

HUDSON VALLEY ECONOMIC DEVELOPMENT DISTRICT COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY



2015 - 2016 Annual Report Update

HUDSON VALLEY REGIONAL COUNCIL
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REPORT SUMMARY

From 2014-2015, the annual average private sector employment in the Hudson Valley increased by 14,300 jobs, or 1.88 percent, to 775,000 jobs. Education and health services lead the way in job generation, adding 7,800 jobs. Natural resources, mining and construction added 3,600 jobs. "Other services" showed the next highest job gains at 2,200. Leisure and hospitality was the region's leading job generator last year but showed losses this year of 1,800 jobs. Continuing the trend from last year, losses were centered in financial activities (-1,300) and trade, transportation, and utilities (-3,000 jobs)¹

The region's overall unemployment rate fell from 2014-2015, from 4.7% to 4.2% percent. The Hudson Valley's unemployment rate of 4.2% is below the state's rate of 5.3% percent, and the national rate at 5.7%. The labor force, which showed losses last year, increased regionally and in each county. As economic conditions improve, more people begin actively searching for work, which is likely the cause of this increase.

While unemployment rates have dropped, there are still pockets of economic distress in the region. Like poverty, unemployment tends to be higher in central cities, lower in the suburban ring, and higher again in rural areas. Identifying the communities within the region that exhibit economic distress, as defined by the Economic Development Administration (EDA), is important in determining eligibility for grant funding.

Significant 2015 grant awards in the region were focused on food and beverage manufacturing, transportation and infrastructure. \$1,000,000 was awarded to BBG Ventures LLC in Kingston, NY for a food and beverage manufacturing and retail facility in the former Woolworth's building. Empire State Cooperage in Sullivan County received \$1,000,000 for start-up costs to build a stave mill that will create oak barrels for distilleries and wineries. One of Orange County's largest awards was \$1,000,000 for replacement of water and sewer infrastructure at Stewart Airport. SoYo Exalta of Westchester County received \$1,250,00 for mixed use, transit-oriented development in downtown Yonkers.

¹In the 12-month period ending November 2015, Source: NYS Department of Labor, "Employment in New York State," press release, January 2016

SECTION 1. INTRODUCTION

ADJUSTMENTS TO THE 2013-2017 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

The CEDS is meant to be a flexible document and may be adjusted to respond to changing economic and environmental conditions.

In their guidance document of March, 2016 the US Economic Development Administration made recommendations as to the content of future CEDS. In addition to the summary of the economic conditions in the region and an in-depth SWOT analysis detailing the strengths, weaknesses, opportunities and threats, the EDA is recommending a Strategic Direction/ Action Plan be developed as an outgrowth of the SWOT also integrating elements from other regional plans if pertinent. An evaluation framework will also be established to measure the implementation of goals and objectives.

EDA is also recommending the incorporation of the concept of economic resiliency into the CEDS. Economic resiliency is defined as the ability to avoid, withstand and recover from economic shifts, natural disasters and impacts of climate change.

To that end, and subsequent to the completion of the 2013-17 CEDS and the 2014 Annual Update, Hudson Valley Regional Council has begun to integrate these new elements into our planning process and scope of work.

HVRC will be initiating a Strategic Plan process in 2016/17 in order to refine and re-define our mission, goals and objectives. Through this process we hope to expand and engage a broad base of support from private and public partners; laying the groundwork for establishing a Strategy Committee to lead us into the next full CEDS report which is to be completed in 2018.

The work of HVRC has always been defined by our relationships with the US Economic Development Administration, assisting municipalities and entities access federal funding to create and/or retain jobs, primarily through infrastructure expansion and upgrades. In the past two years, HVRC has expanded their impact by providing a platform for the discussion of regional issues relating to water quality, stormwater management, materials management as well as economic development. HVRC's newest initiative will be delivered through a NYSERDA state-wide program to assist municipalities, counties, towns, cities and villages with Clean Energy Community protocols that can lead to funding opportunities for implementation thereby reducing not only greenhouse gas emission but reducing the cost of energy for local governments.

The 2015 Annual update as well as subsequent updates will be adjusted to conform with these changing dynamics and recommendations and programs.

SECTION 2. EXISTING REGIONAL CONDITIONS & REGIONAL TRENDS

A. Observations and Trends

For the 12-month period ending in November 2015, private sector employment in the Hudson Valley increased by 8,200, or 1.1 percent, to 779,200 jobs. Leisure and hospitality, formerly the region's leading job generator lost jobs (-1,800). Employment gains were strong in educational and health services (+7,800), natural resources, and other services (+3600). Other losses were in financial activities (-1,300) and transportation and utilities (-3,000)¹.

Private sector job growth was most significant in Sullivan County (+3.17 percent), followed by the Orange-Rockland-Westchester MSA (+2.03 percent), the Dutchess-Putnam MSA (+0.93 percent), and the Kingston

Table 1: CHANGE IN NONFARM & PRIVATE SECTOR JOBS, Annual Average

Area	Total Non-Farm				Private Sector			
	2014	2015	Change	%	2014	2015	Change	%
Dutchess-Putnam	143,000	144,000	1,000	.69%	117,200	118,300	1100	.93%
Kingston-Ulster	60,300	60,700	400	.66%	45,900	46,700	800	1.7%
Orange-Rockland-Westchester	688,000	700,500	12,500	1.81%	578,700	590,500	11,800	2.03%
Sullivan	24,900	25,500	600	2.41%	18,900	19,500	600	3.17%
Region Total	915,900	930,700	15,800	1.7%	760,700	775,000	14,300	1.88%

Source: Current Employment, Historical Estimates, New York State Department of Labor
<http://labor.ny.gov/stats/lscsmaj.shtm>

MSA (+1.7 percent). Sullivan County was the only area in the region that experienced a decline in private sector jobs (-0.5 percent) in the 12-month period ending in November 2014. However, from 2014-2015, Sullivan County recuperated the 200 jobs it lost the previous year and added 400 more. Job gains were concentrated in the private service-providing industry. Growth in the public sector was more modest, with an increase of 1,500 jobs in the region.

In each of the region's seven counties the labor force increased from August 2014 to August 2015. For the region as a whole the unemployment rate fell from 4.7 to 4.2 percent. The Hudson Valley unemployment rate of 4.2 percent is below the state's rate of 5.3 percent, and the national rate at 5.7 percent.

Table 2: CHANGE IN NONFARM & PRIVATE SECTOR V. PUBLIC SECTOR JOBS

Change in Non-Farm and Private Sector vs. Public Sector Jobs 2014- 2015		
Area	Private Sector Change	Public Sector Change
Hudson Valley	14,300	1,500

The region and its counties showed increases in their labor force. As the economy recovers from the 2008 recession and conditions visibly improve, more people will decide to actively look for work. This is the likely explanation for this increase in labor force.

Table 3: HUDSON VALLEY LABOR FORCE, EMPLOYED, UNEMPLOYED, AND RATE OF UNEMPLOYMENT BY COUNTY

County	Labor Force			Employed			Unemployed			Unemployment Rate		
	2014	2015	Net	2014	2015	Change	2014	2015	Net	2014	2015	Net
Dutchess	142,531	143,390	859	134,957	136,823	1,866	7,574	6,567	-1,007	4.7	4.1	-0.6
Orange	175,786	178,292	2,506	166,146	169,866	3,720	9,640	8,426	-1,214	4.9	4.2	-0.7
Putnam	50,369	50,742	373	47,899	48,540	641	2,470	2,202	-268	4.4	4	-0.4
Rockland	149,660	152,086	2,426	141,957	145,104	3,147	7,703	6,982	-721	4.7	4.1	-0.6
Sullivan	33,351	33,811	460	31,156	31,942	786	2,195	1,869	-326	6.1	5.2	-0.9
Ulster	88,194	88,438	244	83,154	84,099	945	5,040	4,339	-701	5.1	4.3	-0.8
Westchester	471,666	479,520	7,854	447,432	457,407	9,975	24,234	22,113	-2,121	4.7	4.1	-0.6
Region	1,111,557	1,126,279	14,722	1,052,701	1,073,781	21,080	58,856	52,498	-6,358	4.7	4.2	-0.5

Source: Labor Force and Unemployment Data, New York State Department of Labor, <https://labor.ny.gov/stats/lslaus.shtml>

C. Hudson Valley Region --- Distress Summary: Results of the Regional Distress Criteria Statistical Report

While unemployment rates have dropped throughout the region, there are still pockets of economic distress. EDA looks carefully at fiscal distress to determine eligibility for grant funding. Economic distress in the Hudson Valley region is summarized by region as well as by individual county in tables 4 and 5.

In 2015, the HVRC conducted an in-depth analysis of economic distress in the region which provided a much more detailed assessment of the way in which economic distress is manifested in the Valley

For this purpose, fiscal distress is defined by any combination of:

- An average 24-month unemployment rate above the national average as calculated by the Bureau of Labor Statistics – Local Area Unemployment Statistics (see Table 4).

Table 4: HUDSON VALLEY REGIONAL DISTRESS CRITERIA

	Hudson Valley Region	U.S.	Threshold Calculations
12 Month Average Unemployment Rate (BLS) period ending December 2015	4.98	5.72	-0.74
2014 Per Capita Money Income (3-year ACS)	\$38,478	\$27,884	137.99%
2014 Per Capita Money Income (5-year ACS)	\$39,352	\$28,555	137.81%
2015 Per Capita Personal Income (BEA)	\$64,346	\$46,049	139.73%
2000 Per Capita Money Income (Decennial Census)	\$29,384	\$21,587	136.12%

Source: <http://www.statsamerica.org/distress/distress.aspx>

- An average Per Capita Money Income (PCMI) level below the national average as measured by the U.S Census Bureau’s American Communities Survey.
- An average Per Capita Personal Income (PCPI) level below the national average as measured by the U.S Department of Commerce, Bureau of Economic Analysis.

While the study painted an overall positive picture of the economy in the Hudson Valley, the wealth is not distributed evenly. Closer analysis revealed pockets of economic distress in almost every county. Below is an overview of statistics for each county in the Hudson Valley Region. The full report by the Hudson Valley Regional Council identified those areas in economic distress.² Note: while most of the distressed areas in the Hudson Valley region (and most of the population in those areas) are urban, there are also many incidents of rural economic distress in the region, particularly in Sullivan County. This suggests a need to be very targeted with programs and projects designed to alleviate such distress.

² Hudson Valley Regional Council, Hudson Valley Region Distress Criteria Statistical Report, April 2015. (<http://hudsonvalleyregionalcouncil.org/wp-content/uploads/2015/08/Distress-Report-6-18-15.pdf>)

Table 5: HUDSON VALLEY REGION DISTRESS CRITERIA STATISTICAL REPORT BY COUNTY 2014

Economic Distress Criteria- Primary Elements									
County	24 Month Average Unemployment Rate			2013 Per Capita \$ Income (3 Year ACS)		Threshold Calculations	2013 Per Capita Personal Income (BEA)		
	County	U.S.	Threshold Calculations	County	U.S.		County	U.S.	Threshold Calculations
Dutchess County, NY	4.98	5.72	-0.74	\$33,252	\$27,884	119.3	\$47,151	\$46,049	102.4
Orange County, NY	5.11	5.72	-0.61	\$30,295	\$27,884	108.6	\$44,870	\$46,049	97.4
Putnam County, NY	4.62	5.72	-1.1	\$41,101	\$27,884	147.4	\$56,458	\$46,049	122.6
Rockland County, NY	4.86	5.72	-0.86	\$33,755	\$27,884	121.1	\$53,270	\$46,049	115.7
Sullivan County, NY	6.17	5.72	0.45	\$24,747	\$27,884	88.7	\$39,368	\$46,049	85.5
Ulster County, NY	5.35	5.72	-0.37	\$30,163	\$27,884	108.2	\$41,648	\$46,049	90.4
Westchester County, NY	4.87	5.72	-0.85	\$47,237	\$27,884	169.4	\$87,777	\$46,049	190.6

Source: <http://www.statsamerica.org/distress/distress.aspx>

D. Significant Industries, Hudson Valley

The New York State Department of Labor identifies industries as regionally significant factors such as job counts, wage levels, job growth, and expected job growth based on employment projections. Priority industries that may have been designated by economic development or workforce development officials were also considered. These 14 industries considered significant at the last reporting. For details on each industry, see the state Department of Labor’s descriptions in its latest publication.

Table 6: SIGNIFICANT INDUSTRIES HUDSON VALLEY 2009-2014

Industry Name	Jobs 2009	Jobs 2014	Change	Rate %	Total Wages	Average Quarterly Wage	Significance*
Construction of Buildings	9,393	9,673	280	2.89↑	\$131,770,322	\$13,622	W
Heavy and Civil Engineering Construction	4,043	3,207	-836	26.07↓	\$73,016,438	\$22,768	G, P, W
Specialty Trade Contractors	29,293	26,063	-3,230	12.3↓	\$373,151,116	\$14,317	J, P, W
Chemical Manufacturing	7,779	5,490	-2,289	41.69↓	\$154,189,789	\$28,086	W
Computer and Electronics Manufacturing	14,223	10,567	-3,656	34.60↓	\$407,201,238	\$38,535	W
Credit Intermediation and Related Activities	12,032	11,409	-623	5.46↓	\$408,404,033	\$35,797	W
Insurance Carriers and Related Activities	12,338	11,729	-609	5.19↓	\$351,258,008	\$29,948	W
Professional, Scientific, and Technical Services	41,619	42,715	1,096	2.57↑	\$1,162,335,586	\$27,211	J, W
Management of Companies and Enterprises	12,797	13,788	991	7.19↑	\$744,833,376	\$54,020	W
Administrative and Support Services	35,378	38,773	3,395	8.76↑	\$404,511,657	\$10,433	J, P, W
Educational Services	102,772	31,066	71,706	230.8↓	\$325,085,468	\$10,464	G, J, W
Ambulatory Healthcare Services	48,417	52,841	4,424	8.37↑	\$750,492,915	\$14,203	G, J, P, W
Hospitals	40,243	28,195	12,048	42.73↓	\$451,775,372	\$16,023	G, J, W
Nursing and Residential Care Facilities	40,637	36,099	-4,538	12.57↓	\$315,465,352	\$8,739	G, J, P, W

KEY

G: Industry experienced above---average job growth

J: Industry employs a significant number of jobs (>8000)

P: Above---average growth projected for 2006---2016

W: Industry pays above---average wages

Source: NYS Dept. of Labor <https://www.labor.ny.gov/stats/PDFs/Significant-Industries-Hudson-Valley.pdf>

Table 7: TOP INDUSTRY RANKINGS by JOB COUNT 2014

Industry Name	Reporting Units	Average Employment	Total Quarterly Wages	Average Quarterly Wages
Local Government	993	114,470	\$1,899,278,299	\$16,592
Food Services and Drinking Places	5,131	54,436	\$258,569,202	\$4,750
Ambulatory Health Care Services	5,024	52,841	\$750,492,915	\$14,203
Hospitals	5,024	52,841	\$451,775,372	\$16,023
Professional, Scientific, and Technical Services	8,103	42,715	\$1,162,335,586	\$27,211
Administrative and Support Services	4,160	36,117	\$368,167,634	\$10,194
Nursing and Residential Care Facilities	748	36,099	\$315,465,352	\$8,739
Educational Services	1,226	31,066	\$325,085,468	\$10,464
Food and Beverage Stores	1,803	29,014	\$175,607,572	\$6,053
Specialty Trade Contractors	5,163	26,063	\$373,151,116	\$14,317

Source: NYS Dept. of Labor

Section 3: Hudson Valley NYS/ESD/CFA awards in 2015:

Through its Consolidated Funding Awards (CFAs), New York State has been able to target funding for economic development projects of regional importance. Significant CFA awards in the region were focused on food and beverage manufacturing, transportation and infrastructure. \$1,000,000 was awarded to BBG Ventures LLC in Kingston, NY for a food and beverage manufacturing and retail facility in the former Woolworth's building. This venture, called Kingston Food Exchange, will repurpose a department store building into a multi-use center that will house multiple cafés, an organic grocery, a business incubator, and food processing facility. The Mid-Hudson REDC has named this project a priority.

Empire State Cooperage in Sullivan County received \$1,000,000 for start-up costs to build a stave mill that will create oak barrels for distilleries and wineries. New York State has one of the largest craft beer industries in the nation, but no cooperages. Empire State Cooperage in Roscoe plans to fill this need.

One of Orange County's largest awards was \$1,000,000 for replacement of water and sewer infrastructure at Stewart Airport. These upgrades will allow for future expansions of the airport, potentially increasing business to the airport and adding jobs. Increased business at the airport would have spillover effects throughout Orange County.

SoYo Exalta of Westchester County received \$1,250,00 for mixed use, transit oriented development in downtown Yonkers. In transit oriented development, apartments, restaurants, retail, and offices are built within walking distance of trains and buses, creating a hub around transit. SoYo Exalta's project will be centered around the Yonkers train station and includes a housing development of 400 luxury rental units.

State grants are administered through the Consolidated Funding Application, and managed by 10 regional economic development councils. The Mid-Hudson Regional Economic Development Council (MHREDC) comprises the same seven county region of the Hudson Valley Economic Development District. The priorities of the MHREDC are closely aligned with those of the Hudson Valley Regional Council.

The selection of awards reflects both state and regional economic development priorities, and seeks to achieve long-term sustainable economic goals. State funding through the Consolidated Funding Application to the Hudson Valley reached \$90.4 million this year.

Below is a summary of the awards broken down by county. A full list of awards is available at www.hudsonvalleyregionalcouncil.org. Some of these projects have funding gaps and there is potential for federal funding to supplement state and private investment in economic development projects.

Table 8: 2015 CONSOLIDATED FUNDS AWARDS

County	2015 Consolidated Funding Awards- Mid-Hudson	
	Number of Awards	Total Amount Awarded (\$)
Dutchess	19	\$8,568,994
Orange	20	\$5,554,814
Putnam	3	\$472,500
Rockland	9	\$2,032,978
Sullivan	8	\$5,643,443
Ulster	24	\$9,415,829
Westchester	19	\$6,949,991
Multi-County	7	\$3,945,451
Excelsior Job Credits		\$9,616,000
Low Cost Economic Development Financing		\$38,200,000
Region Total	109	\$90,400,000.00

Source: 2015 Regional Economic Development Council Awards
https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/REDCAwardsBooklet2015_2.pdf

In round V of the New York State Consolidated Funding Application program administered through the Regional Economic Development Council (REDC) initiative, the Mid-Hudson seven-county region received \$90.4 million for 109 projects. The 109 projects can be found on pages 108-121 of the 2014 Regional Economic Development Council Award booklet.

For details on CFA awards and their progress:

2012 CFA Awards

2013 CFA Awards

2014 CFA Awards

Section 4: Regional Economic Environment Changes: 2015-16

In its Q4 2015 economic report, the Hudson Valley Economic Development Corporation (HVEDC) reported that the regional economy remains relatively stable³. The total labor force in the fourth quarter of 2015 is even with the fourth quarter of 2014, and remains at about 1.1 million for the seven-county region. Year over year employment growth is at 3.7%, from 1.7% from last year. Unemployment rate is down 0.7% from 2014 to 4.3%.

By sector, educational and health services lead the way in job creation, showing a 4.3% increase year over year. The majority of this growth was in Orange, Rockland, and Westchester Counties. Westchester added 7,450 jobs education and healthcare and leisure and hospitality as the main industry drivers. Education and health care and professional and business services drove job gains in Orange-Rockland (+4,690), and Sullivan-Ulster (+1,880). Dutchess- Putnam showed modest growth (+130) in professional and business services, and other services.

HVEDC highlighted a number of projects to watch this year:

- Regeneron's \$1.6 billion biotechnology center and life science campus in Valhalla
- Hospital for Special Surgery's 50,000 sq ft lease in White Plains
- Ivy Equity's purchase of White Plains Plaza
- Keystone Property Group's \$8 million capital improvement project in Elmsford and Tarrytown
- Vassar Brothers' Medical Center's \$466 million expansion
- Greater Hudson Valley Family Health Center's \$5.7 million in facilities upgrades for drug and alcohol recovery services
- IRG's purchase of 200 acres of Pfizer's campus for a technology, education, science, and retail center in Rockland County

With regards to office vacancy, HVEDC also reported:

- Year-over-year vacancy rate in Orange-Rockland, Westchester, and Dutchess-Putnam remained relatively stable.
- Sullivan-Ulster has displayed the largest year-over-year change in vacancy (+20%) due to relocations.
 - Asking commercial rent remained stable in all counties.

³ HVEDC, JLL, "Quarterly Economic Report, 4th Q Hudson Valley, February 2016
<http://www.hvedc.com/all-publications.php>

Changes in the economic environment:

The range of projects reported in the region's counties is emblematic of the modest economic recovery being experienced both nationally and regionally. The list of representative projects provided below is compiled from reports by the New York State Department of Labor from June, 2015 to May, 2016.⁴ The list is not exhaustive, but is intended to provide a representative sampling of the variety of projects found throughout the Hudson Valley Region. Consistent with the description of the significant sectors in the region, many of the projects are in such industries as health care, education, advanced manufacturing and tourism.

Observations of County Officials: As part of this project, county planning and economic development officials were interviewed and asked for their observations on their respective county economies. A synopsis of each set of comments is provided in the County summaries. Several common themes emerged from the discussions:

1. ***Urban areas are continuing their comeback:*** From small village to major urban centers, virtually all respondents noted increased activity in their urban areas, ranging from new housing projects to mixed-use transit-oriented development.
2. ***Lack of infrastructure is a major impediment to continued economic growth:*** aging or inadequate municipal sewer and water infrastructure is a major constraint on growth, particularly in light of the increased emphasis on urban redevelopment mentioned above. In many areas, roads and bridges along key corridors are also in need of repair and/or replacement. In many cases, even the capital improvement projects that are taking place are intended to return existing aged infrastructure to its previous condition. Little work is being done to build additional capacity to accommodate new growth.
3. ***The supply of workforce housing in each community must be improved:*** Maintaining an adequate supply of entry and mid-level workers is as at least as important for continued economic growth as attention to infrastructure. Yet, for lack of infrastructure or due to community opposition, many communities have difficulty creating housing opportunities that can serve to retain or attract workers to the region.

⁴Unless indicated otherwise, project descriptions are taken from NYS Department of Labor, "Hudson Valley Expansions/Contractions," <https://labor.ny.gov/stats/hud/hudec.shtm>

Section 5: County Summary, Project Profiles and Observations

This section provides a summary of the conditions in each county in the region. It begins with a review of the major projects in the county over the past year as reported by the New York State Department of Labor. This is followed by a summary of the observations made by planning and development officials in each of the counties, with issues and opportunities identified by the county officials summarized in a separate section.

DUTCHESS COUNTY

Representative Dutchess County Projects

The Bonura family announced plans to build a 136-unit apartment complex in the city of Poughkeepsie. The estimated \$30 million project, dubbed “**Water Club Luxury Living,**” is one of a series of developments that is revitalizing the city’s waterfront and downtown areas. The apartments will range in size from 780 sq. ft. to 1,995 sq. ft. The complex will feature concierge service, a heated parking garage, electric-car charging stations, a gym, a club room and a rooftop terrace. No job numbers were announced.

Silo Ridge Field Club, an upscale housing project featuring 245 residential units and an 18-hole golf course in the Town of Amenia, has finally received permit approvals from the state Department of Environmental Conservation and the Dutchess County Health Department. The \$500 million project, which has been in the planning stages since 2009, is hailed as a boost for eastern Dutchess County and is projected to generate 3,000 construction jobs and 200 full-time jobs when completed. Silo Ridge is aimed at high-end buyers, with residential units ranging between \$1 million and \$10 million. The development will also include an indoor field house, an activity barn with a bowling alley and a movie theatre.

Vassar Brothers Medical Center has proposed what could be the largest construction project in the history of the city of Poughkeepsie. Vassar Brothers, the flagship hospital of Health Quest, announced plans to build a seven-level, 696,000 square-foot inpatient pavilion with 264 private rooms for medical and surgical patients, 30 intensive-care rooms and a rooftop helipad for medical transport. The \$466 million project will be financed with private hospital funds and hospital bonds. The hospital has filed a certificate of need with the state Department of Health and expects to gain the required approval by May 2016. The 2 ½ year construction phase of the project is expected to create about 300 to 400 jobs, with the pavilion opening by January 2019.

Hudson Heritage, a \$200 million project that would transform the 156-acre Hudson River Psychiatric Center property into a hub of commercial and residential facilities, is one step closer to reality. The developers and town officials have signed an agreement that lays out a broad plan beginning with the demolition of nearly every building, in addition to extensive environment clean-up work. EFG/DRA, the developers behind the project, will need regulatory approvals. It is

estimated that the project would create about 450 temporary construction jobs and a large number of retail/service jobs at the various businesses that would be attracted to the facility.

Northern Dutchess Hospital is constructing an 86,500 square-foot facility as part of its expansion plan. The new facility will include 40 new patient rooms and six new operating rooms with the latest technologies. No job numbers were announced.

Observations from County Officials: Observations were provided by Assistant County Executive for Economic Development & Strategy Ron Hicks, and Eoin Wrafter, Director of Planning for the County. Dutchess County has consolidated and streamlined its economic development offerings into the Dutchess County Economic Development Alliance. The Alliance brings the economic development corporation, the industrial development corporation and county workforce development all into a single coordinated structure. The County representatives reported over \$1 billion in projects that are under construction or in the final stages of permitting. There are an additional \$2 billion worth of projects in the planning stage. This includes six hotels in development, the Silo Ridge mixed use project in Amenia, and a variety of projects involving the production of local food and spirits.

Highlighted Issues/Opportunities:

City of Poughkeepsie Revitalization

Dutchess County has targeted urban revitalization as a foundational piece of its efforts to grow and attract businesses. The north side of the City has been the focus of much development and redevelopment, ranging from brew pubs to tourist accommodations to boutique advanced manufacturing and design firms. The waterfront has also seen increased redevelopment, with high end apartments on the former DeLaval industrial site, lofts and retail mixed at the intersection of Bridge and Main Streets in the City, and market-rate apartments slated for the Dutton Lumberyard site in the shadow of the Walkway Over the Hudson.

Local Food & Agriculture

The County is looking to build upon its agricultural strengths and the presence of the Culinary Institute to continue to grow that sector as an important part of the New York City “food shed.” The county is looking to designate an Agriculture Navigator position to assist existing and start-up farm and food operations get access to technical assistance and funding that can help them improve sales and profitability.

Dutchess County Airport

It has a fixed base operator agreement in place and has reasonable traffic. Over the past few years, the County has reduced the operating deficit of the airport from \$700,000 to \$400,000. A critical concern is to ensure completion of a project to run water to the airport for fire suppression purposes. This will in turn support two key economic initiatives for the County:

- Retention of Sikorsky AAG (recently acquired by Lockheed): The entire operation can be moved in less than a week, so it is important to ensure Sikorsky has adequate facilities. They are focused on research and development at the airport, with projects ranging from the S-76 helicopter and unmanned applications for the Blackhawk helicopter.
- Attraction of manufacturers' maintenance facilities: The airport represents an opportunity to bring in other aviation-related manufacturing operations, focusing in maintenance facilities for those companies. As part of this effort, the County is building upon SUNY-Dutchess's aviation airframe and powerplant training program. The intent is to construct a hangar to enable the program to continue to attract more students from across the Northeast. At the same time, this initiative has been included in SUNY-Dutchess's plan for Start-UP NY.

Global Foundaries

Water is also critical for the retention and expansion of Global Foundaries. The firm needs flow of 2MGPD. It is also important that the line attract other users to ensure reliable water quality as well as quantity.

ORANGE COUNTY

Representative Orange County Projects

Aurochemicals, a Washingtonville-based leading manufacturer and supplier of natural aroma chemicals primarily used in the flavor and fragrance industry, is in the midst of its second expansion since 2012 as the company recently purchased a 25,000 sq. ft. building in the Town of Chester. The newly acquired facility will provide additional warehouse, manufacturing and laboratory space. The company currently employs about 16 employees and expects to add six to 10 new employees in Chester in six months or so.

AmerisourceBergen, a pharmaceutical sourcing and distribution services company will invest \$39.3 million to build a state-of-the-art distribution center in the Town of Newburgh. The facility will be built on Corporate Boulevard, off Route 17K, across from Stewart Airport. AmerisourceBergen will receive up to \$1 million in performance –based Excelsior Jobs Program Tax Credits from the Empire State Development and in return has agreed to hire 121 new employees in the next two years and maintain those staffing levels through at least 2025. The company operates 26 distribution centers and four specialty distribution centers in the U.S.

Angry Orchard, a hard cider manufacturer, broke ground on its new 60-acre facility in the Town of Montgomery. The new facility has the support of Empire State Development, which contributed \$175,000 in Excelsior Tax Credits in exchange for an agreement from Angry Orchard to hire at least seven full-time employees through 2018 and invest \$9.1 million in the new facility. Owned by the makers of Samuel Adams, the Boston Beer Co., Angry Orchard, which launched in 2012, has quickly expanded to gain the top-selling spot in the burgeoning hard cider industry. As part of the deal with Angry Orchard, the family will continue to cultivate the orchard and retain all jobs associated with caring for and harvesting the land.

Orange Regional Medical Center has begun construction on a \$99 million expansion in the Town of Wallkill that will include a five-story medical office building and a single-story cancer center. Both new buildings will be connected to the existing hospital. The project is expected to be completed by the fall of 2016. The hospital and state Dormitory Authority have closed on \$70 million in tax-exempt bond that will finance the bulk of the project. The rest of the money will come from capital fundraising program, equity contribution from ORMC and outstanding 2008 bond proceeds from the hospital construction. The existing hospital, which cost \$350 million to build, opened on August 5, 2011.

Crystal Run Healthcare, a multi-specialty medical group, recently celebrated the grand-opening of its new 66,000 square-foot, state-of-the art medical facility in the Town of Newburgh. The medical care provider is expected to create more than 200 jobs, with annual salaries ranging from \$40,000 to \$150,000. Crystal Run has been expanding its presence in the Hudson Valley and beyond. The company has 32 locations in the region and is scheduled to break ground this summer on the construction of two 70,000 square-foot facilities in the Town of Monroe (Orange County), and in West Nyack (Rockland County).

Clemson Bros. Brewery will open Middletown's first brewery since the prohibition era. The new operation contains a seven-barrel system and anticipates producing 1,000 barrels in its first year. The company created 20 jobs and anticipates creating about 100 more jobs if their plans to start bottling at the site come to fruition.

PharmaCannis, Orange County's medical marijuana research and development facility in Hamptonburgh, is under way after receiving state approval. The \$18 million, 125,000 square-foot facility will be used for research and development, as well as manufacturing. The company will dispense in Albany, Bronx, Erie and Onondaga counties. PharmaCannis operates another facility in Illinois. No job numbers were available.

Observations from County Officials: Observations were provided by County Planning Commissioner David Church. Like other counties in the region, Orange County continues to participate in the modest recovery. The County's traditional strengths in retail, distribution and health services continue to play an important part in the economy, with some caveats. In retail, while County sales tax collection are rising, transit ridership to Woodbury Common (the largest retail destination in the County) are down. As host of three interstate highways (I-84, I-86 & I-87), the County continues to see growth in distribution, although the current national shortage of commercial drivers may be acting as a bottleneck for more rapid growth in that sector. The County will continue to be affected by major infrastructure projects in the region, including the construction of a new tunnel for the New York City water supply by the New York City Department of Environmental Protection, the ongoing replacement of the Tappan Zee Bridge and the addition of a third lane onto US 17/I-86.

Highlighted Issues/Opportunities:

Lego Land

The County will be host to a 170-acre amusement park, hotel and aquarium whose developers claim will draw an estimated 2 million visitors a year. The project will tap into the Village of Goshen water system to secure the supplies needed to operation. Proponents estimate the project will produce over 500 full-time jobs in the County.

Amy's Kitchen

The food manufacturer has proposed a 369,000-square-foot plant, to be located on a 200-acre site also in Goshen and upon full operation employ over 600 people. The plant will manufacture organic packaged meals and is looking to source many of its ingredients from the County and beyond.

Manufacturing Diversity

Orange County boasts a diverse array of small to mid-size manufacturing companies, ranging from operations with over 500 employees to small companies like Jones Chemicals and Bell Flavors and Fragrances. The County is committed to grow and diversify this sector. In the Town of Newburgh, the Accelerator is operated by the Orange County Industrial Development Agency to foster manufacturing-based businesses in the areas of fashion design and production, bottling, artisan manufacturing and artisan foods by providing small and start-up firms with low-cost space and access to a wide range of services.

Health Care

This sector remains strong in the County, with a cluster of health-related enterprises located in the Crystal Run, the Touro College of Osteopathic Medicine and the creation of a 26,000 square foot, single-story cancer center and 153,000 square foot, five-story physician office building at the Orange Regional Medical Center in Middletown.

Local Food and Agriculture

The Amy's Kitchen project mentioned above is just one indication of the growth in local food and agriculture sector in Orange County. The County's agriculture and farmland protection strategy completed last year represents a commitment to further develop additional food processing and local food system infrastructure to support farms.

PUTNAM COUNTY

Observations from County Officials: Observations were provided by Jill Varricchio, President of the Putnam County EDC, and Sandra Fusco, Deputy Planning Commissioner and Barbara Barosa, a County Planner. The smallest of the region's counties by area, Putnam County has been positioning itself to take better advantage of for tourism and other forms of targeted economic development. The most notable constraint facing the County is that forty percent of its land is owned by the New York City Department of Environmental Protection as part of the New York City water supply system and 96 percent of the County is in the City's watershed. NYCDEP is not building new water treatment plants, although they will upgrade existing ones. Because of this and other reasons, many municipalities in the County are struggling to find sufficient infrastructure to support development. Nonetheless, the County reports making significant strides in improving its overall economic competitiveness.

Highlighted Issues/Opportunities:

Local Outreach

The Putnam Economic Development Corporation has been revived and is currently laying the groundwork for a county-wide consensus for economic development. PEDC is reaching out to the local municipalities to understand each community's priorities for development and conservation and to identify local opportunities for growth. The County is also creating a coalition of land owners and developers for foster responsible growth in the County analogous to the Alliance for Balanced Growth in Orange County.

Creating Shovel Ready Sites

The County has sites that are essentially "shovel ready" but are constrained by a lack of infrastructure, including Union Place, State Line Crossing and Patterson Crossing. There are several initiatives aimed at overcoming the infrastructure constraints. For example, the County is exploring creating an agreement with the City of Danbury, CT wherein Putnam County municipalities would be able to tap into Danbury's excess sewage treatment capacity. In addition, the County is seeking funding to bring additional infrastructure to development sites. It is hoped that NYCDEP can become an active partner in this process. The County has also adapted Ulster County's "Ready 2 Go" concept. This approach enables a property owner and municipalities to share the cost in preparing a site for development. Upon sale of the property, the municipality is reimbursed for the costs it has put into the property.

ROCKLAND COUNTY

Representative Rockland County Projects

Syncsort Inc., a Big-data software provider, will relocate its headquarters and workforce of about 145 employees from New Jersey to new office space at Blue Hill Plaza in Pearl River. The company plans to invest \$2,895,000 in its new location. Operating in a designated Start-UP NY area, Syncsort will pay no state taxes for 10 years. Employees residing in New York will pay no state personal income taxes for the first five years and for the second five years, employees will be exempt from state taxes on income up to \$200,000 for a head of household and \$300,000 for taxpayers filing jointly.

New Planet Energy, along with local developer MBC Contractors, announced plans to build a waste-to-energy plant on Holt Drive in the Town of Stony Point. The project is expected to create about 400 to 500 temporary construction jobs and 100 to 125 permanent jobs when completed.

Crystal Run Healthcare recently celebrated the groundbreaking for its new 70,000 square-foot medical center in West Nyack. The facility will be the company's first location in Rockland County and it will include multiple specialties, an urgent care clinic, an infusion center and diagnostic testing services including a clinical laboratory and diagnostic imaging. Crystal Run operates more than 30 medical facilities in the Hudson Valley and lower Catskill region. The medical care provider is also scheduled to open another 70,000 square-foot facility in the Town of Monroe (Orange County). The company plans to hire 250 employees at the new facility in Rockland County.

Industry Realty Group L.L.C., a Los Angeles-based company, recently closed on its \$39.45 million acquisition of most of the developed portion of the 550-acre Pfizer Inc. campus in Pearl River. The developer plans to turn the Pearl River site into a mixed-use, multi-tenant campus that would include residences and a hotel. The deal, which has been in the works for two years, will allow Pfizer to retain 25-acres and about 500,000 square feet of office and laboratory space at the southern end of the property for research and development. Pfizer will also lease back about 1.2 million square feet from IRG for its production operations under short-term and long-term leases. No job numbers were announced.

Observations from County Officials: County officials providing observations were Lucy Redzeposki, Director of Economic Growth and Tourism, Douglas J. Schuetz, Acting Commissioner of Planning and Michael D'Angelo, Director of Administration and Research for the County Transportation Department. Rockland County has been making a renewed commitment to economic development. The newly combined office of economic development and tourism is intended to raise the profile of Rockland as a site for both businesses and visitors. Workforce development is also among the responsibilities for the new office. Among the issues facing the County is the ongoing impact of the Tappan Zee Bridge project, which is bringing significant new construction jobs to the County, while also making it difficult for other construction projects in the County to secure adequate trades people to keep projects moving forward.

Highlighted Issues/Opportunities:

Tourism

Hospitality and tourism are increasingly important sectors for Rockland. The County has undertaken a major initiative to attract Chinese tourists building upon their substantial presence in nearby New York and Woodbury Commons. County officials are positioning its tourism sector to be particularly welcoming to Chinese tourists through their promotional programs and by ensuring that staff at the County's tourism destinations are able to respond to the needs of Chinese tourists. The County has also taken steps to strengthen its position in film and television production, promoting the creation of a soundstage within the County and seeking to attract a film and video production facility to the former Rockland Psychiatric Center. Part of the tourism attraction effort will focus on opportunities for hiking and other forms of outdoor recreation available in the County.

Advanced Manufacturing/Biotech

The County has seen substantial projects related to manufacturing and biotech. The Pfizer campus in Pearl River has been acquired by the development firm of IRG and is looking to create a mixed use development there that will include industrial uses (including a continued presence by Pfizer). The eyewear manufacturer Warby Parker announced they will be bringing 125 jobs into a new optical lab in the County. The County is also well-positioned to attract data centers since the Bloomberg project brought redundant electric power to sites in the County.

Health Care

The health care sector continues to grow in the County. Jawoneo is a major provider of services for the developmentally disabled and continues to grow after winning a \$2.5 million Consolidated Funding Application award to support the expansion of its New City campus. In addition, Nyack Hospital and Good Samaritan Hospital are also seeking to expand and to create "medical villages" to provide a broader array of services to their clients.

Food & Agriculture

The County has seen growth in food processing and has been able to attract Golden Krust Bakers and Streits, the world's largest manufacturer of matzohs. In both cases, the firms are relocating their headquarters to the County from elsewhere in the New York metropolitan area.

Downtown Revitalization

Rockland has been experiencing increased interest in downtown-related development. Transit-oriented development projects have been launched in Nanuet, Clarkstown and Suffern. Officials report an increase in the number and complexity of development projects coming before local planning boards.

Workforce Development/Entrepreneurial Support

The County has dramatically strengthened its workforce development offering by locating its “one stop” for job seekers on the SUNY Rockland campus. This enables the campus to get direct input from employers on their needs and to create customized programs in response. This includes training in the construction trades and gas maintenance technology to serve the growing and (in some areas) aging natural gas infrastructure in the region. In addition, the College has created a 3-D Printing Smart Lab on its Haverstraw as a manufacturers’ “proof-of-concept” center where firms can quickly create prototypes for new products, assemblies or other components they are considering adding to their portfolio of products.

SULLIVAN COUNTY

Representative Sullivan County Projects

Construction on the new \$90 million **Z Living/Veria Nature Cure & Ayurvedic Wellness Center** which began last year, is on track to open in 2017. Construction crews have laid the concrete foundation and have begun grading the site and installing the initial steel work for the hotel wing. The 290,000 sq. ft. structure which is being built on the Western bank of Bailey Lake in the town of Thompson, will feature a two-story wellness center, a six-story, 131-room hotel and restaurants. The Essel Group, an Indian conglomerate is funding the project. LeChase Construction which is building the facility, currently has a 45-member crew working on the project and is expected to more than triple that workforce by August.

Observations from County Officials: Participating County officials were Mark Baez, President & CEO of the Sullivan County Partnership and Frieda Eisenberg, the County Planning Commissioner. Sullivan County continues to prepare for the opening of a casino in Monticello with its projected 4 million visitors to the County. While the direct economic benefits of the project have yet to be felt, it is widely felt within the County that the process of applying for a casino has improved the culture of teamwork and cooperation among those involved in economic development in the County. The addition of the third lane to US-17/I-86 will improve the County’s ability to attract a wide variety of enterprises and visitors. In the meantime, the County continues to make significant strides in strengthening its economy by emphasizing opportunities in tourism, health services and specialty manufacturing.

Highlighted Issues/Opportunities:

Downtown/Village Revitalization

East Broadway in the Village of Liberty has been the focus of substantial planning for development, including the creation of design guidelines and a Generic Environmental Impact Statement encompassing the Apollo Plaza site, enabling projects in the area to gain fast tracked

environmental approvals. In addition, the US 17 Corridor from Liberty to the Town of Thompson (including Monticello) is also a target area for development, particularly given the sewer and water capacity available from the Village of Liberty. Other villages and hamlets in the County are experiencing increased interest in revitalization and could benefit from the creation of municipal revolving loan funds and other local economic development tools.

Tourism Diversification

While the new casino has attracted most of the media attention, Sullivan County is becoming host to a variety of small boutique inns and hotels as well as small, specialty resorts targeting outdoors activities related to hunting and fishing. In addition to the ongoing success of the Bethel Woods Center for the Performing Arts, there is also steady interest in development mid-range hotels in the County. In addition, the former Kutscher's Resort is being redeveloped as a high-end Ayurveda wellness center. Villages and hamlets are participating in this trend. Narrowsburg boasts an emerging arts scene and other areas ranging from Roscoe to Livingston Manor are finding niches in arts, outdoor recreation and other activities. The popularity of hiking and rafting along the Delaware Water Gap continues to grow annually. The County has seen the creation of a Workforce Hospitality Alliance specifically geared to provide workers to support this emerging activity. The Alliance is putting together training and certification programs to provide those seeking work in the tourism sector with the skills and orientation to meet the needs of employers and visitors.

Health Care

The health care sector continues to be a mainstay in Sullivan County. The Center for Discovery continues to be a national innovator in assisting the developmentally disabled. The Catskill Regional Medical Center campus in Harris is upgrading its facilities through a major capital campaign. Between the two of them, these institutions employ over 5,000 people.

Workforce Development

While the Montreign Casino promises many benefits for Sullivan County, it may place a short-term strain on workforce availability. In recognition of this fact, the Catskills Hospitality Workforce Alliance has been broadened to a general workforce alliance. The BOCES, SUNY Sullivan, the IDA and other workforce development providers in the County and region are collaborating to create a series of short-term trainings and certifications to meet the workforce needs of employers throughout the County.

ULSTER COUNTY

Representative Ulster County Projects

While construction on the **Nevele Prosport Campus** is not expected to begin until early 2017, the developer for the project plans to start tearing down parts of the shuttered hotel in mid- to late summer 2016. The \$165 million project planned for the site of the former Nevele Resort will feature four professional-regulation baseball fields, four regulation Little League fields, six multi-purpose and long fields for soccer, lacrosse and field hockey. The facility will feature a winter-season ice hockey rink and a hotel. In addition, the complex will also feature a \$750,000 multi-acre outdoor park that will include zip lines, a ski park, rock climbing facilities, trails, a golf course, indoor and outdoor pools, as well as an indoor water park. It is estimated that the project will create about 600 jobs.

Usheco, Inc. a manufacturer of custom molded plastic parts is launching a new product this fall and, as a result, the company has job openings for CNC operators. Usheco anticipates the need to hire at least 5 machine operators, along with assembly and shipping staff after the launch of the Plant Air Purifier.

Zumtobel Lighting in Highland announced plans to invest \$6.4 million to upgrade its manufacturing facilities and to boost research and development of the next generation of lighting fixtures, connected lighting solutions and employee training. The company will receive up to \$1.9 million in performance-based grants and tax incentives from Empire State Development. The state incentives include a \$900,000 capital grant from the Mid-Hudson Regional Economic Development Council and \$290,000 in Excelsior Jobs Program Tax Credits. In return, Zumtobel will maintain about 202 jobs through 2022.

Selux Corporation, a global company that manufactures a comprehensive range of high-quality architectural light fixtures, is expanding its facility in Highland. The custom lighting manufacturer, which grew by 35 percent last year, is adding 3,000 square-feet to the machine shop, 9,000 square-feet to the warehouse and a new showroom building. The company plans to add 10 additional factory workers, in addition to some electrical engineers.

The developer for **Belleayre Resort at Catskill Park** was recently issued the necessary permit by the NYS Department of Environmental Conservation to proceed with the \$365 million expansion of the facility. The Belleayre Resort will have two distinct components: The **Wildacres Resort**, which will feature a 250-room hotel and an 18-hole golf course, and **Highmount Spa and Resort**, a 120-unit hotel with spa facilities, as well as 53 fractional ownerships units.

Observations from County Officials: Ulster County Planning Commissioner Dennis Doyle provided his insights. Ulster County has enjoyed a substantial economic boost during the recovery, the County has led New York State in the rate of job growth several times over the past few years. The County has a diverse economic base with a major presence in tourism, the arts, local agriculture & food and small-scale advanced manufacturing. While the County is in many ways well positioned for growth, it shares problems faced by the other counties in the Hudson Valley: a lack of infrastructure for development sites and a

shortage of workforce housing that limits the ability of Ulster County to host workers for its growing companies.

Highlighted Issues/Opportunities:

Urban Revitalization

The City of Kingston and many of Ulster County's hamlets and villages are experiencing revitalization, with new the development of new retail space, office space and apartments and condos. The Rural Ulster Preservation Corporation (RUPCO) has successfully redeveloped a number of old industrial properties in the City of Kingston that rented or sold rapidly. The village of New Paltz and Saugerties as well as the hamlet of Highland have seen proposals for significant projects in mixed use and housing in the past several years. Kingston in particular is becoming a hub for small and start-up technology companies.

Food and Agriculture

The County has been the site of major efforts to strengthen and diversify the local food and agriculture sector. The Local Economies Project of the New World Foundation continues to develop the Hudson Valley Farm Hub project to provide technical support and other resources to local farmers. This year it launched its Pro Farmer training program for new farmers. The County is also undertaking a feasibility study for the creation of a co-packing facility in the County. The City of Kingston has also been playing host to Smorgasburg Upstate a weekly featuring local agriculture, food products and beverages along with antique dealers.

Advanced Manufacturing

Ulster County's manufacturing sector features a variety of small, innovative firms scattered throughout the County. King's Highway in Saugerties and the Steve's Lane business park in Gardiner both host a number of them. But they can be found in virtually every town in the County. Growth in this sector is particularly reliant upon adequate sewer and water infrastructure as well as the ability of communities to provide workforce housing for their employees. SUNY New Paltz's Advanced Manufacturing Center is positioned as an important support for the sector, providing access to 3-D printing for prototyping and other services.

Arts & Technology

Ulster County has the highest concentration of artists per capita in New York State. This sector has become increasingly influenced by and intertwined with high technology. While the sector has some traditional arts organizations such as the Ulster Performing Arts Center, the Phoenicia Festival of the Voice and the Woodstock Film Festival, it also includes many small innovative technology companies such as Seven 21 Media Center, Evolving Media and others.

Tourism

Tourism has long been a mainstay of the County economy, but is becoming even more important. There have been major investments in lodging facilities and resorts in Shandaken, Rosendale, Saugerties and elsewhere in the County. B&Bs and small inns are also growing. Part of the impetus behind tourism growth in the investments in outdoor recreation made by the County in developing a trail network that, when completed will extend from the high peaks of the Catskills to the shores of the Hudson River and beyond.

WESTCHESTER COUNTY

Representative Westchester County Projects

Touro College was recently granted state approval to establish the Touro College of Dental Medicine at its New York Medical College campus in Valhalla. The new school will be New York State's first dental school in nearly half a century. The school is expected to begin this fall with an anticipated enrollment of 110 students. Touro anticipate hiring new faculty staff for the new school.

Westchester Medical Center Health Network recently unveiled its plan to build a \$230 million ambulatory care pavilion adjacent to the Westchester Medical Center, on its Valhalla campus. The 280,000 sq. ft. medical pavilion will include 185,000 sq. ft. of ambulatory care service space, featuring an advanced imaging center, ambulatory surgery center, and a heart and vascular institute. The project will also include a 20,000 sq. ft. private-room expansion for Westchester Medical Center, as well as 70,000 sq. ft. for physician offices. Construction on the new facility is expected to break ground in spring, 2016 and will generate 180 full-time jobs and 225 construction jobs.

Fareri Associates, in collaboration with Westchester County, announced plan to build a \$1.2 billion biotech lab on undeveloped county-owned land known as the North 60 in Valhalla. Dubbed "**The Westchester BioScience & Technology Center,**" the campus will include 2.25 million square feet of biotech and research space, 400,000 square feet of medical office space, a 100,000 square-foot hotel with 100 rooms, 114,000 square feet of ground floor retail space and a 34,000 square-foot Children's Living Science Center. Fareri Associates owns 20 acres next to the 60 acres of county-owned land it would rent under a 99-year lease. It is estimated that the project will create about 12,000 new jobs, including 4,000 temporary construction jobs and another 8,000 jobs once the project is completed.

The Yonkers Industrial Development Agency recently approved financial incentives for the construction of the 123,000-square-foot distribution facility in Yonkers at the former Tuckahoe

Motor Inn site. **FedEx Corp** will receive up to \$2.33 million in sales tax exemptions on construction materials and temporary tax abatement. The \$121.2 million regional distribution center is expected to create 43 new jobs; 38 full- and part-time jobs will be relocated from existing FedEx distribution center in the Bronx.

Regeneron Pharmaceuticals Inc., the state's largest biotechnology employer, has recently signed a 9-year lease expansion for 116,200 square feet of office and laboratory space at its headquarters at the Landmark at Eastview, in the Towns of Greenburgh and Mount Pleasant. The expansion deal is separate from the company's \$100 million construction project that will add more 300,000 square feet of laboratory and office space in two buildings rising on the Mount Pleasant side of the campus, scheduled to be completed this year.

Observations from County Officials: Observations were provided by Edward Burroughs, Commissioner of Planning, Patrick Natarelli, Director of Economic Development and members of his staff. Westchester County is participating in the mild economic recovery with solid activity at the high end of the economy. Some potential for growth in the County is constrained by a history of under-investment in transportation infrastructure (both roads and transit). Over the past number of years, it is reported that almost all of the infrastructure projects are focused on maintaining existing capacity, with little work (the Tappan Zee Bridge aside) focused on keeping up with the demands of increased traffic and commerce. The Croton Watershed Memorandum of Agreement provides some constraints on development in the watershed area, given the limited investments in water treatment capacity. There hasn't been investment in water treatment infrastructure to enable suburban areas to grow without running afoul of watershed regulations. Thus development in much of the County is focused on smaller infill projects. Nonetheless, the County has significant economic opportunities. For example, in 2015, the County's Industrial Development agency supported 14 projects with total private investment of more than \$842 million.

Highlighted Issues/Opportunities:

Biotech & Health Care

There are over 8,000 jobs in biotechnology in Westchester County and considerable activity in that sector. Regeneron headquarters now occupies the former Union Carbide plant that straddles the Greenburgh/Mount Pleasant border. The firm's operations are in the Mount Pleasant side of the complex, with the south end, in Greenburgh, currently the subject of a mixed use master plan. The Westchester BioScience & Technology Center, a 3 million-square-foot, mixed-use complex on 80 acres has been slated for development on a vacant site owned by the county in Valhalla adjacent to the Westchester Medical Center and Touro Medical College. In addition, the Westchester Medical Center is constructing an Ambulatory Care Pavilion adjacent to Westchester Medical Center on its Valhalla campus. Former research facilities have recently been the focus of

new projects by Montefiore Hospital and the Sloan Kettering Cancer Center as they bring new health care options to the County.

Higher Education

Education First, a private institution for international education has purchased former Marymount Campus. SUNY Purchase is developing 400 senior living units on campus property. In addition, Touro Medical College is expanding its Grasslands campus to add programs in dentistry and physician's assistance.

Urban revitalization for Retail and Corporate Facilities

Westchester County's urban centers continue to see significant redevelopment and reinvestment. High-end urban experience-based retail is growing. New Rochelle, White Plains and Yonkers all seeing activity in this regard. White Plains alone has seen proposals for up to 1,000 units of "in-city" housing. There is also increased activity in senior housing and assisted living projects throughout the County. The County's urban revitalization is helping attract and retain what is considered to be one of the best educated workforces in any county in the US. At the same time, these efforts will enable the County to continue to serve as home to major corporate headquarters and research facilities for such firms as PepsiCo (which is headquartered in Purchase and has a food innovation center nearby), IBM (with its labs in Yorktown Heights) and Regeneron.

Section 6: Goals and Objectives

The Hudson Valley Regional Council, through their work with the US Department of Commerce, Economic Development Administration in developing a Comprehensive Economic Development Strategy is asked by the EDA to incorporate goals and objectives from other regional plans into our regional plan when pertinent. HVRC focuses their efforts on several areas of significance, in addition to economic development, including issues involving Water Quality, Stormwater Management, Materials Management, Energy Efficiencies, Resiliency and Sustainability.

HVRC also incorporates the goals and objectives of the Mid-Hudson Regional Sustainability Plan (MHRSP) into their plan. The MHRSP was funded by Governor Cuomo and NYSEDA and has an over-arching goal of establishing sustainable criteria to assist in the meeting the Governors goal of reducing greenhouse gas emissions in addition to economic development. HVRC also acknowledges and incorporates the Mid-Hudson Regional Economic Development Council's (REDC) economic strategies which span four general areas, detailed in their annual reports and strategic plan; Investing in Technology, Attracting and Retain Mature Industries, Grow Natural Resources and Revitalize the region's infrastructure.

Hudson Valley Regional Council does not feel that these goals are mutually exclusive and that striving to create and encourage sustainable economic development should be our regional goal.

SECTION 7: SCHEDULE OF THE GOALS FOR 2016-17

Goal I: Support projects and regional alliances that promote sustainable economic development, reduce greenhouse gas emissions and create and retain jobs. Enhance the climate for economic development activities and initiatives through outreach and partnerships.

Goal II: Complete the Strategic Plan for HVRC broadening the base of support to include private as well as public entities. Establish a strategy committee to serve as the architects of the next full CEDS for 2018.

Goal III: Promote inter-county cooperation and efficiencies in the key environmental areas of Water quality, stormwater management, materials management, and energy efficiencies, resiliency and sustainability.

Goal IV: Encourage regional dialogues on emerging issues such as climate change impacts, economic resilience, renewable energy, crumbling infrastructure and disaster preparedness.

