

CENTRAL NEW YORK INITIATIVE

A COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY FOR CENTRAL NEW YORK

JUNE 2009

CENTRAL NEW YORK REGIONAL PLANNING AND DEVELOPMENT BOARD
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The Central New York (CNY) region is situated in Upstate New York and consists of five counties including Cayuga, Cortland, Madison, Onondaga, and Oswego. The region covers an area of 3,120 square miles and has an estimated population of 780,000. By most measures, the region forms an area of interdependent economic activity. There is a central concentration of activity in Onondaga County and the City of Syracuse. In addition to this major urban center, there are intermediate areas of activity in cities located in each of the other four counties. These cities include Auburn (Cayuga County), Cortland (Cortland County), Oneida (Madison County), and Fulton and Oswego (Oswego County). The five-county region comprises a balance of an urban center, suburban areas, small cities, rural towns and villages, and farming communities. The region is located in the center of New York State and is in close proximity to Rochester, Buffalo, Albany, and Binghamton; and just a few hours drive from NYC, Toronto, Boston, and other major cities in the Northeast.

Central New York has an extensive transportation network, which includes Syracuse Hancock International Airport, the deep water Port of Oswego, a CSX intermodal rail center along with freight and passenger service, Interstate Routes 81 and 90 that bisect the region in a north/south and east/west direction. Central New York is also served by an extensive network of public sewer and water facilities. Electric and gas service is provided by several private utility companies including National Grid, New York State Electric and Gas, and Rochester Gas and Electric. The region is also served by an advanced telecommunications system that is provided by such major service providers as Verizon, Time Warner and AT&T.

The region's labor force currently numbers over 400,000 workers. Annual wage cost in the five-county area is competitive with national levels and significantly below major metropolitan areas in the northeast. In CNY, 35.1% of the age 25 population and over are high school graduates and 53.2% have some college education, including 16.4% with a bachelor's degree and 10.1% with a graduate degree. The skills of the Central New York labor force support a wide range of economic sectors including manufacturing, health care, education, professional business services, warehouse and distribution, wholesale and retail trade, the construction trades, transportation and utilities, and government.

In Upstate New York, there are over 44 institutions of higher education with a combined enrollment in excess of 215,000 students. Top area schools include Syracuse University, Cornell University, SUNY Binghamton, Cortland, and Oswego, SUNY Upstate Medical University, and the SUNY College of Environmental Science and Forestry, Rochester Institute of Technology, University of Rochester, Clarkson University, Colgate University, LeMoyne College, and Onondaga Community College. Advanced education and research facilities in the region include Cornell University's Biotechnology Center, Syracuse University's Computer Applications and Software Engineering Center, the Human Performance Center at Upstate Medical University, Onondaga Community College's Applied Technology Center, NASA's Regional Applications Center for the Northeast at Cayuga Community College, and Rome's Air Force Research Laboratory. Three New York State Centers for Advanced Technology are in operation in the region at Cornell, SU, and Binghamton with a focus on biotechnology and life sciences, software engineering, and integrated electronics research.

Central New York has a strong foundation of several important industrial and occupation clusters. These include biosciences, digital and electronic devices, environmental systems, precision metalworking, packaging, information management, engineering, medical services, and logistics. These clusters account for more than 670 establishments in Central New York and

employ more than 40,000 people – nearly 10% of the region’s employment base.

The Central New York community has undertaken a coordinated effort to support economic growth in the region. A cornerstone of this effort is county-based economic development and job training services that exist across the region. Supplementing this network is a number of agencies that provide development services on a regional basis. These organizations include the Central New York Regional Planning and Development Board (CNY RPDB), Greater Syracuse Chamber of Commerce, Empire State Development Corporation, Metropolitan Development Association, National Grid, the CNY Technology Development Organization, and the Manufacturers Association of Central New York. This network provides a range of traditional development services in the region including management of business parks, business recruitment and retention efforts, job training and technology transfer assistance, business financing, and tax management programs.

The Central New York community has a very diverse economy that is supported by a growing workforce, a well-developed infrastructure base, and strong academic resources. Despite these assets, the region is struggling economically as evidenced by various socio-demographic data. This data shows a region with a stagnant population base, low per capita income, and areas with high long-term unemployment rates. To address these challenges, the region has developed a comprehensive plan that will sustain economic growth in CNY.

The plan for CNY is incorporated into several documents, which together represent a short-term economic development strategy and a long-term comprehensive approach to economic growth. These documents include the CNY Comprehensive Economic Development Strategy, Vision 2010: A Regional Economic Development Strategy for Syracuse and Central New York, and the Essential New York Initiative. The CNY CEDS is a document prepared each year by the CNY RPDB. The primary focus of this document is on short-term actions that will support economic growth in CNY. Vision 2010 is a document that was prepared in 1996 by the Stanford Research Institute, under contract with the Metropolitan Development Association of Syracuse and Central New York (MDA) and made possible by funds provided by EDA. This long-term plan has recently been updated to reflect a variety of factors including new economic and census data, changes in the local economy, and developments in the global marketplace. The revisions to Vision 2010, now titled the Essential New York Initiative, were prepared by two nationally recognized consultants retained by the MDA. These consultants include the Battelle Institute and Catalytix, a Richard Florida Company.

The challenges and opportunities facing this region can be organized into seven core strategies and a wide range of specific recommendations for action. The seven core strategies include:

- Developing a broader regional awareness and consensus for action
- Ensuring the region’s readiness for economic growth
- Aggressively targeting middle-market companies with high potential for expansion and support existing industries
- Pursue economic development opportunities associated with certain industry clusters in the region

- Create, retain, and attract talent to Central New York
- Leveraging college and university resources to help facilitate economic growth in the region
- Encourage the growth of a stronger entrepreneurial culture

Building on the seven themes identified above, consultants and representatives from CNY have identified a number of specific recommendations for initiatives that should be undertaken to support economic growth in the region. These consist of short, intermediate, and long range actions and include the following:

- Complete the development of a network of publicly sponsored “shovel ready” business parks
- Provide individualized assistance to companies with high growth potential
- Promote industrial clusters through a regional research and technology collaborative
- Expand research centers and build product development centers
- Expand workforce development and retention programs
- Increase regional university research in areas relevant to the region’s technology clusters
- Harness regional intellectual property for economic growth
- Maintain a region-wide capital network for entrepreneurs
- Promote creative sector occupational clusters
- Implement a regional branding and marketing campaign
- Develop a university/industry applied research program
- Create a regional university research and technology advisory board
- Support existing incubators and establish a regional accelerator
- Continue the maintenance and development of the region’s physical and human resources
- Support activities that help retain and expand businesses which are net wealth generators for the region
- Encourage the growth of employment opportunities in the region’s economically distressed areas
- Improve area services and public facilities to help retain existing businesses and attract new companies to the region

Based upon the recommendations that have been presented in the documents referenced above, the CNY RPDB developed a comprehensive economic development plan titled the Central New York Initiative. This comprehensive effort is estimated to cost \$150 million and will be funded by a range of federal, state, and local economic development resources over the next ten years. Some of the projects incorporated into the Central New York Initiative are identified on the following project

priority list.

Central New York Project Priority List

In accordance with the goal and objectives of the Central New York Initiative, the following list of projects has been recommended for funding consideration at the federal, state, and local level. These projects have been recommended by community representatives and economic development staff working in CNY because of their potential to help foster economic growth in the region.

Cayuga County

- Aurelius Industrial Park – A top economic development priority is the development of infrastructure to serve the Aurelius Industrial Park, a 200-acre industrial park being developed by the County. This site has been chosen as one of thirteen sites to be marketed by New York State as a location for a semiconductor manufacturing company. It is anticipated that a range of public infrastructure improvements will be needed to support the full build-out capacity of the park. These improvements may include an expanded road network, the extension of sanitary sewer and water service, and development of a stormwater management system. The estimated cost for these improvements is \$5 million. Final plans for these improvements will be made in accordance with tenant development activity in the park.
- Auburn Northwest Industrial Development Area – This project calls for upgrading the existing infrastructure in the Auburn Technology Park area. This area is in the City of Auburn's Empire Zone and includes a Build Now-NY site. Proposed improvements include road, sewer, storm drainage, street lighting, water supply repairs, and improved truck transit/access. Total project costs are estimated at \$1,000,000.
- Fair Haven Sewer Improvements – Cayuga County Sewer District #2 will enable the Village of Fair Haven to grow as a visitor destination by removing barriers to economic development caused by an inability of local businesses to expand septic systems to accommodate larger visitor populations. The promise of Cayuga County Sewer District #2, which has gone to construction on Phase 1A and the mainline connecting to Wayne County Wastewater Treatment Plant, has recently spurred new development in Fair Haven. This project advances compliance with meeting the terms and conditions of a DEC Consent Order that was issued to the Village of Fair Haven in 1991 to address raw sewage discharge (from failing septic systems) into Little Sodus Bay, which is listed on the NYS DEC Priority Waterbodies List (2004) for contamination from individual waste water treatment systems and phosphorus loading. The total estimated cost is \$1.5 million.
- Cayuga County Bio-Digester Energy Distribution System – The Cayuga County Office of Planning & Economic Development is working with a consortium of Cayuga County dairy farms, energy consultants, and the Cayuga County Public Utility Service Agency (CCPUSA) on the development of a coordinated energy development and distribution project that would link site specific methane bio-digester facilities on up to fifteen (15)

large dairy operations in central and southern Cayuga County that would produce methane gas and/or generate electricity for distribution to private and/or public consumers within the County through CCPUSA. This project would be a significant step in the County's strategic plan to utilize CCPUSA and alternative energy sources to drive economic development, support agribusiness and foster environmental stewardship of the County's natural resources. The estimated costs of various infrastructure improvements needed for the project is \$5 million.

Cortland County

- Town of Cortlandville Business Park – This project involves the development of a 260-acre parcel of land along Route 13 South in the Town of Cortlandville into a multi-use business park. The project is being sponsored by the Cortland County Industrial Development Agency (CCIDA). The site has been chosen for participation in the State's Build Now-NY program. The site is adjacent to an existing NYS Empire Zone and has been targeted by the Town for planned industrial development. This project includes land acquisition, construction of an internal road network, and provision of public sewer and water facilities, and construction of a stormwater management system. The total cost is estimated to be \$5 million.
- Greek Peak/Hope Lake Conference Center – Plans have been developed to expand the Greek Peak Ski Center into a four-season resort with a hotel/conference center, golf course, and indoor water park. The site has been included in a boundary amendment to the Cortland County Empire Zone. The total project is estimated to cost \$30.6 million. Public infrastructure improvements must be completed to support this development. These improvements include the relocation of a road, extension of sewer services, and provision of additional electric and gas service. The estimated cost of these improvements is \$1.2 million.
- Cortlandville Biofuel Industrial Park – \$4 million in NYS funding through the SUNY Research Foundation will develop a New York State Center for liquid biofuels through Morrisville State College to further advance Upstate New York as a leader in the renewable energy industry. Morrisville State College is a research partner with a new company, Empire AgriFuel, LLC and will construct a co-located oilseed crushing and "green" biofuel blending facility in the Cortland County Town of Cortlandville.

To capitalize upon this activity, the Cortland County Industrial Development Agency is proposing the expansion of the Cortlandville site into a planned biofuel industrial park with the capacity for similar energy-related companies to co-locate in the area. Planned improvements include water, sewer, electric, and road infrastructure. The total estimated cost is \$2.5 million.

- Preble Greenbuild Corporate Park – The Cortland County Industrial Development Agency has begun an investigation to determine the feasibility of developing a "greenbuild" park in the Town of Preble, associated with a Barden Home manufacturing center in the community. Land in the area is being rezoned to accommodate industrial growth and a new rail spur is being constructed to the site in 2007 with

funding provided through the
this area public infrastructure must

NYS Department of Transportation. To fully develop
be provided. The total estimated cost is \$5 million.

Madison County

- Agri-Energy Business Park – This project involves the development of a 100-250 acre business park adjacent to the Madison County landfill and a waste to energy facility for the purpose of attracting and servicing certain agriculture related enterprises that can benefit from the co-generating capability of the county's enterprise. Certain site development and infrastructure improvements are necessary for site to be marketable. The total project is estimated to cost \$3million.
- Hamilton Business Park – Funding is needed to provide additional public facilities to serve a business park being developed by the Village of Hamilton adjacent to the Hamilton Airport. The site is served by a municipal electric power system. The total project cost is \$1 million.
- Trush Business Park – The Trush Park is located in the Madison County Towns of Nelson and Cazenovia. To support additional growth in the park a public water supply must be developed. Three options are being considered including: 1) connection to the Village of Cazenovia's municipal system, 2) additional on-site wells, 3) utilizing Town of Nelson groundwater and pumping it to the park. The preferred option from a cost and reliability standpoint is connection to the Village system. The construction costs of the three alternatives is approximately \$2.0 million.
- Sullivan Business Park – This project involves the provision of additional infrastructure improvements to complete the full development of this park in the Town of Sullivan. The project includes sewer, water, electric/gas facilities along with additional roadway. The estimated cost of these improvements is \$2.0 million.
- City of Oneida Business Park – This project involves the development of a major business park in the Madison County City of Oneida. The proposed site consists of approximately 400 acres and fronts on 4,400 feet of CSX mainline. The project entails site acquisition, extension of public sewer and water facilities, and construction of various road improvements in the area. The total estimated cost is \$5 million.

Onondaga County

- Hancock Airpark - Continue the phased redevelopment of the former Hancock Air Base for industrial and commercial use. Funds will be used to continue the demolition of vacant structures abandoned by the military, construct infrastructure, and undertake general site preparation on this 200-acre site. The County has secured a State Empire Zone designation for this location. The park has been designated a State Build Now-NY site. The estimated cost of planned improvements in Phase 3 is \$10 million.

- Clay Industrial Park – The project involves plans to provide infrastructure to an industrially zoned 245-acre parcel in the northern suburbs of Onondaga County. This site is on the State’s list of 13 Semi-NY locations. The Onondaga County Industrial Development Agency has acquired most of the land necessary for this project. The estimated cost is \$3 million.
- Syracuse Downtown Redevelopment – As part of a plan to support activities associated with institutional, corporate, and commercial mixed-use projects in downtown Syracuse, the City of Syracuse is pursuing the development of several major public improvements in the area including the construction of centralized parking facilities and a public transit center. In addition, attention is being focused on several brownfield remediation sites and critically needed streetscape improvements. These projects are being advanced to support Syracuse University’s Center of Excellence and connective corridor projects, expansion of the SUNY Upstate Medical Center, the CNY Biotechnology Center, the Onondaga County Convention Center Hotel District, commercial development of a major office building in the Armory Square area, residential and commercial development associated with the near Westside initiative, and development of the Prospect Hill Medical District in association with St. Joseph’s Hospital. The total estimated cost of these public improvements is \$20 million.
- Syracuse City Crossroads Commercial Park – This project involves the development of a light industrial/commercial park adjacent to Route 690 East at Green Avenue and Pearl Street. The park consists of approximately 20-acres and is publicly owned. A 20,000 square foot manufacturing facility has been built in the park. Additional road, sewer, water, and environmental clean-up is necessary at the site. The total project cost is \$2.5 million.
- CSX Intermodal Terminal Access – Central New York has a unique opportunity to work with CSX and other transportation related businesses to capitalize on the growth of freight-related intermodal activity. Increased capital investment in the DeWitt rail complex and new employment related to intermodal activity are both likely to occur if certain physical restraints and access limitations are properly addressed.

The proposed project would involve two separate elements: 1) addressing customer mobility by improving intersections, distance, and constraints within the actual intermodal terminal area. Presently, due to the configuration of internal access roads and rail, truck traffic is blocked from entering or leaving the facility – reducing productivity and efficiency and diminishing the likelihood of further investment by CSX. 2) Improving offside access and safety by improving a public street and intersections to reduce congestion, eliminate conflicts with school bus traffic, and provide for direct access to Kirkville Road. The estimated cost is \$10 million.

- Syracuse Lakefront/Inner Harbor – In conjunction with plans to expand Carousel Center and for redevelopment of the Syracuse Lakefront, a significant number of public improvements have been completed in this area. These activities included roadway construction, shore stabilization, reconstruction of harbor bulkheads, configuration of promenades and public spaces, and development of a linear park/creek walk, and development of a business park. EDA awarded a \$1 million grant in September 2000 to

support reconstruction of Solar Street. This project was completed in May 2005. Additional funding in the amount of \$10 million is needed to complete other improvements in the area.

- Rock Cut Road/I-481 – This project involves the construction of a new interchange on I-481, which would open up a 280-acre development site (a former quarry) for industrial development as well as providing access to the Syracuse University Research Park, being jointly developed by Syracuse University and the Metropolitan Development Association. In addition, underground telecommunications may be required to support data center operations that have expressed an interest in the park. This project is estimated to cost \$10 – 15 million.
- Town of Clay Three Rivers Redevelopment – The Town of Clay is proposing the redevelopment of this property into a canal port and a mixed-use tourism based development along the NYS Canal System. An analysis shows this area as one of the most heavily used sections of this waterway and has enormous potential for tourism development. Planned improvements for the area include site acquisition, demolition and clearance, brownfields remediation, and the provision of public utilities. The initial phase of the project is estimated to cost \$4 million.
- Carrier Site Redevelopment – Plans have been completed for a major redevelopment of this site in the Town of Dewitt. As part of these plans, various infrastructure improvements are required in the area to support development of the site. The estimated cost is \$5.0 million.

Oswego County

- Port of Oswego – Plans are underway to expand the Port of Oswego by capitalizing on land owned by the Port immediately east of their main property along the Oswego River.

To accommodate this expansion improvements to the property site and rail service must be provided. The total project cost is estimated to be \$5million.
- Lake Ontario Industrial Park – The Lake Ontario Industrial Park is located in the northeastern corner of the City of Oswego in a State designated Empire Zone. The park has been designated as a State Build Now-NY site. It is comprised of 57 acres with 2,500 feet of roadway and is serviced by municipal water, sewer, and storm water facilities. To further develop the park, \$2.5 million is needed to construct a 50,000 square foot speculative building. In addition, \$250,000 is needed to extend the existing road in the park to access rail service and the eastern area of the park.
- Oswego County Airport/Industrial Park - \$3 million to provide sewer facilities to serve a proposed 130-acre industrial park located adjacent to the Oswego County Airport in the Town of Granby. The project also involves the construction of a 40,000 SF cross-dock facility to be used for cargo transitioning from air freight to ground transportation.
- City of Oswego Westside Parking Garage – The City is embarking on an aggressive

downtown revitalization program. One of the critical deficiencies that has been identified in the community is the lack of available parking. Repeatedly, developers indicate they cannot consider investing in downtown until this problem is addressed. The City has identified a site for the development of a parking garage at West First and Cayuga Streets. The project is estimated to cost \$3 million.

- Columbia Mills Infrastructure/Brownfield Reuse - The Oswego County Industrial Development Agency has developed a comprehensive redevelopment plan for the Columbia Mills Brownfield site located in the Town of Minetto. This contaminated 90-acre site has been cleaned up with \$3.0million of State and federal funds. Reuse of the site will require rezoning the site to a Planned Unit Development (PUD) and demolition of the remaining foundations and structures, site preparation, an access road, and the extension of infrastructure to accommodate a combination of industrial, commercial and residential uses. The estimated cost for the initial phase of infrastructure to support redevelopment is \$1.5 million.
- Oswego County Industrial Park - \$10 million to support additional land acquisition and to expand the capacity of a treatment plant, which serves a 220-acre county industrial park in the Town of Schroepfel.
- Parish Business/Industrial Park - \$3.0 million for infrastructure improvements to extend sewer, water, and a road into a 100-acre site located at the I-81 interchange in Parish. This park will be one of four industrial parks operated by Operation Oswego County, Inc. and the first one on the eastern side of the County. The park would target light industrial and distribution related projects.
- Riverview Business Park – A 423-acre park focused on renewable energy development. A Master Plan for Energy Asset Management will develop future strategies to attract other industries to join Northeast Biofuels (ethanol), GS Fulton Biodiesel and BOC energy (Co2 liquefaction) to the site. Additional infrastructure including rail enhancement, cogeneration, digester operations, etc. can help to further develop this critical industry cluster. Preliminary estimated costs could range from \$5-\$10 million in infrastructure support.
- Tinker Taven Interchange – This area in the Town of Richland is an I-81 interchange and has over 600 acres zoned industrial. This is a potentially prime site for industrial development. Water and sewer services are needed to enhance the site. Extensions of existing and to be developed districts in the town would position this site well for development. It is currently being viewed by several high profile projects. The estimated cost to extend services is approximately \$3.5 million.

Regional

- DestiNY USA – The Pyramid Companies of Syracuse is continuing to develop plans for DestiNY USA, a resort destination and business park in Syracuse, New York. The project is expected to exceed 3.2 million square feet of space and will consist of retailers, entertainment, and recreation elements. The project, which is projected to draw millions

of tourists to Central New York, will have a major impact on the CNY economy. This project will require significant public improvements to the infrastructure serving the project area and the estimated cost is \$25 million.

- Syracuse University Center of Excellence in Environmental Systems – New York State has selected Syracuse University to host a Center of Excellence (Center). The Center is being designed to become a world leader in indoor environmental systems and alternative energy research and development. The State’s commitment to this project includes \$24 million that will be used to build a headquarters for the Center in downtown Syracuse. The Center may become involved in research associated with environmentally friendly “green-building” techniques and products for DestiNY USA.
- CNY Biotechnology Research Center – SUNY Upstate Medical University and the SUNY College of Environmental Science and Forestry are planning to develop a biotechnology research center in Syracuse. The research center is being designed to grow in phases and will ultimately consist of a three-building \$80 million complex. The first phase is estimated to cost \$30 million.
- CNY Tourism Development Fund – Plans to develop a stronger tourism base in the CNY economy will be enhanced by efforts to improve the region’s cultural, recreational, and hospitality resources. Further development of these resources requires a dedicated pool of \$5 million in public funds that can be used to make strategic investments in the region.
- Central New York Enterprise Development Fund – The demand for small business loans has created a need to secure funds to recapitalize the CNY Enterprise Development Fund. Funds will be targeted to small manufacturing companies and producer service firms throughout the region. Approximately \$2.5 million is needed to sustain this program.
- Central New York Strategic Training Partnership Fund – Funding is required to capitalize a regional training program. Funds will be directed to companies looking to upgrade the skills of their employees. It is expected that approximately \$1 million in funds can be used on an annual basis for this program.
- Central New York Regional Business Recruitment Program – Funds are required to support administration of a comprehensive business recruitment program. Funds will be directed to marketing, site location consultants, trade shows and missions, and development of an electronic database of pre-approved/permitted business development sites in CNY. To be effective, this program must be supported with an annual funding allocation of \$1 million.
- Central New York Growth Energy Fund – The recent growth in alternative energy fuels has created a business development opportunity for the agriculture community in CNY. To capitalize on this opportunity public financial resources are required to assist farmers with the capital cost associated with bring alternative crops to the marketplace. Approximately \$1 million in public funds is needed to capitalize this program.