesses located in rural regions. While the notion of entrepreneurial businesses sounds exciting, the reality is that most do not create many jobs and the jobs created are usually low paying. Additionally those small businesses that prove most successful are commonly near large employers from which they draw trained employees. Many provide services and products to the large companies at which they once worked.

#### **Small businesses, few benefits**

In Delaware County, 95 percent of businesses have five or less employees. Only a few offer health insurance or pension plans. Experience tells us that most will not get much larger due to constraints imposed by deficient business plans, lack of capital, lack of customers, weather related setbacks or the mistaken belief that a website by itself constitutes a marketing plan. The Internet opens a world of opportunity but it also opens a world of competition.

If our region is to grow and not continue to grey, it must have jobs that attract and retain young people. Let's face it; our most meaningful resource is the mountains that we love. To the extent that they can be developed in an environmentally sound way they (the mountains) are the region's most viable economic driver. And, if your business plan is to capitalize on the mountains as a destination resort, then it behooves you to protect your major resource. The proposed Belleayre Resort project appears designed to protect the environment and create full time employment.

Is the proposed Belleayre Resort the sole solution to the stagnation of the Catskills? Of course not. But it can be a catalyst to other businesses, both existing and start-ups, that will diversify the economy in ways that those in the economic development field have struggled for years to achieve with minimal success.

#### **What's the alternative?**

If not the Belleayre Resort project, then what? Is there another project in the wings where investors are willing to commit \$400 million dollars and devote over 10 years to gain approvals? Does anyone honestly believe that continuing to do the same things over and over is going to improve the region's economy? Is the area just to be a playground for second home owners or a bigger forest preserve? How do we counter the competition from other rural areas with four-season resorts and well developed recreational opportunities? Can ORDA develop Belleayre Mountain facilities to attract people year around? And if they do, is there sufficient lodging locally.

Reference is often made that there were once 10,000 hotel rooms in the Fleischmanns/Pine Hill area. That was before air conditioning, interstate highways, affordable air travel and the explosion of second-home ownership. It was an era that will not likely be repeated. The proposed Belleayre Resort project is not about creating the past but rather about embracing the future with green technology, mitigating environmental impact and creating a destination.

There aren't many investors in line to make a \$400 million investment in the towns of Middletown and Shandaken and create over 400 full-time jobs. Let's make sure the Belleayre Resort at Catskills Park is done right and let's make sure it happens.