



ECONOMIC AND FISCAL IMPACT ANALYSIS

SARATOGA VISITOR DESTINATIONS

January 2023

PREPARED FOR:



Saratoga County Industrial
Development Agency
50 West High Street
Ballston Spa, NY 12020



ABOUT CAMOIN ASSOCIATES

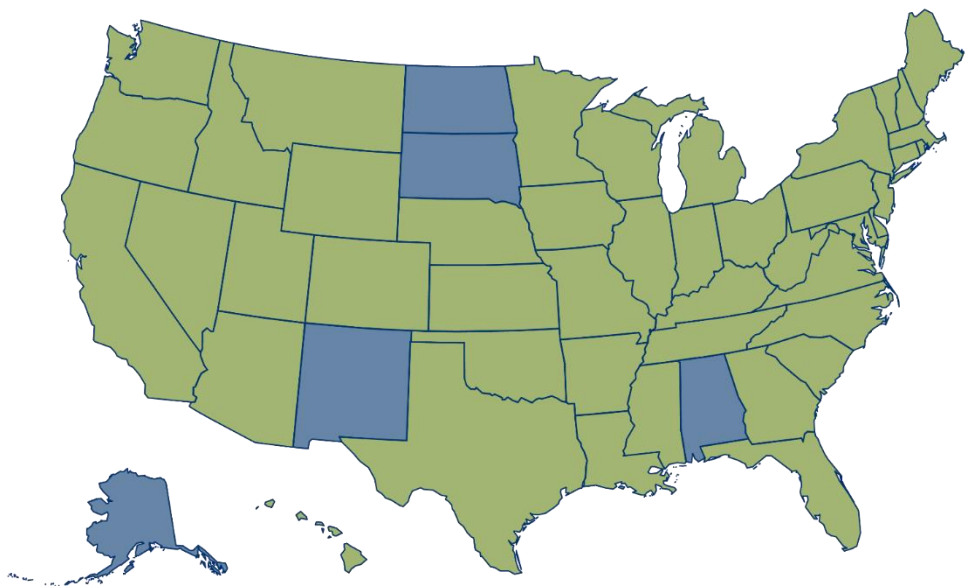
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A Message from the Chairman

The Saratoga County Industrial Development Agency commissioned this economic impact study to analyze the far-reaching effects of Saratoga County's major tourism drivers – Saratoga Race Course, Saratoga Performing Arts Center (SPAC), Saratoga Casino Hotel, and the Saratoga National Historical Park.

This study updates the economic data generated from prior studies reports in 2006, 2011 and 2015, which looked solely at the economic impact of Saratoga Race Course, and adds SPAC, the Casino, and the Battlefield. Recognizing their significant contributions to Saratoga County's economy, the IDA Board was supportive to include these cultural and heritage tourism institutions in this analysis.

The study provides a comparative breakdown of economic impacts such as jobs, attendance, and spending. It will assist elected officials, business and non-profit leaders, and the public in understanding the tremendous economic significance of these important attractions that generate thousands of jobs and millions of dollars in revenue throughout Saratoga County.

The results of the Economic Analysis of these tourism sectors provide a positive forecast that indicates Saratoga County will continue to grow and thrive as one of Upstate New York's most desirable counties in which to live, visit, and do business for the foreseeable future. Thank you to all who participated in this effort, and we look forward to continued growth and prosperity for our business and residents.

Rod Sutton, Chairman
Saratoga County Industrial Development Agency



Special thanks to the Saratoga County Industrial Development Agency board members for their participation in and support of this study:

Phillip Klein, Vice Chairman
Michael Mooney, Treasurer
Tom L. Lewis, Secretary
Erinn Kolligian
Yvonne Manso
Kevin Tollisen

WELCOME!



Cumulative Economic Impact of Saratoga's Visitor Destinations (2021)

Saratoga County's numerous attractions draw thousands of visitors to the region each year. Economic activity generated by these destinations support a strong tourism industry, the impacts of which are felt throughout New York's Capital Region. Collectively, Saratoga Race Course, Saratoga Performing Arts Center (SPAC), Saratoga Casino Hotel, and Saratoga National Historic Park help to drive the tourism to the Capital Region, generating significant economic benefits from the on-site operations of these destinations in addition to new visitor spending.



Total Economic Impact - Capital Region

5,770

Jobs

\$266,904,691

Employee Earnings

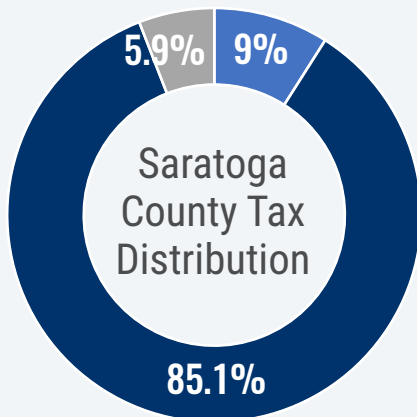
\$647,583,243

Sales

TOTAL ANNUAL TAX REVENUE GENERATED

Saratoga County
\$5,702,765

New York State
\$18,247,024

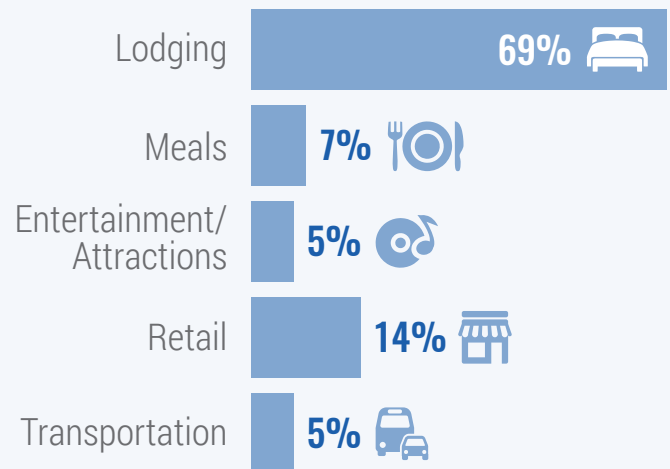


- Sales Tax Revenue
- Property Tax Revenue
- Occupancy Tax Revenue

TOTAL NEW VISITOR SPENDING (2021):

\$209 million

Visitor Spending Distribution



*Lodging is excluded for non-overnight visitors.



Economic Impact of Saratoga Race Course (2021)

Opened in 1863, Saratoga Race Course is one of the oldest horse racing tracks in the US. The annual meet runs from mid-July through early September and attracts over a million visitors each year. Saratoga hosts the Travers Stakes, the oldest major thoroughbred horse race in the US. The main race course features the 9-furlong main dirt track, the 8-furlong Mellon Turf Course, and a 7-furlong inner turf track. The Saratoga Race Course is also home to the Oklahoma Training Track.

Saratoga Race Course's on-site operations, participants, and new visitor spending generate economic benefits for the Capital Region.



Total Visitors (2021):

1.05 million



Total Economic Impact - Capital Region

2,937

Jobs

\$157,857,604

Employee Earnings

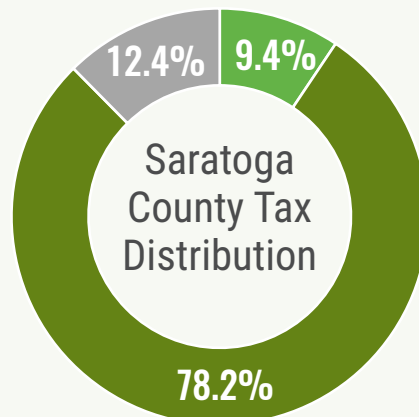
\$371,067,040

Sales

TOTAL ANNUAL TAX REVENUE GENERATED

Saratoga County
\$2,374,774

New York State
\$7,307,259



- Sales Tax Revenue
- Property Tax Revenue
- Occupancy Tax Revenue

In addition to generating new tax revenue, Saratoga Race Course made nearly \$6.9 million in additional statutory payments to municipalities and other entities.



Economic Impact of Saratoga Performing Arts Center (2021)

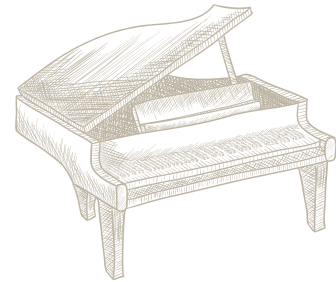
For more than 55 years, the Saratoga Performing Arts Center (SPAC), in the heart of Saratoga Spa State Park in Saratoga Springs, NY, has been the summer home to more than a thousand performances of best-in-class artists across all genres. SPAC draws vacation crowds and arts connoisseurs each year for immersive experiences of performances by resident companies of the New York City Ballet, The Philadelphia Orchestra, The Chamber Music Society of Lincoln Center, the Frehofer's Saratoga Jazz Festival, Opera Saratoga, and concerts by Live Nation. SPAC also hosts imaginative programming in the visual, literary, culinary, and healing arts.

SPAC's on-site operations and new visitor spending generate economic benefits for the Capital Region.



Total Visitors (2021):

475,000



Total Economic Impact - Capital Region

1,362

Jobs

\$26,969,585

Employee Earnings

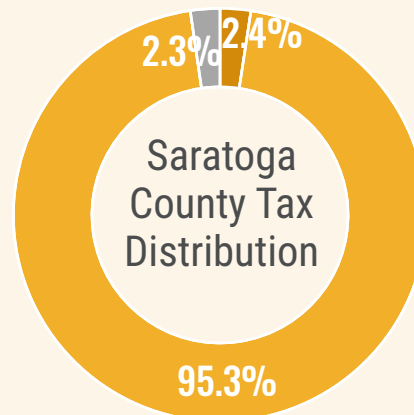
\$78,216,669

Sales

TOTAL ANNUAL TAX REVENUE GENERATED

Saratoga County
\$1,661,867

New York State
\$3,494,048



- Sales Tax Revenue
- Property Tax Revenue
- Occupancy Tax Revenue

Economic Impact of Saratoga Casino Hotel (2021)



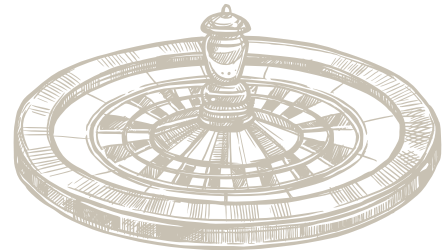
Located in historic Saratoga Springs, Saratoga Casino Hotel has over 1,200 slot machines, including electronic table games. Together with live harness racing and simulcast wagering, Saratoga Casino Hotel has live entertainment in Vapor Night Club, fine dining in Morton's: The Steakhouse, and a luxury hotel, making it one of the area's premier destinations.

Saratoga Casino Hotel's on-site operations, harness racing and new visitor spending generate economic benefits for the Capital Region.



Total Visitors (2021):

1.5 million



Total Economic Impact - Capital Region

1,388

Jobs

\$77,186,817

Employee Earnings

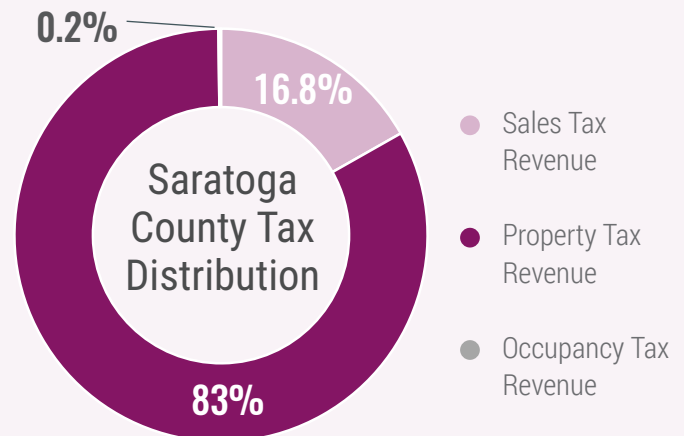
\$185,286,843

Sales

TOTAL ANNUAL TAX REVENUE GENERATED

Saratoga County
\$1,441,905

New York State
\$6,954,922



In addition to generating new tax revenue, in fiscal year 2021-2022 Saratoga Casino Hotel contributed over \$62.1 million to the education fund, with an additional over \$2.3 million in contributions to the City of Saratoga Springs and \$775,198 to Saratoga County.



Economic Impact of Saratoga National Historic Park (2021)

Saratoga National Historical Park (NHP) preserves, protects, and interprets the sites associated with the battles, siege, and surrender of the British forces at Saratoga during the American Revolution. The park encompasses five sites totaling 3,579 acres, and includes Saratoga Battlefield, Victory Woods, Sword Surrender site, General Philip Schuyler's house, and Saratoga Monument.

Saratoga NHP's on-site operations and new visitor spending generate economic benefits for the Capital Region.



Total Visitors (2021):

70,682



Total Economic Impact - Capital Region

83

Jobs

\$4,890,685

Employee Earnings

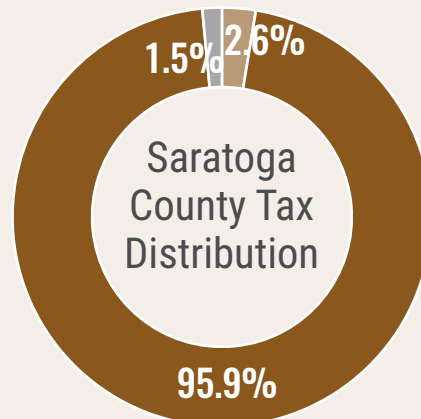
\$13,012,691

Sales

TOTAL ANNUAL TAX REVENUE GENERATED

Saratoga County
\$224,219

New York State
\$490,795



- Sales Tax Revenue
- Property Tax Revenue
- Occupancy Tax Revenue

EXECUTIVE SUMMARY

Saratoga County’s numerous attractions draw thousands of visitors to the region each year. Economic activity generated by these destinations support a strong tourism industry, the impacts of which are felt throughout New York’s Capital Region. To quantify the impact that Saratoga County’s attractions have on the region, the Saratoga County Industrial Development Agency (SCIDA) commissioned Camoin Associates to conduct an economic impact and fiscal benefit of four of the county’s main destinations on the Capital Region. Destinations studied in this analysis include:

- z Saratoga Race Course
- z Saratoga Performing Arts Center
- z Saratoga Casino Hotel
- z Saratoga National Historic Park

High-level findings from the analysis are summarized here, with additional details on the impacts included in each of the subsequent report sections.

ECONOMIC IMPACT RESULTS

In total, these destinations contributed 5,770 jobs, \$266.9 million associated employee earnings, and \$647.6 million in annual sales in 2021. This includes the direct impacts of each destination, as well as the indirect and induced spillover impacts.

Direct impacts include the on-site operations of these destinations, as well as visitor spending. Indirect and induced impacts capture the spillover impact from this activity, including supply chain and employee spending–related impacts.

Table 1

Total Economic Impact of Saratoga Visitor Destinations, 2021

	Jobs	Earnings	Sales
Saratoga Race Course	2,937	\$157,857,604	\$371,067,040
Saratoga Performing Arts Center	1,362	\$26,969,585	\$78,216,669
Saratoga Casino Hotel	1,388	\$77,186,817	\$185,286,843
Saratoga National Historic Park	83	\$4,890,685	\$13,012,691
Total	5,770	\$266,904,691	\$647,583,243

Source: Lightcast (formerly Emsi), Camoin Associates

5,770
total jobs

\$266.9m
employee
earnings

\$647.6m
annual sales

FISCAL IMPACT RESULTS

In total, these destinations contribute nearly \$5.7 million in total property, sales, and occupancy tax revenue to Saratoga County and almost \$18.2 million in total income and sales tax revenue to New York State. In addition to these tax revenues, the Saratoga Race Course makes nearly \$6.9 million in additional statutory payments to municipalities and other entities.

Table 2

Total Fiscal Impact of Saratoga Visitor Destinations, 2021

	Income Tax Revenue	Property Tax Revenue	Sales Tax Revenue	Occupancy Tax Revenue	Total
Saratoga County					
Saratoga Race Course	\$0	\$222,881	\$1,856,785	\$295,108	\$2,374,774
Saratoga Performing Arts Center	\$0	\$40,494	\$1,583,653	\$37,720	\$1,661,867
Saratoga Casino Hotel	\$0	\$242,797	\$1,196,825	\$2,283	\$1,441,905
Saratoga National Historic Park	\$0	\$5,834	\$214,955	\$3,430	\$224,219
Total	\$0	\$512,006	\$4,852,218	\$338,541	\$5,702,765
New York State					
Saratoga Race Course	\$2,908,034	\$0	\$4,399,226	\$0	\$7,307,259
Saratoga Performing Arts Center	\$1,833,715	\$0	\$1,660,333	\$0	\$3,494,048
Saratoga Casino Hotel	\$4,648,504	\$0	\$2,306,418	\$0	\$6,954,922
Saratoga National Historic Park	\$264,192	\$0	\$226,603	\$0	\$490,795
Total	\$9,654,445	\$0	\$8,592,580	\$0	\$18,247,024

Source: Camoin Associates

1 INTRODUCTION

Saratoga County’s numerous attractions draw thousands of visitors to the region each year. Economic activity generated by these destinations supports a strong tourism industry, the impacts of which are felt throughout New York’s Capital Region. To quantify the impact that Saratoga County’s attractions have on the region, the Saratoga County Industrial Development Agency (SCIDA) commissioned Camoin Associates to conduct an economic impact and fiscal benefit analysis of four of the county’s main destinations on the Capital Region. Destinations studied in this analysis include:

- z Saratoga Race Course
- z Saratoga Performing Arts Center
- z Saratoga Casino Hotel
- z Saratoga National Historic Park

1.1 METHODOLOGY

STUDY AREA

The impacts of these destinations extend beyond Saratoga County. To better understand the total impact of these destinations, the study examines the economic impacts to a nine-county study region that includes Albany, Columbia, Greene, Montgomery, Rensselaer, Saratoga, Schenectady, Warren, and Washington counties (the “Capital Region”).

DATA AND ASSUMPTIONS

Data and inputs used in this analysis were provided by the four destinations and are for 2021. In addition to calculating the impact of each destination individually, this analysis includes a section demonstrating the combined impact on the Capital Region of these four tourism attractions.

Visitors to the Saratoga Race Course are assumed to spend a full day in the Capital Region per visit while a visit to each of the other three destinations is assumed to result in a half day of spending in the region. Visitor spending assumptions are displayed in Table 3. This is based on an economic impact study of the Saratoga Race Course completed by Camoin Associates in 2015¹ (adjusted for inflation), in addition to a review of other similar studies.

Table 3

Visitor Spending - Per Person

	Full Day		Half Day	
	Overnight Visitors	Day Visitors	Overnight Visitors	Day Visitors
Lodging	\$276	\$0	\$138	\$0
Meals	\$29	\$29	\$14	\$14
Entertainment/Attractions	\$19	\$19	\$10	\$10
Retail	\$54	\$54	\$27	\$27
Transportation	\$19	\$19	\$10	\$10
Total	\$398	\$122	\$199	\$61

Source: Camoin Associates

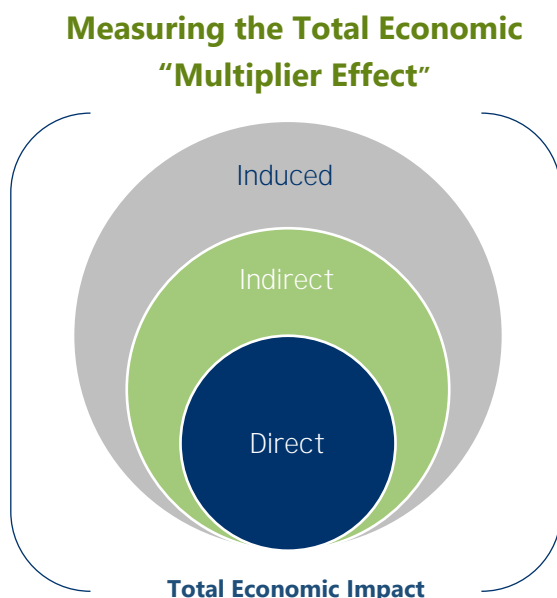
¹ The 2015 study also included a race course visitor survey, which was conducted in 2014. The 2015 study and 2014 survey are referenced throughout this report.

MODELING PROCESS

An economic impact analysis of four Saratoga County attractions was conducted to quantify their impact on the Capital Region economy. The economic impact includes not only the “direct” economic impacts, such as on-site jobs, but also the secondary economic impacts that are generated throughout the economy through the economic “multiplier” effect. The three specific types of impacts considered in the analysis include:

- Ø **Direct:** The most immediate impacts, which include the on-site jobs and local visitor spending on goods and services.
- Ø **Indirect:** Indirect effects occur at businesses within the region, that supply goods and services to the attractions and businesses visitors are purchasing from. In other words, for every dollar spent at a local supplier, a portion of that dollar will again be spent on goods and services at other businesses in the region. This is considered the indirect impact.
- Ø **Induced:** Another “multiplier” effect that occurs is when workers at both the attractions and indirectly impacted businesses spend a portion of their wages at businesses within the region for things such as retail goods and services. The portion of the spending by new businesses that are paid to workers and re-spent in the regional economy is considered the induced impact.

The sum of the direct, indirect, and induced impacts equals the total economic impact. The Lightcast input-output model is used to calculate the total economic impact, including the three different types of impacts.



Modeling Software

Lightcast (formerly Emsi) designed the input-output model used in this analysis. The Lightcast model allows the analyst to input the amount of new direct economic activity (spending, earnings, or jobs) occurring within the region and uses the direct inputs to estimate the spillover effects that the net new spending, earnings, or jobs have as these new dollars circulate throughout the economy. This is captured in the indirect and induced impacts and is commonly referred to as the “multiplier effect.” See Appendix A for more information on economic impact analysis.

What does “Net New” Mean?

When looking at the economic impacts of an industry, it’s important to look only at the economic changes that would not happen in the destinations’ absence. These effects are the “net new” effect: purchases made only as a result of the company or project in question.

Definition of a “Job”

A “job” is equal to one person employed for some amount of time (part-time, full-time, or temporary) during the study period.

2 SARATOGA RACE COURSE

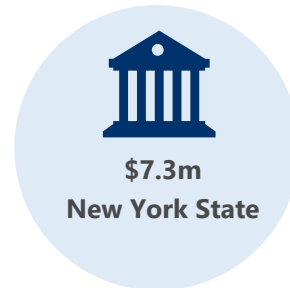
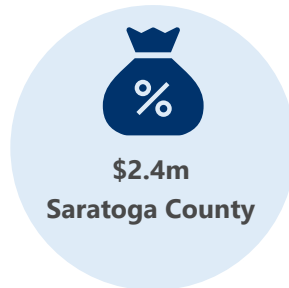
2.1 SUMMARY OF IMPACTS

The following graphic summarizes the total annual economic impact and fiscal benefit that the Saratoga Race Course contributes to the regional economy. This includes all direct, indirect, and induced impacts, which are discussed in more detail in the following sections.

Total Annual Economic Impact of Saratoga Race Course on the Capital Region



Total Annual Tax Revenue from Saratoga Race Course



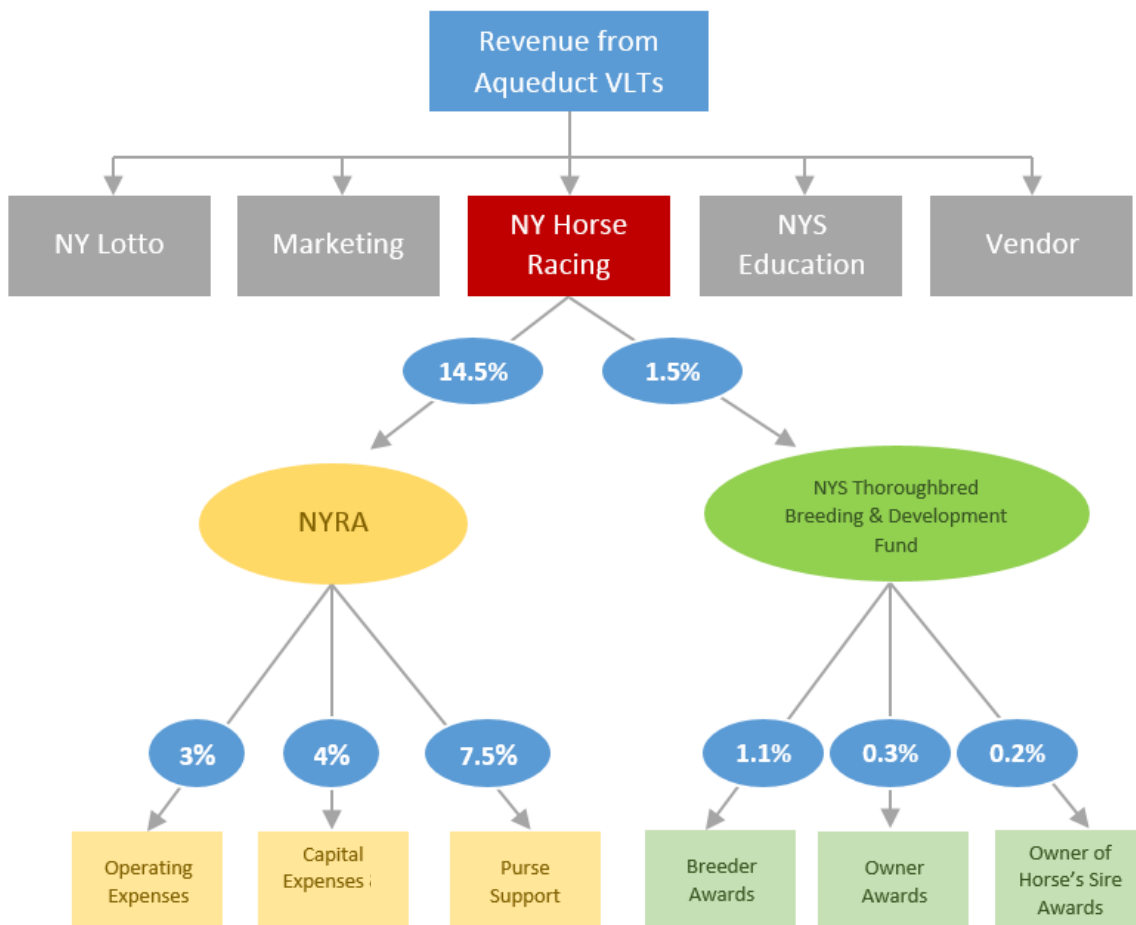
2.2 VIDEO LOTTERY TERMINALS AND THE IMPACT TO NEW YORK’S RACING, AGRICULTURE, AND TOURISM INDUSTRIES

This section discusses the economic impact of video lottery terminal (VLT) revenues on the racing, agriculture, and tourism industries in New York State and the Saratoga Region. The Resorts World Casino’s VLT facility opened in 2011 at the Aqueduct Racetrack in Queens. As part of New York State’s agreement with the casino operator, a substantial portion of VLT revenue goes directly to the State. The New York Racing Association (NYRA) made an arrangement with New York State to cede ownership of the Saratoga Race Course, Belmont Park, and Aqueduct properties to the State in exchange for a share of those VLT revenues.

New York State receives the largest portion of the VLT revenues from Aqueduct, with 44% of revenues allocated for state education. The vendor, Genting New York, receives 22% plus another 8% for marketing. The New York Lottery receives 10%. The horse racing industry receives the remaining 16%.

NYRA receives the greatest portion of the revenue allocated for the horse racing industry. The organization currently receives 7.5% of revenues for purse support (awards to race winners) along with an additional 3% for operating expenses, and 4% for capital expenses. Another 1.5% goes to the New York State Thoroughbred Breeding & Development Fund, which distributes awards to breeders and owners of New York–bred racehorses. Figure 1 shows how VLT revenues are distributed to the horse racing industry.

Figure 1



RACING INDUSTRY

Horse racing is a major industry in New York State and generates significant economic activity in other industrial sectors. According to a 2018 report,² horse racing contributed \$1.7 billion to gross state product and almost \$3.1 billion to output in New York State in 2016 and supported 19,700 jobs. By allocating a percentage of VLT revenues to horse racing, New York State has helped protect and grow this economic benefit.

VLT revenues support larger purses for thoroughbred races in New York State. Larger purses are the driver of the racing industry by attracting more and higher-caliber competitors. These competitors are lured to New York State racetracks where the potential winnings are greater than other out-of-state tracks.

Higher purses have also been shown to increase the amount of wagering on races as the field size of races are larger and races are more competitive. This helps increase purses, which further attracts competitors and generates additional spending in the economy. A portion of the handle (amount wagered on racing) also makes its way back to New York State breeders through the awards described in the breeding industry impact section of this report.

Purses, handle, and attendance are typical indicators of the racing industry. These performance indicators are discussed in further detail below.

PURSES

As discussed previously, VLT revenues to purse supports have driven the racing industry’s comeback in New York State. NYRA’s purses grew from 10% of total U.S. purses in 2011 to 14% in 2013. Table 4 shows that they represented 15% of national purses in 2015 and 2016 and 14% in 2021. Both national and NYRA purses shrank from 2015 to 2017, then grew in 2018 and 2019. In 2020, the response to COVID caused a 26% decline in U.S. purses and a 37% decline in NYRA purses, although both recovered in 2021 with 36% and 60% increases, respectively.

Table 4

NYRA Purse Comparison, 2015–2021

(Nominal Dollars)

Year	U.S. Purses	NYRA Purses	NYRA Share
2015	\$1,093,670,369	\$165,146,000	15.1%
2016	\$1,083,695,594	\$163,687,000	15.1%
2017	\$1,079,738,209	\$159,771,000	14.8%
2018	\$1,117,743,340	\$161,487,000	14.4%
2019	\$1,167,920,667	\$165,039,000	14.1%
2020	\$869,771,206	\$104,072,000	12.0%
2021	\$1,180,855,677	\$166,020,000	14.1%

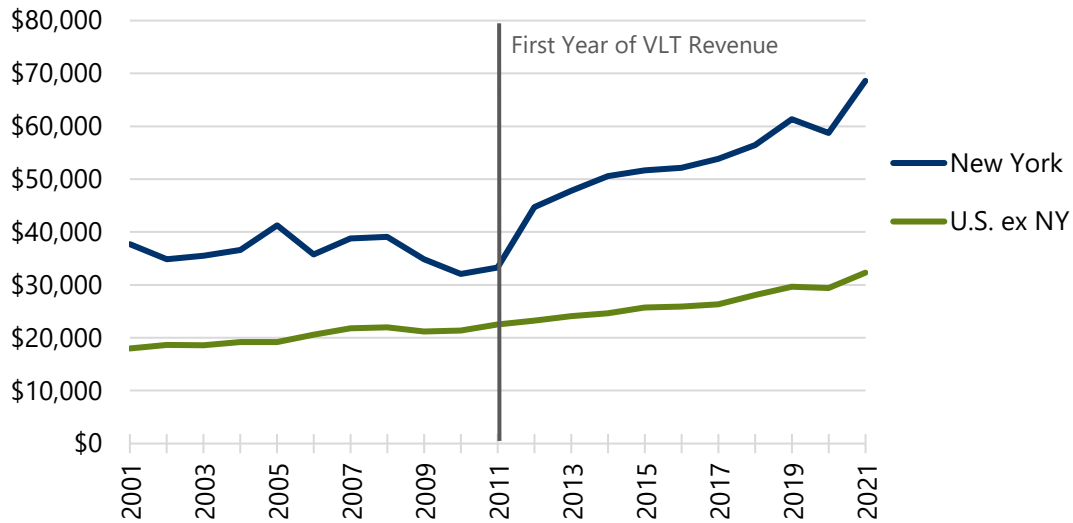
Source: The Jockey Club Fact Book and NYRA

In 2021, the average purse per race was about \$68,600 in New York State, compared with just \$32,300 in the rest of the country. Figure 2 shows that starting in 2011, the first year of new VLT revenues invested in New York horse racing, the average purse per race increased significantly in New York State, averaging 8% per year from 2011 to 2021. The average purse per race in the rest of the U.S. grew 4% annually over the same period.

² American Horse Council Foundation, 2018, *Economic Impact of the Horse Industry in New York*. Prepared by The Innovation Group.

Figure 2

Average Purse per Race: U.S. & New York State (Nominal \$)



Note: Amounts are not adjusted for inflation

Source: The Jockey Club

HANDLE

In New York State, thoroughbred races are run at four tracks while harness races are held at seven tracks across the state (see Table 5).

Table 5

Horse Racetracks in New York State

Thoroughbred	Harness
Aqueduct Racetrack	Batavia Downs
Belmont Park	Buffalo Raceway
Saratoga Race Course	Monticello Raceway
Finger Lakes Racetrack	Saratoga Raceway
	Tioga Downs
	Vernon Downs
	Yonkers Raceway

Source: New York State Gaming Commission

Visitors to these tracks can place bets on races occurring live. They can also place bets on races being held at other racetracks, including those around the country. These wagers are known as “simulcasts” referring to the simultaneous broadcasts of live races occurring off-site. Individuals can also visit Off-Track Betting Corporations (OTBs) in New York State and elsewhere to wager on horse races. Each of these revenue streams (“handles”) are considered below:

Live Handle: amount wagered by onsite visitors and on live races

Simulcast Import Handle: amount wagered on New York State racing simulcast at other New York State tracks

Simulcast Export Handle: amount wagered at a facility on races that are run at other tracks. For example, a simulcast import would occur when someone at the Saratoga races wagered on a race at Santa Anita. Tracks will typically provide people the opportunity to bet on races other than those occurring at the track at which they are located in between or after live racing.

NYS OTBs Handle: amount wagered on New York State racing at non-track offsite locations in New York State.

Out-of-State OTBs: amount wagered on New York State racing at out-of-state locations.

As shown in Table 6, the overall handle for horse racing (both thoroughbred and harness) in New York State was almost \$2.1 billion in 2020. The handle for thoroughbred racing was nearly \$1.9 billion, 10 times the \$186.0 million handle for harness racing. Out-of-State OTBs have the greatest handle at \$1.8 billion, representing 86% of the state total. In 2010, before VLT revenues became available, out-of-state OTBs represented 64% of the total.

Table 6

Handle on New York State Racing in 2020

Handle	Thoroughbred Racing	Harness Racing	Total
Live	\$152,154,269	\$3,771,595	\$155,925,864
Simulcast Imports (to NYS Tracks)	\$14,609,604	\$8,672,928	\$23,282,532
NYS OTBs	\$94,965,725	\$10,400,339	\$105,366,064
Out-of-State OTBs	\$1,607,402,392	\$163,130,407	\$1,770,532,799
Total Handle on NYS Racing	\$1,869,131,990	\$185,975,269	\$2,055,107,259

Source: New York State Gaming Commission annual report

Table 7 summarizes the trends in the handle at New York State racetracks. Between 2015 and 2020, the overall handle shrank by 41%, reflecting the impacts of the COVID-19 pandemic. However, from 2010 to 2015, the total handle grew by 55%. COVID’s effects were severe enough that the total handle in 2020 was below even the level in 2010, erasing the growth induced by VLT revenues.

Despite losses for the total handle, the simulcast import handle was 41% higher in 2020 than in 2010 due largely to 188% growth at thoroughbred tracks from 2010 to 2015.

Overall, the live handle was the weakest performer, growing only 10% overall from 2010 to 2015 but ending 2020 at half its size in 2010. The live handle performed better at thoroughbred tracks, increasing 16% from 2010 to 2015 versus a 31% decline at harness tracks, and shrinking 52% from 2015 to 2020 and 45% from 2010 to 2020 compared with losses of 85% and 90% over the same periods at harness tracks.

Table 7

Handle at New York State Racetracks, Selected Years

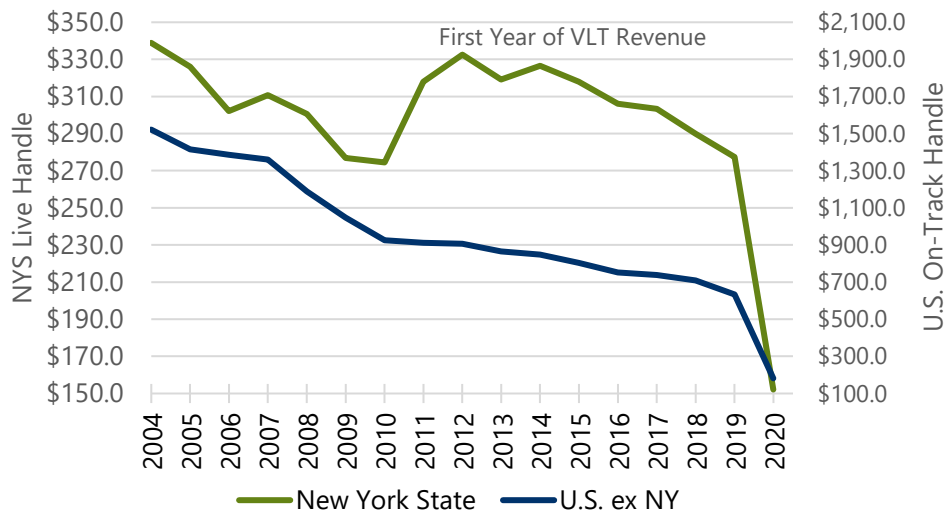
Handle	2010	2015	2020	2010–2015 Change	2015–2020 Change	2010–2020 Change
Handle at NYS Thoroughbred Tracks						
Simulcast Import Handle	\$141,280,362	\$406,892,651	\$310,718,906	188%	-24%	120%
Live Handle	\$274,503,300	\$317,913,845	\$152,154,269	16%	-52%	-45%
Total at NYS Thoroughbred Tracks	\$415,783,662	\$724,806,496	\$462,873,175	74%	-36%	11%
Handle at NYS Harness Tracks						
Simulcast Import Handle	\$116,378,499	\$133,849,698	\$53,582,346	15%	-60%	-54%
Live Handle	\$37,432,318	\$25,697,124	\$3,771,595	-31%	-85%	-90%
Total at NYS Harness Tracks	\$153,810,817	\$159,546,822	\$57,353,941	4%	-64%	-63%
Total Handle at NYS Racetracks						
Simulcast Import Handle	\$257,658,861	\$540,742,349	\$364,301,252	110%	-33%	41%
Live Handle	\$311,935,618	\$343,610,969	\$155,925,864	10%	-55%	-50%
Total at All NYS Racetracks	\$569,594,479	\$884,353,318	\$520,227,116	55%	-41%	-9%

Source: New York State Gaming Commission annual reports

The effect of VLT revenue becomes apparent when comparing New York State to the rest of the country (Figure 3). Live handle in New York State was following a similar trend to the rest of the country from 2004 to 2010. Then VLT revenues increased New York’s live handle in 2011 and 2012 before it began to decline again. Until COVID hit in 2020, live handle in New York was at a higher level than it would have been had it followed the pre-2011 trend. But although VLT revenue boosted the level of live handles in New York, it only temporarily interrupted their downward trend.

Figure 3

Live Handle: New York State and U.S.
(Millions of Nominal \$)



Source: The Jockey Club, New York State Gaming Commission

Table 8 provides a more detailed look at the handle performance at each of the thoroughbred tracks in New York State. While the total handle (simulcast and live) grew 74% from 2010 to 2015, it shrank by 36% from 2015 to 2020,

due to the effects of COVID. Because of that early growth, total handle at thoroughbred tracks was 11% higher in 2020 than in 2010.

Total handle fell at every track between 2015 and 2020, with declines ranging from 20% at Belmont Park (a loss of \$42.5 million) to 95% at Finger Lakes (-\$55.6 million). Despite these losses, total track handles in 2020 at Aqueduct and Belmont were 40% and 21% higher, respectively, than in 2010. Total handles at Saratoga and Finger Lakes were 10% and 87% lower, respectively, than in 2010. However, total handle at Saratoga Race Course more than doubled from 2020 to 2021, increasing by \$73.4 million, then grew by an additional 11% in 2022 to reach \$152.3 million.

Table 8

New York State Thoroughbred Racetrack Handle, Selected Years

Handle	2010	2015	2020	2010–2015 Change	2015–2020 Change	2010–2020 Change
Simulcast Import Handle						
Aqueduct Racetrack	\$59,443,914	\$223,469,592	\$136,490,922	276%	-39%	130%
Belmont Park	\$55,996,066	\$109,460,009	\$121,696,127	95%	11%	117%
Saratoga Race Course	\$12,155,398	\$20,772,448	\$49,652,944	71%	139%	308%
Finger Lakes Gaming and Racetrack	\$13,684,984	\$53,190,602	\$2,878,913	289%	-95%	-79%
Total Simulcast Handle	\$141,280,362	\$406,892,651	\$310,718,906	188%	-24%	120%
Live Handle						
Aqueduct Racetrack	\$65,770,119	\$72,410,660	\$38,997,702	10%	-46%	-41%
Belmont Park	\$85,164,690	\$103,449,740	\$48,732,065	21%	-53%	-43%
Saratoga Race Course	\$114,693,166	\$136,717,416	\$64,384,833	19%	-53%	-44%
Finger Lakes Gaming and Racetrack	\$8,875,325	\$5,336,029	\$39,669	-40%	-99%	-100%
Total Live Handle	\$274,503,300	\$317,913,845	\$152,154,269	16%	-52%	-45%
Total Facility Handle						
Aqueduct Racetrack	\$125,214,033	\$295,880,252	\$175,488,624	136%	-41%	40%
Belmont Park	\$141,160,756	\$212,909,749	\$170,428,192	51%	-20%	21%
Saratoga Race Course	\$126,848,564	\$157,489,864	\$114,037,777	24%	-28%	-10%
Finger Lakes Gaming and Racetrack	\$22,560,309	\$58,526,631	\$2,918,582	159%	-95%	-87%
Total Racetrack Handle	\$415,783,662	\$724,806,496	\$462,873,175	74%	-36%	11%

Source: New York State Gaming Commission annual reports

The live handle at all of New York's thoroughbred racetracks plummeted in 2020 due to the effects of COVID-19 restrictions. One-year declines ranged from about 40% at Belmont Park and Aqueduct to 99% at Finger Lakes. Saratoga lost over \$67 million in 2020, a decline of 51% from 2019. All four tracks also saw losses over the five-year period of 2015 to 2020.

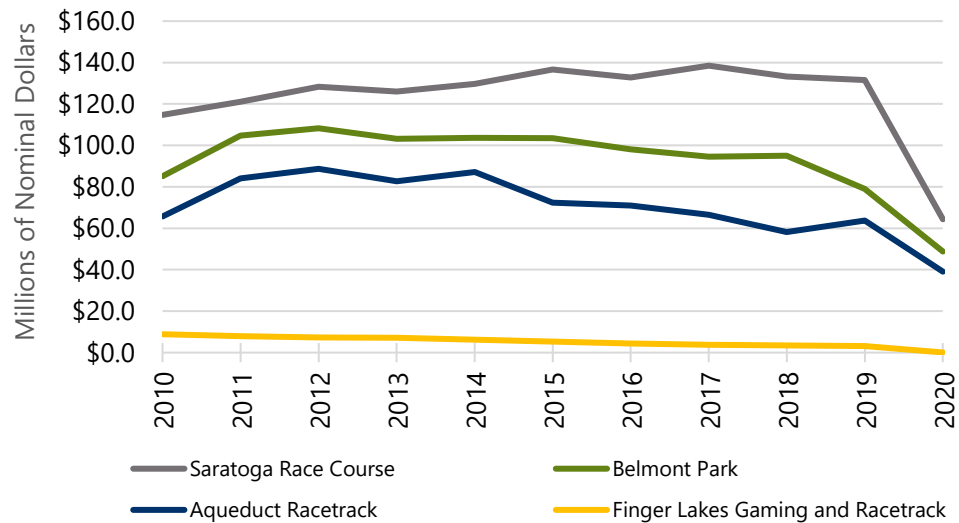
Figure 4 shows the live handle trend for each of New York's thoroughbred racetracks. From 2010 to 2019, only the Saratoga Race Course saw continued growth in its live handle after 2012, reflecting its importance in the industry. Saratoga's live handle grew by 21% from 2010 to a peak of \$138.5 million in 2017. Live handles at Belmont Park and Aqueduct peaked in 2012, at \$108.2 million and \$88.7 million respectively, but had shrunk by more than 25% by 2019 before plummeting in 2020. The live handle at Finger Lakes has declined every year since at least 2010. Saratoga's live handle has been the highest among the four tracks since 2007, and was more than \$15.6 million above the second highest, Belmont Park, in 2020 and \$52.6 million higher in 2019.

The graph shows the effect of VLT revenues on live handles at the three NYRA-operated thoroughbred racetracks, which receive VLT revenues for purse supports. These revenues likely caused the rapid increases from 2010 to 2012

and may have helped maintain handles at these tracks through at least 2015. As noted above, Finger Lakes Gaming and Racetrack, on the other hand, has declined consistently over the period. While live handles at Belmont Park and Aqueduct have been trending downward since 2012, VLT revenues set them on a higher level and may have slowed the decline.

Figure 4

Live Handle at New York State Thoroughbred Racetracks



Source: New York State Gaming Commission

ATTENDANCE

Attendance at thoroughbred racetracks in New York was relatively stable from 2016 through 2018, but declined by 8% in 2019 (not counting Finger Lakes) before going to zero in 2020 at every track except Aqueduct, in response to the pandemic. Saratoga Race Course attendance was also quite stable between 2016 and 2018, but dipped 6% in 2019. The Saratoga Race Course continues to maintain much higher attendance figures than the other New York thoroughbred tracks. In 2016 through 2019, Saratoga had an average daily attendance of about 27,800. The next highest average daily attendance was at Belmont with about 4,300.

Table 9

New York State Thoroughbred Racetrack Attendance

Racetrack	2016	2017	2018	2019	2020
Attendance					
Aqueduct Racetrack	255,905	231,710	190,950	184,181	71,072
Belmont Park	381,604	391,555	400,670	339,677	0
Saratoga Race Course	1,123,647	1,117,838	1,124,149	1,056,053	0
Finger Lakes Gaming and Racetrack*	124,540	113,837	111,318	na	na
Total Racetrack Attendance	1,885,696	1,854,940	1,827,087	1,579,911	71,072
Race Days					
Aqueduct Racetrack	97	96	91	93	65
Belmont Park	92	89	88	85	52
Saratoga Race Course	40	40	40	39	40
Finger Lakes Gaming and Racetrack	150	142	140	117	46
Total Number of Race Days	379	367	359	334	203
Average Attendance per Day					
Aqueduct Racetrack	2,638	2,414	2,098	1,980	1,093
Belmont Park	4,148	4,399	4,553	3,996	0
Saratoga Race Course	28,091	27,946	28,104	27,078	0
Finger Lakes Gaming and Racetrack	830	802	795	–	–
Average Attendance per Day (All Tracks)	4,975	5,054	5,089	4,730	350

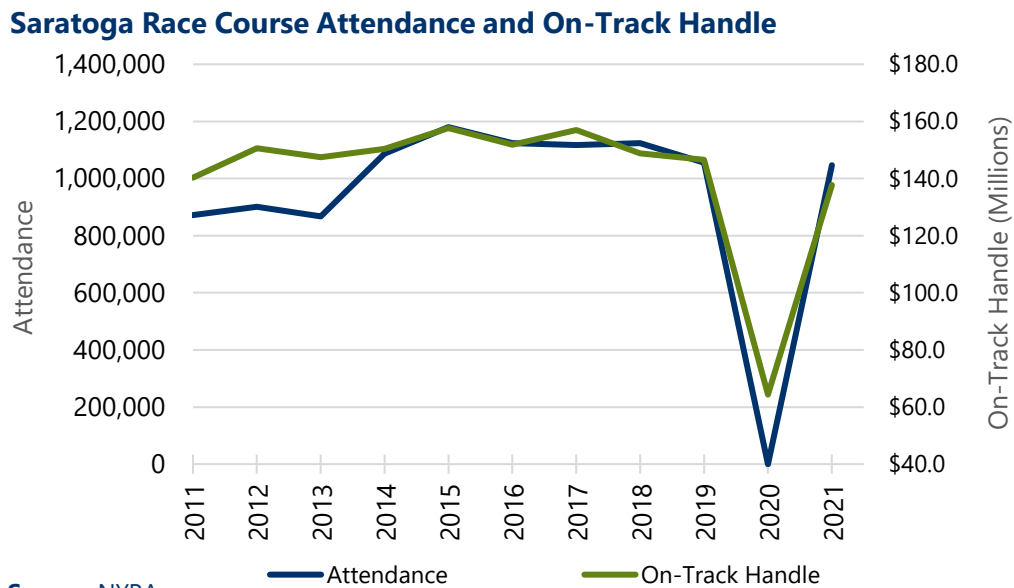
* As of 2019, attendance data are no longer reported for non-NYRA racetracks.

Source: New York State Gaming Commission annual reports

Figure 5 shows the 12-year trend for Saratoga Race Course attendance and on-track handle.³ In 2022 NYRA reported an official Saratoga Race Course attendance figure of 1,075,586. This was a 2.8% increase from 2021 and 1.8% above 2019. Although attendance has been trending downward since peaking at almost 1.2 million in 2015, 2022 attendance was still 23% higher than in 2011, before VLT revenues became available. On-track handle in 2022 was \$152.3 million, 4% below 2019's handle but 137% above the 2020 low of \$64.4 million. On-track handle has been trending downward since 2017, but 2022's handle was 9% higher than 2011's.

³ NYRA's on-track handle includes New York residents wagering via NYRA Bets. It differs from the New York State Gaming Commission's "facility handle" measure, which consists of live handle and simulcast import handle.

Figure 5



Source: NYRA

VLT revenues have helped Saratoga remain the top national performer in live on-track handle. Compared to other major thoroughbred tracks shown in the chart below, Saratoga Race Course had the greatest average daily live on-track handle (\$1.6 million in 2020) and total live on-track handle (\$64.4 million). These were well above second place Belmont Park, which had an average daily handle of \$937,155. In 2019, before the pandemic, Saratoga’s average daily live on-track handle was almost \$3.8 million with a total handle of \$131.5 million. The next closest was Del Mar racetrack in California at less than \$1.1 million average daily handle. Even Santa Anita Park’s 104 days of racing in 2019 brought its total live on-track handle to just \$82.8 million, well below Saratoga’s total.

Table 10

U.S. Thoroughbred Track Comparison, 2020

Track	State	Days Raced	Live On-Track Handle	Average Daily Live On-Track Handle
Saratoga Race Course	New York	40	\$64,384,833	\$1,609,621
Del Mar	California	42	\$4,578,695	\$109,017
Keeneland Race Course	Kentucky	22	\$3,152,200	\$143,282
Churchill Downs	Kentucky	54	\$3,626,053	\$67,149
Santa Anita Park	California	60	\$23,964,762	\$399,413
Belmont Park	New York	52	\$48,732,065	\$937,155
Golden Gate Fields	California	120	\$4,454,618	\$37,122

Source: New York State Gaming Commission, California Horse Racing Board, Kentucky Horse Racing Commission

RACING PARTICIPANTS

As VLT revenues have increased purses for thoroughbred races in New York State, racing in the state has become much more popular. As a direct result, more race participants such as jockeys and trainers are active in New York State, spending more time and money in the state. As discussed in the next section in greater detail, race participants

spend significant amounts of money related to racing. This spending circulates through the economy generating jobs and supporting local businesses. Without high purses to attract race participants, a large portion of this spending would not occur in New York State.

Racing participants in New York State are required to obtain an occupational license. Licenses provide a good indication of race participant levels each year, although it should be noted that the same person may have multiple licenses and would be counted multiple times in that case. Table 11 shows the number of licenses obtained for 2010, the last year before VLT revenues, 2019, and 2020. In 2019, the number of race participant licenses was 2.8% higher than in 2010. While the number of licenses for most occupations declined, the jobs associated with taking care of horses increased significantly. There were 418 more Stable Employee licenses issued in 2019 and 284 more Groom licenses. The effects of the pandemic are evident in the numbers for 2020: just 6,482 licenses were issued, over 13,000 fewer than in 2019 and 66% below the amount in 2010.

Table 11

New York State Thoroughbred Racing Participant Licensing

License Type	2010	2019	2020
Apprentice Jockey	39	29	14
Assistant Trainer	507	465	177
Authorized Agent	137	135	48
Cleaning Service	241	178	38
Exercise Rider	1,161	1,089	333
Farrier	83	83	27
Food Service	422	221	33
Gap Attendant	8	7	2
General Services	2,370	2,300	347
Groom	2,331	2,615	1,038
Jockey	267	301	99
Jockey Agent	85	47	18
Mutuel Clerk	1,500	1,044	199
Owner, Original	1,330	1,229	468
Owner, Renewal	5,500	5,381	1,841
Peace Officer	503	350	115
Private Trainer	5	8	4
Racing Official	76	93	31
Security	69	336	101
Stable Employee	1,610	2,028	882
Tote Employee	28	907	390
Tote Officer		44	18
Tote OTB		9	3
Track Management	74	40	15
Trainer	657	611	209
Veterinarian	101	95	32
Total	19,104	19,645	6,482
Change from 2010		2.8%	-66.1%

Note: Figures include multiyear licenses that were active during the year. Individuals who hold licenses for more than one occupation are counted in each category.

Source: New York State Gaming Commission annual reports

ECONOMIC CONTRIBUTION OF NEW YORK STATE THOROUGHBRED RACING INDUSTRY

A 2018 report, *Economic Impact of the Horse Industry in New York*, found that horse racing contributed \$1.7 billion to gross state product and almost \$3.1 billion to output in New York State in 2016. The industry also supported

19,700 jobs and more than \$1.1 billion in earnings in the state. The analysis included horse breeding, which we consider in the following section.

Table 12

New York State Horse Racing Industry, 2016

Economic Contribution

(Dollar amounts in millions)

Metric	Indirect &		Total
	Direct	Induced	
Employment	12,815	6,888	19,704
Earnings	\$730	\$425	\$1,156
GSP	\$1,028	\$704	\$1,733
Sales	\$2,003	\$1,086	\$3,089

Source: American Horse Council Foundation, *Economic Impact of the Horse Industry in New York*

AGRICULTURE & BREEDING INDUSTRY

The arrangement between NYRA and New York State was designed not only to support the horse racing industry, but also to catalyze investment in New York’s agriculture industry (which the Breeding Industry is part of). VLT funds generate high purses at the Saratoga Race Course, especially for New York State thoroughbreds. NYRA dedicates a portion of purses that only New York–bred thoroughbreds (“New York–breds”) are eligible to win. This makes owning and training a New York thoroughbred much more advantageous since the earning potential of a New York–bred is so much greater.

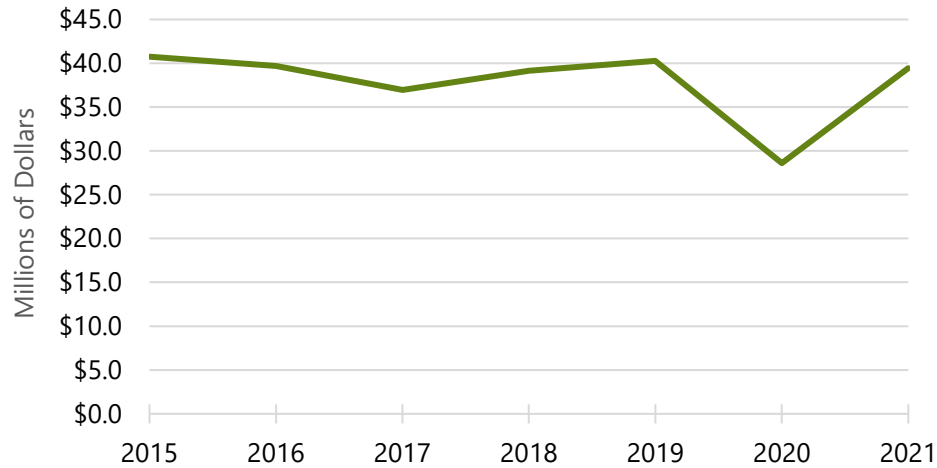
VLTs also go to breeder awards which are distributed to the original breeder of a winning New York–bred, even after that horse has been sold to a new owner. Owners of winning New York–bred horses also benefit from VLT-supported awards specifically designated for New York–bred owners. The result has been an influx of demand for New York–bred horses, which has stimulated new investment in breeding and the agriculture industries.

RESTRICTED PURSES

The purses that NYRA restricts to New York–bred horses have been one of the major drivers of the demand for, and investment in New York–breds. Figure 6 shows the recent trend in these restricted purses. From 2015 through 2019, NYRA’s restricted purses in New York State ranged between \$37.0 million and \$41.0 million, comparable to 2013’s \$40.1 million and well above 2011’s \$24 million. After a dip to \$28.6 million in 2020, restricted purses recovered to \$39.4 million in 2021. In addition, there were 643 restricted races for New York–breds in 2021, above the statutorily required 600 restricted races, an indication of the popularity of New York–bred races.

Figure 6

NYRA Restricted Purses for NY-Breds



Source: New York Racing Association

NEW YORK–BRED AWARDS

In addition to NYRA purse support, VLT revenues flow to the New York State Thoroughbred Breeding and Development Fund (the “Fund”). The Fund promotes thoroughbred breeding and racing in New York State by distributing breeder, stallion-owner, and open-company (i.e., races open to any horses, not just NY-breds) owner awards. These awards are described briefly below:

Breeder Awards

Funds are paid to the breeders of registered New York–breds that finish first, second, or third. The original breeder receives the award, even if the horse was sold to a new owner. For breeders of New York–sired horses (New York–breds fathered by a New York horse), a first-place finish translates to an award equal to 30% of the purse money award. Second- and third-place breeders receive a 15% award. Awards are currently capped at \$40,000. For Non–New York–sired New York–breds, the award rates and award cap are halved. In 2021, \$9.7 million in breeder awards were paid to breeders of registered New York–breds.

Stallion Owner Awards

These awards are “paid to owners of registered New York–based (at the time of conception) covering stallions,” according to the Fund. Stallion owner awards are 10% of purses earned for any finish in the top three with a cap of \$10,000 per horse, per race. Over \$2.2 million was paid in 2021 stallion owner awards by the Fund.

Open-Company Owner Awards

The Fund also issues awards for owners of registered New York–breds that finish in the top three in open-company races in New York State. New York–sired winners generate an award of 20% for a top-three finish with a cap of \$20,000. For non–New York–sired winners the award rate is 10% with the cap remaining at \$20,000. Nearly \$2.0 million in Open-Company Owner Awards were paid by the Fund in 2021.

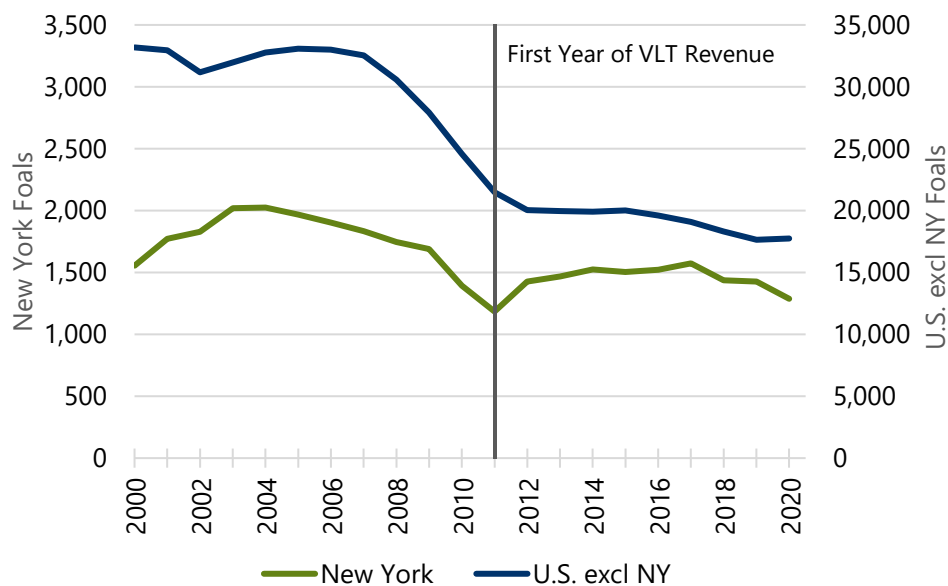
These funds not only provide a strong incentive for investment in thoroughbred breeding in New York State, they also help enable breeders to invest in their operations including purchasing new farmland and hiring more workers.

IMPACT ON BREEDING ACTIVITY

VLT revenues have supported horse breeding in New York. National and New York foal production were in decline prior to 2011. With the advent of VLT revenues, foal production in the state reversed trend and grew 33% to a peak of 1,574 in 2017. Despite subsequent declines, New York foal production was 9% higher in 2020 than in 2011, whereas production in the rest of the country was 17% below 2011 levels.

Figure 7

U.S. and New York State Foal Production



Source: The Jockey Club

The number of horses bred in New York is key to the industry’s economic impact. Breeders invest significant sums of money in each foal that is bred and raised before being sold. The costs include breeding expenses such as veterinary examination fees. The mare (mother of the foal) also must be taken care of during the pregnancy, which means additional veterinary fees and typical fees such as farrier (shoeing) care. When the foal is born it too requires veterinary and farrier services. Both mare and foal also need to be fed, which is typically purchased from local suppliers.

Horse breeders also make capital investments in their farms, which inject more money into the local economy through purchases of equipment and materials. New jobs are generated through both capital and operational spending. As more horses are on farms, more farmhands are required to care for them.

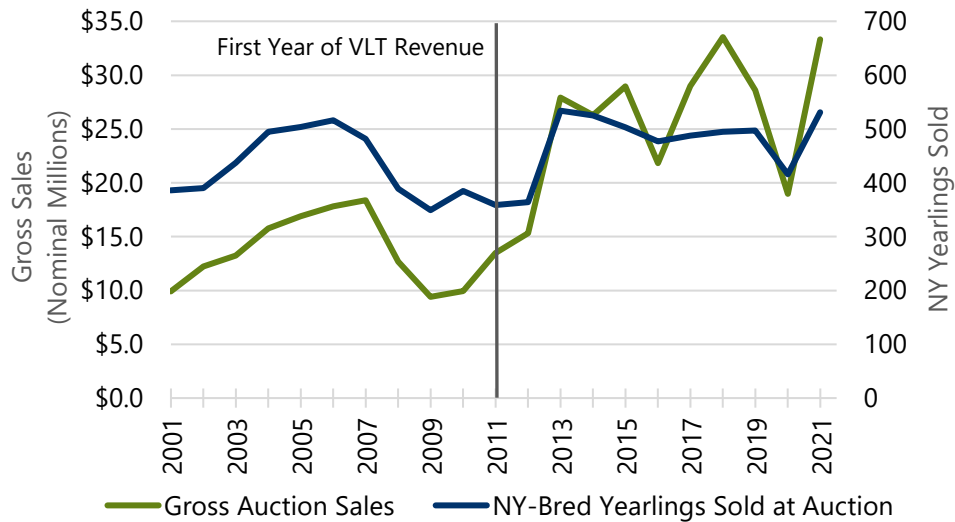
IMPACT ON NEW YORK–BRED VALUE

The value of a thoroughbred is directly linked with its earning potential. As the earning potential of New York–breds has increased, their value, and thus price, has risen along with demand. The higher selling price of NY-breds incentivizes investments in breeding in New York State. The higher revenue from horse sales is also significant because breeders reinvest much of this money in their operation, which further stimulates the agriculture industry.

The number of New York–bred yearlings sold at auction increased 49% between just 2011 and 2013, and with the exception of 2020 have remained at about that level through 2021. Total sales revenue from New York yearlings doubled from \$13.5 million in 2011 to \$27.9 million in 2013 and has grown an additional 19% to \$33.3 million in 2021. Average sale prices increased from \$37,500 in 2011 to \$52,300 in 2013 to \$62,800 in 2021, 67% higher than in 2011.

Figure 8

New York–Bred Auction Results



Source: The Jockey Club

IMPACT ON EQUINE INDUSTRY

The upswing in the thoroughbred breeding industry seen from 2007 to 2012 has not continued. The United States Department of Agriculture (USDA) conducts a Census of Agriculture every five years. The previous census in 2012 showed a growing industry in New York State, and an industry growing above that of the U.S. overall. However, between 2012 and 2017 the number of New York State horse farm operations that recorded a sale fell by 37% to 1,520 while the number of horses sold shrank by 45% to 5,063. Nationally, the number of horse farm operations declined 31% while the number of horses sold shrank by 33% over the same period. The declines, in both New York and the U.S., were large enough that 2017 operations and sales were more than 20% below 2007 levels.

In the Eastern District of New York, which includes Saratoga County, the declines were larger than in the U.S. or the state.⁴ The District saw a 59% decrease in equine operations and a 70% decrease in horse sales between 2012 and 2017. Saratoga County itself performed slightly better between 2007 and 2012, with operations shrinking 15% and sales down by 58%. However, Saratoga County had 17% more equine operations with sales in 2017 than in 2007 and just 7% fewer sales. The 275 horses sold in the County represented 65% of all horses sold in the Eastern District and 5% of statewide sales.

Table 13 shows horse farm and horse sales trends in New York State and the nation between 2007 and 2017 (the most recent year of the Census of Agriculture).

⁴ The Eastern District consists of the following counties: Saratoga, Fulton, Washington, Montgomery, Schoharie, Albany, Rensselaer, Schenectady.

Table 13

Horse Farm Operations and Sales Trends, 2007–2017

Place	Category	2007	2012	2017	2007–2017 2012–2017	
					Change	Change
Saratoga County	Operations	69	95	81	17.4%	-14.7%
	Sales (head)	295	660	275	-6.8%	-58.3%
Eastern District	Operations	247	357	145	-41.3%	-59.4%
	Sales (head)	921	1,389	422	-54.2%	-69.6%
New York State	Operations	1,953	2,414	1,520	-22.2%	-37.0%
	Sales (head)	7,677	9,225	5,063	-34.0%	-45.1%
United States	Operations	106,050	108,360	74,227	-30.0%	-31.5%
	Sales (head)	400,845	418,968	281,968	-29.7%	-32.7%

Note: Due to a change in reporting, operations and sales figures for 2007 and 2012 are only for operations that owned horses and ponies, while 2017 figures represent total operations and sales regardless of ownership.

Source: USDA Census of Agriculture

Table 14 provides a more detailed look at the Eastern District. Saratoga County has the greatest number of operations with horse sales (81), number of horses sold (275), and farm revenue from horse sales (\$4.4 million), which translates into an average of \$16,000 per horse sold (including all horses, not just thoroughbreds). This average ranks behind only Schoharie County in the District. The average of \$54,500 in horse-sale revenue per farm exceeds any of the other Eastern District counties and is well above New York State (\$22,100) and the U.S. (\$20,000). Saratoga County’s share of horse sales revenue is 57% of the District total and 13% of the entire New York State total.

Table 14

Eastern District Horse Farm Operations and Sales, 2017

Area	Operations with Sales	Sales		Avg. Sales per Head	Avg. Sales per Operation
		Head	Revenue		
Saratoga County	81	275	\$4,413,000	\$16,047	\$54,481
Washington County	39	132	\$1,606,000	\$12,167	\$41,179
Schoharie County	16	47	\$782,000	\$16,638	\$48,875
Fulton County	16	34	\$385,000	\$11,324	\$24,063
Montgomery County	38	91	\$174,000	\$1,912	\$4,579
Albany County	10	17	\$162,000	\$9,529	\$16,200
Rensselaer County	17	90	\$132,000	\$1,467	\$7,765
Schenectady County	9	11	\$97,000	\$8,818	\$10,778
New York State	1,520	5,063	\$33,600,000	\$6,636	\$22,105
United States	74,227	281,968	\$1,487,809,000	\$5,277	\$20,044
Saratoga County's Share of Regional Equine Sales (Revenue)					57%
Saratoga County's Share of New York State Equine Sales (Revenue)					13%

Source: USDA Census of Agriculture

IMPACT ON FARMLAND

VLT revenues have made horse breeding a more profitable enterprise, allowing horse farms to grow and expand their acreage. This is especially important because thoroughbred horse farms often occupy agricultural land that would otherwise be too expensive for other types of farming activities. Rather than allowing vacant agricultural land to sit unproductively or be redeveloped for housing, horse farms are able to occupy that acreage for productive economic use.

Saratoga County has 77 horse farm parcels according to property tax records. These parcels represent about 13% of all agricultural parcels in the County, a significantly higher concentration than the study region or the state. Within the nine-county study region horse farms account for 3.7% of the agricultural parcels while in New York State they account for only 1.9% of all agricultural parcels. Horse farms are the fourth most common type of agricultural property in the County behind vacant productive land, field crops, and dairy products.

Table 15 breaks out the number and type of agricultural parcels in Saratoga County, the Study Region, and New York State. The number of horse farm properties in Saratoga County grew 25% (16 parcels) between 2013 and 2021. Horse farms went from making up about 11% of all agricultural properties in 2013 to about 13% in 2021.

Table 15

Agricultural Parcels in Saratoga County and New York State, 2021

Parcel Type	Saratoga County	Study Region	NYS
Agricultural Vacant Land (Productive)	218	2,498	37,129
Field Crops	137	1,861	19,290
Dairy Products: milk, butter and cheese	85	959	8,762
Horse Farms	80	233	1,482
Cattle, Calves, Hogs	22	270	2,394
Livestock and Products	12	50	607
Nursery and Greenhouse	11	87	759
Acquired Development Rights	9	9	1,126
Apples, Pears, Peaches, Cherries, etc.	7	110	1,350
Orchard Crops	6	13	129
Other Livestock: donkeys, goats	5	44	428
Poultry and Poultry Products: eggs, chickens, turkeys, ducks and geese	4	13	170
Sheep and Wool	4	36	212
Fish, Game and Wildlife Preserves	3	4	139
Truck Crops - Not Mucklands	3	33	550
Agricultural	2	29	470
Specialty Farms	2	14	84
Livestock: deer, moose, llamas, buffalo, etc.	1	6	29
Pheasant, etc.	1	2	10
Aquatic: oysterlands, fish and aquatic plants	0	1	210
Fur Products: mink, chinchilla, etc.	0	0	3
Honey and Beeswax	0	5	37
Other Fruits	0	7	63
Truck Crops - Mucklands	0	1	1,945
Vineyards	0	7	1,617
Total, All Agricultural Parcels	612	6,292	78,995
Horse Farms Share of Agricultural Parcels	13.1%	3.7%	1.9%

Source: New York State Department of Taxation and Finance

Table 16 provides greater detail on horse farms and other agricultural property in Saratoga County. The total estimated market value of all agricultural land in the County is \$219.4 million. Horse farm properties have a total estimated value of \$85.4 million, representing 39% of the entire value of agricultural land in the County despite accounting for 11% of the acreage.

On a per-acre basis, horse farms are much more valuable than other farms at about \$20,350 per acre compared with \$3,900 for other farms. The average horse farm property is valued at \$1.1 million compared with \$256,800 for other farms. Without VLT revenues, the number of horse farms would decrease and the value of that acreage would fall, resulting in reduced property taxes and an economic loss to the agriculture industry.

Table 16

Saratoga County Agricultural Parcels, 2022

City/Town	# of Agricultural Parcels			Acreage			Estimated Total Market Value			Average Value per Acre		
	Horse Farms	Other Farms	Total	Horse Farms	Other Farms	Total	Horse Farms	Other Farms	Total	Horse Farms	Other Farms	Total
City of Saratoga Springs	3	9	12	221	364	585	\$26,019,836	\$4,632,869	\$30,652,705	\$117,487	\$12,739	\$52,384
Town of Ballston	0	19	19	0	956	956	\$0	\$3,501,641	\$3,501,641	-	\$3,663	\$3,663
Town of Charlton	4	46	50	207	3,130	3,338	\$2,001,559	\$11,025,497	\$13,027,056	\$9,652	\$3,522	\$3,903
Town of Clifton Park	4	23	27	55	988	1,043	\$1,371,961	\$7,299,608	\$8,671,569	\$24,899	\$7,389	\$8,314
Town of Corinth	1	0	1	10	0	10	\$129,200	\$0	\$129,200	\$12,352	-	\$12,352
Town of Galway	0	29	29	0	2,224	2,224	\$0	\$6,299,900	\$6,299,900	-	\$2,832	\$2,832
Town of Greenfield	7	8	15	457	380	836	\$9,091,222	\$1,338,556	\$10,429,778	\$19,910	\$3,526	\$12,473
Town of Halfmoon	1	35	36	77	2,040	2,118	\$1,389,945	\$8,870,941	\$10,260,887	\$17,949	\$4,348	\$4,845
Town of Malta	6	33	39	259	1,113	1,372	\$2,392,600	\$6,274,500	\$8,667,100	\$9,243	\$5,638	\$6,318
Town of Milton	7	19	26	260	1,304	1,564	\$2,047,176	\$2,842,824	\$4,890,000	\$7,871	\$2,180	\$3,127
Town of Moreau	6	67	73	388	4,021	4,409	\$4,006,000	\$13,546,000	\$17,552,000	\$10,331	\$3,369	\$3,981
Town of Northumberland	12	105	117	684	7,460	8,144	\$12,384,192	\$33,195,449	\$45,579,641	\$18,099	\$4,450	\$5,596
Town of Saratoga	13	72	85	833	6,318	7,151	\$17,011,111	\$23,263,333	\$40,274,444	\$20,422	\$3,682	\$5,632
Town of Stillwater	12	47	59	719	3,727	4,446	\$6,626,686	\$11,207,674	\$17,834,360	\$9,222	\$3,007	\$4,011
Town of Wilton	1	10	11	24	356	380	\$883,483	\$767,079	\$1,650,562	\$37,325	\$2,153	\$4,344
Total	77	522	599	4,195	34,382	38,576	\$85,354,971	\$134,065,871	\$219,420,843	\$20,349	\$3,899	\$5,688

Note: The City of Mechanicville, Town of Day, Town of Edinburg, Town of Hadley, Town of Providence, and the Town of Waterford have no agricultural parcels and so are not shown in the table.

Source: Saratoga County Online Map Viewer

2.3 REGIONAL ECONOMIC IMPACT OF THE SARATOGA RACE COURSE

TOTAL ECONOMIC IMPACT

The total annual economic impact of the Saratoga Race Course on the Capital Region is displayed in Table 17. This is inclusive of activity associated with on-site operations, participants, and with net new visitor spending.

Table 17

Total Regional Economic Impact from Saratoga Race Course, 2021

	Jobs	Earnings	Sales
Direct	2,136	\$106,182,885	\$241,311,827
Indirect	321	\$19,889,938	\$51,656,531
Induced	480	\$31,784,780	\$78,098,682
Total	2,937	\$157,857,604	\$371,067,040

Source: Lightcast (formerly Emsi)

The following subsections provide more detail on the impacts specifically associated with race course operations, race course participants, and race course visitor spending.

RACE COURSE OPERATIONS

NYRA's operation of the Saratoga Race Course and Oklahoma Training Track has significant economic impacts. Each season hundreds of people are hired to run the facilities who then spend a portion of their wages in the study region. Additionally, NYRA's local purchases of goods and services contribute to the regional economy.

Revenue

NYRA's revenue from the Saratoga Race Course comes from a variety of sources. Revenues of \$38.1 million from wagering represents the largest revenue source. Revenue is also generated from admissions and group sales. A portion of revenue from concessions and other sales is paid to NYRA by the contracted concessionaire as rent payments. As shown in Table 18, 2021 annual revenue from the Saratoga Race Course is estimated to be \$70.3 million.

Table 18

NYRA's Saratoga Race Course Gross Revenue, 2021

Revenue Category	Revenue
Pari-Mutuel (net)	\$38,077,290
Ticketing	\$16,446,593
Admissions/Seats	\$10,316,863
1863 Club	\$3,708,639
The Stretch	\$1,157,343
Other Hospitality	\$1,263,747
Concessions	\$10,718,807
Merchandise	\$776,611
Parking	\$404,712
Periodicals	\$1,265,016
Sponsorship Revenue	\$2,568,615
Total Revenue	\$70,257,644

Source: NYRA

Expenses

The economic impact of operating the race course and training track is best measured by spending on operations rather than revenues. Spending better represents the benefit to the local economy because a portion of revenues from the race course are sent elsewhere in the state and have no impact on the study region whereas spending in the study region has a direct regional impact. The table below summarizes annual operating expenditures to run the race course and training track.

As shown in Table 19, Stakes & Purses represent the largest expenditure related to the Saratoga Race Course. In total, NYRA's operating expenses for the race course and training track are estimated to be \$72.8 million for 2021.

Table 19

NYRA's Saratoga Race Course Gross Operating Expenses, 2021

Expense Category	Expenditures
Stakes & Purses	\$34,075,924
Wages and Salaries:	
Non Union Salaries	\$3,958,697
Union Salaries	\$4,118,545
Union Eligible Salaries	\$212,324
Seasonal Salaries	\$1,486,504
Incentives/Severance	\$190,593
Payroll Taxes	\$747,280
Non Union Benefits + 401K	\$567,815
Union Benefits	\$2,414,615
Travel & Entertainment	\$2,524,650
Employee Related Expenses	\$2,316
Operating Supplies	\$491,093
Utilities:	
Gas	\$50,160
Electricity	\$760,381
Water	\$232,390
Temporary Help	\$2,722,917
Outside Services	\$2,922,785
Rentals & Leases	\$453,845
Repairs & Maintenance	\$1,845,158
Garbage Removal	\$202,602
Manure Removal	\$41,500
Marketing & Advertising	\$2,828,523
Training	\$2,410,796
Administration (on site)	\$5,669,745
Other Expenses	\$1,831,026
Total	\$72,762,185

Source: NYRA

Employment

Table 20 shows the number of people employed by NYRA at the Saratoga Race Course during the course of the year. These workers include both full-time and part-time, year-round and seasonal workers in Saratoga. Seasonal workers typically work 40 hours per week for the period that they are hired. The table below reports employment as "Full-time Equivalent" or "FTE." One worker employed seasonally for one month would count as 1/12th of one FTE.

Table 20

NYRA Employment at Saratoga Race Course, 2021

Job Category	Number of Employees During Month (Total FT and PT)												FTE Employment
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
Mutels	0	0	0	0	0	0	44	44	44	0	0	0	11
Racing	0	0	0	5	11	15	55	114	72	12	8	0	24
NYRA TV	0	0	0	0	0	0	60	60	34	3	2	1	13
Facilities	32	32	32	46	61	66	123	201	146	72	71	44	77
Track	1	1	1	1	1	1	4	8	5	1	1	1	2
Legal	1	1	1	1	1	1	7	17	11	1	1	1	4
Fleet	0	0	0	0	0	0	1	1	1	0	0	0	0
Security	19	19	25	34	58	68	170	309	190	52	46	18	84
Cleaning	0	0	0	1	1	2	29	53	35	1	1	3	10
Media	0	0	0	0	0	0	5	5	5	0	0	0	1
Marketing	0	0	0	0	0	0	7	7	7	0	0	0	2
Human Resources	0	0	0	0	0	0	16	16	16	0	0	0	4
Information Technology	0	0	1	0	1	1	11	25	25	0	0	1	5
Finance	0	0	0	0	0	0	23	23	23	0	0	0	6
Executive	0	0	0	0	0	0	2	2	2	0	0	0	1
Parking / Publication	0	0	0	0	0	1	16	16	15	0	0	0	4
Sales	0	0	0	0	0	0	25	24	21	0	0	0	6
Hospitality	0	0	0	0	0	0	46	51	34	0	0	0	11
ADW Services	0	0	0	0	0	0	39	39	37	0	0	0	10
Total	53	53	60	88	133	154	682	1,013	722	141	130	69	275

Source: NYRA, Camoin Associates

In addition to NYRA employees, several contractors are hired to provide additional workers for things such as concessions, retail, and mutuels (betting). According to figures provided by NYRA, contracted staffing totaled approximately 817 during the 2021 season. As shown in Table 21, that employment represents 90 FTE jobs annually. When NYRA and contracted staffing are added together and adjusted for the seasonality of racing at Saratoga, 364 jobs (FTEs) are generated by operating the Saratoga Race Course each year.

Table 21

All Saratoga Race Course Direct Employment, 2021

NYRA Employment related to Saratoga Race Course	275
Contracted Employment	90
Total Annual Saratoga Race Course FTE Employment	364

Source: NYRA, Camoin Associates

Economic Impact

To calculate the economic impact of operating the Saratoga Race Course we rely on data provided by NYRA on expenditures related specifically to the Saratoga Race Course and Oklahoma Training Track in 2021. These operating expenses are assumed to occur within the Study Region. NYRA’s spending on stakes and purses is not considered in this estimate of direct spending because these payments are captured as spending by Saratoga Race Course participants.

As shown in the table below, NYRA’s 2021 direct spending in the study region on facilities, administration, advertising, and benefits, is estimated to be approximately \$38.7 million (before counting food services revenue, which is not a NYRA expense as explained below). It should be noted that NYRA provided line-by-line spending items for the Saratoga Race Course in 2021. We reorganized those line-item figures into the summary categories that were used in the 2011 and 2014 analyses presented in the table below.

Following the methodology for the 2011 and 2014 analyses, we also include spending on food services at the Saratoga Race Course as part of the regional economic impact attributable to Saratoga Race Course operations. These revenues, realized by NYRA’s food services concessionaire, were \$10.7 million in 2021.

As shown in Table 22, the direct effects of operations add to about \$49.4 million within the study region.

Table 22

Direct Effects from Operations, 2021

Expenditure	Direct Effect
Facilities Costs	\$27,205,563
Administration	\$5,669,745
Advertising	\$2,828,523
Benefits	\$2,982,430
Food Services (Concessions)	\$10,718,807
Total	\$49,405,068

Source: NYRA, Camoin Associates

The total economic impact of Saratoga Race Course operations is approximately 537 jobs, \$76.9 million in sales, and \$37.7 million in earnings.

Table 23

Regional Economic Impact from Saratoga Race Course Operations, 2021

	Jobs	Earnings	Sales
Direct	364	\$26,511,483	\$49,405,068
Indirect	70	\$4,451,208	\$10,754,114
Induced	103	\$6,741,381	\$16,725,167
Total	537	\$37,704,072	\$76,884,349

Note: Jobs are reported as FTEs.

Source: Lightcast (formerly Emsi)

Capital Improvement Spending

In addition to permanent, ongoing impacts Saratoga Race Course has generated additional positive economic impacts for the Capital Region through spending on capital improvement projects. Over the last five years the race course has spent approximately \$62.4 million on upgrades to the guest area, barn, residential areas, track and field, and other frontside improvements. This spending has a one-time economic impact on the Capital Region.

According to Lightcast, approximately 65% of construction-related demand is met within the Capital Region. This means that an estimated 65% of the \$62.4 million, or \$40.6 million, was spent within the Capital Region. Based on this spending a total of 48 jobs, over \$4.4 million in employee earnings, and a total of over \$12.2 million in sales occurred in the Capital Region during the capital improvement period.

**Regional Economic Impact of Recent Capital Improvements,
Saratoga Race Course**

	Jobs	Earnings	Sales
Direct	161	\$14,958,865	\$40,594,450
Indirect	36	\$2,774,486	\$8,625,874
Induced	59	\$3,884,019	\$10,304,660
Total	256	\$21,617,371	\$59,524,984

Note: Jobs are reported as FTEs.

Source: Lightcast (formerly Emsi)

RACE COURSE PARTICIPANTS

Horses on Site

Horses are on site at the Oklahoma Training Track beginning in April. The following table shows the number of horses on site for each month. During the Saratoga meet there were over 1,600 horses on site. Based on the number of horses on site, the number of horse days was calculated. A "horse day" is equivalent to one horse on-site for one day. As shown in Table 24, horse days totaled just over 184,000 in 2021.

Table 24

Training and Racing Days and Horses, 2021

Month	Days	Avg Daily Horses on Site	Horse Days
April	30	204	6,120
May	31	587	18,197
June	30	630	18,900
July	31	1,708	52,948
August	31	1,650	51,150
September	31	495	15,345
October	31	309	9,579
November	30	397	11,910
Training/Racing Season (2021)			184,149

Note: Training runs from April through November. The racing season runs July 15th through September 6th.

Source: NYRA, Camoin Associates

Employment

The employment associated with race course participants is estimated using the same industry-standard ratios of per-start and per-horse employment used by the 2006, 2011, and 2014 economic impact studies. Jockey work days are calculated based on the number of race starts during the 2021 Saratoga meet. The employment of trainers, assistant trainers, foremen, exercise riders, hot walkers, and grooms is calculated based on the estimated 196,000 horse days.

Table 25 breaks down the employment calculation for each type of position. Employment days are calculated based on the ratio of horses or horse starts per employee. These days are then converted to hours, which are finally converted to FTE (full-time equivalent) positions. Full-time-equivalents assume employment of 2,000 hours per year. Based on this analysis, the Saratoga Race Course generated 547 FTE jobs for race participants in 2021.

Table 25

Training and Racing Employment, 2021

Position	Horses/Horse Starts Per Employee	Employee Days	Employee Hours	FTEs
Jockey	1 horse start	1,695	13,560	7
Trainer	20 horses	9,207	73,660	37
Assistant Trainer	20 horses	9,207	73,660	37
Foreman	20 horses	9,207	73,660	37
Exercise Rider	6 horses	30,692	245,532	123
Hot Walker	6 horses	30,692	245,532	123
Groom	4 horses	46,037	368,298	184
Total		136,738	1,093,901	547

Source: Horses/Horse starts per Employee from 2011 and 2014 Economic Analysis of the Saratoga Race Course. Jockey Days are equal to the number of horse starts. Employee days for other positions calculated by dividing number of horse days by number of horses per employee.

Race Participant Expenditures

Table 26 shows the estimated training and race day expenditures per horse. These are based on the figures used in the 2014 analysis and adjusted for inflation. The training bill includes things such as boarding fees, feed, vitamins, and labor. It excludes purse winnings. The estimated training bill is about \$3,434 per horse per month. Veterinary fees are estimated to be about \$924 per month and farrier (shoeing) fees are estimated to be about \$245 per month.

Race day fees include a flat fee paid to Jockeys of \$120 per start. Jockeys also receive 10% of the owner’s share of purse winnings. The head trainer receives 10% of the owner’s share of purse winnings and the assistant trainer and groom receive 1% each (12% in total). There is also a flat fee charged to participants of \$17 per horse per start.

Table 26

Training and Racing Expenditures Per Horse, 2021

Ongoing Expenditures	Per Month	Per Day
Training Bill	\$3,434	\$114
Veterinary Fees	\$924	\$31
Ferrier (Shoeing)	\$245	\$8
Race Day Expenditures	Per Month	
Jockey Fees	\$120 per start	
	10% of owner's share of purse winnings	
Trainer Fees	12% of owner's share of purse winnings	
Lead to Post	\$17 per start	

Source: 2014 Economic Analysis of the Saratoga Race Course, adjusted for inflation

To calculate the total spending associated with race participants, the ongoing expenditures are multiplied by the number of horse days (184,149). Race day expenditures are calculated based on 2021 gross purses of \$21.5 million and 1,695 horse starts. The total spending is presented in Table 27. The results show that race participants spend \$33.2 million on an annual basis. This is direct spending attributable to the Saratoga Race Course.

Table 27

Training and Racing Aggregate Expenditures, 2021

Ongoing Expenditures	Per Year*
Training Bill	\$21,077,879
Veterinary Fees	\$5,669,949
Ferrier (Shoeing)	\$1,503,555
Race Day Expenditures	Per Year*
Jockey Fees	\$2,353,407
Trainer Fees	\$2,580,000
Lead to Post	\$28,816
Total	\$33,213,607

*Note: Year refers to April to November season at Saratoga.

Source: Camoin Associates, NYRA

Economic Impact

The total economic impact of race course participants is approximately 748 jobs, \$49.8 million in annual sales, and \$35.8 million in earnings. Table 28 breaks out the direct, indirect, induced, and total impact.

Table 28

Regional Economic Impacts from Race Participant Activities, 2021

	Jobs	Earnings	Sales
Direct	613	\$27,293,024	\$33,213,607
Indirect	37	\$2,153,145	\$3,931,767
Induced	98	\$6,385,345	\$12,698,981
Total	748	\$35,831,514	\$49,844,354

Note: Jobs are reported as FTEs.

Source: Lightcast (formerly Emsi)

RACE COURSE VISITORS

Since 2014, excluding 2020, the Saratoga Race Course has averaged about 1.1 million visitors each season. These visitors spend significant amounts of money in local communities when not at the track. Visitors spend money at local businesses on things such as food, lodging, retail goods, gas, and entertainment. This spending, in turn, circulates throughout the local economy creating additional economic benefits. For example, a portion of money that a track visitor spends at a local business is used to pay employees. Those employees then spend a portion of their wages locally on things like groceries, retail goods, and other goods and services.

Without the Saratoga Race Course, a substantial amount of spending that currently exists would not occur in the study area. To estimate how much annual visitor spending can be attributed to the race course we consider only those visitors who come to the track from outside of the study region. This is because visitors from within the study

area would likely spend the money they would have spent during their visit to the track at other businesses within the study area.

Visitation

NYRA reported attendance of about 1,046,500 for the 2021 season. The 2014 NYRA visitor survey found that about 59% of visitors to the track are from outside of the study area, resulting in about 617,400 “net new” visitor days (a person who visits the track on three different days would count as three visitor days). The visitor intercept survey also indicated that about 49% of all visitors to the track are overnight visitors. Applying this ratio, we find that there were about 302,537 overnight visitor days during the 2021 track season by those from outside of the study region. The remaining 314,885 are therefore visitor days attributed to day-trip visitors from outside of the study region. These figures are shown in Table 29.

Table 29

Saratoga Race Course Visitors, 2021

Total Visitor Days	1,046,478
Percent from out of Capital Region	59%
Net New Visitor Days	617,422
Overnight Visitor Days (49%)	302,537
Day Visitor Days (51%)	314,885

Source: NYRA, Camoin Associates

Visitor Spending

The number of overnight visitor days and day visitor days were multiplied by their respective spending baskets to calculate the total net new spending attributed to visitors. In total, it is estimated that Saratoga Race Course visitation resulted in nearly \$158.7 million in net new spending in the Capital Region in 2021.

Table 30 shows the estimated total expenditures by visitors from outside of the study area. All expenditures per day/night were applied to overnight visitors, while all except lodging were applied to day visitors. Based on this analysis, the Saratoga Race Course generates approximately \$158.7 million in visitor spending in the study region that would not occur, but for the Saratoga Race Course.

Table 30

Direct Off-Track Spending by Net New Race Course Visitors, 2021

Expenditure Category	Overnight Visitors		Day Visitors		Total Net New Spending
	Spending per person per day	Total Spending (302,537 visitors)	Spending per person per day	Total Spending (314,885 visitors)	
Lodging	\$276	\$83,627,446	\$0	\$0	\$83,627,446
Meals	\$29	\$8,675,046	\$29	\$9,029,130	\$17,704,176
Entertainment/Attractions	\$19	\$5,899,031	\$19	\$6,139,808	\$12,038,840
Retail	\$54	\$16,309,087	\$54	\$16,974,764	\$33,283,851
Transportation	\$19	\$5,899,031	\$19	\$6,139,808	\$12,038,840
Total	\$398	\$120,409,642	\$122	\$38,283,510	\$158,693,153

Source: NYRA, Camoin Associates

Economic Impact

Table 31 breaks down the direct, indirect, induced, and total regional economic impact of off-track spending by visitors to Saratoga Race Course. The results show that visitor spending generates about 1,564 jobs, \$244.3 million in annual sales, and \$84.3 million in earnings.

Table 31

Regional Economic Impacts from Off-Track Visitor Spending, 2021

	Jobs	Earnings	Sales
Direct	1,090	\$52,378,378	\$158,693,153
Indirect	206	\$13,285,584	\$36,970,650
Induced	267	\$18,658,055	\$48,674,534
Total	1,564	\$84,322,017	\$244,338,337

Note: Jobs reported as FTEs.

Source: Lightcast (formerly Emsi)

TOTAL ECONOMIC IMPACT

Table 32 shows the total economic impact of the Saratoga Race Course.

Table 32

Total Regional Economic Impact from Saratoga Race Course, 2021

	Jobs	Earnings	Sales
Direct	2,068	\$106,182,885	\$241,311,827
Indirect	313	\$19,889,938	\$51,656,531
Induced	468	\$31,784,780	\$78,098,682
Total	2,849	\$157,857,604	\$371,067,040

Note: Jobs are reported as FTEs.

Source: Lightcast (formerly Emsi)

For consistency with the 2015 study of Saratoga Race Course, jobs in this section were calculated in terms of FTEs. Employment for the other three destinations analyzed in this report was provided in terms of actual employment (full-time and part-time jobs counted equally) rather than FTEs. To allow for comparison with the other destinations, Table 33 shows the race course’s total impacts with FTE jobs converted to actual jobs.

Table 33

Total Regional Economic Impact from Saratoga Race Course, 2021

	Jobs	Earnings	Sales
Direct	2,136	\$106,182,885	\$241,311,827
Indirect	321	\$19,889,938	\$51,656,531
Induced	480	\$31,784,780	\$78,098,682
Total	2,937	\$157,857,604	\$371,067,040

Source: Lightcast (formerly Emsi)

ADDITIONAL BENEFITS

Beyond its role as the nation’s capital of thoroughbred horse racing, Saratoga Race Course provides immense value to the entire Upstate New York region in myriad ways that are difficult to precisely quantify. These benefits include, but are not limited to:

- z Community pride and cultural identity.
- z The collective prestige associated with hosting the world’s finest annual thoroughbred horse racing meet.
- z Daily national television exposure through *Saratoga Live*, NYRA’s flagship show airing daily on the networks of FOX Sports.
- z In addition to live racing coverage, *Saratoga Live* features local attractions and destinations to further drive interest in Saratoga Springs and the Capital Region. These commercials are produced by NYRA and come at no-cost to the subjects covered such as SPAC, downtown Saratoga Springs, the Saratoga Battlefield and the Lake George area, among others.
- z Status as a national and regional vacation destination made possible by the continued success of Saratoga Race Course.
- z Uniquely positioned as a summer home for horse owners and those active in the horse business.
- z Enhanced quality of life for residents and focal point for recruitment of new residents, businesses, and hospitality offerings.
- z NYRA supports dozens of local non-profits and charitable organizations while funding three backstretch service providers who operate at Saratoga Race Course.
- z Census data released in 2021 revealed that the population of Saratoga County has jumped by 53% since 1980, making it the second fastest growing county in the state over the last 40 years. This growth has translated into dramatic increases in property values throughout the county.
- z Based on handle, attendance, and television viewership, the popularity of Saratoga Race Course is at an all-time high and clearly contributes to Saratoga County as a New York State success story.

2.4 FISCAL IMPACT

The Saratoga Race Course generates a fiscal benefit for Saratoga County and New York State in terms of new tax revenue generation. Annual income tax, property tax, sales tax, and occupancy tax revenue attributed to the race course are estimated in this section.

TOTAL FISCAL BENEFIT

Annually, it is estimated that almost \$2.1 million of tax revenue in Saratoga Springs, almost \$2.4 million in Saratoga County, and over \$7.3 million of tax revenue in New York State is attributable to the Saratoga Race Course. Table 34 displays a breakdown of tax revenue by source and recipient.

Table 34

Total Net New Annual Tax Revenue, Saratoga Race Course

Source	Saratoga Springs	Saratoga County	New York State
Income Tax	\$0	\$0	\$2,908,034
Property Tax	\$259,191	\$222,881	\$0
Sales Tax	\$1,576,506	\$1,856,785	\$4,399,226
Occupancy Tax	\$243,402	\$295,108	\$0
Total	\$2,079,099	\$2,374,774	\$7,307,259

Source: Camoin Associates

The following sections provide more detail on the estimates of tax revenue by type.

INCOME TAX REVENUE

To estimate the personal income tax (PIT) that New York State receives as a result of the Saratoga Race Course, we consider the net new spending of out-of-state visitors to the race course. This is spending that would not occur in New York State, but for the facility. We refer to this spending as “net new.” Spending by in-state visitors is assumed to still occur within the state on other types of entertainment and trips.⁵

To estimate the personal income tax revenue attributed to the Saratoga Race Course we estimate the portion of the state’s economy (measured by Gross State Product) that out-of-state visitors to the Saratoga Race Course generate. We assume that those visitors are responsible for generating the same proportion of the state’s personal income tax revenue. As shown in Table 35, we estimate visitor spending to generate \$2.9 million in annual personal income tax revenue to New York State.

⁵ We do not estimate how much spending from Saratoga Race Course operations and participants is “net new” to New York State. It is expected a portion of that spending is net new to New York, so our calculation is likely to underestimate the “true” personal income tax benefit to New York State from the Saratoga Race Course.

Table 35

**Net New Annual Personal Income Tax Revenue,
Saratoga Race Course**

	New York State
New York Gross State Product (2021)	\$1,682,635,102,719
Net New Value Added Attributable to Race Course	\$70,640,979
Proportion of Gross State Product Attributable to Race Course	0.0042%
NYS Personal Income Tax Revenue (FY 2021–22)	\$69,268,000,000
Net New Income Tax Revenue	\$2,908,034

Source: Lightcast, New York Senate Finance Committee, Camoin Associates

SALES TAX REVENUE

The City of Saratoga Springs, Saratoga County, and New York State benefit from sales tax revenues attributable to the race course from visitors who make purchases at the track and at local businesses during their trip. Table 36 summarizes the different sales tax rates.

Table 36

Sales Tax Rates

Jurisdiction	Rate
State Sales Tax	4.0%
Saratoga County Sales Tax	1.5%
City of Saratoga Springs Sales Tax	1.5%
Total	7.0%

Note: The county sales tax is 3% outside of the City of Saratoga Springs.

Employee Earnings

As employees spend the earnings generated as a result of the economic activity associated with Saratoga Race Course, new sales tax revenue is generated for the county and state. As calculated in section 2.3 Economic Impact (Table 23), \$37.7 million in total new earnings are generated annually as a result of Saratoga Race Course. Based on industry supply and demand data from Lightcast, it is estimated that 40% of these earnings will be spent in Saratoga Springs, 45% in Saratoga County, and 85% in New York State. It is also assumed that 85% of purchases will be taxable.⁶ Based on these assumptions, employee earnings generate an estimated \$192,300 in sales tax revenue for Saratoga Springs, \$432,600 for Saratoga County, and almost \$1.1 million for New York State, annually.

⁶ Based on consumer spending basket data from the Bureau of Labor Statistics and information from the NYS Department of Taxation and Finance.

Table 37

Net New Sales Tax Revenues from Employee Earnings, Saratoga Race Course

	Saratoga Springs	Saratoga County	New York State
Total Net New Earnings	\$37,704,072	\$37,704,072	\$37,704,072
% Spent in Region	40%	45%	85%
Amount Spent in Region	\$15,081,629	\$16,966,833	\$32,048,461
Amount Taxable (85%)	\$12,819,385	\$14,421,808	\$27,241,192
Sales Tax Rate	1.5%	3.0%	4.0%
Net New Sales Tax Revenue	\$192,291	\$432,654	\$1,089,648

Source: Lightcast, NYS Comptroller, Camoin Associates

Visitor Spending

To calculate the sales tax impact to the City, County, and State, we consider only the spending that would not occur in each geography, but for the Saratoga Race Track. This is because, for example, a resident of Saratoga County would still spend the money that they would have spent during their trip to the Saratoga Race Course elsewhere in Saratoga County on other types of entertainment.

Therefore, for Saratoga Springs we consider spending by visitors from outside of the City, for Saratoga County we consider spending by visitors from outside of the County, and for New York State spending is considered only by out-of-state visitors. As previously discussed, this concept is referred to as “net new.”

We consider sales tax revenue from visitor spending at the track on taxable items (such as food concessions and retail) and at off-track businesses.

Table 38 summarizes the net new sales tax revenue to New York State, the County, and City from taxable spending at the Saratoga Race Course (on-track sales).

Table 38

Net New On-Track Sales Tax Revenues, 2021

Revenue Source	Total Revenue	Revenue from	Revenue from	Revenue from	Net New Sales Tax Revenue		
		Out-of-State Visitors	Out-of-County Visitors	Out-of-City Visitors	New York State	Saratoga County	Saratoga Springs
Food Services	\$10,718,807	\$4,122,618	\$9,292,164	\$10,225,177	\$164,905	\$139,382	\$153,378
Merchandise	\$776,611	\$298,697	\$673,246	\$740,846	\$11,948	\$10,099	\$11,113
Parking Revenues	\$404,712	\$155,658	\$350,846	\$386,074	\$6,226	\$5,263	\$5,791
Periodicals	\$1,265,016	\$486,545	\$1,096,646	\$1,206,759	\$19,462	\$16,450	\$18,101
Total	\$13,165,146	\$5,063,518	\$11,412,902	\$12,558,856	\$202,541	\$171,194	\$188,383

Table 39 shows the net new sales tax revenue from visitor spending at off-track locations (off-track sales). For the lodging category we first determined the total lodging spending by visitors from outside of each geography. For Saratoga County and Saratoga Springs we assigned lodging expenditures only to those visitors from outside of the study region. Visitors from within the study region are assumed to be day-trip visitors.

Then we adjusted the lodging spending by the percent of visitors actually staying in each geography. For example, not all visitors from outside of the study region stay in Saratoga County. According to NYRA’s 2014 visitor survey, 19% of overnight visitors stay in Saratoga Springs while 12% stay elsewhere in Saratoga County. About 10% of

overnight visitors stay out of state. Only lodging spending actually occurring within each geography is used to calculated sales tax revenue. The spending amounts shown below for lodging reflect this adjustment.

Table 39

Net New Sales Tax Revenues from Off-Track Visitor Spending, 2021

Spending Category	Total Spending	Direct Spending from Out of State Visitors	Direct Spending from Out of County Visitors	Direct Spending from Out of City Visitors	Net New Sales Tax Revenue		
					New York State	Saratoga County	Saratoga Springs
Lodging*	\$83,627,446	\$48,804,506	\$13,283,930	\$8,113,415	\$1,952,180	\$276,817	\$121,701
Meals	\$17,704,176	\$6,809,298	\$15,347,800	\$16,888,852	\$272,372	\$230,217	\$253,333
Entertainment/Attractions	\$12,038,840	\$4,630,323	\$10,436,504	\$11,484,419	\$185,213	\$156,548	\$172,266
Retail	\$33,283,851	\$12,801,481	\$28,853,865	\$31,751,042	\$512,059	\$432,808	\$476,266
Transportation	\$12,038,840	\$4,630,323	\$10,436,504	\$11,484,419	\$185,213	\$156,548	\$172,266
Total	\$158,693,153	\$77,675,931	\$78,358,603	\$79,722,149	\$3,107,037	\$1,252,937	\$1,195,832

* Lodging expenditures are considered only for out-of-study-region visitors because visitors from within the region are assumed to be day-trip visitors. Spending amounts shown are adjusted for spending that occurs in each geography.

OCCUPANCY TAX REVENUE

Many visitors to the Saratoga Race Course stay at lodging establishments in the City and surrounding region. NYRA’s visitor survey found that of overnight visitors, 19% stay in Saratoga Springs, 12% stay elsewhere in Saratoga County, 30% stay in the Capital Region, and about 9% stay in the Lake George/Glens Falls Region. This analysis calculates the occupancy tax from rooms rented in Saratoga County and Saratoga Springs.

Renting a room is subject to several room (occupancy) taxes in addition to sales tax. Table 40 summarizes the room tax rates in Saratoga County and the City of Saratoga Springs.

Table 40

Occupancy Tax Rates

	Rate
Saratoga County Room Tax	1.0%
Saratoga County Convention and Tourism Bureau Room Tax	2.0%
City of Saratoga Springs Room Tax	1.0%
City of Saratoga Springs City Center Tax	2.0%
Total	6.0%

The analysis below calculates the total amount of the City and Occupancy taxes that can be attributed to the Saratoga Race Course. That is, without the race course, this revenue would be lost to the City and County.

Table 41 shows the calculation of net new lodging spending in the City of Saratoga Springs (spending on lodging that would not occur in the City if not for the Race Course). The number of overnight visitor days from outside of the study region is used because visitors from within the study region are assumed to be day visitors. We then account for the fact that a little over 19% of overnight visitors stay within the City of Saratoga Springs.

Based on the number of visitors per room and average rate per day (both discussed in the visitor spending section) we arrive at a figure of \$8.1 million net new lodging expenditures in Saratoga Springs in 2021.

Table 41

Net New Lodging Expenditures in Saratoga Springs, 2021	
Overnight Visitor Days	302,537
% Staying in Saratoga Springs	19.4%
Paying Overnight Visitor-Days in Saratoga Springs	58,703
Number of Visitors per Room	2
Number of Room Nights	29,352
Average Rate per Day	\$276
Net New Lodging Expenditures in Saratoga Springs	\$8,113,415

Table 42 presents a similar analysis for the rest of Saratoga County, specifically excluding the City of Saratoga Springs. The net new lodging expenditures to the County outside of the City is estimated to be about \$5.2 million in 2021.

Table 42

Net New Lodging Expenditures in Saratoga County (Excluding Saratoga Springs), 2021	
Overnight Visitor Days	302,537
% Staying Elsewhere in Saratoga County (not Saratoga Springs)	12.4%
Paying Overnight Visitors Staying Elsewhere in Saratoga County	37,410
Number of Visitors per Room	2
Number of Room Nights	18,705
Average Rate per Day	\$276
Net New Lodging Expenditures in Saratoga County (not Saratoga Springs)	\$5,170,514

Table 43 shows the total room tax revenue for each of the types of room taxes based on the net new lodging calculations above. Occupancy tax revenues that would not be received, but for the Saratoga Race Course are estimated to be about \$538,500 in 2021.

Table 43

Net New Occupancy Tax Revenue, Saratoga County & Saratoga Springs, 2021		
	Rate	Revenue
Saratoga County Room Tax	1.0%	\$132,839
Saratoga County Convention and Tourism Bureau Room Tax	2.0%	\$162,268
City of Saratoga Springs Room Tax	1.0%	\$81,134
City of Saratoga Springs City Center Tax	2.0%	\$162,268
Total	6.0%	\$538,510

STATUTORY PAYMENTS

This section considers other revenues attributed to the Saratoga Race Course. NYRA is required under New York State Law to make various payments to municipalities and other entities. Payments to local municipalities are generated from a track admissions tax and property taxes paid to Saratoga County, the City of Saratoga Springs, and the Saratoga Springs School District. Payments are also made to New York State, the New York State

Thoroughbred Breeding and Development Fund, and the New York State Gaming Commission. Table 44 summarizes these payments.

Table 44

Statutory Payments Attributable to the Saratoga Race Course, 2021	
Pari Mutuel Tax	\$2,530,631
NYS Thoroughbred Breeding and Development Fund	\$1,102,551
New York State Gaming Commission	\$1,097,885
Saratoga County Admissions Tax	\$741,903
Saratoga County Property Tax	\$160,477
City of Saratoga Springs Admissions Tax	\$398,000
City of Saratoga Springs Property Tax	\$259,191
Property Tax to School District	\$751,722
Total	\$7,042,361

3 SARATOGA PERFORMING ARTS CENTER

For more than 55 years, the Saratoga Performing Arts Center (SPAC), in the heart of Saratoga Spa State Park in Saratoga Springs, NY, has been the summer home to more than a thousand performances of best-in-class artists across all genres. SPAC draws vacation crowds and arts connoisseurs each year for immersive experiences of performances by resident companies of the New York City Ballet, The Philadelphia Orchestra, The Chamber Music Society of Lincoln Center, the Freihofer’s Saratoga Jazz Festival, Opera Saratoga, and concerts by Live Nation. SPAC also hosts imaginative programming in the visual, literary, culinary, and healing arts.

The Saratoga Performing Arts Center is home to four distinct venues: an acoustically ideal, 5,200-seat amphitheater with capacity for an additional 20,000 on the lawn; the 500-seat Spa Little Theatre; the Charles R. Wood Stage; and the The Jazz Bar in the Hall of Springs. In addition, the recent construction of The Pines @ SPAC has provided additional spaces, such as the Julie Bonacio Family Pavilion, the Nancy DiCresce Room, and the Pines Terrace.

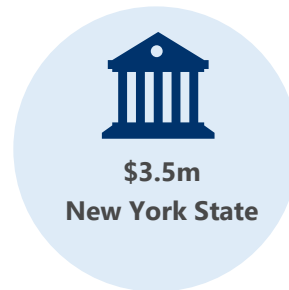
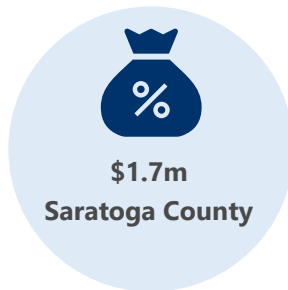
3.1 SUMMARY OF IMPACTS

The following graphic summarizes the total annual economic impact and fiscal benefit that SPAC contributes to the regional economy. This includes all direct, indirect, and induced impacts, which are discussed in more detail in the following sections.

Total Annual Economic Impact of SPAC on the Capital Region



Total Annual Tax Revenue from SPAC



3.2 ECONOMIC IMPACT

TOTAL ECONOMIC IMPACT

The total annual economic impact of SPAC on the Capital Region is displayed in Table 45. This is inclusive of activity associated with on-site operations and with net new visitor spending.

Table 45

Total Economic Impact, 2021, SPAC

	Jobs	Earnings	Sales
Direct	1,150	\$15,979,859	\$49,239,974
Indirect	118	\$5,184,690	\$13,793,593
Induced	94	\$5,805,036	\$15,183,102
Total	1,362	\$26,969,585	\$78,216,669

Source: Lightcast (formerly Emsi)

The following subsections provide more detail on the impacts specifically associated with on-site activity and with visitor spending.

ON-SITE OPERATIONS

On-site operations of SPAC generate economic activity for the Capital Region. On-site operations include the jobs that are at SPAC, and associated operational activity.

Assumptions

Information about operations of SPAC was provided to Camoin Associates by SPAC. According to representatives of SPAC, there were 900 jobs⁷ on-site with an associated payroll of \$6.2 million in 2021. These jobs and employee earnings figures were used as the direct input in the Lightcast model to calculate the spillover economic impacts of this on-site activity.

Economic Impact

The economic impact of the on-site operations of SPAC on the Capital Region are displayed in Table 46. All impacts are based on 2021 activity.

⁷ This includes 50 annual employees and 850 seasonal employees. The Lightcast model considers each employee, annual and seasonal, as one job. Jobs are actual jobs and not reported as FTEs.

Table 46

**Economic Impact of On-Site Operations, 2021,
SPAC**

	Jobs	Earnings	Sales
Direct	900	\$6,150,000	\$19,467,051
Indirect	75	\$2,647,534	\$6,699,897
Induced	38	\$2,324,384	\$6,100,162
Total	1,013	\$11,121,918	\$32,267,110

Source: Lightcast (formerly Emsi)

VISITOR SPENDING

In addition to impacts generated by on-site operations, SPAC generates impacts for the Capital Region through the spending of net new visitors.

Assumptions

The first step in determining the impact of visitor spending is estimating the percent of visitors that are net new to the Capital Region. According to SPAC there were 475,000 total visitors (visitor days) in 2021 with 54% of visitors coming from outside of the Capital Region (net new visitors). SPAC estimates that 40% of visitors are overnight visitors.

Table 47

SPAC Annual Visitors

Total Visitor Days	475,000
Percent from out of Capital Region	54%
Net New Visitor Days	256,500
Overnight Visitor Days (40%)	102,600
Day Visitor Days (60%)	153,900

Source: SPAC, Camoin Associates

The number of overnight visitor days and day visitor days were multiplied by their respective spending baskets to calculate the total net new spending attributed to visitors. In total, it is estimated that SPAC visitation resulted in nearly \$29.8 million in net new spending in the Capital Region in 2021.

Table 48

Direct Off-Site Spending by Net New SPAC Visitors

Expenditure Category	Overnight Visitors		Day Visitors		Total Net New Spending
	Spending per person per half day	Total Spending (102,600 visitors)	Spending per person per half day	Total Spending (153,900 visitors)	
Lodging	\$138	\$14,180,384	\$0	\$0	\$14,180,384
Meals	\$14	\$1,470,994	\$14	\$2,206,491	\$3,677,486
Entertainment/Attractions	\$10	\$1,000,276	\$10	\$1,500,414	\$2,500,690
Retail	\$27	\$2,765,469	\$27	\$4,148,204	\$6,913,673
Transportation	\$10	\$1,000,276	\$10	\$1,500,414	\$2,500,690
Total	\$199	\$20,417,400	\$61	\$9,355,523	\$29,772,923

Source: SPAC, Camoin Associates

Economic Impact

The nearly \$29.8 million in net new visitor spending was used as a direct input in the Lightcast model to calculate the spillover impacts and the total economic impact of SPAC visitor spending. The impacts are displayed in Table 49.

Table 49

Economic Impact of Visitor Spending, 2021, SPAC

	Jobs	Earnings	Sales
Direct	250	\$9,829,859	\$29,772,923
Indirect	43	\$2,537,156	\$7,093,696
Induced	56	\$3,480,652	\$9,082,940
Total	349	\$15,847,667	\$45,949,559

Source: Lightcast (formerly Emsi)

Capital Improvement Spending

In addition to permanent, ongoing impacts from operations and visitor spending, SPAC has generated additional positive economic impacts for the Capital Region through spending on capital improvement projects. Over the last five years SPAC has spent approximately \$12.8 million on improvements to the Charles R. Wood stage, rehabilitation of the theater balcony ramp, rehabilitation of the Pines Buildings campus, upgrades to the SPAC School of the Arts facilities, and a security camera project. This spending has a one-time economic impact on the Capital Region.

According to Lightcast, approximately 65% of construction-related demand is met within the Capital Region. This means that an estimated 65% of the \$12.8 million, or \$8.3 million, was spent within the Capital Region. Based on this spending a total of 48 jobs, over \$4.4 million in employee earnings, and a total of over \$12.2 million in sales occurred in the Capital Region during the capital improvement period.

SPAC anticipates an additional \$22.0 million of spending on capital improvement projects in the near future, specifically on the backstage theater and access road renovation project, the Roosevelt II Bathhouse renovation, and the Spa Little Theater renovation.

Economic Impact of Recent Capital Improvements, SPAC

	Jobs	Earnings	Sales
Direct	26	\$3,059,597	\$8,305,050
Indirect	8	\$583,213	\$1,811,595
Induced	14	\$798,357	\$2,118,073
Total	48	\$4,441,167	\$12,234,718

Source: Lightcast (formerly Emsi)

3.3 FISCAL IMPACT

SPAC generates a fiscal benefit for Saratoga County and New York State in terms of new tax revenue generation. Annual income tax, property tax, sales tax, and occupancy tax revenue attributed to SPAC are estimated in this section.

TOTAL FISCAL BENEFIT

Annually, it is estimated that nearly \$1.7 million of tax revenue in Saratoga County and nearly \$3.5 million of tax revenue in New York State is attributable to SPAC. Table 50 displays a breakdown of tax revenue by type.

Table 50

Total Net New Annual Tax Revenue, SPAC

	Saratoga County	New York State
Income Tax	\$0	\$1,833,715
Property Tax	\$40,494	\$0
Sales Tax	\$1,583,653	\$1,660,333
Occupancy Tax	\$37,720	\$0
Total	\$1,661,867	\$3,494,049

Source: Camoin Associates

The following sections provide more detail on the estimates of tax revenue by type.

INCOME TAX REVENUE

To estimate the personal income tax that New York State receives as a result of SPAC, we consider the ratio of total “value added” sales⁸ associated with net new visitors to the total Gross State Product (GSP)⁹ of New York State. This ratio is used as a proxy for the portion of income tax revenue that can be attributed to SPAC economic activity.

We first consider the over \$78.2 million in total sales that were calculated in section 3.2 Economic Impact (Table 45). Of these total sales, a portion is considered to be value added. According to Lightcast, over \$44.5 million of these sales are value-added sales, accounting for 0.0026% of the state’s GSP. Therefore, it is estimated that 0.0026% of NYS personal income tax revenue is attributable to SPAC’s economic activity. This means that an estimated \$1.8 million of the state’s annual income tax revenue is attributed to SPAC (Table 51). Note that this is a conservative estimate of state tax revenue as the value added sales are based on net new activity to the Capital Region, only.

⁸ Value added sales are a measure of contribution to GSP. This is the difference between an industry’s total sales and the cost of its intermediate inputs. Intermediate inputs are goods and services that are used in the production process of other goods and services.

⁹ Gross State Product (GSP) measures the market value of all final goods and services produced in the state in a year.

Table 51

**Net New Annual Personal Income Tax Revenue,
SPAC**

	New York State
New York State Gross State Product (2021)	\$1,682,635,102,719
Net New Value Added Sales Attributable to SPAC	\$44,544,002
Proportion of Gross State Product Attributable to SPAC	0.0026%
NYS Personal Income Tax Revenue (FY 2021-22)	\$69,268,000,000
Net New Income Tax Revenue	\$1,833,715

Source: Lightcast, New York Senate Finance Committee, Camoin Associates

PROPERTY TAX REVENUE

Although SPAC does not directly generate property tax revenue for Saratoga County, property tax revenue can be thought of as a function of the overall economic activity within a region. As economic activity increases, so do assessed property values and therefore, property tax revenue. In other words, without SPAC and its associated economic activity, Saratoga County’s property tax revenue would be lower than it is currently.

To estimate the portion of property tax revenue that can be attributed to SPAC, a methodology similar to that used to calculate income tax revenue was used. Saratoga County’s portion of the total value added sales as a percent of Saratoga County’s Gross Regional Product (GRP)¹⁰ was used as a proxy for the portion of property tax revenue that can be attributed to SPAC. Using this methodology it is estimated that approximately \$40,494 of the county’s annual property tax revenue can be attributed to SPAC.

Table 52

**Net New Annual Property Tax Revenue,
SPAC**

	Saratoga County
Saratoga County Gross Regional Product (2021)	\$12,529,064,924
Net New Value Added Sales in Saratoga County Attributable to SPAC	\$7,572,480
Proportion of Gross Regional Product Attributable to SPAC	0.0604%
Saratoga County Property Tax Revenue (2021)	\$67,000,000
Net New Property Tax Revenue	\$40,494

Source: Lightcast, Saratoga County Budget, Camoin Associates

¹⁰ Gross Regional Product (GRP) measures the market value of all final goods and services produced in the county in a year.

SALES TAX REVENUE

Sales tax revenue associated with SPAC is generated for Saratoga County and New York State in two ways: 1) as employees spend their earnings in the county and state; and 2) as net new visitors make purchases in the county and state.

Employee Earnings

As employees spend the earnings generated as a result of the economic activity associated with SPAC, new sales tax revenue is generated for the county and state. As calculated in section 3.2 Economic Impact (Table 45), nearly \$27.0 million in total new earnings are generated annually as a result of SPAC. Based on industry supply and demand data from Lightcast, it is estimated that 45% of these earnings will be spent in Saratoga County and 85% in New York State. It is also assumed that 85% of purchases will be taxable.¹¹ Based on these assumptions, an estimated \$309,476 in sales tax revenue is generated for Saratoga County and an estimated \$779,421 in sales tax revenue is generated for New York State, annually.

Table 53

Net New Sales Tax Revenue from Employee Earnings, SPAC

	Saratoga County	New York State
Total Net New Earnings	\$26,969,585	\$26,969,585
% Spent in Region	45%	85%
Amount Spent in Region	\$12,136,313	\$22,924,147
Amount Taxable (85%)	\$10,315,866	\$19,485,525
Sales Tax Rate	3.00%	4.00%
Net New Sales Tax Revenue	\$309,476	\$779,421

Source: Lightcast, NYS Comptroller, Camoin Associates

Visitor Spending

Purchases made by visitors will also generate new tax revenue for the county and state. To estimate this, the total net new visitor days and associated direct spending were calculated for Saratoga County and for New York State. A methodology similar to that used to calculate net new visitors to the Capital Region in section 3.2 Economic Impact (Table 47) was used.¹² The total net new direct spending to Saratoga County and New York State are displayed in Table 54.

¹¹ Based on consumer spending basket data from the Bureau of Labor Statistics and information from the NYS Department of Taxation and Finance.

¹² The percent of visitors from outside of the county and state are an average of the percentages for the other three destinations.

Table 54

SPAC Net New Direct Spending

	Saratoga County	New York State
Total Visitor Days	475,000	475,000
Percent from out of Geography	81%	42%
Net New Visitor Days	384,750	199,500
Overnight Visitor Days (40%)	153,900	79,800
Day Visitor Days (60%)	230,850	119,700
Direct Spending per Half Day - Overnight Visitors (\$199)	\$30,626,100	\$15,880,200
Direct Spending per Half Day - Day Visitors (\$61)	\$14,081,850	\$7,301,700
Total Direct Spending	\$44,707,950	\$23,181,900

Source: SPAC, Camoin Associates

The vast majority of the purchases made by visitors are assumed to be taxable, therefore it is assumed that 95% of direct spending will be taxable. Total tax revenue attributed to direct visitor spending is displayed in Table 55.

Table 55

Net New Sales Tax Revenue from Visitor Spending, SPAC

	Saratoga County	New York State
Total Direct Spending	\$44,707,950	\$23,181,900
Amount Taxable (95%)	\$42,472,553	\$22,022,805
Sales Tax Rate	3.00%	4.00%
Net New Sales Tax Revenue	\$1,274,177	\$880,912

Source: NYS Comptroller, Camoin Associates

Total Sales Tax Revenue

The total sales tax revenue from the spending of employee earnings and direct visitor spending is summarized in Table 56.

Table 56

Net New Annual Sales Tax Revenue, SPAC

	Saratoga County	New York State
Employee Earnings	\$309,476	\$779,421
Visitor Spending	\$1,274,177	\$880,912
Total	\$1,583,653	\$1,660,333

Source: Camoin Associates

OCCUPANCY TAX REVENUE

In addition to sales tax, Saratoga County collects a 1.00% occupancy tax on hotel stays in the county. To estimate this, the nearly \$14.2 million of visitor spending on lodging was used (see Table 48). Of the visitors that are net new to the Capital Region it is assumed that 28%¹³ will stay in Saratoga County. Short-term rentals are not currently subject to the county’s occupancy tax, therefore the amount spent on lodging in Saratoga County was adjusted to account for 5% of this spending being on non-taxable lodging options.¹⁴ This means that an estimated \$37,720 in annual occupancy tax revenue can be attributed to SPAC.

Table 57

**Net New Annual Occupancy Tax Revenue,
SPAC**

	Saratoga County
Total Visitor Spending on Lodging	\$14,180,384
% of Visitors Staying in Saratoga County	28%
Amount Spent in Saratoga County	\$3,970,508
% of Sales Attributed to Taxable Rooms	95%
Amount Subject to County Occupancy Tax	\$3,771,982
County Occupancy Tax Rate	1.00%
Net New Occupancy Tax Revenue	\$37,720

Source: Lightcast, Camoin Associates, 2014 NYRA Visitor Survey

¹³ Based on data from the 2014 NYRA visitor survey.

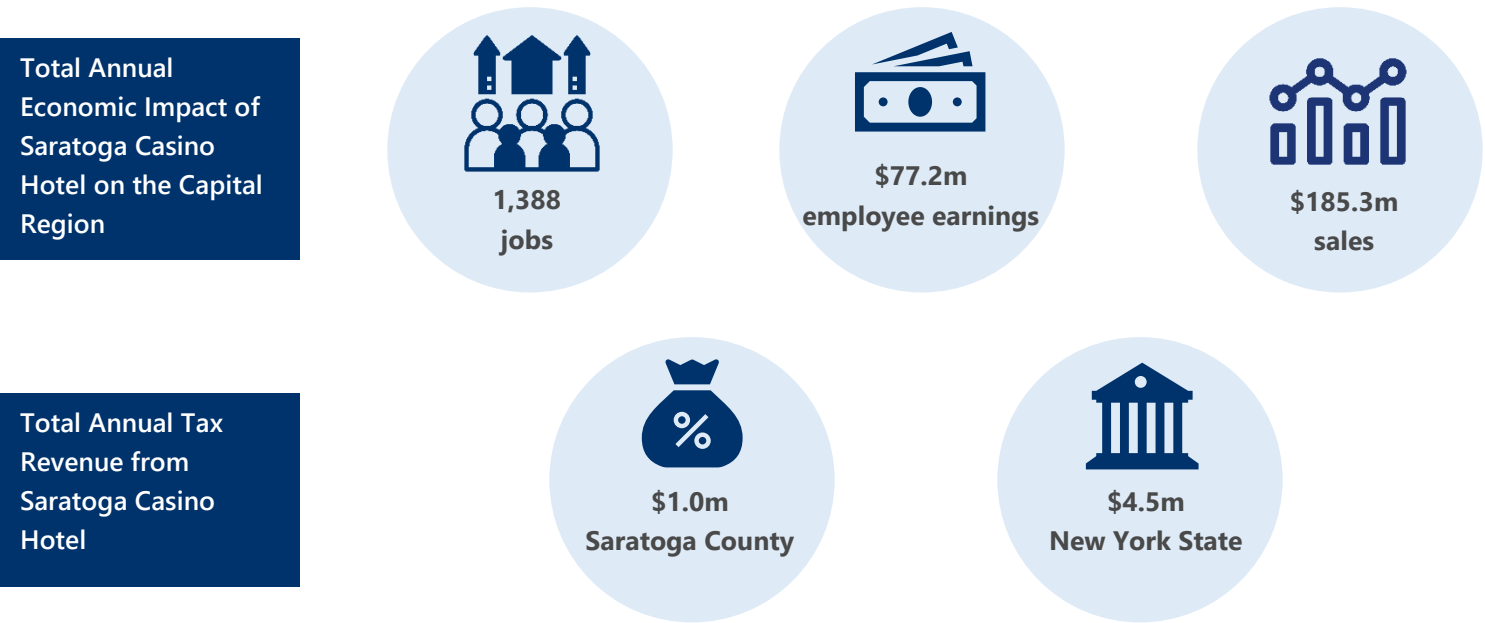
¹⁴ According to data from Lightcast, 95% of Saratoga County’s accommodation sales are at destinations that are taxable, like hotels.

4 SARATOGA CASINO HOTEL

Located in historic Saratoga Springs, Saratoga Casino Hotel has over 1,200 slot machines, including electronic table games. Together with live harness racing and simulcast wagering, Saratoga Casino Hotel has live entertainment in Vapor Night Club, fine dining in Morton's: The Steakhouse, and a luxury hotel, making it one of the area's premier destinations.

4.1 SUMMARY OF IMPACTS

The following graphic summarizes the total annual economic impact and fiscal benefit that Saratoga Casino Hotel contributes to the regional economy. This includes all direct, indirect, and induced impacts, which are discussed in more detail in the following sections.



4.2 ECONOMIC IMPACT

TOTAL ECONOMIC IMPACT

The total annual economic impact of the Saratoga Casino Hotel on the Capital Region is displayed in Table 58. This is inclusive of activity associated with on-site operations of the casino, harness racing, and with net new visitor spending.

Table 58

Total Economic Impact, 2021, Saratoga Casino Hotel

	Jobs	Earnings	Sales
Direct	968	\$52,294,660	\$120,518,786
Indirect	159	\$9,014,533	\$23,164,837
Induced	262	\$15,877,624	\$41,603,220
Total	1,388	\$77,186,817	\$185,286,843

Source: Lightcast (formerly Emsi)

The following subsections provide more detail on the impacts specifically associated with on-site activity and with visitor spending.

ON-SITE OPERATIONS

On-site operations of the casino generate economic activity for the Capital Region. On-site operations include the jobs that are at the casino and associated operational activity.

Assumptions

Information about operations of the casino was provided to Camoin Associates by Saratoga Casino Hotel. According to representatives of the casino, there were 425 jobs on-site (actual jobs, not FTEs) with an associated payroll of \$21.3 million in 2021. These jobs and employee earnings figures were used as the direct input in the Lightcast model to calculate the spillover economic impacts of this on-site activity.

Economic Impact

The economic impact of on-site operations of the Saratoga Casino Hotel on the Capital Region are displayed in Table 59. All impacts are based on 2021 activity.

Table 59

Economic Impact of On-Site Operations, 2021, Saratoga Casino Hotel

	Jobs	Earnings	Sales
Direct	425	\$21,300,000	\$63,751,117
Indirect	82	\$5,105,766	\$13,151,434
Induced	132	\$8,256,941	\$21,510,226
Total	639	\$34,662,707	\$98,412,777

Source: Lightcast (formerly Emsi)

HARNESS RACING

The Saratoga Raceway operates on-site of the Saratoga Casino Hotel, generating additional economic impacts. In 2021 1,050 horses raced at Saratoga Raceway, with each horse being valued at approximately \$20,000, and \$17.0 million in total purses being paid. Jobs associated with harness racing have additional economic impacts for the region.

Assumptions

Jobs associated with harness racing are year-round, and include trainers, drivers, grooms, veterinarians, ferries, tack shop employees, kitchen employees, and horse transportation. In total, there are approximately 388 jobs associated with Saratoga Raceway operations. These jobs are used as the direct input in the model.

Economic Impact

The economic impact of harness racing on the Capital Region is displayed in Table 60. All impacts are based on 2021 activity.

Table 60

**Economic Impact of Harness Racing, 2021,
Saratoga Casino Hotel**

	Jobs	Earnings	Sales
Direct	388	\$25,277,712	\$39,496,184
Indirect	48	\$2,219,185	\$5,129,327
Induced	98	\$5,698,411	\$15,063,338
Total	534	\$33,195,308	\$59,688,849

Source: Lightcast (formerly Emsi)

VISITOR SPENDING

In addition to impacts generated by on-site operations, Saratoga Casino Hotel generates impacts for the Capital Region through the spending of net new visitors.

Assumptions

The first step in determining the impact of visitor spending is estimating the percent of visitors that are net new to the Capital Region. According to the Saratoga Casino Hotel there were 1.5 million total visitors (visitor days) in 2021, with 18% of visitors coming from outside of the Capital Region (net new visitors). The Saratoga Casino Hotel estimates that 2.3% of visitors are overnight visitors.

Table 61

Saratoga Casino Hotel Annual Visitors

Total Visitor Days	1,500,000
Percent from out of Capital Region	18%
Net New Visitor Days	270,000
Overnight Visitor Days (2.3%)	6,210
Day Visitor Days (97.7%)	263,790

Source: Saratoga Casino Hotel, Camoin Associates

The number of overnight visitor days and day visitor days were multiplied by their respective spending baskets to calculate the total net new spending attributed to visitors. In total, it is estimated that Saratoga Casino Hotel visitation resulted in nearly \$17.3 million in net new spending in the Capital Region in 2021.

Table 62

Direct Off-Site Spending by Net New Saratoga Casino Hotel Visitors

Expenditure Category	Overnight Visitors		Day Visitors		Total Net New Spending
	Spending per person per half day	Total Spending (6,210 visitors)	Spending per person per half day	Total Spending (263,790 visitors)	
Lodging	\$138	\$858,286	\$0	\$0	\$858,286
Meals	\$14	\$89,034	\$14	\$3,782,004	\$3,871,037
Entertainment/Attractions	\$10	\$60,543	\$10	\$2,571,762	\$2,632,305
Retail	\$27	\$167,384	\$27	\$7,110,167	\$7,277,550
Transportation	\$10	\$60,543	\$10	\$2,571,762	\$2,632,305
Total	\$199	\$1,235,790	\$61	\$16,035,695	\$17,271,485

Source: Saratoga Casino Hotel, Camoin Associates

Economic Impact

The nearly \$17.3 million in net new visitor spending was used as a direct input in the Lightcast model to calculate the spillover impacts and the total economic impact of Saratoga Casino Hotel visitor spending. The impacts are displayed in Table 63.

Table 63

**Economic Impact of Visitor Spending, 2021,
Saratoga Casino Hotel**

	Jobs	Earnings	Sales
Direct	155	\$5,716,948	\$17,271,485
Indirect	29	\$1,689,582	\$4,884,075
Induced	31	\$1,922,272	\$5,029,657
Total	215	\$9,328,802	\$27,185,217

Source: Lightcast (formerly Emsi)

Capital Improvement Spending

In addition to permanent, ongoing operations and visitor spending impacts, Saratoga Casino Hotel has generated additional positive economic impacts for the Capital Region through spending on capital improvement projects. Over the last five years Saratoga Casino Hotel has spent approximately \$11.0 million on improvements to its gaming floor, including new bars, a high-limit area, carpeting, lighting, and a sound system, as well as upgrades to Vapor Night Club. This spending has a one-time economic impact on the Capital Region.

According to Lightcast, approximately 65% of construction-related demand is met within the Capital Region. This means that an estimated 65% of the \$11.0 million, or \$7.2 million, was spent within the Capital Region. Based on this spending, a total of 42 jobs, over \$3.8 million in employee earnings, and more than \$10.5 million in sales occurred in the Capital Region during the capital improvement period.

Saratoga Casino Hotel anticipates an additional \$1.0 million of spending on capital improvement projects in the near future, specifically on a pavilion for group sales events and hotel guests.

**Economic Impact of Recent Capital Improvements,
Saratoga Casino Hotel**

	Jobs	Earnings	Sales
Direct	23	\$2,634,074	\$7,150,000
Indirect	7	\$502,101	\$1,559,642
Induced	12	\$687,323	\$1,823,496
Total	42	\$3,823,498	\$10,533,138

Source: Lightcast (formerly Emsi)

4.3 FISCAL IMPACT

Saratoga Casino Hotel generates a fiscal benefit for Saratoga County and New York State in terms of new tax revenue generation. Annual income tax, property tax, sales tax, and occupancy tax revenue attributed to the casino are estimated in this section.

TOTAL FISCAL BENEFIT

Annually, it is estimated that over \$1.0 million of tax revenue in Saratoga County and nearly \$4.5 million of tax revenue in New York State is attributable to Saratoga Casino Hotel. Table 64 displays a breakdown of tax revenue by type. In addition to generating new tax revenue in fiscal year 2021-2022 Saratoga Casino Hotel contributed over \$62.1 million to the education fund, with an additional over \$2.3 million in contributions to the City of Saratoga Springs and \$775,198 to Saratoga County.

Table 64

Total Net New Annual Tax Revenue, Saratoga Casino Hotel

	Saratoga County	New York State
Income Tax	\$0	\$4,648,504
Property Tax	\$242,797	\$0
Sales Tax	\$1,196,825	\$2,306,418
Occupancy Tax	\$2,283	\$0
Total	\$1,441,905	\$6,954,922

Source: Camoin Associates

The following sections provide more detail on the estimates of tax revenue by type.

INCOME TAX REVENUE

To estimate the personal income tax that New York State receives as a result of Saratoga Casino Hotel, we consider the ratio of total “value added” sales¹⁵ associated with net new visitors to the total Gross State Product (GSP)¹⁶ of New York State. This ratio is used as a proxy for the portion of income tax revenue that can be attributed to Saratoga Casino Hotel economic activity.

To do so, we first consider the nearly \$125.6 million in total sales that were calculated in section 4.2 Economic Impact (Table 58). Of these total sales, a portion is considered to be value added. According to Lightcast, nearly \$113.0 million of these sales are value-added sales, accounting for 0.0045% of the state’s GSP. Therefore, it is estimated that 0.0067% of NYS personal income tax revenue is attributable to the casino’s economic activity. This means that \$4.6 million of the state’s annual income tax revenue is estimated to be attributed to Saratoga Casino Hotel (Table 65). Note that this is a conservative estimate of state tax revenue as the value added sales are based on net new activity to the Capital Region, only.

¹⁵ Value added sales are a measure of contribution to GSP. This is the difference between an industry’s total sales and the cost of its intermediate inputs. Intermediate inputs are goods and services that are used in the production process of other goods and services.

¹⁶ Gross State Product (GSP) measures the market value of all final goods and services produced in the state in a year.

Table 65

**Net New Annual Personal Income Tax Revenue,
Saratoga Casino Hotel**

	New York State
New York State Gross State Product (2021)	\$1,682,635,102,719
Net New Value Added Sales Attributable to Saratoga Casino Hotel	\$112,919,896
Proportion of Gross State Product Attributable to Saratoga Casino Hotel	0.0067%
NYS Personal Income Tax Revenue (FY 2021-22)	\$69,268,000,000
Net New Income Tax Revenue	\$4,648,504

Source: Lightcast, New York Senate Finance Committee, Camoin Associates

PROPERTY TAX REVENUE

Saratoga Casino Hotel pays approximately \$140,143 in property taxes to Saratoga County, annually.¹⁷ This is considered the direct property tax that is paid on the property itself.

In addition, indirect property tax revenue is generated as a function of the overall economic activity within a region. As economic activity increases, so do assessed property values and therefore, property tax revenue. In other words, without the casino and its associated economic activity, Saratoga County’s property tax revenue would be lower than it is currently.

To estimate the portion of property tax revenue that can be attributed to the casino, a methodology similar to that used to calculate income tax revenue was used. Saratoga County’s portion of the total value added sales as a percent of Saratoga County’s Gross Regional Product (GRP)¹⁸ was used as a proxy for the portion of property tax revenue that can be attributed to Saratoga Casino Hotel. Using this methodology, it is estimated that an additional approximately \$242,797 of the county’s annual property tax revenue can be indirectly attributed to the casino.

Table 66

**Net New Annual Property Tax Revenue,
Saratoga Casino Hotel**

	Saratoga County
Direct Property Tax Revenue	\$140,143
Saratoga County Gross Regional Product (2021)	\$12,529,064,924
Net New Value Added Sales in Saratoga County Attributable to Saratoga Casino Hotel	\$19,196,382
Proportion of Gross Regional Product Attributable to Saratoga Casino Hotel	0.1532%
Saratoga County Property Tax Revenue (2021)	\$67,000,000
Indirect Property Tax Revenue	\$102,654
Net New Property Tax Revenue	\$242,797

Source: Lightcast, Saratoga County Budget, Camoin Associates

¹⁷ Based on the 2022 City and County tax bill for parcel 179.-5-7 from the City of Saratoga Springs and Saratoga County property tax rates.

¹⁸ Gross Regional Product (GRP) measures the market value of all final goods and services produced in the county in a year.

SALES TAX REVENUE

Sales tax revenue associated with the casino is generated for Saratoga County and New York State in two ways: 1) as employees spend their earnings in the county and state; and 2) as net new visitors make purchases in the county and state.

Employee Earnings

As employees spend the earnings generated as a result of the economic activity associated with Saratoga Casino Hotel, new sales tax revenue is generated for the county and state. As calculated in section 4.2 Economic Impact (Table 58), nearly \$77.2 million in total new earnings are generated annually as a result of Saratoga Casino Hotel. Based on industry supply and demand data from Lightcast, it is estimated that 45% of these earnings will be spent in Saratoga County and 85% in New York State. It is also assumed that 85% of purchases will be taxable.¹⁹ Based on these assumptions, an estimated \$886,000 in sales tax revenue is generated for Saratoga County and an estimated \$2.2 million in sales tax revenue is generated for New York State, annually.

Table 67

**Net New Sales Tax Revenue from Employee Earnings,
Saratoga Casino Hotel**

	Saratoga County	New York State
Total Net New Earnings	\$77,186,817	\$77,186,817
% Spent in Region	45%	85%
Amount Spent in Region	\$34,734,068	\$65,608,794
Amount Taxable (85%)	\$29,523,958	\$55,767,475
Sales Tax Rate	3.00%	4.00%
Net New Sales Tax Revenue	\$885,719	\$2,230,699

Source: Lightcast, NYS Comptroller, Camoin Associates

Visitor Spending

Purchases made by visitors will also generate new tax revenue for the county and state. To estimate this, the total net new visitor days and associated direct spending were calculated for Saratoga County and for New York State. A methodology similar to that used to calculate net new visitors to the Capital Region in section 4.2 Economic Impact (Table 61) was used. The total net new direct spending to Saratoga County and New York State are displayed in Table 68.

¹⁹ Based on consumer spending basket data from the Bureau of Labor Statistics and information from the NYS Department of Taxation and Finance.

Table 68

Saratoga Casino Hotel Net New Direct Spending

	Saratoga County	New York State
Total Visitor Days	270,000	270,000
Percent from out of Geography	63%	12%
Net New Visitor Days	170,100	31,050
Overnight Visitor Days (2.3%)	3,912	714
Day Visitor Days (97.7%)	166,188	30,336
Direct Spending per Half Day - Overnight Visitors (\$199)	\$778,548	\$142,116
Direct Spending per Half Day - Day Visitors (\$61)	\$10,137,450	\$1,850,487
Total Direct Spending	\$10,915,997	\$1,992,603

Source: National Park Service, Camoin Associates

The vast majority of the purchases made by visitors are assumed to be taxable, therefore it is assumed that 95% of direct spending will be taxable. Total tax revenue attributed to direct visitor spending is displayed in Table 69.

Table 69

Net New Sales Tax Revenue from Visitor Spending, Saratoga Casino Hotel

	Saratoga County	New York State
Total Direct Spending	\$10,915,997	\$1,992,603
Amount Taxable (95%)	\$10,370,198	\$1,892,973
Sales Tax Rate	3.00%	4.00%
Net New Sales Tax Revenue	\$311,106	\$75,719

Source: NYS Comptroller, Camoin Associates

Total Sales Tax Revenue

The total sales tax revenue from the spending of employee earnings and direct visitor spending is summarized in Table 70.

Table 70

Net New Annual Sales Tax Revenue, Saratoga Casino Hotel

	Saratoga County	New York State
Employee Earnings	\$885,719	\$2,230,699
Visitor Spending	\$311,106	\$75,719
Total	\$1,196,825	\$2,306,418

Source: Camoin Associates

OCCUPANCY TAX REVENUE

In addition to sales tax, Saratoga County collects a 1.00% occupancy tax on hotel stays in the county. To estimate this, the over \$858,000 of visitor spending on lodging was used (see Table 62). Of the visitors that are net new to the Capital Region it is assumed that 28%²⁰ will stay in Saratoga County. Short-term rentals are not currently subject to the county’s occupancy tax, therefore the amount spent on lodging in Saratoga County was adjusted to account for 5% of this spending being on non-taxable lodging options.²¹ This means that an estimated \$2,283 in annual occupancy tax revenue can be attributed to Saratoga Casino Hotel.

Table 71

**Net New Annual Occupancy Tax Revenue,
Saratoga Casino Hotel**

	Saratoga County
Total Visitor Spending on Lodging	\$858,286
% of Visitors Staying in Saratoga County	28%
Amount Spent in Saratoga County	\$240,320
% of Sales Attributed to Taxable Rooms	95%
Amount Subject to County Occupancy Tax	\$228,304
County Occupancy Tax Rate	1.00%
Net New Occupancy Tax Revenue	\$2,283

Source: Lightcast, Camoin Associates, 2014 NYRA Visitor Survey

OTHER FISCAL BENEFITS

In addition to new tax revenue, Saratoga Casino Hotel makes annual contributions to education funds. For fiscal year 2021-2022 the Casino Hotel contributed over \$62.1 million to the education fund, with an additional over \$2.3 million in contributions to the City of Saratoga Springs and \$775,198 to Saratoga County.

From fiscal year 2003-2004 through fiscal year 2022-2023, total education fund contributions have equaled over \$1.2 billion, contributions to the City of Saratoga Springs have equaled over \$32.9 million, and contributions to Saratoga County have equaled nearly \$11.0 million.

²⁰ Based on data from the 2014 NYRA visitor survey.

²¹ According to data from Lightcast, 95% of Saratoga County’s accommodation sales are at destinations that are taxable, like hotels.

5 SARATOGA NATIONAL HISTORIC PARK

Saratoga National Historical Park (NHP) preserves, protects, and interprets the sites associated with the battles, siege, and surrender of the British forces at Saratoga during the American Revolution. The park encompasses five sites totaling 3,579 acres, and includes Saratoga Battlefield, Victory Woods, Sword Surrender site, General Philip Schuyler’s house, and Saratoga Monument.

At the park visitor center located at the Saratoga Battlefield Site, visitors can explore exhibits, talk to park rangers and volunteers, watch the park movie on the Battles of Saratoga, shop the bookstore, and get general information.

Visitors come to Saratoga NHP to step back in history and tour the battlefield using the 10-mile Tour Road with 10 tour stops and a series of paths and waysides that interpret the historic events of the battles and encampments, or the 5-mile Wilkinson Trail. This Battlefield site is also very popular for recreationists who come here to hike, bike, ski, walk their dogs, and bird watch.

At the northern units, visitors can take a house tour of General Schuyler’s home, walk along the Old Champlain Canal, and explore the grounds of the Saratoga Monument, Sword Surrender Site, and the boardwalk at Victory Woods. Sites are open seasonally.

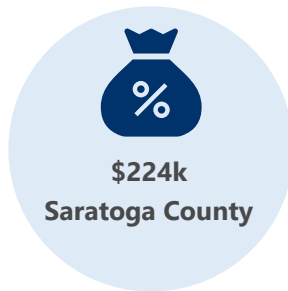
5.1 SUMMARY OF IMPACTS

The following graphic summarizes the total annual economic impact and fiscal benefit that Saratoga NHP contributes to the regional economy. This includes all direct, indirect, and induced impacts, which are discussed in more detail in the following sections.

Total Annual Economic Impact of NHP on the Capital Region



Total Annual Tax Revenue from NHP



5.2 ECONOMIC IMPACT

TOTAL ECONOMIC IMPACT

The total annual economic impact of the Saratoga National Historic Park on the Capital Region is displayed in Table 72. This is inclusive of activity associated with on-site operations of the park and with net new visitors to the park.

Table 72

Total Economic Impact, 2021, Saratoga National Historic Park

	Jobs	Earnings	Sales
Direct	53	\$3,125,380	\$8,147,278
Indirect	14	\$789,069	\$2,300,587
Induced	16	\$976,235	\$2,564,828
Total	83	\$4,890,685	\$13,012,691

Source: Lightcast (formerly Emsi)

The following subsections provide more detail on the impacts specifically associated with on-site activity and with visitor spending.

ON-SITE OPERATIONS

On-site operations of the park generate economic activity for the Capital Region. On-site operations include the jobs that are at the park, and associated operational activity.

Assumptions

Information about operations of the park was provided to Camoin Associates by Saratoga National Historic Park. According to representatives of the park, there were 26 jobs on-site (actual jobs, not FTEs) with an associated payroll of nearly \$2.1 million in 2021. These jobs and employee earnings figures were used as the direct input in the Lightcast model to calculate the spillover economic impacts of this on-site activity.

Economic Impact

The economic impact of on-site operations of the Saratoga National Historic Park on the Capital Region are displayed in Table 73. All impacts are based on 2021 park activity.

Table 73

Economic Impact of On-Site Operations, 2021, Saratoga National Historic Park

	Jobs	Earnings	Sales
Direct	26	\$2,075,000	\$4,967,209
Indirect	9	\$511,421	\$1,519,410
Induced	10	\$607,424	\$1,601,987
Total	45	\$3,193,845	\$8,088,606

Source: Lightcast (formerly Emsi)

VISITOR SPENDING

In addition to impacts generated by on-site operations, Saratoga National Historic Park generates impacts for the Capital Region through the spending of net new visitors.

Assumptions

The first step in determining the impact of visitor spending is estimating the percent of park visitors that are net new to the Capital Region. According to the National Park Service there were 70,682 total visitors (visitor days) to Saratoga National Historic Park in 2021. It is estimated that 44%²² of these visitors were from outside of the Capital Region, which means that an estimated 31,100 park visitor days were net new. It is estimated that 30% of visitors to the park are overnight visitors.²³

Table 74

Saratoga National Historic Park Annual Visitors	
Total Visitor Days	70,682
Percent from out of Capital Region	44%
Net New Visitor Days	31,100
Overnight Visitor Days (30%)	9,330
Day Visitor Days (70%)	21,770

Source: National Park Service, Camoin Associates

The number of overnight visitor days and day visitor days were multiplied by their respective spending baskets to calculate the total net new spending attributed to park visitors. In total, it is estimated that Saratoga National Historic Park visitation resulted in nearly \$3.2 million in net new spending in the Capital Region in 2021.

Table 75

Direct Off-Site Spending by Net New Saratoga National Historic Park Visitors

Expenditure Category	Overnight Visitors		Day Visitors		Total Net New Spending
	Spending per person per half day	Total Spending (9,330 visitors)	Spending per person per half day	Total Spending (21,770 visitors)	
Lodging	\$138	\$1,289,506	\$0	\$0	\$1,289,506
Meals	\$14	\$133,766	\$14	\$312,121	\$445,887
Entertainment/Attractions	\$10	\$90,961	\$10	\$212,242	\$303,203
Retail	\$27	\$251,480	\$27	\$586,788	\$838,268
Transportation	\$10	\$90,961	\$10	\$212,242	\$303,203
Total	\$199	\$1,856,675	\$61	\$1,323,394	\$3,180,068

Source: National Park Service, Camoin Associates

²² Location of origin of Saratoga National Historic Park visitors is not currently tracked by the park. To estimate the percent of park visitors that were from outside of the Capital Region, an average of the percent of visitors from outside of the region for the other three destinations was used (44%).

²³ The percent of visitors that are overnight visitors was estimated by calculating the average of the percent of overnight visitors to each of the other three destinations (30%).

Economic Impact

The nearly \$3.2 million in net new visitor spending was used as a direct input in the Lightcast model to calculate the spillover impacts and the total economic impact of Saratoga National Historic Park visitor spending. The impacts are displayed in Table 76.

Table 76

**Economic Impact of Visitor Spending, 2021,
Saratoga National Historic Park**

	Jobs	Earnings	Sales
Direct	27	\$1,050,380	\$3,180,068
Indirect	5	\$277,649	\$781,177
Induced	6	\$368,811	\$962,840
Total	38	\$1,696,840	\$4,924,085

Source: Lightcast (formerly Emsi)

5.3 FISCAL IMPACT

Saratoga National Historic Park generates a fiscal benefit for Saratoga County and New York State in terms of new tax revenue generation. Annual income tax, property tax, sales tax, and occupancy tax revenue attributed to the park are estimated in this section.

TOTAL FISCAL BENEFIT

Annually, it is estimated that over \$224,000 of tax revenue in Saratoga County and nearly \$491,000 of tax revenue in New York State is attributable to Saratoga National Historic Park. Table 77 displays a breakdown of tax revenue by type.

Table 77

**Total Net New Annual Tax Revenue,
Saratoga National Historic Park**

	Saratoga County	New York State
Income Tax	\$0	\$264,192
Property Tax	\$5,834	\$0
Sales Tax	\$214,955	\$226,603
Occupancy Tax	\$3,430	\$0
Total	\$224,219	\$490,795

Source: Camoin Associates

The following sections provide more detail on the estimates of tax revenue by type.

INCOME TAX REVENUE

To estimate the personal income tax that New York State receives as a result of the Saratoga National Historic Park, we consider the ratio of total “value added” sales²⁴ associated with net new visitors to the total Gross State Product (GSP)²⁵ of New York State. This ratio is used as a proxy for the portion of income tax revenue that can be attributed to Saratoga National Historic Park economic activity.

To do so, we first consider the over \$13.0 million in total sales that were calculated in section 5.2 Economic Impact (Table 72). Of these total sales, a portion is considered to be value added. According to Lightcast, over \$6.4 million of these sales are value-added sales, accounting for 0.0004% of the state’s GSP. Therefore, it is estimated that 0.0004% of NYS personal income tax revenue is attributable to the park’s economic activity. This means that an estimated \$264,192 of the state’s annual income tax revenue is estimated to be attributed to Saratoga National Historic Park (Table 78). Note that this is a conservative estimate of state tax revenue as the value-added sales are based on net new activity to the Capital Region, only.

Table 78

**Net New Annual Personal Income Tax Revenue,
Saratoga National Historic Park**

	New York State
New York State Gross State Product (2021)	\$1,682,635,102,719
Net New Value Added Sales Attributable to NHP	\$6,417,664
Proportion of Gross State Product Attributable to NHP	0.0004%
NYS Personal Income Tax Revenue (FY 2021-22)	\$69,268,000,000
Net New Income Tax Revenue	\$264,192

Source: Lightcast, New York Senate Finance Committee, Camoin Associates

PROPERTY TAX REVENUE

Although the park property does not directly generate property tax revenue for Saratoga County, property tax revenue can be thought of as a function of the overall economic activity within a region. As economic activity increases, so do assessed property values and therefore, property tax revenue. In other words, without the park and its associated economic activity, Saratoga County’s property tax revenue would be lower than it is currently.

To estimate the portion of property tax revenue that can be attributed to the park, a methodology similar to that used to calculate income tax revenue was used. Saratoga County’s portion of the total value-added sales as a percent of Saratoga County’s Gross Regional Product (GRP)²⁶ was used as a proxy for the portion of property tax revenue that can be attributed to Saratoga National Historic Park. Using this methodology it is estimated that approximately \$5,834 of the county’s annual property tax revenue can be attributed to the park.

²⁴ Value added sales are a measure of contribution to GSP. This is the difference between an industry’s total sales and the cost of its intermediate inputs. Intermediate inputs are goods and services that are used in the production process of other goods and services.

²⁵ Gross State Product (GSP) measures the market value of all final goods and services produced in the state in a year.

²⁶ Gross Regional Product (GRP) measures the market value of all final goods and services produced in the county in a year.

Table 79

**Net New Annual Property Tax Revenue,
Saratoga National Historic Park**

	Saratoga County
Saratoga County Gross Regional Product (2021)	\$12,529,064,924
Net New Value Added Sales in Saratoga County Attributable to NHP	\$1,091,003
Proportion of Gross Regional Product Attributable to NHP	0.0087%
Saratoga County Property Tax Revenue (2021)	\$67,000,000
Net New Property Tax Revenue	\$5,834

Source: Lightcast, Saratoga County Budget, Camoin Associates

SALES TAX REVENUE

Sales tax revenue associated with the park is generated for Saratoga County and New York State in two ways: 1) as employees spend their earnings in the county and state; and 2) as net new visitors make purchases in the county and state.

Employee Earnings

As employees spend the earnings generated as a result of the economic activity associated with Saratoga National Historic Park, new sales tax revenue is generated for the county and state. As calculated in section 5.2 Economic Impact (Table 72), nearly \$4.9 million in total new earnings are generated annually as a result of Saratoga National Historic Park. Based on industry supply and demand data from Lightcast, it is estimated that 45% of these earnings will be spent in Saratoga County and 85% in New York State. It is also assumed that 85% of purchases will be taxable.²⁷ Based on these assumptions, an estimated \$56,121 in sales tax revenue is generated for Saratoga County and an estimated \$141,341 in sales tax revenue is generated for New York State, annually.

Table 80

**Net New Sales Tax Revenue from Employee Earnings,
Saratoga National Historic Park**

	Saratoga County	New York State
Total Net New Earnings	\$4,890,685	\$4,890,685
% Spent in Region	45%	85%
Amount Spent in Region	\$2,200,808	\$4,157,082
Amount Taxable (85%)	\$1,870,687	\$3,533,520
Sales Tax Rate	3.00%	4.00%
Net New Sales Tax Revenue	\$56,121	\$141,341

Source: Lightcast, NYS Comptroller, Camoin Associates

Visitor Spending

Purchases made by visitors will also generate new tax revenue for the county and state. To estimate this, the total net new visitor days and associated direct spending were calculated for Saratoga County and for New York State. A

²⁷ Based on consumer spending basket data from the Bureau of Labor Statistics and information from the NYS Department of Taxation and Finance.

methodology similar to that used to calculate net new visitors to the Capital Region in section 5.2 Economic Impact (Table 74) was used.²⁸ The total net new direct spending to Saratoga County and New York State are displayed in Table 81.

Table 81

Saratoga National Historic Park Net New Direct Spending

	Saratoga County	New York State
Total Visitor Days	70,682	70,682
Percent from out of Geography	77%	31%
Net New Visitor Days	54,425	21,911
Overnight Visitor Days (30%)	16,328	6,573
Day Visitor Days (70%)	38,098	15,338
Direct Spending per Half Day - Overnight Visitors (\$199)	\$3,249,181	\$1,308,112
Direct Spending per Half Day - Day Visitors (\$61)	\$2,323,953	\$935,618
Total Direct Spending	\$5,573,134	\$2,243,729

Source: National Park Service, Camoin Associates

The vast majority of the purchases made by visitors are assumed to be taxable, therefore it is assumed that 95% of direct spending will be taxable. Total tax revenue attributed to direct visitor spending is displayed in Table 82.

Table 82

**Net New Sales Tax Revenue from Visitor Spending,
Saratoga National Historic Park**

	Saratoga County	New York State
Total Direct Spending	\$5,573,134	\$2,243,729
Amount Taxable (95%)	\$5,294,478	\$2,131,543
Sales Tax Rate	3.00%	4.00%
Net New Sales Tax Revenue	\$158,834	\$85,262

Source: NYS Comptroller, Camoin Associates

Total Sales Tax Revenue

The total sales tax revenue from the spending of employee earnings and direct park visitor spending is summarized in Table 83.

²⁸ The percent of visitors from outside of the county and state are an average of the percentages for the other three destinations.

Table 83

**Net New Annual Sales Tax Revenue,
Saratoga National Historic Park**

	Saratoga County	New York State
Employee Earnings	\$56,121	\$141,341
Visitor Spending	\$158,834	\$85,262
Total	\$214,955	\$226,603

Source: Camoin Associates

OCCUPANCY TAX REVENUE

In addition to sales tax, Saratoga County collects a 1.00% occupancy tax on hotel stays in the county. To estimate this, the nearly \$1.3 million of park visitor spending on lodging was used (see Table 75). Of the visitors that are net new to the Capital Region, it is assumed that 28%²⁹ will stay in Saratoga County. Short-term rentals are not currently subject to the county's occupancy tax, therefore the amount spent on lodging in Saratoga County was adjusted to account for 5% of this spending being on non-taxable lodging options.³⁰ This means that an estimated \$3,430 in annual occupancy tax revenue can be attributed to Saratoga National Historic Park.

Table 84

**Net New Annual Occupancy Tax Revenue,
Saratoga National Historic Park**

	Saratoga County
Total Visitor Spending on Lodging	\$1,289,506
% of Visitors Staying in Saratoga County	28%
Amount Spent in Saratoga County	\$361,062
% of Sales Attributed to Taxable Rooms	95%
Amount Subject to County Occupancy Tax	\$343,009
County Occupancy Tax Rate	1.00%
Net New Occupancy Tax Revenue	\$3,430

Source: Lightcast, Camoin Associates, 2014 NYRA Visitor Survey

²⁹ Based on data from the 2014 NYRA visitor survey.

³⁰ According to data from Lightcast, 95% of Saratoga County's accommodation sales are at destinations that are taxable, like hotels.

6 TOTAL IMPACT SUMMARY

The cumulative impact of all four destinations on the Capital Region is summarized in this section. This represents the overall impact of key components of Saratoga's tourism industry on the region.

6.1 ECONOMIC IMPACT

In total, these destinations contribute nearly 5,800 jobs, \$266.9 million in associated employee earnings, and nearly \$647.6 million in sales to the Capital Region economy, annually.

Table 85

Total Economic Impact of Saratoga Visitor Destinations, 2021

	Jobs	Earnings	Sales
Saratoga Race Course	2,937	\$157,857,604	\$371,067,040
Saratoga Performing Arts Center	1,362	\$26,969,585	\$78,216,669
Saratoga Casino Hotel	1,388	\$77,186,817	\$185,286,843
Saratoga National Historic Park	83	\$4,890,685	\$13,012,691
Total	5,770	\$266,904,691	\$647,583,243

Source: Lightcast (formerly Emsi), Camoin Associates

6.2 FISCAL IMPACT

In total, these destinations contribute over \$5.7 million in total property, sales, and occupancy tax revenue to Saratoga County and over \$18.2 million in total income and sales tax revenue to New York State.

Table 86

Total Fiscal Impact of Saratoga Visitor Destinations, 2021

	Income Tax Revenue	Property Tax Revenue	Sales Tax Revenue	Occupancy Tax Revenue	Total
Saratoga County					
Saratoga Race Course	\$0	\$222,881	\$1,856,785	\$295,108	\$2,374,774
Saratoga Performing Arts Center	\$0	\$40,494	\$1,583,653	\$37,720	\$1,661,867
Saratoga Casino Hotel	\$0	\$242,797	\$1,196,825	\$2,283	\$1,441,905
Saratoga National Historic Park	\$0	\$5,834	\$214,955	\$3,430	\$224,219
Total	\$0	\$512,006	\$4,852,218	\$338,541	\$5,702,765
New York State					
Saratoga Race Course	\$2,908,034	\$0	\$4,399,226	\$0	\$7,307,259
Saratoga Performing Arts Center	\$1,833,715	\$0	\$1,660,333	\$0	\$3,494,048
Saratoga Casino Hotel	\$4,648,504	\$0	\$2,306,418	\$0	\$6,954,922
Saratoga National Historic Park	\$264,192	\$0	\$226,603	\$0	\$490,795
Total	\$9,654,445	\$0	\$8,592,580	\$0	\$18,247,024

Source: Camoin Associates

ATTACHMENT A: WHAT IS ECONOMIC IMPACT ANALYSIS?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings and output in a given economy due to some initial “change in final demand”. To understand the meaning of “change in final demand”, consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells \$1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is \$1 million because dollars are flowing in from outside the United States and are therefore “new” dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property and pay its workers. This first round is commonly referred to as the “Direct Effects” of the change in final demand and is the basis of additional rounds of buying and selling described below.

To continue this example, the widget manufacturer’s vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e., sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will “leak out”. What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of industry-to-industry purchases. Finally, the widget manufacturer has employees who will naturally spend their wages. Again, those wages spent will either be for local goods and services or will “leak” out of the economy. The purchases of local goods and services will then stimulate other local economic activity. Together, these effects are referred to as the “Indirect Effects” of the change in final demand.

Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e., Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the “multiplier effect” and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar (\$1) of change in final demand, an additional \$1.40 of indirect economic activity occurs for a total of \$2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e., how the “local economy” is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the \$1 million of widgets being purchased by Canadians is not causing total North American demand to increase by \$1 million. Presumably, those Canadian purchasers will have \$1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many “new” dollars the producer would be causing to occur domestically.



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