

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

## Contents

Introduction & Overview: Covid-19 and the Hudson Valley Economy .....	1
Changing Threats and Opportunities Associated with Covid-19 .....	2
The Impact on Tourism, Hospitality and “Mom & Pop” businesses .....	2
The Transformation of Warehousing and Distribution.....	3
Convergence & Hybridization in Food & Retail.....	4
The Rise of the Remote Worker & “Space as a Service” .....	4
How Covid-19 Has Affected Economic Activity in the Hudson Valley .....	5
Employment Trends.....	6
Trends in Taxable Sales .....	12
Remote Workers in the Hudson Valley .....	13
Employment, Unemployment & Distress .....	17
Industry Clusters & Major Employers .....	18
Key Findings: SWOT Analysis.....	27
Regional Vision & Strategy.....	29

## Introduction & Overview: Covid-19 and the Hudson Valley Economy

This section of the update of the Comprehensive Economic Development Strategy provides an update of the economic conditions in the Hudson Valley Region since the adoption of the 2019-23 CEDS. In that document, the Hudson Valley Region was characterized as a “a key nexus where the economic, social, and cultural forces of a major global capital, New York City, meet and intermingle with the dynamics associated with the Valley’s small cities, towns and rural areas—vibrant legacies in agriculture and food, industrial innovation.”<sup>1</sup> In the intervening months, that characterization remains unchanged. However, the emergence of the Covid-19 pandemic has led to unprecedented economic disruption throughout the nation and globe.

Not only did the pandemic and its associated lock-downs dramatically reduce overall economic activity, the response by business in various sectors accelerated trends already at work in the economy. These, in turn, have created new challenges and opportunities across the globe and, specifically in the Hudson Valley region. This section provides a description of those overall challenges and opportunities and then analyzes data to assess the impact on the Hudson Valley region in particular.

The challenges emerging from the pandemic include the disruption of the leisure and hospitality sectors in the face of economic lockdowns and general fear of occupying space in proximity to others. This has left many tourism businesses, restaurants and small-scale retailers and service businesses with bleak short-term prospects. As indicated in this analysis, much of the damage done by Covid-19 has fallen upon small businesses that lack the reserves or access to capital needed to weather this disruption. They are at heightened risk of disappearing.

At the same time, transportation, distribution and warehousing enterprises have seen pre-Covid trends accelerate. Networks of large scale, remotely located, centralized distribution centers are being replaced by smaller facilities nestled in and around major market centers to enable more rapid, flexible responses to the growing volume of on-line orders. Similarly, as the pandemic has accelerated the move to remote work, existing models of stand-alone office parks are being reconsidered in lieu of smaller, mixed use facilities. Complementing this trend is the “hybridization” of food and retail enterprises, where the concept of a stand-alone grocery store or restaurant is giving way to a recombination of this uses (along with office space and warehousing) into new multi-use enterprises and facilities.

Finally, the use of remote work by companies has been accelerated by the pandemic. Located in the transition between the New York City region and Upstate New York, the Hudson Valley is likely to feel the long-term effects of this trend. Indeed, it is a potential source of growth for the Region in terms of population, employment and wealth. Analyses in this section indicate that, while the overall numbers may be small, the trend is already having an effect on hiring practices of the Region’s employers as well as on the housing market and the Hudson Valley appears to be receiving an ever greater number of relocating workers.

---

<sup>1</sup> Hudson Valley Regional Council, *Comprehensive Economic Development Strategy, 2019-23*, page 24.

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

Changing Threats and Opportunities Associated with Covid-19

The pandemic has accelerated a number of trends that are affecting and will continue to affect the Hudson Valley economy. This section describes four trends and what they might mean for the region:

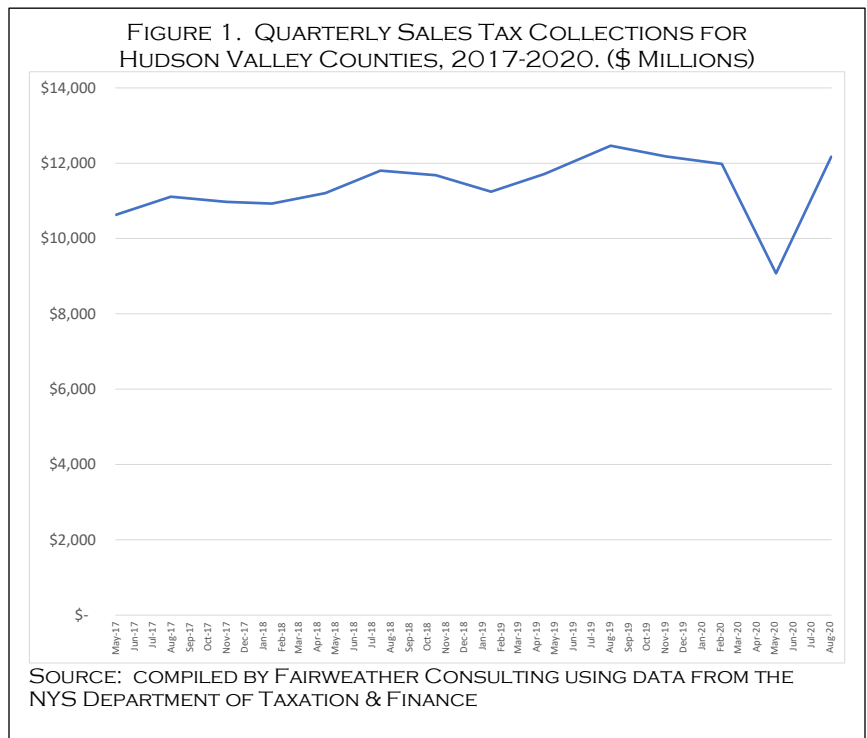
- The Impact on Tourism, Hospitality and “Mom & Pop” businesses
- The Transformation of Warehousing & Distribution
- Convergence & Hybridization in Food & Retail
- The Rise of Remote Work & “Space as a Service”

The Impact on Tourism, Hospitality and “Mom & Pop” businesses

One of the most dramatic and damaging impact of the Covid-19 pandemic has been its effect on main street businesses and tourism-related enterprises. Social distancing, and in extreme cases, lockdowns are important tools in the fight against the pandemic. But they can reduce or even eliminate the demand for main street shopping and other the Hudson Valley, but across the globe. A recent report by McKinsey described it this way:

COVID-19 has caused an unprecedented crisis for the tourism industry. International tourist arrivals are projected to plunge by 60 to 80 percent in 2020, and tourism spending is not likely to return to precrisis levels until 2024. This puts as many as 120 million jobs at risk.<sup>2</sup>

A proxy for the impact on the Hudson Valley’s retail and tourism sectors can be seen in Figure 1, which shows the trend in sales tax collections in the County since 2017. The precipitous drop in sales tax collections beginning the second quarter of 2020 is testimony to the pandemic’s impact. While much of that was made up in subsequent months, as of August, collections were still down 2.4 percent from the previous August. This modest decline in the heels of a dramatic drop spells trouble, particularly for smaller businesses that do not have the reserves to weather such unprecedented adversity.



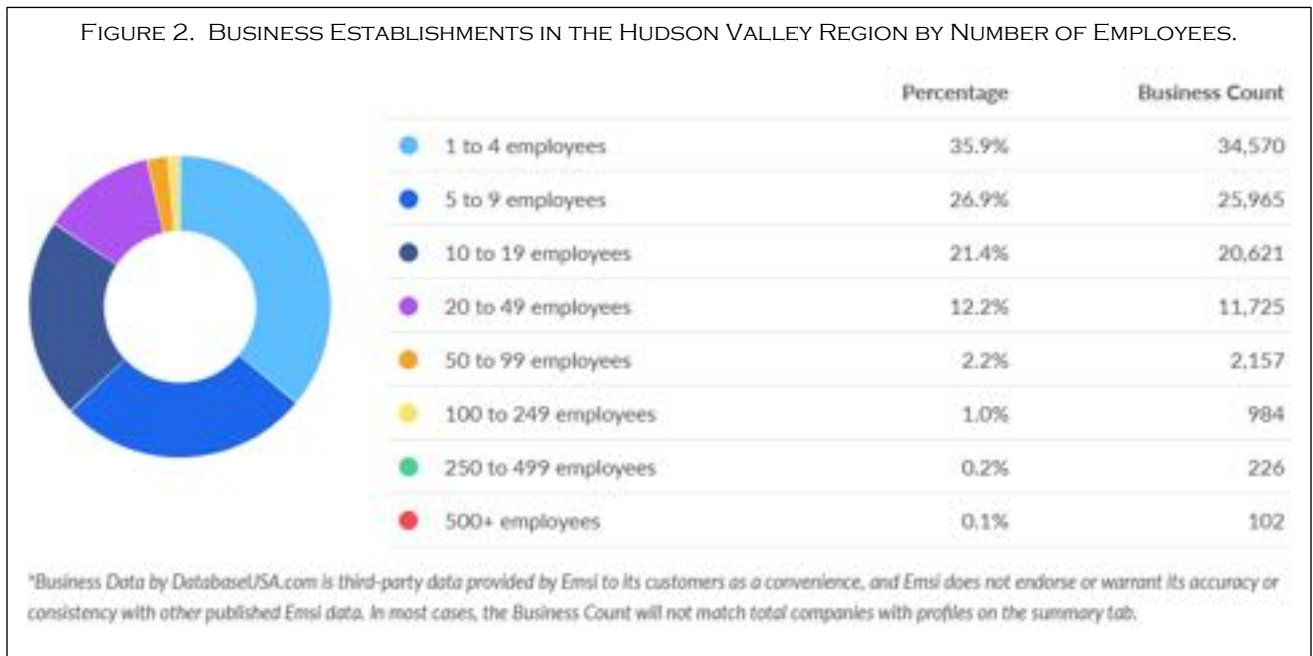
<sup>2</sup> Margaux Constantin, Steve Saxon, and Jackey Yu, “Reimagining the \$9 trillion tourism economy—what will it take?” McKinsey & Company, August 5, 2020

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

Indeed, a recent survey by the online small business referral network Alignable found that one half of the small retailers they surveyed in November, 2020 believed they were in imminent danger of failing.<sup>3</sup> This could have a widespread effect in the Hudson Valley Region. Figure 2 illustrates this fact. According to data from EMSI, approximately 62 percent of the Region’s firms have fewer than 10 employees, with one third of all businesses having five or fewer employees. Developing a response to this situation must be a priority for this economic development strategy.

The Transformation of Warehousing and Distribution

This trend is almost the mirror image of the troubles faced by small retailers. The rise of on-line shopping during the pandemic has led to new approaches to warehousing and distribution in order to better serve changing consumer demand.



The humble shed can be as good an investment in the e-commerce era as shovels were in the gold rush. . . The future is likely to be ever closer to large urban or suburban areas as online retailers strive to shorten delivery times. . . New warehousing might combine storage with light manufacturing, creative industries, a gym & coffee shop—re-using an abandoned shopping mall.<sup>4</sup>

In previous times, the most efficient system for warehousing and distribution involved extremely large warehouse facilities to gain economies of scale. In the Covid (and likely post-Covid) economy, that has given way to the creation of smaller warehouses located closer to markets to serve proliferating demand more quickly. The Hudson Valley’s proximity to New York City make it a potential candidate for these new types of facilities.

<sup>3</sup> Pamela N. Danziger, “Half Of Small Retailers May Be Forced Out Of Business With More Restrictions Threatening,” *Forbes*, December 7, 2020.

<sup>4</sup> *Economist*, 5/30/2020

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

Convergence & Hybridization in Food & Retail

The changes in retail and distribution described above have contributed to another trend which is a potential opportunity for the Hudson Valley: accelerating convergence and hybridization in food and retail. As retailers seek to provide a reason for shoppers to patronize “bricks and mortar” stores, and restaurants seek ways to entice diners to return, establishments that used to be separate will be combined into a single enterprise. A recent report by the Brookings Institution describes it:

“Convergence and hybridization will accelerate in food retail. . . IKEA was already a furniture showroom, warehouse, and restaurant. High-end grocers were encouraging shoppers to have a beer. Restaurants were increasingly not just dine-in, but fast-casual or mobile food trucks. . . . Americans will return to eating much of their food prepared outside the home. In 2017, jobs in leisure and hospitality (which includes all bars and restaurants) grew to outnumber jobs in retail trade. The pandemic is a setback, but not a reset.”<sup>5</sup>

This trend could be an important opportunity for communities in the Hudson Valley, with their well-established successful commercial core districts combined with the presence of a strong agriculture and food sector in the County.

The Rise of the Remote Worker & “Space as a Service”

The pandemic has also accelerated changes in the way office space is used in business. This raises problems and opportunities for Region’s economy. One aspect of this is the rise of remote working as a permanent feature of business. This began out of a need to isolate and socially distance during the pandemic. But firms and employees soon became convinced of the potential long-term advantages of this arrangement. A whitepaper by the consulting firm Gartner describes the result:

A recent Gartner poll showed that 48% of employees will likely work remotely at least part of the time after COVID-19 versus 30% before the pandemic. As organizations shift to more remote work operations, explore the critical competencies employees will need to collaborate digitally, and be prepared to adjust employee experience strategies. Consider whether and how to shift performance goal-setting and employee evaluations for a remote context.<sup>6</sup>

As workers discovered the possibilities of remote work, many have sought to relocate to smaller, less densely populated areas as a means to avoid contracting Covid-19. This could be a potential source of new residents and workers for the Hudson Valley Region.

At the same time, the rise of remote work has also given rise to a re-thinking of how to use office space itself. If workers are no longer bound to a particular office as part of their job, companies have been reconsidering how they use space to get their work done. A recent University of Oxford study described what this will look like:

Offices will no longer just be places to come to work every day, but will become collaborative/creative spaces, perhaps visited twice a week. Consequently, companies might

---

<sup>5</sup> Brookings Institution, *The ABCs of the post-COVID economic recovery*, May, 2020

<sup>6</sup> Mary Baker, “9 Future of Work Trends Post-COVID-19,” *Smarter with Gartner*, June 8, 2020.

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020  
choose to have more local, suburban and smaller offices, closer to where people live, in order to reduce commutes – a multi-site or dual-hub solution.<sup>7</sup>

The key here is that companies are not limited to a single option in terms of how they organize their places of work. A recent whitepaper by McKinsey described the changes taking place:

In any case, the coming transformation will use a portfolio of space solutions: owned space, standard leases, flexible leases, flex space, co-working space, and remote work. Before the crisis, flexible space solutions held about 3 percent of the US office market. Their share had been growing at 25 percent annually for the past five years, so flexibility was already in the works. McKinsey research indicates that office-space decision makers expect the percentage of time worked in main and satellite offices to decline by 12 and 9 percent, respectively, while flex office space will hold approximately constant and work from home will increase to 27 percent of work time, from 20 percent.<sup>8</sup>

### How Covid-19 Has Affected Economic Activity in the Hudson Valley

While it is essential to understand the extent and nature of Covid-19's impact on the Hudson Valley economy, it is also difficult to gain detailed understanding give the lack of timely data on employment, wages, etc. For example, as of the writing of this report, the most recent data available from the US Labor Department's Quarterly Census of Employment and Wages was for the second quarter of 2020, which marks just the beginning of the pandemic. Thus, there are limits to what can be understood in terms of how the pandemic has affected various sectors and localities on the region.

Fortunately, the New York State Department of Labor has made every effort to provide preliminary summary data on employment trends in the US, New York State and its constituent regions, including the Hudson Valley. The following pages will review what can be learned from the limited data that are available. As part of understanding these trends, this analysis will also examine trends in sales tax collections in the Hudson Valley. The New York State Department of Taxation and Finance provides data on taxable sales and purchases broken out by the various industries making the sales. While this is not the equivalent of employment data, it does provide some relative indication of which sectors have been hardest hit by Covid-19 and which have been spared the worst effects.

Finally, the analysis will conclude with an assessment of trends in remote working in the Hudson Valley, using an analysis of recent job postings to gauge the presence of remote working in the region. This is accompanied by an analysis of recent single-family home sales in the region to provide a preliminary indication of the extent to which each County is seeing an influx of remote workers.

---

<sup>7</sup> Richard Darby and Tom Darby, The post-pandemic future for city centre office space, University of Oxford, July 6, 2020

<sup>8</sup> Brodie Boland, Aaron De Smet, Rob Palter, and Aditya Sanghvi, *Reimagining the office and work life after COVID-19: Changing attitudes on the role of the office*. McKinsey & Company, June 8, 2020.

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

Employment Trends

While detailed data on employment is not yet publicly available, special tabulations of employment data by the New York State Department of Labor provides insight into how the pandemic and its associated economic impact has affected employment in the US, New York State and the Hudson Valley Region.

**National Trends:** Table 1 shows the impact of Covid-19 on the US economy. From December 2019 to December 2020, total nonfarm employment in the US dropped by six percent, with a drop of 6.1 percent in private employment. Note that Table 1 indicates any modest recovery was stalling, with total private sector employment falling 0.1 percent from November to December of 2020.

As would be expected, given the analysis above, Leisure & Hospitality employment in the United States experienced the largest drop over the past year, falling by 22.7 percent from December, 2019 to December, 2020. Again, a modest recovery eluded that sector, with a 3.9 percent decline in the sector from December, 2019 to December, 2020.

While Table 1 does indicate that only a few sectors (natural resources & mining, manufacturing, trade, financial activities and professional services) have shown modest increases in the past month, which reinforces the concept that any recovery is in danger from the intensifying spread of Covid-19, as evidenced by the recent release of jobs data from the US Bureau of Labor Statistics, indicating that total nonfarm payroll employment declined by 140,000 in December, 2020.<sup>9</sup>

**New York State Trends:** As seen in Table 2, New York State has experienced trends similar to the US with even more dramatic declines. Overall employment dropped by 10.3 percent from December, 2019 to December, 2020, with a 11.5 percent decline in private employment. Note also that, among the private sectors, only manufacturing, trade, information (e.g., media), financial activities experienced any growth in jobs. As with the US economy, Leisure and Hospitality was hit the hardest, showing a decline of 38.9 percent, including a 6.9 percent drop in jobs from November to December, 2020.

---

<sup>9</sup> US Bureau of Labor Statistics, Employment Situation Summary, January 8, 2021

**Hudson Valley Regional Council**  
**Comprehensive Economic Development Strategy**  
**Annual Update January 1, 2020 through December 31, 2020**

**Table 1. Covered, Nonfarm Employment, December 2020, November 2020, December 2019, United States**

Category	Dec 2020	Nov 2020	Dec 2019	Net Month	% Month	Net Year	% Year
Total Nonfarm	143,777,000	144,105,000	152,934,000	-328,000	-0.2%	-9,157,000	-6.0%
Total Private	122,027,000	122,162,000	129,919,000	-135,000	-0.1%	-7,892,000	-6.1%
Goods-producing	20,283,000	20,320,000	21,034,000	-37,000	-0.2%	-751,000	-3.6%
Natural Resources and Mining	630,000	629,000	713,000	1,000	0.2%	-83,000	-11.6%
Construction	7,322,000	7,425,000	7,447,000	-103,000	-1.4%	-125,000	-1.7%
Manufacturing	12,331,000	12,266,000	12,874,000	65,000	0.5%	-543,000	-4.2%
Service-Providing	123,494,000	123,785,000	131,900,000	-291,000	-0.2%	-8,406,000	-6.4%
Private Service-Providing	101,744,000	101,842,000	108,885,000	-98,000	-0.1%	-7,141,000	-6.6%
Trade, Transportation and Utilities	27,896,000	27,410,000	28,584,000	486,000	1.8%	-688,000	-2.4%
Information	2,640,000	2,642,000	2,897,000	-2,000	-0.1%	-257,000	-8.9%
Financial Activities	8,758,000	8,737,000	8,820,000	21,000	0.2%	-62,000	-0.7%
Professional and Business Services	20,800,000	20,748,000	21,597,000	52,000	0.3%	-797,000	-3.7%
Education and Health Services	23,470,000	23,581,000	24,630,000	-111,000	-0.5%	-1,160,000	-4.7%
Leisure and Hospitality	12,712,000	13,225,000	16,455,000	-513,000	-3.9%	-3,743,000	-22.7%
Accommodation and Food Services	11,127,700	11,549,000	14,146,200	-421,300	-3.6%	-3,018,500	-21.3%
Food Services and Drinking Places	9,768,800	10,161,500	12,113,500	-392,700	-3.9%	-2,344,700	-19.4%

Source: NYS Department of Labor.

**Table 2. Covered, Nonfarm Employment, December 2020, November 2020, December 2019, New York State**

Category	Dec 2020	Nov 2020	Dec 2019	Net Month	% Month	Net Year	% Year
Total Nonfarm	8,873,700	8,931,800	9,892,100	-58,100	-0.7%	-1,018,400	-10.3%
Total Private	7,417,300	7,458,600	8,383,300	-41,300	-0.6%	-966,000	-11.5%
Goods-producing	774,100	778,700	835,200	-4,600	-0.6%	-61,100	-7.3%
Natural Resources and Mining	4,500	4,700	5,100	-200	-4.3%	-600	-11.8%
Construction	370,500	379,100	392,900	-8,600	-2.3%	-22,400	-5.7%
Manufacturing	399,100	394,900	437,200	4,200	1.1%	-38,100	-8.7%
Service-Providing	8,099,600	8,153,100	9,056,900	-53,500	-0.7%	-957,300	-10.6%
Private Service-Providing	6,643,200	6,679,900	7,548,100	-36,700	-0.5%	-904,900	-12.0%
Trade, Transportation and Utilities	1,451,800	1,426,600	1,593,700	25,200	1.8%	-141,900	-8.9%
Information	272,700	272,500	278,700	200	0.1%	-6,000	-2.2%
Financial Activities	691,200	688,500	728,400	2,700	0.4%	-37,200	-5.1%
Professional and Business Services	1,248,900	1,252,800	1,390,700	-3,900	-0.3%	-141,800	-10.2%
Education and Health Services	2,039,100	2,056,900	2,196,700	-17,800	-0.9%	-157,600	-7.2%
Leisure and Hospitality	575,900	618,500	942,500	-42,600	-6.9%	-366,600	-38.9%
Other Services	363,600	364,100	417,400	-500	-0.1%	-53,800	-12.9%
Government	1,456,400	1,473,200	1,508,800	-16,800	-1.1%	-52,400	-3.5%

Source: NYS Department of Labor.

**Hudson Valley Trends:** Table 3 summarizes the employment trends in the Hudson Valley, showing overall declines that are greater than the US experienced, but not as dramatic as the declines seen in New York State as a whole. Overall nonfarm employment dropped 8.4 percent from December, 2019 to December 2020. Private employment fell by 9.2 percent. Similar to New York State, the Hudson Valley Region saw a dramatic drop in Leisure and Hospitality employment (-36.2 percent). While declines were virtually universal, with only Natural Resources & Mining holding steady with a 0.2 percent increase. Only Manufacturing, Trade and Information show slight increases from November to December, 2020, which indicates the hold the pandemic still has on the region.



Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

Table 3. Covered, Nonfarm Employment, October 2020, November 2020, December 2019, Hudson Valley Region							
Category	Dec 2020	Nov 2020	Dec 2019	Net Month	% Month	Net Year	% Year
Total Nonfarm	891,300	899,400	972,900	-8,100	-0.9%	-81,600	-8.4%
Total Private	741,700	747,000	816,500	-5,300	-0.7%	-74,800	-9.2%
Goods-producing	94,500	95,200	98,100	-700	-0.7%	-3,600	-3.7%
Natural Resources, Mining and Construction	54,800	55,900	54,700	-1,100	-2.0%	100	0.2%
Manufacturing	39,700	39,300	43,400	400	1.0%	-3,700	-8.5%
Service-Providing	796,800	804,200	874,800	-7,400	-0.9%	-78,000	-8.9%
Private Service-Providing	647,200	651,800	718,400	-4,600	-0.7%	-71,200	-9.9%
Trade, Transportation and Utilities	178,100	173,900	185,700	4,200	2.4%	-7,600	-4.1%
Information	14,600	14,500	14,800	100	0.7%	-200	-1.4%
Financial Activities	43,000	43,400	46,300	-400	-0.9%	-3,300	-7.1%
Professional and Business Services	106,400	107,500	115,200	-1,100	-1.0%	-8,800	-7.6%
Education and Health Services	212,600	216,200	223,500	-3,600	-1.7%	-10,900	-4.9%
Leisure and Hospitality	57,900	61,400	90,800	-3,500	-5.7%	-32,900	-36.2%
Other Services	34,600	34,900	42,100	-300	-0.9%	-7,500	-17.8%
Government	149,600	152,400	156,400	-2,800	-1.8%	-6,800	-4.3%

Source: NYS Department of Labor

Tables 4 through 7 provide employment trends within areas in the Hudson Valley region. For example, Table 4 provides a summary of employment trends for the Dutchess/Putnam Metropolitan Statistical Area (MSA). Job losses are similar to what has been experienced by the Region as a whole, with declines in total, nonfarm employment of 9.6 percent from December, 2019 to December, 2020, and a drop of ten percent in private employment over that same time period. Similar to national, statewide and regional trends, the largest drop in the Dutchess/Putnam MSA was in the Leisure and Hospitality sector, with a drop of 32.4 percent, smaller than what was experienced nationally, within the State and Region, but a significant decline nonetheless.

Table 5 summarizes employment for the Orange/Rockland/Westchester MSA. Again, the trends at this level match national, State and Regional trends. Note that Leisure and Hospitality employment declined by 42.6 percent from December, 2019 to December, 2020, with this decline continuing between November and December, 2020.

Table 6 shows the situation in Sullivan County, where the declines were more modest than the other areas. Total nonfarm employment fell by 6.8 percent from December, 2019 to December, 2020, while private sector jobs declined by 8.2 percent. The trends in Sullivan also show stagnation or decline in employment has continued from November to December, 2020, with the biggest ongoing declines in Natural Resources, Mining & Construction (down by 8.3 percent) and Other Services (-11.1 percent). As in all of the other areas examined, the sector with the steepest decline in Leisure and Hospitality, with a relatively modest drop of 19.0 percent.

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy

Annual Update January 1, 2020 through December 31, 2020

As Table 7 shows, the area with the most modest declines may be Ulster County (aka, the Kingston MSA). Overall, the County saw total nonfarm employment fall by 5.1 percent from December, 2019 to December, 2020, and private employment drop by 5.2 percent. The only private sector to lose more than ten percent in employment was Other Services (16.7 percent). Note also that, according to the NYS Labor Department data, Ulster County experienced only a 2.4 percent decline in Hospitality and Leisure employment from November, 2019 to November, 2020.

Table 4. Covered, Nonfarm Employment, December 2020, November 2020, December 2019, Dutchess/Putnam MSA							
Category	Dec 2020	Nov 2020	Dec 2019	Net Month	% Month	Net Year	% Year
Total Nonfarm	136,600	137,900	151,100	-1,300	-0.9%	-14,500	-9.6%
Total Private	112,200	113,100	124,600	-900	-0.8%	-12,400	-10.0%
Goods-producing	18,300	18,300	17,700	0	0.0%	600	3.4%
Natural Resources, Mining and Construction	10,000	10,100	8,700	-100	-1.0%	1,300	14.9%
Manufacturing	8,300	8,200	9,000	100	1.2%	-700	-7.8%
Service-Providing	118,300	119,600	133,400	-1,300	-1.1%	-15,100	-11.3%
Private Service-Providing	93,900	94,800	106,900	-900	-0.9%	-13,000	-12.2%
Trade, Transportation and Utilities	24,000	23,500	25,500	500	2.1%	-1,500	-5.9%
Wholesale Trade	3,000	3,000	3,200	0	0.0%	-200	-6.3%
Retail Trade	16,800	16,500	17,600	300	1.8%	-800	-4.5%
Transportation, Warehousing and Utilities	4,200	4,000	4,700	-200	5.0%	-500	-10.6%
Information	1,900	1,900	1,900	0	0.0%	0	0.0%
Financial Activities	4,900	4,900	5,100	0	0.0%	-200	-3.9%
Professional and Business Services	11,800	11,700	13,200	100	0.9%	-1,400	-10.6%
Education and Health Services	35,500	36,200	39,900	-700	-1.9%	-4,400	-11.0%
Educational Services	12,000	12,700	14,900	-700	-5.5%	-2,900	-19.5%
Health Care and Social Assistance	23,500	23,500	25,000	0	0.0%	-1,500	-6.0%
Leisure and Hospitality	9,800	10,600	14,500	-800	-7.5%	-4,700	-32.4%
Other Services	6,000	6,000	6,800	0	0.0%	-800	-11.8%
Government	24,400	24,800	26,500	-400	-1.6%	-2,100	-7.9%
Federal Government	1,500	1,500	1,500	0	0.0%	0	0.0%
State Government	5,600	5,700	5,800	-100	-1.8%	-200	-3.4%
Local Government	17,300	17,600	19,200	-300	-1.7%	-1,900	-9.9%
Local Government Education	10,900	11,200	12,400	-300	-2.7%	-1,500	-12.1%

Source: NYS Department of Labor

Table 5. Covered, Nonfarm Employment, December 2020, November 2020, December 2019, Orange/Rockland/Westchester MSA							
Category	Dec 2020	Nov 2020	Dec 2019	Net Month	% Month	Net Year	% Year
Total Nonfarm	667,400	673,400	729,300	-6,000	-0.9%	-61,900	-8.5%
Total Private	562,300	566,300	620,300	-4,000	-0.7%	-58,000	-9.4%
Goods-producing	67,300	67,900	71,000	-600	-0.9%	-3,700	-5.2%
Natural Resources, Mining and Construction	40,700	41,600	41,700	-900	-2.2%	-1,000	-2.4%
Specialty Trade Contractors	25,900	26,600	28,200	-700	-2.6%	-2,300	-8.2%
Manufacturing	26,600	26,300	29,300	300	1.1%	-2,700	-9.2%
Chemical Manufacturing	4,000	4,000	4,100	0	0.0%	-100	-2.4%
Service-Providing	600,100	605,500	658,300	-5,400	-0.9%	-58,200	-8.8%
Private Service-Providing	495,000	498,400	549,300	-3,400	-0.7%	-54,300	-9.9%
Trade, Transportation and Utilities	137,700	134,300	143,300	3,400	2.5%	-5,600	-3.9%
Wholesale Trade	25,000	24,500	27,500	500	2.0%	-2,500	-9.1%
Merchant Wholesalers, Durable Goods	12,400	12,300	13,500	100	0.8%	-1,100	-8.1%
Retail Trade	87,000	84,500	87,400	2,500	3.0%	-400	-0.5%
Food and Beverage Stores	19,600	19,300	20,000	300	1.6%	-400	-2.0%
Grocery Stores	16,700	16,300	16,800	400	2.5%	-100	-0.6%

**Hudson Valley Regional Council**  
**Comprehensive Economic Development Strategy**  
**Annual Update January 1, 2020 through December 31, 2020**

Table 5. Covered, Nonfarm Employment, December 2020, November 2020, December 2019, Orange/Rockland/Westchester MSA							
Category	Dec 2020	Nov 2020	Dec 2019	Net Month	% Month	Net Year	% Year
Health and Personal Care Stores	6,600	6,500	6,800	100	1.5%	-200	-2.9%
Clothing and Clothing Accessories Stores	8,600	8,300	11,400	300	3.6%	-2,800	-24.6%
General Merchandise Stores	14,300	13,700	13,600	600	4.4%	700	5.1%
Transportation, Warehousing and Utilities	25,700	25,300	28,400	400	1.6%	-2,700	-9.5%
Utilities	4,000	4,000	4,300	0	0.0%	-300	-7.0%
Transportation and Warehousing	21,700	21,300	24,100	400	1.9%	-2,400	-10.0%
Information	11,700	11,700	11,900	0	0.0%	-200	-1.7%
Telecommunications	3,200	3,300	3,500	-100	-3.0%	-300	-8.6%
Financial Activities	35,000	35,400	38,000	-400	-1.1%	-3,000	-7.9%
Finance and Insurance	21,800	22,100	23,800	-300	-1.4%	-2,000	-8.4%
Credit Intermediation and Related Activities	8,800	8,900	9,000	-100	-1.1%	-200	-2.2%
Depository Credit Intermediation	4,900	4,900	5,100	0	0.0%	-200	-3.9%
Insurance Carriers and Related Activities	10,000	10,100	10,300	-100	-1.0%	-300	-2.9%
Real Estate and Rental and Leasing	13,200	13,300	14,200	-100	-0.8%	-1,000	-7.0%
Professional and Business Services	88,800	90,000	95,800	-1,200	-1.3%	-7,000	-7.3%
Professional, Scientific, and Technical Services	39,900	40,000	41,700	-100	-0.3%	-1,800	-4.3%
Management of Companies and Enterprises	10,500	10,500	11,100	0	0.0%	-600	-5.4%
Administrative and Support and Waste Management and Remediation Services	38,400	39,500	43,000	-1,100	-2.8%	-4,600	-10.7%
Administrative and Support Services	37,000	38,100	40,800	-1,100	-2.9%	-3,800	-9.3%
Employment Services	8,400	8,300	10,600	100	1.2%	-2,200	-20.8%
Education and Health Services	159,800	162,700	165,000	-2,900	-1.8%	-5,200	-3.2%
Educational Services	31,400	33,200	34,600	-1,800	-5.4%	-3,200	-9.2%
Health Care and Social Assistance	128,400	129,500	130,400	-1,100	-0.8%	-2,000	-1.5%
Ambulatory Health Care Services	46,600	48,400	48,000	-1,800	-3.7%	-1,400	-2.9%
Hospitals	28,200	28,000	28,900	200	0.7%	-700	-2.4%
General Medical and Surgical Hospitals	25,200	25,000	25,700	200	0.8%	-500	-1.9%
Social Assistance	26,300	26,200	29,200	100	0.4%	-2,900	-9.9%
Leisure and Hospitality	36,700	38,800	63,900	-2,100	-5.4%	-27,200	-42.6%
Accommodation and Food Services	28,500	30,300	49,500	-1,800	-5.9%	-21,000	-42.4%
Food Services and Drinking Places	27,600	29,400	46,300	-1,800	-6.1%	-18,700	-40.4%
Full-Service Restaurants	11,800	13,300	22,500	-1,500	-11.3%	-10,700	-47.6%
Other Services	25,300	25,500	31,400	-200	-0.8%	-6,100	-19.4%
Government	105,100	107,100	109,000	-2,000	-1.9%	-3,900	-3.6%
Federal Government	9,300	9,200	9,400	100	1.1%	-100	-1.1%
State Government	15,000	15,300	15,300	-300	-2.0%	-300	-2.0%
Local Government	80,800	82,600	84,300	-1,800	-2.2%	-3,500	-4.2%
Local Government Education	49,300	49,500	51,300	-200	-0.4%	-2,000	-3.9%

Source: NYS Department of Labor.

**Hudson Valley Regional Council**  
**Comprehensive Economic Development Strategy**  
**Annual Update January 1, 2020 through December 31, 2020**

**Table 6. Covered, Nonfarm Employment, December 2020, November 2020, December 2019, Sullivan County**

Category	Dec 2020	Nov 2020	Dec 2019	Net Month	% Month	Net Year	% Year
Total Nonfarm	27,400	27,900	29,400	-500	-1.8%	-2,000	-6.8%
Total Private	21,200	21,500	23,100	-300	-1.4%	-1,900	-8.2%
Goods-Producing	2,700	2,800	2,900	-100	-3.6%	-200	-6.9%
Natural Resources, Mining and Construction	1,100	1,200	1,200	-100	-8.3%	-100	-8.3%
Manufacturing	1,600	1,600	1,700	0	0.0%	-100	-5.9%
Service-Providing	24,700	25,100	26,500	-400	-1.6%	-1,800	-6.8%
Private Service-Providing	18,500	18,700	20,200	-200	-1.1%	-1,700	-8.4%
Trade, Transportation and Utilities	4,200	4,200	4,500	0	0.0%	-300	-6.7%
Information	100	100	100	0	0.0%	0	0.0%
Financial Activities	800	800	800	0	0.0%	0	0.0%
Professional and Business Services	1,700	1,700	1,800	0	0.0%	-100	-5.6%
Education and Health Services	7,500	7,500	7,900	0	0.0%	-400	-5.1%
Leisure and Hospitality	3,400	3,500	4,200	-100	-2.9%	-800	-19.0%
Other Services	800	900	900	-100	-11.1%	-100	-11.1%
Government	6,200	6,400	6,300	-200	-3.1%	-100	-1.6%

Source: NYS Department of Labor.

**Table 7. Covered, Nonfarm Employment, December 2020, November 2020, December 2019, Kingston MSA (Ulster County)**

Category	Dec 2020	Nov 2020	Dec 2019	Net Month	% Month	Net Year	% Year
Total Nonfarm	59,900	60,200	63,100	-300	-0.5%	-3,200	-5.1%
Total Private	46,000	46,100	48,500	-100	-0.2%	-2,500	-5.2%
Goods-producing	6,200	6,200	6,500	0	0.0%	-300	-4.6%
Natural Resources, Mining and Construction	3,000	3,000	3,100	0	0.0%	-100	-3.2%
Manufacturing	3,200	3,200	3,400	0	0.0%	-200	-5.9%
Service-Providing	53,700	54,000	56,600	-300	-0.6%	-2,900	-5.1%
Private Service-Providing	39,800	39,900	42,000	-100	-0.3%	-2,200	-5.2%
Trade, Transportation and Utilities	12,200	11,900	12,400	300	2.5%	-200	-1.6%
Wholesale Trade	1,500	1,500	1,600	0	0.0%	-100	-6.3%
Retail Trade	8,800	8,600	9,000	200	2.3%	-200	-2.2%
Transport, Warehousing & Utils.	1,900	1,800	1,800	100	5.6%	100	5.6%
Information	900	800	900	100	12.5%	0	0.0%
Financial Activities	2,300	2,300	2,400	0	0.0%	-100	-4.2%
Professional and Business Services	4,100	4,100	4,400	0	0.0%	-300	-6.8%
Education and Health Services	9,800	9,800	10,700	0	0.0%	-900	-8.4%
Leisure and Hospitality	8,000	8,500	8,200	-500	-5.9%	-200	-2.4%
Other Services	2,500	2,500	3,000	0	0.0%	-500	-16.7%
Government	13,900	14,100	14,600	-200	-1.4%	-700	-4.8%
Federal Government	400	400	400	0	0.0%	0	0.0%
State Government	5,300	5,300	5,000	0	0.0%	300	6.0%
Local Government	8,200	8,400	9,200	-200	-2.4%	-1,000	-10.9%
Local Government Education	4,900	5,000	5,600	-100	-2.0%	-700	-12.5%

Source: NYS Department of Labor.

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

Trends in Taxable Sales

One way to corroborate the preliminary employment data provided by the NYS Department of Labor is to examine trends in taxable sales as a proxy for economic activity. The State Department of Taxation and Finance reports taxable sales for each sector in the economy. Consequently, the trends in sales by sector provides some insights into the condition of local economies. This data is summarized in Table 8, which shows the percent change in taxable sales by sector from August, 2019 to August, 2020 for the counties of the Hudson Valley region, New York State and New York City. In almost every sector, the trends are consistent with what is seen in employment changes.

The data show that, within the Hudson Valley the deepest declines in overall sales was in Westchester County, with a 3.8 percent drop. Note that the declines were much more severe for the State (-9.1 percent) and New York City (-23.0 percent). It is worth noting that, for all counties, the State and New York City, taxable sales by manufacturers increased over this time period, suggesting that, despite drops in employment, many manufacturers were still able to maintain some positive momentum. On the other hand, many sectors have shown steep drops, including Transportation & Warehousing, Professional Services, Administrative Support & Waste Management and, as would be expected, Arts & Entertainment and Accommodation and Food Services.

Table 8. Percent Change in Taxable Sales & Purchases, August, 2019 to August, 2020.

NAICS Code	Row Labels	DUTCHESS	ORANGE	PUTNAM	ROCKLAND	SULLIVAN	ULSTER	WESTCHESTER	NY STATE	NY CITY
	Grand Total	0.4%	-6.7%	5.5%	2.6%	-2.6%	1.2%	-3.8%	-9.1%	-23.0%
11	Ag. Forest.	5.4%	30.1%	7.1%	12.7%	-35.3%	1.9%	10.9%	9.2%	-20.2%
21	Mining	-12.7%	14.4%	3.1%	-17.1%	10.2%	38.3%	24.1%	14.7%	180.6%
22	Utilities	23.0%	-8.0%	15.0%	-4.1%	22.9%	-10.1%	6.3%	-4.9%	-4.5%
23	Constr.	6.6%	-16.6%	-13.5%	-5.8%	17.5%	-13.3%	-13.2%	-12.9%	-18.9%
31-33	Mfg.	46.2%	15.5%	11.8%	-6.5%	21.4%	31.9%	11.7%	25.9%	46.1%
42	Wholesale	0.9%	-5.1%	3.2%	48.2%	-16.0%	-0.5%	2.4%	-5.0%	-17.5%
44-45	Retail	8.0%	-2.4%	14.0%	10.1%	12.3%	13.2%	5.6%	8.2%	-4.6%
48-49	Trans/Warehsg.	-9.1%	-6.6%	-19.1%	-31.3%	-26.4%	10.3%	-48.8%	-46.6%	-52.2%
51	Info.	-9.7%	-0.4%	5.1%	-1.2%	12.3%	10.3%	15.1%	6.1%	6.8%
52	Fin & Ins.	-5.9%	-6.7%	-27.1%	51.8%	-7.8%	-7.6%	1.9%	5.4%	5.8%
53	Real Estate	3.3%	-16.1%	93.7%	-0.8%	-14.4%	8.7%	-13.8%	-16.9%	-25.9%
54	Prof.Svcs.	6.5%	-0.1%	-15.1%	80.9%	19.0%	-2.2%	-23.1%	-6.0%	-6.4%
55	Mgt.	17.2%	36.5%	70.6%	-68.3%	468.6%	-15.1%	4.7%	-29.9%	-28.1%
56	Admin Support/Waste Mgt	-39.0%	-44.4%	-45.3%	-33.9%	-58.0%	-44.9%	-32.5%	-44.4%	-52.0%
61	Educ.	-90.1%	-26.4%	9.4%	-34.8%	-45.2%	-62.2%	-25.2%	-40.8%	-40.5%
62	Healthcare	-41.6%	-12.9%	27.8%	43.7%	97.5%	-27.0%	-5.9%	-20.0%	-23.2%
71	Arts/Ent.	-42.6%	-46.6%	-49.6%	-19.1%	-3.3%	-16.9%	-29.9%	-53.7%	-90.5%
72	Accomodation & Food Svcs.	-25.5%	-26.6%	-14.7%	-30.5%	-50.2%	-27.6%	-32.8%	-51.3%	-70.1%
81	Other Svcs.	-10.8%	-5.2%	-16.7%	-12.7%	2.7%	-1.8%	-19.9%	-15.1%	-38.5%
92	Pub Admin	15.0%	1.4%	10.3%	-5.6%	4.3%	-6.2%	0.3%	18.2%	20.3%
99	NEC	44.2%	53.3%	136.1%	198.3%	95.9%	119.5%	93.4%	64.9%	51.6%

Source: compiled by Fairweather Consulting using data from the NYS Department of Taxation and Finance.

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

Remote Workers in the Hudson Valley

The emergence of remote workers has been identified as one of the trends accelerated by the Covid-19 pandemic. This section attempts to better understand how that trend is playing out in the Hudson Valley region. This is done through an analysis of job postings for remote workers in the Region and New York County using data supplied by EMSI’s Jobs Postings Analytics Service. This service compiles job postings by geographic area, recording the skills and other qualifications for those postings. Using this data, it is possible to estimate the growth in demand for jobs with particular characteristics, in this case, jobs that involve remote work.

The analysis began by identifying a sampling of occupations that are likely to be adaptable to remote work situations. Table 9 shows the occupations that were included in this analysis to trace the changes in postings requiring remote work.

Table 9. Occupations included in the Analysis of Job Postings for Remote Workers.	
SOC Code	Occupational Title
15-1200	Computer Occupations
15-2000	Mathematical Science Occupations
17-2000	Engineers
17-3000	Drafters, Engineering Technicians, and Mapping Technicians
19-1000	Life Scientists
19-2000	Physical Scientists
19-3000	Social Scientists and Related Workers
19-4000	Life, Physical, and Social Science Technicians
13-1000	Business Operations Specialists
13-2000	Financial Specialists
23-2000	Legal Support Workers
27-3000	Media and Communication Workers
11-2000	Advertising, Marketing, Promotions, Public Relations, and Sales Managers
11-3000	Operations Specialties Managers
11-9000	Other Management Occupations
17-1000	Architects, Surveyors, and Cartographers
19-5000	Occupational Health and Safety Specialists and Technicians
23-1000	Lawyers, Judges, and Related Workers
27-1000	Art and Design Workers
29-1000	Healthcare Diagnosing or Treating Practitioners
29-2000	Health Technologists and Technicians
Source: EMSI	

Figure 3 shows the month-to-month change in positions required remote work for jobs posted by employers in the Hudson Valley and New York County (Manhattan). Note the sharp upward trend in

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

posting for remote working positions beginning in the first quarter of 2020. The data in Figure 3 have two important implications for the Hudson Valley Region. First, it indicates that employers in the Region are expanding the number of positions in the Region that will require remote work. Second, but just as significant for the region is the fact that employers in Manhattan have expanded the postings that require remote work. This could be an important source of employment for Hudson Valley residents, while also providing an indication that workers from the New York City area are increasingly able to relocate to the Region while maintaining employment with a New York City-based enterprise—a potentially important source for growth in jobs, population and income for the Hudson Valley.

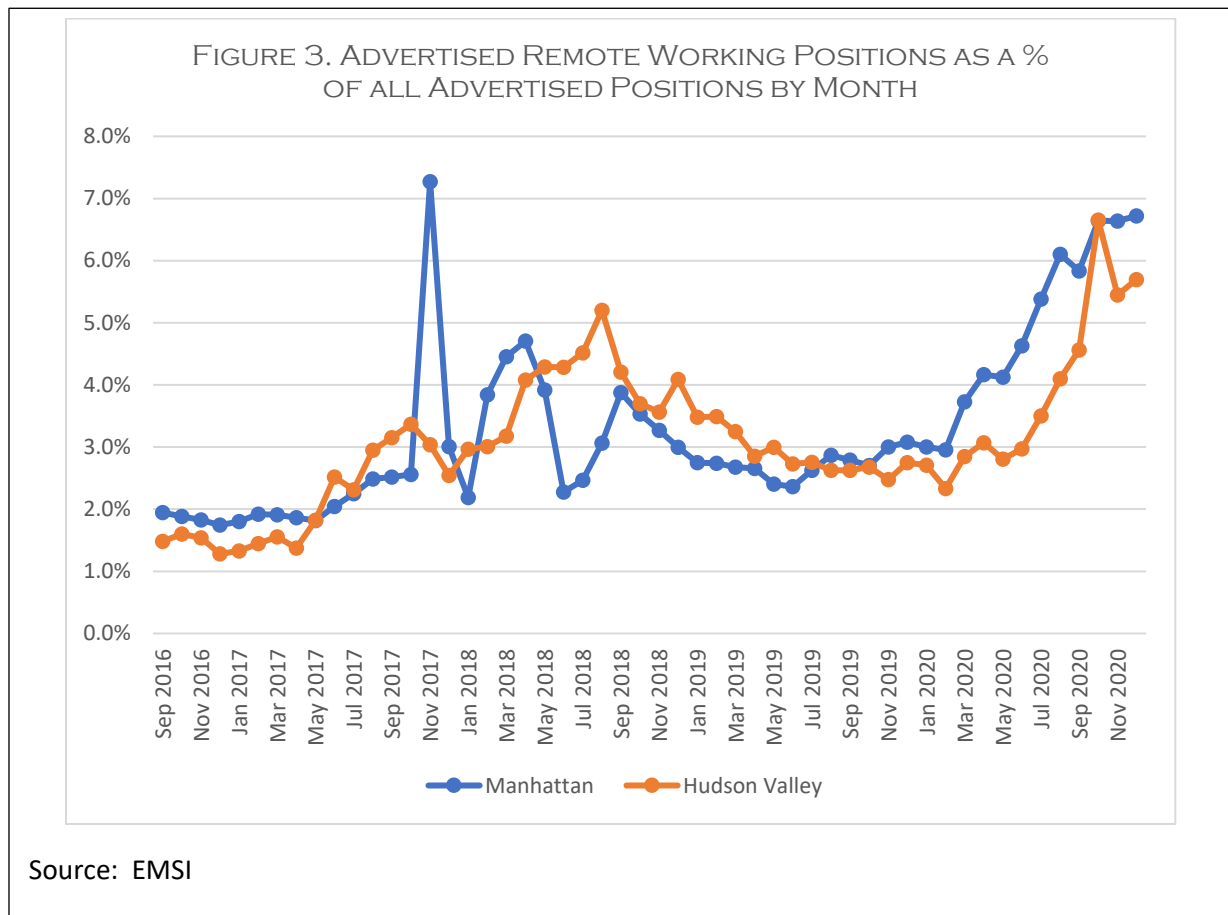
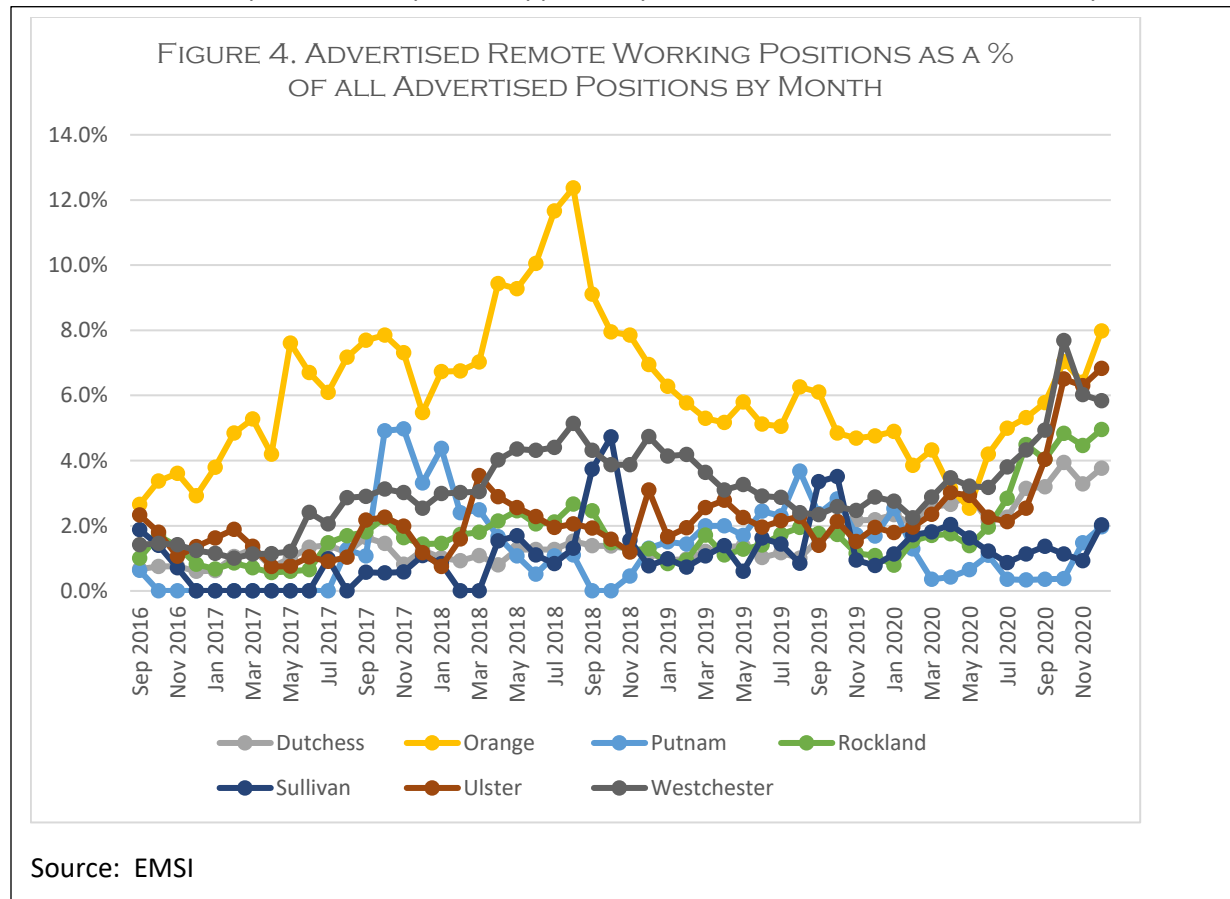


Figure 4 shows the trends in job postings for remote work for each of the seven counties of the Hudson Valley. Note that Westchester, Orange and Ulster show the largest gains for remote positions during the Covid-19 pandemic. Dutchess and Rockland show more moderate increases, while Sullivan and Putnam counties have the slowest rise in postings for remote jobs. These differences may be related to two factors. First, the dominant sectors in each of the county have different abilities to support remote work. For example, the health care industry so important to Sullivan County may not require remote workers as much as professional services and technology industries in locations in Ulster, Dutchess or Westchester counties. Second, the ability to support remote work may also be a function of the telecommunications infrastructure available to employers. This may be the case for sparsely populated counties like Sullivan or Putnam. Clearly this would require further investigation to corroborate. But in any case, the data do

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

indicate that there is a general increase in demand for remote workers in the Region, with some variation on a county-by-county basis. And it is also worth repeating: the growth in remote working positions in Manhattan could represent an important opportunity for the counties of the Hudson Valley.



Anecdotally, there are many accounts of home sales in the Hudson Valley being driven by affluent remote workers from New York City relocating to areas with lower population densities in the wake of the Covid-19 pandemic. Table 10 provides some additional insight in to the dynamics of remote work in the Region. It shows sales of single-family homes in each of the counties of the Region as an indicator of the emergence of remote workers in each county. For the period from June to December 2019 to June to December 2020, the table shows the number of sales, median, average maximum and minimum price and how each of those changed over that year-long period.

Table 10 has two noteworthy findings. First, in each county, the total sales in June to December, 2020 was below total sales in June to December 2019. This contradicts the anecdotes of a boom in the local housing markets, but, upon reflection, should not be surprising. The data are comparing two very different economic situations. In 2019, the economy was continuing the steady growth begun in the previous decade. By 2020, the economy was in a Covid-induced tailspin. Therefore, the drop in sales should not be unexpected.

It is the second finding that reinforces the anecdotes about the rise in remote workers flocking to the Region. Note that in every county, despite the drop in number of sales, the median value of the houses



Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

sold increased dramatically, ranging from 8 percent in Dutchess County to over 20 percent in Ulster County. These rising prices in the face of declining sales indicates that the Region is seeing a growth in purchases of higher end homes and/or a bidding up of home prices. This is consistent with the situation of a housing market being influenced by an influx of upper-income home buyers, such as would occur if remote workers were relocating into the Hudson Valley.

Table 10. Prices for Arms-Length Sales of Single-Family Houses by County, June 1, 2019 to December 31, 2019 & June 1, 2020 to December 30, 2020

	Dutchess			Orange			Putnam			Rockland		
	Jun-Dec, 2019	Jun-Dec, 2020	% Change	Jun-Dec, 2019	Jun-Dec, 2020	% Change	Jun-Dec, 2019	Jun-Dec, 2020	% Change	Jun-Dec, 2019	Jun-Dec, 2020	% Change
# of Sales	1,887	890	-52.8%	2,552	1,121	-56.1%	659	350	-46.9%	1,586	552	-65.2%
Median	\$310,000	\$335,000	8.1%	\$284,730	\$315,000	10.6%	\$360,000	\$390,000	8.3%	\$450,000	\$505,000	12.2%
Mean	\$348,432	\$377,238	8.3%	\$302,117	\$335,447	11.0%	\$395,151	\$430,398	8.9%	\$479,291	\$542,273	13.1%
Maximum	\$5,371,400	\$2,850,000	-46.9%	\$1,860,000	\$2,100,000	12.9%	\$1,595,000	\$1,900,000	19.1%	\$6,600,000	\$6,300,000	-4.5%
Minimum	\$11	\$11	0.0%	\$13,000	\$290	-97.8%	\$56,500	\$35,000	-38.1%	\$100	\$6,600	6500.0%
	Sullivan			Ulster			Westchester					
	Jun-Dec, 2019	Jun-Dec, 2020	% Change	Jun-Dec, 2019	Jun-Dec, 2020	% Change	Jun-Dec, 2019	Jun-Dec, 2020	% Change			
# of Sales	611	218	-64.3%	1,151	1,083	-5.9%	4,381	3,427	-21.8%			
Median	\$156,000	\$182,000	16.7%	\$245,000	\$295,000	20.4%	\$649,990	\$760,000	16.9%			
Mean	\$190,093	\$203,976	7.3%	\$283,709	\$356,372	25.6%	\$830,679	\$961,388	15.7%			
Maximum	\$1,415,000	\$1,550,000	9.5%	\$2,095,000	\$2,200,000	5.0%	\$7,660,000	\$7,850,000	2.5%			
Minimum	\$100	\$10,000	9900.0%	\$100	\$28,000	27900.0%	\$100	\$100	0.0%			

Source: NYS Department of Taxation & Finance, Sales Web Database.

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

## Employment, Unemployment & Distress

Table 11. Hudson Valley Region vs. United States			
	Region	U.S.	Threshold Calculations
24-month Average Unemployment Rate (BLS) period ending June 2021	6.40	6.43	-0.03
2019 Per Capita <b>Money</b> Income (5-year ACS)	\$45,817	\$34,103	134.35%
2019 Per Capita <b>Personal</b> Income (BEA)	\$80,962	\$56,490	143.32%
Source: US EDA			

The 24-month average unemployment of the Hudson Valley region is very similar to the United States as a whole at 6.40% and 6.43% respectively. However, the Hudson Valley is wealthier than the rest of the United States. Both money income per capita and personal income per capita are significantly higher in the Hudson Valley region.

Table 12. Employment, Unemployment & Distress by County								
	24 Month Unemployment	Threshold Calculation	BEA PCPI	Threshold Calculation	Census PCMI (2000)	Threshold Calculation	ACS 5-Year PCMI	Threshold Calculation
Dutchess County	6.03	-0.4	\$58,478	103.5	\$23,940	110.9	\$40,093	117.6
Orange County	6.50	0.07	\$53,656	95	\$21,597	100	\$34,959	102.5
Putnam County	5.94	-0.49	\$69,365	122.8	\$30,127	139.6	\$47,448	139.1
Rockland County	6.21	-0.22	\$63,167	111.8	\$28,082	130.1	\$39,286	115.2
Sullivan County	6.84	0.41	\$48,753	86.3	\$18,892	87.5	\$30,446	89.3
Ulster County	6.30	-0.13	\$53,006	93.8	\$20,846	96.6	\$34,834	102.1
Westchester County	6.56	0.13	\$113,477	200.9	\$36,726	170.1	\$57,049	167.3
Source: US EDA								

Table 12 displays employment data on the individual counties that make up the Hudson Valley Region. The 24-month average unemployment rate does not vary much with all but one county falling between six and seven percent unemployment. There is more variation in Per Capita Personal Income. Sullivan County has both the highest 24-month average unemployment rate (6.84) and the lowest PCPI (\$48,753). Westchester County is an outlier on the highs end with a PCPI of \$113,477 which is slightly more than twice that of the United States. Westchester County also had the highest Per Capita Money Income as measured by the 2000 Census and the ACS 5-year rate.

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

**Industry Clusters & Major Employers**

In the previous CEDS, industry clusters were identified using the analyses available from the now defunct US Cluster Mapping Project sponsored by EDA at the Harvard Business School (clustermapping.us). Based on that analysis of 2016 data, the largest traded industry clusters (i.e., clusters that export most of their goods and services outside the region) for the Hudson Valley region were:

<u>Traded Cluster</u>	<u>2016 Employment</u>
Business Services	47,815
Distribution and Electronic Commerce	33,276
Education and Knowledge Creation	28,562
Hospitality and Tourism	14,890
Financial Services	12,476
Marketing, Design, and Publishing	10,516
Info. Technology & Analytical Instruments	9,061
Insurance Services	7,395
Food Processing and Manufacturing	4,222

According to EDA’s statsamerica.org database, in 2019, those clusters were largely unchanged, though there had been minor changes in the rankings as some cluster lost employment while other gained jobs. Table 13 has the 2019 data. This can be expected to change yet again once the pandemic subsides.

<b>Table 13. Largest Hudson Valley Traded Industry Clusters</b>		
<b>Industry Cluster</b>	<b>Employment</b>	<b>Average Wage</b>
Business Services	36,563	\$124,798
Education and Knowledge Creation	29,022	\$60,286
Distribution and Electronic Commerce	28,142	\$79,562
Hospitality and Tourism	19,628	\$39,275
Marketing, Design, and Publishing	11,107	\$88,041
Financial Services	10,302	\$252,301
Information Technology and Analytical Instruments	8,996	\$178,976
Food Processing and Manufacturing	5,318	\$53,613
Insurance Services	5,236	\$144,310

Source: US EDA IBRC modeled estimates.

These clusters are well-represented in the 10 largest employers in each of the region’s seven counties. Table 14 provides a list for 2020 from Database USA.

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

**Table 14. Ten Largest Private Employers in Each County, 2020**

Dutchess	Orange	Putnam	Rockland	Sullivan	Ulster	Westchester
<ul style="list-style-type: none"> <li>• Toshiba Machine Co America</li> <li>• Marist College</li> <li>• Vassar Brothers Medical Center</li> <li>• Health Quest</li> <li>• Vassar College – Security</li> <li>• Mid Hudson Plating</li> <li>• Wingate At Beacon</li> <li>• Devereux in New York</li> <li>• Cardinal Hayes School for Special Children</li> <li>• Elant at Fishkill Inc</li> </ul>	<ul style="list-style-type: none"> <li>• Amazon Fulfillment Center</li> <li>• St. Luke’s Cornwall Hospital -Newburgh Campus</li> <li>• Kolmar Labs Group</li> <li>• Mediacom Communications</li> <li>• Bon Secours Community Hospital</li> <li>• Precision Pipeline Solutions</li> <li>• St. Luke’s Cornwall Cornwall Campus</li> <li>• Valley View Center for Nursing Care &amp; Rehab</li> <li>• Martin-Brower Metroplex Mobile Life Support Service</li> </ul>	<ul style="list-style-type: none"> <li>• Green Chimney School Inc</li> <li>• Putnam Hospital Center</li> <li>• Ace Endico Corp</li> <li>• Guardian Veterinary Specialists</li> <li>• Medical Center at Cold Spring</li> <li>• Watchtower Bible School of Gilead Library</li> <li>• Surprise Lake Camp</li> <li>• Putnam Precision Products Inc</li> <li>• Home Depot</li> </ul>	<ul style="list-style-type: none"> <li>• SS&amp;C Technologies</li> <li>• Amazon Last Mile Delivery Station for Small Packages</li> <li>• Distribution Center</li> <li>• Helen Hayes Hospital</li> <li>• Good Samaritan Hospital</li> <li>• Orange &amp; Rockland Utilities Inc</li> <li>• La Mont Doherty Earth Obsrvty</li> <li>• Trans Group LLC</li> <li>• Active International</li> <li>• Par Pharmaceutical Inc</li> <li>• Nathan Kline Institute</li> </ul>	<ul style="list-style-type: none"> <li>• Catskill Regional Medical Center</li> <li>• Center For Discovery</li> <li>• Murray's Chicken</li> <li>• Labelle Farms Inc</li> <li>• Monticello Casino Management</li> <li>• Simcha</li> <li>• Kutsher's Country Club</li> <li>• Camp HASC</li> <li>• Crystal Run Healthcare Rock Hill</li> <li>• Empire Resorts Inc</li> </ul>	<ul style="list-style-type: none"> <li>• Mohonk Mountain House</li> <li>• Metrahealth</li> <li>• Health Alliance Hospital Mary's Avenue Campus</li> <li>• Family Practice Center-Kingston</li> <li>• Golden Hill Health Care Center</li> <li>• Ten Broeck Commons</li> <li>• Tax Savers</li> <li>• Wingate At Ulster</li> <li>• Health Alliance Hospital</li> <li>• Hudson Valley Dentistry</li> </ul>	<ul style="list-style-type: none"> <li>• Mastercard Inc</li> <li>• USI Insurance Services LLC</li> <li>• Morgan Stanley Wealth Management</li> <li>• White Plains Hospital</li> <li>• Westcon Group Inc</li> <li>• Westchester Medical Center</li> <li>• Phelps Memorial Hospital</li> <li>• Northern Westchester Hospital</li> <li>• Davita Nor'easters Dialysis</li> </ul>

Source: Database USA.

**Employment by Industry**

Table 15 provides a listing of employment by industry for New York State, Upstate (New York State minus the Hudson Valley, New York City and Long Island), the Hudson Valley region and each of its seven constituent counties, showing employment estimates for 2020 and 2021. As shown in the first few rows of the table, overall employment recovery is mixed, which the State and Upstate unchanged over the past year, and only Rockland showing any growth above one percent.

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

The same is true across industries. Several counties show strength in manufacturing growth while others lag behind. The strongest growth has occurred in the “eds and meds” sectors (education and health care), with the greatest weaknesses in hospitality-related sectors. This is discussed in greater detail below.

Table 15. Employment by Industry, 2020-2021										
Sector	New York	Upstate	Hudson Valley	Westchester	Orange	Rockland	Dutchess	Ulster	Putnam	Sullivan
<b>Total Employment</b>										
% Change, Jobs	0%	0%	0%	(1%)	1%	2%	0%	(0%)	1%	2%
2020	9,609,595	2,820,997	970,608	442,554	155,329	133,515	118,927	62,512	28,206	29,566
2021	9,655,755	2,821,243	973,035	440,335	157,075	135,709	119,033	62,213	28,445	30,225
<b>Agriculture, Forestry, Fishing and Hunting</b>										
Job Change %	1%	1%	1%	1%	3%	(0%)	1%	(3%)	3%	(2%)
2020	43,827	33,338	5,568	536	1,843	104	1,087	1,349	54	594
2021	44,115	33,551	5,603	542	1,905	104	1,103	1,312	55	581
<b>Mining, Quarrying, and Oil and Gas Extraction</b>										
Job Change %	4%	4%	(2%)	11%	1%	(13%)	(4%)	2%	20%	(4%)
2020	4,775	3,850	620	16	63	93	228	105	30	85
2021	4,943	4,011	607	18	64	81	219	107	36	82
<b>Utilities</b>										
Job Change %	1%	1%	1%	0%	0%	(1%)	3%	(1%)	(1%)	7%
2020	36,389	11,899	5,332	2,461	585	1,024	762	218	127	155
2021	36,804	12,068	5,361	2,469	586	1,016	783	215	126	166
<b>Construction</b>										
Job Change %	(0%)	(0%)	1%	(0%)	4%	3%	(1%)	(1%)	0%	2%
2020	443,348	124,835	61,447	30,139	8,194	8,646	6,260	3,588	3,102	1,517
2021	442,770	124,386	61,925	30,101	8,493	8,917	6,206	3,547	3,116	1,545
<b>Manufacturing</b>										
Job Change %	(0%)	1%	(0%)	(2%)	2%	0%	(2%)	1%	1%	4%
2020	411,449	245,905	41,564	11,884	8,656	7,597	7,200	3,255	1,352	1,620
2021	409,436	247,681	41,543	11,674	8,848	7,616	7,060	3,288	1,368	1,690

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

Table 15. Employment by Industry, 2020-2021

Sector	New York	Upstate	Hudson Valley	Westchester	Orange	Rockland	Dutchess	Ulster	Putnam	Sullivan
<b>Wholesale Trade</b>										
Job Change %	(2%)	(1%)	(0%)	(2%)	2%	(1%)	(0%)	1%	6%	2%
2020	303,019	96,430	29,983	12,981	7,720	4,468	1,760	1,398	1,173	483
2021	297,738	95,636	29,965	12,754	7,878	4,431	1,756	1,413	1,243	491
<b>Retail Trade</b>										
Job Change %	(2%)	(1%)	(2%)	(2%)	(2%)	(2%)	(1%)	(1%)	1%	1%
2020	841,694	290,782	105,535	45,086	20,281	12,825	13,281	8,353	2,949	2,761
2021	826,520	286,728	103,755	44,194	19,911	12,555	13,098	8,237	2,981	2,778
<b>Transportation and Warehousing</b>										
Job Change %	1%	2%	0%	(1%)	3%	(1%)	2%	(1%)	3%	(1%)
2020	314,021	79,944	29,750	11,965	7,433	3,224	4,005	1,403	763	956
2021	318,546	81,443	29,853	11,834	7,630	3,186	4,084	1,383	789	947
<b>Information</b>										
Job Change %	1%	(2%)	(2%)	(3%)	0%	(3%)	(2%)	(1%)	(2%)	(1%)
2020	282,669	40,693	14,702	7,962	2,288	1,583	1,349	925	448	147
2021	286,879	39,810	14,369	7,725	2,294	1,536	1,315	914	440	145
<b>Finance and Insurance</b>										
Job Change %	1%	1%	(0%)	(0%)	(0%)	1%	1%	(0%)	2%	(3%)
2020	549,351	112,324	31,410	19,600	3,136	3,034	2,876	1,537	690	537
2021	556,510	113,612	31,335	19,503	3,125	3,052	2,901	1,531	703	520
<b>Real Estate and Rental and Leasing</b>										
Job Change %	0%	(0%)	(0%)	(1%)	(1%)	2%	1%	1%	(1%)	(1%)
2020	218,135	34,996	19,461	11,557	1,829	2,525	1,737	1,051	356	405
2021	218,322	34,932	19,430	11,498	1,810	2,564	1,746	1,059	353	400
<b>Professional, Scientific, and Technical Services</b>										
Job Change %	2%	1%	1%	0%	1%	2%	(0%)	1%	(0%)	(2%)
2020	752,838	158,618	57,084	32,670	6,689	8,169	4,778	2,511	1,701	567
2021	764,346	160,300	57,398	32,740	6,788	8,313	4,773	2,531	1,696	557
<b>Management of Companies and Enterprises</b>										
Job Change %	(1%)	0%	0%	(1%)	(3%)	(3%)	5%	(1%)	13%	6%

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

Table 15. Employment by Industry, 2020-2021

Sector	New York	Upstate	Hudson Valley	Westchester	Orange	Rockland	Dutchess	Ulster	Putnam	Sullivan
2020	131,532	42,864	12,392	8,643	749	727	1,409	331	76	457
2021	130,749	42,942	12,416	8,599	730	708	1,484	327	86	482
<b>Administrative and Support and Waste Management and Remediation Services</b>										
Job Change %	0%	0%	1%	(0%)	3%	3%	4%	1%	1%	3%
2020	490,194	137,664	51,182	24,062	8,144	8,343	5,588	2,736	1,259	1,051
2021	490,800	137,698	51,938	24,032	8,372	8,605	5,804	2,766	1,277	1,082
<b>Educational Services</b>										
Job Change %	2%	1%	2%	2%	3%	2%	1%	1%	2%	3%
2020	436,154	124,486	42,713	18,848	3,580	6,288	11,762	1,012	957	268
2021	444,618	126,111	43,502	19,193	3,674	6,429	11,934	1,024	971	277
<b>Health Care and Social Assistance</b>										
Job Change %	3%	2%	3%	2%	3%	7%	1%	0%	1%	3%
2020	1,639,914	417,782	171,573	76,695	23,470	30,253	20,029	9,545	4,443	7,138
2021	1,691,212	424,264	175,863	77,872	24,060	32,232	20,290	9,552	4,492	7,365
<b>Arts, Entertainment, and Recreation</b>										
Job Change %	(4%)	(4%)	(4%)	(5%)	(0%)	(4%)	(6%)	(2%)	(4%)	(6%)
2020	159,903	35,225	17,872	9,769	2,091	1,673	1,945	1,205	820	370
2021	154,031	33,816	17,128	9,295	2,084	1,598	1,829	1,186	787	348
<b>Accommodation and Food Services</b>										
Job Change %	(4%)	(4%)	(1%)	(3%)	(0%)	(2%)	(1%)	(1%)	0%	9%
2020	539,320	173,822	56,822	23,225	8,575	6,905	8,025	5,745	1,570	2,776
2021	517,066	167,406	55,999	22,456	8,559	6,745	7,962	5,673	1,573	3,032
<b>Other Services (except Public Administration)</b>										
Job Change %	(1%)	(1%)	(1%)	(2%)	1%	2%	(0%)	(1%)	0%	2%
2020	507,231	115,500	59,377	32,877	7,180	7,950	5,203	2,812	1,678	1,677
2021	504,401	114,631	58,869	32,167	7,230	8,096	5,195	2,785	1,681	1,713
<b>Government</b>										
Job Change %	1%	(0%)	(0%)	0%	1%	(1%)	(1%)	(1%)	0%	0%
2020	1,474,648	529,536	153,564	60,532	32,424	17,456	19,374	13,276	4,564	5,938
2021	1,486,013	528,817	153,491	60,631	32,629	17,288	19,213	13,201	4,576	5,954
<b>Unclassified Industry</b>										

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

Table 15. Employment by Industry, 2020-2021

Sector	New York	Upstate	Hudson Valley	Westchester	Orange	Rockland	Dutchess	Ulster	Putnam	Sullivan
Job Change %	3%	9%	1%	(1%)	2%	2%	4%	3%	(0%)	5%
2020	29,184	10,505	2,656	1,045	396	629	267	155	96	67
2021	29,936	11,399	2,686	1,037	406	639	278	160	95	70
Source: EMSI Estimates										



Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

The Special Case of Tourism

Table 15. Industry Change Summary, 2020-2021						
Region	2020 Jobs	2021 Jobs	Change	% Change	2020 Average Earnings	2020 Payrolled Business Locations
New York	699,223	671,097	(28,126)	(4%)	\$42,749	64,799
Upstate	209,047	201,222	(7,824)	(4%)	\$30,000	17,957
Hudson Valley	74,693	73,127	(1,566)	(2%)	\$36,022	7,395
Source: EMSI Q3 2021 Data Set						

The tourism and hospitality and industries both suffered due to the Covid-19 pandemic. However, the Hudson Valley Region saw a smaller contraction of the industry than the rest of New York State. Average earnings in the Hudson Valley (\$36,022) were roughly halfway in between average earnings of Upstate New York and the state as a whole.

Chart 1 shows the sharp spike in industry unemployment that occurred at the onset of the Covid-19 Pandemic in March 2020. By May 2021 however, industry unemployment had almost fallen to pre-pandemic levels.

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

Table 16. Change in Employment for Selected Tourism-related Sectors, 2019 to 2021.

Industry:	Performing Arts, Spectator Sports, & Related Industries				Museums, Historical Sites, and Similar Institutions			
Geography	2019	2020	2021	% Change 2019-21	2019	2020	2021	% Change 2019-21
New York	102,503	77,479	75,364	-26.5%	21,107	17,104	17,315	-18.0%
Upstate	15,742	11,741	11,397	-27.6%	3,850	3,067	3,098	-19.5%
Hudson Valley	7,090	6,003	5,894	-16.9%	1,073	843	869	-19.0%
Dutchess	921	724	700	-24.0%	204	142	142	-30.4%
Orange	892	809	818	-8.2%	172	139	143	-16.9%
Putnam	336	278	275	-18.1%	95	85	88	-6.7%
Sullivan	730	617	604	-17.2%	24	17	18	-24.0%
Rockland	325	203	194	-40.5%	NA	NA	NA	NA
Ulster	811	727	726	-10.4%	160	125	137	-14.2%
Westchester	3,076	2,644	2,577	-16.2%	409	322	325	-20.5%
Industry:	Amusement, Gambling, and Recreation Industries				Accommodation			
Geography	2019	2020	2021	% Change 2019-21	2019	2020	2021	% Change 2019-21
New York	103,896	65,320	61,352	-40.9%	104,363	61,832	57,798	-44.6%
Upstate	31,725	20,417	19,321	-39.1%	33,230	20,639	19,783	-40.5%
Hudson Valley	17,034	11,026	10,365	-39.2%	11,862	7,695	7,702	-35.1%
Dutchess	1,702	1,079	987	-42.0%	1,380	1,062	1,061	-23.1%
Orange	1,592	1,143	1,122	-29.5%	1,088	719	701	-35.6%
Putnam	669	457	424	-36.6%	84	95	101	20.2%
Sullivan	1,723	1,038	976	-43.4%	951	1,777	2,037	114.2%
Rockland	281	152	139	-50.7%	3,016	474	414	-86.3%
Ulster	516	353	323	-37.4%	2,354	1,630	1,608	-31.7%
Westchester	10,550	6,803	6,393	-39.4%	2,991	1,938	1,780	-40.5%
Industry:	Food Services and Drinking Places							
Geography	2019	2020	2021	% Change 2019-21				
New York	691,900	477,488	459,268	-33.6%				
Upstate	200,168	153,182	147,623	-26.3%				
Hudson Valley	64,589	49,127	48,298	-25.2%				
Dutchess	8,965	6,963	6,901	-23.0%				
Orange	9,816	7,856	7,858	-19.9%				
Putnam	1,892	1,475	1,472	-22.2%				
Sullivan	8,508	6,431	6,331	-25.6%				
Rockland	1,153	999	996	-13.7%				
Ulster	5,331	4,115	4,065	-23.8%				

Source: EMSI. Note: in Sullivan County, most casino employment is categorized under "Accommodation"

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

Westchester	28,924	21,288	20,676	-28.5%	
-------------	--------	--------	--------	--------	--

## Key Findings: SWOT Analysis

SWOT Analysis is a technique for summarizing analytical findings into a preliminary assessment of Hudson Valley's competitive situation describing the Region's **Strengths, Weaknesses, Opportunities and Threats** (hence the term SWOT analysis). SWOT analysis is summarized in Table 17. As shown in the table, strengths are conditions internal to the Region that can be employed to support economic growth, weaknesses are conditions internal to the Hudson Valley Region that could hamper its ability to support economic growth, opportunities consist of conditions in the environment which the Region could mobilize to generate economic growth and threats are conditions in the environment that could diminish the possibility for growth in the Hudson Valley Region. This SWOT analysis is based upon the 2019 CEDS for the Hudson Valley Region.<sup>10</sup>

There are several points noted in that SWOT analysis.

**The Hudson Valley's proximity to New York City is both an opportunity and a threat:** that proximity helps drive some of the strengths in the region, including its economic diversity and dynamism along with the Region's access to talent. The Hudson Valley is adjacent to a metropolis with over 8 million people, and many of its workers are drawn from that area. Similarly, as pointed out in the detailed data in the Summary Background in the Appendices to this report, many Hudson Valley residents commute to New York City for employment, earning higher wages than available in the Region itself and ensuring that the Region retains a cadre of skilled, experienced workers in a variety of fields. On the other hand, the proximity to New York City can limit the Hudson Valley's economic prospects. For employers in the Hudson Valley, that proximity to New York can drive up the costs for labor, real estate, insurance and other factors important to economic success. At the same time, much of the Region serves as a source of water supply for the City, leaving those areas with an additional layer of development regulations to protect the quality of the City's water, that can add costs and delays to development in those areas.

**Population stagnation:** like most of the Northeast, the communities in the Hudson Valley are experiencing slow population growth and even decline. This exacerbates any shortage of skilled workers facing an industry in the region. Over the long term, such stagnation and decline will limit local demand for goods and services, constrain economic growth, and may erode the ability of local government to pay for services such as schools, roads, etc., as some communities may see fewer and fewer people left to bear the costs of such services.

**Limited infrastructure:** Virtually every type of infrastructure has the potential to constrain growth in the Region. As described in detail in the Summary Background in the Appendices' Data Compendium, broadband, transportation and utility infrastructure all have limitations in the Valley at present. The most serious infrastructure issues may relate to sewer and water. The lack of adequate municipal sewer and water at industrial sites can render those sites unable to support any development of a scale capable of generating a meaningful number of new jobs. At the same, time, limited and failing sewer and water infrastructure severely hampers a community's economic and environmental resiliency.

---

<sup>10</sup> Hudson Valley Regional Council, *Comprehensive Economic Development Strategy, 2019-23*, p. 23.

Hudson Valley Regional Council  
 Comprehensive Economic Development Strategy  
 Annual Update January 1, 2020 through December 31, 2020

Table 17. SWOT Analysis for the Hudson Valley	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Economic Diversity               <ul style="list-style-type: none"> <li>○ biotech and life sciences</li> <li>○ advanced manufacturing</li> <li>○ information technology</li> <li>○ distribution</li> <li>○ financial and professional services</li> <li>○ agriculture/food products</li> <li>○ tourism</li> </ul> </li> <li>• Talent/workforce</li> <li>• Quality of Life</li> <li>• Proximity to New York City</li> <li>• Transportation Access to Key Markets</li> </ul>	<ul style="list-style-type: none"> <li>• High tax/high cost location nationally</li> <li>• Infrastructure:               <ul style="list-style-type: none"> <li>○ Sewer &amp; Water</li> <li>○ Transport</li> <li>○ Broadband</li> <li>○ Electricity</li> </ul> </li> <li>• Pockets of Distress</li> <li>• Population stagnation/decline</li> <li>• Limited Regional Planning Capacity for Infrastructure/Resilience</li> <li>• Too many layers of government</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Attraction of Small City/Small Town/Rural Lifestyle</li> <li>• Adjacent to NYC metro area (tourism, workforce, industry relocation)</li> <li>• Urban Revitalization as exemplified by DRI Awardees:               <ul style="list-style-type: none"> <li>○ Kingston</li> <li>○ Middletown</li> <li>○ New Rochelle</li> </ul> </li> <li>• Export/Traded Clusters</li> </ul>	<ul style="list-style-type: none"> <li>• Competition from other States/Regions for businesses and residents</li> <li>• Climate change</li> <li>• Continued technological disruption of retail</li> <li>• Global competition affecting local employers</li> <li>• Proximity to New York City</li> </ul>

**Limited capacity to plan for infrastructure:** Meetings with planning and development officials held during this process highlighted constraints on the Region to plan for the infrastructure improvements needed to bolster economic and environmental resilience. Particularly in the case of sewer and water infrastructure, there are significant gaps in available information about the location and capacity of sewer and water lines. This must be addressed if the Region seeks to improve its economic and environmental resilience.

**The New Challenges Associate With COVID:** Clearly, the continuing Covid-19 pandemic remains a threat to the health and livelihood of Hudson Valley residents. Yet it is also true that some of the changes taking

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

place in the economy in response to Covid intensify some of the opportunities defined in this SWOT analysis.

## Regional Vision & Strategy

As described in the 2019 CEDS, the Hudson Valley Region has emerged as a key nexus where the economic, social, and cultural forces of a major global capital, New York City, meet and intermingle with the dynamics associated with the Valley's small cities, towns and rural areas—vibrant legacies in agriculture and food, industrial innovation. This has remained true, despite the hardships imposed by the Covid pandemic. Consequently, it is worth restating the vision and strategy from that CEDS, since both still hold true and provide guidance in shaping the response over the next few years.

**The Vision:** The Hudson Valley will maximize the advantages of its location at the nexus between the Upstate and Downstate economies.

Thus, the central element of a vision for the Hudson Valley Region must be to build upon and strengthen those connections between and among those forces. This has never been truer, given the importance of the Hudson Valley for New York City-based households and businesses that sought temporary (and permanent) refuge in the region. From this vision a clear strategic approach emerges.

**The Strategy:** Building connections for regional competitiveness, resiliency and prosperity

This strategy for the Hudson Valley Region's economic development has been created after careful consideration of the Mid-Hudson Regional Economic Development Council's economic development strategy (e.g., "Live, Work & Play"), the Hudson Valley Economic Development Corporation and its focus on 3-D printing, Eds & Meds, Food & Beverage, Biotech, Talent and Play (i.e., tourism, recreation & the arts) and the ongoing work of the Hudson Valley Agribusiness Development Corporation promoting dynamic agricultural entrepreneurship and viable local food systems.

Each aspect of this strategy has its own needs for connectivity.

*Economic competitiveness depends upon the physical connections provided by infrastructure and the virtual and institutional connections needed to create an effective capacity to plan for future infrastructure needs*

*Resiliency requires its own set of connections, particularly well-functioning sewer and water infrastructure along with providing local decisionmakers with the information and technical assistance they need to make decisions that foster economic and environmental resiliency in their communities.*

*Prosperity is made more possible by tighter connections with the New York City area. This enables commuters to the City to bring additional income and wealth into the Hudson Valley. It makes the Valley a logical destination for entrepreneurs and creatives from places like the East Village and Williamsburg seeking lower cost locations to grow their start-up businesses. Stronger connections also support the Region's tourism economy and its growing agriculture and food sectors.*

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

Again, the new reality of the pandemic, and the potential for similar crises in a world affected by climate change, building and diversifying these connections between New York City and the Hudson Valley will be increasingly important for the prosperity of both places. This is the underlying premise for the actions described in this Comprehensive Economic Development Strategy.

## Action Plan: Updated and Amended Goals, Objectives & Evaluation Framework

This section outlines the goals and objectives of the Comprehensive Economic Development Strategy for the Hudson Valley Region, along with providing an evaluation framework for assessing the effectiveness in implementing this strategy. The goals and objectives are direct outgrowths of the regional strategy of “building connections for regional competitiveness, resiliency and prosperity.” They are listed below, with each accompanied by a recommendation for evaluating progress. The impact of the pandemic has altered priorities. The following goals have been amended to include actions necessary in cases of natural disasters...assessing and addressing the damage and issues.

### Goal 1. Improve Economic Competitiveness through Physical Infrastructure Connections

Objective 1-1. Foster expanded broadband connectivity throughout the region, but particularly in under-served areas experiencing economic street.

Evaluation: **Remote education and remote working during the pandemic has identifies this as a critical issue throughout the region.**

Objective 1-2. Provide technical and, as appropriate, financial support for sewer and water projects directly tied to job creation and/or improved environmental resiliency.

Objective 1-3. By 2021, begin to provide technical support to communities in the region undergoing economic disruption, helping them define strategies for the growth of new industries, while identifying funding sources for areas of impact in each of the region’s counties.

Evaluation: By 2021, the HVRC will have in place outreach and educational programs to help areas in the region that are undergoing substantial and severe economic disruption.

Evaluation: HVRC will facilitate funding applications for at least 10 infrastructure projects in the Region by 2022.

Goal 2. Improve Resiliency and Economic Competitiveness through connections to support the capacity for regional planning for municipal sewer and water infrastructure as a template for other types of regional infrastructure planning.

Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

Objective 2-1. Provide education and outreach to communities to give them the tools they need to make decisions about addressing vulnerabilities at all levels  
Objective 2-2. Compile data on the condition and capacity of municipal sewer and water systems for each municipality in the Hudson Valley.

Evaluation: a compendium will be compiled on the condition and capacity of all municipal sewer and water systems in the Hudson Valley Region by 2021, with special emphasis on resiliency issues related to this infrastructure.

Objective 2-3. Establish a Task Force to address regional issues related to Sewer and Water infrastructure.

Evaluation: By 2022, the task force will have representatives from all 7 counties and have established a work plan for addressing regional issues regarding sewer and water infrastructure. By 2023, this regional planning capacity will be extended by the creation of a task force to address another type of infrastructure (e.g., roads, electricity, natural gas, etc.).

Goal 3. Improve Economic Competitiveness through connections to Strengthen the Availability of a Skilled Workforce.

Objective 3-1. Enhance the capacity to deliver skills training to entry level and incumbent workers at job sites outside of schools, with an emphasis on serving trainees from distressed communities.

Evaluation: By 2022, the HVRC will conduct at least one seminar to provide information on funding available for workforce training, and will facilitate at least three funding applications for job training initiatives that will be launched providing employer specific skills training at an employer's location and/or a facility designed specifically for such training.

Objective 3-2. Improve the ability of employers to retain and attract qualified workers by improving quality of life in the Region's communities.

Evaluation: By 2022, there will be at least one major development project in each of the Region's counties designed to improve quality of life by enhancing dense, mixed-use centers, expanding housing options for employees in the Region, and/or providing cultural and recreational amenities appropriate for the attraction and retention of a skilled workforce.

Goal 4. Support Connectivity for Regional Prosperity

Objective 4-1. Support transit-oriented development to enhance the Region's ability to support its population that works in the New York City area.

Evaluation: By 2022, HVRC will hold at least one information session for communities on funding available to support transit-oriented development and will facilitate funding applications to support at least four transit-oriented developments that will be approved for communities providing transit service to New York City.

Objective 4-2. Foster expanded specialty food manufacturing in the Region



Hudson Valley Regional Council  
Comprehensive Economic Development Strategy  
Annual Update January 1, 2020 through December 31, 2020

Evaluation: By 2022, HVRC will facilitate at least one funding application to enable agricultural products from the Hudson Valley Region to be processed for sale as value-added food products in New York City markets and beyond.

Objective 4-3. Support continued development of destination tourism in the Hudson Valley Region.

Evaluation: By 2022, HVRC will facilitate at least one application to help expand overnight tourism destinations in the region.