



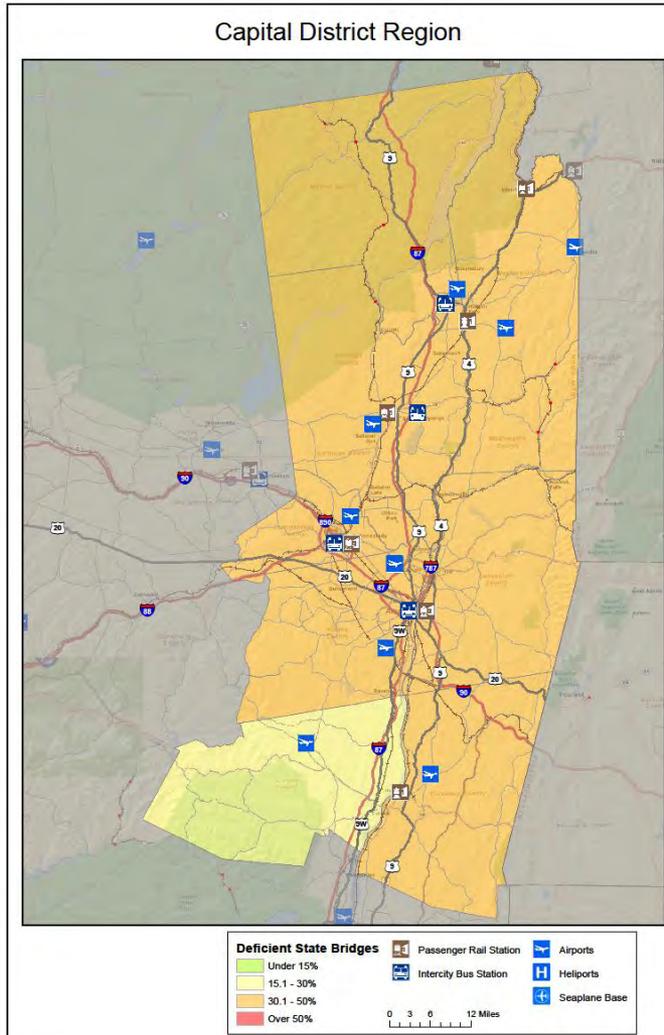
*A New Vision for the
Capital Region's
Economy*

Regional Economic
Development Councils
Putting New York Back to Work



Governor Andrew M. Cuomo
Lieutenant Governor Robert J. Duffy

Infrastructure



Transportation Indicators

Source: NYS Department of Transportation

Statewide Business Costs and Tax Structure

Capital Region Cost of Doing Business & Cost of Living

Metro Area	Cost of Doing Business Index (US = 100)	Cost of Living Index (US = 100)
Albany-Schenectady-Troy MSA	102	97
Glens Falls MSA	99	92

Source: Moody's Analytics, May 2011

Regional Overview

Key Regional Assets

- **CSNE**
The Center of Excellence in Nanoelectronics houses several initiatives designed to advance nanotechnology research and applications in the energy and environmental industries.
- **Semiconductor Manufacturing and Research**
The establishment of GlobalFoundries and relocation of SEMATECH and ISMI to the Capital Region will attract many semiconductor companies to the area (as customers and suppliers) and create jobs.
- **Transportation Infrastructure**
The region is well served by a multi-modal transportation system. It is situated at the crossroads of two major interstate corridors, I-90 and I-87. The Hudson River, Erie and Champlain Canals, the Port of Albany, and several smaller port facilities offer unparalleled water access. The region boasts a bustling, modern international airport and is served amply by rail – both passenger and freight.
- **Higher Education**
There are over 20 institutions of higher education, including several professional and graduate-level programs, in the region. They educate an average of 67,000 students annually, allowing the region to be ranked the 11th “smartest region in the country” in a recent Bizjournals study.
- **Traditionally Low Unemployment**
As Albany is the capital of the State, the Capital Region has a significant concentration of state and other public sector jobs as well as significant education and healthcare sectors. Approximately one job out of every five are public-sector jobs. Historically, public sector jobs have buffered the region against difficult economic times.
- **Tourism**
In addition to government-related tourism, the Capital Region is home to world-renown tourist attractions including Saratoga Springs and Lake George. The Saratoga Race Course and “The Queen of American Lakes” are two of the region’s premier tourism anchors and attract visitors from around the globe.

Regional Overview

Key Regional Assets

■ **Growing R&D Assets**

The Capital Region is served by a number of established and emerging R&D facilities across many disciplines, including GE Global Research Center (all areas and disciplines of science and technology), Knolls Atomic Power Laboratory (advanced nuclear propulsion technology, and technical support for naval reactors), RPI's Nanotechnology Center (advanced materials and coating, biosciences and biotechnology, nanoelectronics, microelectronics and nanosystems), Pharmaceutical Research Institute at Albany College of Pharmacy and Health Sciences (drug development) and Wadsworth Center (health-related analysis, investigations and research).

■ **Expanding Technology Sector/Diversified Economic Base**

The Capital Region is at the center of the 17-county "Tech Valley," the Silicon Valley of the East Coast, and is home to nearly 1,000 technology companies, contributing billions of dollars of annual economic impact annually.

■ **A Wide Variety of Arts, Cultural and Historic Assets**

The Capital Region has an abundance of arts and cultural facilities (Proctors, SPAC, Capital Rep, NYS Museum, Albany Institute of Art & History, Olana, etc.) as well as numerous historic and heritage sites.

■ **Proximity to Major Markets**

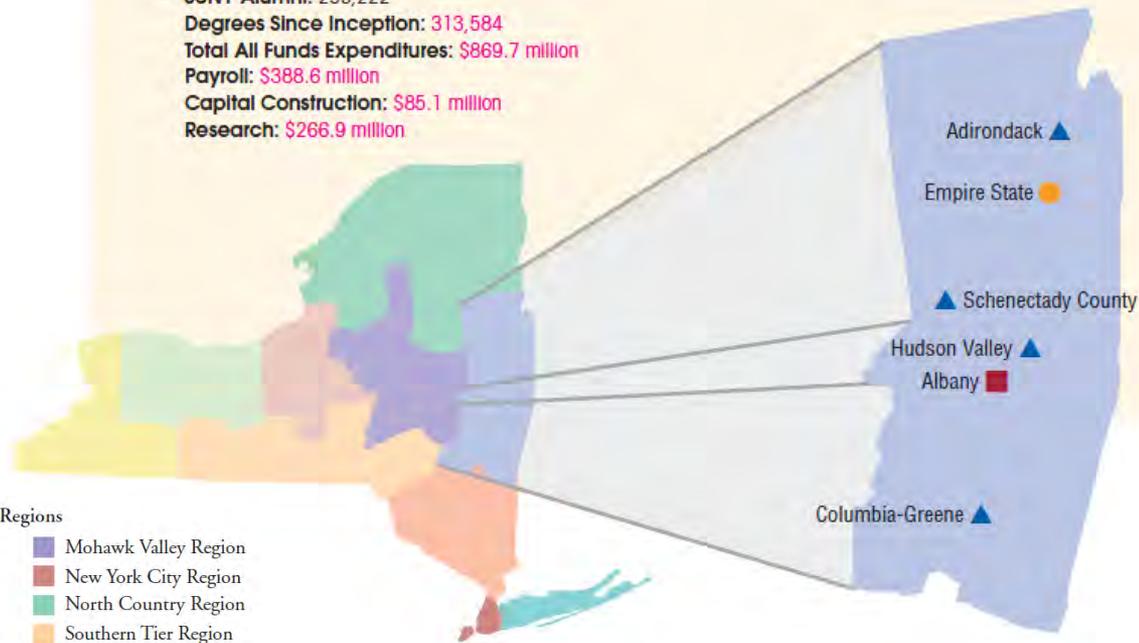
The Capital Region offers excellent access to all major markets in the northeast quadrant of North America. The region is approximately three hours drive time to New York City, Boston, and Montreal, which means products manufactured here are within one day's delivery to 52% of the combined US-Canadian population.

Workforce and Education



SUNY's Impact on the Capital Region

Campuses: 6
Enrollment: 78,263
Employees: 7,709
SUNY Alumni: 295,222
Degrees Since Inception: 313,584
Total All Funds Expenditures: \$869.7 million
Payroll: \$388.6 million
Capital Construction: \$85.1 million
Research: \$266.9 million



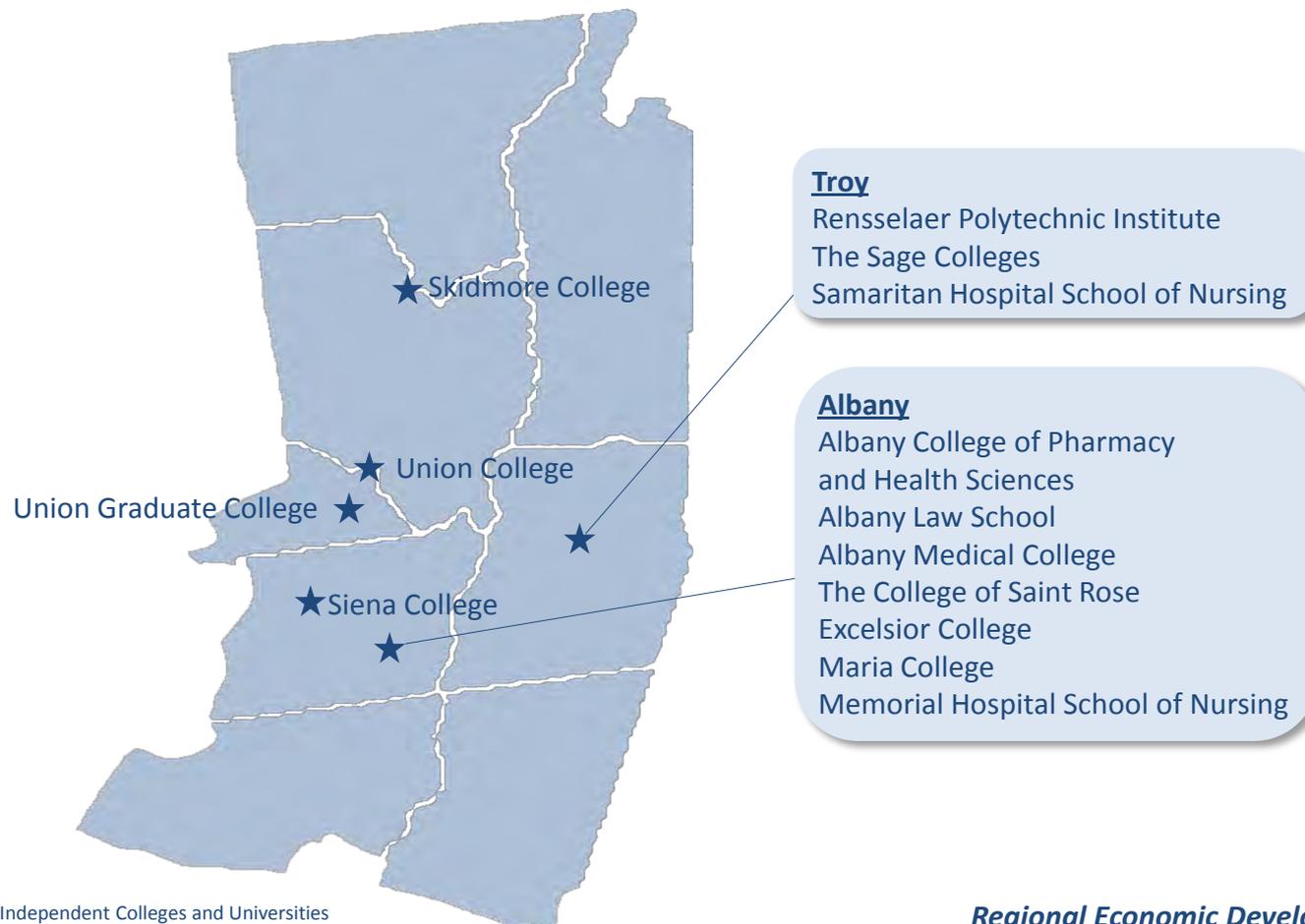
Economic Development Regions

- Capital Region
- Mohawk Valley Region
- Central NY Region
- New York City Region
- Finger Lakes Region
- North Country Region
- Long Island Region
- Southern Tier Region
- Mid-Hudson Region
- Western NY Region

- University Centers and Doctoral Degree Granting Institutions
- University Colleges
- ★ Technology Colleges
- ▲ Community Colleges

Workforce and Education

Capital Region Private, Not-for-Profit Colleges and Universities



Changing Demographics

Educational Attainment in the Capital Region

Area	Percent of Adults with At Least a Bachelor's Degree	Percent of Adults with a Graduate Degree
Capital Region	30.3%	13.6%
State	31.8%	13.6%
Nation	27.5%	10.1%

Source: Empire State Development, State Data Center; American Community Survey 2005-2009.
Note: 'Adults' are at least 25 years old.

Culture, Tourism and Quality of Life



Capital Region State Parks and Historic Sites

Economic Impact

An economic impact study* estimates that in 2008-09, nearly 3000 jobs were created and \$249 million in local economic activity was generated by State Parks in the counties of Albany, Greene, Rensselaer, Saratoga, Schenectady, Warren, and Washington.

Quality of Life

The recreational and natural resources created by the area's parks and historic sites benefit this region by:

- Maintaining the state's ecosystem and biodiversity
- Providing opportunities for recreation
- Reducing the negative effects from pollution
- Improving health outcomes
- Preserving areas of historic importance
- Influencing business location decisions by making the community a better place to live.

*Source, *The NYS Park System: An Economic Asset to the Empire State: Political Economy Research Institute, Univ. of Mass, Amherst, March, 2009*

Economic Impact of Visitor Spending

County	Amount in Millions
Albany	\$ 797.9
Columbia	\$ 97.9
Greene	\$ 135.4
Rensselaer	\$ 83.6
Saratoga	\$ 357.5
Schenectady	\$ 178.6
Warren	\$ 449.9
Washington	\$ 32.1

Source: Tourism Economics, 2009

Regional Overview



Major Economic Development Projects

- **Albany County**

- **College of Nanoscale Science and Engineering/Albany NanoTech Complex**

- With over \$7 billion invested, the Albany NanoTech Complex now totals 800,000 square feet of cutting-edge facilities with 80,000 square feet of 300mm wafer, class 1 capable clean rooms, and more than 2,500 R&D jobs on site.

- **Columbia County**

- **Flanders Corporation**

- Flanders will move part of its production operation from North Carolina to a 195,000 SF facility in Greenport, Columbia County, resulting in the creation of 180 jobs.

- **Greene County**

- **Glaxo Smith Kline/Stiefel Labs**

- GSK acquired Stiefel Labs and announced it would close the facility. NYS was successful in attracting a separate subsidiary to this Greene County site. This \$56 million investment resulted in the retention of over 200 jobs.

- **Rensselaer County**

- **Proctor's Theater/Office**

- This \$14 million project involves the renovation of the Proctor's and Chasan buildings and the stabilization and remediation of the historic Proctor's Theater in Downtown Troy. The Proctor's Theater facade will be restored, over 63,000 SF of high-end commercial and retail space will be created and the 60,000 SF theater will be stabilized to allow exploration of future potential.

- **Rensselaer County**

- **Regeneron Pharmaceuticals**

- \$40 million expansion of Regeneron pharmaceuticals Rensselaer County facilities adding 50+ jobs. The project expands Regeneron's chemical manufacturing and prepares the company for the commercial launch of products in the late stage of development.

Regional Overview



Major Economic Development Projects

- **Saratoga County**
GlobalFoundries

This \$6.6 billion chip fab at Luther Forest will create some 1,655 direct jobs and thousands of indirect jobs for an annual payroll of \$290 million. The project is the largest public-private economic development project in the state, and it will help to establish upstate NYS as a premier technology hub in the global economy.

- **Schenectady County**
GE Renewable Energy/GE Battery

GE has added approximately 650 professional positions and invested approximately \$40 million in the renewable energy HQ. These positions will support GE's full range of renewables. GE will also invest approximately \$100 million in a sodium battery manufacturing plant in Schenectady creating 350 jobs.

- **Warren County**
Tech Meadows

This "shovel ready" 46-acre tech park is available for development just off I-87 in the City of Glens Falls.

- **Washington County**
Irving Tissue

The company just recently announced the completion of a \$150 million expansion that created 30 jobs. Since 1996, Irving has invested almost \$300 million employing over 300 at the Ft. Edward tissue mill.

Regional Overview



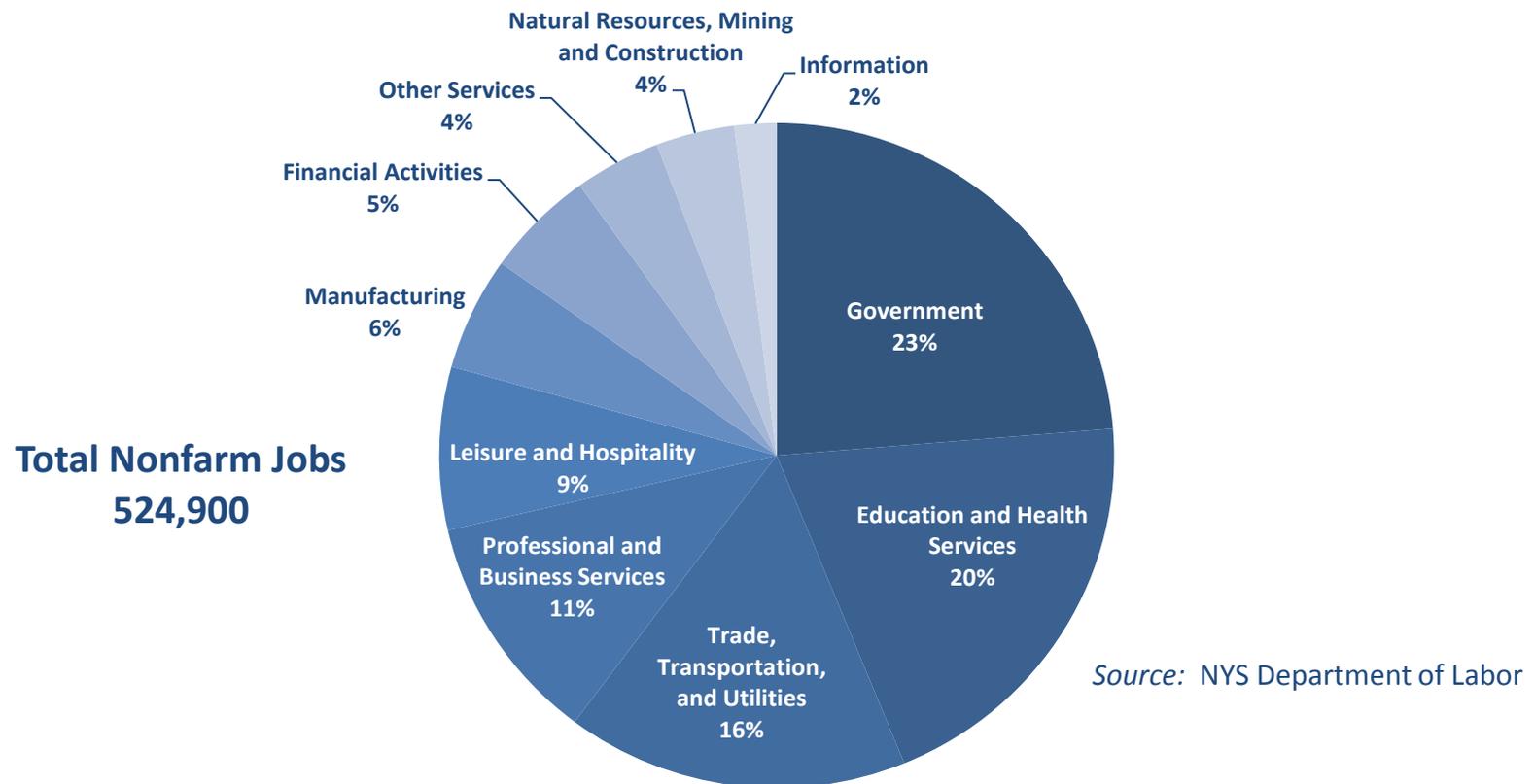
Capital Region Issues/Challenges

- Distressed small rural communities and urban cores lack infrastructure or require upgrades to aging systems. These areas also frequently lack access to basic amenities for the community.
- Public transportation infrastructure is adequate within urban areas, but lacks any true regional accessibility. This makes it difficult for employers to attract basic skill level employees outside of the cities.
- The region lacks a sufficiently trained workforce capable of meeting the current and anticipated employment needs of existing and emerging industry sectors.
- The region has a large base of public sector jobs. Governor Cuomo's budget calls for significant savings in the costs of the State workforce. If these savings cannot be achieved through contract negotiations, the Governor has indicated up to 9,800 layoffs would be necessary. As the seat of State government, such a reduction would disproportionately hit the Capital Region.
- More truly shovel-ready sites with a full range of infrastructure (i.e., water, sewer, etc.) are needed. These include vacant land parcels, as well as buildings.

Workforce and Education

Capital Region Labor Market

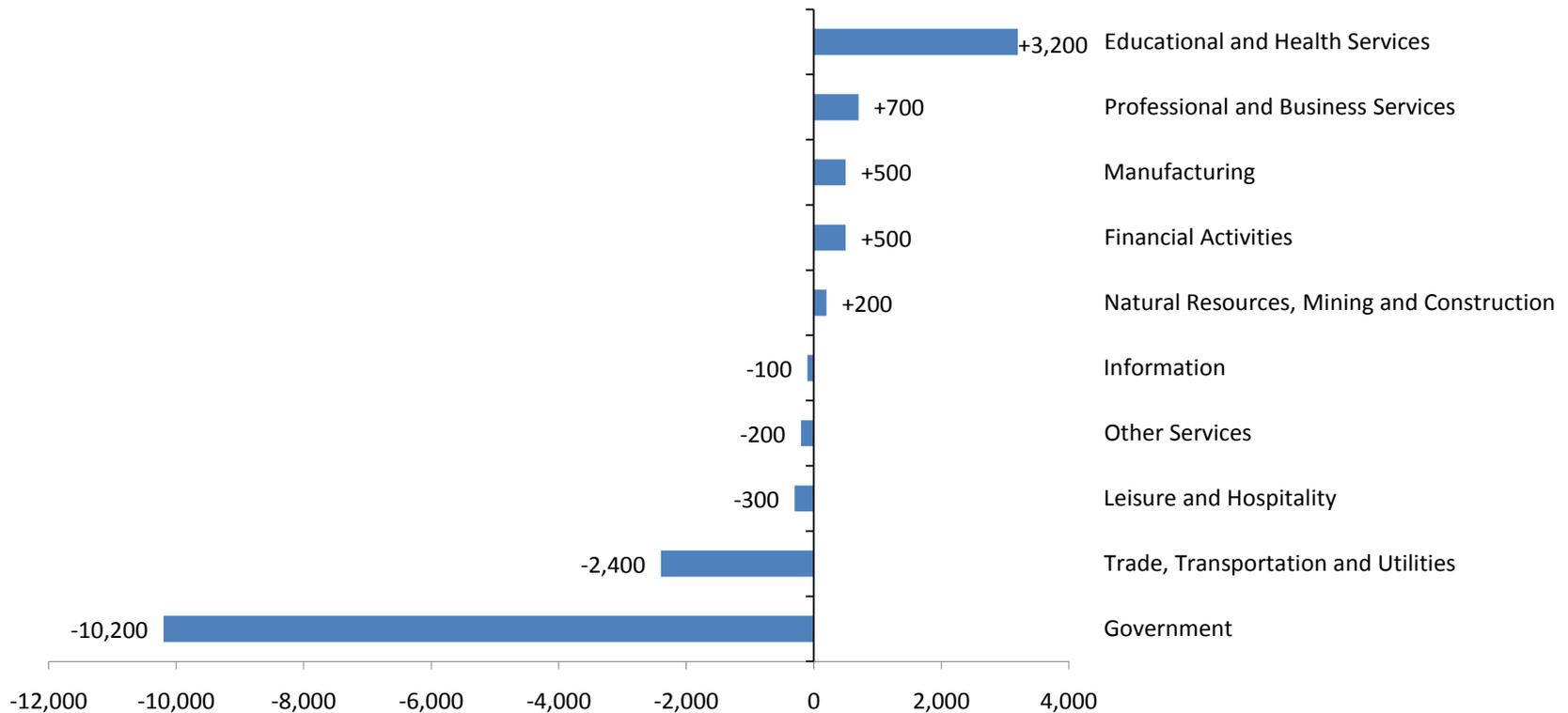
Distribution of Nonfarm Jobs – May 2011



Workforce and Education

Capital Region Labor Market

Change in Jobs, May 2010 to May 2011



Source: NYS Department of Labor

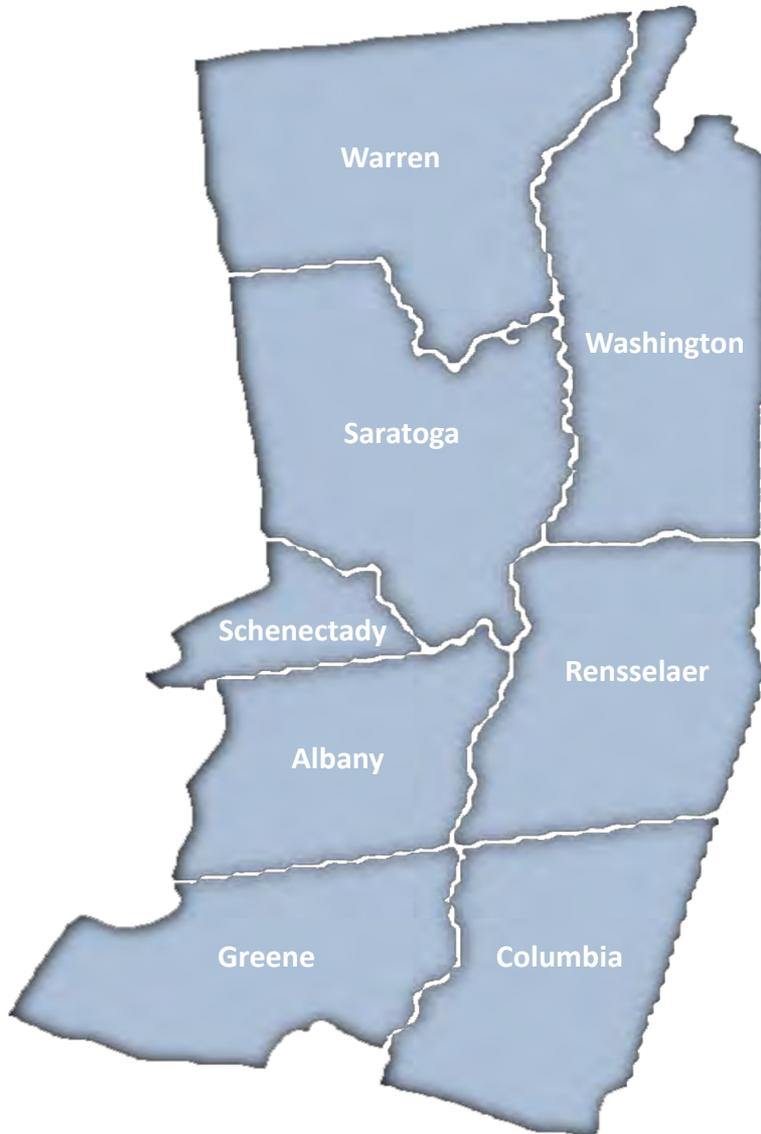
Industry Structure and Concentration

Growth in Capital Region Industry Sectors

	Jobs in 2010	Growth since 2006	Average weekly wage 2010	Projected growth, 2008 to 2018
Construction of Buildings	4,884	-12.9%	\$1,007	12.0%
Specialty Trade Contractors	12,277	-9.3%	\$970	1.9%
Chemical Manufacturing	3,403	7.2%	\$1,674	13.4%
Computer and Electronic Product Mfg	1,427	-3.7%	\$1,494	135.3%
Miscellaneous Manufacturing	2,960	3.8%	\$877	-19.1%
Warehousing and Storage	2,853	19.6%	\$853	15.1%
Professional and Technical Services	30,116	5.6%	\$1,353	11.5%
Management of Companies and Enterprises	7,089	-3.0%	\$1,238	3.5%
Educational Services	53,654	2.6%	\$850	4.4%
Ambulatory Health Care Services	20,266	8.1%	\$978	26.5%
Hospitals	23,060	6.6%	\$928	3.0%

Source: NYS Department of Labor

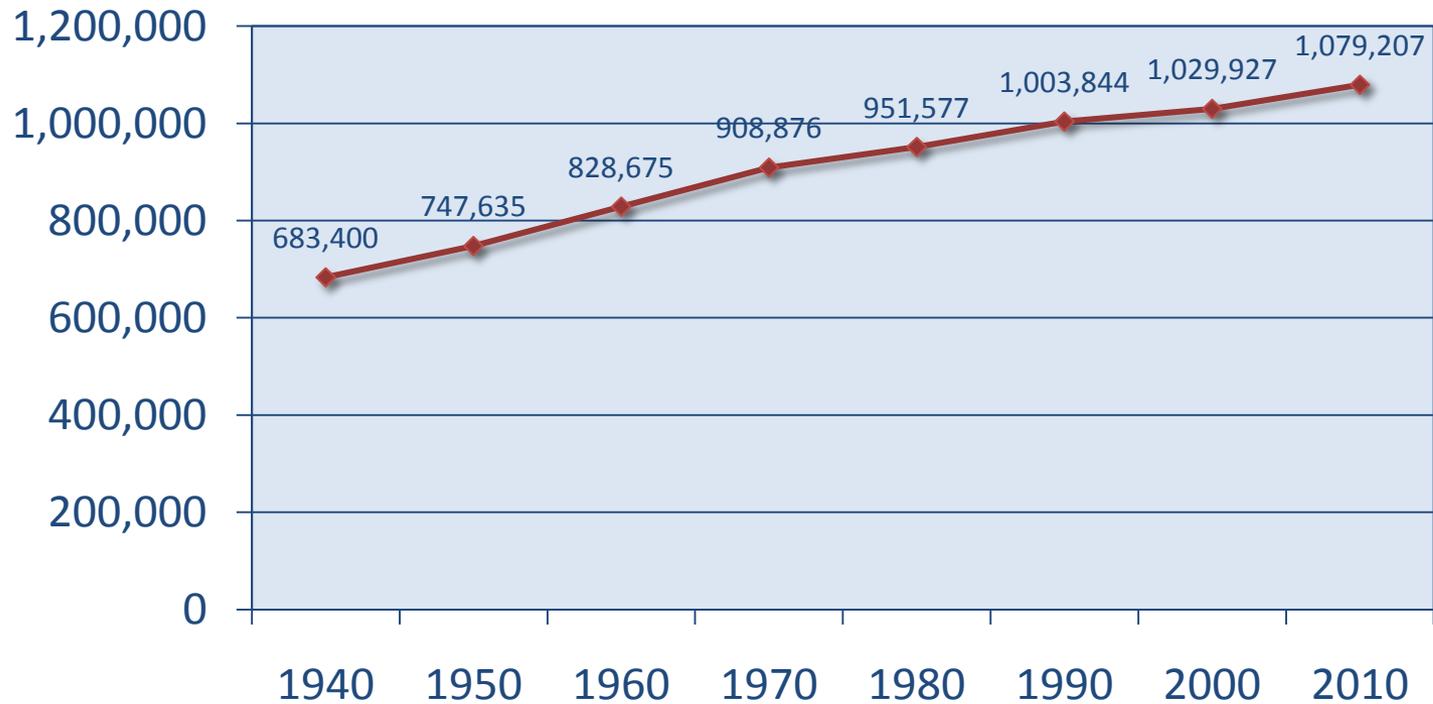
Changing Demographics



- The eight-county Capital Region grew 4.8% from 2000 to 2010, the 2nd highest rate of growth of New York State's 10 regions.
- No county in the Capital Region lost population; Saratoga County grew the fastest of all 62 counties at 9.5%.
- The Capital Region has 10 cities, all but one of which (Hudson) increased population. The City of Rensselaer (Rensselaer County) had the fastest growth of all cities, increasing 19.0% from 7,892 in 2000 to 9,392 in 2010.
- This region's only other top-10 fastest growing city is Schenectady, which increased 7% to 66,135.
- The region's ethnic composition is 84.4% white, 6.5% black, 3.9% Hispanic, and 2.7% Asian.

Changing Demographics

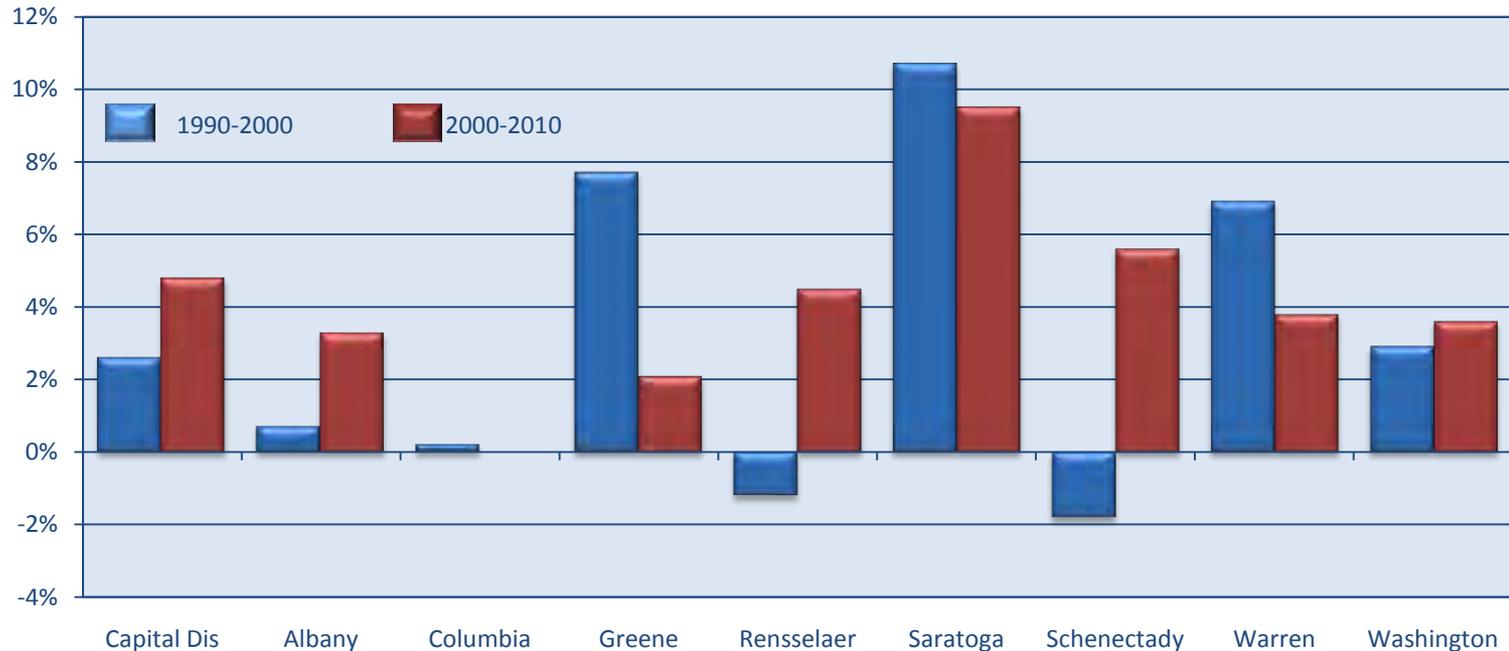
Population of the Capital Region, 1940-2010



Source: Empire State Development, State Data Center

Changing Demographics

Population Change 1990-2000 compared to 2000-2010 Capital Region, by County



Source: Empire State Development, State Data Center

Capital Region Labor Market

Local Area Unemployment Statistics

Capital Region	May 2011	April 2011	May 2010
Labor Force	545,100	539,300	557,300
Unemployment	37,800	37,600	39,600
Local Unemployment Rate	6.9%	7.0%	7.1%
NY State Unemployment Rate	7.8%	7.6%	8.3%
U.S. Unemployment Rate	8.7%	8.7%	9.3%

Note: Data not seasonally adjusted.

Source: NYS Department of Labor

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