

Western New York Regional Economic Development Meeting

November 1, 2011

Comments on the Strategic Plan

- Andrew Rudnick: How much of this format is prescribed from Albany vs. our own creation? The draft format limits our ability to tell the whole story, which promotes the primary initiatives. Can we put some blame on the Lt. Gov.?
HZ: Prescribed format (what goes where), we rearranged the order.
AR: How do we get from here to there? Concerned there is too much detail and individual themes/industry sectors without presenting a picture. We have some extraordinary assets and very competitive assets, which have gotten lost in the current plan.
HZ: We have some work to do; we are 100% confidence that we are relatively close. We have the work product, but need to weave together in a different way in conjunction with UB. Goal for the next week is to address this concern.
AZ: Concern is what's not here.
- Lt. Gov Duffy: This plan does not look like other plans. Each plan should reflect the region's goal.
- Duncan Ross: we need a two-page summary detailing the top projects. Has small edits, which he will provide to Bradshaw. Labor statistics exclude agriculture.
- Andrew Rudnick: insertion of implementable to the thresholds.

Workforce Development:

- Pamela Henderson: group of people that followed the process, we worked with the strategies. The CFAs were being done as of yesterday. Developing and cultivating the WNY talent pool (get unworking working). How do we boost employment of these individuals? Expand apprenticeship models. Helmets to hardhats (est. 2003) veterans to career construction jobs. Use in healthcare, arts, etc. Train the individuals for up to 5 yrs and get accreditation. Can do the jobs we need them to do. Staffed Kiosk zone for people to find out about jobs. New job express launched that the Governor has pushed. Expand Internships & training: must get people into jobs, even if without pay initially, increase marketing, utilize BOCES. Enhancing one-stop centers – career planning, need to increase, possibly using Jamestown model. Buffalo Arts and Technology Center – get more funding (\$3.5MM now) to help get dislocated workers back to work in expanding job fields. Transferrable Skills – DOL, WIB, colleges, BOCES – need to be more flexible, alternative delivery methods, reskill companies to make them better at being competitive; getting workers trained=more work. NCCC indicated it would put in funds for Niagara County – Need more tourism & hospitality workers for the area. EFFORT: increase education from pre-k to 12th grade, use "Say Yes" program; individuals have basis to be employed.

- Mayor Brown – Say Yes. City made \$500,000 commitment to the program. Promise for a college education to every child in the Buffalo public schools/charter schools. Employment opportunities for ex-offenders – need more employment opportunities or will likely re-offend. Apprenticeship/job readiness programs need to educate young parents that don't have HS diplomas. These individuals have the hardest time obtaining employment.
- Gioia: Strickland model, educate welfare moms and former prisoners.
- Pamela Henderson: need to get grant applications through process
- Jeff Belt: Any initiatives to connect agriculture workers to half-way houses?
- Pamela Henderson: non-traditional person needs to be brought back into the system. Build programs that get all groups working.
- Paul Dyster – Issue for NF as well; structural issue. Large # of individuals with drug felony cannot find work. Need a program for these individuals. Unwed mother, out of workforce, utilize “Returnship” – little or no pay to get them back into employment.
- Pamela Henderson – Need structure: “Dream it – Do it”, program that helps to educate HS students in all industry sectors.

Entrepreneurship:

- Jeff Belt: Physiology/Goal Theme: move the economy to the people. Connect people with the jobs. Get hand on first rung of the ladder. Theme to be tough, see our region losing massive people, property values stalling, young leaving. Goals: grow business: simplify entrepreneurship; fund working capital; foster a culture of enter through mentorship. Survey monkey down to 7 initiatives. We are not asking for reform, we are asking for an umbrella to protect early companies from regulations.
- A Rudnick: Regulation and high taxes, vast majority of recommendations have to do with delivery of service removing barriers to EC activity, misstates a lot of our non-monetary suggestions.
- Bradshaw: What would be the correct statement. Lot of different themes, specific issues. How do we deal with the various items. Give us some direction.
- CO: Rephrase reform.
- Gioia: what appears to be missing is medical campus and entrepreneur opportunity at the Innovation Center. We built some great successes here. They manage billions of dollars, philanthropic area using mission based.....set aside \$500,000 for seed capital for entrepreneurship. New Tech Centers are very impressive, need to expand.
- Jeff Belt: Lots of initiatives over the next 2-5 years. In this document, we want 7 initiatives. 3 underfunded. Public \$ should be spent for WC for start-ups; need private sector investments in start-up; put forth jump-start (Cleveland model) needs to be funded here, which would include the medical campus. Matrix of high tech vs. Main Street. Don't have enough entrepreneurship throughout all industries/sectors.
- Deanna: Governor had strict goals re: MWBE, which needs to be incorporated in the plan. Is it imbedded in workforce development? Need to make a stronger impact.
- Rosa: Need opportunity for MWBE, we need that opportunity. Difficult to get projects through procurement process. Effort is not sufficient.
- Colleen: Can all this be covered in the summary narrative?
- Vasquez: Inclusion really needs to be addressed. We need to follow some sort of system, we need matrix.

- CPO: Can we refine with the chairman?
- HZ: we need narrative and then strategies that expand.

Smart Growth:

- Aaron: Efficiency denser, tighter patterns. Need to be more specific. Recognition that this region has older neighborhoods that can be the basis for a much stronger Smart Growth (SG) initiative. National Trust Conference. The ways in which SG can be an equity conversation; bringing jobs to these neighborhoods, make neighborhoods more dynamic. Need: Lack of flexible funding (like RESTORE funds): strategy sustainable neighborhoods; central business developments/Main Streets strengthen older corridors; fund focused on Brownfield remediation. Water oriented, need water quality and access, greenway construction, educating a culture for smart growth. Reach out to muni planning agencies and implement a SG culture; regional SG council to have ongoing conversation with the Governor's Smart Growth Cabinet re: SG legislation, on ground reporting to advance SG culture. Using specific neighborhoods for energy-efficient laboratories (i.e. Medical campus).
- Jeff Belt: SG has to say no more often. Stop investing in sprawl. It is under expressed in the document.
- Duncan: second, his town is making shovel ready sites - taking away farm land.
- A Rudnick: make framework around other objections. SG objectives need to be included in all objectives.
- Aaron – all issues were at the center of conversation. Strength our criteria (having council would help criteria overtime)
- Mayor Brown: supportive. Incentives built-in by state to discourage sprawl. No state \$ for projects that promote sprawl; incentives for SG, should be built into state policy.
- Vasquez: in silos, but what are the linked databases, can we link everything. What is the format? It's confusing.
- Aaron – Need clear criteria with matrix over time to stop sprawl. Need NYS legislation starting with State Smart Growth principles & will build.
- Tom Kucharski – Celebrated Lakeside Commerce Park yesterday. Be very cautious, this will shut down options for business and Brownfield remediation. Cannot stop business from expanding in non-urban setting.

Reform:

- Andrew Rudnick: don't like the format of tying to industry sectors, makes it confusing. Categories of reform or objectives of types of reform, which need to be organized in some other fashion.
- Duncan: agreed with Andrew. There are some unique industry regulations that need to be addressed, should be in industry section; but there are general issues.
- Gioia: regulation is necessary, but decision process is too long. Not a grant reward. Need to look at regulations.
- Andrew Rudnick: multi-sectored. The way we currently have it diminishes the significance. Not sure of the right way, but represses the issue.
- Duncan – Page 49, return on investment. 1 hour less for required regulations = several million dollars in savings.

- Vasquez: we've got to look at pros and cons. What do we lose if these reforms are implemented?
- Pamela: can we revise their section to include reform?
- HZ: CPO will find you to discuss further.
- Pamela – Need to address construction workers being brought in from out of state.
- Mayor Brown: Consider why people in business neighborhoods are not working in those businesses, not afforded opportunities.

Tourism:

- Jennifer feels pressure to market the region which is a significant connector to all sectors. Moved meetings around so the committee members could experience the other areas of our region. Three strategies: #1 Improve our image through comprehensive marketing to stimulate tourism, businesses, increase talent. Need to follow through with the plan, including a regional committee from reps from all sectors to come together and develop this marketing plan, including branding initiatives. #2 Focus on tourism industry – from top down; help them understand the industry as an export industry. Opportunity for many jobs and entrepreneur. #3 Facilitate growth of tourism product. Get message out about how important tourism and our assets are throughout the region.
- Andrew : We have marketing all over the place, separate, combined, etc. Seems like a lot the way it's currently laid out. Seems like too much, an excuse, if they market it, they will come. We need to consolidate marketing efforts.
- Duncan – move marketing into tourism.
- Tom Kucharski – intent was to try and not create too many entities, don't recreate the wheel, but rather build on what we have. Many of the agencies listed already have significant work and millions of \$ spent in the marketplace and it seems like some of the initiatives are good ones, but the way they're portrayed in the report, implies we need to start over. Need collaborative effort between agencies, reconsider how we address marketing, look at what's been done and see if the existing resources could be augmented/directed in a different, collaborative way.
- Rosa: Goals are very focused; how are we doing this? ???

Higher Ed

- Gioia – two strategies. Need seamless pipeline, educating workforce. Education is no longer a social issue, but an economic issue. Get students into secondary education. Need a means to an end. "Jumpstart" and "say yes" (from Syracuse).
- CPO - Can we phase things, can we start in Buffalo and then take to other sections of the region?
- Gioia: yes, set one up in NF and Jamestown. It's about training a workforce.
- Andrew Rudnick: City Promise must be funded first. Need to duplicate it after it's up and running.
- CPO: replicate the model.
- Andrew Rudnick – one district at a time.
- Gioia: is inclusive and comprehensive. Model that can be mirrored later in other communities.

Advanced Manufacturing

- Charles: 6 strategies. We have participants that were actually engaged in manufacturing of advanced devices, underrepresented groups, reps of research, government and not-for-profit. No segment of the lower 48 states of the U.S. have reversed the current trends of NYS without a major push from advanced manufacturing. Advanced manufacturing provides growth for professional services, outlet for entrepreneur energy, etc. We have great existing strengths in WNY. Tends to follow a clustering pattern (like Nano). Have basis with regional manufacturing association, BNE, ESD, technology transfer expertise of UB and Alfred, just need to expand. Obstacles: workforce, think outside the box, do we need extensive drug testing, obstacles with layers and levels of permitting and regulations (not just for advanced manufacturing)...compress the time period to complete the process, etc.
- Mayor Brown – train and prepare people – people cannot afford to get trained, provide stipends for training. People need to know what the opportunities are, high-paying, etc.
- Charles: the stipend is often paid by entrepreneur of product going into manufacturing, not government subsidiary.
- Pam: We need to connect all these ideas. We cannot get these people to these jobs. Need operational plan to implement what we are proposing
- Charles: agreed.
- Vasquez – future is nano-tech. Buffalo needs to make an investment.
- Jeff Belt – Initiatives to rock the technology funded by research out of the lab and into commercialization, including start-ups. We need to keep working on this after the strategy is submitted.
- Mayor Brown: how can Advanced manufacturing tie into life sciences development?
- Charles: Products from bio medical and material research. Need to locate material to proceed, the manufacturers tend to want to be close to the site of the research as products need to be refined. Need to be close to the research site, but needs to be at a lower cost market.
- Mayor Brown – Make that link clearer in the strategic plan.
- Rudnick – that is a hanging curveball.
- Brady – Advanced manufacturing should be thought of as directly linked to life sciences. Life sciences ARE the opportunity for advanced manufacturing.
- Charles – all eggs shouldn't be in one basket, for example energy storage is a promising industry for the region.

Professional Services

- Tom Kucharski: 8 strategies. 28,000 people employed in our region. Get existing companies in this cluster to network, collaborate, share information, target higher cost areas such as NYC/Toronto/Boston and convince companies to relocate here. Under the reform to suggest areas where we could share their experiences/best practices, then request legislative actions to reduce burdens.
- HZ: This is an important sector as it is one of our fastest growing categories.

Life Sciences:

- Andrew Rudnick: It's a complicated issue w/healthcare delivery; no brainers with life science initiatives. Connect healthcare with industry. Center for innovation and medicine (Jacobs institute & other partners), just need a piece of infrastructure to move along = Nanotechnology

for our region. Genomics originated from Roswell Park, the bio informatics on steroids, building on what is already in place in order to create a tracking system for gene structures in WNY. Regulatory section – legacy costs (Roswell) need to be dealt with by the state. Objective: retention and recruitment of talent for clinical specialties, business professionals. Complicated issue: what should community do to reduce cost of healthcare for our citizens, businesses and consumers? Unless we do something, healthcare will increase and quality will decrease. Collaborative plan in attempts to reduce those issues.

- Vasquez: Please make sure projects in this plan are inclusive. Need competition to reduce costs.
- Andrew Rudnick: Health planning initiative mirrors the Finger Lakes initiative.
- Bob Brady: part of the report is very well done; it's page 57 before we are presented with projects that actually ask for capital \$ and incentives. Life sciences: three initiatives order should be reversed with Jacobs being most implementable. Pages 25-57 are supportive initiatives, then industry focus....reverse order.
- Gioia: Roswell initiative brings everyone to the table. This region has to find a way to locate a sustainable Roswell Park.

Logistics:

- Colleen: work is already being done from BNP and BNE. We need a more formalized group to support marketing plan. We've had missed opportunities. Identify an approach to advance intermodal opportunities, enhance some studies, actions by the BNP and BNE. Need to flush out with CPO.
- Aaron: regional coordination, one concern is the focus on Peace Bridge, not on other border crossings. Still lack of clarity for the path forward re: bridges. Need conversation re: regional plan for border crossings.
- Colleen: formalized group would deal with that issue.
- Tom Kucharski: cautioned the establishment of another organization; being involved and located 20 logistics companies in the region. Existing entities utilize private funds and are limited to explore industry sections further. 12 years for marketing/branding – some proposals are looking for establishing additional entities. Would be strongly opposed; should be consolidated in existing establishments.
- Colleen: not a new entity, rather a more comprehensive entity
- Jeff Belt – Seconds Aaron's statement.

Agriculture:

- Duncan: marketing local products locally and regional/nationally, if necessary. Orange juice is available but no grape juice. Milk at one of the meetings was not local. Sector made up of mostly small businesses. Regulatory reforms would result in millions of savings annually and would increase sales. Removing redundancy, consolidating reports, improving efficiency with government. Increasing innovation, tying into research from universities, to increase efficiencies in equipment use, etc. Outreach to education, building a workforce making it a viable option for HS students. Agriculture isn't even mentioned at some high schools. What is the government getting for \$40M?
- Tom Kucharski: although cautious against creating another entity, an industry council is needed (or adhesion), agriculture companies do not have a forum to share ideas, etc.

- Duncan: don't want another layer of government. 20% increase in sales, it would flip to 100% private funding after 2 years. Agriculture consumes less than 1% of NYS budget.
- Howard: Agriculture should be on its own platform, per public suggestion.

Energy:

- Deanna: BNMC and battery storage will be identified in next draft. Need to return WNY to a global energy hub. Need to develop a consortium to drive the interface between education and the private sector. Drive what the market is telling us. Need PhD, engineers, etc. Need training schools as well. Need to be energy efficient with regard to transportation – heavy fleet owners are going in this direction. Met with SG group, need environmental language intermixed with SG.
- Andrew Rudnick: Areas for regulatory recommendations are huge and need to be lifted. Energy Hub is already a movement in the higher education sectors within and beyond WNY.
- HZ: Passionate sector in the public forum. Think about alternative fuels, etc.
- John Koelmel: How as a group do we move forward so as not to lose the inclusiveness and cohesion. Don't create more processes. Caution: a great job has been done so far, somehow we need to channel a collective energy and sustain it. We are all not going to win. How do we as a group not lose the momentum? We have reached the classic Buffalo "tipping point" where vested interests get in the way of implementation.
- HZ: We have established credibility and a commitment to move forward.
- Lieutenant Governor: The relationships established go beyond the \$40M prize. The point is to work together. Politics and territorialism have kept us back. The connections we have made have the power to move the region forward.