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Construction surge helps wide variety of local businesses
Multiplier effect for various professionals



Ghuman Singh takes a lunch order from a driver for Competitive Power Ventures at the Hometown Deli in the Town of Wawayanda. As construction for the CPV power plant grows, more customers are expected. KELLY MARSH/For the Times Herald-Record

By Hema Easley

At noon on weekdays, dozens of construction workers can be seen chowing down on the lunch specials at Hometown Deli in the Town of Wawayanda: hot pastrami sandwiches, Philly cheese steaks, cheese burgers with fries and buffalo wraps.

They drive a half-mile from the Competitive Power Ventures construction site on Route 6, where a \$900 million power plant is rising against the skyline. About 50 drop in for breakfast and lunch daily, said Noni Singh, who manages the deli and adjacent gas station for his brother, Harry Singh.

The number of customers is expected to grow, Singh predicted, as construction accelerates. About 300 workers are expected to be on site this summer, according to CPV officials.

“Our business is growing because of the project,” said a satisfied Singh, who barely had time to talk as he took in money from customers buying food and other goods. “It’s very good for us. We make money.”

So are hundreds of businesses, small and large, that are benefiting from a burst of construction underway in the Hudson Valley. Plans that had been years in the making are finally coming to fruition, from the \$1.3 billion Montreign Resort Casino at Adelaar in the Town of Thompson to the \$4 billion Tappan Zee Bridge.

Projects under construction across the region represent more than \$8 billion in capital investment.

And more are coming. Merlin Entertainment has announced plans for a Legoland mega theme park in Goshen at a cost of \$500 million. Also in Goshen, Amy’s Kitchen, the frozen food manufacturer, plans to build a \$95 million manufacturing plant.

This spate of construction is giving a boost to the local economy and creating a multiplier effect: Equipment suppliers, civil engineers, architects, attorneys, plumbers, restaurants, hotels and printers, among others, are all seeing a boom in their business.

According to the New York Building Congress, a membership association that promotes the construction industry in New York City and nearby areas, every \$1 spent on construction yields an additional 58 cents in economic activity. This has both short-term and long-term implications.

In the short term, it provides income both to contractors and construction workers, and to the businesses they patronize, according to Larry Gottlieb, president and CEO of Hudson Valley Economic Development Corp. Long-term benefits include tax revenue, improved infrastructure and employment opportunities, access to products and services and the creation of a skilled workforce, all of which make the area more attractive to live in, he said.

“This kind of investment will be giving back over the next few decades. You cannot have a healthy, growing economy without this kind of investment,” said Gottlieb. “This shows people are betting on the growth of the Hudson Valley.”

Biggest impact in Sullivan

Nowhere is the impact of a project bigger and more visible than in Sullivan County, where 26 percent of children currently live in poverty. Sullivan incomes are the lowest in the mid-Hudson, and people there have put their hopes and dreams of economic revival in the Montreign Resort Casino.

Dory Alport’s family plumbing business is one of many local companies benefiting from the project. Started by a Brooklyn transplant 80 years ago, Alport & Son played a part in building the Concord and Kutsher's hotels in the glory days of the Catskills. When the golden era died along with the grand hotels, the company remained in Sullivan.

Now that the county is experiencing a construction boom with the building of the casino, Alport & Son is expanding.

The company is supplying drainage and water pipes as well as underground plumbing to contractors who have been hired for the project. Once the main casino structure is up, says Alport, there will be significant opportunities in indoor plumbing.

“We might have to buy a delivery truck. We might need office equipment,” said Alport, the fourth generation in her family to run the business located on Route 42 in South Fallsburg. “We are hiring more people as we get more business. Our need is going to increase, and our nature is to buy local.”

Good employment prospects lured back J.J. Pavese, who was raised in Monticello but left home in the late 1990s, when Sullivan County was no place for a young man with ambition to build a future. Then last year, in between jobs, Pavese came home for Easter and saw a casino job advertised in the local paper.

“This is the largest construction project ever to be conceived here,” said Pavese, who works as a project engineer at the casino and heads the engineering staff. “It’s been a culmination of 40 to 50 years of haggling and scrapping with the state and other entities. Had this not happened, this place, in my opinion and in the opinion of many others, would have died a very slow death.”

Pavese, who is president of the Monticello Chamber of Commerce, has been working with the Town of Thompson to beautify the village's downtown in advance of the opening of the casino. The hope is that thriving businesses and attractive streets will encourage visitors to buy a second home or open their own business.

Already the Town of Thompson has given approval to a Taco Bell and an urgent care center, projects that were pursued directly as a result of the casino being built, said Thompson Supervisor Bill Rieber. A hotel developer is on track for approval to build behind the Thompson Square Mall and another small hotel is being renovated to house construction workers. A number of developers are nosing around for potential housing projects, he said.

To deal with the additional work, the town has hired five more people to its various departments, including building, courts, and water and sewer, and more people may be recruited in the coming months. And the town will have no difficulty paying for it.

Thompson just received \$2.55 million from Empire Resorts' licensing fees. It will also get an estimated \$5 million a year in gaming revenue in addition to property taxes. The casino's tax bills will be reduced under incentives provided by the Sullivan County Industrial Development Agency, but they'll greatly exceed what the town previously received for the property.

That's a lot of money for a town with an annual budget of \$13.5 million. It will allow Thompson to rebuild an 80-year-old highway barn that's in disrepair and upgrade its infrastructure in roads, water and sewer.

Law firms, other professionals benefit from boom

The Town of Wawayanda expects to bring in millions of dollars from the CPV power plant. It will receive \$8.2 million over 22 years under a “host” agreement the power company negotiated with a local development corporation created by the town. It will also receive \$2.8 million in property taxes over the same period under an agreement between CPV and the Orange County Industrial Development Corp.

Law firms and other professionals are also benefiting from the construction boom. Law firm Blustein, Shapiro, Rich and Barone in Goshen has worked with some of the biggest projects in the region, helping landowners negotiate contracts with developers, and representing companies before municipal boards and industrial development agencies. Their clients include Legoland and Amy's Kitchen, said Michael Blustein, managing partner of the firm.

The firm has grown from five attorneys in 2004 to 15 today, thanks to the region's commercial and industrial growth. Local lawyers bring with them an “institutional knowledge” of the area and its people that companies from elsewhere rely on, said Austin DuBois, a member of the firm and the son of Orange County Sheriff Carl DuBois.

“I think that for the first time, in a long time there’s a sense of optimism,” said Blustein.

Times Herald-Record reporter James Walsh contributed to this story.