

**Estimated Annual Fiscal Impacts
Proposed Hawthorne Mount Pocono Resort
Paradise Township, Monroe County, PA**

	Hawthorne Mt. Pocono Resort	Commercial Parcel	TOTAL Resort + Commercial Parcel
Gross Square Feet (Commerical Parcel only)	-	182,000	182,000
Market Value per Square Foot	-	\$100	-
Total Market Value	\$80,000,000	\$18,200,000	\$98,200,000
Assessed Value (approx. 60.6% of Market Value)	\$48,484,848	\$11,030,303	\$59,515,152
New Residential Population	0	0	0
New Public School-Aged Children	0	0	0
New Employees (full-time equivalent)	100	427	527
Paradise Township			
Real Estate Tax Revenue (1.29 mills)	\$ 62,545	\$ 14,229	\$ 76,775
Earned Income Tax Revenue (0.5%)	\$ 5,939	\$ 25,418	\$ 31,357
Local Services Tax (\$52 per worker)	\$ 3,000	\$ 12,780	\$ 15,780
Total Annual Township Revenues	\$ 71,484	\$ 52,427	\$ 123,911
Total Annual Township Expenditures	\$ (935)	\$ (3,997)	\$ (4,932)
Net Annual Township Fiscal Impact	\$ 70,549	\$ 48,430	\$ 118,979
Pocono Mountain School District			
Real Estate Tax Revenue (20.35 mills)	\$ 986,667	\$ 224,467	\$ 1,211,133
Earned Income Tax Revenue (0.5%)	\$ 5,939	\$ 25,418	\$ 31,357
Total Annual School District Revenues	\$ 70,549	\$ 48,430	\$ 118,979
Total Annual School District Expenditures	\$ -	\$ -	\$ -
Net Annual School District Fiscal Impact	\$ 70,549	\$ 48,430	\$ 118,979
Monroe County			
Real Estate Tax Revenue (3.2273 mills)	\$ 156,475	\$ 35,598	\$ 192,073
Hotel Room Rental Excise Tax (3%)	\$ 533,813	\$ -	\$ 533,813
Total Annual County Revenues	\$ 690,288	\$ 35,598	\$ 725,886
Commonwealth of Pennsylvania			
Sales, Use, and Hotel Occupancy Tax (6%)	\$ 1,067,625	\$ -	\$ 1,067,625
Personal Income Tax	\$ 153,500	\$ 656,980	\$ 810,480
Total Annual Commonwealth Revenues	\$ 1,221,125	\$ 656,980	\$ 1,878,105
Total Annual Development-Generated Direct Revenues (Township + School District + County + Commonwealth)	\$ 2,053,446	\$ 793,435	\$ 2,846,881

NOTES:

1. The proposed resort facility contains 150 short-term rental units (hotel rooms and cabins), restaurant, banquet hall, and recreational amenities.
2. Assessed Value based on the Monroe County common-level ratio of 1.65, which equates to approximately 60.6 % of market value.

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3. Employee population estimate of resort provided by applicant based on operational needs for the resort facility and represents full-time equivalent employees. Employee population of commercial parcel based on planning standards expressed as employees per 1,000 square feet of gross floor area for the mix of proposed uses (SOURCE: Buchell, Listokin, et al., "Development Impact Assessment Handbook").
4. Earned Income Tax (EIT) revenue calculations for the Township and School District assume that 25% of the employees working in the resort facility and at the commercial parcel meet residency requirements to pay the EIT to the Township and School District. Mean annual wages of \$47,100 per worker was used in this calculation (SOURCE: Bureau of Labor Statistics, Occupational Employment and Wage Statistics May 2021 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates, East Stroudsburg, PA).
5. Local Services Tax (LST) revenue calculation assumes that 100% of employees working in the facility are eligible to pay the LST, as required by the enabling legislation of the LST.
6. This summary table represents ongoing annual fiscal impacts after project completion. It is not anticipated that the proposed resort facility will generate Real Estate Transfer Tax revenues on an annual basis because it is unlikely that it will undergo such frequent transfer of ownership. However, significant Transfer Taxes would be paid to the Township and School District when/if the facility is ever sold. Based on the estimated market value of \$80 million presented in this analysis, the Township and School District could each receive approximately \$400,000 in Transfer Taxes from a future sale of the property at that price, and the Commonwealth of Pennsylvania could receive \$800,000 in transfer tax revenue.
7. Township cost calculation is based on budgeted expenditures in the Paradise Township 2023 General Fund Budget. There will be no cost to the Pocono Mountain School District, as the proposed development will not generate any additional school-aged children.

Regional Economic Impacts
Proposed Hawthorne Pocono Mountain Resort
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	Construction Phase		
	Resort Parcel	Commercial Parcel	TOTAL Resort + Commercial Parcel
Gross Floor Area	-		-
Direct Employment	436	100	536
Direct Output	\$80.00 million	\$18.20 million	\$98.20 million
Total Output	\$143.20 million	\$39.10 million	\$182.30 million
Total Earnings	\$42.67 million	\$12.94 million	\$55.61 million
Total Jobs (Direct+Indirect+Induced)	690	228	918

	Operations Phase (Annual Impacts)		
	Resort Parcel	Commercial Parcel	TOTAL Resort + Commercial Parcel
Gross Floor Area	0	182,000	182,000
Direct Employment	100	427	527
Direct Output	\$14.18 million	\$39.58 million	\$53.76 million
Total Output	\$22.62 million	\$62.63 million	\$85.25 million
Total Earnings	\$5.80 million	\$17.79 million	\$23.58 million
Total Jobs (Direct+Indirect+Induced)	150	448	598

NOTES:

1. This analysis used RIMS II multipliers (Type II) from the U.S. Department of Labor, Bureau of Economic Analysis ("BEA") applied to projected Direct Output from the proposed use to estimate Total Output, Total Earnings, and Total Jobs in the regional economy. Specifically, the multipliers for the BEA industry classification "Accommodation" were used in this analysis. These multipliers are regionally-specific to "Monroe County and Adjacent Counties in PA-NJ" (2012/2020).

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2. For the Construction Phase of the project, "Direct Output" equals total construction costs. In this analysis, construction costs is equal to the market value of the facility that was used in the analysis of annual fiscal impacts.
3. "Direct Output" in the operations phase was derived from estimated "Direct Employment" (jobs) using multipliers from the BEA's National Employment Requirements tables (2020). Direct Employment was projected using estimates provided by applicant/operator and published planning standards.
4. "Total Output" (a.k.a., Final Demand Output) represents the total dollar change in output that occurs in all industries for each additional dollar of output delivered to final demand by the proposed uses.
5. "Total Earnings" (a.k.a., Final Demand Earnings) represents the total dollar change in earnings of households employed by all industries for each additional dollar of output delivered to final demand by the proposed uses.
6. "Total Employment" (a.k.a., Final Demand Employment) represents the total change in number of jobs that occurs in all industries for each additional 1 million dollars of output delivered to final demand by the proposed uses.