

**MVREDC PUBLIC INPUT COMMENTS ON STATE-LEVEL ISSUES
AS OF OCTOBER 2011**

Water

- Conflicts over water rights have severely handicapped our region, while the parties involved (State agencies, a private energy company, the MVWA and local communities) have sought to resolve this in the courts. A strategic plan for the MV region should include possible approaches to resolving these policy differences and gaining support for a super-regional approach to securing adequate water supplies for economic development and quality of life.

Taxes

- High property taxes and high percentage of community residents on several public assistance programs
- NYS Tax burden
- High property taxes caused, in part, by state and federal mandates
- Mandate relief for counties and school districts
- Re: the property tax cap. For the rural districts that get the majority of their funding from the state, a small change in state aid translates into a larger need to fill the gap with the local tax base. If there is not relief on unfunded mandates the districts cut teachers and class size goes up. Why does every district need a superintendant, including the districts that graduate 30 kids each year?

Infrastructure

- New York's Aging Infrastructure
- Need to create Statewide Infrastructure Fund to rebuild State's aging infrastructure and to meet new federal/state mandates
- Aging wastewater/storm water infrastructure: At a time when resources for economic development are spread thin, our region has the added burden of wastewater/storm water infrastructure that is in need of critical repairs. We have significantly large areas that are in violation of NYSDEC regulations but virtually no resources to affect repairs. I believe NYS will work as cooperatively as possible with our region, but we need creative solutions for the future. This problem should be taken into consideration when developing new economic growth ideas.

- Development of major corridors Rt. 30, 30A, Rt. 5S and 67 and proximity to Global Foundries and ancillary growth opportunities

Cost of Doing Business in NYS/Regulations

- Cost and time of doing business in NYS - while not unique to the region it is problematic to retaining and attracting business to the state and region. The layers of government are greater than efficient company would operate.
- Cost and regulatory process of doing business in New York/high taxes
- Regulatory barriers
- The regulations that must be completed are over the top and many times don't protect anyone
- Business overhead expense (WC, Health, DEC, etc)
- The length of time it takes to get the state to approve rate changes both increase and decrease is 6 times longer than any other state.
- NYS reputation as not friendly to business (i.e., red tape)

Energy Costs

- Electrical costs when outside of a Co-op district. With Otsego Rural Electric 2.5x less expensive than NYSEG changes in the rate structure are needed to keep the current companies competitive
- Public policy on energy production
- Power for Jobs program-cost of electricity
- The state has not tackled the root cause of a problem. Recharge NY (NYPA program) is a special incentive or band aid on the problem of high energy costs. Just lower my cost and get out of the way.

Entitlements/Benefits

- Entitlements-Public sector and teachers' lifetime pension and health insurance.

- Move to the defined benefit retirement plan the teachers have. While I am not a proponent of changing the existing plans, I strongly believe that new teachers should have a different plan that does not guarantee an annual return. Then there are the special education mandates and the list goes on.
- Unemployment benefits and tax. The recent "surcharge to unemployment insurance" is understood but the fundamental problem is that the benefits are too good and that unemployment is a better employer than a full-time job.

Labor Costs

- Davis-Bacon laws are outdated and need to be reformed
- Prevailing wages

Support for High Tech Industry/Jobs

- Lack of concentrated effort to support High tech jobs and tech businesses – High costs (Taxes, regulation, energy, etc.), lack of easy access of high speed Internet/data, etc. No well-designated centers to attract those types of businesses. We have a bit of a center being developed at SUNYIT for NANO and a bit of a center has formed at Griffiss. The center at SUNY is in its infancy and will take many years to get moving. The center at Griffiss has some movement but it has been stifled by a lack of infrastructure and the movement of non-tech companies onto the park with competing needs/priorities. Additionally, the investment of SUNYIT and other local state colleges in tech programs is not on par with other colleges such as Binghamton U. or private universities such as Syracuse U. or Clarkson U. There needs to be additional concentration on technical Masters and PhD programs.

Government Burden/Consolidation

- Large number of overlapping government bureaucracies and services; There is an abundance of overlapping towns, villages, cities, etc. The result being more taxes to sustain the overlapping services and additional layers of bureaucracies that stifle businesses and growth. This has given rise to a significant amount of fragmentation resulting in the region not being able to agree on much of anything and has created a lot of in-fighting.

Strategic Economic Development Initiatives

- Brownfield Development and Site Clearance activities for economic development (Older Industrial Sites, Remaining Site Clearance Activities at Griffiss Business & Technology Park); Reuse Opportunities for key buildings and adaptive reuse opportunities (downtown Utica, Utica Brewery District, Baggs Square)
- Need to establish a targeted economic development incentive program (variation of Excelsior Program) that would enable NYS to compete for larger scale high CapEx projects (semiconductor, advanced manufacturing, cleantech, bio-tech)
- NYS has divested much of its infrastructure for entrepreneurial science and technology over the last 20 yrs--need to reinvest in S&T as a core economic development engine for NYS
- Need to address way to retain and attract high skilled work force to support an innovation economy (State's tax structure puts NYS at competitive disadvantage in attracting skilled work force. Need to look at some type of tax credit that could be used by business to incentivize attracting work force from NYS colleges -- such as paying off college loans)
- There should be an incentive to do business with local companies

Special Issues

- Need a concentrated effort to ward off the upcoming BRAC
- Lack of settlement on Oneida Nation Land Claim Issue