

## 4.7 Socioeconomics

The following section presents the results of the analyses of direct, indirect, and cumulative effects to existing and anticipated economic, demographic, housing, fiscal and social conditions in the Study Area, as previously defined in Section 3.7. The analysis of future conditions in the reasonably foreseeable future takes into consideration the anticipated growth in visitors to the Turning Stone Resort & Casino and the associated increase in employment and other changes that are likely to occur with that growth, as well as changes in future conditions resulting from ongoing and planned actions by the Nation that are unrelated to the federal action. These Nation actions include ongoing implementation of the Nation housing program. A set of assumptions were developed in order to evaluate a reasonably conservative array of potential effects related to new housing under each alternative. These housing assumptions were developed assuming that future housing would be located in a similar ratio/percentage as the Nation's current housing units. Different housing conditions are presented in the discussion of each alternative, as the housing is influenced by the taxation scenarios and the availability of Nation land that is needed to implement this program. It is important to note that, while this analysis indicates a range of potential effects to the Nation's housing program associated with excluding some or all lands from conveyance into trust, these effects would differ under each taxation/jurisdiction scenario and would also differ depending on the progress of the Nation in implementing this ongoing program. For example, under the Property Taxes Paid scenario, the Nation may choose to construct housing on Nation land that may be excluded from trust and subject to property taxes or while the resolution of the trust decision may be in dispute. The housing program is not dependent, therefore, on conveying lands into trust.

### 4.7.1 Economic Effects

This section presents the direct, indirect and cumulative effects of Alternatives A through G on local employment, local employee earnings, and on the local unemployment rate.

#### 4.7.1.1 Direct Effects

##### ***Alternatives A through G***

As described elsewhere in this document, the conveyance of lands into trust is an action where title to the Nation's existing lands would be conveyed to the Federal government with no change in their uses. Because neither the Proposed Action nor any of the alternatives involve new construction or changes in land use, there would no direct economic effects. Changes in economic activity under the Proposed Action or alternatives are reasonably foreseeable consequences and are discussed below under Indirect Effects.

#### 4.7.1.2 Indirect Effects

Depending on the alternative (and scenario), the conveyance of lands into trust establishes the taxation and regulatory conditions under which the Nation would effectuate its anticipated plans for development, seek to realize its visitor growth projections, and commit resources to its governmental programs and services in expectation of operating surpluses for their subsidization. The alternatives (and scenarios) indirectly affect Nation employment and employee earnings as well as the employment and earnings of other local businesses that are supported by the Nation's operational expenditures.

##### **Alternative A**

**Nation Employment and Employee Earnings.** In 2005, the Nation employed 4,611 persons. Under Alternative A, the Nation is expected to employ 4,882 persons in 2011. A discussion of the 2011 employment projections for the Nation Enterprises and the Nation Government is presented below.

**Turning Stone Resort & Casino.** The Turning Stone Resort & Casino employed 3,779 people in FY 2005. It is anticipated that these jobs would be maintained as long as the Turning Stone Resort & Casino continues to operate.

In FY 2011, the Nation expects the Turning Stone Resort & Casino to draw 5.56 million visitors, an increase of 1.1 million visitors from FY 2005. To serve these future visitors, the Turning Stone Resort & Casino would need to employ an additional 196 workers, a 5.2 percent increase in the current employment levels based upon an historic average for the Turning Stone Resort & Casino of one employee per 1,400 visitors.

The ongoing expansions -- the new spa, the swimming pool, and the night club -- would also generate an additional increase in the need for new employees. Assuming 1 employee per 350 square feet, the night club would generate 43 new employees. It is also assumed that the new spa and the pool would employ 15 new workers.

In summary, there would be an estimated 4,033 jobs at the Turning Stone Resort & Casino by 2011 (see Table 4.7-1).

**Table 4.7-1  
Nation Employment, Alternative A, 2005 and 2011**

	2005		2011	
	<i>Employees</i>	<i>Earnings (in \$M)</i>	<i>Employees</i>	<i>Earnings (in \$M)</i>
Turning Stone Resort & Casino	3,779	81.8	4,033	87.3
SavOn Gas and Convenience stores	279	4.9	279	4.9
Other Nation Enterprises	65	1.9	65	1.9
Total Nation Enterprises	4,123	88.6	4,377	94.1
Nation Government	488	21.2	505	22.0
<b>Grand Total</b>	<b>4,611</b>	<b>\$109.9</b>	<b>4,882</b>	<b>\$116.1</b>

Source: The Louis Berger Group, Inc., 2006.

This projection of future permanent jobs at the Turning Stone Resort & Casino does not include an estimate of the temporary construction jobs that are generated by the construction of the spa, swimming pool, and the nightclub at the Turning Stone Resort & Casino.

The growth in the Turning Stone Resort & Casino would increase the demand for goods and services provided by outside vendors. The regional economic effect of this additional demand is described later in this chapter.

**SavOn Gas and Convenience Stores.** The SavOn gas station and convenience stores employed 279 workers in 2005. While the increase in visitors to the Turning Stone Resort & Casino could potentially cause an increase in SavOn gas station and convenience store sales, it is assumed that SavOn employment would remain constant in the next five years due to the business model of the SavOns. There are a fixed number of cashiers, gasoline pumps, and repair bays regardless of the demand and all SavOn gas station and convenience stores have pay-at-the-pump facilities. Seven of the thirteen SavOn gas station and convenience stores operate 24 hours a day and the remaining six are open 12 to 18 hours a day. There are currently no plans to construct another SavOn gas station and convenience store.

**Nation Government.** There were 488 employees in the Nation Government in FY 2005. The growth of the Nation Enterprises would be accompanied by an increase in Nation Government employment. For example, the increase in Nation Enterprise jobs would create additional jobs in the Nation’s human resource department, which is part of the Nation government. Similarly, the increase in Turning Stone Resort & Casino visitors would likely require additional Nation police officers.

In FY 2005, approximately 89 percent of Nation government expenditures were supported by Nation Enterprises. The Turning Stone Resort & Casino accounted for 78 percent of the Nation’s Enterprises positive net revenues (i.e., operating surpluses) and the SavOn gas

station and convenience store earnings accounted for the remaining 22 percent. Based on this information, it is assumed that 69 percent (78 percent of 89 percent) of government jobs would grow at the rate of Turning Stone Resort & Casino employment and that 20 percent of government jobs would grow at the rate of SavOn gas station and convenience store employment (22 percent of 89 percent).

As a result, 339 government jobs would grow at a rate of 5.2 percent over five years and 96 government jobs would grow at a rate of zero percent. Therefore, by 2011, 17 new jobs are expected to be created by the Nation government.

**Other Nation Enterprises Jobs.** The number of jobs at the other Nation Enterprises is not expected to grow in the next five years.

In FY 2005, the Nation's total payroll was \$110 million. Assuming that the average salary per worker remains constant (i.e., in constant 2005 dollars), the Nation's payroll would increase by 5.9 percent in the next five years. For the purpose of this analysis, it is also assumed that net revenues would increase proportionally with the number of jobs.

**Non-Nation Jobs and Earnings.** In 2005, the Nation indirectly supported many jobs at other Madison and Oneida County businesses, including (1) jobs associated with the spending by the Nation and its employees; (2) jobs generated by off-site visitor spending; and (3) jobs generated by household spending of persons who are not employed at the Nation but who would have left the region in the Nation's absence (tertiary effect) (See Section 3.7.6). It can be expected that the anticipated Nation employment growth in the next five years would generate an increase in Nation spending, Nation employee spending, off-site visitor spending, and the number of jobs associated with this spending.

**Jobs Generated by Nation and Nation Employee Spending**

In FY 2005, spending by the Nation and its employees supported 912 jobs and \$31.9 million in earnings (wages, salaries, and proprietor's income) at other businesses in Madison and Oneida County (See Section 3.7.6). The vast majority of these estimated jobs were probably net additions to the local economy, which would not have occurred in the Nation's absence (i.e., they are supported by the injection of spending that would not have been attracted to the region in the Nation's absence).

In the next five years, a modest increase in the number of jobs indirectly supported by the Nation is expected. The Turning Stone Resort & Casino would be required to make additional purchases to serve the increased demand caused by a growth in visitors. The vendors supplying the Nation's demand for additional goods and services must adjust their production levels (e.g., hire additional employees) to satisfy the increasing demand from the Nation caused by the visitor growth and added entertainment operations. Additionally, the added employees at the Nation would in turn make consumer purchases to maintain their households. Businesses that satisfy this consumer demand would need to

adjust their production levels to satisfy this demand. (These multiplier effects are described in more detail in Section 3.7.6.)

Taking into account the multiplier effect, spending by the Nation and its employees would generate 963 jobs at other local businesses in 2011 (See Table 4.7-2).

**Table 4.7-2  
Total Employment at Other Regional Businesses due to Spending by the Nation  
and its Employees, Alternative A, 2005 and 2011.**

	2005		2011	
	Employees	Earnings (in \$M)	Employees	Earnings (in \$M)
Turning Stone Resort & Casino	685	24.0	731	25.6
SavOn Gas and Convenience stores	43	1.5	43	1.5
Other Nation Enterprises	30	1.2	30	1.2
<b>Total Nation Enterprises</b>	<b>758</b>	<b>26.7</b>	<b>804</b>	<b>28.3</b>
Nation Government	154	5.3	159	5.4
<b>Grand Total</b>	<b>912</b>	<b>\$31.9</b>	<b>963</b>	<b>\$33.7</b>

Source: The Louis Berger Group, Inc.; Oneida Nation, 2006.

***Jobs Generated by Off-Site Visitor Spending***

While the largest attraction for visitors is the Turning Stone Resort & Casino, visitors spend their money at businesses other than Nation Enterprises (“off-site spending”). For example, after the Turning Stone Resort & Casino opened, revenue from Oneida County’s hotel occupancy tax began increasing. Even after the Nation started to provide on-site lodging in September 1997, not all visitors chose to stay at these lodging facilities where the County’s hotel occupancy tax is not collected.

Section 3.7.6 shows that, if non-local visitors to the Turning Stone Resort & Casino in 2005 would have spent an average of \$5 at non-Nation local businesses, their spending would support an increase of 206 jobs and \$4.8 million in earnings at non-Nation businesses.

The Nation’s projected increase of 1.1 million visitors in the next five years under Alternative A would probably lead to an increase in the off-site visitor spending effect.

***Tertiary Effect***

As explained in Section 3.7.6, employment with the Nation allowed some long-term local residents to remain in the otherwise poorly economic performing Madison and Oneida County. These residents are sometimes part of households in which there is more than

one worker. The earnings of the second worker in the household are partly spent at local businesses and generate jobs and earnings through the multiplier effect.

As discussed in Section 3.7.6, it cannot be estimated how much of the economic activity generated by this spending is attributable to the Nation. But, if only 25 percent of these households would not have been in the region in the absence of the Turning Stone Resort & Casino, the Nation’s tertiary effect would be \$5.1 million in output, \$1.4 million in earnings, and 41 jobs in Madison and Oneida Counties in 2005. Based on expected job growth under Alternative A, the tertiary effect would be likely at or above the 2005 level in 2011.

**Local Unemployment.** Because no major job changes (job creation or layoffs) are expected to occur in the next five years under Alternative A, the unemployment rate is not expected to be changed from its current levels because of the alternative.

A comparison of Alternatives in terms of jobs and earnings at the Nation and at other regional businesses that are supported by Nation and Nation employee spending is presented in Table 4.7-3

**Table 4.7-3  
Nation Jobs and Jobs Supported by Nation and Nation Employee Spending,  
Alternatives A through G, 2011.**

	A	B	C	D	E	F	G
Turning Stone Resort & Casino	4,033	4,033	4,033	4,032	3,406	4033	0
SavOn Gas and Convenience stores	279	279	279	48	48	279	0
Other Nation Enterprises	65	65	57	55	57	55	0
<b>Total Nation Enterprises</b>	<b>4,377</b>	<b>4,377</b>	<b>4,369</b>	<b>4,135</b>	<b>3,511</b>	<b>4367</b>	<b>0</b>
Nation Government	505	505	505	446	429	505	55
<b>Total Nation Jobs</b>	<b>4,882</b>	<b>4,882</b>	<b>4,874</b>	<b>4,581</b>	<b>3,940</b>	<b>4872</b>	<b>55</b>
Jobs supported by Nation and Nation Employee Spending	963	963	960	904	786	959	17
<b>Grand Total</b>	<b>5,845</b>	<b>5,845</b>	<b>5,834</b>	<b>5,485</b>	<b>4,726</b>	<b>5,831</b>	<b>73</b>

Source: The Louis Berger Group, Inc.

**Alternative B**

The Nation does not have any plans to expand operations on the additional 17,630 acres that would possibly be acquired under Alternative B. Nation employment in 2011 under Alternative B would be the same as in Alternative A. Nation employment and employment indirectly supported by the Nation through the multiplier effect in Alternative B would

also be the same as discussed above for Alternative A. Local unemployment would not be affected.

**Alternative C**

**Nation Employment and Employee Earnings.** With the exception of the Black Angus farm and other agricultural activities, the Nation's business operations are located on Group 1 and 2 lands. Under Alternative C, the future of the jobs on Group 3 lands would be uncertain. The Nation employs a total of 8 workers for its agricultural operations, which are located on Group 2 and 3 lands. The agricultural jobs on Group 3 lands could possibly be relocated to Group 2 lands or could be eliminated if the Nation would choose to sell the land or if the County would foreclose due to the Nation's failure to pay property taxes. If the Nation were to pay property taxes on the lands not placed into trust, all jobs would most likely be maintained because the annual property taxes on Group 3 lands are relatively minor (\$264,000) and would not significantly reduce the Nation's net revenues.

All of the Nation's planned expansions described in Section 2 would take place on Group 1 and 2 lands and would not be adversely affected.

**Non-Nation Jobs and Earnings.** The number of jobs associated with the Nation's operations and Nation employee spending, off-site visitor spending and with the tertiary effect would be similar to that described above for Alternative A.

**Local Unemployment.** Because no major job changes (job creation or layoffs) are expected to occur in the next five years under Alternative C, the unemployment rate would be unaffected by the alternative.

**Alternative D**

Under Alternative D, Group 1 lands would be conveyed into trust and the Turning Stone Resort & Casino operations would not be adversely affected. Because Group 2 and 3 lands would not be conveyed into trust, the future of the Nation Enterprises and Government operations and jobs on these lands would be uncertain and they would likely be diminished.

In 2005, there were 802 jobs on Group 2 lands and not more than 8 jobs on Group 3 lands. These jobs included all Nation Government jobs, most SavOn gas station and convenience store jobs, and all of the jobs at the other Nation Enterprises. The SavOn gas station and convenience stores and other Nation Enterprises play a key role in the Nation's long-term diversification strategy, which aims at avoiding overdependence on the gaming industry, and is integral to the Nation's long-term strategies for self-sufficiency and economic development.

In the event that the Group 2 and 3 lands are not conveyed into trust, there is considerable uncertainty about the future of the existing Nation operations on these land parcels. There are several distinct scenarios that could occur in response to the imposition of a regulation and taxation regime of New York State and county and local governments.

While it unclear which scenario would prevail, throughout the EIS, three scenarios are presented:

1. **Property Taxes Paid (PTP):** The Nation would experience a reduction in net revenues because of the added operating expenses, which in turn would lead to a reduction in employment and in the employment growth rate. Based on the current assessed valuation and 2005 tax rates, property taxes on Group 2 and 3 lands would be approximately \$1.7 million. The State's collection of excise taxes from wholesalers that supply cigarettes and petroleum to the Nation's gas and convenience stores on Group 2 lands would also reduce the Nation's net revenues.
2. **Property Taxes Not Paid – Foreclosure (PTNP-F):** The Nation would be forced to discontinue its operations on the land. The Nation jobs on Group 2 and 3 lands would either be relocated to Group 1 lands or would be lost. A possible relocation would disrupt the Nation's operations, negatively affecting its net revenues, employment, and growth potential. Alternatively, the threat of foreclosure could lead the Nation to sell all or some of its Group 2 and 3 land holdings and discontinue its operations on these lands.
3. **Property Taxes Not Paid – Dispute Continues (PNTP-DC):** The current situation of uncertainty about the Nation's jurisdiction over Group 2 and 3 lands would continue, adversely affecting the Nation's net revenues and future growth. Under recent federal court decisions (2006 U.S. Dist. LEXIS 35987 and 2006 U.S. Dist. LEXIS 36327), the Counties may not foreclose on the properties due to failure to pay property taxes though they have the right to collect property taxes. In this scenario, the Nation does not pay local property taxes and there is no remedy for Madison or Oneida County to enforce the collection of taxes. Furthermore, there is continued uncertainty regarding wholesalers' liability for State excise taxes on fuel and cigarette sales to Indian retailers.

Because it has the greatest potential for adverse effects to the surrounding communities, and because it is reasonably foreseeable that the Nation would not pay property taxes, the indirect effects of the "Property Taxes Not Paid" scenarios are evaluated and quantified in this section. The quantitative analysis of the direct and indirect effects assumes the following: (1) the Nation does not pay property taxes on Group 2 and 3 lands; (2) the Nation discontinues its business operations on Group 2 and 3 lands; and (3) the Nation continues its operations on Group 1 lands.

**Nation Employment and Earnings.** Under Alternative D, Turning Stone Resort & Casino employment and net revenues would not be adversely affected as Group 1 lands would be placed into trust.



The Patrick Road SavOn gas station and convenience store would be the only SavOn operating on trust lands. It would not be subject to State and local taxation. In this scenario, sales and employment at the Patrick Road SavOn gas station and convenience store would likely increase because it would offer lower prices than any other local store. (It is not expected that the price differential between the Patrick Road SavOn gas station and convenience and other local stores would become larger). Based on the Nation's estimates that fuel sales would increase by 15 percent and cigarette sales by 100 percent, overall sales at the Patrick Road SavOn gas station and convenience would increase by 46 percent. For the purpose of the analysis, it is assumed that net revenues would increase proportionally with sales. To satisfy this demand, the Nation assumes that employment at the Patrick Road SavOn gas station and convenience store would increase by 20 percent in the next five years.

The State's collection of an excise tax from the wholesalers that supply cigarettes and gasoline to the SavOn gas station and convenience stores on Group 2 lands would lead to an increase in the cost of goods sold, decrease in the gross operating margins and profits available to support the operation, which would likely lead to closing of most of the stores. The need to collect and remit taxes from non-Indian customers could also be imposed by this taxation and regulatory scenario. For the purpose of this analysis, it is assumed that Group 2 SavOn gas station and convenience stores would close.

The reduction in the SavOn gas station and convenience net revenues (partially offset by the unrelated projected increase in Turning Stone Resort & Casino net revenues) would lead to a decrease in jobs at the Nation Government because the Nation Enterprises provide 89 percent of the Nation Government expenditures. The Turning Stone Resort & Casino and the SavOn gas station and convenience stores also support 20 percent of the other Nation Enterprises expenditures. For the purpose of this analysis, it is assumed that 89 percent of Nation government jobs and 20 percent of the jobs at other Nation Enterprises would change proportionally with the change in Turning Stone Resort & Casino and SavOn gas station and convenience store net revenues. It is, however, reasonable to expect that the Nation would seek additional federal funding, which could potentially allow them to preserve more Nation government jobs, albeit at some cost to the Nation's goal of self-sufficiency.

### **Non-Nation Jobs and Earnings.**

#### *Jobs generated by Nation and Nation employee spending*

Taking into account the "multiplier effect," the discontinuation of all business activity on Group 2 and 3 lands would indirectly lead to the loss of 59 jobs at other businesses. Some of these jobs would be replaced through a shift in local consumer expenditures. That is, some local Nation patrons would spend the funds that they previously spent at the Nation Enterprises at other local businesses, which in turn would support new jobs. (The

estimation of net new effects is discussed in Section 3.7.6.2). The jobs associated with the spending by the Nation and its employees are presented in Table 4.7-2.

*Jobs generated by off-site visitor spending*

Because the Turning Stone Resort & Casino would be conveyed into trust under Alternative D, the number of visitors and the off-site visitor spending would be unaffected.

*Tertiary Effect*

The tertiary effect – the jobs generated by household spending of persons who are not employed at the Nation but who would have left the region in the Nation’s absence - would be reduced if Nation employment would be diminished. (See Section 4.7.1.3 for more detail).

**Local Unemployment.** Because no major job changes (job creation or layoffs) are expected to occur in the next five years under Alternative D, the unemployment rate would be unaffected by the alternative.

**Alternative E**

If only the Turning Stone Casino tax lot would be conveyed into trust, the future of all other Nation lands would become uncertain and the jobs on those lands would be at risk. In 2005, there were 1,175 Nation jobs in addition to the 3,436 jobs on the Casino tax lot. The uncertainty is characterized by a large number of possible future scenarios similar to those presented above for Alternative D.

Regardless of which scenario would prevail, Alternative E would compromise the future growth of the Turning Stone Resort & Casino because the golf courses, the luxury lodge hotel, and part of the event center would not be conveyed into trust. While these resort components currently do not generate positive net revenues, they are complementary to the operations of the casino as a resort destination. They attract a significant number of customers to the casino, creating a fuller experience for visitors by offering diverse activities and amenities that can promote longer, or more frequent, visits and that cater to non-gaming family members. Under Alternative E, Turning Stone Resort & Casino jobs and all other Nation jobs would be at greater risk in the long run.

It is not clear which scenario would prevail. The discussion of the three scenarios – PTP, PTNP-F, and PTNP-DC - presented above for Alternative D also apply to Alternative E.

Given that it is unlikely that the Nation would pay property taxes, the direct and indirect effects of the following scenario would be evaluated in more detail below: (1) the Nation does not pay property taxes on the lands not conveyed into trust; (2) the Nation closes the Turning Stone Resort & Casino components that are not part of the Casino tax lot; and (3) Group 2 SavOn gas station and convenience stores cease their operations.

**Nation Employment and Employee Earnings.** For purpose of the analysis, it is assumed that the jobs at the Inn, the luxury lodge hotel and at the golf courses would be lost because they would not be on trust land. Gaming, other lodging and retail employment at the Turning Stone Resort & Casino would remain at the 2005 level. While the lodge and the golf courses currently have negative net revenues for their financial operations, they have the potential to attract more visitors to the Turning Stone Resort & Casino, which would offset part of their loss for the overall enterprise. It is, therefore, assumed that Turning Stone Resort & Casino net revenues would remain at the 2005 levels.

SavOn gas station and convenience store employment and net revenues would be the same as presented for Alternative D.

The reduction in the SavOn gas station and convenience store and Turning Stone Resort & Casino net revenues would probably lead to a decrease in jobs at the Nation Government and at other Nation Enterprises as both are supported by these Nation Enterprises. Following the same assumptions as in Alternative D, this analysis assumes that 89 percent of Nation government jobs and 20 percent of the jobs at other Nation Enterprises would decrease proportionally with the decrease in Turning Stone Resort & Casino and SavOn gas station and convenience store net revenues. It is however reasonable to expect that the Nation would seek additional federal funding, which could potentially allow it to preserve more Nation government jobs.

### **Non-Nation Jobs and Earnings**

#### *Jobs generated by Nation and Nation employee spending*

Taking into account the “multiplier effect,” Alternative E would lead to the loss of 176 jobs at other businesses. While some of these jobs would be replaced through a shift in local consumer expenditures, most jobs would not be replaced.

#### *Jobs generated by off-site visitor spending*

It is unclear whether off-site visitor spending would decrease or increase relative to the Alternative A. It can be reasonably expected that the number of visitors would decrease because the Turning Stone Resort & Casino would no longer operate the golf courses, the lodge, and the event center. The average spending per visitor at non-Nation local businesses (“off-site spending”) could potentially increase relative to the baseline because the Nation would offer fewer accommodations.

#### *Tertiary Effect*

The tertiary effect in Alternative E would be lower than in the baseline due to the job losses associated with Alternative E.

**Local Unemployment.** Based on the residential location of current Nation employees, an estimated 3,418 Nation employees in Alternative E would live in Madison and Oneida

Counties. This is about 528 less than in Alternative A. Furthermore, taking into account the multiplier effect of Nation and Nation employee spending, the Nation would support 176 fewer jobs in Alternative E than in 2005. Because of the area's poor economic performance, these job losses are likely to increase local unemployment significantly in the short-term.

### **Alternative F**

**Nation Employment and Employee Earnings.** While the majority of the Nation's employment sites would be conveyed into trust under Alternative F, some of the Nation's agricultural lands and the quarry would not be included. There were a total of 8 agriculture jobs and 2 jobs at the quarry in 2005. While the agricultural jobs not included in Alternative F could possibly be relocated to trust land, the jobs at the quarry could not. If the Nation would sell the land or the County would foreclose on the property, these Nation jobs would be eliminated. If the jobs would be lost, the number of Nation Enterprise and Government jobs and the Nation's payroll in Alternative F would only be slightly lower than in Alternative A.

**Non-Nation Jobs and Earnings.** The Nation's economic activities in Alternative F would be almost the same as in Alternative A. There are no significant indirect effects associated with Alternative F.

**Local Unemployment.** Because no major job changes (job creation or layoffs) are expected to occur in the next five years under Alternative F, the unemployment rate would be unaffected by the Alternative.

### **Alternative G**

If Group 1, 2, and 3 lands would not be conveyed into trust, the future continuation of the operations on these lands would be subject to greater uncertainty; consequently, the Nation Enterprises and Government jobs on those lands would be at risk. In 2005, there were 4,611 Nation jobs on Group 1, 2 and 3 lands. The uncertainty is characterized by a large number of possible future scenarios. It is unclear which scenario would prevail. For the purpose of this analysis, four scenarios are presented:

1. **Property Taxes Paid (PTP):** The Nation's net revenues would be reduced significantly because of substantial taxes on the Casino tax lot, which would lead to a reduction in Nation employment. The assessed value of the Casino Tax Lot of \$362 million is currently contested by the Nation. The Nation's payment of property taxes would not protect it from being closed down by the State government based on its alleged illegality (see #4 below). The State's collection of excise taxes from wholesalers that supply cigarettes and petroleum to the Nation's SavOn gas station and convenience stores would also reduce the Nation's net revenues. The imposition of a sales tax to be collected on purchases by non-Indian customers would limit the resources available for the Nation's government programs and services.

2. **Property Taxes Not Paid-Foreclosure (PTNP-F):** County forecloses on Nation land because of the Nation's failure to pay property taxes. The Nation would discontinue its enterprise and government operations with the impossibility to relocate its activities other than to the 32-acre territory. The vast majority of Nation jobs would be lost. Alternatively, the threat of foreclosure could lead the Nation to sell all or some of its land holdings and discontinue its operations on these lands.
3. **Property Taxes Not Paid – Dispute Continues (PTNP-DC):** A continuation of the current situation. The scenario has two main aspects: (1) the Nation's failure to pay property taxes and the County's lack of remedy; (2) the continued uncertainty about wholesalers' liability for State excise taxes on fuel and cigarette sales to Indian retailers. The uncertainty associated with the status quo scenario can adversely affect the Nation's long-term economic health and compromise its economic self-sufficiency. For example, private capital markets or vendors may conclude that the future risks from such uncertainty outweigh the current benefits of engagement with the Nation government and enterprises.
4. **Casino Closes and All Enterprises Close (CC-AEC):** Federal government (through enforcement by the National Indian Gaming Commission) closes down the Turning Stone Resort & Casino based on its alleged illegality (i.e., according to the State, the land on which the Casino is sited does not qualify as "Indian land" under the Indian Gaming Regulatory Act.) The vast majority of the Nation jobs would be lost. The Turning Stone Resort and Casino employs the majority of Nation employees and supports the Nation Government and all other Nation Enterprises (other than the SavOn gas station and convenience stores).

Because it has the greatest potential for adverse effects to the surrounding communities in terms of economic consequences, the indirect effects of the "Property Taxes Not Paid" scenarios (PTNP-F and CC-AEC) are evaluated and quantified in this section. Thus, the indirect effects of the following scenario are evaluated quantitatively throughout the socioeconomic section: (1) the Turning Stone Resort & Casino closes; (2) the Nation discontinues the operations of all SavOn gas station and convenience stores; and (3) the Nation does not pay property taxes.

**Nation Employees and Employee Earnings.** For the purpose of the analysis of Alternative G, it is assumed that all of the Turning Stone Resort & Casino jobs and SavOn gas station and convenience store jobs would be eliminated.

The Nation's other enterprises would discontinue their operations because they are dependent on Turning Stone Resort & Casino and SavOn gas station and convenience store net revenues.

The 434 Nation Government jobs that are supported by Nation Enterprise revenues (89% of total Nation Government jobs) would be at risk as well (See Table 4.7-5). The Nation would probably seek additional federal funding, which could allow them to preserve some Nation government jobs.

### **Non-Nation Jobs and Earnings**

#### Jobs generated by Nation and Nation employee spending

Taking into account the “multiplier effect,” the closing of the Turning Stone Resort & Casino and all other Nation Enterprises would indirectly lead to the loss of 944 jobs at other businesses (See Table 3.7-9). A small portion of these jobs may be replaced through a shift in local consumer expenditures (i.e., local Nation patrons may spend some of the funds that they previously spent at the Nation Enterprises at other local businesses, which in turn would use part of the funds to support new jobs). The majority, however, would not be replaced in the community since the quality of the entertainment options offered by the Nation – gaming, world class golf, and premier entertainment – cannot be found elsewhere in Oneida or Madison County.

#### Jobs generated by off-site visitor spending

The closing of the Turning Stone Resort & Casino would lead to the loss of all of the jobs that are currently supported by off-site visitor spending.

#### Tertiary Effect

The Nation would no longer generate a tertiary effect if the Turning Stone Resort & Casino closed. Thus, some of the dual worker households with a Nation employee in the household would leave the region with the cessation of employment opportunities at the Nation. The household spending of former Nation employees who remain in the region after being laid off also would no longer be attributable to the Nation. (In addition, property values in the community generally may decline if the Turning Stone Resort & Casino closes because there may be an increase in the number of homes and rental units placed on the market following its closure).

**Local Unemployment.** The closing of all Nation Enterprises is expected to lead to the loss of 4,816 Nation jobs. In 2005, 87 percent of Nation employees lived in Madison and Oneida Counties. Under Alternative G, an estimated 4,190 Madison and Oneida County residents would lose their jobs at the Nation. The closure would lead to reduced spending by the Nation’s enterprises and operations and by its former employees, leading to 944 fewer non-Nation jobs than in Alternative A. Additional non-Nation jobs would be lost due to the loss of off-site visitor spending and the tertiary effects as explained above. In the year 2000, 85 percent of jobs in Madison and Oneida Counties were held by Madison and Oneida County residents. Because of the poor job creation and economic performance of the area, the job losses associated with this alternative are likely to increase local unemployment significantly.

Some of the laid-off employees would likely remain unemployed in the long-term, while others would find a new job, withdraw from the labor force, or migrate out of the region entirely. An analysis of past employment data from the Bureau of Economic Analysis shows that if non-Nation employment in Madison and Oneida County would grow at the

same rate it did between 1990 and 2004, it would take 36 years before employment is back at the 2004 level (2004 is the most recent data available). When the local economic base is unable to provide suitable replacement job opportunities, there is a strong likelihood of higher unemployment levels and out-migration effects. (Closure of operations at Griffiss Air Force Base provides an example of the potential out-migration effects and were illustrated in Figure 3.7.9). To the extent that the region exhibits higher rates of unemployment as a result of closure, it can be anticipated that the region would become more dependent on transfer payments (see Table 3.17-18 for example of relationship between transfer payments and unemployment rates).

**Summary**

Table 4.7-4 presents a comparative summary of the indirect effects by Alternative. The indirect effects are calculated by comparing the employment change for each of the Alternatives in 2011 with the 2005 baseline presented in Section 3.7. The indirect effects are reported in terms of the total number of Nation jobs and the non-Nation jobs supported by Nation spending within Madison and Oneida Counties. The indirect effects are also reported in terms of the number of local Madison or Oneida County residents who work for the Nation or who are supported by Nation spending in non-Nation jobs.

**Table 4.7-4  
Indirect Effects: Change in Employment between 2005 and 2011,  
Alternatives A through G**

	Nation Jobs		Non-Nation Jobs*		Total	
	Total	Local Residents	Total	Local Residents	Total	Local Residents
A	271	235	51	44	322	279
B	271	235	51	44	322	279
C	263	228	48	41	311	269
D	-30	-26	-8	-6	-38	-33
E	-671	-582	-126	-107	-797	-689
F	261	226	47	40	308	266
G	-4,556	-3,953	-895	-760	-5,450	-4,713

Note: Non-Nation jobs are jobs at other Madison and Oneida County businesses supported by Nation and Nation employee spending. "Local residents" are those employees who are living in Madison and Oneida Counties.

**Alternatives A, B, C and F**

Under these alternatives, the number of Nation jobs and jobs supported by spending by the Nation, its employees, and its visitors is expected to grow in the next five years. Comparing the Alternatives to the 2005 baseline, there would be an estimated 261 to 271 new Nation jobs. In addition, spending by the Nation and its employees would support an estimated 47 to 51 jobs at other local businesses. Additional jobs may also be created due to an increase in off-site visitor spending.

Based on current residential locations, it is estimated that most of the jobs would be held by residents of Madison and Oneida County. Because the job increase is relatively small, it cannot be expected that this job creation would significantly affect the local unemployment rate.

**Alternatives D, E, and G**

If the Nation discontinues the activities located on lands not conveyed into trust, employment at the Nation and at other businesses that are supported by the Nation would decrease. While the decrease is expected to be relatively small for Alternatives D (a loss of 38 jobs), larger job losses would occur under Alternatives E (797 jobs) and G (5,450 jobs).

Major layoffs of Madison and Oneida County residents in Alternative E and in Alternative G, would increase the number of locally unemployed. Under Alternative G in scenarios PTNP-F and CC-AEC, an estimated 4,713 Madison and Oneida County residents would lose their job, overwhelming in historical terms the ability of the two-county local employment base to absorb the excess supply of labor.

**4.7.1.3 Cumulative Effects**

**Alternatives A, B, C, and F**

Since the opening of the Turning Stone Resort & Casino in 1993, the Nation has created jobs at a rate that outpaces overall job growth in Madison and Oneida Counties and in Upstate New York as a whole. In 2006, the Nation was the single largest employer in Madison and Oneida County.

The Nation's job growth has partly offset regional job losses, including the closings of the Griffiss Air Force base in Rome and the Lockheed Martin plant in Utica in the mid-1990s, as well as the more recent closing of the manufacturing plant of Oneida Ltd in Sherrill (See Section 3.7.5.2).

Under Alternatives A, B, C and F, it can be expected that existing Nation jobs would be maintained and that the Nation would continue to grow, albeit at more modest pace than in the past. By 2011, Nation employment would have reached 4,882 under Alternatives A and B, and 4,874 and 4,872 under Alternatives C and F, respectively.

The local expenditures made by the Nation, its employees, and its visitors would likely increase as well, creating additional employment through the multiplier effect. By 2011, about 960 jobs would be supported by Nation and Nation spending under Alternatives A, B, C, and F.

Limited information is available about possible future job creation by other businesses that is not supported by spending by the Nation, its employees, or its visitors.



Woods & Poole, an economic forecasting firm, projects an average annual employment growth of 1.1 percent for Madison and 0.8 percent for Oneida Counties in the next five years. These employment projections, which include the jobs directly and indirectly created by the Nation, assume the Counties would perform significantly better than in the past 30 years.

Specific information about future projects proposed by others is presented in Section 4.1.5. Examples of projects that would create new jobs include a residential population-serving 231,000 square-foot retail strip with Lowe's Home Improvement Store in the City of Oneida and a 250,000 square-foot office building for East Coast Olive Oil Company in Rome.

In addition to permanent jobs at the proposed facilities, the construction of the new office, retail, and residential facilities and the construction of several proposed infrastructure projects (e.g., water system improvements in the City of Oneida, the Village of Vernon, and the Towns of Vernon, Verona, and Westmoreland) would generate temporary local construction jobs.

**Alternative D**

Under Alternative D, in addition to the Government jobs, most SavOn gas station and convenience store jobs and the jobs at the other Nation Enterprises on Group 2 and 3 lands would be at risk. As part of the Nation's diversification strategy, these Nation Enterprise jobs are an integral component of the Nation's goals for long-term self-sufficiency and economic development. Reductions in the Nation's operational spending and cut-backs in the Nation's payroll and subsequent employee spending would lead to job losses at other local businesses. The level of regional economic activity stimulated by the Nation's operations would be lessened under this alternative and, as such, the Nation would be less well-positioned to assist in offsetting any potential regional job losses or serving as a catalyst for additional economic activity for the region than under Alternatives A, B, C and F.

**Alternative E**

Under Alternative E, the future of the Nation jobs that are not located on the Casino Tax Lot would be subject to greater uncertainty and their growth would be compromised. Alternative E would compromise the future growth of the Turning Stone Resort & Casino because several resort components would not be conveyed into trust (i.e., the golf courses, the luxury lodge hotel, and part of the event center). These components are critical elements of the Nation's overall strategy for diversification and creating a regional destination resort for tourism and visitors (see Section 3.7.5 Nation Enterprises for discussion of Resort Destination Investments). By narrowly defining the type and scope of facilities that can be conveyed into trust, Alternative E imposes more complexity in terms of taxation and regulation and, potentially, requires additional institutions or entities and contracting relationships in order to maintain a cohesive and complementary resort

destination. As noted in Section 3.7.5, several of the resort assets have not to-date been proven to have financial solvency without subsidization from the Nation's casino which may further affect the feasibility, cost-effectiveness and practicality of this alternative. Alternative E would put all Turning Stone Resort & Casino jobs at risk in the long term.

Reduced Nation spending and Nation employee spending would also lead to job losses at other local businesses.

As explained under Alternative A, B, C and F, there is limited information about the future actions of others. It is, however, unlikely that under Alternative E the Nation would be able to offset any potential future regional job losses. Most likely, the Nation would have to reduce its own employment levels significantly.

**Alternative G**

While the effect of Alternative G is uncertain and a wide range of possible future scenarios could occur, it is highly unlikely that Nation employment would grow as planned under this Alternative. Most of the Nation jobs would be eliminated if the National Indian Gaming Commission (NIGC), the Federal government agency with enforcement authority, would close the casino based on its alleged illegality, if the County would foreclose on the land, or if the Nation would elect to discontinue its business operations. The payment of property taxes would result in a reduction of the Nation's net revenues, which would be reflected in the employment levels. Furthermore, the continuation of the current uncertainty regarding the legality of the gaming operations would likely strongly compromise the Nation's growth. In summary, under Alternative G, it is highly unlikely that the Nation would be able to continue its operations at or above baseline level in the next five years.

The Nation would be in no position to partially offset the job losses, out-migration and dependencies on transfer payments that have deeply affected the region's economic base. Alternative G results in reductions in Nation operations spending and payroll, consequent reductions in employee spending, and less overall visitor spending, leading to direct and indirect jobs losses at other local businesses.

Given the past economic performance of Madison and Oneida Counties, it is unlikely that the counties would be able to absorb the large job losses that would occur in the event of the closing of the Nation Enterprises. An analysis of labor data from the Bureau of Labor Statistics shows that if non-Nation employment in the two-county region would grow at the same annual rate as it did between 1990 and 2004, employment would reach the 2004 level only by the year 2040. The Woods & Poole employment projections of a 1.1 percent and 0.8 percent average annual growth rate between 2006 and 2011 in Madison and Oneida Counties, respectively, anticipate the employment directly and indirectly generated by the Nation and may assume some sizable Nation growth.

The future of the proposed developments that directly serve the consumer spending of local residents (e.g., the Lowe's Home Improvement Plaza) may be adversely affected.

## 4.7.2 Demographic Effects

This section presents the direct, indirect, and cumulative effects of Alternatives A through G, including the effect to the number of persons on Nation lands and on the number of Nation employees residing in Madison and Oneida Counties.

### 4.7.2.1 Direct Effects

#### **Alternatives A through G**

The conveyance of lands into trust is an action where title to the Nation's existing lands would be conveyed to the Federal government with no change in their uses. Because neither the Proposed Action nor any of the alternatives involve new construction or changes in land use, there would be no direct demographic effects. Changes in existing conditions resulting from the Nation's ongoing housing program, which is not a part of the federal action, and growth in economic activity from the Nation's existing enterprises are reasonably foreseeable and are discussed below under Indirect Effects.

### 4.7.2.2 Indirect Effects

The alternatives indirectly affect the number of residents on Nation land and the number of employees residing in Madison and Oneida County.

#### Nation Member Households

#### **Alternatives A, B and F**

As presented in Section 3.7.5, the Nation Homeownership and Rental Programs currently include 104 units; 6 are on the Nation Territory and 98 are on Group 1, 2, and 3 lands. Under Alternatives A, B, and F, the land where all 98 housing units are located would be conveyed into trust.

There is currently a waiting list for 66 homeownership units. On land that would be conveyed into trust under Alternatives A, B, and F, the Nation could construct the 66 new housing units in the next five years. The Nation has identified sites for 15 of the homes. For the purpose of the analysis, the location of the other 51 new units is based on the location of the Nation's current housing units. For further detail on the residential distribution, see Table 4.7-5. There are no new rental units planned.

Using the U.S. Census' Public Use Microdata Sample (PUMS) data and information about the Nation's housing stock, it is estimated that the average size of households living in Nation member homeownership units is 3.4 persons. Thus, the 66 new households would generate 224 residents. (See Section 3.7.5 for information about the calculation of the demographic multipliers.)

Given that 64 percent of the members on the waiting list live locally, it is assumed that 24 homes (36 percent of the 66 homes) would be constructed for those living outside the area.

These 24 new homes would add 81 residents (Nation members and their household members) to the area.

The remaining 142 new occupants of the proposed housing would come from the two-county area, thus not resulting in an increase in overall population. However, the new occupants of the proposed housing would be moving out of already existing housing, thus potentially leaving another unit vacant. The now vacant unit may be filled with a tenant relocating to the area or by a tenant who already lives in the area. Therefore, to be conservative in estimating new population, it is determined that the proposed Nation housing would result in a total in-migration of 224 people.

**Table 4.7-5  
Oneida Nation Housing Program: Housing and Population Projections, 2005-2011  
by Group Lands and Municipality, Alternatives A, B, and F**

Allocation By Group and Municipality	2005		2011		2005-2011	
	Total Housing Units	Estimated Residents	Total Housing Units	Estimated Residents	Total Housing Units	Estimated Residents
Group 1						
Verona	2	6	3	9	1	4
Group 2				0		
Canastota	2	6	3	10	1	4
Lenox	7	23	11	35	4	12
Oneida	55	146	99	294	44	148
Sherrill	3	9	5	14	2	5
Vernon	1	3	2	5	1	2
Sullivan	1	3	2	5	1	2
Verona	14	44	21	69	7	25
Group 3						
Lincoln	3	10	5	16	2	5
Stockbridge	10	34	15	52	5	18
Unassigned						
Verona	1	3	1	3	0	0
Oneida	5	17	5	17	0	0
<b>Subtotals</b>						
Group 1	2	6	3	9	1	4
Group 2	83	234	141	432	58	198
Group 3	13	44	21	71	7	23
Unassigned	6	20	6	20	0	0
<b>Totals</b>	<b>104</b>	<b>304</b>	<b>170</b>	<b>528</b>	<b>66</b>	<b>224</b>

Source: U.S. Census 2000 Public Use Microdata Sample (PUMS); Oneida Nation; The Louis Berger Group, Inc.

As presented in Section 3.7, there are currently 58 school-aged children living on Nation Group 1, 2, or 3 lands who attend public school. An estimated 70 percent of these children attend schools that are part of the Oneida School District, while the remainder attend Stockbridge Valley schools.

Based on demographic multipliers of the average number of public school children per household, the 66 new Nation residences are expected to house 36 public school children. About 13 of these children (36 percent of 36) would be from Oneida households who have relocated to the Nation lands from outside of the two-county region.

Table 4.7-6 presents a comparison of the alternatives in terms of the number of persons and school-age children residing in Nation housing units, as well as distinguishes the anticipated number of persons and school-age children that can be anticipated to represent in-migrants (i.e., new demand). Table 4.7-7 compares by alternative the number of persons that would be anticipated in existing Nation housing units.

**Table 4.7-6  
Population of New Nation Housing, Alternatives A through G, 2011**

	Number of New Nation Housing Units	Persons in New Nation Housing Units			
		Total Residents		In-migrants	
		Total Number of Persons	Number of Public School Children	Total Number of Persons	Number of Public School Children
Alternative A	66	224	36	81	13
Alternative B	66	224	36	81	13
Alternative C	59	200	32	72	12
Alternative D	0	0	0	0	0
Alternative E	0	0	0	0	0
Alternative F	66	224	36	81	13
Alternative G	0	0	0	0	0

Notes: In-migrants are those moving to the two-county region from outside the region.  
Source: U.S. Census 2000 Public Use Microdata Sample (PUMS); Oneida Nation; The Louis Berger Group, Inc.

**Table 4.7-7  
Population of Existing Nation Housing  
Alternatives A through G, 2011**

	Number of Existing Nation Housing Units	Persons in Existing Nation Housing Units		
		On Trust Land	Not On Trust Land	Total
Alternative A	98	284	0	284
Alternative B	98	284	0	284
Alternative C	85	236	48	284
Alternative D	2	6	278	284
Alternative E	0	0	284	284
Alternative F	98	284	0	284
Alternative G	0	0	284	284

Source: U.S. Census 2000 Public Use Microdata Sample (PUMS); Oneida Nation; The Louis Berger Group, Inc.

**Alternative C**

If the Nation does not pay property taxes and the County forecloses on the land (PTNP-F) under Alternative C, the Nation would not be able to build the seven planned housing units on Group 3 lands. If the Nation would construct the remaining 59 housing units, these units would house an estimated 200 residents, including 32 children attending public school. Using the assumptions explained above, 72 of these residents would move to Madison and Oneida County from outside the region.

The existing 13 homeownership units on Group 3 lands would no longer be on Nation land. If the Nation were not to pay property taxes, these units would be at risk and the 44 residents in these units may leave the region (See Table 4.7-7).

**Alternatives D, E, and G**

Under Alternatives D, E, and G, it is possible that the Nation would not build the proposed 66 housing units, which would have had the potential to attract Oneida from outside the area to the Nation's lands. As a result, chances are greatly reduced that an Oneida not living in the area would return to the Nation's lands.

As a result of Alternatives E and G, the 98 existing Nation housing units would no longer be on Nation land. If the Nation were not to pay property taxes, these units would be at risk and the 284 residents may leave the region. The situation would be similar in Alternative D, as only 2 units on Group 1 lands would be on Nation land and the remaining 96 units would be at risk.

Nation Employee Households

**Alternatives A and B**

In FY 2005, the Nation employed 4,611 people. Of these, 60.2 percent of Nation employees live in Oneida County and 26.6 percent live in Madison County according to the Nation Enterprise payroll records. According to Public Use Microdata Sample (PUMS) data from the U.S. Bureau of Census, the average household size with one or more workers in Madison and Oneida Counties is 3.27 people. To be conservative in population forecasts, it is assumed that each household contains only one Nation employee. As a result, in FY 2005, it is estimated that there were 9,071 people living in a household with a Nation employee in Oneida County and 4,012 people living in a household with a Nation employee in Madison County. This represents 3.4 percent of the Oneida County population and 5.7 percent of the Madison County population (based on U.S. Census estimates for 2004).

As a result of Alternatives A and B, Nation employment is expected to have reached 4,882 by 2011. Taking into account the current residential settlement distribution, it is estimated that, in 2011, there would be 9,604 people and 4,248 people living in a household with a Nation member employee in Oneida and Madison County, respectively, representing an increase of 769 persons in the two-county area.

Given that 57 percent of new hires already live in Madison and Oneida County, of the new hires, 331 people (43 percent of 769) would migrate to the two-county area. Most likely, this estimate is high because, while 43 percent of new hires do not live in Madison and Oneida Counties, it does not necessarily mean that new hires would move to the two counties. Some new hires live in nearby counties such as Herkimer and Onondaga and commute to the Turning Stone Resort & Casino.



Table 4.7-8 further illustrates the estimated population by municipality in which the Nation owns land.

**Table 4.7-8  
Estimate of Total Persons in Households in Select Municipalities with One or More  
Nation Employees, Alternative A and B, 2005-2011**

Municipality by ZIP Code	Number of Nation Employees (FY 2005)	Total Persons in Nation Employee Households (FY 2005)	Number of Nation Employees (2011)	Total Persons in Nation Employee Households (2011)	Change in Total Persons in Nation Employee Households (2005-2011)
<b>Madison County</b>					
Canastota/Lenox/Lincoln	324	1,059	343	1,122	62
Cazenovia/Fenner	14	46	15	48	3
Stockbridge	94	307	100	325	18
Sullivan	80	262	85	277	15
Oneida	650	2,126	688	2,250	125
Municipalities listed above:	1,162	3,800	1,230	4,023	223
Total Madison County	1,227	4,012	1,299	4,248	236
<b>Oneida County</b>					-
Sylvan Beach	49	71	23	170	99
Sherrill	151	218	71	523	305
Vernon	152	220	71	526	306
Vernon Center	27	39	13	93	54
Verona	172	249	81	595	346
Durhamville	80	116	37	277	161
Augusta	16	23	7	55	32
Municipalities listed above	647	2,116	685	2,240	124
Total Oneida County	2,774	9,071	2,937	9,604	533
Madison and Oneida County	4,001	13,083	4,236	13,852	769

Source: The Louis Berger Group, Inc.

According to PUMS data, the average number of public school children per household with one or more workers is 0.85 in the two-county area. As a result of Alternatives A and B, it is expected that the number of school-aged children in Nation employee households would increase by 61 children in Madison County and by 139 in Oneida County in the next five years (See Table 4.7-9).

**Table 4.7-9  
Estimate of School Aged Children in Nation Employee Households,  
Alternative A and B, 2005-2011**

<b>Madison County</b>	<b>Baseline Number of School-Aged Children (FY 2005)</b>	<b>Number of School-Aged Children (2011)</b>	<b>Change in the Number of School Children (2005 – 2011)</b>
Canastota/Lenox/Lincoln	275	292	16
Cazenovia/Fenner	12	13	1
Stockbridge	80	85	5
Sullivan	68	72	4
Oneida	553	585	32
Municipalities listed above:	988	1,046	58
<b>Total Madison County</b>	<b>1,043</b>	<b>1,104</b>	<b>61</b>
<b>Oneida County</b>			
Sylvan Beach	18	44	26
Sherrill	57	136	79
Vernon	57	137	80
Vernon Center	10	24	14
Verona	65	155	90
Durhamville	30	72	42
Augusta	6	14	8
Municipalities listed above	550	582	32
<b>Total Oneida County</b>	<b>2,358</b>	<b>2,496</b>	<b>139</b>
<b>Madison and Oneida County</b>	<b>3,401</b>	<b>3,600</b>	<b>199</b>

Source: The Louis Berger Group, Inc.

A comparison of alternatives in terms of the number of Nation employees residing in Madison and Oneida County is presented in Table 4.7-10.

**Table 4.7-10**  
**Persons in Households with One or More Nation Employee,**  
**Madison and Oneida Counties, Alternatives A through G**

	Number of Nation Employees	Total Persons in Nation Employee Households in Madison and Oneida County*	Estimated in- and out-migration between 2005 and 2011**	
			Total Persons	Public School Pupils***
Alternative A	4,882	13,852	331	86
Alternative B	4,882	13,852	331	86
Alternative C	4,874	13,830	321	83
Alternative D	4,581	12,998	-9	-2
Alternative E	3,940	11,179	-190	-50
Alternative F	4,872	13,824	318	83
Alternative G	55	157	-1293	-336

Notes: \*Average household size is 3.27 persons. \*\*In- and Out-migrants are those moving to/from the two-county region. \*\*\*Average number of children attending public school per household is 0.85.

Source: U.S. Census 2000 Public Use Microdata Sample (PUMS); Oneida Nation; The Louis Berger Group, Inc.

**Alternatives C and F**

If the Nation discontinues its economic activities on lands not conveyed into trust under Alternatives C and F, Nation employment would grow slightly less than under Alternative A, to a total of 4,872 employees (Alternative F) to 4,874 employees (Alternative C). Using the assumptions about household size and in-migration explained above, 318 to 321 residents (including Nation employees and their household members) would move to Madison and Oneida Counties. These residents would include 83 children attending public schools, but they would generally be residents who would settle on non-Nation lands.

**Alternative D**

If the Nation were to discontinue its operations on Group 2 and 3 lands, a total of 30 workers would be laid off. Because 87 percent of Nation employees live locally, it can be assumed that 26 Madison and Oneida County residents would lose their Nation job.

While there is significant evidence of out-migration and low levels of job replacement in the area, particularly in Oneida County, there remains a high level of uncertainty as to whether laid-off Nation employees would leave the region or stay. Many factors besides employment — family, community ties, spousal employment, home ownership — influence a person’s choice to leave his or her residence.

To be conservative in this scenario, it is assumed that 5 percent of households have more than one Nation employee. Assuming that 10 percent of employees and their respective households leave the area, an out-migration of 9 people, including 2 children attending public school, from the two counties would occur.

### **Alternative E**

As a result of Alternative E, many of the Nation's business operations would be at risk. If the enterprises on Nation land not conveyed into trust were to cease operations, 933 Nation jobs would be lost, as described in Section 4.7.1. Given that 87 percent of current employees live in Madison and Oneida Counties, there would be approximately 812 fewer local residents employed by the Nation Enterprises. To be conservative in this scenario, it is estimated that 5 percent of households have more than one Nation employee and that 10 percent of households would leave as a result of the loss of jobs. Assuming that 10 percent of employees and their respective households leave the area, an out-migration of 190 people, including 50 school-aged children, from the two counties would occur. This out-migration is further exacerbated by other employees who may be laid off if their place of work is reliant upon the Nation's purchases or spending.

### **Alternative G**

If the Turning Stone Resort & Casino and the SavOn gas station and convenience stores were to cease operations, nearly all employees would be laid off with the exception of some Nation government employees. Taking into consideration that 87 percent of the Nation employees live locally, it can be anticipated that 4,190 local residents would be affected by lay-offs attributable to the cessation of the Nation's Turning Stone Resort & Casino and other enterprises.

Following the conservative assumptions previously described in this section regarding the percentage of households with more than one Nation worker (5 percent) and the percentage of households that would leave the area (10 percent), it is estimated that an out-migration of 1,293 persons, including 336 children attending public school, would occur from the two counties. This number is conservative, as there would also be a contraction of demand for goods and services from non-Nation businesses, which may cause additional staffing cuts.

### Summary

The alternatives indirectly affect the number of residents on Nation land and the number of employees residing in Madison and Oneida County. A summary of the indirect effects is presented in Tables 4.7-11 and 4.7-12. The indirect effects are calculated by comparing the alternatives in 2011 with the 2005 baseline.

### Nation Member Households

#### **Alternatives A, B and F**

As a result of Alternatives A, B and F, all of the existing Nation housing units would be on trust land and the residents would not be adversely affected. Furthermore, 66 new Nation homeownership units would be able to be constructed and would attract an estimated total of 76 residents from outside the two-county area.

**Alternative C**

As a result of Alternative C, 13 existing homeownership units would not be on lands placed into trust and its 48 residents may be adversely affected. If the Nation does not pay property taxes and the County forecloses (PTNP-F), these residents may lose their homes. The Nation would, however, construct 59 new homes on Group 2 lands. These homes would attract 68 out-of-region residents to the two-county area.

**Alternative D**

As a result of Alternative D, only two of the Nation's existing housing units would be on land conveyed into trust and, therefore, the residences of 278 persons are at risk should the Nation determine not to pay property taxes and the County forecloses (PTNP-F). Furthermore, it is possible that the Nation would not construct any additional housing units.

**Alternatives E and G**

As a result of Alternative E and G, none of the Nation's existing housing units would be on trust land. The 284 residents may lose their homes if the Nation does not pay property taxes and the County forecloses (PTNP- F). If the State or Federal government closes down the Turning Stone Resort and Casino under Alternative G, (CC-AEC), the Nation may not be able to pay for the property taxes. Under Alternatives E and G, the Nation would not construct the 66 homeownership units for the members on the waiting list, as the land would not be conveyed into trust.

**Table 4.7-11  
Indirect Effects: Number of Persons in Nation Housing Units between  
2005 and 2011, Alternatives A through G**

	Persons in Existing Nation Housing Units				Persons in New Nation Housing Units			
	On Trust Land		Not On Trust Land		Total Residents		In-Migrants	
	Total Number of Persons	Number of Public School Children	Total Number of Persons	Number of Public School Children	Total Number of Persons	Number of Public School Children	Total Number of Persons	Number of Public School Children
Alternative A	284	58	0	0	224	36	76	13
Alternative B	284	58	0	0	224	36	76	13
Alternative C	236	48	48	10	201	32	68	12
Alternative D	6	1	278	57	0	0	0	0
Alternative E	0	0	284	58	0	0	0	0
Alternative F	284	58	0	0	224	36	76	13
Alternative G	0	0	284	58	0	0	0	0

Source: The Louis Berger Group, Inc, Oneida Nation, 2006

Nation Employee Households

**Alternatives A, B, C, and F**

As a result of ongoing Nation activities on land conveyed into trust under Alternatives A, B, C, and F, Nation employment is expected to grow in the next five years and, consequently, the number of Nation employees residing in Madison and Oneida County is expected to increase. Based on the assumptions described above, an estimated 318 to 331 persons (Nation employees and their household members), including 83 to 86 children attending public school, are expected to migrate to Madison and Oneida County under these alternatives.

**Alternatives D, E, and G**

If the Nation discontinues its operations on lands not conveyed into trust (PTNP-F or CC), Nation employment is expected to decrease. Laid-off Nation employees may leave the region. Based on the assumptions discussed above, estimated out-migration would be small under Alternative D (9 persons) but would be significant under Alternatives E and G when a total of 190 and 1,293 persons would leave Madison and Oneida County. Under Alternative G (CC-AEC), it likely that a larger out-migration would occur as non-Nation jobs that are supported by spending by the Nation, its employees, and its visitors, also would be eliminated.

**Table 4.7-12**  
**Indirect Effects: Change in the Number of Nation Employee Households**  
**residing in Madison and Oneida County between 2005 and 2011,**  
**Alternatives A through G**

	Change in the Number of Persons in Nation Employee households between 2005 and 2011		Estimated in- and out- migration between 2005 and 2011	
	Total Persons	Public School Pupils	Total Persons	Public School Pupils
Alternative A	769	200	331	86
Alternative B	769	200	331	86
Alternative C	746	194	321	83
Alternative D	-86	-22	-9	-2
Alternative E	-1,905	-495	-190	-50
Alternative F	741	193	318	83
Alternative G	-12,926	-3,360	-1,293	-336

Source: The Louis Berger Group, Inc, 2006.

#### 4.7.2.3 Cumulative Effects

##### **Alternatives A, B, C and F**

**Oneida Nation Members.** The success of the Nation's economic activities and the resources committed to several of its governmental programs and services have led some Oneida Members to consider participating in the Nation's targeted housing program. The housing program has encouraged some Oneidas that are not living in the area to return to the Nation's lands. As presented in Section 3.7.5, the Nation Homeownership and Rental Programs currently include 98 units on Group 1, 2 and 3 lands which have an estimated 284 residents. There are an additional 6 housing units on the Oneida Territory.

As a result of Alternatives A, B and F, the 98 existing Nation units would be on lands conveyed into trust. Under Alternative C, the 13 units on Group 3 lands would be on lands not conveyed into trust and the 48 residents in those units may lose their home if the Nation does not pay property taxes on the land.

On land conveyed into trust under Alternatives A, B and F, the Nation would be able to construct 66 new ownership housing units, which would generate 224 residents, including 36 public school children.

As a consequence of Alternatives A, B and F, all 66 units would be built and the population on Nation land would grow as planned. These new housing units would lead to an in-migration of 76 persons, including 13 children attending public schools.



As a result of Alternative C, the Nation would only be able to build new housing units on Group 1 and 2 lands if the County forecloses on Group 3 lands or the Nation sells the land. Currently, six sites have been identified on Group 3 lands. If all other proposed units were to be located on Group 1 and 2 lands, 59 units of housing would be constructed on land conveyed into trust under Alternative C. These new housing units would lead to an in-migration of 68 persons, including 12 children attending public schools.

**Nation Employee Households.** In FY 2005, 60.2 percent and 26.6 percent of the 4,611 Nation employees lived in Oneida County and Madison County, respectively. Under Alternative A and B, it is estimated that a total of 331 residents -- Nation employees and their household members -- would migrate to Oneida and Madison County in the next five years. An estimated 86 of these residents would be school-aged children. In Alternative C and F, in-migration would be 321 and 318, respectively.

**Other Proposed Projects.** Eleven new or proposed projects by private developers have been identified in Madison and Oneida Counties. The new projects would total 591 housing units. Of the housing units, 293 are residential homes, 100 are condominiums or townhouses, and 198 are senior housing. Additionally, the plans include an expansion of existing Cazenovia College dormitory to create living space for 96 students. A more detailed description of future projects is presented in Table 4.7-13.

According to the U.S. Bureau of Census, the average household size is 2.46 in Madison and Oneida County. The residents of the 591 new housing units plus the 96 students would constitute 2,029 people. It is not expected that all 1,549 people would be the result of in-migration or that the new units would cause an increase in population. As discussed in Section 3.7.2, IRS data showed that the region has experienced a net out-migration (in-migration of residents that is less than the out-migration of residents) in every single year between 1990 and 2003. This has resulted in an overall declining population.

**Table 4.7-13  
Future Housing Projects in Madison and Oneida Counties**

Municipality	County	Description	Number of Units
Cazenovia Village	Madison	The action involves demolition of existing single family home and construction of an addition to the existing Shove Hall dormitory to create living space for approximately 96 students; expansion and improvement of parking facility and minor addition to dining facility.	
Cazenovia Village	Madison	Residential proposal of 29 units including 8 townhouses and 21 single-family residences. Currently R-30 to be rezoned to PUD.	29
Cazenovia Village	Madison	52 single-family residential structures	52
Cazenovia Village	Madison	20-25 residential units	25
Town of Sullivan	Madison	Construction of 120 \$300,000 residential homes	120
Town of Sullivan	Madison	Construction of 92 residential condominiums. (approximately 2,000 sq.ft. apiece	92
Town of Sullivan	Madison	The development of a 20-25 single-family residential structures.	25
Rome	Oneida	Construction of a 558,000 square-foot senior housing complex consisting of 160 apartments connected to a commons building with 21,000 square-feet of retail space and an additional 38 single-family duplex townhouse.	198
Village of Vernon	Oneida	40-50 single-family residential structures	50
		<b>Total Units</b>	<b>591</b>

Population projections by CISER and Woods & Poole presented in Section 3.7.2 show a declining population for Oneida County between 2005 and 2010. For Madison County, CISER projects a stable population while Woods & Poole projects a population growth. These projections likely include the Nation’s induced population growth described above.

Given the very small Nation-related in-migration, it cannot be expected that the Nation would offset any potential net out-migration

**Alternatives D, E, and G**

**Oneida Nation Members.** As a consequence of Alternatives D, E, and G, it is possible that the Nation would not build the 66 proposed housing units. Furthermore, the residents in the existing Nation housing units on lands not conveyed into trust may be adversely affected. If the Nation were not to pay property taxes on the lands not conveyed into trust, the residents could lose their homes and may leave the area. If the Nation were to pay property taxes and subsequently increases the rent, units may become unaffordable for some renters.

**Nation Employee Households.** Nation job losses may lead to out-migration of Nation employee households and of persons employed at businesses that were supported by the Nation.

**Other Proposed Projects.** In the event of major Nation layoffs, the future of the residential developments proposed by private developers discussed above may be adversely affected. The out-migration of Oneida members and Nation employees would contribute to the region's net out-migration.

### **4.7.3 Housing Effects**

This section presents the direct, indirect and cumulative effects of Alternatives A through G on the number of housing units on Nation land specifically and in Madison and Oneida Counties as a whole in general.

#### **4.7.3.1 Direct Effects**

##### ***Alternatives A through G***

The conveyance of lands into trust is an action where title to the Nation's existing lands would be conveyed to the Federal government with no change in their uses. Because neither the Proposed Action nor any of the alternatives involve new construction or changes in land use, there would no direct demographic effects. Changes in existing conditions resulting from the Nation's ongoing housing program, which is not a part of the federal action, and growth in economic activity from the Nation's existing enterprises are reasonably foreseeable and are discussed below under Indirect Effects.

#### **4.7.3.2 Indirect Effects**

The alternatives indirectly affect the number of housing units on Nation land and the number of Madison and Oneida County housing units that are occupied by Nation employees.

##### *Housing on Nation Land*

##### ***Alternatives A, B, and F***

There are currently 98 housing units on the Nation's Group 1, 2, and 3 lands, which would all be on trust lands. In the next 5 years, the Nation would construct 66 new homeownership units for its members. So far, only 15 sites have been identified. For the purpose of the analysis, the location of the other 51 new units is based on the location of the Nation's current housing units on Group 1, 2 and 3 lands. There are no new rental units planned.

A comparison of the alternatives is presented below in Table 4.7-14.

**Table 4.7-14  
Oneida Nation Housing Program, Alternatives A through G, 2011**

	Existing Nation Housing Units on Trust Lands	New Nation Housing Units	Total Nation Housing Units on Trust Land
Alternative A	98	66	164
Alternative B	98	66	164
Alternative C	85	59	144
Alternative D	2	0	2
Alternative E	0	0	0
Alternative F	98	66	164
Alternative G	0	0	0

Source: The Louis Berger Group, Inc., Oneida Nation, 2006.

**Alternative C**

Of the 15 identified sites for the proposed new housing units, seven are on Group 3 lands. If the Nation does not pay property taxes and the County forecloses, these units may not be built. Additionally, there are currently 13 existing homeownership properties on Group 3 lands. There is a high level of uncertainty regarding what would happen to the 13 homeownership properties. Currently, the Nation owns the lands while the household owns the house. In case the Nation does not pay for the property taxes, Nation members could potentially lose their home if they cannot afford to pay the property tax and the County forecloses.

**Alternative D**

As a consequence of Alternatives D, E, and G, it is possible that none of the proposed 66 Nation housing units would be built. Under Alternatives E and G, the 98 existing Nation housing units would be at risk. There is a high level of uncertainty regarding what would happen to the homeownership properties. Currently, the Nation owns the lands while the household owns the house. In the event that the Nation does not pay for the property taxes, Nation members could potentially lose their home if provisions are not established or they cannot afford to pay the property tax and the County forecloses. There is also a great deal of uncertainty surrounding the rental units. If the Nation does not pay for the property taxes and the County forecloses on the property, Nation members could be evicted depending on who takes ownership of the properties. Similar concerns would arise under Alternative D when only two existing Nation housing units would be on trust land.

**Alternatives E and G**

None of the existing Nation housing units would be on trust land. It is unlikely that the Nation would elect to build new Nation housing units. Furthermore, when the Casino closes under Alternative G (CC-AEC), the Nation would not be able to afford to continue the Homeownership program.

*Housing for Nation Employees*

**Alternatives A, B, C, and F**

In FY 2005, 86.8 percent of the 4,611 Nation employees lived in Madison and Oneida Counties. By 2011, Nation employment is expected to have reached 4,882, with 4,238 Nation employee households residing in Madison and Oneida Counties under Alternatives A and B and 4,229 and 4,227 under Alternatives C and F, respectively.

A comparison of the alternatives is presented in Table 4.7-15.

**Table 4.7-15  
Nation Employee Households Residing in Madison and Oneida County,  
Alternatives A through G, 2011.**

	Number of Nation Employees	Total Persons in Nation Employee Households in Madison and Oneida County
Alternative A	4,882	4,236
Alternative B	4,882	4,236
Alternative C	4,874	4,229
Alternative D	4,581	3,975
Alternative E	3,940	3,419
Alternative F	4,872	4,227
Alternative G	55	48

Source: The Louis Berger Group, Inc, Oneida Nation, 2006

**Alternatives D, E, and G**

As discussed in Section 4.7.2, Demographic Effects, it is estimated that 3 to 328 households in Madison and Oneida counties may leave the area in the event that there are job layoffs. Reflecting only the Nation’s direct employees, this estimate of out-migration should be viewed conservatively; depending on the employer and their dependency on the Nation for their business, other local suppliers and vendors may have to contract their operations in response to the Nation’s cessation of economic activity at Turning Stone Resort & Casino. This would yield higher levels of out-migration of households and increased housing vacancy.

Major business closures have ripple effects to local housing markets, as some workers may no longer have the savings and resources to continue to make rental and mortgage

payments. An influx of rental or for-sale housing at a time of declining demand can place downward pressures on the housing market.

Summary

The alternatives indirectly affect the number of housing units on Nation land and the number of Madison and Oneida County housing units that are occupied by Nation employees. The indirect effects, particularly the change between 2005 and 2011, are summarized and compared in Tables 4.7-16 and 4.7-17.

**Table 4.7-16  
Indirect Effect: Change in the Number of Housing Units on Nation Land,  
2005-2011**

	Change from 2005 Baseline (98 units)
Alternative A	66
Alternative B	66
Alternative C	46
Alternative D	-96
Alternative E	-98
Alternative F	66
Alternative G	-98

Source: The Louis Berger Group, Inc, Oneida Nation, 2006

**Table 4.7-17**  
**Indirect Effect: Change in the Number of Housing Units in Study Area**  
**Municipalities with One or More Nation Employee, 2005-2011**

	Change in Nation Employee Households	Estimated in-and out migration of Nation Employee households
Alternative A	235	101
Alternative B	235	101
Alternative C	228	98
Alternative D	-26	-3
Alternative E	-582	-58
Alternative F	226	97
Alternative G	-3,953	-395

Source: The Louis Berger Group, Inc, Oneida Nation, 2006

#### 4.7.3.3 Cumulative Effects

##### **Alternatives A, B, and F**

There are currently 98 housing units on the Nation’s Group 1, 2, and 3 lands. The Nation plans on constructing 66 new homeownership units for its members. Currently, only 15 sites have been identified for the 66 homes.

Currently, 4,001 Nation employees live in Madison and Oneida County. Based on planned employment growth, an estimated 4,236 Nation employees are expected to live in the two-county area in 2011 under Alternative A, B, and 4,227 under Alternative F. An estimated 97 to 101 Nation employee households are expected to be new to Madison and Oneida County.

As discussed in Section 4.7.2.3, private developers propose to build 591 new housing units in the two counties.

##### **Alternative C**

If the Nation does not pay property taxes on Group 3 lands and the County forecloses on the land, the Nation would only be able to build new housing units on Group 1 and 2 lands. Currently six sites have been identified on Group 3 lands. If all other proposed units were to be located on Group 1 and 2 lands, 59 units of housing would be constructed under Alternative C. Furthermore, the existing 13 Nation homeownership units on Group 3 land would be at risk.

An estimated 98 Nation employee households are expected to be new to Madison and Oneida County.

As discussed in Section 4.7.2.3, private developers propose to build 591 new housing in the two counties.

**Alternatives D, E, and G**

As a consequence of Alternatives D, E, and G, it is possible that the Nation would not build the 66 proposed units, as land for the housing would not be conveyed into trust or may not be available. In addition, under Alternatives E and G, the existing 98 housing units would no longer be on Nation land. In Alternative D, only two existing units would be on Nation land. These units may become vacant if the Nation does not pay property taxes and the County forecloses.

Furthermore, Nation job losses would lead to out-migration of Nation employee households and of persons employed at businesses that were supported by the Nation, leading to an increase in the number of vacant units. In the event of major Nation layoffs, the future of the residential developments of 591 units proposed by private developers may be adversely affected.

**4.7.4 Nation Government Programs and Services**

**4.7.4.1 Direct, Indirect, and Cumulative Effects**

**Alternative A**

The proceeds of the Turning Stone Resort & Casino and other Nation Enterprises have supported tribal government operations and programs, provided for the general welfare of the Oneida Nation and its members, promoted economic development, both within the Nation and local community, contributed to charitable organizations and helped fund the operations of local government agencies.

As described in the Affected Environment Section 3.7, the Nation's governmental programs have increased in size and scope along with the Nation's success in expanding net revenue distributions from resort and casino and convenience store operations along with a diverse set of other business enterprises. The Nation also collects a hotel occupancy tax and a retail sales tax to defray the cost of certain tribal government programs and services. In FY 2005, the Nation contributed \$16.8 million to its government programs and services.

The Oneida Nation government provides social welfare services similar to programs sponsored by State and local governments including critical programs for the health, public safety and welfare of its members and their families. The Nation has fostered fundamental improvements in the social conditions of its members. Members have access to steady jobs, a college education, health care, day care and youth programs, elder programs, family services, and affordable housing. Major tribal government programs and services that have been established by the Nation's governing institutions are described in the Affected Environment Section 3.7.



The Proposed Action involves the conveyance of 17,370 acres of land owned by the Nation in Oneida and Madison Counties to the United States government to be held in trust. The Proposed Action anticipates the preservation of the Nation’s enterprises, cultural and historic resources, and land use patterns and anticipates a modest increase in economic activities – for example, guest visitation, enterprise employment, and vendor spending. The Nation would continue to modernize or expand existing facilities to meet changing demand such as indoor/outdoor swimming pool, spa, a reconfigured poker room, a helipad, and a nightclub. The Nation would also make other investments such as in its marina to further brand the facility as a resort destination.

Under the Proposed Action, it is anticipated that there would be a relatively stable source of surplus funds generated by enterprise operations along with a dedicated revenue stream from sales and occupancy taxes to support the Nation’s commitments to a diverse range of government programs and services.

For example, the Nation would continue its plans to supply Nation Member housing through construction or purchase for those on the Homeownership Program waiting list, resulting in development estimated to be approximately 66 dwelling units over the next five years.

The Nation’s Police Department would likely require more personnel to meet the service demand generated by a growing number of patrons that are expected to frequent the Turning Stone Resort & Casino, the SavOn gas station and convenience stores and marinas. As the number of patrons rises, the number of routine, planned and anticipated duties of Nation police officers must be adjusted to accommodate a growing number of emergency calls (e.g., larceny/gas drive-off, motor vehicle accidents, risk management, among others).

Absent major destabilizing events in the national and regional economy or extraordinary risky investments in non-casino enterprises, the subject alternative would provide the resources for the Nation to overcome long-standing barriers and pursue its goals to achieve greater self-sufficiency, self-determination, cultural awareness and economic development for the Nation and its members.

**Alternative B**

Alternative B would accommodate the conveyance of 35,000 acres of land to be held in trust. This alternative assumes that the Nation would reacquire an additional as yet unspecified 17,360 acres within its reservation boundaries. Development in the next five years would be the same as described above in Alternative A. As additional lands would be purchased to eventually attain the 35,000 acres, the Nation would prepare and implement usage plans for those properties.

**Alternative C**

Alternative C involves the initial conveyance into trust of only the lands within Groups 1 and 2 (approximately 9,903 acres). Development in the next five years would be the same as described above in Alternative A. As with Alternative A, absent major destabilizing events in the national and regional economy or extraordinary risky investments in non-casino enterprises, this alternative would provide the resources for the Nation to overcome long-standing barriers and pursue its goals to achieve greater self-sufficiency, self-determination, cultural awareness and economic development for the Nation and its members.

However, unlike Alternative A, the exclusion of Group 3 lands from conveyance into trust would be inconsistent with the stated purpose and need regarding the preservation of forested, hunting and agriculture lands and fostering respect for traditional cultural values and lifestyles. The range of lands dedicated for these uses by Nation government would likely be diminished under conditions that require the Nation to accept taxation and regulatory authority by State and local governments. Similarly, culturally and historically significant sites on Group 3 lands of substantial importance to the Nation may remain in Nation ownership but would be subject to State regulation and taxation without benefit of the tax exempt status extended to Federal, State and local governmental park facilities.

Ownership of these lands without the benefit of trust land protection would contribute to uncertainty, and other potential scenarios are likely to unfold other than an agreement to pay taxes and submit to regulation including:

- Nation sells its land holdings and discontinues its operations on Group 3 lands.
- County forecloses on Nation land because of the Nation's failure to pay the imposed property taxes.

**Alternatives D and E**

Alternative D includes only the lands that are in Group 1 (i.e., the lands that comprise the Turning Stone Resort & Casino and the Patrick Road SavOn gas station and convenience store). With this alternative, only 3,428 acres would be conveyed into trust. Development in the next five years would be the same as described for the Turning Stone Resort and Casino in Alternative A, above.

Alternative E would place only the lands comprising the Turning Stone Casino gaming floor proper into trust. The tax lot consists of approximately 225 acres. Development in the next five years for the Resort and Casino would be the same as described in Alternative A, above.

As described in 4.7.1, because Group 2 and Group 3 lands would not be conveyed into trust, the future of the Nation Enterprise and Government operations, economic activity and jobs would be uncertain. Several potential scenarios could result from the denial of

the Trust Application for Group 2 lands that would exacerbate uncertainty in the future and further disrupt or alter the service-level and quality of various governmental programs and services. There are several possible future scenarios, some of which are presented below:

Among the possible scenarios that would lead to the loss of most of the Government programs and services are the following:

- Nation Group 2 and Group 3 land holdings are alienated and the Nation discontinues its operations.
- County forecloses on Nation's Group 2 or 3 lands because of the Nation's failure to pay the imposed property taxes.

Possible scenarios that would lead to significant reductions in Government Programs and Services are as follows:

- The State's imposition of a tax collection regime for excise taxes from wholesalers who supply cigarettes and petroleum to the Nation's gas and convenience stores as well as the collection of sales taxes from non-Indian customers along with the diminishment of the Nation's ability to collect its own sales tax and use those tax revenues to subsidize various tribal government programs.
- The Nation makes local property tax payments that reduce Nation net revenues.

Finally, the scenario under which most Government Programs and Services would be temporarily preserved is as follows:

- A continuation of the current situation which is characterized by: (1) the Nation's failure to pay property taxes and the County's lack of remedy as currently held by the U.S. District Court for the Northern District of New York; and (2) the continued uncertainty about wholesalers' liability for State excise taxes on fuel and cigarette sales to Indian retailers. This scenario creates uncertainties that would affect the Nation's long-term health and would compromise its economic self-sufficiency.

It cannot be reasonably predicted which scenario would prevail. For impact analysis purposes, the following scenarios are evaluated: (1) the Nation discontinues its business operations on Group 2 lands; and (2) the Nation does not pay property taxes on Group 2 and 3 lands.

Under Alternative D, the Turning Stone Resort & Casino employment and net revenues would grow at the same rate as Alternative A. The Patrick Road SavOn gas station and convenience store would be conveyed into trust and not be subject to State and local taxation. Fewer resources would be available for Nation government programs and services after the closing of Group 2 SavOn gas station and convenience stores. The economic analysis suggests that there could be an estimated 12 percent reduction in the total number of government jobs attributable to this scenario.

This estimate, however, does not fully account for the potential reduction or elimination of various government programs resulting from removing Group 3 lands (see discussion of Alternative C) and the Group 2 lands. Alternative D would result in major disruptions to the Nation's governmental programs and services. It would not convey Group 2 lands, including lands with governmental facilities into trust, requiring the Nation's government to be subjected to the regulatory and taxation authority of New York State government. The Nation's housing program on Group 2 would be severely hampered by this Alternative. The full range and type of cut-backs required to address this loss of resources cannot be fully foreseen. However, it would effectively impede the Nation from advancing its goals to achieve greater self-sufficiency, self-determination, cultural awareness and economic development for the Nation and its members.

Although both Alternatives D and E include conveyance of the casino gaming floor tax lot into trust, the adverse effects to the Nation's Government Programs and Services because of the removal of Group 3 lands and Group 2 lands are greater under Alternative E than Alternative D. The economic effects are described in 4.7.1, but the complementary or synergistic linkages between the resort land and casino would be severely disrupted. The Nation's casino operations have cross-subsidized other operations both at the Turning Stone Resort & Casino and elsewhere in the region; severing of the operations by the tax lot would impede the Nation's economic development strategy, which includes the branding or positioning of the Turning Stone Resort & Casino as a vacation destination. The ability of another operator to assume managerial control of the non-gaming assets and create a financially sustainable venture is questionable in light of their poor "stand-alone" financial performance as a separate business unit.

The scenario creates further uncertainty, as it appears that the Nation is unwilling to accept the taxation and regulatory authority on these linked components of the complex.

While there is considerable uncertainty, as described above, on how the Nation would respond to State and local taxation and regulation of the SavOn gas station and convenience store properties, there would be an estimated \$10 million drop in fiscal surpluses available to government – a cut of 62 percent – along with a near complete loss of Nation sales taxes (\$1.9 million in 2005 dollars). This would result in a severe contraction in government programs and services that are not funded through federal grants.

**Alternative F**

Alternative F is based upon combining all of the properties contained in Group 1 with additional properties from Groups 2 and 3 to facilitate the formation of a more compact and contiguous group of trust lands. Alternative F totals 11,986 acres and encompasses an area of about 10 by 14 miles. Alternative F includes the majority of member housing, most of the Nation's enterprises, all the Nation's government facilities, and all of the

properties containing member services. Development in the next five years would be the same as described above in Alternative A.

This alternative appears to avoid most adverse effects identified under Alternatives C, D, E and G and conveys into trust those lands that sustain the Nation's government programs and services. This alternative, however, does not fulfill all of the purposes and needs that would be met by either Alternatives A or B.

**Alternative G**

Under the No Action Alternative, the United States would not acquire any lands from the Nation to be held in trust. If the No Action Alternative is implemented, there would be a great deal of uncertainty surrounding the continuation of the Nation Enterprises and Government jobs, leading to several potential future scenarios:

Among the possible scenarios that would lead to the loss of most of the Government programs and services are the following:

- Nation land holdings are alienated and it discontinues its operations.
- County forecloses on Nation land because of the Nation's failure to pay the imposed property taxes.
- Federal government (through enforcement actions carried out by the National Indian Gaming Commission) closes down the Turning Stone Resort & Casino based on its alleged illegality (i.e., according to the State, the land on which the Casino sits does not qualify as "Indian land" under the Indian Gaming Regulatory Act).

Possible scenarios that would lead to some reductions in Government Programs and Services include the following:

- The State's imposition of a tax collection regime for excise taxes from wholesalers who supply cigarettes and petroleum to the Nation's gas and convenience stores as well as the collection of sales taxes from non-Indian customers along with the diminishment of the Nation's ability to exact its own sales tax.
- The Nation makes local property tax payments that reduce Nation net revenues.

Finally, the scenario under which most Government Programs and Services would be temporarily preserved is as follows:

- A continuation of the current situation which is characterized by two main aspects: (1) the Nation's failure to pay property taxes and the County's lack of remedy as currently held by the U.S. District Court for the Northern District of New York; and (2) the continued uncertainty about wholesalers' liability for State excise taxes on fuel and cigarette sales to Indian retailers. This scenario creates uncertainties that would affect the Nation's long-term health and would compromise its economic self-sufficiency.

Although it cannot be reasonably predicted which scenario would prevail, it is unlikely that the Turning Stone Resort & Casino would remain open under Alternative G; thus, for analysis purposes, the scenario (CC-AEC) in which the Turning Stone Resort & Casino closes and the Nation discontinues the operations of the SavOn gas station and convenience stores is analyzed. Several consequences are anticipated under this scenario of the No Action Alternative that would significantly impair the Nation's ability to exert its control and administer its governmental programs and services for the benefit of its Members:

- **Turning Stone Resort & Casino** – The Turning Stone Resort & Casino would cease operations and its other resort and lodging facilities would also close, resulting in no further net revenues (i.e., surplus distributions) for the Nation's governmental programs and services. While claims for the outstanding debt service obligations of the Turning Stone Resort & Casino are without recourse to the Nation's government, there would be severe opportunity costs for the leadership of the Nation from cessation of the Nation's enterprises that are likely to result in far less managerial attention and staffing for government affairs and services. Cessation of the Turning Stone Resort & Casino operations would lead to a severe adverse effect to the human and fiscal resources that the government depends on for its sustainability.
- **Other Nation Enterprises** – The Nation may endeavor to maintain its enterprises such as the SavOn convenience retail and gas establishments, but they would no longer be under the Nation's regulatory control. Placed under the taxation and regulatory authority of New York State, existing SavOn gas station and convenience stores would need to reduce vendor purchasing and employment; the vast majority of the stores would be closed in expectation of or after demonstrating poor financial operating performance in a price-competitive environment (i.e., reduced sales and reduced market draw of non-local customers). Moreover, the closure of the Turning Stone Resort & Casino itself would reduce the total traffic volumes at its most profitable location – the Patrick Road SavOn gas station and convenience store – and there would be fewer “pass-by” trips at other locations in the region from non-local travelers or workers visiting the Turning Stone Resort & Casino. The indirect and cumulative effect would be an adverse consequence to the total size and range of government programs and services that would be made available, because there would be significantly lower profit margins and little or no net revenues (i.e., financial surpluses).
- **Divestiture of Land Portfolio.** There are legal, cultural, and economic reasons that could cause the divestiture of the Nation's lands and major elements of its real estate portfolio. The divestiture would likely consume the Nation's managerial resources to the detriment of the governmental programs and services. Depending on the timing of divestitures, a glut of gas and convenience store facilities may come to the market that under-perform in a price-competitive environment, unlike current conditions, and with little destination draw (i.e., a non-local sources of demand). The market or appraised value of these assets would be depressed by excess supply and the lowered income-producing performance of the properties. The one-time liquidation value of these assets for the Nation would not match the

- long-term value of the properties in their current functions and uses with their current advantages; the liquidation value would not provide a sustainable basis for the Nation's continued commitment to the administration of governmental programs. Further, tribal governmental facilities performing traditional governmental functions but on State-regulated, non-trust lands would find themselves subject to the State's taxation and regulatory authority. This condition may prove incompatible with the Nation's cultural values or history, resulting in further divestiture of governmental properties and the relocation and consolidation of governmental affairs onto territory lands.
- Nation Government Services and Affairs – Situated in several localities, the Nation's governmental services and affairs would be operated out of facilities that would be outside the Nation's sovereign control. Additionally, with governmental functions and services starved of the financial surpluses and resources provided by the Turning Stone Resort & Casino, the Nation's governmental services would not be able to effectively deliver the range of public health, safety and welfare services that it currently provides. Rather than continuing its drive toward self-sufficiency, the Nation would have to become increasingly reliant on tribal government grants from the BIA, HUD and other federal agencies to conduct its affairs. Among the most affected programs and services are the following:
    - Nation Member Housing – The Nation's housing program would rely primarily on federal funding to sustain it. Lands upon which member residences exist would no longer be under the Nation's regulatory control. Little or no new member housing could be anticipated.
    - Educational Programs would be severely cut that have made considerable strides in educational attainment such as counseling services, scholarships for advanced degrees, private schools for talented and gifted children, library services, language programs, and youth work and learn programs.
    - Family Services would no longer be able to deliver childcare, eldercare and social services programs at the scale and breadth currently conducted. The Ray Elm Children and Elders Center in the Village of the White Pines is home to several programs that strengthen families and community life for Members and their friends. The Nation's resources would be insufficient to make the payments to operate and maintain this state-of-the-art institutional facility (i.e., heating, cooling, real estate taxation, etc.).
    - Recreation and Cultural Enrichment programs such as the operations of the Nation's Shako:wi Cultural Center in the Nation's territory would be adversely affected by the loss of available financial resources. Outside the territory, the Nation's current cultural, historic and archaeological resources would no longer be under the Nation's regulatory control.
    - The Recreation Center and Gymnasium and the After School Programs that are jointly sponsored by the Nation's education and recreation departments would be similarly adversely affected by the loss of resources.
    - Public Safety – The Oneida Nation Police Department is a law enforcement agency with little outside funding. The department's size, functions and service-calls would be severely diminished by the loss of casino complex, golf course and gas station and convenience store retail locations – approximately

80 percent of the service calls are to these locations. The Nation would be more reliant on State, county and local policing jurisdictions to address criminal complaints and would no longer provide assistance to these jurisdictions within areas with Nation land holdings. To the extent that the Nation's SavOn gas station and convenience store facilities are transferred into private non-Indian ownership, or continued as Nation operations but subject to a different taxation and regulation regime, an increasing burden of service calls (approximately 39 percent or 4,900 calls in 2003) would be shifted to State police, County sheriff or local police forces in the absence of Nation police.

Member Benefits – The Nation would no longer be able to distribute benefits that strengthen the bonds between tribal members and their tribal government. Among the benefits programs subject to cut-backs without the surplus financial operating resources would be burial plots, advocacy and credit counseling, medical and dental insurance for Nation members and families, quarterly member distributions, and housing.

#### **4.7.5 Fiscal Effects**

The section presents the direct, indirect and cumulative effects of the alternatives on local and State government revenues and expenditures.

##### **4.7.5.1 Direct Effects**

The alternatives directly affect local property tax revenues of Madison County and Oneida County and the study area municipalities. The counties, municipalities and the school districts would not receive property taxes on the lands conveyed into trust. The lands would be permanently exempt from property taxes.

Under Alternatives C through G, a transfer of ownership of Nation lands could occur if the Nation land is alienated or if the County were to foreclose on the land due to the Nation's failure to pay property taxes (PTNP-F). Whether local governments would collect property taxes on former Nation land is uncertain and depends on whether a sale to a non-tax-exempt owner would take place.

In Alternative G, the sale process could be undermined by the large amount of land involved and the fact that much land is already available in the area. Buyers may be wary of the quality and security of title in Nation land. The sale of the Turning Stone Resort & Casino complex would be particularly unlikely, as only the Nation can operate the property as a casino, and the facility's high maintenance costs would likely make other uses financially infeasible. The resort's component facilities, such as the golf courses and the luxury lodge hotel, currently generate an operating loss and would likely not survive without the casino.

**Payments by the Nation to Local Governments.** Based on the current assessed valuation and 2005 property tax rates, the annual property taxes on Group 1, 2 and 3



Nation land would be \$2.7 million, not including the Casino tax lot in the Town of Verona, of which the taxable assessed value is currently contested (see Table 4.7-18).

Tables 4.7-19 and 4.7-20 exhibit the property tax estimates on the Nation's lands by municipality for Oneida and Madison Counties for 2005, and Table 4.7-21 illustrates the property tax estimates by school district. (These estimates are calculated by applying the 2005 tax rates to the current assessed values.)

**Table 4.7-18**  
**Overview of Property Taxes on Nation Land, 2005**

	<b>Municipal</b>	<b>County</b>	<b>School</b>	<b>Total</b>
Group 1	22,674	250,173	732,306	1,005,154
Group 2	212,303	387,428	845,999	1,445,730
Group 3	31,799	64,896	167,351	264,046
Total	\$266,777	\$702,497	\$1,745,656	\$2,714,930

Note: Does not include Casino Tax lot because the assessed value is currently contested by the Nation; Calculations based on current assessed value and 2005 tax rates.

Source: Oneida Nation, The Louis Berger Group, 2006.

**Table 4.7-19  
Oneida County and Municipal Property Taxes on Nation Land, 2005**

	Municipality	Current Assessed Value	Municipal Tax Estimate	County Tax Estimate
Group 1	Vernon	5,397,600	3,940	24,829
	Verona	389,313,000	272,519	3,278,015
	<b>Total</b>	<b>\$394,710,600</b>	<b>\$276,459</b>	<b>\$3,302,844</b>
Group 2	Augusta	115,100	1,014	1,026
	Sherrill	1,243,600	7,773	9,625
	Village of Sylvan Beach	447,600	2,435	3,872
	Vernon	799,200	583	3,676
	Village of Vernon	978,600	6,919	4,502
	Verona	8,966,077	6,276	75,494
	<b>Total</b>	<b>\$12,550,177</b>	<b>\$25,000</b>	<b>\$98,195</b>
Group 3	Augusta	251,300	2,214	2,239
	Sherrill	52,000	325	402
	Vernon	314,900	230	1,449
	Verona	1,375,100	963	11,578
	<b>Total</b>	<b>\$1,993,300</b>	<b>\$3,731</b>	<b>\$15,668</b>
All Groups	Augusta	366,400	3,228	3,265
	Sherrill	1,380,000	8,098	10,028
	Village of Sylvan Beach	447,600	2,435	3,872
	Vernon	6,511,700	4,754	29,954
	Village of Vernon	978,600	6,919	4,502
	Verona	399,654,177	279,758	3,365,088
	<b>Total</b>	<b>\$409,338,477</b>	<b>\$305,191</b>	<b>\$3,416,708</b>

Note: Calculations based on current assessed value and 2005 tax rates. The Casino tax lot in Verona whose taxable valuation is disputed by the Nation is shown for clarity and discussion purposes.

Source: Oneida Nation, The Louis Berger Group, 2006.

**Table 4.7-20  
Madison County and Municipal Property Taxes on Nation Land, 2005**

		Current Assessed Value	Municipal Tax Estimate	County Tax Estimate
	Village of Canastota	3,165,100	31,873	26,872
	Cazenovia	61,700	57	521
	Lenox	4,000,900	6,001	33,968
	Lincoln	275,900	944	2,334
	Oneida	20,528,711	147,396	223,763
	Stockbridge	174,500	900	1,480
	Sullivan	34,800	132	295
	<b>Total</b>	<b>\$28,241,611</b>	<b>\$187,303</b>	<b>\$289,233</b>
Group 3	Fenner	6,300	31	58
	Lenox	372,000	558	3,158
	Lincoln	568,300	1,944	4,808
	Oneida	332,900	2,390	3,629
	Smithfield	125,000	1,005	1,114
	Stockbridge	4,266,400	22,015	36,179
	Sullivan	33,200	126	282
	<b>Total</b>	<b>\$5,704,100</b>	<b>\$28,068</b>	<b>\$49,227</b>
All Groups	Village of Canastota	3,165,100	31,873	26,872
	Cazenovia	61,700	57	521
	Fenner	6,300	31	58
	Lenox	4,372,900	6,559	37,126
	Lincoln	844,200	2,887	7,142
	Oneida	20,861,611	149,786	227,392
	Smithfield	125,000	1,005	1,114
	Stockbridge	4,440,900	22,915	37,659
	Sullivan	68,000	258	577
		<b>Total</b>	<b>\$33,945,711</b>	<b>\$215,371</b>

Note: Calculations based on current assessed value and 2005 tax rates.  
Source: Oneida Nation, The Louis Berger Group, 2006.

**Table 4.7-21  
School District Property Taxes on Nation Land, 2005**

		Current Assessed Value	School District Tax Estimate
Group 1	V.V.S.	394,710,600	9,060,079
Group 2	Canastota	7,232,200	157,445
	Madison	115,100	2,828
	Oneida	23,732,651	467,619
	Stockbridge	1,409,260	32,309
	V.V.S.	8,176,577	184,674
Group 3	Canastota	571,300	12,449
	Madison	359,800	8,602
	Morrisville	96,300	1,818
	Oneida	471,900	9,321
	Stockbridge	4,659,400	101,515
	V.V.S.	1,483,800	33,646
All Groups	Canastota	7,803,500	169,894
	Madison	474,900	11,430
	Morrisville	96,300	1,818
	Oneida	24,204,551	476,941
	Stockbridge	6,068,660	133,823
	V.V.S.	404,370,977	9,278,400

Note: Calculations based on current assessed value and 2005 tax rates. The Casino tax lot in Verona whose taxable valuation is disputed by the Nation is shown for clarity and discussion purposes under Group 1, V.V.S.  
Source: Oneida Nation, The Louis Berger Group, 2006.

Under Alternative A, the counties, municipalities, and school districts would not receive the \$2.7 million in property tax revenues from Group 1, 2, and 3 lands, and the lands would become permanently exempt from local property taxes.

If the Nation were to acquire an additional 17,630 acres under Alternative B, these lands would be permanently exempt from local property taxes. Based on the current average assessed value per acre of Nation land and the 2005 tax rate, the annual property tax on Group 1, 2 and 3 Nation land and on the additional 17,630 acres would be \$5.4 million (not including the Casino tax lot, of which the assessed value is currently being contested). However, this value is very hypothetical for those lands not currently part of the Nation's land holdings, as the specific parcels, type of land use activities, intensity of uses, jurisdiction, and taxable assessed values of these lands are currently unknown.

Under Alternative C, the counties, municipalities, and school districts would not receive property tax revenues from Group 1 and 2 lands, which would become permanently exempt from local property taxes. Based on the current assessed valuation and 2005 property tax rates, the annual property tax on Group 1 and 2 Nation land would be \$2.4 million (not including the Casino tax lot assessed value, which is currently contested). Based on the current assessed valuation and 2005 property tax rates, Group 3 lands would generate annual property taxes of \$264,000.

Based on the current assessed valuation and 2005 property tax rates, the annual property tax on Group 1 Nation land would be \$1.0 million (not including the Casino tax lot, of which the assessed value is currently contested). Under Alternative D, the county, municipalities, and school districts would not receive property tax revenues from Group 1 lands, as they would be placed into trust and permanently exempt from local property taxes. Group 2 and 3 lands would generate annual property taxes of \$1.7 million.

Under Alternative E, the Casino tax lot would be exempt from local county, municipal, and school district taxes. The assessed value of the Casino tax lot of \$362.6 million is currently contested by the Nation. Based on the current assessed valuation and 2005 property tax rates, the annual property tax on Nation lands other than the Casino tax lot would be \$2.7 million.

Under Alternative F, a total of 11,986 acres would be permanently exempt from county, municipal and school district property taxes. Based on current assessed valuation and 2005 property tax rates, the annual property tax on this land would be \$1.7 million, not including the Casino tax lot. (The assessed value of the Casino tax lot is currently contested.) Property taxes on the lands that would not be conveyed into trust are estimated at \$1 million.

Under Alternative G, none of the Nation's Group 1, 2, or 3 lands would be exempt. Based on the current assessed valuation and 2005 property tax rates, the annual property tax on Group 1, 2 and 3 Nation land would be \$2.7 million (not including the Casino tax lot assessed value, which is currently contested).

A comparison of the estimated property taxes on Nation land under the alternatives is presented in Table 4.7-22.

**Table 4.7-22  
Property Tax, Alternatives A through G, 2011**

	Estimated Property Taxes on Nation Lands	
	on Lands into Trust	on Lands not into Trust
Alternative A	\$ 2,713,806	N/A
Alternative B	\$ 5,463,119	N/A
Alternative C	\$ 2,449,759	\$ 264,046
Alternative D	\$ 1,005,154	\$ 1,708,652
Alternative E	See Note	\$ 2,713,806
Alternative F	\$ 1,705,875	\$ 1,007,930
Alternative G	N/A	\$ 2,713,806

Notes: Property tax estimates do not include the tax on the Casino Tax lot as the assessed of this tax lot is currently contested by the Nation; Calculations based on current assessed value and 2005 tax rates; Property taxes include County, Municipal and School District property taxes; N/A means Not Applicable.  
Source: The Louis Berger Group, Inc.; Oneida Nation.

As explained in Section 3.7.7.3., the Nation has made grants and other payments to local governments totaling \$38.5 million since 1995. Payments that have not been credited to the local governments' tax claims include Silver Covenant grants to schools and localities, reimbursements to several municipalities for the use of their services, and contributions to infrastructure projects. In addition to supporting local governments, the Nation has provided scholarships to local high school students and the Oneida Nation Foundation supports several local organizations. It can be reasonably expected that the Nation would continue to make payments to local governments for actual services provided (e.g., fire protection) under Alternatives A through F. Under Alternative G, local governments would likely no longer receive any payments from the Nation, as the Nation's revenues would be very low. Municipal service agreements would likely be discontinued if all Nation Enterprises would cease operation under Alternative G (CC-AEC).

#### 4.7.5.2 Indirect Effects

The Proposed Action and other alternatives have several indirect fiscal effects. The fiscal effects are described in terms of revenues from payments made by the Nation to the State, payments made by others to the State, and payments made by others to local government. Fiscal indirect effects are also considered in terms of the costs of local government services that are attributable to the Nation's enterprise and governmental activities.

**Payments by the Nation to the State.** As described in Section 3.7.7.2, in FY 2005, \$3.4 million in State income taxes were withheld and remitted to the State from the Nation's payroll. Because of the increase in Nation jobs in the next five years under Alternatives A, B, C and F, these State income tax revenues are expected to increase. Assuming that the average income tax per job remains constant, a total of \$3.6 million in State income taxes would be withheld from the Nation's payroll in 2011 under Alternatives A, B, C, and F. If the Nation would discontinue its operations on lands not conveyed into trust under Alternatives D, E, and G, the resulting decrease in jobs would lead to a reduction in the Nation's State income tax withholdings (see Table 4.7-23).

The Nation has historically made payments to the New York State Police and the New York Racing and Wagering Board. In FY 2005, the Nation paid \$2.2 million and \$2.8 million to the New York State Police and to the New York Racing and Wagering Board, respectively, in exchange for their services related to the Turning Stone Resort & Casino. For example, the State police conduct background investigations on employees and provide law enforcement on the gaming floor; and the Racing and Wagering Board conducts regular compliance examinations for the Casino. Under Alternatives A through F, it is expected that the Nation would still be making these payments in 2011 (see Table 4.7-23). If the Casino closes under Alternative G (CC-AEC), these payments would cease as these services would no longer be needed.

**Payments by Others to the State.** Since the opening of the Turning Stone Resort & Casino, the Nation's operations indirectly supported many jobs at other Madison County, Oneida County, and New York State businesses as well as State tax revenues. As explained in Section 3.7.6, the Nation generates economic activity through its spending, its employees' spending, spending by its visitors, and in some cases, spending by Nation employee household members (tertiary effect) based on the multiplier effect (i.e., every dollar spent locally is partly recycled, creating more spending, jobs, and tax revenues).

Nation Spending and Nation Employee Spending

Nation spending and Nation employee spending generated an estimated \$7.3 million in State personal income and business sales taxes in FY 2005. Based on the expected increase in Nation jobs and sales in the next five years under Alternatives A, B, C and F, State tax revenues generated by Nation spending and Nation employee spending would increase to \$7.7 million (See Table 4.7-23). If the Nation were to discontinue its operations on lands not conveyed into trust, State tax revenues would be lower under Alternatives D and E, \$7.3 million and \$6.3 million, respectively, and less than \$0.2 million under Alternative G.

Off-site Visitor Spending

Visitors to the Turning Stone Resort & Casino often spend money at other local businesses (hotels, restaurants, etc.) While the current effect of off-site visitor spending is not quantified, Section 3.7.6 states that if every out-of-region visitor in 2005 spent \$5 at non-Nation local businesses, the total economic activity generated in Madison and Oneida Counties would be 206 jobs and \$4.8 million in earnings.

As the number of visitors is expected to increase to 5.56 million by the year 2011 as a result of continued operation of the Turning Stone Resort & Casino on lands conveyed into trust under Alternatives A through D and F, the tax revenues associated with the "off-site" visitor spending would likely also increase. Under Alternative E, it is unclear whether off-site visitor spending and the associated tax revenues would decrease or increase compared to the baseline. The number of Turning Stone Resort & Casino visitors would likely decrease if the Nation would no longer operate the golf courses, the lodge, and the event center. The off-site spending per visitor could potentially increase, as the Nation

would offer less accommodations to its visitors. If the Turning Stone Resort & Casino were to close under Alternative G (CC-AEC), tax revenues associated with the “off-site” visitor spending would be lost (see Table 4.7-23).

*Tertiary Effect*

As explained in Section 3.7.6.1, Nation employment provided the means for some long-term local residents to remain along with their families or households in Madison and Oneida County. These residents are sometimes part of families or households with more than one worker. The earnings of the second worker in the household are also partly spent at local businesses and generate jobs, earnings and taxes, which is the tertiary effect.

Based on the expected job growth, the tertiary effect would likely be at or above baseline level by the year 2011 under Alternatives A, B, C, and F. The tertiary effect would likely be smaller under Alternatives D and E than in the baseline due to the job losses associated with these alternatives. Under Alternative G (the CC-AEC scenario), the Nation would no longer generate a tertiary effect. The employee households who stayed in (or came to) the region for their job at the Turning Stone Resort & Casino could choose to leave the region in pursuit of other employment opportunities. The household spending of laid-off employees who would remain in the region would no longer be attributable to the Nation.



**Table 4.7-23**  
**Payments to the State, Alternatives A through G, 2011 (in \$millions)**

	Nation's State Income Tax Withholdings	Nation's Payments to NYS Police and NYS Racing & Wagering Board	State Tax on Multiplier Effect generated by Nation/Nation Employee Spending
Alternative A	3.57	5.0	7.74
Alternative B	3.57	5.0	7.74
Alternative C	3.57	5.0	7.73
Alternative D	3.33	5.0	7.28
Alternative E	2.90	5.0	6.33
Alternative F	3.57	5.0	7.72
Alternative G	\$0.09	\$0.0	\$0.16

Source: The Louis Berger Group, Inc., Oneida Nation, 2006.

**Payments by Others to Local Governments.** Since the Turning Stone Resort & Casino opening, spending by the Nation and its employees also generated substantial local tax revenues. As explained in Section 3.7.6, spending by the Nation and its employees indirectly generated an estimated \$1.16 million in sales tax revenues for Madison and Oneida Counties and the Study Area municipalities in 2005.

Based on the Nation's growth, an estimated \$1.22 million of annual local sales tax revenues would be created by Nation employee spending by the year 2011 under Alternatives A, B, C and F (See Table 4.7-24). An increase in off-site visitor spending and the tertiary effect would also generate additional local sales tax revenues under these alternatives.

Under Alternatives D, E, and G, local sales tax revenues indirectly generated by the Nation would decrease proportionally with the Nation's economic activity. If the Nation Enterprises were to close (PTNP-F or CC), local sales tax revenues generated by Nation employee spending would decrease to almost zero. Local sales and hotel occupancy tax revenues associated with the "off-site" Turning Stone Resort & Casino visitor spending and tertiary effect would be lost.

Nation employees paid an estimated \$5.6 million in property taxes to local governments in FY 2005 (see Section 3.7.7.3). Under Alternatives A through C and F, these revenues would be maintained and could increase slightly because of modest in-migration associated with the Nation's job growth in the next five years. Under Alternatives D and E, property tax payments by Nation employees could decrease as some of the laid-off employees may leave the region or may default on their property taxes. If the Nation Enterprises close under Alternative G (CC-AEC or PTNP-F), some of the laid-off employees would leave the region or default, reducing local government property tax revenues. If 10 percent of Nation employee households would leave the area, annual local property tax revenues would be reduced by \$0.53 million.

**Table 4.7-24**  
**Payments to Study Area Municipalities and Madison and Oneida County,**  
**Alternatives A through G, 2011(in \$millions)**

	Local Sales Tax on Multiplier Effect Generated by Nation Employee Spending	Nation Employee Property Tax Payments
Alternative A	1.22	5.96
Alternative B	1.22	5.96
Alternative C	1.22	5.95
Alternative D	1.15	5.60
Alternative E	1.00	4.81
Alternative F	1.22	5.95
Alternative G	\$0.03	\$0.07

Source: The Louis Berger Group, Inc., Oneida Nation, 2006

**Cost to Local Government.** Section 3.7.9.4 presents an estimate of the share of local government service expenditures that were attributable to the Nation in the year 2005. The cost allocation methodology for the estimates is based on the number of public school students living on Nation lands, the total number of persons living on Nation lands, and, for some expenditure categories involving demands created by the Nation’s nonresidential activities, the Full-time Equivalent Population (FTEP). (The FTEP is a time-weighted measure of employment and population). A comparison of the Alternatives is presented in Table 4.7-25.

In 2005, a total of \$0.83 million was attributable to the Nation. Based on the expected Nation job growth and the planned Nation housing units that would be constructed on land conveyed into trust as a result of Alternatives A and B, the total cost attributable to the Nation is expected to increase to \$1.04 million by the year 2011 (See Table 4.7-26).

Under Alternatives C and F, the cost to local governments attributable to the Nation would be marginally less than under Alternatives A and B. The local government service (counties, municipalities and school districts) cost attributable to the Nation would be about \$1.02 million under Alternative C and \$1.04 million under Alternative F (See Tables 4.7-27 and 4.7-28).

Under Alternative D, the number of persons on Nation land likely would be lower, as the Nation may not build the 66 planned housing units. Furthermore, if the Nation were to discontinue its operations on Group 2 and 3 lands, there would be 30 Nation jobs lost. The decrease in the number of residents on Nation land would lead to a decrease in the cost to local governments. The decrease in Nation jobs would lead to a decrease in the costs *attributable to the Nation* to a total of \$0.83 million (See Table 4.7-29). (However, this decrease may be partly offset by the increased costs caused by increasing levels of

unemployment or, if unemployment is persistent, other forms of social transfer or economic assistance payments).

If the Nation housing units were not constructed and the Nation were to discontinue its operations on lands not conveyed into trust under Alternatives E and G, the cost to local governments *attributable to the Nation* would be \$0.78 million and \$0.48 million, respectively (See Tables 4.7-30 and 4.7-31). Major local layoffs that would occur when the Nation Enterprise close under Alternative G (CC-AEC) would likely increase local government spending for Medicaid and economic assistance programs.

Furthermore, the increase in unemployment that would follow major job losses would lead to increased costs for State unemployment compensation benefits and could also lead to an increase in State Medicaid spending. More than 5,500 persons (employees and their dependents) are currently covered by the Nation employee health insurance program.

Additionally, the loss of revenues of the Nation Enterprises would make it impossible for the Nation to continue its government programs and services for its members and for other Native Americans. In FY 2005, the Nation spent a total of \$16.8 million on health insurance, educational programs, housing subsidies, and other programs. About 1,600 individuals (members and their families) were covered by the Nation's member health insurance program in 2005. The Nation's inability to continue these services and payments would likely increase State and local expenditures on education, Medicaid and other programs as Nation members now would have to make demands on State and local government for these services.

**Table 4.7-25  
Comparison of Alternatives - Summary of Nation's Share of County and Municipal Spending, 2011**

County	Municipality	A	B	C	D	E	F	G
Madison	City of Oneida	\$51,747	\$51,747	\$51,055	\$44,114	\$40,777	\$51,705	\$20,561
Madison	Village of Canastota	\$19,236	\$19,236	\$19,188	\$17,945	\$15,568	\$19,206	\$1,166
Madison	Cazenovia	\$251	\$251	\$251	\$236	\$203	\$251	\$3
Madison	Fenner	\$125	\$125	\$124	\$117	\$100	\$124	\$1
Madison	Lenox	\$5,989	\$5,989	\$5,964	\$5,550	\$4,975	\$5,982	\$1,488
Madison	Lincoln	\$2,040	\$2,040	\$2,034	\$1,934	\$1,792	\$2,038	\$928
Madison	Smithfield	\$1,263	\$1,263	\$1,261	\$1,185	\$1,019	\$1,261	\$14
Madison	Stockbridge	\$4,897	\$4,897	\$4,876	\$4,545	\$4,105	\$4,891	\$1,440
Madison	Sullivan	\$785	\$785	\$774	\$671	\$651	\$785	\$533
	<b>Subtotal - Madison</b>	<b>\$86,333</b>	<b>\$86,333</b>	<b>\$85,527</b>	<b>\$76,297</b>	<b>\$69,191</b>	<b>\$86,245</b>	<b>\$26,136</b>
Oneida	City of Sherrill	\$6,076	\$6,076	\$6,044	\$5,554	\$4,913	\$6,068	\$1,025
Oneida	Village of Sylvan Beach	\$5,169	\$5,169	\$5,160	\$4,850	\$4,171	\$5,160	\$59
Oneida	Village of Vernon	\$45	\$45	\$45	\$42	\$36	\$45	\$1
Oneida	Augusta	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oneida	Vernon	\$4,067	\$4,067	\$4,060	\$3,817	\$3,287	\$4,060	\$81
Oneida	Verona	\$63,358	\$63,358	\$63,281	\$60,497	\$54,446	\$63,283	\$17,782
	<b>Subtotal - Oneida</b>	<b>\$78,714</b>	<b>\$78,714</b>	<b>\$78,590</b>	<b>\$74,760</b>	<b>\$66,853</b>	<b>\$78,615</b>	<b>\$18,947</b>
Oneida	County Total	\$352,654	\$352,654	\$351,658	\$334,070	\$307,777	\$352,326	\$148,473
Madison	County Total	\$180,535	\$180,535	\$176,507	\$139,795	\$130,898	\$180,424	\$76,991
<b>Total - County and Local</b>		<b>\$698,237</b>	<b>\$698,237</b>	<b>\$692,282</b>	<b>\$624,922</b>	<b>\$574,718</b>	<b>\$697,610</b>	<b>\$270,547</b>
<b>Total - School District</b>		<b>\$339,315</b>	<b>\$339,315</b>	<b>\$324,647</b>	<b>\$206,869</b>	<b>\$206,869</b>	<b>\$339,315</b>	<b>\$206,869</b>
<b>Total - All Jurisdictions</b>		<b>\$1,037,551</b>	<b>\$1,037,551</b>	<b>\$1,016,929</b>	<b>\$831,791</b>	<b>\$781,588</b>	<b>\$1,036,925</b>	<b>\$477,417</b>



**Table 4.7-26**  
**Alternatives A and B - Summary of Nation's Share of County and Municipal Spending, 2011**

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	\$5,866	\$21,279	\$276	\$6,945	\$6	\$4,536	\$4,536	\$0	\$8,302	\$51,747
Madison	Village of Canastota	\$321	\$762	\$13	\$15,436	\$22	\$171	\$171	\$0	\$2,339	\$19,236
Madison	Cazenovia	\$0	\$0	\$0	\$250	\$0	\$0	\$0	\$0	\$1	\$251
Madison	Fenner	\$0	\$0	\$0	\$125	\$0	\$0	\$0	\$0	\$0	\$125
Madison	Lenox	\$915	\$269	\$91	\$3,596	\$31	\$152	\$152	\$0	\$784	\$5,989
Madison	Lincoln	\$582	\$715	\$45	\$579	\$0	\$54	\$54	\$0	\$12	\$2,040
Madison	Smithfield	\$0	\$0	\$0	\$1,202	\$0	\$0	\$0	\$0	\$62	\$1,263
Madison	Stockbridge	\$854	\$246	\$1	\$3,261	\$5	\$177	\$177	\$0	\$176	\$4,897
Madison	Sullivan	\$199	\$99	\$16	\$139	\$0	\$136	\$136	\$0	\$59	\$785
	<b>Subtotal – Madison</b>	<b>\$8,737</b>	<b>\$23,370</b>	<b>\$441</b>	<b>\$31,532</b>	<b>\$64</b>	<b>\$5,228</b>	<b>\$5,228</b>	<b>\$0</b>	<b>\$11,734</b>	<b>\$86,333</b>
Oneida	City of Sherrill	\$623	\$509	\$0	\$4,209	\$0	\$264	\$264	\$0	\$207	\$6,076
Oneida	Village of Sylvan Beach	\$0	\$0	\$0	\$3,592	\$0	\$0	\$0	\$0	\$1,576	\$5,169
Oneida	Village of Vernon	\$0	\$0	\$0	\$37	\$0	\$0	\$0	\$0	\$8	\$45
Oneida	Augusta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oneida	Vernon	\$124	\$46	\$1	\$3,891	\$0	\$2	\$2	\$0	\$0	\$4,067
Oneida	Verona	\$28,937	\$574	\$83	\$33,161	\$3	\$21	\$21	\$0	\$558	\$63,358
	<b>Subtotal - Oneida</b>	<b>\$29,684</b>	<b>\$1,129</b>	<b>\$83</b>	<b>\$44,890</b>	<b>\$3</b>	<b>\$287</b>	<b>\$287</b>	<b>\$0</b>	<b>\$2,349</b>	<b>\$78,714</b>
Oneida	County	\$62,904	\$102,024	\$62,904	\$97,590	\$14,057	\$247	\$754	\$1,566	\$10,608	\$352,654
Madison	County	\$19,601	\$16,093	\$19,601	\$36,235	\$59,239	\$1,055	\$10,941	\$6,334	\$11,436	\$180,535
<b>Total - County and Local</b>		<b>\$120,926</b>	<b>\$142,616</b>	<b>\$83,030</b>	<b>\$210,246</b>	<b>\$73,363</b>	<b>\$6,817</b>	<b>\$17,210</b>	<b>\$7,900</b>	<b>\$36,128</b>	<b>\$698,237</b>
School District:											
	Oneida								\$212,691		\$212,691
	Canastota								\$13,414		\$13,414
	Stockbridge								\$84,891		\$84,891
	Sherrill								\$28,318		\$28,318
	<b>Subtotal - Schools</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$339,315</b>	<b>\$0</b>	<b>\$339,315</b>
	<b>Total</b>	<b>\$120,926</b>	<b>\$142,616</b>	<b>\$83,030</b>	<b>\$210,246</b>	<b>\$73,363</b>	<b>\$6,817</b>	<b>\$17,210</b>	<b>\$347,215</b>	<b>\$36,128</b>	<b>\$1,037,551</b>

Source: New York State Office of the State Comptroller; The Louis Berger Group, Inc., 2006.



**Table 4.7-27**  
**Alternative C - Summary of Nation's Share of County and Municipal Spending, 2011**

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	\$5,861	\$21,259	\$276	\$6,934	\$5	\$4,305	\$4,305	\$0	\$8,111	\$51,055
Madison	Village of Canastota	\$321	\$761	\$13	\$15,411	\$21	\$165	\$165	\$0	\$2,331	\$19,188
Madison	Cazenovia	\$0	\$0	\$0	\$250	\$0	\$0	\$0	\$0	\$1	\$251
Madison	Fenner	\$0	\$0	\$0	\$124	\$0	\$0	\$0	\$0	\$0	\$124
Madison	Lenox	\$914	\$269	\$91	\$3,590	\$30	\$147	\$147	\$0	\$778	\$5,964
Madison	Lincoln	\$581	\$714	\$45	\$578	\$0	\$52	\$52	\$0	\$11	\$2,034
Madison	Smithfield	\$0	\$0	\$0	\$1,200	\$0	\$0	\$0	\$0	\$62	\$1,261
Madison	Stockbridge	\$854	\$246	\$1	\$3,255	\$5	\$171	\$171	\$0	\$174	\$4,876
Madison	Sullivan	\$199	\$99	\$16	\$139	\$0	\$131	\$131	\$0	\$58	\$774
	<b>Subtotal - Madison</b>	<b>\$8,731</b>	<b>\$23,349</b>	<b>\$441</b>	<b>\$31,480</b>	<b>\$61</b>	<b>\$4,970</b>	<b>\$4,970</b>	<b>\$0</b>	<b>\$11,525</b>	<b>\$85,527</b>
Oneida	City of Sherrill	\$622	\$508	\$0	\$4,202	\$0	\$254	\$254	\$0	\$204	\$6,044
Oneida	Village of Sylvan Beach	\$0	\$0	\$0	\$3,587	\$0	\$0	\$0	\$0	\$1,574	\$5,160
Oneida	Village of Vernon	\$0	\$0	\$0	\$37	\$0	\$0	\$0	\$0	\$8	\$45
Oneida	Augusta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oneida	Vernon	\$124	\$46	\$1	\$3,885	\$0	\$2	\$2	\$0	\$0	\$4,060
Oneida	Verona	\$28,917	\$574	\$83	\$33,107	\$3	\$20	\$20	\$0	\$557	\$63,281
	<b>Subtotal - Oneida</b>	<b>\$29,663</b>	<b>\$1,129</b>	<b>\$83</b>	<b>\$44,816</b>	<b>\$3</b>	<b>\$276</b>	<b>\$276</b>	<b>\$0</b>	<b>\$2,343</b>	<b>\$78,590</b>
Oneida	County	\$62,860	\$101,953	\$62,860	\$97,430	\$13,508	\$237	\$725	\$1,505	\$10,580	\$351,658
Madison	County	\$19,585	\$16,080	\$19,585	\$36,175	\$56,438	\$1,005	\$10,423	\$6,035	\$11,179	\$176,507
<b>Total - County and Local</b>		<b>\$120,839</b>	<b>\$142,511</b>	<b>\$82,970</b>	<b>\$209,901</b>	<b>\$70,010</b>	<b>\$6,488</b>	<b>\$16,394</b>	<b>\$7,540</b>	<b>\$35,627</b>	<b>\$692,282</b>
School District:											
	Oneida								\$205,910		\$205,910
	Canastota								\$12,029		\$12,029
	Stockbridge								\$81,255		\$81,255
	Sherrill								\$25,454		\$25,454
	<b>Subtotal - Schools</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$324,647</b>	<b>\$0</b>	<b>\$324,647</b>
	<b>Total</b>	<b>\$120,839</b>	<b>\$142,511</b>	<b>\$82,970</b>	<b>\$209,901</b>	<b>\$70,010</b>	<b>\$6,488</b>	<b>\$16,394</b>	<b>\$332,187</b>	<b>\$35,627</b>	<b>\$1,016,929</b>



**Table 4.7-28**  
**Alternative F - Summary of Nation's Share of County and Municipal Spending, 2011**

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	\$5,861	\$21,259	\$276	\$6,934	\$6	\$4,536	\$4,536	\$0	\$8,297	\$51,705
Madison	Village of Canastota	\$321	\$761	\$13	\$15,411	\$22	\$171	\$171	\$0	\$2,335	\$19,206
Madison	Cazenovia	\$0	\$0	\$0	\$250	\$0	\$0	\$0	\$0	\$1	\$251
Madison	Fenner	\$0	\$0	\$0	\$124	\$0	\$0	\$0	\$0	\$0	\$124
Madison	Lenox	\$914	\$269	\$91	\$3,590	\$31	\$152	\$152	\$0	\$783	\$5,982
Madison	Lincoln	\$581	\$714	\$45	\$578	\$0	\$54	\$54	\$0	\$12	\$2,038
Madison	Smithfield	\$0	\$0	\$0	\$1,200	\$0	\$0	\$0	\$0	\$62	\$1,261
Madison	Stockbridge	\$854	\$246	\$1	\$3,255	\$5	\$177	\$177	\$0	\$176	\$4,891
Madison	Sullivan	\$199	\$99	\$16	\$139	\$0	\$136	\$136	\$0	\$59	\$785
	<b>Subtotal - Madison</b>	<b>\$8,731</b>	<b>\$23,349</b>	<b>\$441</b>	<b>\$31,480</b>	<b>\$64</b>	<b>\$5,228</b>	<b>\$5,228</b>	<b>\$0</b>	<b>\$11,725</b>	<b>\$86,245</b>
Oneida	City of Sherrill	\$622	\$508	\$0	\$4,202	\$0	\$264	\$264	\$0	\$207	\$6,068
Oneida	Village of Sylvan Beach	\$0	\$0	\$0	\$3,587	\$0	\$0	\$0	\$0	\$1,574	\$5,160
Oneida	Village of Vernon	\$0	\$0	\$0	\$37	\$0	\$0	\$0	\$0	\$8	\$45
Oneida	Augusta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oneida	Vernon	\$124	\$46	\$1	\$3,885	\$0	\$2	\$2	\$0	\$0	\$4,060
Oneida	Verona	\$28,917	\$574	\$83	\$33,107	\$3	\$21	\$21	\$0	\$558	\$63,283
	<b>Subtotal - Oneida</b>	<b>\$29,663</b>	<b>\$1,129</b>	<b>\$83</b>	<b>\$44,816</b>	<b>\$3</b>	<b>\$287</b>	<b>\$287</b>	<b>\$0</b>	<b>\$2,346</b>	<b>\$78,615</b>
Oneida	County	\$62,860	\$101,953	\$62,860	\$97,430	\$14,057	\$247	\$754	\$1,566	\$10,599	\$352,326
Madison	County	\$19,585	\$16,080	\$19,585	\$36,175	\$59,239	\$1,055	\$10,941	\$6,334	\$11,429	\$180,424
<b>Total - County and Local</b>		<b>\$120,839</b>	<b>\$142,511</b>	<b>\$82,970</b>	<b>\$209,901</b>	<b>\$73,363</b>	<b>\$6,817</b>	<b>\$17,210</b>	<b>\$7,900</b>	<b>\$36,098</b>	<b>\$697,610</b>
School District:											
	Oneida								\$212,691		\$212,691
	Canastota								\$13,414		\$13,414
	Stockbridge								\$84,891		\$84,891
	Sherrill								\$28,318		\$28,318
	<b>Subtotal - Schools</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$339,315</b>	<b>\$0</b>	<b>\$339,315</b>
	<b>Total</b>	<b>\$120,839</b>	<b>\$142,511</b>	<b>\$82,970</b>	<b>\$209,901</b>	<b>\$73,363</b>	<b>\$6,817</b>	<b>\$17,210</b>	<b>\$347,215</b>	<b>\$36,098</b>	<b>\$1,036,925</b>



**Table 4.7-29  
Alternative D - Summary of Nation's Share of County and Municipal Spending, 2011**

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	\$5,663	\$20,540	\$267	\$6,517	\$3	\$2,373	\$2,373	\$0	\$6,379	\$44,114
Madison	Village of Canastota	\$312	\$740	\$13	\$14,484	\$14	\$109	\$109	\$0	\$2,164	\$17,945
Madison	Cazenovia	\$0	\$0	\$0	\$235	\$0	\$0	\$0	\$0	\$1	\$236
Madison	Fenner	\$0	\$0	\$0	\$117	\$0	\$0	\$0	\$0	\$0	\$117
Madison	Lenox	\$903	\$266	\$89	\$3,374	\$20	\$99	\$99	\$0	\$700	\$5,550
Madison	Lincoln	\$568	\$698	\$44	\$543	\$0	\$36	\$36	\$0	\$10	\$1,934
Madison	Smithfield	\$0	\$0	\$0	\$1,127	\$0	\$0	\$0	\$0	\$58	\$1,185
Madison	Stockbridge	\$854	\$246	\$1	\$3,060	\$3	\$116	\$116	\$0	\$149	\$4,545
Madison	Sullivan	\$199	\$99	\$16	\$130	\$0	\$90	\$90	\$0	\$47	\$671
	<b>Subtotal - Madison</b>	<b>\$8,499</b>	<b>\$22,589</b>	<b>\$429</b>	<b>\$29,587</b>	<b>\$40</b>	<b>\$2,823</b>	<b>\$2,823</b>	<b>\$0</b>	<b>\$9,507</b>	<b>\$76,297</b>
Oneida	City of Sherrill	\$604	\$493	\$0	\$3,949	\$0	\$167	\$167	\$0	\$174	\$5,554
Oneida	Village of Sylvan Beach	\$0	\$0	\$0	\$3,371	\$0	\$0	\$0	\$0	\$1,479	\$4,850
Oneida	Village of Vernon	\$0	\$0	\$0	\$35	\$0	\$0	\$0	\$0	\$7	\$42
Oneida	Augusta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oneida	Vernon	\$118	\$44	\$1	\$3,651	\$0	\$1	\$1	\$0	\$0	\$3,817
Oneida	Verona	\$28,182	\$559	\$80	\$31,116	\$2	\$14	\$14	\$0	\$531	\$60,497
	<b>Subtotal - Oneida</b>	<b>\$28,904</b>	<b>\$1,097</b>	<b>\$81</b>	<b>\$42,121</b>	<b>\$2</b>	<b>\$182</b>	<b>\$182</b>	<b>\$0</b>	<b>\$2,191</b>	<b>\$74,760</b>
Oneida	County	\$61,257	\$99,352	\$61,257	\$91,570	\$8,930	\$157	\$479	\$995	\$10,074	\$334,070
Madison	County	\$19,005	\$15,604	\$19,005	\$34,000	\$33,097	\$589	\$6,112	\$3,539	\$8,843	\$139,795
<b>Total - County and Local</b>		<b>\$117,665</b>	<b>\$138,642</b>	<b>\$80,773</b>	<b>\$197,277</b>	<b>\$42,069</b>	<b>\$3,751</b>	<b>\$9,597</b>	<b>\$4,534</b>	<b>\$30,614</b>	<b>\$624,922</b>
School District:											
	Oneida								\$154,778		\$154,778
	Canastota								\$0		\$0
	Stockbridge								\$52,091		\$52,091
	Sherrill								\$0		\$0
	<b>Subtotal - Schools</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$206,869</b>	<b>\$0</b>	<b>\$206,869</b>
	<b>Total</b>	<b>\$117,665</b>	<b>\$138,642</b>	<b>\$80,773</b>	<b>\$197,277</b>	<b>\$42,069</b>	<b>\$3,751</b>	<b>\$9,597</b>	<b>\$211,403</b>	<b>\$30,614</b>	<b>\$831,791</b>





**Table 4.7-30**  
**Alternative E - Summary of Nation's Share of County and Municipal Spending, 2011**

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	\$5,229	\$18,968	\$246	\$5,605	\$3	\$2,373	\$2,373	\$0	\$5,980	\$40,777
Madison	Village of Canastota	\$292	\$692	\$12	\$12,457	\$14	\$109	\$109	\$0	\$1,882	\$15,568
Madison	Cazenovia	\$0	\$0	\$0	\$202	\$0	\$0	\$0	\$0	\$1	\$203
Madison	Fenner	\$0	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$100
Madison	Lenox	\$879	\$259	\$87	\$2,902	\$20	\$99	\$99	\$0	\$631	\$4,975
Madison	Lincoln	\$540	\$663	\$41	\$467	\$0	\$36	\$36	\$0	\$9	\$1,792
Madison	Smithfield	\$0	\$0	\$0	\$970	\$0	\$0	\$0	\$0	\$50	\$1,019
Madison	Stockbridge	\$854	\$246	\$1	\$2,631	\$3	\$116	\$116	\$0	\$137	\$4,105
Madison	Sullivan	\$199	\$99	\$16	\$112	\$0	\$90	\$90	\$0	\$46	\$651
	<b>Subtotal - Madison</b>	<b>\$7,993</b>	<b>\$20,927</b>	<b>\$403</b>	<b>\$25,446</b>	<b>\$40</b>	<b>\$2,823</b>	<b>\$2,823</b>	<b>\$0</b>	<b>\$8,736</b>	<b>\$69,191</b>
Oneida	City of Sherrill	\$564	\$460	\$0	\$3,396	\$0	\$167	\$167	\$0	\$158	\$4,913
Oneida	Village of Sylvan Beach	\$0	\$0	\$0	\$2,899	\$0	\$0	\$0	\$0	\$1,272	\$4,171
Oneida	Village of Vernon	\$0	\$0	\$0	\$30	\$0	\$0	\$0	\$0	\$6	\$36
Oneida	Augusta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oneida	Vernon	\$105	\$39	\$1	\$3,140	\$0	\$1	\$1	\$0	\$0	\$3,287
Oneida	Verona	\$26,574	\$528	\$76	\$26,761	\$2	\$14	\$14	\$0	\$478	\$54,446
	<b>Subtotal - Oneida</b>	<b>\$27,243</b>	<b>\$1,027</b>	<b>\$77</b>	<b>\$36,226</b>	<b>\$2</b>	<b>\$182</b>	<b>\$182</b>	<b>\$0</b>	<b>\$1,914</b>	<b>\$66,853</b>
Oneida	County	\$57,749	\$93,663	\$57,749	\$78,754	\$8,930	\$157	\$479	\$995	\$9,301	\$307,777
Madison	County	\$17,738	\$14,563	\$17,738	\$29,241	\$33,097	\$589	\$6,112	\$3,539	\$8,280	\$130,898
	<b>Total - County and Local</b>	<b>\$110,723</b>	<b>\$130,180</b>	<b>\$75,967</b>	<b>\$169,667</b>	<b>\$42,069</b>	<b>\$3,751</b>	<b>\$9,597</b>	<b>\$4,534</b>	<b>\$28,231</b>	<b>\$574,718</b>
	School District:										
	Oneida								\$154,778		\$154,778
	Canastota								\$0		\$0
	Stockbridge								\$52,091		\$52,091
	Sherrill								\$0		\$0
	<b>Subtotal - Schools</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$206,869</b>	<b>\$0</b>	<b>\$206,869</b>
	<b>Total</b>	<b>\$110,723</b>	<b>\$130,180</b>	<b>\$75,967</b>	<b>\$169,667</b>	<b>\$42,069</b>	<b>\$3,751</b>	<b>\$9,597</b>	<b>\$211,403</b>	<b>\$28,231</b>	<b>\$781,588</b>



**Table 4.7-31  
Alternative G - Summary of Nation's Share of County and Municipal Spending, 2011**

County	Municipality	General Government	Public Safety	Health	Transportation	Economic Assistance	Culture & Recreation	Home Community	Education	Debt Service	Total
Madison	City of Oneida	\$2,603	\$9,442	\$123	\$79	\$3	\$2,373	\$2,373	\$0	\$3,565	\$20,561
Madison	Village of Canastota	\$170	\$404	\$7	\$175	\$14	\$109	\$109	\$0	\$178	\$1,166
Madison	Cazenovia	\$0	\$0	\$0	\$3	\$0	\$0	\$0	\$0	\$0	\$3
Madison	Fenner	\$0	\$0	\$0	\$1	\$0	\$0	\$0	\$0	\$0	\$1
Madison	Lenox	\$731	\$215	\$72	\$41	\$20	\$99	\$99	\$0	\$211	\$1,488
Madison	Lincoln	\$366	\$450	\$28	\$7	\$0	\$36	\$36	\$0	\$5	\$928
Madison	Smithfield	\$0	\$0	\$0	\$14	\$0	\$0	\$0	\$0	\$1	\$14
Madison	Stockbridge	\$854	\$246	\$1	\$37	\$3	\$116	\$116	\$0	\$66	\$1,440
Madison	Sullivan	\$199	\$99	\$16	\$2	\$0	\$90	\$90	\$0	\$38	\$533
	<b>Subtotal - Madison</b>	<b>\$4,924</b>	<b>\$10,857</b>	<b>\$247</b>	<b>\$357</b>	<b>\$40</b>	<b>\$2,823</b>	<b>\$2,823</b>	<b>\$0</b>	<b>\$4,065</b>	<b>\$26,136</b>
Oneida	City of Sherrill	\$321	\$262	\$0	\$48	\$0	\$167	\$167	\$0	\$60	\$1,025
Oneida	Village of Sylvan Beach	\$0	\$0	\$0	\$41	\$0	\$0	\$0	\$0	\$18	\$59
Oneida	Village of Vernon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1
Oneida	Augusta	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Oneida	Vernon	\$25	\$9	\$0	\$44	\$0	\$1	\$1	\$0	\$0	\$81
Oneida	Verona	\$16,835	\$334	\$48	\$376	\$2	\$14	\$14	\$0	\$159	\$17,782
	<b>Subtotal - Oneida</b>	<b>\$17,181</b>	<b>\$605</b>	<b>\$48</b>	<b>\$509</b>	<b>\$2</b>	<b>\$182</b>	<b>\$182</b>	<b>\$0</b>	<b>\$238</b>	<b>\$18,947</b>
Oneida	County	\$36,498	\$59,195	\$36,498	\$1,106	\$8,930	\$157	\$479	\$995	\$4,615	\$148,473
Madison	County	\$10,057	\$8,257	\$10,057	\$411	\$33,097	\$589	\$6,112	\$3,539	\$4,871	\$76,991
	<b>Total - County and Local</b>	<b>\$68,660</b>	<b>\$78,915</b>	<b>\$46,850</b>	<b>\$2,383</b>	<b>\$42,069</b>	<b>\$3,751</b>	<b>\$9,597</b>	<b>\$4,534</b>	<b>\$13,789</b>	<b>\$270,547</b>
	School District:										
	Oneida								\$154,778		\$154,778
	Canastota								\$0		\$0
	Stockbridge								\$52,091		\$52,091
	Sherrill								\$0		\$0
	<b>Subtotal - Schools</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$206,869</b>	<b>\$0</b>	<b>\$206,869</b>
	<b>Total</b>	<b>\$68,660</b>	<b>\$78,915</b>	<b>\$46,850</b>	<b>\$2,383</b>	<b>\$42,069</b>	<b>\$3,751</b>	<b>\$9,597</b>	<b>\$211,403</b>	<b>\$13,789</b>	<b>\$477,417</b>



**Summary**

The Proposed Action and other alternatives have several indirect fiscal effects. The decrease in the Nation's employment that may occur if not all Group 1, 2, and 3 lands are conveyed into trust would decrease Nation employee State income tax withholdings, Nation spending and Nation employee spending, which would in turn adversely affect State income and sales tax revenues and local sales tax revenues. Additionally, major Nation job losses may also lead to a reduction in local property tax revenues, as laid-off employees may leave the region or default on their taxes.

At the same time, the decrease in the Nation's employment and the number of housing units on Nation lands would decrease the local government service costs *attributable to the Nation*. These local government cost-savings would be – wholly or partly – offset by the costs associated with the increase in unemployment and other social services that would accompany the layoff of Nation employees. Major layoffs would not only create costs on health and economic assistance for local governments but would also increase State expenditures on Medicaid and unemployment insurance benefits. Closing down the Casino would end the Nation's payments to the New York State Police and the New York Racing & Wagering Board, as their services would no longer be needed.

Table 4.7.32 summarizes the indirect effects in terms of the change in revenues and expenditures between 2005 and 2011 and compares these effect by alternative.

**Table 4.7-32**  
**Indirect Effect: Change in State Revenues and Local Government Revenues and Expenditures by Alternative**  
**2005 to 2011 (in \$millions)**

	A	B	C	D	E	F	G
Nation's State Income Tax Withholdings	0.19	0.19	0.18	-0.06	-0.48	0.18	-3.30
Nation's Payments to NYS Police and NYS Racing & Wagering Board	0.00	0.00	0.00	0.00	0.00	0.00	-5.00
State Tax on Multiplier Effect of Nation/Nation Employee Spending	0.41	0.41	0.40	-0.05	-1.00	0.39	-7.17
Nation Employee Property Tax Payments	0.33	0.33	0.32	-0.04	-0.82	0.32	-5.57
Local Sales Tax on Multiplier Effect of Nation Employee Spending	0.07	0.07	0.06	-0.01	-0.16	0.06	-1.13
Local Government Spending Attributable to the Nation	\$0.21	\$0.21	\$0.19	\$0.00	-\$0.05	\$0.21	-\$0.35

Note: The indirect effects are calculated by comparing the Alternatives with the 2005 baseline.  
Source: The Louis Berger Group, Inc, 2006

### 4.7.5.3 Cumulative Effects

#### **Alternatives A, B, C, and F**

Since the beginning of the Nation's enterprise operations, the Nation has withheld State income taxes from the wages and salaries of non-Native American employees. As described in Section 3.7.7.2, in FY 2005 the Nation withheld and remitted \$3.4 million in State income taxes from its payroll. Because of the increase in jobs between 2006 and 2011, these State income tax revenues are expected to increase. If the average income tax per job would remain constant, a total of \$3.6 million in State income taxes would be withheld from the Nation's payroll in the year 2011 under Alternatives A, B, C and F.

The State never collected excise taxes on fuel or cigarettes from the Nation or its wholesale suppliers. Under Alternatives A, B, C and F, the State would not collect excise taxes from wholesalers that supply fuel and cigarettes to the SavOn gas station and convenience stores and the Nation would not collect State or local sales taxes on its retail sales.

The Nation has historically made payments to the New York State Police and the New York Racing and Wagering Board. In FY 2005, the Nation paid \$2.2 million and \$2.8 million to the New York State Police and to the New York Racing and Wagering Board, respectively, in exchange for their services related to the Turning Stone Resort & Casino. For example, the State police conduct background investigations on employees and provide law enforcement on the gaming floor; and the Racing and Wagering Board conducts regular compliance examinations for the Casino. Under Alternatives A, B, C, and F, the Nation would continue to pay the New York State Police and the New York Racing and Wagering Board for their services.

Since the opening of the Turning Stone Resort & Casino, the Nation's operations indirectly supported many jobs and sales at other Madison County, Oneida County, and New York State businesses and generated tax revenues. As explained in Section 3.7.6, the Nation generates economic activity through its spending, its employees' spending, spending by its visitors, and in some cases, spending by Nation employee household members (tertiary effect) based on the multiplier effect (i.e., every dollar spent locally is partly recycled, creating more spending, jobs, and tax revenues).

Nation and Nation employee spending generated an estimated \$7.3 million in State personal income, corporate income and State sales taxes in FY2005. Based on the expected increase in Nation jobs and sales between 2006 and 2011 relative to the baseline, State tax revenues generated by Nation and Nation employee spending would increase to \$7.7 million.

Visitors to the Turning Stone Resort & Casino often spend money at other local businesses (hotels, restaurants, etc.). While the current effect of off-site visitor spending is

not quantified, Section 3.7.6 states that if every out-of-region visitor in 2005 spent \$5 at non-Nation local businesses, the total economic activity generated in Madison and Oneida Counties would be 206 jobs and \$4.8 million in earnings. As the number of visitors is expected to increase to 5.56 million in 2011, the tax revenues associated with the “off-site” visitor spending would likely also increase under Alternatives A, B, C and F.

As explained in Section 3.7.6.1, employment with the Nation allowed some long-term local residents to remain in Madison and Oneida County. These residents are sometimes part of households with more than one worker. The earnings of the second worker in the household are also partly spent at local businesses and generate jobs, earnings and taxes, which is the tertiary effect. Based on the expected job growth, the tertiary effect would likely be at or above baseline level by 2011 under the subject alternatives.

Since the Turning Stone Resort & Casino opening, spending by the Nation and its employees also generated substantial local tax revenues. As explained in Section 3.7.7.3, the spending by the Nation and its employees indirectly generated an estimated \$1.16 million in sales tax revenues for Madison and Oneida Counties and the Study Area municipalities. Based on the Nation’s growth, an estimated \$1.22 million of local sales tax revenues would be created by the Nation and Nation employee spending by 2011 under Alternatives A, B, C and F. An increase in off-site visitor spending and the tertiary effect would also generate additional local sales tax revenues.

Nation employees paid an estimated \$5.6 million in property taxes to local governments in FY 2005 (see Section 3.7.7.3). By 2011, these revenues would be maintained and could increase slightly because of the Nation’s job growth under Alternatives A, B, C and F.

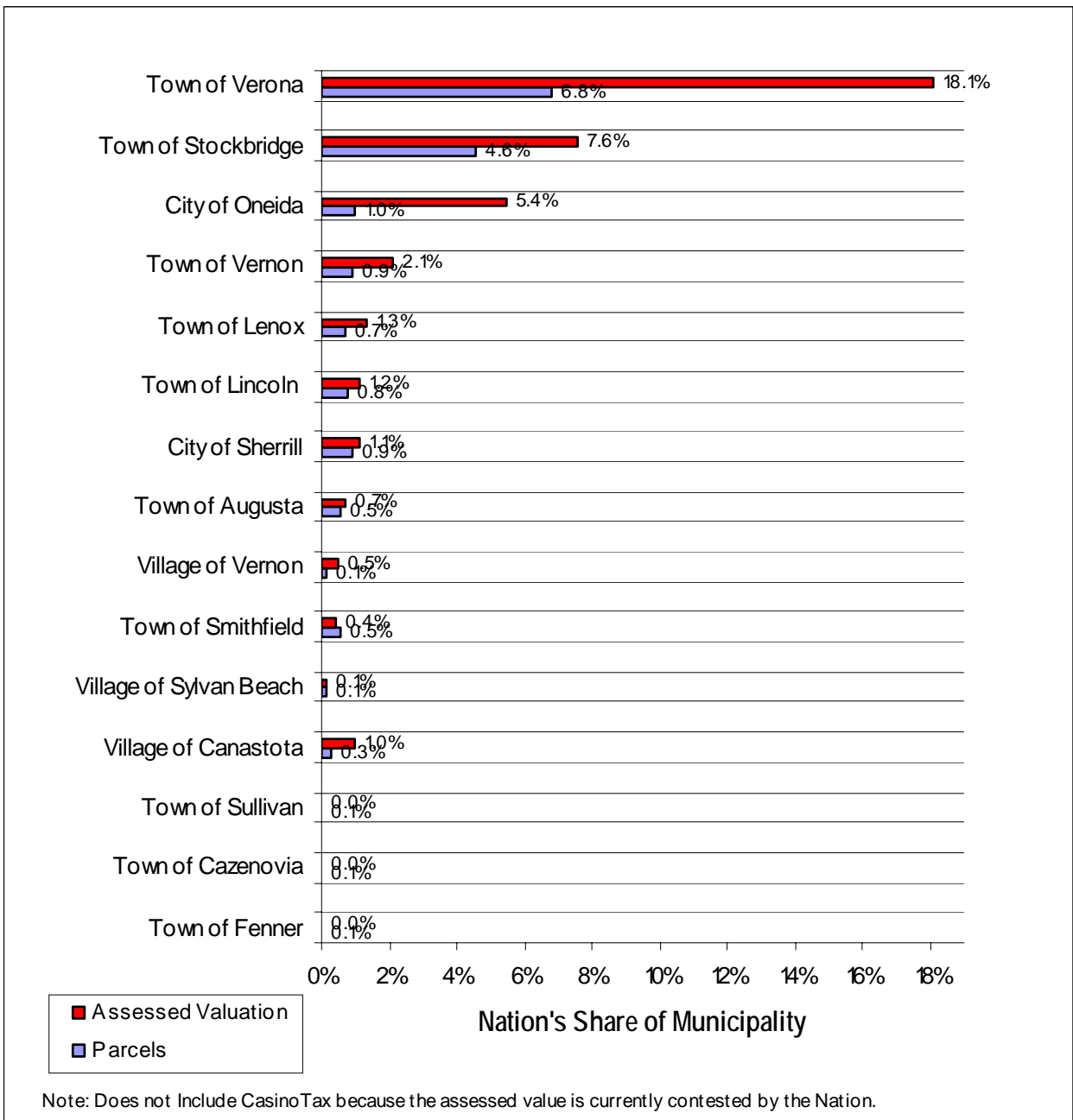
The lands that would be conveyed into trust would be permanently exempt from local property taxes. As presented in Section 3.7.9.2, the total assessed value of the Nation’s land accounts for only a fraction of the total exempt value in the counties and Study Area municipalities. Figure 4.7-1 compares the latest available taxable assessed valuation in the Study Area municipalities as reported by the New York State Office of Real Property Services (FY 2004 tax rolls) with the taxable assessed valuation assigned the Nation. It examines the Nation’s share of total tax lots and the Nation’s share of total taxable assessed valuation and illustrates the relative magnitude of Nation’s land holdings. It provides additional context for consideration of the fiscal consequences of placing lands into trust by municipality. The taxable assessed valuation of the Casino tax lot is not shown, as its valuation is being contested. The taxable assessed valuation for the Casino tax lot is \$362 million – an amount for a single tax lot that exceeds the prior year’s municipal taxable assessed value for the entire Town of Verona’s 3,300 tax lots. Figure 4.7-1 illustrates the taxable assessed valuation in the period prior to the change in valuation.

There is no information available about tax exemptions that would be extended to other property owners in the future.

In 2005, the cost to Madison County and Oneida County, the study area municipalities and school districts, associated with Nation land totaled \$0.83 million, as explained in Section 3.7. The Nation plans to build 66 additional homeownership units in the next five years. Employment is expected to grow to 4,882 by the year 2011. Based on these additional persons, the total cost to county and local governments and school districts attributable to the Nation would be \$1.04 million in 2011 under Alternatives A, B and F. As a result of Alternative C, only 59 of the planned Nation housing units may be constructed and Nation employment would grow slightly less, leading to a cost to local governments attributable to the Nation of \$1.02 million.

The commercial developments proposed by private developers in Madison and Oneida County presented in Section 4.7.1.3 and the proposed residential developments that are discussed in Section 4.7.2.3 would also generate increased revenues, as well as costs for local governments.

**Figure 4-1  
Nation's Share of Tax Lots and Taxable Assessed Valuation by Municipality**





### **Alternatives D, E and G**

The reduction in the Nation's economic operations would lead to a reduction in State sales and property and corporate income tax revenues and in local property and sales tax revenues as described above.

It is uncertain whether the local governments would receive property tax revenues on the lands not conveyed into trust. The foreclosure and alienation of land process could be undermined by the large amount of land involved and the fact that much land is already available in the area. Further, buyers may be wary of the quality and security of title in Nation land. Finally, the buyer would have to be a non-tax-exempt entity. The sale of the Turning Stone Resort & Casino complex would be particularly unlikely, as only the Nation can operate the property as a casino, and the facility's high maintenance costs would likely make other uses financially infeasible. The resort's component businesses, such as the golf courses and the luxury lodge hotel, currently generate an operating loss and would likely not survive without the casino.

The increase in unemployment that would result from large reductions in Nation employment would lead to more government cost (health care, economic assistance, unemployment benefits). Furthermore, the out-migration associated with major job losses, would result in an increase in housing vacancy rates, decreased property values, and lower property tax revenues.

If the 66 Nation member housing units were not to be constructed and the Nation were to cease operations on the lands not conveyed into trust, the cost to local governments *attributable to the Nation* would decrease significantly, as presented in Section 4.7.5.2. As discussed above, the cost associated with increased unemployment would, at least in part, offset these savings. Especially in the case of major layoffs, local government would face additional expenditures for health and economic assistance and perhaps for public safety.

### **4.7.6 Social Conditions**

Alternatives A through F are considered to have the same effects with respect to social problems. The six alternatives are considered similar for analysis purposes because they each allow for the continuation of gaming facilities at the Turning Stone Resort & Casino. The social conditions assessed in this section consider the findings of research on the effects of gaming facilities along with the conditions and trend data compiled in the baseline sections that are associated with the Turning Stone Resort & Casino.

#### **4.7.6.1 Direct Effects**

### **Alternatives A through G**

The conveyance of lands into trust is an action where title to the Nation's existing lands would be transferred to the Federal government with no change in their uses. Because neither the proposed action nor any of the alternatives involve ground disturbance of the

environment or change in land use, there are not anticipated to be direct effects related to social conditions.

#### 4.7.6.2 Indirect Effects

##### **Alternatives A through F**

###### Problem Gambling

According to a National Opinion Research Center at the University of Chicago study, problem gamblers account for 1.2 percent of the population and the percentage of problem gamblers increases 1.1 percentage points within 50 miles of a casino. As the Turning Stone Resort & Casino is a relatively mature facility with more than 15 years of operations, under Alternatives A through F, it is expected that the percentage of problem gamblers in the area would remain steady.

The absolute number of problem gamblers in the area may experience a minimal increase as the number of future visitor's increases. As of March 2006, the number of patrons voluntarily or involuntarily on the Turning Stone Resort & Casinos listed as excluded from the gaming floor was 898 people. This is an increase from March 2003 of 562 people. The increase in the number of people excluded from the gaming floor appears to correspond with an increase in visitor patronage during that same time period and reflects the cumulative total of such identified persons attributable to the enforcement of the facility's policies and practices for addressing this issue.

None of the alternatives are expected to generate a large increase in Turning Stone Resort & Casino visitors. Additionally, the residential population within 50 miles of gaming facilities is expected to increase minimally. As a result, the increase in problem gamblers is expected to be small.

###### Bankruptcy

Based on an analysis of local personal bankruptcy rates, there is scant evidence of a direct relationship between personal bankruptcy and the presence of the Turning Stone Resort & Casino. Personal bankruptcy rates in the study area trended closely with State and national trends. It is expected that future personal bankruptcy rates would continue to follow State and national trends and that the continued presence of the Turning Stone Resort & Casino would not create additional indirect effects beyond the levels and patterns already exhibited in the local area.

###### Crime

Based on an analysis of local crime rates, no relationship between crime and the presence of the Turning Stone Resort & Casino could be determined. National studies on the relationship between crime and casinos have found that the presence of a casino may increase crime. According to Grinols and Mustard's 2005 study, crime does not increase in an area until three years after the casino opening. The Turning Stone Resort & Casino

has been in operation for sixteen years and any crime effects would begin to appear in current crime statistics. If the Turning Stone Resort & Casino is partially responsible for generating crime, then it is expected that crime levels would not be affected by the Proposed Action because the Proposed Action is not expected to increase the patronage to the gaming facilities.

#### Suicide

National studies have found that there is a higher suicide rate among problem gamblers, though the range and complexity of issues surrounding suicide makes it difficult to determine causality. Local statistics for suicide rates in Madison and Oneida County are similar to New York State (non-New York City) though the county rates have fluctuated above and below the State rate. No relationship between the opening and operation of Turning Stone Resort & Casino and the suicide rate can be determined. Therefore, the continued operation of the Turning Stone Resort & Casino is determined not to have an indirect affect on suicide.

#### Alcoholism

The Turning Stone Resort & Casino does not serve or sell alcoholic beverages. As a result, there are no indirect effects associated with alcoholism.

### **Alternative G**

#### Problem Gambling

According to a National Opinion Research Center at the University of Chicago report, the percentage of problem gamblers in the general population is 1.2 percent. Without the presence of the Turning Stone Resort & Casino, the percentage of problem gamblers in the area may be reduced, or those with a gambling addiction may choose to find other outlets to continue gambling (e.g., Internet gambling, increased travel to more distant casino facilities). If the Turning Stone Resort & Casino closes, the services currently offered to problem gamblers by the Nation would no longer be available to those with a gambling addiction that are seeking counseling assistance. These services include referral to professional counselors at Human Technologies Corporation which is a locally-based organization that provides counseling and educational services in Central New York.

#### Bankruptcy

The closure of the Turning Stone Resort & Casino would lead to a higher levels of unemployed persons in the area and, based on historic rates of job formation, the potential for persistent unemployment. As noted in the baseline section, three major contributors to the national increase in bankruptcy filings are 1) higher levels of debt relative to income; 2) increased access to credit cards and consumer credit; and 3) reduced social stigma of declaring bankruptcy. An increase in persistent unemployment may lead to higher levels of personal debt relative to income and as a result the area may experience an increase in bankruptcy filings.

Crime

As previously noted, the closure of the Turning Stone Resort & Casino would likely lead to a higher unemployment rate in the area if those displaced elect to remain in the region and in the reported labor force or it may create the conditions for higher levels of out-migration and lower overall population levels for those unable to find suitable employment. In either case, poor economic conditions can cause an increase in crime. An increase in unemployment in the area can lead to increased criminal activity.

Suicide

There are no indirect effects associated with suicide.

Alcoholism

There are no indirect effects associated with alcoholism.

#### 4.7.6.3 Cumulative Effects

##### **Alternatives A through F**

Problem Gambling

Increasingly, there are other forms of gambling besides the gaming floor of the Turning Stone Resort & Casino available to local residents and New York State residents. These facilities include off track betting, lottery, casinos operated by other Indian nations, and Internet gambling. Specifically, the prevalence of Internet gambling needs to be taken into account. Internet gambling is a relatively new phenomenon and any person with an Internet connection has easy access to gambling in his or her own house. As a result, the presence of gaming facilities within a 50 mile radius may no longer have as strong an influence on the prevalence of problem gambling as it did in 1999 when the National Opinion Research Center at the University of Chicago study was conducted.

Bankruptcy

The personal bankruptcy rate patterns reported in the baseline conditions are a reflection of the changing financial circumstances of persons reported as living in the region over time. The rising number and fluctuations of personal bankruptcies for all reporting regions (i.e., nation, State, and subject counties) can be attributed to changing personal or family circumstances related to health, marriage and divorce, aging, job loss and migration as well as larger structural economic and regulatory factors (e.g., legal definition and consequences of bankruptcies, proliferation of high-interest rate credit, etc.). Enmeshed in these patterns are individuals who participate in all forms of gambling including but not limited to gambling operations at the Turning Stone Resort & Casino. There was scant evidence in the benchmarking of the area of anomalous patterns in personal bankruptcy rates for the region.

Crime

The crime rate patterns reported in the baseline conditions consider trends in the patterns of crime over the time frame that the Turning Stone Resort & Casino has been in operation. Crime rates are in part a reflection of data collection and reporting procedures for individual jurisdiction and enmeshed in the reported data are incidents that could be considered a consequence of gaming along with a much larger group of incidents attributable to work, living and shopping activities outside the boundaries of the Turning Stone Resort & Casino. There was no evidence in the benchmarking of the area of anomalous patterns in crime rates for the region that could be determined to be directly attributable to the opening of Turning Stone Resort & Casino and subsequent growth of its gaming and other resort activities. If the Turning Stone Resort & Casino is partially responsible for generating crime, then it is expected that crime levels would continue to remain at current levels since patronage to the gaming facilities is not expected to increase.

Suicide

There are no cumulative effects associated with suicide.

Alcoholism

There are no cumulative effects associated with alcoholism.

**Alternative G**

Problem Gambling

According to Human Technologies, an average of 179 people a year seeks their services for problem gambling counseling. Of those whom Human Technologies counsels, 45 percent trace their addiction to the lottery, Internet gambling, horse track racing, or sports betting. The remaining 55 percent are casino gamblers. Those who have an addiction to casino gambling, in the absence of a casino, may shift their addiction to other forms of gambling. As a result, the number of problem gamblers may not decrease or only decrease slightly.

Bankruptcy

Under Alternative G, adverse indirect effects attributable to the closure of the Turning Stone Resort & Casino may lead to personal bankruptcies attributable to a loss of jobs, rising levels of unemployment and a potential increase in debt relative to income levels. Cumulative effects are more likely to occur in an economic environment without significant additional levels of replacement job growth for the persons and occupations currently employed at Turning Stone Resort & Casino or sources of replacement demand for goods and services for the chain of vendors and suppliers economically linked for the Turning Stone Resort & Casino.

### Crime

Under Alternative G, adverse cumulative effects are attributable to the indirect effects to the closure of the Turning Stone Resort & Casino, such as worsening economic conditions. These adverse cumulative effects are more likely to occur in an economic environment without significant additional levels of replacement job growth for the persons and occupations currently employed at Turning Stone Resort & Casino or sources of replacement demand for goods and services for the chain of vendors and suppliers economically linked for the Turning Stone Resort & Casino.

### Suicide

There are no cumulative effects associated with suicide.

### Alcoholism

There are no cumulative effects associated with alcoholism.

## **4.7.7 Lifestyle and Cultural Values**

### ***Significance Criteria***

This section specifically addresses the effects to the lifestyle and cultural values of the Nation as they relate to uses and importance of the lands proposed for conveyance into trust. Other sections of the document (Sections 4.7.1 Economic Effects through 4.7.6 Social Conditions and Section 4.8 Community Infrastructure) address the broader socioeconomic context and community character of the surrounding towns, counties and populations contained within those lands.

For the purposes of defining whether the proposed action or the alternatives, including No Action (collectively referred to as the action), have a potentially significant adverse effect to lifestyle and cultural values of the Nation, the following are considered:

Whether the action is likely to directly, indirectly or cumulatively:

- Adversely affect the ability of the Nation as a federally recognized Indian tribe to pursue and preserve their cultural, social and religious practices and traditions, and other aspects of their lifeways, for current and future generations on lands considered to be within their reservation and aboriginal homeland;

### ***Overview of Oneida Lifestyle and Cultural Values***

For more than 15 years, the Nation has made significant strides to restore and preserve the culture and unique identity of the Oneida people. This includes implementing a number of projects specifically focused on the reclamation and teachings of their indigenous history, culture, language, traditions and ceremonies. Each of these cultural and lifestyle attributes is a critical component of Oneida identity, providing meaning for Nation members as to what it entails to be an Oneidan as they strive to preserve their culture and community.

Some of the more notable Nation projects in this regard include:

- The Language Project;
- The Oral History Project;
- The Treaties Project, and;
- The Nutrition Project (focused on the Oneida food staples of white corn, beans and squash...the Three Sisters).

These projects are all important, proactive steps to achieve the Nation's long range goals of reclaiming, teaching and preserving Oneida heritage and traditions for future generations of Nation members. This stewardship role for the Nation is of paramount importance to all Oneida. Until the Nation implemented the language project in particular, the unique Oneida language was almost gone within their community. The Oneida Elders Oral History Project was devised to gather stories and other information on the past and provide a forum for listening to the elders' perspective on the future. Elders from each of the Nation's clans (Bear, Turtle, and Wolf) were interviewed and their oral histories and stories captured.

The Nation maintains a Cultural Resources Department and a Living History Department (Parcel 246, Group 2), which preserves Oneida culture through reenactments of traditional practices and ceremonies for both Nation and non-Nation members. The Shako: wi Cultural Center (Parcel 3, Group 2) contains examples of Nation's arts and crafts, as well as exhibits that display aspects of Oneida culture and history. The Center is also used by Nation members for gatherings and presentations celebrating cultural traditions and important events. The Nation constructed The Ray Elm Children & Elders Center (Parcels 4 and 5, Group 2); a facility where cultural events and exchanges take place, focusing on language, tradition and legend. The Nation constructed the Village of the White Pines (Parcels 4 and 5, Group 2), a residential development where some Nation members live as a community. The Nation publishes *Indian Country Today*, a leading American Indian newspaper dedicated to communicating lifestyle, culture, health and other information important to the Native American. In addition, the Nation operates Four Directions Productions (Parcel 13, Group 2), a video and audio production studio which, among many things, produces Native American focused film and television projects. There are also Festival Sites (Parcels 75 and 76, Group 2), special plots used for growing traditional Oneida crops (Parcels 133 and 211, Group 3), and a site for black ash reforestation efforts (Parcel 286, Group 2). There are no lands supporting cultural and lifestyle activities in Group 1 (refer to Table 3.7.11).

The Nation has also been active in reconstituting significant cultural assets and materials representative of their culture, traditions and Haudenosaunee lifeways. To this end, the Nation has purchased lands containing protohistoric Oneida camp sites, village sites, and

burial grounds, as well as collection of Native American artifacts. They have amassed a collection of nearly 700 pieces of Iroquois beadwork along with basketry, traditional regalia and other culturally significant items and artifacts that reflects traditional Oneida lifestyles and practices. Many items have had to be purchased through private collectors, antique dealers, or at auction. To the Oneida Nation, these collections represent a tangible connection to the past and a present day voice to ensure their story is told to future generations. All these activities are part of what the Oneida call “Securing the Circle” unto the seventh generation to the future and reflect the importance of heritage stewardship in their world view.

#### 4.7.7.1 Direct Effects

The success of Nation members has enabled them to strengthen their culture and community bonds by the acquisition of lands considered part of its reservation and aboriginal homeland. Trust action alternatives (e.g., Alternatives A, B, C and F) that ensure the Nation’s rights for self-determination, self-sufficiency and self-governance on these lands would have a beneficial direct effect to the Nation as they support the very basis of the purpose and need. The federal trust status provided to lands conveyed into trust ensures that lands are protected from future alienation. The Nation seeks a secure land base (free from risks of foreclosure or alienation) upon which to express and secure their heritage unto the seventh generation. The projects and programs implemented by the Nation, focusing on culture, language, ceremonies and community are critical and necessary to the Nation to retain the unique Oneidan lifestyle attributes, cultural values, and world view.

Potential direct effects to lifestyle and cultural values among the alternatives reflect a scaling in the intensity of effects depending upon whether lands are conveyed into trust or not and what cultural activities these lands support. For the lands conveyed into trust, differences among alternatives relate also to the associated cultural assets associated with the parcels involved or the services supported.

**Alternative A.** Aall 17,370 acres of land in Groups 1, 2 and 3 would be conveyed into trust. Those lands containing cultural, historical, religious or archaeological resources would be provided protection under ARPA and NAGPRA. This would have a direct beneficial effect to the Nation and their culture. Lands used for cultural activities in Alternative A include the Shako: wi Cultural Center (Parcel 3, Group 2), the Ray Elm Children & Elders Center (Parcels 4 and 5, Group 2) the Village of the White Pines (Parcels 4 and 5, Group 2), the Festival Sites (Parcels 75 and 76, Group 2), plots used for growing Oneida crops (Parcels 133 and 211, Group 3) and harvesting of black ash (Parcel 286, Group 2). Additional parcels containing either enterprises or cultural service departments (Four Directions Productions, Parcel 13, Group 2; Cultural Resources Department and a Living History Department, Parcel 246, Group 2) are also



accommodated by this alternative. Further, the Proposed Action would secure a land base within their reservation and aboriginal homeland. The Proposed Action would support the Federal Government's trust policy to assist the Oneida Nation Indian tribes to preserving traditional culture and lifeways on native lands.

**Alternative B.** An additional 17,630 acres of land could be conveyed into trust over time resulting in a total trust land area of 35,000 acres. Alternative B would involve the same parcels supporting cultural, social and religious practices and traditions as Alternative A. Alternative B from the standpoint of the Nation could be viewed as the most preferable alternative since they would be afforded a larger land base within their reservation to practice traditional lifestyle activities and secure land for the "seventh generation". As described for cultural, historic, archaeological and religious properties and assets, it is reasonable to assume that assets important to the Nation could be located on some of the future properties comprising this alternative. These properties would be acquired into trust at some point. Once in trust, these cultural assets would receive the additional federal protection.

**Alternative C.** Conveying these Group 1 and 2 lands into trust would have a direct beneficial effect to the Nation and on their culture. Some Parcels located in Group 3 (Parcels 133 and 211) supporting cultural gardening and crop activities would not be conveyed into trust. These include plots used for growing traditional Oneida staple foods such as white corn, beans, squash, tobacco, and pumpkin. These two parcels total approximately 140 acres and are located within the northern part of the Town of Stockbridge. Another parcel (Parcel 310, Group 3) contains hickory tree stands used for making traditional lacrosse sticks. Parcel 310 is a large property of approximately 441 acres and supports multiple uses such as agriculture and hunting and fishing for Nation members. There is also a significant Oneida archaeological site here as well. Conveying these Group 1 and 2 lands into trust would have a direct positive effect to the Nation and on their culture. Parcels 133, 211 and 310 are all within a larger area subject to a competing tribal land claim (the Stockbridge-Munsee Land Claim Area or the claim area). Although not conveying these Group 3 parcels into trust is a potential adverse effect, the majority of the Nation's cultural facilities and lands used for cultural activities are in Group 2. Unless foreclosed or alienated away under one of the scenarios, the Nation could continue to use these Group 3 parcels for traditional cultural activities.

**Alternative D.** There are no existing cultural activities supported on Group 1 lands. All the key parcels and related cultural facilities described earlier are in Groups 2 and 3 and would not be conveyed into trust. Not conveying Group 2 and 3 lands into trust would have a direct adverse effect to the Nation and on their culture if their use and enjoyment of the lands used for cultural activities were prevented.

**Alternative E.** Only a single Nation tax lot parcel (Parcels 10 and 109) would be conveyed into trust. There are no cultural activities supported on this parcel. The same potential effects to the Nation described under Alternative D would apply here.

**Alternative F.** Lands comprising all of Group 1, and the majority of Group 2 would be conveyed into trust along with some Group 3 lands. The Group 2 lands comprising this alternative would include the most significant cultural parcels such as festival sites, the Shako: wi Cultural Center and the Ray Elm Children & Elders Center. The same Group 3 parcels discussed under Alternative C used for growing native crops following traditional husbandry techniques would not be included in this alternative. Although not conveying these Group 3 parcels into trust is a potential effect as they contain cultural sites and agricultural lands, the most important cultural facilities and lands used for cultural activities are in Group 2. Unless foreclosed or alienated away under one of the scenarios, the Nation could continue to use these Group 3 parcels for traditional cultural activities.

**Alternative G.** None of the lands supporting cultural activities would be conveyed into trust. Absent of a secure land base, which is comprised of all three Groupings within their reservation and aboriginal homeland, the spiritual and cultural connection of the Oneida to their land would be broken. The Nation specifically purchased these lands because they were within their homeland where they wish to rebuild and preserve their traditional culture. A tribe's aboriginal territory has cultural and religious significance that transcends the physical nature and use of the property.

The four taxation/jurisdiction scenarios under No Action are defined in Section 2.0 and 4.1. Under the **Casino Closes and All Enterprises Close** No Action scenario, the Nation would lose its most significant source of revenue, which would have a profound effect to its ability to assert sovereign control and manage lands containing and supporting cultural activities. Further, the Nation could risk losing lands containing facilities such as the Ray Elm Children & Elders Center through foreclosure or alienation. Once out of the Nations' control, these lands could be affected or developed by others. Unless facilities like the Ray Elm Children & Elders Center or Shako: wi Cultural Center could be reused for other purposes, they would likely deteriorate and become a burden to the local municipality. Loss of these lands would have a significant adverse effect to the Nation.

Under the other three taxation/jurisdiction scenarios, the following effects could occur:

**Property Taxes Paid:** The Nation would still own the lands used for cultural and lifestyle activities, although not under sovereign control. The Nation would submit to regulation of its lands and perhaps some of the activities occurring there, which would be conducted following applicable New York State laws as well as county and town codes and ordinances.

**Property Taxes Not Paid and Foreclosure:** This scenario is the same as **Property Taxes Paid** but with the risk that lands used for cultural and lifestyle activities by Nation members could be foreclosed or alienated away from the Nation. Loss of these lands would have a significant adverse effect to the Nation and its culture.

**Property Taxes Not Paid - Dispute Continues:** The Nation would still own the lands used for cultural and lifestyle activities and assert sovereign control over them. The Nation would continue to enforce its ordinances and manage lands as it has in the past. The jurisdiction over uses and activities conducted on the lands would remain in dispute.

It is important to remember that the latter three taxation/jurisdiction scenarios described above apply not to just the No Action Alternative but to the lands omitted from trust in Alternatives B through F.

**Summary of Direct Effects**

There are no direct adverse effects to lands or associated resources and facilities from the Proposed Action (Alternative A). Further, although there are numerous adverse indirect effects (discussed below) associated with the trust alternatives (Alternatives B through F) including No Action (Alternative G), there do not appear to be any direct effects to the lands or associated resources and facilities. The various trust action alternatives (A through F), involve different Groupings and Nation parcels. As a result, different Nation resources and facilities used for cultural activities would be associated with each alternative.

Alternatives providing greater trust protection and sovereign control over lands used for cultural and lifestyle activities would have a greater direct beneficial effect to the Nation than those affording less protection and less control. These alternatives could be viewed as best fulfilling the Nation's purpose and need for placing lands into trust with the BIA Federal Government. In this regard, Alternative A (which includes Group 3 lands and cultural activities supported there) would accommodate the land base area most important to the Nation. Alternative B could potentially accommodate the most cultural activities for Nation members. However, since these lands and activities they could support are unknown at this time, the differences between Alternatives A and B may be immaterial from the Nation's cultural and lifestyle practices standpoint. Alternatives C and F are identical, as they involve conveying into trust the same lands and cultural activities supported. Both Alternatives C and F exclude the same three parcels (133, 211 and 310) within the claim area and both, therefore, have the same effect to the Nation. Alternatives D and E are identical as they exclude the key lands in Groups 2 and 3 and the respective cultural activities supported there. Both alternatives therefore have the same effect to the Nation. Alternative G conveys no lands into trust and would have the most significant adverse effect to the Nation.

Finally, as discussed in Section 4.1, there are scaling effects associated with potential effects under the three taxation and jurisdiction scenarios (the scenarios). These scenarios only apply under alternatives where all or some variable portion of Nation lands are not conveyed into trust (C through G).

#### **4.7.7.2 Indirect Effects**

Alternatives and their associated taxation and jurisdiction scenarios resulting in the potential foreclosure or alienation of lands (C through G) containing facilities used for cultural and lifestyle activities such as the Ray Elm Children & Elders Center and the Shako: wi Cultural Center could indirectly affect these facilities through lack of proper operation and maintenance. Unless these facilities could be reused for other purposes, they would likely deteriorate and become a burden to the local municipality. Similarly, lands supporting traditional crops and husbandry techniques could revert to vegetative cover other than these indigenous varieties.

The Oneida have a tradition and philosophy of planning and building for the seventh generation. Placing the lands into trust ensures that future generations of Nation members have access to the wealth and knowledge of their history and culture. In addition, cultural programs, departments and facilities developed by the Nation have benefited not only Nation members but other New York State tribes, as well as those located elsewhere, that share a common Iroquois cultural background. Loss of these could represent an indirect effect to future generations of Nation members and their ability to express their cultural lifeways and values.

Potential adverse indirect effects to lifestyle and cultural values among the alternatives reflect a gradation in the intensity of effects depending upon whether lands are conveyed into trust or not and what cultural activities these lands support. For the lands conveyed into trust, differences among alternatives relate also to the associated cultural assets of the parcels involved or the services supported. Alternatives which support the above (Alternatives A, B, C and F) have a greater beneficial indirect effect to the preservation of traditional cultural lifeways and values than those alternatives (D, E and G) that do not.

#### **4.7.7.3 Cumulative Effects**

As defined in Section 4.1 Introduction, cumulative effects include effects beyond those solely attributable to the implementation of the Proposed Action or alternatives which result from the incremental effect of the action when added together with other past, present and reasonably foreseeable future actions.

#### ***Perspectives on Potential Cumulative Effects on Lifestyle & Cultural Values***

For more than 15 years, the Nation made substantial progress in its efforts to reclaim and preserve its culture, lifestyle and history for current and future generations. Absent of

these efforts, the Nation was at risk of losing forever the very heart of what makes the Oneida a distinct Native American Indian tribe and community within New York State.

Past actions by others which have adversely affected Oneida lifestyle and culture in New York State can be traced back generations. With the mostly illegal alienation of their lands, generations of Oneida have suffered socially, culturally, educationally and economically. From an aboriginal homeland of some six million acres, the Oneida were left with but a mere 32 acres in 1919 and almost no economic means to sustain themselves as a community. Until the resurgence of the Nation and the prosperity created by the operation of economic enterprises on their lands, the Oneida were on the brink of termination as a community and sovereign government and their identity disappearing. At risk were the very cultural, lifestyle, religious, and ceremonial practices that make the Oneida a distinct Native American people. This adverse trend, if allowed to continue, could have resulted in the collapse of the Oneida culture in New York State.

The lands proposed for conveyance into trust support the economic, social, cultural and governmental needs of the Nation. Not all the lands have specific cultural purposes or uses at the present time. The totality of the land base, however, makes the Nation what it is and enables the Oneida to function as a community now and into the future.

As there are no reasonably foreseeable actions to Nation lands and their associated uses that support lifestyle and cultural values within the timeframe for the Proposed Action or alternatives, a cumulative effects analysis for this resource category may be speculative. However, as with historic and archaeological resources, there are some factors worth considering regarding the lands supporting cultural activities and the resources contained there. First, whether the cultural uses (and secondarily the culture) may be especially vulnerable to incremental effects under any of the alternatives and second, whether these effects have been historically significant.

Essentially, therefore, there are two broad action categories of potential cumulative effects to lifestyle and cultural values:

- The Cumulative Effects Environment With Nation Lands in Trust
- The Cumulative Effects Environment Without Nation Lands in Trust

The former action category results in tribal sovereignty and restriction from alienation of the lands sustaining their cultural uses and associated resources while the latter does not.

Past historical actions adversely affecting Oneida lifestyle and cultural values include the alienation of their reservation and aboriginal homeland, the loss and destruction of cultural assets contained there, and the resulting effects to their community. Absent of a secure land base to practice traditional lifeways, these past actions have affected their

culture and still have residual present day effects within their community. Such effects impact not only the present generations but future generations as well. These effects have the potential for occurring again without a secure land base to preserve them from future alienation.

A similar scaling effect can be stated for potential cumulative effects as for direct and indirect effects; those trust action alternatives acquiring fewer Nation lands supporting cultural practices not afforded protection from foreclosure or alienation could have a greater effect to the Nation than those alternatives securing and supporting more traditional lifeways.

#### **4.7.8 Community Infrastructure**

##### ***Significance Criteria***

For the purpose of defining whether the Proposed Action or any of the alternatives, including the No Action Alternative, result in a potentially significant adverse effect to community infrastructure, several criteria are considered. Potentially significant adverse effects may occur if the action is likely to directly, indirectly, or cumulatively:

- Result in substantial adverse physical effects associated with the provision of new or physically altered community facilities; or
- Create an increased need or demand on community facilities resulting in construction which could result in other environmental effects;
- Reduce or significantly degrade acceptable public service ratios, response times or other community service objectives within the towns or Counties containing Nation-owned lands. Public services in this regard include: Police Protection, Fire Protection, Schools and Medical-Adult Care-Emergency Facilities.

##### **4.7.8.1 Direct Effects**

Implementation of the Proposed Action or any of the trust alternatives would not result in physical changes to community facilities, provide new community facilities, create an increased need or demand for community facilities, or degrade public service ratios or response times for any public services on Nation lands, on adjacent non-Nation lands or on any lands within the towns or counties in the Study Area.

The proposed federal action does not involve construction or alteration of the physical environment. Neither the Proposed Action (Alternative A) nor any of the alternatives (B, C, D, E, F, and G) described in Section 2.0 Alternatives would require new facilities or activities by the Nation that would place a demand on public schools and other community infrastructure in the Study Area.

The State of New York and local municipal jurisdictions have asserted that any significant loss of jurisdiction over the regulation and control of community infrastructure on or

adjacent to lands conveyed into trust would have an impact on the people residing within the Study Area. This concern would presumably apply to all alternatives where lands are conveyed into trust.

**Alternatives A, B, C, D and F**

Under these Alternatives, it is anticipated that the Nation would continue to implement its housing program. There are 66 members on the waiting list. This is maximum number of new housing the units the Nation has projected. The housing program is ongoing and not part of the proposed trust action. Some or all of the housing may be built in the reasonably foreseeable future. As discussed in Section 4.7.2, the 66 new households may accommodate 224 residents and 36 school aged children. Some of the new occupants of the proposed housing may come from the two-county area, thus not creating an increase in overall population. Given that 64 percent on the waiting list live locally, it is assumed that 24 homes would be constructed for those living outside the area. These 24 new homes would add 82 Nation Members to the area, of which 14 would be school-age children that would be from Oneida households who have relocated to the Nation lands. The impact on local schools and community infrastructure from the addition of 14 new school-age children and 82 total Nation members to the Madison-Oneida County area, and 24 new homes is not anticipated to be significant, as the impact would be dispersed over a wide geographic area. As reported in Section 4.7.2, it is anticipated that the increase in school-age children and population would most affect the City of Oneida, Town of Verona, and Town of Stockbridge.

This additional housing and population in the reasonably foreseeable future is not anticipated to have an impact on health care facilities, as the Nation provides care for its members. The Nation has its own police force and would increase its force and patrol accordingly to service the new member housing. Agreements with fire districts would compensate them for the addition of these new homes.

Effects under Alternative B could be greater compared to Alternative A if additional Nation members move to the area. In the long-term, additional Nation members who migrate to the area could add to the number of residents and school-age children residing in the Study Area. However, it is not feasible to predict the number and residence of these additional members who could potentially relocate on additional lands that would be reacquired under this alternative.

**Alternatives E and G**

Under Alternatives E and G, **Property Taxes Paid** and **Property Taxes Not Paid-Dispute Continues** scenarios, the Nation would retain title to the lands and continue to implement its housing program and could accommodate the projected maximum number of Nation housing units. This would likely have the same effect as above.

Under the **Property Taxes Not Paid - Foreclosure** and the **No Action Casino Closes and All Enterprises Close** scenarios, the Nation would not retain title to the lands and would not construct the housing. Therefore, there would be no increase in the number of Nation members or their school-age children. As a result, it is not anticipated that there would be an adverse impact on community infrastructure.

#### 4.7.8.2 Indirect Effects

Implementation of the Proposed Action or any of the alternatives, including the No Action Alternative, would not result in any activity that would indirectly result in physical effects to community facilities, or reduced levels of services for public services on Nation lands, on adjacent non-Nation lands, or on any lands within the Towns or Counties in the Study Area as defined in Section 3.7.12 Affected Environment. It is anticipated that implementation of the Proposed Action and Alternatives A through F would result in an increased need for or demand on community facilities, however, as a result of growth in visitation to the Turning Stone Resort & Casino and associated increase in employment facilities or uses established in the reasonably foreseeable future following implementation of any one of those alternatives.

A potential indirect effect of the Proposed Action or any of the trust alternatives on community infrastructure would be caused by the change in tax base for the municipalities and the resulting change in revenues available to in the municipalities to support community facilities; Section 3.7 Socioeconomics discusses the current socioeconomic conditions. Section 4.7.5 Fiscal Effects discusses the fiscal associated consequences of the Proposed Action and any of the alternatives. For alternatives where some or all Nation lands are not conveyed into trust (Alternatives C, D, E, F and G) under the **Property Taxes Paid** taxation/jurisdictional scenario, the municipalities would receive some revenue from properties not conveyed into trust. For these alternatives under the **Property Taxes Not Paid - Foreclosure** or the **Property Taxes Not Paid – Dispute Continues** scenarios, the municipalities would not receive revenue from the Nation for properties not conveyed into trust. In the past, however, the Nation has provided funds to compensate the municipalities for community infrastructure services provided by the municipalities. Section 3.7 describes programs and payments through which the Nation provides funds to the municipalities for services. Under the **Property Taxes Not Paid - Foreclosure** scenario, however, the Nation’s lands would be subject to foreclosure or alienation, in which case ownership would transfer to another party who would become responsible for paying taxes that would contribute revenue to the municipalities.

Under the No Action Alternative, an indirect effect to community infrastructure available to the Nation may be result from a lack of funds for the Education Resource Center. Without revenues from the casino, this center may not have the funds necessary to continue operating and providing services to Nations members, or it may be forced to



reduce the services it provides. This facility is located on the current Nation reservation and would remain under Nation ownership.

**Alternatives A, B, C, and F**

As reported in Section 4.7.2 Demographic Effects, it is anticipated that the growth of visitation to the Turning Stone Resort & Casino and associated employment by the Nation may result in 229 people migrating to Oneida County and 101 people migrating to Madison County from outside the area. As a result, it is expected that the number of school-aged children would increase by 26 children in Madison County and by 60 in Oneida County. This represents less than a five percent increase in the number of existing school-age children. Specifically, the number of school-aged children would increase by 39 children in the municipalities where the Nation owns land. In Madison County, the majority of new school-age children would be in the City of Oneida and the Canastota/Lenox/Lincoln area. In Oneida County, the number of new-school age children is likely to be evenly distributed among Verona, Vernon and Sherrill.

**Alternative D**

With a loss of jobs in comparison to Alternatives A through C, there would be a net out-migration of 9 people. As an indirect consequence of under this alternative, 46 people would migrate out of Oneida County and 3 would migrate out of Madison County. The number of school-age children would decrease by 2 in Oneida County and by 1 in Madison County.

**Alternative E**

As a consequence of Under Alternative E, many of the Nation's business operations would cease to exist; these business operations represent 671 jobs. As discussed in Section 4.7.2 Demographic Effects, it is estimated that approximately 50 school-aged children would leave the area, as their families leave due to job loss.

**Alternative G**

The Turning Stone Resort & Casino would cease operation as a result of under this alternative; with the exception of a few jobs at the remaining SavOn gas station and convenience store locations and some Nation government offices, all Nation employees would be laid off. This represents a loss of 4,556 jobs. As discussed in Section 4.7.2 Demographic Effects, it is estimated that 1,293 people would leave the area, including 336 school age children.

**4.7.8.3 Cumulative Effects**

Past actions by the Nation that affecting community infrastructure related primarily to operation of the Turning Stone Resort & Casino, which increased the demand for community infrastructure services. Nation members have contributed to the demand on community services such as public schools, healthcare, police law enforcement, fire

protection, and emergency services. In the past, the Nation has supported the expansion of these services over time by providing funding to the local municipalities in a variety of ways, as described in Section 3.7 Socioeconomics.

Present actions by the Nation are similar to those in the past. The Nation continues to send most member children to local public schools for their education, utilize existing healthcare facilities, cooperate with local police departments regarding law enforcement, and rely on municipalities for emergency response and fire protection. While Nation members contribute to the demand for these community services, the Nation continues to financially support many of the services providers as described in Section 3.7 Socioeconomics.

The Nation's plans for the next five years (the reasonably foreseeable future), described in Section 2.0, include some limited development ongoing and selected construction projects, some of which may be associated with increased demand on community infrastructure. The facilities that are included in ongoing programs and plans of the Nation involve Nation lands located in each of the three Groupings. As such, the extent of the activities and effects differ depending on the land that would be conveyed into trust under each alternative. Following is a discussion of the potential effects from current and reasonably foreseeable future actions by the Nation. These include:

Turning Stone Resort & Casino – Over the next five years additional facilities or improvements to the Turning Stone Resort & Casino would include an indoor/outdoor swimming pool, a new poker room reconfigured on the existing gaming floor, a potential 15 – 18,000 square-foot night club, and completion of the new spa, currently under construction. The expansion of this facility would be likely result in an increase in demand for community services such as fire protection, police protection, and emergency medical services.

Nation member housing – The existing member residences located throughout the 17,370 acres (Group 1, 2, and 3 lands) would continue to be maintained. There are 66 members on the waiting list for future residences; these individuals would be accommodated over the next five years, either with existing homes that become available or with new homes. This increase in member housing would be related to incremental growth of the Nation member community and would likely result in increased demand for community services including fire protection, police protection, emergency medical services, public schooling, and healthcare facilities.

**Alternatives A, B, C, D and F**

As reported in Section 4.7.2, under these alternatives, it is anticipated that the Nation would continue to implement its housing program. There are 66 members on the waiting list. This is maximum number of new housing the units the Nation has projected. The

housing program is ongoing and not part of the proposed trust action. Some or all of the housing may be built in the reasonably foreseeable future. As discussed in Section 4.7.2, the 66 new households may accommodate 224 residents and 36 school aged children. Some of the new occupants of the proposed housing may come from the two-county area, thus not creating an increase in overall population. Given that 64 percent on the waiting list live locally, it is assumed that 24 homes would be constructed for those living outside the area. These 24 new homes would add 82 Nation Members to the area, of which 14 would be school-age children that would be from Oneida households who have relocated to the Nation lands. The impact on local schools and community infrastructure from the addition of 14 new school-age children and 82 total Nation members to the Madison-Oneida County area, and 24 new homes is not anticipated to be significant, as the impact would be dispersed over a wide geographic area. As reported in Section 4.7.2, it is anticipated that the increase in school-age children and population would most affect the City of Oneida, Town of Verona, and Town of Stockbridge.

Impacts under Alternative B could be greater compared to Alternative A if additional Nation members move to the area. In the long-term, additional Nation members who migrate to the area could add to the number of residents and school-age children residing in the Study Area. However, it is not feasible to predict the number and residence of these additional members who could potentially relocate on additional lands that would be reacquired under this alternative.

Combined with the anticipated population associated with increased employment, as discussed in above in Section 4.7.8.2, a total of 331 new residents, including 86 school-age children, are anticipated in the two-county area. This amounts to a 0.1 percent increase in the two-county population in 2003 and a five percent increase in the combined number of school-age children in Madison and Oneida Counties.

The effect to local schools and community infrastructure from the relatively small addition of new school-age children, new Nation members to the Madison-Oneida County area, new homes, and additional residents is not anticipated to be significant, as the overall magnitude is small and the effect would be dispersed over a wide geographic area.

This additional housing and population growth in the reasonably foreseeable future, combined with the indirect effect from growth in visitation and employment at the Turning Stone Resort & Casino, is not anticipated to have an adverse cumulative effect to health care facilities, as the Nation provides care for its members. The Nation has its own police force and would increase its force and patrol accordingly to service the new member housing. Agreements with fire districts could compensate them for the addition of these new homes.

**Alternatives E and G**

Under Alternatives E and G, **Property Taxes Paid** and **Property Taxes Not Paid - Dispute Continues** scenarios, the Nation would retain title to the lands and continue to implement its housing program and could accommodate the projected maximum number of Nation housing units. This would likely have the same effect as above.

Under the **Property Taxes Not Paid-Foreclosure** and the **No Action Casino Closes and All Enterprises Close** scenarios, the Nation would not retain title to the lands and would not construct the housing. Therefore, there would be no increase in the number of Nation members or their school-age children. As a result, it is not anticipated that there would be an adverse impact on community infrastructure.

Under Alternative E there could be a one percent decrease in school-age children. Under the No Action Alternative, it is anticipated that there could be an 11 percent decrease in the number of school-age children in the two-county area. As a result, it is not anticipated that there would be a cumulative effect to community infrastructure under these alternatives.

The potential cumulative effect to each type of community infrastructure is described below:

**Public Schools** –As described above, the incremental growth of the Nation member community and migration from growth in Nation employment is likely to increase demand for public schooling. The amount of growth, however, would be likely to relatively small compared to the current number of students attending local public schools and, therefore, the effect is anticipated likely to be less than significant. In the past year, the Nation has enrolled 21 students in an outside preparatory school (Manlius Pebble Hill - MPH) ranging in grade from kindergarten to twelfth grade. Enrollment of qualified students in MPH would continue in the future.

**Healthcare Facilities and Emergency Medical Services** – The Nation’s and others demand for these healthcare and emergency medical services would also increase with incremental growth in the community and potentially more visitors to the Turning Stone Resort & Casino. The anticipated growth, however, would not likely increase the demand enough to result in construction of new facilities. It would also not likely result in physical alternations to existing facilities. The increased demand would not likely be large enough to affect current response times. Therefore, the effect to these community services is likely to be less than significant.

**Police** – The Nation would continue to employ officers in its own Police Department, which has a history of cooperation with Oneida and Madison County’s law enforcement personnel. As described in Section 3.7.12.2, Nation and local law enforcement personnel

frequently cooperate in criminal investigations and local police departments typically help Nation officers manage large crowds at events at the Event Center. The demand for these services might increase with the continued development of the Turning Stone Resort & Casino, including the addition of an 8 to 15 thousand square-foot new night club. The State of New York would continue to have jurisdiction over offenses committed on the Nation's lands. 25 USCA § 232. New York State criminal law, therefore, would apply to all Nation lands that were placed into trust. The Nation would also continue to fund the New York State police officers who conduct background checks on Nation employees and vendors and enforce New York State law within gaming areas in the Turning Stone Resort & Casino. While demand for police services may increase based on the Nation's plans, the increase is not likely to be significant compared to the current level of service. Response times are not likely to be affected and therefore the effect would be less than significant.

**Fire** – The Nation has a service agreement for fire protection at the Turning Stone Resort & Casino, as well as all other Nation-owned properties within the Town of Verona. Despite a statement by the Verona Fire Department (VFD) that the fees that the Nation pays for fire protection are inadequate, the VFD and surrounding fire departments have worked with the Nation to create a program that would effectively protect Turning Stone's patrons. This program, called the Mutual Aid Plan involves fire departments from multiple municipalities in the area in the case that VFD equipment and personnel are inadequate. As a part of this program, the Nation conducts and funds a series of training programs for the fire chiefs and deputy fire chiefs of participating departments. The Mutual Aid Plan program would continue to be supported by the Nation.

Fire protection for Nation lands not located at the Turning Stone Resort & Casino complex is provided by the local municipalities. The service agreement between the Nation and the Town of Verona encompasses both the Turning Stone Resort & Casino and any other Nation properties in the Verona Fire District. In other municipalities, Federal law requires the municipalities to respond to incidents in their fire districts; while service agreements are not currently in place, the Nation is amenable to such agreements and anticipates entering into agreements with other municipalities.

The Nation is in the process of hiring its own fire marshal that would work in conjunction with the Nation's paid fire consultant and train Turning Stone employees to be first responders. While the Nation's plans for the foreseeable future to create and maintain a destination resort may increase the need for fire protection, the Nation's efforts to train additional staff to respond may help alleviate the increased demand by maintaining acceptable public service ratios and response times. The effects of the Nations plans on fire protection are likely to be less than significant.