

Economic and Fiscal Impact Analysis of the Omega Institute

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Prepared for:

Omega Institute
150 Lake Drive
Rhinebeck, NY 12572



518.899.2608
www.camoinassociates.com

About Camoin Associates

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. We specialize in real estate market analysis to evaluate the feasibility and impacts of proposed projects. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to Texas; corporations and organizations that include Lowes Home Improvement, FedEx, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$600 million. Our reputation for detailed, place-specific, and accurate analysis has led to projects in twenty states and garnered attention from national media outlets including *Marketplace (NPR)*, *Forbes* magazine, and *The Wall Street Journal*. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. The firm currently has offices in Saratoga Springs, NY, Portland, ME, and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter @camoinassociate and on Facebook.

The Project Team

Michael N'dolo
Vice President, Project Principal

Rachel Selsky
Senior Economic Development Specialist, Project Manager

Tom Dworetzky
Economic Development Analyst, Project Staff



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Executive Summary

Camoin Associates was retained by the Omega Institute (the “Institute”) to provide an economic and fiscal impact assessment of its operations on the Mid-Hudson Region (the “Region”) of New York State. To study this, we examine the question, “What would change in the Region if the Institute ceased to exist?” We would expect that certain visitors that currently patronize the Institute, specifically those visitors who are not residents of the Mid-Hudson Region, would no longer spend money in the local economy because they would not be attending events and conferences at the site. This spending is referred to as “net new” because it is spending that is dependent on the Institute and would not otherwise occur in the Region.

This amount of “net new” spending creates jobs, wages and economic activity in the Region, including on-site jobs at the Institute. We estimate that a total of \$20 million of “net new” spending occurs because of the Institute. This annual spending, both on-site and off-site, creates 412 direct jobs that account for \$6.26 million in earnings. However, there are “multiplier” effects of this net new spending as those \$6.26 million in new earnings cycle through the economy and as businesses affected by visitors make purchases locally. These multiplier effects include 62 additional jobs, \$2.45 million in earnings and \$8.7 million in sales.

Therefore, we find that the annual economic impacts of the Institute, including direct and indirect effects, **total 474 jobs supported in the Region, earnings of approximately \$8.7 million, and sales of nearly \$29 million.** These economic impacts then produce fiscal impacts, including tax revenues which accrue to the Mid-Hudson counties. We estimate that approximately \$1.2 million in property tax, \$334,000 in sales tax and \$36,000 in occupancy tax can be attributed to the net new spending of Institute patrons. The analysis also calculates the cumulative impact of the Institute over 10 years and finds that the Institute will support \$99 million in earnings and \$332 million in sales in the Region (assuming 3% annual inflation).

In addition to the fiscal benefits, the Institute also provides Mid-Hudson Region residents and visitors with opportunities for life-long learning, supports community building within the Region and provides resources to non-profits to improve their ability to serve.



The Omega Institute brings a host of fiscal benefits to the Mid-Hudson Region:

Every year...

- 474 jobs in the region
- \$8.7 million in earnings
- \$29 million in sales
- \$1.6 million tax revenue

Over ten years...

- \$99 million in earnings
- \$332 million in sales
- \$18 million in tax revenue

Introduction

The Omega Institute for Holistic Studies (“Omega Institute” or “Institute”) is a 501(c)(3) tax-exempt organization located in Rhinebeck, NY. The Institute commissioned Camoin Associates to complete an economic and fiscal impact analysis to study and report on its operations. The purpose of this study is to demonstrate the existing economic and fiscal benefits of the Institute on the region, namely the “Mid-Hudson” region as defined by Empire State Development Corporation as the seven counties of Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster, and Westchester (“Mid-Hudson Region” or “Region”).

Omega Institute is a premiere travel and tourism destination in the Region and a nationally recognized leader within the health & wellness/lifelong learning marketplace, annually attracting more than 23,000 unique visitors to workshops, conferences, and retreats in Rhinebeck, New York and other select locations. Omega also operates Omega Teen Camp at rented facilities in Holmes, New York. Omega’s digital reach includes more than 1.8 million visitors to its website, more than 100,000 subscribers to its eNews, and close to 70,000 followers on social media.

On its campus, the Institute generates approximately 47,000 customer nights (with thousands more in other lodging in the Region) and employs approximately 80 full time employees and 300-400 seasonal workers per year. The analysis will consider the many guests of the Institute and how their spending on-site and off-site in the Mid-Hudson Region creates jobs, earnings, and sales for the Region’s businesses and employees.

History

The Institute was founded in 1977 to create a “university of life” that would help to foster personal growth and social change. Omega used rented facilities in New York State and Vermont until 1981, when the Institute relocated to Rhinebeck, New York on the site of the former Camp Boiberik. The Institute has since restored and enlarged its campus, now including 263 acres and more than 100 buildings.

As a nonprofit organization, Omega has consistently worked at the forefront of its field. From nurturing early dialogues on the integration of modern medicine and natural healing; to designing programs that connect science, spirituality, and creativity; to laying the groundwork for new traditions and ways of living – all designed to uplift and expand the culture. Long before many people had heard of complementary medicine, stress reduction, and the mind-body connection, Omega was holding programs where pioneering thinkers were introducing practices like yoga and meditation. Long before the word “sustainability” was part of the everyday vocabulary, Omega was introducing the concept. By convening critical conversations, Omega serves as a catalyst for change, and helps make way for people to lead better, healthier lives in safer, healthier communities.

Programs & Facilities

Omega's experience in identifying the world's most qualified and inspiring teachers has made the organization a trusted education resource. Each year, the Institute attracts 500 notable thought leaders and educators, with past presenters including Nobel and Pulitzer prize winners, nationally and internationally renowned speakers and authors, current and former heads of state, and emerging cultural thinkers. The Institute's offerings include a wide variety of programs that span six learning paths: Body, Mind & Spirit; Health & Healing; Creative Expression; Relationships & Family; Leadership & Work; and Sustainable Living.

With more than 350 courses offered per year, programs range from half day seminars to 30-day residential programs. Guests of the Institute pay tuition for their courses and have access to on-site lodging and food. The tuition-based model allowed the Institute to remain financially viable even through the recent economic downturn. In addition to tuition, housing revenue, and sales in the Omega Store and Wellness Center, the Institute raises funds to help support the creation of projects such as the Omega Center for Sustainable Living and the Omega Women's Leadership Center.

Omega offers three meals a day at its Dining Hall, a 3-star certified restaurant by the Green Restaurant Association. Omega's commitment to local and sustainable agriculture is reflected in its mostly vegetarian, farm-to-table, organic food preparation. The Institute is one of the largest purchasers of local, sustainable produce in the Mid-Hudson Region, and helps to support more than 300 area vendors via the purchasing of local food, products and supplies.

Annually, Omega provides program access to more than 1,100 individuals with limited finances or special needs, including scholarships for veterans, teachers and educators, teens, and cancer patients and survivors. Omega also offers Tiered Pricing on select programs, allowing guests to choose one of four prices based on financial circumstance.

Lodging is available on-site ranging from private to shared cabins, dorms, tent cabins, and camping. Omega's wide variety of amenities include hiking trails, tennis, basketball, library access, lake access, yoga, tai chi, meditation, and movement classes. For those who choose not to stay on-site, a commuter fee covers meals and campus amenities. Guests also have access to the Omega Wellness Center, offering dozens of services to benefit health and well-being. Area residents can book appointments regardless of whether or not they are attending a program at Omega.

Meaning of Omega: The name "Omega" derives from the teachings of Pierre Teilhard de Chardin, a renowned 20th-century philosopher, who used the term "Omega Point" to describe the peak of unity and integration toward which all life is evolving.

Institute's Mission: Through innovative educational experiences that awaken the best in the human spirit, Omega provides hope and healing for individuals and society.

Methodology

Data Sources

Camoin Associates reviewed data and information from a variety of sources including the following:

- Omega Institute 2014 Course Catalogue
- Omega Institute Media Kit
- *The Economic Impact of Tourism in New York Report*. Prepared by Tourism Economics (2012)
<http://www.governor.ny.gov/assets/documents/tourism/nys-tourism-impact-2012-v1.0.pdf>
- *The Global Wellness Tourism Economy*. Prepared by the Global Wellness Institute (2013)
http://www.globalspaandwellnesssummit.org/images/stories/pdf/wellness_tourism_economy_exec_sum_final_10022013.pdf
- *Wellness Tourism is a Growth Opportunity*. Prepared by SRI International (2013)
<http://www.sri.com/blog/wellness-tourism-growth-opportunity-worldwide>

Methodology Employed

Camoin Associates employed the following methodology to determine the economic impact of the Omega Institute:

Visitor Spending:

1. The Institute provided Camoin Associates with information regarding annual guest nights¹, revenue, overnight stays on-site, information about commuters to the Institute and information about location of residence for paid participants.
2. Camoin Associates developed an estimate for the percent of users who come to the Institute and a) stay overnight on-site, b) stay overnight off-site at a hotel or other lodging facility and c) stay overnight at a private residence, based on commuter data provided by the Institute.
3. Camoin Associates also developed an estimate for the percent of users who come to the Institute from within the Mid-Hudson Region (“Local Visitor”) and the percent of visitors who come from outside of the Mid-Hudson Region (“Non-Local Visitor”).
4. Based on the visitation estimates (Step 1) and the percent of Local and Non-Local Visitors (Step 3), Camoin Associates determined the number of Local and Non-Local Visitors that attend the Institute on an annual basis. The Non-Local Visitors are considered to be **new visitors** to the Mid-Hudson Region.
5. Based on spending estimates for the three types of visitors identified in Step 2, Camoin Associates determined **average off-site visitation spending** of a typical Local Visitor and a typical Non-Local Visitor.
6. Aggregated “new” off-site spending by multiplying the average spending (Step 5) by the “new visitor” estimates (Step 4).

¹ Throughout this analysis guest day is assumed to be equal to guest nights.

7. Calculated direct jobs/economic activity resulting from the “new” spending (Step 6).
8. Modeled indirect impacts on jobs/economic activity using multipliers provided through the EMSI software package.

On-Site Employment and Sales

9. The Institute provided Camoin Associates with information regarding total annual compensation for employees of the Institute as well as annual Institute sales and purchases.
10. Camoin Associates determined the amount of the compensation and sales that are new to the Mid-Hudson by applying the percent of Non-Local Visitors (Step 3) to the total compensation and sales at the Institute (i.e. the percent of compensation and sales at the Institute resulting from Non-Local Visitors is the “new” earnings and sales).
11. Calculated direct jobs/economic activity resulting from the “new” compensation and spending (Step 6).
12. Modeled indirect impacts on jobs/economic activity using multipliers provided through the EMSI software package.

Total Impact

13. Arrived at total economic impacts as the sum of all direct and indirect impacts in an average year of operation.

Modeling Software

Economic Modeling Specialists, Inc. (EMSI) designed the input-output model used in this analysis. The EMSI model allows the analyst to input the amount of new direct economic activity (spending or jobs) occurring within the study area and uses the direct inputs to estimate the spillover effects that the net new spending or jobs have as these new dollars circulate through the study area’s economy. This is captured in the indirect impacts and is commonly referred to as the “multiplier effect.” See Attachment A for more information on economic impact analysis.



The Omega Institute’s financial impact on the Region result from:

- On-site employment
- Institute purchases
- Visitor spending
- Tax revenue

Economic Impact Analysis

The Institute has an impact on the Mid-Hudson Region in a number of ways, including²:

- 1) Institute spending and employment on-site of faculty, staff, counselors, retail employees, etc.;
- 2) The spending that occurs off-site in the Region as visitors spend time in the Mid-Hudson region associated with activity at the Institute; and
- 3) The fiscal impact of the Institute on the tax revenue generated for the communities in the Mid-Hudson Region.

The next section will calculate the number of visitors from outside of the Mid-Hudson Region, their typical spending patterns, and how these visitors impact the Region's economy.

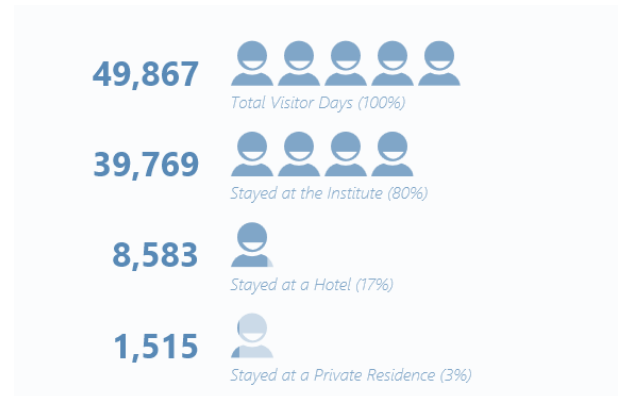
Visitation Accommodation Estimates

In 2013, there were a total of 49,867 guest days at the Institute, with the average guest staying for about three days. About one third of guests are from New York State, with the remainder visiting from around the nation and internationally, as well.

Guests have the option of staying on-site at the Omega Institute, finding their own lodging at nearby hotels, or commuting from home. Based on information provided by the Institute, 80% percent of guest days were spent by guests staying overnight at the Omega Institute ("On-Site Guests"), and 17% of guest days were spent by guests staying off-site in a hotel, bed and breakfast, or similar accommodation ("Off-Site Guests"). The remaining three percent were spent by guests staying in a private home.

For the purpose of evaluating the impact of the Omega Institute on the seven-county Mid-Hudson Region, Camoin Associates used zipcode data provided by the Institute to determine the proportion of guests who live outside the Region. Spending by these guests is considered "net new" to the region because, if not for the Omega Institute, this spending would not have occurred. Conversely, it was assumed that guests from within the Mid-Hudson Region would still have spent a similar amount in the Region even without the Institute. In other words, the recreation dollars spent by Mid-Hudson residents at the Institute could reasonably be assumed to be spent in the Mid-Hudson on other similar types of offerings.

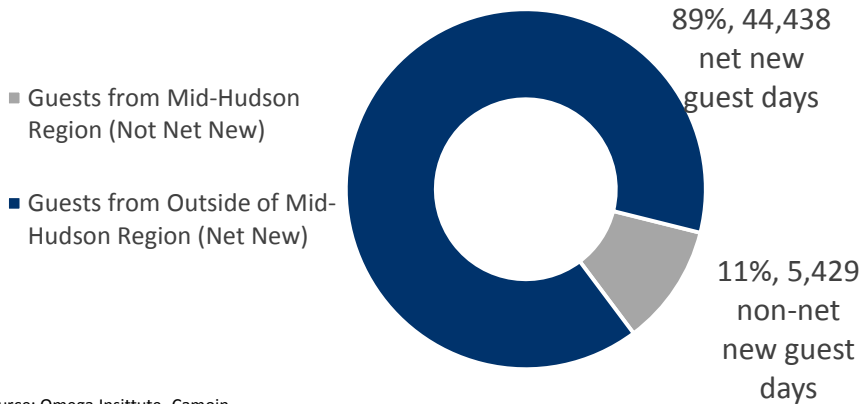
Visitor Accommodations (Guest Days)



² In addition to the three ways listed, the Institute also increases the length of stay for some visitors to the Region. For example, some visitors will attend an event at the Institute and then stay in the area longer to site-see and spend time at other sites throughout the Mid-Hudson. This increase in time spent in the Mid-Hudson region does have an economic impact but the calculation of this impact is outside the scope of this analysis.

Of the 49,867 guest days, 11% were days spent by Mid-Hudson residents, while 89% were spent by visitors from beyond the region, the “net new” portion.³

Net New Hudson Valley Visitation



Source: Omega Insittute, Camoin

In order to evaluate the effect of net new guests, Camoin Associates determined the share of guests from outside the Mid-Hudson region staying on-site and off-site, either in hotels or private residences. Based on information provided by the Institute regarding overnight stays, it was determined that 80% of all guests stay overnight on-site (at the Institute). Regardless of whether guests came from inside or outside the region, we assumed a similar percentage would stay on-site (equal to the overall share, 80%). Therefore, we assumed that 80% of days spent by guests from outside the region were on-site. The remainder were off-site and paying for lodging⁴.

Lodging Type for Guests From Outside Mid-Hudson Region



Source: Omega Insittute, Camoin Associates

³ Guests were considered Mid-Hudson residents if their home ZIP code corresponded to one of the seven Mid-Hudson region counties. See Attachment B for a list of Mid-Hudson guest ZIP codes.

⁴ Note: Some percentage of the net new visitors from outside of the Region may be staying at a local private residence but we assumed that the vast majority of them would be paying for lodging at a hotel or bed & breakfast.

On-Site Employment Impact

Camoin Associates used wage and sales data provided by the Omega Institute as inputs into the EMSI model to determine the impact of the Institute's operations on the Region. The following table shows net new employee earnings and sales for each category, calculated by multiplying employee earnings or sales by 89%, the amount of earnings considered net new to the Region as calculated above. Total net new earnings from operation activity were nearly \$5.3 million and the total net new sales were over \$17.4 million.

Net New Institute Operation Activity (2013)			
Employment Category	Employee Earnings	Percent Net New	Net New Earnings
Educational Workshops and Other Core Activities	\$ 5,314,073	89%	\$ 4,735,532
Food and Lodging	\$ 159,829	89%	\$ 142,428
Wellness Center	\$ 352,842	89%	\$ 314,428
Teen Camp	\$ 103,300	89%	\$ 92,054
Total Operation and Maintenance Earnings	\$ 5,930,044	89%	\$ 5,284,443
Sales Category	Sales	Percent Net New	Net New Sales
Tuition Income*	\$ 6,997,813	89%	\$ 6,235,964
Housing Income	\$ 6,373,611	89%	\$ 5,679,719
Transportation Income	\$ 104,573	89%	\$ 93,188
Other Income	\$ 181,799	89%	\$ 162,007
Café	\$ 346,183	89%	\$ 308,494
Bookstore	\$ 1,192,879	89%	\$ 1,063,011
Wellness Center	\$ 718,936	89%	\$ 640,666
Donations** (2012)	\$ 3,617,882	89%	\$ 3,224,005
Total Operation and Maintenance Sales	\$ 19,533,676	89%	\$ 17,407,053

Source: Omega Institute, Camoin Associates

* Includes Teen Camp and Online Learning Revenue

** Majority is spent on improvements to the Institute including equipment, software development, and facility upgrades.

The table below outlines the direct and indirect economic impact of the Institute activity on the Mid-Hudson Region. The indirect impacts are those that occur as the dollars from direct impacts cycle through the economy. For example, the new employees receive wages and in turn spend a portion of those dollars in the local economy for daily needs, housing and other expenses, and a proportion of those dollars are again re-spent in the local economy (See Attachment A for more details). As those dollars continue to circulate, additional jobs and business activity are created. This effect is captured in the indirect impacts. Net new earnings and sales were used as inputs to the EMSI model. The direct impact of Omega Institute operation activities was 381 direct jobs, \$5.3 million in earnings, and \$17.4 million in sales. The spillover, or indirect, impact was an additional 53 jobs, \$1.9 million in earnings, and \$7.4 million in sales. These are net new figures; they are the number of jobs, level of earnings, and amount of sales that the Mid-Hudson Region would lose annually if the Omega Institute closed its doors.

Economic Impact of Institute Operation*			
	Direct	Indirect	Total
Jobs	381	53	434
Earnings	\$ 5,284,443	\$ 1,902,399	\$ 7,186,842
Sales**	\$ 17,407,053	\$ 7,450,231	\$ 24,857,284

Source: EMSI, Camoin Associates

*Accounts for all net new visitor on-site spending

** Model adjusted to account for on-site sales as provided by the Institute

It is important to note that these job totals represent the raw job count, not the number of full-time equivalent positions. The Omega Institute is unique in that, in addition to its core staff of full-time employees, it employs a high number of seasonal and temporary workers. The amount of time that these employees work annually ranges considerably, from a few weeks to a full year. In 2013, 427 employees worked at Omega (89% of which were considered net new, yielding the 381 direct jobs in the table above), and total compensation was just under \$6 million.

The direct impact of sales at the Institute include significant annual investments made in the property on an annual basis. On average, the Institute spends \$2.7 million on property upgrades, construction, equipment purchases, and software development. These capital expenditures are paid for through donations that the Institute receives from patrons, sponsors, organizations, debt, and operating revenue. This spending by the Institute in the local economy with vendors has a ripple effect in the same way that visitors making purchases at local boutiques or B&B's creates additional indirect and induced impacts. This spending is accounted for in the direct impacts listed above.

Off-Site Visitor Spending Impacts

The visitors to the Institute will have an impact on the regional economy as they make purchases including lodging costs, transportation spending, and other food and beverage purchases. The following table shows average off-site spending by both On-Site and Off-Site Omega Institute guests. Daily spending estimates for the various spending categories were developed using tourist spending data for Dutchess County. As would be expected, off-site spending by Off-Site Guests is significantly higher, as it accounts for lodging costs. Note that this includes travel to and from the Institute, as well as any free time during their stay, and any additional time spent in the Region as a result of attending an event at the Institute. The majority of the visitor's time, even those staying off-site, will be spent on campus where they are provided food and drink as part of their registration fee. Combined off-site spending for the two groups was estimated to be about \$2.8 million.

Off-Site Spending by Guests Staying Off-Site			
Spending Category	Spending in Hudson Valley Per Guest Per Night	Number of Net New Guest Night* (Guests Staying Off-Site)	Total Spending
Food & Drink	\$ 12	8,999	\$ 107,988
Retail	\$ 10	8,999	\$ 89,990
Recreation	\$ 9	8,999	\$ 80,991
Transportation†	\$ 12	8,999	\$ 107,988
Lodging	\$ 100	8,999	\$ 899,900
Total	\$ 143	8,999	\$ 1,286,857
Off-Site Spending by Guests Staying On-Site			
Spending Category	Spending in Hudson Valley Per Guest Per Night	Number of Net New Guest Night* (Guests Staying On-Site)	Total Spending
Food & Drink	\$ 12	35,439	\$ 425,268
Retail	\$ 10	35,439	\$ 354,390
Recreation	\$ 9	35,439	\$ 318,951
Transportation†	\$ 12	35,439	\$ 425,268
Total	\$ 43	35,439	\$ 1,523,877
Total Off-Site Spending Activity			\$ 2,810,734

*Net new guest nights are nights spent by guests visiting from outside the Mid-Hudson region

†Based on the cost of a tank of gas divided over three days, the average stay length

Source: Dutchess Tourism, Tourism Economics, Omega Institute, Camoin Associates

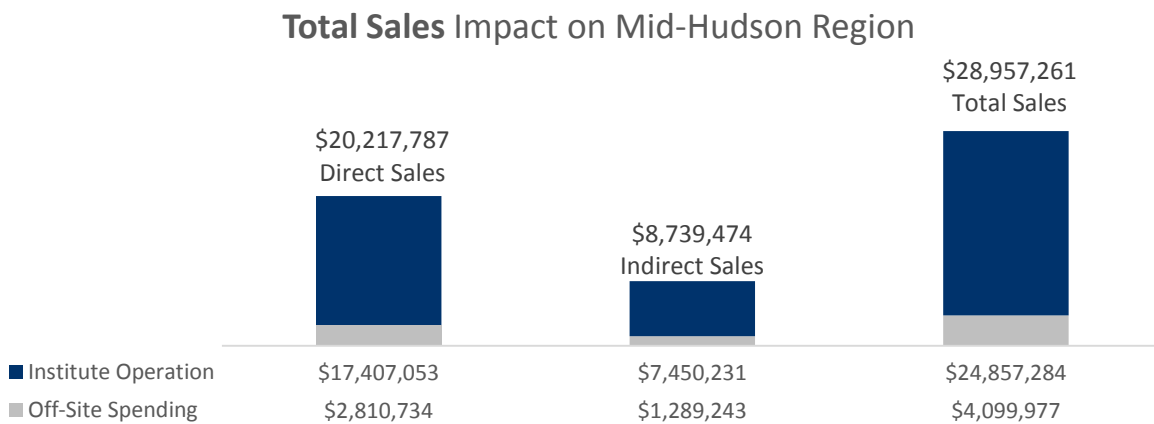
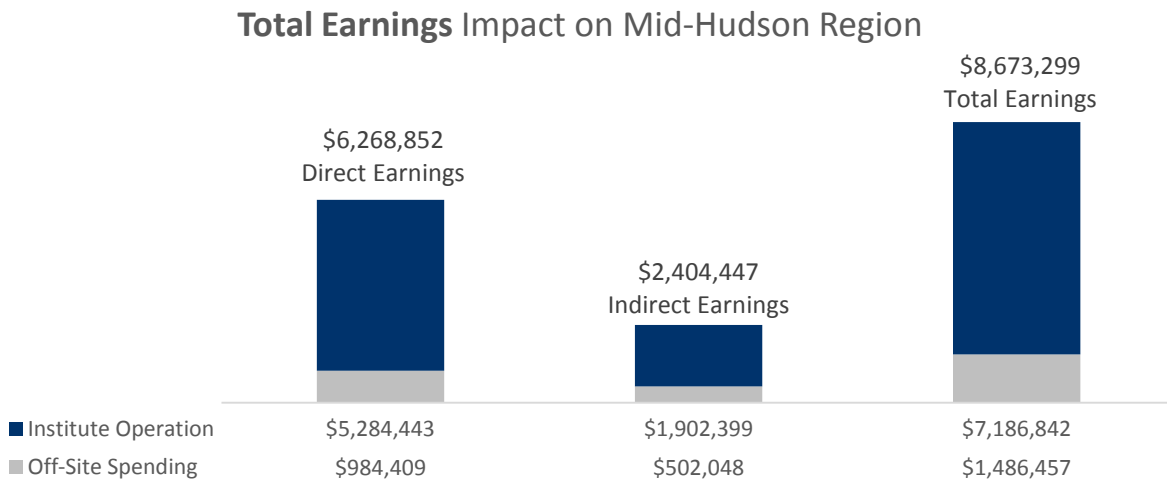
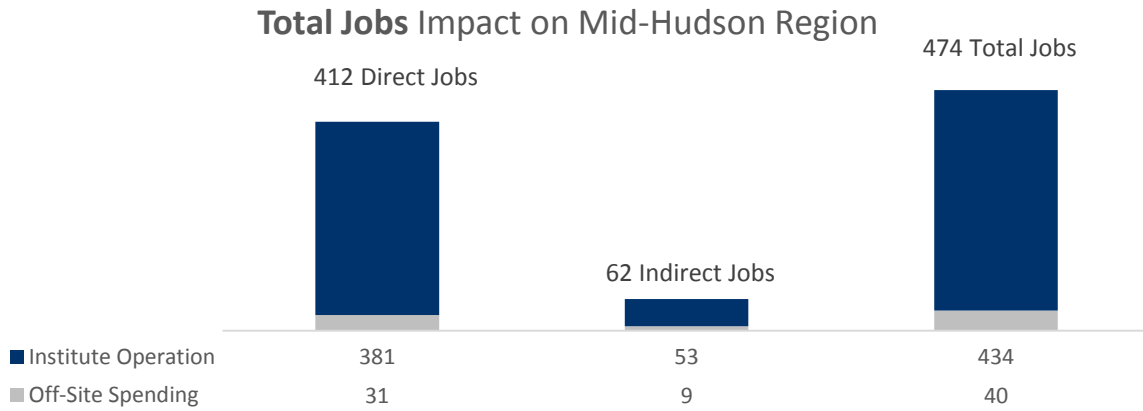
The regional impact of the Omega Institute extends beyond its on-site operations. Guests at the Institute make off-site purchases as well, spending that further supports the regional economy. The table below shows the direct, indirect, and total impact of guest spending on the Mid-Hudson Region. Similar to the impact of the Institute employment, the purchases made by visitors of the Institute in the Mid-Hudson Region allow the businesses to hire more employees who earn more wages and make more purchases. All of this economic activity continues to circulate adding more jobs, earnings, and sales to the regional economy. The approximately \$2.8 million in off-site sales calculated above was used as an input into the EMSI model to estimate the impact on jobs, earnings, and sales. The total net new impact of off-site visitor spending is 40 jobs, \$1.5 million in earnings, and \$4.1 million in sales. This represents the annual off-site economic activity the region would lose without the Institute.

Economic Impact of Off-Site Guest Spending			
	Direct	Indirect	Total
Jobs	31	9	40
Earnings	\$ 984,409	\$ 502,048	\$ 1,486,457
Sales	\$ 2,810,734	\$ 1,289,243	\$ 4,099,977

Source: EMSI, Camoin Associates

Total Annual Impact

The table below summarizes the combined annual economic impact of Omega Institute operations and off-site guest spending. **The total direct and indirect impact on the Mid-Hudson region was 474 jobs, \$8.67 million in earnings, and \$29 million in sales.**



Fiscal Impact Analysis

In addition to the economic impact on the Mid-Hudson economy (outlined above), the Institute also has a fiscal impact in terms of annual property tax, sales tax, and occupancy tax revenue collected by the region as well as voluntary payments made by the Institute.

Voluntary Payments

Since the Omega Institute is a 501(c)(3) organization, it is exempt from paying property taxes. However, the Institute does pay the Town of Clinton approximately \$35,000 annually including donations to the fire department. The Institute does not make payments to any other taxing jurisdictions.

Property Tax Revenue

While the Institute itself does not generate property tax directly, the economic activity associated with the Institute supports property values and therefore property tax revenue in the Region. Based on current estimates, sales generated by the Institute accounts for 0.024% of the Region's Gross Regional Product (GRP), and therefore we assume that 0.024% of the Region's property tax revenue is from activity at the Institute. Property tax revenue collected at the county level in the Mid-Hudson Region is approximately \$1 billion annually. Assuming that county taxes account for approximately 20% of a total tax bill, we are able to estimate that the total property tax revenue generated for all jurisdictions in the Mid-Hudson Region is over \$5 million. Using this estimate, economic activity at the Institute accounts for 0.024% of this revenue, or over \$1.2 million annually in the Region. The following table calculates the impact of the Institute on the Region's property tax collection.

Property Tax Revenue from Omega Activity	
Total Sales in Mid-Hudson Generated by Omega	\$ 28,957,261
Gross Regional Product for Mid-Hudson	\$ 123,200,000,000
Percent GRP from Omega	0.024%
Real Property Tax Revenue in Mid-Hudson Attributable to Seven Counties	\$ 1,049,082,199
Percent of Total Real Property Tax Revenue Attributable to Counties*	20%
Total Real Property Tax Revenue in Mid-Hudson	\$ 5,245,410,995
Percent Real Property Tax Revenue from Omega	0.024%
Real Property Tax Revenue from Omega	\$ 1,232,896

Sources: EMSI, County Budgets, Camoin Associates

* Assumes that the county portion of real property tax is approximately 1/5 of total property tax bill

Sales Tax Revenue

Earnings

The additional earnings described by the total economic impact of Institute (see the previous section) would lead to additional sales tax revenue for the Region. Since approximately 68% of the total earnings are paid to employees who live in the Mid-Hudson Region, it is assumed that 68% of the earnings would be spent within the Region and that 30% of those purchases would be taxable. Using an average sales tax rate of 3.79% for the seven counties in the Mid-Hudson Region, the Institute generates nearly \$67,000 in sales tax revenue for the Region annually.

Sales Tax Revenue from Earnings Impact	
Total Earnings Generated by Omega	\$ 8,673,299
Percent of Compensation Paid to Residents of the Region*	68%
Total Spent in Mid-Hudson	\$ 5,897,844
Total Spent on Taxable Goods	30%
Total Taxable Sales	\$ 1,769,353
Average Tax Rate	3.79%
Annual Sales Tax Revenue	\$ 66,983

Source: Institute Employee Information, Camoin Associates, County Budgets

*Based on the percent of total Omega earnings paid to residents of the Hudson Valley

Off-Site Spending

The \$4 million in off-site spending by visitors to the Institute would also result in additional sales tax revenue for the Mid-Hudson Region.

Sales Tax Revenue from Off-Site Sales Impact	
Total Off-Site Spending Generated by Omega	\$ 4,099,977
Average Tax Rate	3.79%
Annual Sales Tax Revenue	\$ 155,213

Source: Camoin Associates, County Budgets

On-Site Spending

In addition, the Institute reports remitting \$112,471 in sales tax on goods purchased on-site.

Total Sales Tax Revenue

Total Sales Tax Revenue Generated by Omega	
Revenue from Earnings	\$ 66,983
Revenue from Off-Site Spending	\$ 155,213
Revenue from On-Site Spending	\$ 112,471
Total Sales Tax Revenue Generated by Omega	\$ 334,667

Occupancy Tax Revenue

Off-Site Lodging

In addition to the sales tax revenue, counties within the Mid-Hudson Region charge an additional bed tax on lodging spending. With an average bed tax of 4%, the Mid-Hudson Region counties receive an additional \$36,000 in revenue annually as a result of the Institute.

Occupancy Tax	
Total Lodging Spending	\$ 899,900
Average Occupancy Tax	4%
Occupancy Tax Revenue	\$ 35,996

Source: Dutchess County, Camoin Associates

Total Fiscal Benefit

In total, the Mid-Hudson Region receives over \$1.6 million annually in revenue as a result of activity at the Institute.

Total Annual Fiscal Impact	
Voluntary Payments to Town	\$ 35,000
Property Tax Revenue	\$ 1,232,896
Sales Tax Revenue	\$ 334,667
Occupancy Tax Revenue	\$ 35,996
Total Annual Impact	\$ 1,638,558

Ten Year Impact

The following table highlights the total impacts of the Omega Institute in the current year as well as the cumulative impacts over ten years. Over ten years and assuming a 3% annual inflation rate, the Omega Institute will result in nearly \$99.5 million in earnings, \$332 million in sales, and over \$18.7 million in fiscal revenue.

Total Impact 2014 Annual Impact	
Job-Years	474
Earnings	\$ 8,673,299
Sales	\$ 28,957,261
Fiscal Impact	\$ 1,638,558
Total Impact Over Ten Years*	
Job-Years	4,743
Earnings*	\$ 99,429,658
Sales*	\$ 331,962,546
Fiscal Impact*	\$ 18,784,236

*Assumes 3% annual inflation

Additional Impact

The Institute also demonstrates significant impact in the Region through the following initiatives:

Omega Center for Sustainable Living & Leadership in Sustainable Education Award

The Institute is renowned for its environmental stewardship and for convening climate, water and environmental conversations with thought leaders from around the world. The award-winning OCSL is the first building in America to achieve both LEED® Platinum and Living Building Challenge™ certification – the highest environmental performance standards available. The facility is a state-of-the art water reclamation and environmental education center that brings together wastewater recycling, clean energy, green architecture, and other sustainability elements that can be replicated locally and globally.

Education programs include annual conferences, workshops, and an ecological literacy immersion program. Each year, the OCSL offers free tours and educational opportunities to students of all ages (grade school through university), architects, numerous regional and national elected officials, developers, contractors, planning engineers, activists, media, and others – in total approximately 4,500 visitors per year. Tours provide in-depth views on sustainable building and living practices.

Through the OCSL, Omega also offers an annual Leadership in Sustainable Education Award to recognize other nonprofits who share Omega's commitment to the environment and exemplify leadership in sustainability education. Recipients receive a \$10,000 cash award and an organizational development grant for a planning retreat at Omega. To date Hudson River Sloop Clearwater and Scenic Hudson have received the award.

Omega Women's Leadership Center

Over the past 35+ years, more than 600,000 women have attended Institute programs. In 2012 the Institute launched the Omega Women's Leadership Center, which brings together women of all ages and backgrounds for learning opportunities led by visionaries across disciplines. The OWLC offers programs aimed at supporting personal and professional leadership and development. Examples of programs include its acclaimed "Women & Power" conference series, "The Women's Leadership Intensive," and the annual "Women Serving Women Summit." Among other programs, the OWLC also offers weekend and 5-day residency grants to women leaders making significant impact in the lives of women and girls.

Omega in Service & Service Week

For the past 10 years, the Institute has offered Omega in Service retreats free of charge in support of nonprofit organizations and foundations committed to improving the well-being of others and the environment. For one week each spring, known as Service Week, and other periods during its guest season, Omega opens its facilities for these free strategic planning and networking retreats. Service Week organizations receive room and board, private meeting space, consultation with the New York Council of Nonprofits and use of all Omega facilities and amenities. Since 2005, 319 organizations and more than 4,000 nonprofit leaders, board members and professionals have participated.

Omega Veterans Programs

Omega first offered a retreat for veterans in 1990 and for the last eight years has offered a fully-underwritten program for 100 veterans and their families suffering from Post Traumatic Stress Disorder. In 2012, 2013, and 2014, Omega has offered a unique conference for professionals addressing mind-body methods for treating current and former military personnel suffering from PTSD. The Conference is

designed for psychologists, social workers, psychotherapists and nurses and counselors wanting to learn about a wide variety of behavioral cognitive and mind-body therapies shown to positively address PTSD. For the third consecutive year, the Institute has also offered retreats exclusively for women veterans and soldiers addressing PTSD, with significant emphasis on military sexual trauma.

Recent Awards and Acknowledgment

- In 2013 Omega received a New York State Environmental Excellence Award from the New York Department of Environmental Conservation.
- In 2009 the Dutchess County Economic Development Corporation selected Omega to receive its Business Excellence Award in Tourism, NYSERDA recognized Omega for significant energy savings, and The United States Environmental Protection Agency recognized Omega for exemplary green power leadership.
- Omega Institute is recognized by:
 - ABC News
 - [The New York Times](#)
 - [The Wall Street Journal](#)
 - [USA Today - "Worlds Best Wellness Resorts"](#) and "10 Best Yoga Retreats 2014"
 - [1,000 Places to See in the USA and Canada Before You Die, by Patricia Shultz](#)
 - [ForbesTraveler.com - America's Top Meditation Retreats](#)
 - National Geographic Traveler – "50 Top Wellness Destinations"



Attachment A: What is an 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 spending. These sets of industry-to-industry purchases are referred to as the “Indirect Effects” of the change in final demand.

Finally, the widget manufacturer has employees who will naturally spend their wages. As with the Indirect Effects, the 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; such effects are referred to as the “Induced 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 and the Induced Effects. The ratio between Direct Effects and Total Effects (the sum of Indirect and Induced Effects) is called the “multiplier” and is often reported as 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 and induced 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.

Attachment B: Mid-Hudson Guest ZIP Codes

The following is a list of ZIP codes of guests from the Mid-Hudson region:

10502	10573	10920	12429	12547
10504	10576	10923	12433	12549
10506	10577	10924	12440	12550
10507	10579	10926	12443	12551
10509	10580	10927	12446	12553
10510	10583	10928	12448	12561
10510	10589	10928	12453	12563
10510	10590	10930	12457	12564
10511	10591	10932	12461	12566
10512	10591	10940	12464	12567
10514	10594	10941	12466	12569
10516	10595	10949	12471	12569
10517	10596	10950	12472	12570
10518	10597	10952	12475	12571
10519	10598	10952	12477	12571
10520	10598	10954	12480	12572
10522	10601	10954	12481	12574
10523	10603	10956	12484	12578
10524	10604	10958	12486	12580
10528	10604	10960	12487	12581
10530	10604	10960	12491	12582
10532	10605	10968	12495	12583
10533	10606	10970	12498	12586
10535	10607	10977	12501	12589
10536	10701	10977	12507	12590
10537	10704	10977	12508	12590
10538	10705	10980	12514	12592
10541	10706	10983	12514	12594
10543	10706	10987	12518	12601
10546	10707	10989	12520	12602
10547	10707	10989	12524	12603
10549	10708	10990	12525	12604
10550	10709	10996	12527	12726
10552	10710	10998	12528	12732
10553	10801	12401	12531	12754
10560	10803	12401	12533	12758
10562	10804	12401	12533	12771
10566	10805	12404	12538	12775
10567	10901	12409	12540	12779
10567	10901	12412	12542	12780
10570	10918	12419	12545	12789
10573	10919	12420	12546	12790

Camoin Associates, Inc.
120 West Avenue, Suite 303
Saratoga Springs, NY 12866

518.899.2608
www.camoinassociates.com
@camoinassociate

