

VELOCITY

NORTH COUNTRY REGIONAL ECONOMIC DEVELOPMENT COUNCIL PROGRESS REPORT 2013

Teddy Roosevelt, an Adirondack enthusiast, provided this guidance to those questing to achieve great things:



“Believe you can and you’re halfway there.”

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INTRODUCTION	The Vision	5
	Introductory Narrative	6
PART I: OVERVIEW OF PROGRESS	Organizing for Round III	8
	Project Pipeline & Progress	9
	Interregional Collaborations	19
	Overview of Job Creation and Investment	22
	A Workforce for Today and Tomorrow	23
	Public Engagement	24
	Performance Measures	26
PART II: IMPLEMENTATION	Implementation Summary	30
	Implementation Narratives	31
PART III: OPPORTUNITY AGENDA		43
PART IV: INNOVATION HOT SPOT		49
PART V: CLEANER GREENER COMMUNITIES		53
PART VI: LIST OF PRIORITY PROJECTS	Priority Projects	60
	Other Regionally Significant Priorities and Initiatives	81
LIST OF APPENDICES		83

THE VISION

The North Country Will Lead The Economic Renaissance Of New York State's Small Cities And Rural Communities.

WE WILL

ENERGIZE OUR MICROPOLITAN CITIES, BUILDING ON GROWTH IN THE AEROSPACE, TRANSIT EQUIPMENT, DEFENSE, BIOTECH, AND MANUFACTURING INDUSTRIES.

ATTRACT AND NURTURE ENTREPRENEURIAL PIONEERS TO CULTIVATE INNOVATIVE CLUSTERS IN OUR RURAL COMMUNITIES.

MOBILIZE THE CREATIVITY AND CAPACITY OF THE GRADUATES OF OUR OUTSTANDING PLACES OF HIGHER EDUCATION.

CATALYZE THE HIGHEST PER CAPITA RATE OF SMALL BUSINESS START-UPS IN THE STATE.

ELEVATE GLOBAL RECOGNITION OF THE REGION AS ONE OF THE SPECIAL PLACES ON THE PLANET TO VISIT, LIVE, WORK AND STUDY.

ACTIVATE TOURISM AS A DRIVER TO DIVERSIFY OUR ECONOMIES.

PROPAGATE AN AGRICULTURAL REVOLUTION AS WE HELP FEED THE REGION AND THE WORLD.

CREATE THE GREENEST ENERGY ECONOMY IN THE STATE.

Actualizing this Vision will create family-sustaining jobs and build an innovative economy, capitalizing on our abundant natural capital — pristine waters, productive forests and agricultural lands; the splendor of the Adirondacks; and our dynamic international border.

A Journey Of Transformation

IN 2011, THE NORTH COUNTRY began a journey of transformation, embracing the opportunity given to us by Governor Cuomo and the State Legislature to chart a new course of economic development suitable to our own unique circumstances, characteristics and opportunities. That continuing journey is not unlike our journey down the Indian River in July as part of the Adirondack Challenge: somewhat unpredictable in terms of timing and the precise route, with rocks and other hazards along the way, but thanks to a great guide and great teamwork, reaching the finish we all set out to reach!

OUR GUIDE IS THE REGIONAL PLAN we were empowered to create for the North Country in 2011 - a five year roadmap designed for the particular economic rhythm and nature of our Region which is unlike any of the other nine. The great teamwork is the collaborative spirit which this process has engendered across a seven - county geography and industry sectors that had never come together in such a sustained way before.

OUR PROGRESS IS not only thanks to our plan and our teamwork, however, but also to a steadfast adherence to an objective process of assessment, planning and decision making that remains free of influence, deals or any consideration other than the shared aim of a more prosperous future and enhanced quality of life for the people of the North Country. Our progress can also be attributed the State's investment and confidence in our Plan. To vary from this process would be, to us, like leaving the raft to each make a different way toward the finish line.

IN 2012, WE SHOWED THAT our journey of transformation was delivering results. For 2013, we are happy to report that our Regional journey is on course and heading for our planned outcomes with all hands on board, paddling in unison. Now we can truly be seen accomplishing key aims and strategies to a degree many might have thought impossible in just two short years from the point at which our journey began.

OVERALL, JUST WHAT HAVE WE ACCOMPLISHED?

- *We have made great progress on all of the major strategies and ambitions in our Plan through the strong implementation of our projects but also through other means and channels.*
- *We have developed a sense of pride and budding optimism across the North Country - a belief that we know the best ways forward, possess the commitment and skills required, and have a new state process that is genuinely empowering and supporting our Region.*
- *We have created a collaborative partnership within and on behalf of the North Country Region that has only grown steadily more comfortable, confident and committed, with the best yet to come as this partnership broadens and deepens.*

INDEED, WE HAVE ACCOMPLISHED the first two years of our journey in such a way as to inspire entrepreneurs and business leaders, government officials, non-profits and others throughout the Region to similarly take up the guidance of our plan and to embrace new teamwork across traditional political and organizational boundaries. More and more, everyone is looking to the plan and, most importantly, looking for new partners and collaborators.

I

Overview Of Progress

A. Organizing For Round III

GOVERNOR CUOMO KICKED OFF ROUND 3 of the Regional Economic Development Council competition, hosting a co-chairs meeting and tasking each Council to both continue the momentum built in the first two rounds and to challenge them with new tasks for broadening the process of “transforming the state’s approach to job creation”. The Governor called upon the Councils to create an Opportunity Agenda, compete for Innovation Hot Spots and develop inter-regional and intergovernmental approaches to economic development.

OUR COMMITMENT TO IMPLEMENTATION of the Regional Plan is clearly evidenced in the North Country Regional Economic Development Council’s 2013 activities. The Council continues a regular meeting schedule and has adapted to changes in the Council’s membership and organization. In 2013 there were several Council member changes from both attrition and changes in the elected officials that represent the Region (see Appendix). The Council thanks all who served in 2012 and welcomes new members appointed in 2013.

THE COUNCIL ADDED THREE NEW WORKING GROUPS TO MEET THE GOVERNOR’S CHARGE:

1. *An Opportunity Agenda work group to develop a plan, strategies and actions to overcome challenges that prevent poor families and individuals from participating in New York’s economic revitalization.*
2. *An Innovation Hot Spot work group led by Clarkson University to compete for one of five Hotspots across the State to advance transfer of technology from the Region’s academic community to commercialization.*
3. *An Infrastructure work group to advance the development of infrastructure that is so critical to the Region’s economic success and to work with the Governor’s New York Works task force.*

THROUGHOUT 2013, the Priority Project and Plan Implementation Committee worked with all the Council committees on plan implementation monitoring and on developing new or revised strategies for the 2013 Progress report. Several NCREDC working groups have made significant progress. The Tourism Committee has finalized deployment of the Tourism Transformation Fund with a priority on lodging facilities throughout the Region. The Committee has also launched a process for identifying and designating Tourism Destination Areas for communities that recognize the contribution that tourism has in their local economy. The TDA process has potential for statewide deployment and the North Country Council looks forward to sharing this with the other Co-chairs at their next meeting.

THE HIGHER EDUCATION and Research Development (HEARD) consortium, a collection of eleven colleges, universities and research institutions across the seven counties, has spent much of the year advancing their work on STEM practices in the Region and developing a Region specific strategy for the Governor’s Next Generation Job Linkage Program. The committee has also worked closely with the Opportunity Agenda and Innovation Hot Spot working groups on the role that the Region’s colleges and universities have in advancing those strategies.

THE DEFENSE / FORT DRUM WORKING GROUP has advanced significantly on the Fort Drum housing strategies. To date, the Council’s investment of \$12.15 million has leveraged \$179.8 million in private investment, resulting in 1000 units of rental housing that is either built or will be completed by summer 2014. With the completion of this new rental housing, the work group is refining its housing strategy to increase investment in adaptive reuse of abandoned or deteriorated sites and rehabilitation of existing rental units.

THE AGRICULTURE WORK GROUP has focused on the opening of several new USDA certified meat processing facilities in the Region, including the mobile poultry processing facility funded in Round 1 of the CFA and new investments in the Region’s local foods economy. The Committee is also calling for some market and supply chain research that it hopes the SART team can help advance in the remainder of 2013-14.

THE COUNCIL HAS ALSO stressed the importance of outreach by its working groups and its leadership. In 2013 the Priority Project and Plan Implementation Committee (P3IC) met three times in different counties throughout the Region. The NCREDC Co-Chairs, Garry Douglas and Tony Collins, held outreach meetings in all seven counties during July and August giving local officials and the public opportunity to learn about the CFA process and an opportunity for the public to comment on the new focus of the Council in regards to the Opportunity Agenda and Innovation Hot Spot.

THE CLEANER GREENER COMMUNITIES Sustainability working group completed the North Country Sustainability Plan integrating many of the Council’s strategies and goals into the document. The NCREDC remains committed to a transparent, competitive and open process as it continues to implement the Region’s award winning plan.

B. Project Pipeline & Progress

IN 2012, THE COUNCIL ESTABLISHED the Pipeline Committee to collect information about projects and initiatives in various stages of development that may become critical to the future economy of the Region. The Pipeline Committee continued its work in 2013.

THE COUNCIL ENDORSED THE North Country Alliance (NCA) as a partner organization to identify and develop project intelligence for the Region. The NCA - an organization covering the seven county Region comprised of professionals representing 26 economic development agencies - serves as the conduit for project identification. The Council relies on the professional expertise of the NCA members to assess the viability and readiness of the projects entering the pipeline. Projects that are eligible for Excelsior Jobs Tax Credits or capital funds are identified in this process.

PROJECT SUBMISSION CAN come from a variety of organizations including, but not limited to, the private sector, economic development groups, non-profit organizations and municipalities. Pipeline submissions are logged in a database and help the Priority Project Selection Group as well as the Council identify potential projects that help advance Regional strategies or create new ones. In 2013 the Pipeline Committee identified 71 projects across the Region. As projects in the pipeline mature, they may be considered for CFA funding or Priority Project designation by the Council.



Energize our micropolitan cities, building on growth in the aerospace, transit equipment, defense, biotech and manufacturing industries.

I. OVERVIEW OF PROGRESS

“In Ogdensburg, an investment in road infrastructure at the Port of Ogdensburg has enhanced the facility’s ability to ship goods produced by North Country companies to destinations in North America and beyond.”

OUR SMALL CITIES — Watertown, Ogdensburg and Plattsburgh — have maximized the funding received through the Consolidated Funding process to foster growth and improve economic stability. Since 2011, \$52 million has been invested in projects within these three small cities. The projects leveraged \$281 million in investment. The Region is working to continuously upgrade the skills of its workforce to take advantage of growth in sectors such as biotech, advanced manufacturing, transportation and aerospace and defense.

BOCES OF Clinton, Essex, Warren and Washington counties conducted Assembling Industry Manufacturing and Education (AIME) training for adults interested in a career in Manufacturing. Training met standards set by the Manufacturing Skill Standards Council and attendees received Certified Production Technician Certification.

FUNDING AWARDED through the CFA process has enabled the expansion of the Bombardier train manufacturing facility, now a Center for Excellence for the Corporation. A proposed training program at Bombardier for Round 3 will help employees gain the skill sets needed to support the Center for Excellence concept. Prevost, a subsidiary of Volvo Group International, is opening a luxury bus manufacturing facility in Plattsburgh. HCR funds will be utilized to train the new Prevost employees hired over the next few months. The expansion of these major employers has led to the location of new suppliers in the area, further leveraging the investment made by NYS.

A SHORTAGE OF RENTAL HOUSING in the Fort Drum area has been an issue for years. Funding provided in Rounds one and two has significantly helped alleviate this problem, adding nearly 1000 new housing units in Watertown and surrounding areas. Projects proposed in Round three will further increase the quantity of quality housing that is affordable to military families. Supporting Fort Drum, the largest employer in the Region, remains a priority for the North Country Regional Economic Development Council.

IN OGDENSBURG, an investment in road infrastructure at the Port of Ogdensburg has enhanced the facility’s ability to ship goods produced by North Country companies to destinations in North America and beyond. In addition, the St. Lawrence Psychiatric Center is currently under review by the State as part of a statewide assessment on consolidating services. The North Country REDC has passed a resolution encouraging the State to retain the SLPC as a Center For Excellence.

THE CORE OF BIO-TECH COMPANIES located in the North Country experienced growth as well. One example is Asept Pak, which recently opened a new facility in Plattsburgh. The new plant is located in a former Pfizer facility on the former Plattsburgh Air Force Base. An investment by New York State in the company will allow them to produce new products and expand existing product lines. Another example is the Memorandum of Intent signed by Clarkson University and the Trudeau Institute laying the foundation to form a world-class biotech enterprise that couples the strength of each entity into a partnership that can dramatically energize the research to commercialization biotech product process.

Attract and nurture entrepreneurial pioneers to cultivate innovative clusters in our rural communities

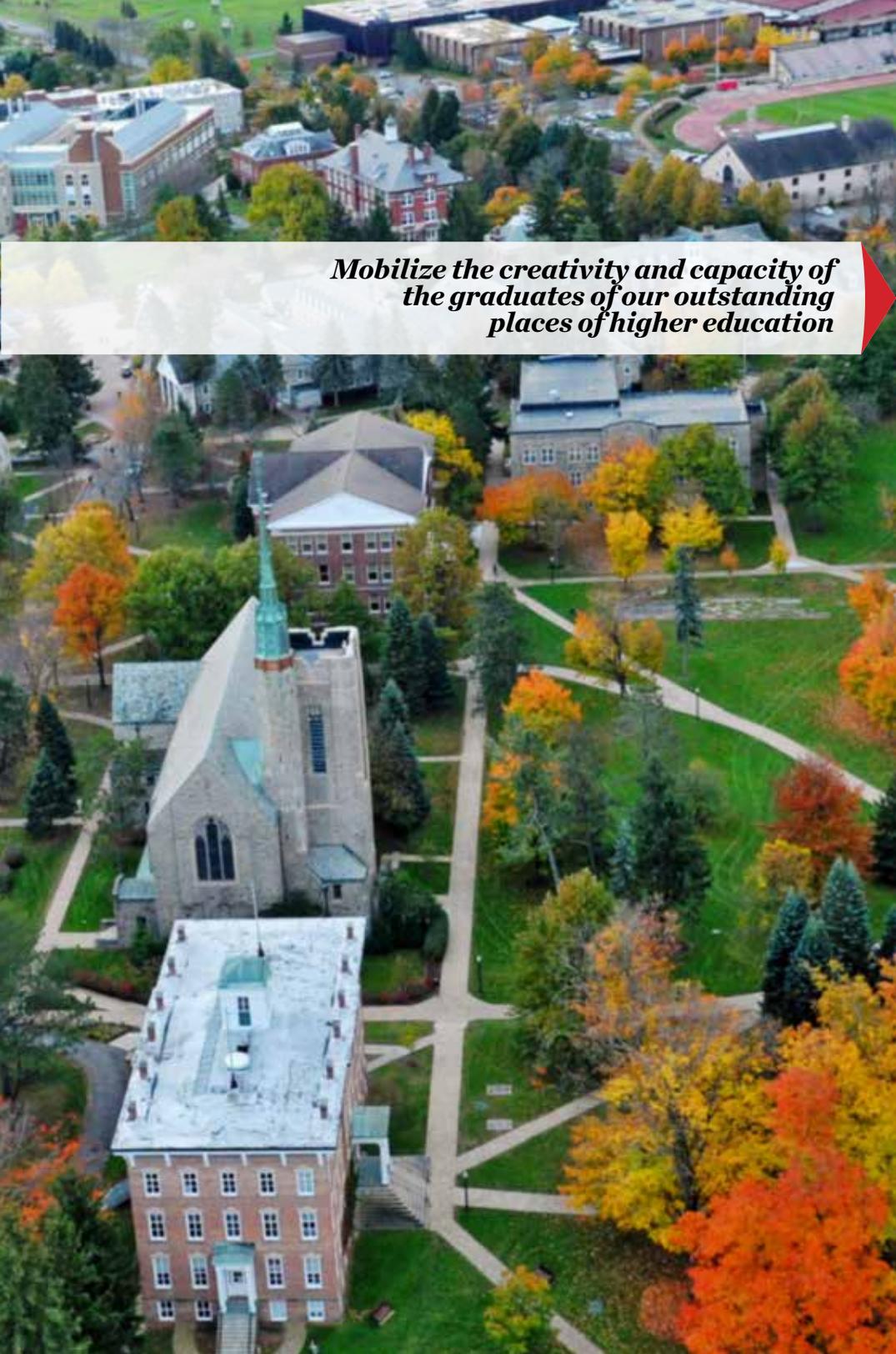


“Small business incubators at local universities continue to support the next generation of entrepreneurs.”

FOR ALL OF ITS CHALLENGES, the North Country remains an amazingly attractive place to start a business. Ample and affordable property, a capable workforce, reasonable labor and utility rates, appropriate assistance and a business climate that is enthusiastic about small business create fertile ground for growing a business. It is no wonder that the Region continues to lead the state in small business development on a per capita basis. Small businesses of all kinds – from entrepreneurial and innovative to mainline and traditional – characterize the North Country’s economy. Continued thoughtful investments in small businesses will result in major returns for our Regional economy.

IN 2012, THE COUNCIL LOOKED TO THE FUTURE and recommended several strategic investments designed to help improve or augment the climate for business development by focusing on providing the necessary infrastructure to be and remain competitive in a 21st century global economy. Three specific investments broadened the reach of Next Generation broadband access as the Region continues the effort to overcome our vast geography and to close the digital divide. Another investment created a web portal for Adirondack businesses to gain a worldwide web presence, an option that builds on the development of broadband into the Region just last year and which was not possible just two years ago. A Region-wide Infrastructure improvement fund was successfully implemented allowing the region to prioritize and fund strategic infrastructure improvements in several communities.

ANOTHER NEW CONCEPT funded in Round 2 was the development of a regional food hub located in Canton. This activity supports the Region’s agriculture industry and takes advantage of our relatively strong logistics capabilities. Small business incubators at local universities continue to support the next generation of entrepreneurs, and working together, form the basis of the North Country’s Innovation Hot Spot proposal.



Mobilize the creativity and capacity of the graduates of our outstanding places of higher education

“All of these institutions, and several Regional research facilities, have joined together to form the Regional Higher Education and Research Development consortium (HEARD).”

FROM LARGE TO SMALL, the transcendent value and the sterling quality of the academic offerings of our colleges and universities continue to impress reviewers from the Princeton Review, US News and World Report, Forbes magazine, Washington Monthly and others. It is not a surprise that PBS has chosen two North Country locations to showcase the role of “Universities and Colleges as Economic Drivers.” They also are continuing to grow their role, individually and collectively, as catalysts for positive economic change for the towns, villages and the Region they call home. In addition to the economic benefits associated with the students studying throughout the Region, each institution has pursued various avenues to advance the research and development of new innovation, technology and opportunities created by students and faculty alike on their campuses.

REGIONAL TECHNOLOGY DEVELOPMENT funds continue to be targeted to support innovative start-ups within the Region which, in turn, will augment the millions of dollars funneled into the Region to support research on the campuses each year. The recent announcement by Clarkson regarding its intention to repurpose its downtown campus buildings by expanding the Shipley Center for Innovation, and its designs for developing a “green” data center is typical of these initiatives.

ALL OF THESE INSTITUTIONS, and several Regional research facilities, have joined together to form the Regional Higher Education and Research Development consortium (HEARD) that will tap into the research and learning being accomplished by all the member institutions. This collaboration evolved from the success of the Regional economic development construct, and is designed to identify collaborative efforts in research, entrepreneurial training and scholarship support across the Region. The fruits of this collaboration are already being harvested:

- *The recently-awarded ADK PTECH strategy joins Clarkson University and Clinton Community College resources together to provide advanced technical training for over 6,000 students.*
- *The HEARD consortium plays an important role in the Region’s Innovation Hot Spot proposal which utilizes educational and institutional and private resources in Massena, Ogdensburg, Plattsburgh, Saranac Lake, and Watertown to work remotely with entrepreneurs, advance key business development aspects to the Shipley Center at Clarkson University for analysis and refinements, and maximize the potential benefits of business start-ups.*
- *An educational engagement effort spearheaded by CITEC to bring workforce development agencies in contact with appropriate university resources to advance learning in science, technology, engineering and mathematics (STEM). The underlying concept of STEM was to advance workforce development in these four focus areas.*



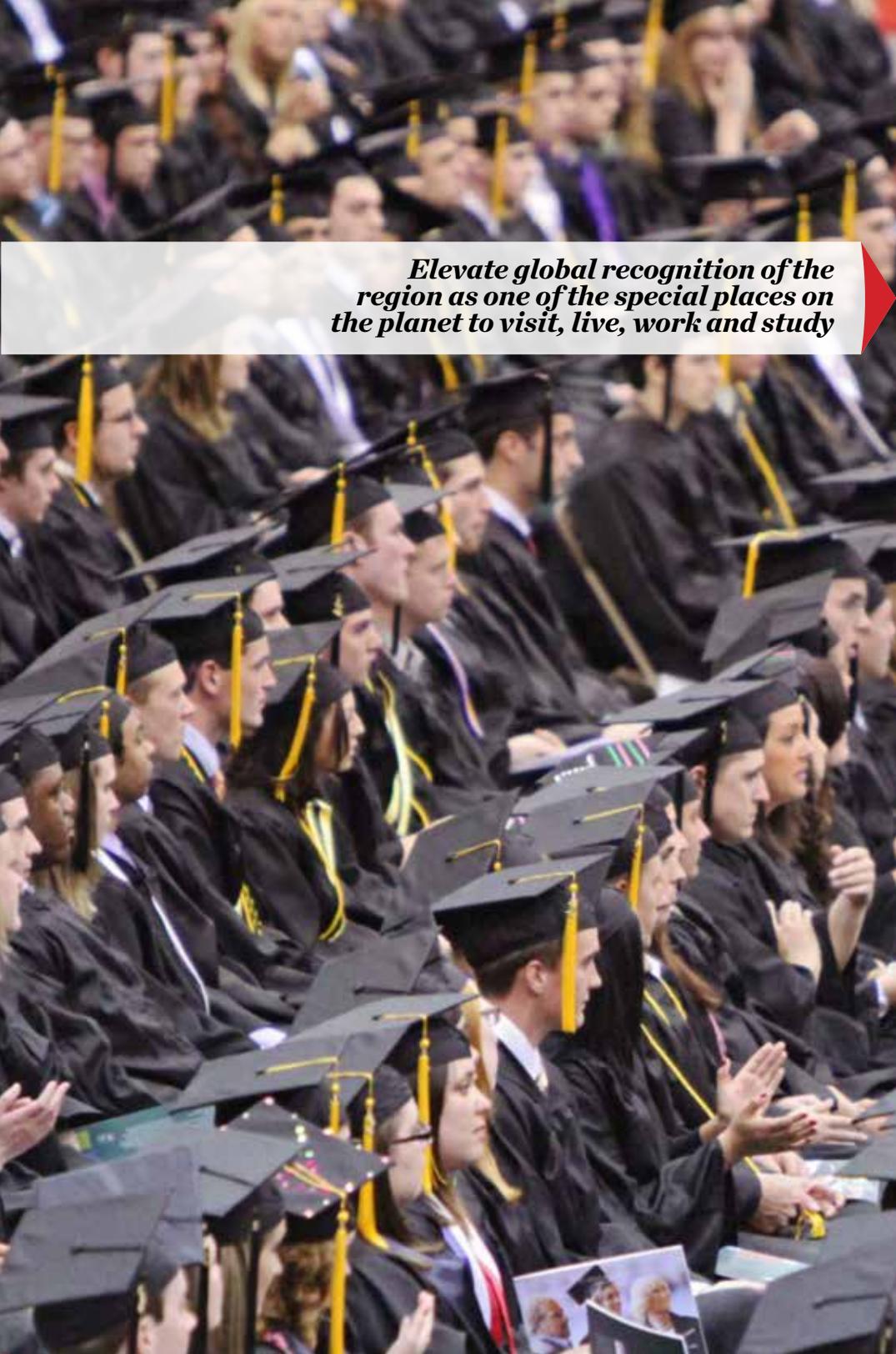
Catalyze the highest per capita rate of small business start-ups in the State

“Hundreds of new business start-ups were filed in the last two years.”

SMALL BUSINESS IS the Region’s bread and butter. According to NYS Department of Labor statistics, the number of small business firms within the Region increased by 172 (+3%) in the last two years (2010 – 2012) at the same time as the number of businesses overall decreased by 89 (-0.8%). More striking, however, is the importance of small business as a job creator within the Region. Not only are small businesses growing in number, they are growing even faster in employment. With nearly 25% of all regional employment currently coming from small business, it is gratifying to report that over the same time frame, employment in small businesses has grown by nearly 7 percent at the same time that there has been an overall decrease in regional employment by nearly 1 percent.

MUCH OF THE CREDIT GOES to the risk taking entrepreneurs operating these small businesses, but some credit also belongs to a Region that has strongly valued small business as an employment generator. The North Country has, for years, employed a robust network of small business assistance programs. Among them are the entrepreneurial training and mentoring programs delivered by a number of universities (that coalesces in this year’s Innovation Hot Spot proposal), the Region’s three Small Business Development Centers (Canton, Plattsburgh, Watertown), Regional development entities such as the Development Authority of the North Country and the Adirondack Economic Development Corporation (AEDC) and a host of IDAs and LDCs. These economic development organizations manage small business loan funds and arrange for technical assistance. Despite the risks associated with starting a new business, especially in a period of economic recovery, the Region is pleased to report that, according to data received from the County Clerks and the NYS DOS, hundreds of new business start-ups were filed in the last two years. Entrepreneurs continue to invest in the North Country and the North Country is prepared to invest in their success.

TO PROVIDE GREATER ACCESS to start-up capital in underserved localities, in Round 1 the State funded six micro-enterprise grant projects. In 2012, a special fund was created to assist small town cinemas convert projection equipment to a new digital standard. In addition, a regional last-mile technology development fund was established and funding was provided to support North Country artisans.



Elevate global recognition of the region as one of the special places on the planet to visit, live, work and study

“Regional institutions of higher learning are climbing in both national and international rankings.”

THE NORTH COUNTRY has attracted national and global attention over the past year. Its success in implementing its regional development plans continues to bolster the sense of excitement and commitment among residents, universities, businesses and municipalities to a strong economic future and its important role in the overall economy of the State.

AS NOTED EARLIER, the regional institutions of higher learning are climbing in both national and international rankings in terms of the quality and value of their educational offerings. The institutions are also well regarded with respect to their leadership on emerging issues, including “green” initiatives, improving cultural diversity and their progressive learning pedagogies.

FORT DRUM RECEIVED a ‘Community of Excellence’ award for the fourth straight year, ranking among the Army’s top installations, for its outstanding support and services to 10th Mountain Division soldiers and families. And, importantly for the Region, the 10th Mountain Division soldiers especially like Fort Drum. Fort Drum recently won the FORSCOM Commanding General Category C Award for the highest retention rate among installations of similar size. It is rapidly losing the distinction of being the Army’s “best kept secret.”

FOREIGN DIRECT INVESTMENT (FDI) Magazine recently identified Plattsburgh this year as the fourth best micropolitan “City of the Future” for all of North and South America, climbing from its ninth-place ranking the year before. The fDi research team evaluates 60 criteria spread across seven selection factors designed to assess a city’s potential to attract business investment projects.

AMERICAN GIRL CHOSE Sackets Harbor as the setting for the back story of its History Series doll “Caroline Abbott” released in the fall of 2012. An American Girl doll weekend was held in the village in the summer of 2013, drawing collectors and enthusiasts from across the country.

RECENTLY, A PROJECT AWARDED by the Council in Round 1 – the North County Sustainability Plan - received recognition as one of the top innovation and sustaining places awardees by the American Planning Association.

ITS NATURAL BEAUTY AND ATTRACTIONS speak for themselves, but combined with the elements noted above, prove that the assets of the Region are being valued not only by those that call the Region home today, but also by those looking for unique and intriguing places to visit, live, work and study.

Activate tourism as a driver to diversify our economies



SOME PROMINENT EXAMPLES OF FEATURED MEDIA COVERAGE:

- In January 2013, the *New York Times* included the Adirondacks as one of its top 46 places on the planet to visit in 2013, ranking up there with Paris, Amsterdam and Rio De Janeiro.
- The *Smithsonian Magazine* followed suit with an article in its April 2013 edition titled, *The Birthplace of the American Vacation*. “One of the little-known turning points in the history of American travel occurred in the spring of 1869, when a handsome young preacher from Boston named William H.H. Murray published one of the first guidebooks to a wilderness area (today the Adirondack Park). The article then goes on to describe the adventures that awaited the intrepid traveler of the 1800’s, and how Murray’s general message of the guidebook could not be more valid today. Within a day’s drive for 60 million people lie vast swaths of wilderness, including some 3,000 lakes that are now protected as part of the Adirondack Park - a sprawling 6.1 million acre reserve that is larger than Yellowstone, Yosemite and Glacier national parks combined.”
- *Outside Magazine* featured the St. Lawrence River and Watertown as one of the best 27 summer getaways. “Within 3.5 hours of the Albany airport, you can sea-kayak among storied shipwrecks, paddle Class IV rapids, and splash around in some of the country’s oldest lakes.”
- *Great Lakes Boating magazine’s Cover Story* in August 2013 featured the *Antique Boat Museum in Clayton (Jefferson County)*.
- *RoadRUNNER Motorcycle Touring and Travel magazine* listed the *Seaway Trail along Lake Ontario and the St Lawrence Seaway* in their bucket list of best motorcycle tours.
- *USA Today* included the *Thousand Islands* as one of the top 10 best places for bass fishing. “This section of the St. Lawrence River Valley in Upstate New York and on the Canadian border is not only a long-recognized beauty spot; it’s also renowned as a hatchery for smallmouth bass.”
- *Whiteface Mountain* has been ranked by *Ski Magazine* as the #1 ski resort in the eastern United States.
- The *BASSMASTER Elite Series* enjoyed record crowds of enthusiasts and outstanding fishing for a four-day televised tournament hosted by Waddington, NY and Governor Cuomo has committed to bringing the *BASSMASTER* series back to New York in the Finger Lakes next year.

“Essex County reports an increase of 9% in visitors over 2012, which represents a 10% increase over the last five-year average.”

IN 2012-13, the stage for tourism in the Region (and across New York) was set by Governor Cuomo in his State of the State address when he advanced tourism as a major theme of his administration and also announced the Adirondack Challenge. Believing that New York as a whole had much greater tourism potential, the Governor called on the Legislature to work with him and the Regional Councils on tourism marketing, business development and promotion of New York products and assets to the State, nation and world.

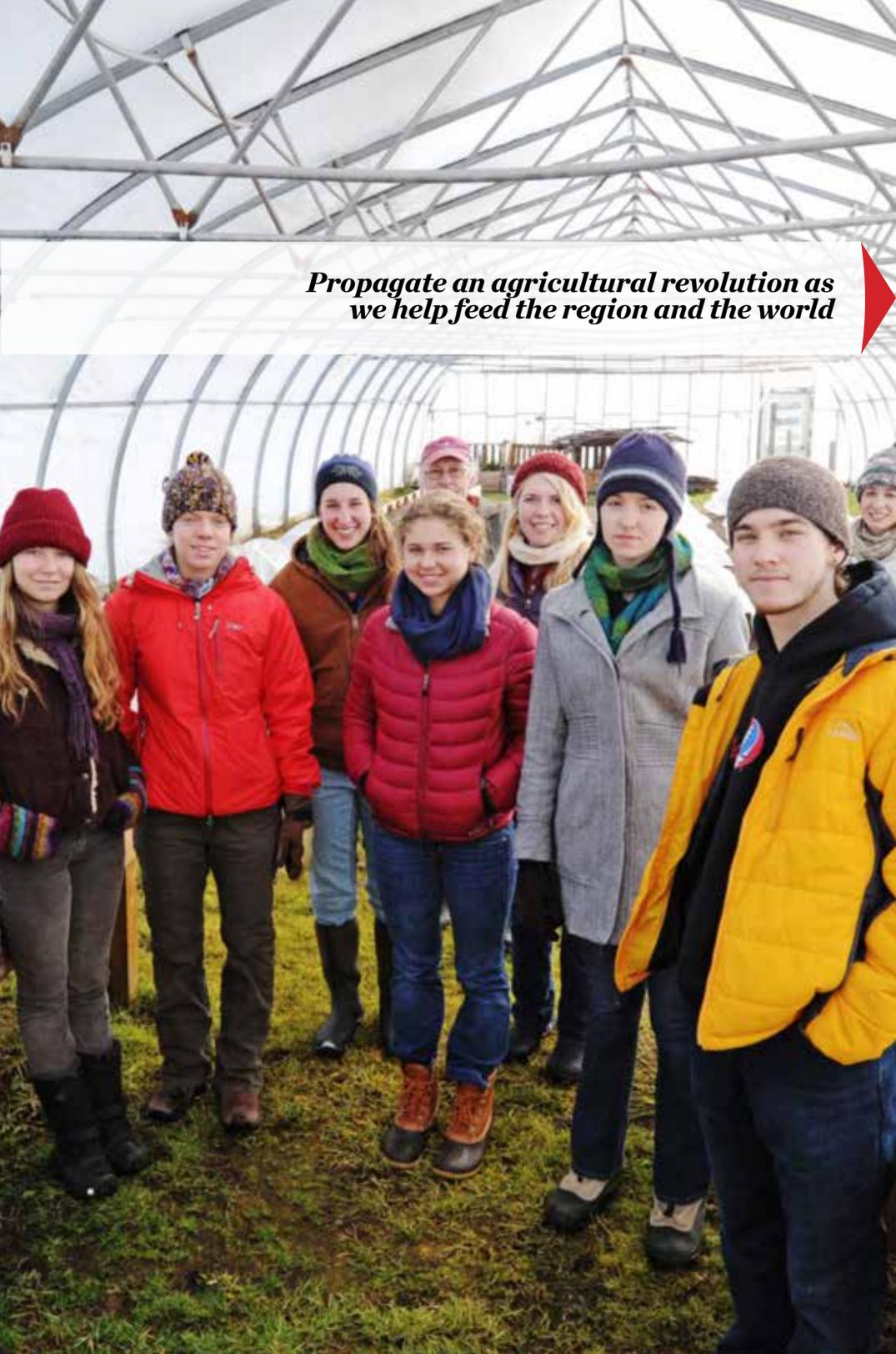
MEDIA COVERAGE HAS CLEARLY impacted the number of visitors that are flocking to the Region. For example, Essex County reports an increase of 9% in visitors over 2012, which represents a 10% increase over the last five year average. With respect to the Adirondack Challenge, a whitewater rafting competition and festival on July 20 and 21 in Hamilton County, the Governor was joined by many State elected officials in a white-water race with extensive media coverage. For many, it was the first time they had ventured north of Albany to explore the Region and by all reports it was a wonderful success and will become an annual event.

MAKING A COMMITMENT TO the tourism economic sector, leveraging private investment in tourism assets and infrastructure, marketing the North Country and hosting world class events and festivals has been a cornerstone of the NCREDC Strategy. 2012-13 was a wonderful year for tourism in the North Country and has helped develop the Region as a premier destination in New York. Our progress on strategies, numbers in the tourism economy and leveraged private investment are a testimony to our success.

INVESTMENTS IN MAJOR TOURISM ASSETS is continuing with projects at The Wild Center (Tupper Lake), the Adirondack Museum (Blue Mountain Lake), and Great Camp Sagamore (Raquette Lake) being funded in Round 2. Renovation of the Strand Performing Arts center is nearing completion and is a center piece for revitalization of downtown Plattsburgh. Of critical importance is the fact that these projects (and many like them) demonstrate how public and philanthropic community investment can help strengthen our downtowns as centers of commerce, tourism and improved quality of life.

IN A BOLD STROKE, the State also funded a local tourism development investment pool which will allow the Region to assist tourism based projects that advance regional tourism development goals. A Key Strategy in our 2011 Plan, this fund along with other State investments in Clayton and Saranac Lake are making our Region a more robust tourism destination area.

FOR THE FIRST TIME, on the heels of the successful Adirondack Challenge and the BASS Masters Tournament event in St. Lawrence County, the North Country TPAs are working together on a broad marketing initiative to target multiple attractions across the Region.



Propagate an agricultural revolution as we help feed the region and the world

“The Council invested funds to create the first USDA-certified meat processing facility in the Adirondack Park, and construction of the Adirondack Meat Company in Ticonderoga is substantially underway.”

ADVANCEMENTS OVER THE PAST YEAR in the Region’s agriculture industry have created national, regional and local impacts for the North Country’s economy. The North Country’s dairy operators and agri-businesses continue to reign as primary contributors to the nation’s dairy industry. Last year, representatives from the Region’s dairy industry participated in Governor Cuomo’s Yogurt Summit to identify efficiencies that would allow dairy producers to become more competitive and take advantage of the nation’s booming Greek yogurt market. The Summit resulted in the removal of regulatory burdens and the availability of State resources that would allow dairy producers to expand herd sizes and improve farm operations. A strategic partnership was also made between NYSERDA and Greenwood Dairy Farm - one of the Region’s largest dairy operators - to host an anaerobic digester that will generate electricity from the farm’s manure pits. This partnership will result in a renewable energy source that is tied to the grid; improve productivity by decreasing the farm’s operating costs; and can be replicated by other large dairy operators in the North Country.

AS A RESULT OF ACTIONS SUCH AS THESE, Governor Cuomo announced New York now ranks number one in the nation for Greek yogurt production. The State also ranks number one in the U.S. for cottage cheese and sour cream production. In addition, milk production in the state grew 3% from 2011, outpacing the national average of 2.1%. Chateaugay - based

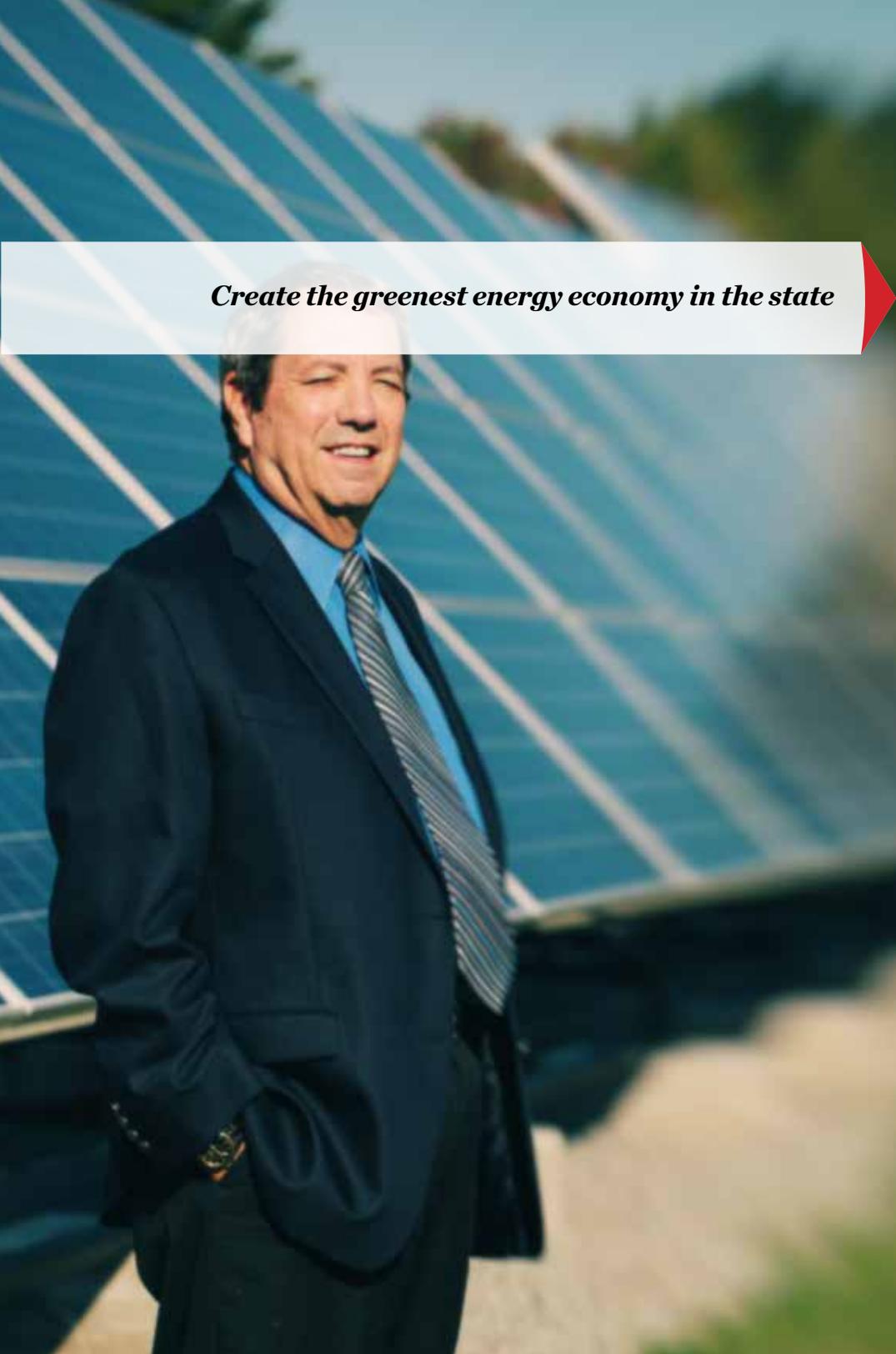
McCadam Cheese, meanwhile, won first place for categories at the American Cheese Society Competition in Raleigh, North Carolina, and brought home ten cheddar cheese awards at the 2012 New York State Fair. These collective accomplishments yield a direct positive impact on the Region’s farming industry as one-fifth of the milk cows in New York are located in North Country farms.

OTHER RECENT NATIONAL DEVELOPMENTS have positively affected two other North Country products: maple syrup and soybeans. The State continues to rank 2nd in the nation for maple syrup production, and more than one-third is traditionally made in the Region. This year, New York maple producers adopted international standards to grade maple syrup, criteria which were thoughtfully developed by New York, Maine, Vermont, and Canadian stakeholders over the last decade, and this is anticipated to result in positive, long-term impacts for the industry’s consumer marketing efforts. A healthy domestic and international market for soybeans, meanwhile, more than tripled the number of railroad cars loaded with North Country soybeans for export (from 14 cars in 2010 to 50 loads in 2012).

ADVANCEMENTS IN AGRI-TOURISM in the Region include the State Legislature’s designation of the Adirondack Coastal Wine Trail to promote wineries and cideries in Clinton County, and current efforts to designate the Thousand Islands Seaway Wine Trail as an

“American Viticulture Area.” This designation will promote and distinguish the geographic qualities of locally produced wines and grapes in Jefferson and St. Lawrence Counties. Other North Country successes in value-added production include the opening of the Region’s first micro-distillery in Clayton, which produces premium-grade distilled products from locally grown grains and fruits, and was featured in the summer issue of Martha Stewart’s Weddings Magazine. The opening of the St. Lawrence Brewing Company in Canton, meanwhile, seizes on the only growing sector in the nation’s beer market by producing a variety of year-round and seasonal craft beers from locally grown hops and barley. Last year, the Council invested funds to create the first USDA-certified meat processing facility in the Adirondack Park, and construction of the Adirondack Meat Company in Ticonderoga is substantially underway. Once complete and in operation, the facility will slaughter, process and package a variety of meat products for North Country livestock suppliers, and reduce waiting times from twelve to three months.

SINCE 2002, the demand for local food production has resulted in a 60% increase in the number of vegetable farms in six of the Region’s seven counties. To maximize crop productivity, 40 vegetable and fruit growers participated in the Northern New York Agricultural Development Program’s education and outreach program on soil testing and strategies to improve soil fertility.



Create the greenest energy economy in the state

“The North Country is already a leader in renewable energy, providing 30% of the State’s grid-tied renewable electric energy.”

THE NORTH COUNTRY CONTINUES TO drive this vision forward at both micro and macro levels. The Round 1 Priority Project Cleaner Greener Communities (CGC) Sustainability Plan created a baseline Greenhouse Gas (GHG) Inventory around which to measure GHGs and energy use going forward. The North Country is already a national leader in renewable energy, alone providing 30% of the State’s grid-tied renewable electricity energy. Over 94% of the Region’s electricity is generated from hydro, wind and biomass.

THE CGC PLAN, COMPLETED IN 2013, built on the NCREDC’s vision and established as one of its goals “Creating the greenest and most self-reliant energy economy in the State.” Expanded development of renewable energy generation, transitioning from fossil fuels such as oil and propane to locally produced biofuels, and improving the efficiency of our buildings and industrial processes are all part of this dynamic energy future for the Region.

THE REGION BOASTS A STRONG innovative presence through technological and engineering programs at Clarkson University and SUNY Canton that will help spur development of cutting-edge renewable energy technologies. North Country universities and colleges, including Clarkson, have committed to increasing their percentage of renewable energy utilization (e.g. Clarkson 25% by 2015). Through the creation of new business models based on renewable energy, the growth in jobs associated with clean energy, and money saved from the use of renewables or from energy efficiency retrofits, countless North Country residents are already realizing the benefits of a cleaner energy economy.

2013 SAW THE OPENING OF ReEnergy’s Black River plant, a Priority Project that was awarded \$30 million in Industrial Revenue bonds in Round 2. The facility has 60 megawatts of generation capacity using biomass as its primary fuel, creating new jobs and a new renewable energy source for the North Country Region. 180 jobs were created during the retrofit of the facility, 33 workers are employed full-time at the plant, and an estimated 144 people are working in logging crews collecting forest residue from Regional forests.

CURRAN RENEWABLE NOW DELIVERS wood chips or wood pellets to schools, municipalities, institutions and residents. They also deliver to a new refinery and testing facility in Ontario where they extract sugars and chemicals for food grade cooking oil, and extract liquid energy from the wood fiber to replace fossil fuel. New York State’s Green Bank is looking at the North Country as a potential pilot location for biomass expansion. A market assessment is currently being conducted for the Green Bank to identify where biomass energy support can significantly contribute to market and/or product development, expansion and stabilization. International Paper in Ticonderoga is moving forward on installation of the natural gas pipeline that will reduce GHG emissions by 33% and retain 640 jobs.

NEW STRATEGIC INITIATIVES

THE NCREDC PLAN INCLUDES two new strategies – the Opportunity Agenda and the Innovation Hot Spot.

THE OPPORTUNITY AGENDA was crafted by a group of community development experts from across the Region to address the challenges of chronic poverty and unemployment in the North Country. The North Country Opportunity Agenda will overcome barriers to economic participation, and will help move impoverished people into jobs, promote public – private partnerships in job investments, and revitalize distressed communities across the Region.

THE INNOVATION HOT SPOT PROGRAM will capitalize on the well-established capabilities and experience of Clarkson University’s Shipley Center for Innovation and Reh Center for Entrepreneurship to identify and assist entrepreneurs in developing their businesses. Clarkson University will establish a presence in five locations — Watertown, Ogdensburg, Massena, Saranac Lake, and Plattsburgh — to leverage Regional resources to create great products for hot markets. Clarkson’s array of services will include product prototyping, incorporation, capital formation, intellectual property protection, web presence, as well as many others that will collectively help ensure the success of new businesses in the Region. The full Innovation Hot Spot program, including strategy and implementation plans, is included in the Appendix of this report.

C. Interregional Collaborations

THE VAST GEOGRAPHY and generally sparse population of the North Country, juxtaposed with its strategic location and high ambitions, has long required a level of cooperation with neighboring Regions that makes cross-regional collaboration especially natural and routine. Indeed, our history of partnership is not only inter-regional in the sense of looking south but international in the sense of working with our natural partners in Canada - in part, serving as a positive bridge for all of New York State in its vital economic connections with Quebec and Ontario.

OUR GEOGRAPHY AND TRANSPORTATION infrastructure tend to define our strongest and most established cross regional alignments - with the eastern part of the North Country connecting with Quebec to the north and the Capital District to the south; the western part connecting with eastern Ontario to the north and Central New York to the south; and the Adirondacks crossing into the Mohawk Valley and the Capital District. A number of long-standing relationships reflect these dynamics - the Tech Valley Coalition that connects Franklin, Essex, Clinton and Hamilton Counties with the Capital Region and Hudson Valley; various economic development initiatives linking the Region from St. Lawrence County to Syracuse; the Adirondack Association of Towns and Villages and the Adirondack North Country Association (working from the Mohawk Valley north); the Tug Hill Commission working in a multi-county area that is part of three regions; and the Quebec-New York Corridor Coalition, linking partners from Quebec City to Albany, among others.

THESE AND SIMILAR CROSS-REGIONAL partnerships have not only continued but in various ways feed our Regional Council process and align their activities with our Regional Plan. This tradition of cross-regional thinking and linkage has also helped to generate a number of new cross regional collaborations during the first two Rounds of the Regional Council process, including the the examples on the following pages.

ADIRONDACKS

The NCREDC took the lead from the start in framing an Adirondack Park Working Group that would look holistically at all of the Park area and invite the participation of leaders from those areas of the Park in the Capital District and Mohawk Valley regions as well. Examples of cross-regional actions related to the Adirondacks include:

- **ADIRONDACK PARK WEB PORTAL:** A joint Priority Project of the North Country and Capital regions last year, led by the Adirondack Association of Towns and Villages, CAP-21 (Mohawk Valley) and the Center for Economic Growth (Capital Region). A tri-regional project in support of tourism and community development in the Adirondacks, Phase II of this undertaking is now pending approval.
- **BROADBAND:** The NCREDC gave Priority Project status last year to a broadband development project serving both Hamilton County (North Country) and Herkimer County (Mohawk Valley). The Newport Telephone Co. project is bringing broadband access to residents and communities in a part of both counties, while also creating a vital redundant connection for the Hamilton County 911 dispatch operation and emergency services.
- **ADIRONDACK PARTNERSHIP/ RECREATION STRATEGIES:** The three regions, under North Country leadership, have developed the Adirondack Partnership, a broad collaboration in tangent with the Adirondack Association of Towns and Villages in support of community development and sustainability. The Partnership is now a key part of bringing the North Country, Capital District and Mohawk Valley regions together, through shared support of events such as the 2013 Adirondack Challenge and the identification of the broad recreational assets of the Adirondack Park. This includes development of the Upper Hudson Recreation Hub, uniting five towns who share parts of the major Finch Pruyn forest lands acquired by the State through the Nature Conservancy for purposes of joint planning and shared promotion of new recreational opportunities. These five towns straddle the North Country and Capital regions.

DIGITAL CONVERSION

The NCREDC highlighted a looming crisis for small community cinemas in the Adirondacks last year, faced with the high cost of a mandated conversion from film to digital projection technology. We brought the issue to the State's attention, leading to the active engagement of the NYS Council on the Arts and Empire State Development and the new availability of funds statewide. In the meantime, one of our North Country based economic development partners, ANCA, launched the "Go Digital or Go Dark" initiative, building public awareness of the endangered future of many small, independent movie theaters together with a public fund raising campaign. Through this effort, at least three theaters have obtained sufficient funds to convert - two in the North Country and one in the Capital District (Warren County). ANCA's effort which crosses the REDC lines will continue, with strong NCREDC support.

BROADBAND DEVELOPMENT

In partnership with ION, the Development Authority of the North Country has secured major federal funding to build upon DANC's existing broadband network in Jefferson, St. Lawrence and Lewis Counties, creating a Regional ring interconnecting all parts of the Region with Regions to the south. When complete, this project will create a broadband ring from Lowville (North Country) to Utica (Mohawk Valley) and back to Syracuse (Central NY), while also extending its existing network to Franklin, Clinton and Essex Counties, creating connections with networks there which in turn link to the Capital Region.

NUAIR ALLIANCE

The Northeast UAS Airspace Integration Research Alliance is a remarkable strategic collaboration of the Mohawk Valley, Central New York and North Country Regions, along with partners in Massachusetts. The FAA is considering the designation of six broad Regions with strong supporting partners as "Unmanned Aircraft Systems Test Sites". The NUAIR proposal brings together various assets and partners in all three Regions, based upon the aviation assets at the former Griffiss Air Force Base (Mohawk Valley) and including the assets at Fort Drum and Plattsburgh (North Country). We have worked with our partners on advocacy efforts in Washington and are presently involved in the development of economic impact information in support of the pending proposal.

RAIL INFRASTRUCTURE

All of the North Country's significant railways and rail assets are dependent on links and collaborations, north and south, and these collaborations are in action. We are joined with Central NY and Quebec in supporting new investment by CSX in its railway from Montreal to Syracuse, including a proposal for a potential new intermodal center at Massena. We are joined with partners in the Capital Region on efforts to continue to enhance speeds and reliability on the CP/D&H line between Albany and Montreal, including the finalization of a U.S.-Canada agreement for the pre-inspection of Amtrak passengers crossing the border and the permanent addition of a baggage car on this service for bikes and recreational equipment - a current shared North Country/Capital District effort in partnership with Senator Schumer and others. We are also joined with Warren County (Capital District) in continued support of the Saratoga & North Creek Railroad, including needed upgrading of the line from North Creek to Tahawus to accommodate new freight operations. And this year, we established a joint position between the North Country and Mohawk Valley REDCs regarding the preservation and rehabilitation of the Adirondack Railroad from Utica to Lake Placid.

BEACON INSTITUTE – CLARKSON UNIVERSITY

With the strong support of the state and the two REDCs, a major alliance has been established between the Beacon Institute for Rivers and Estuaries in Dutchess County (Hudson Valley) and Clarkson University (North Country). “Beacon Institute for Rivers and Estuaries-Clarkson University” is now providing far-reaching environmental and economic benefits under a new name and operational structure, establishing New York as an even stronger leader in research and education for water innovation. The alliance has also brought valuable academic offerings to the Hudson Valley, including an MS in Engineering Management, along with access to Clarkson’s Center for Advanced Materials Processing (CAMP). This remarkable partnership is now establishing key footholds in the Hudson Valley, Capital District and North Country Regions, is bringing value to the Hudson Valley while also strengthening Clarkson in the North Country, and provides a model for other potential inter-regional partnerships across New York.

RESEARCH AND INNOVATION PARTNERSHIPS

While there are a number of inter-regional collaborations involving our colleges and universities, the NCREDC has placed special emphasis on the opportunities for such connections posed by Clarkson University. We are proud of the network of meaningful and substantial partnerships being established by Clarkson on behalf of the North Country Region. In addition to the aforementioned alliance with the Beacon Institute, new inter-regional initiatives include the following:

- **SUNY IT:** Clarkson is a partner with SUNY IT (Mohawk Valley) in their successful SUNY 20/20 project. The partnership is coupled to the Center for Global Advanced Manufacturing (CGAM) and provides access to testing materials and equipment not generally available to small and medium sized companies as well as workforce training in the Hudson and Mohawk Valley regions.
- **SYRACUSE CENTER:** Clarkson is one of four founding institutions in the Syracuse Center of Excellence in Environmental and Energy Systems, along with Cornell, the University of Rochester, SUNY ESF and SUNY Albany. The partners are jointly pursuing innovations that can improve air quality in built environments and protect water resources. Clarkson is actively engaged through its Center for Air Resources Engineering and Science.
- **NYS SMARTGRID CONSORTIUM:** This is a non-profit partnership (with several institutions including Syracuse University, CUNY, Stony Brook, and NYU-Poly, as well as corporate and other partners) formed to promote statewide implementation of a safe, secure and reliable smart electric power grid.
- **GREAT LAKES:** A team from Clarkson (North Country), SUNY Oswego (Central NY) and SUNY Fredonia (Western NY) has partnered to operate the Great Lakes Fish Monitoring and Surveillance Program, collecting air and water samples looking for traces of contamination to the lakes’ food chain.
- **BLADE TEST FACILITY:** The Blade Test Facility at Clarkson has been established as part of the Center for Evaluation of Clean Energy Technologies, an Intertek Company, with funding from NYSERDA to support and grow New York based wind activities through testing, research and certification of wind turbine systems. Partner institutions across the State include Alfred University, RPI and SUNY Binghamton as well as many corporate partners.

CANADIAN CONNECTION

In addition to serving the entire State in its vital connection with Canada through our many efforts on behalf of border fluidity and the U.S.-Canadian relationship, we have also stepped up our special role as a facilitator of contacts and relationships with Canada for other regions and partners across New York. For example, since January we have pro-actively made connections and introductions linking the following with the Quebec Government and the FCCQ (Quebec Chamber): Center for Economic Growth (Albany), Tech Valley Global Business Network (Albany-Colonie Chamber), Buffalo-Niagara Partnership, CenterstateCEO (Syracuse), and the Rochester Business Alliance. A business-to-business initiative is being actively developed. We also facilitated contacts between Quebec and other strategic interests such as GlobalFoundries, SUNY Chancellor Nancy Zimpher and Business Council CEO Heather Briccetti, among others. In November, we are hosting a visit by Niagara County IDA to share how our region works effectively in Canada.

D. Overview of Job Creation and Investment

MANY ELEMENTS OF traditional manufacturing in the North Country have declined as it has statewide, while others are going through changes and transitions. At the same time there are bright spots emerging such as transportation equipment in Plattsburgh, new biotech investments in Saranac Lake, expanding agriculture related manufacturing in Lewis and Jefferson Counties and a unique opportunity in the North Country to take advantage of rising Canadian interest in investing in the U.S.

FROM THE OUTSET, the Council recognized that the Region had to devote resources to maintain and expand existing manufacturing businesses where possible and to attract new investments in manufacturing that reflected emerging opportunities in manufacturing. Since 2011 the Council oversaw investments in nine manufacturing projects in the amount of almost \$5.15 million, which leveraged \$65 million in other investments. These companies have created or retained about 1,750 jobs.

SUPPORTING EXISTING MANUFACTURING businesses was one element in the Council's effort to energize the Region's micropolitan communities. The economy of Watertown, one of the Region's key micropolitan cities, centers on Fort Drum and the Council has directed substantial resources to supporting the infrastructure required to allow the military to thrive there. These investments are succeeding. Since 2010 the total civilian and military payroll has increased by 20%. The number of local

procurement contracts from the base grew by 20% as well. To support this kind of growth, in 2011-12, the Council allocated over \$15 million to address a critical housing shortage in the Fort Drum communities. This has leveraged almost \$150 million in private investment.

THE REGION HAS SEEN substantial small business growth since 2010. This can be attributed to the rebound of the economy and the also the Council's focus on attracting and nurturing entrepreneurs and establishing mechanisms to retain graduates. Not only do the Region's statistical indicators demonstrate that a small business renaissance is underway in the North Country, but specific Council - supported projects show positive outcomes as well. The Council allocated about \$1.6 million since 2011 to small business projects and these created and retained 240 jobs and leveraged about \$6.1 million in other investments. In addition, the Round 1 competition resulted in the creation of six microloan and grant programs in the Region.

THE COUNCIL'S 2011 PLAN and 2012 report stressed the importance of incubators to the generation of new small businesses in the North Country. Since 2010 the Region's premier incubator, located at Clarkson University, created 17 new businesses – a 155% growth in two years – and 44 new jobs. In 2013, the Council proposes to physically expand the Clarkson incubator as the Region's Innovation Hot Spot.

ONE REASON FOR THE GROWTH of small businesses in the Region is the revival of tourism and the success of the Council's effort to elevate the North Country's global recognition as a superior place to visit and locate a business. The strong statistics showing the Region's tourism growth have been supported by 13 Round 2 projects. The Council supported seven tourism marketing plans, including the innovative Community Tourism Transformation Fund, and six tourism facility projects in Round 2. A total of \$4.7 million was committed to these projects.

JUST AS THE TOURISM SECTOR is intimately bound with small business development, so too is the basic agricultural foundation of the Region. Most of the Region's farms are small businesses. The Council's effort to catalyze an agricultural revolution focuses on creating value-added food processing facilities that provide markets for local agricultural projects. In Round 2, the Council allocated \$1.35 million to four agriculture projects, leveraging \$4.8 in other funds and creating 57 jobs. Since 2010, employment in the Region's agriculture economy increased by 8%.

IN ROUND 2 the Council allocated almost \$4.8 million to green energy projects. These projects in themselves are preserving about 685 jobs and have been accompanied by \$19 million in leveraged investments. Projects like these are contributing significantly to ensuring that the Region's natural environment and beauty remain intact.

THE NORTH COUNTRY'S enviable environmental features can partly be attributed to the Region's remoteness and its small and decentralized population. The Council has attempted to remedy the downside of remoteness by stressing how broadband bridges distances and permits communities and people to live a high quality of life in an exceptional environment. Between ESD and ConnectNY, \$12 million has been allocated to broadband rollout since 2010. This investment has been leveraged by over \$50 million in other capital and resulted in the installation of at least 500 miles of fiber. The Council in Round 2 also allocated over \$11 million for rail rehabilitation in the Region to support industrial activity. These projects are under construction.

RAIL AND BROADBAND INFRASTRUCTURE investments have been paralleled by the Council's investments in public infrastructure like water and sewer systems. In the first two Rounds of CFA funding almost \$10 million was allocated for infrastructure studies and implementation. Such investments have been critical to ensuring that the Region's communities can continue to be places where businesses can thrive and people can live, work, and study. In Round 2, the Council invested \$6.2 million in eleven projects that created and retained 1,401 jobs throughout the North Country. These projects achieved an overall leverage ratio of 1 job for every \$4,448 awarded, which is significantly less than the threshold of some State economic development programs that require 1 job for every \$15,000.

E. A Workforce for Today and Tomorrow

THE COUNCIL RECOGNIZES the importance of progressive workforce development initiatives in order to stimulate economic growth. The availability of a ready and well-trained workforce is paramount to the attraction, expansion and retention of business and industry in the Region. Moreover, understanding the needs of existing and future employers is critical to the long-term viability and sustainability of the Region's human capital potential.

THE COUNCIL WILL CONTINUE its support and monitoring of several local and Regional programs designed to directly impact the training needs of the North Country's workforce for today and tomorrow. These programs include, but are not limited to: The North Country STEM Network, P-TECH Initiative, Workforce 2020, Gateways program, AIME, IMPACTT, EMERGE NNY, Entrepreneurial Day, Thrive in Clinton County, Clinton Community College's (CCC) National Work Readiness program, PBS's Made in Clinton County series, Manufacturing Awareness Day, and the establishment of an Advanced Manufacturing Institute at CCC that will build on their Manufacturing Skills Standard Certificate offerings.

IN 2014, THE COUNCIL will focus on implementation of its Opportunity Agenda aimed at helping disadvantaged citizens of the Region overcome challenges that prevent them from fully participating in the Region's economic prosperity. Much of this will be centered on job training and education, providing skills upgrade opportunities to low and moderate income people and opening doors to sustainable wage jobs.

SUPPORT FOR ENTREPRENEURS has been a core tenet of the Council's plan. In Round 3, the Council's Innovation Hot Spot program will capitalize on the resources of Clarkson University's Reh Center for Entrepreneurship, by establishing five incubator start-up sites Region-wide, to support private sector R&D of commercially-viable ideas. Recognizing the important role workforce will play in the eventual commercialization of products, the Council will continue to engage the North Country STEM Network as well as the HEARD consortium to create opportunities to develop both the technical and the soft skills needed in the advanced manufacturing field.

FINALLY, STARTUP NEW YORK and the Next Generation NY Job Linkage program will provide the Council the opportunity to showcase existing partnerships like Thrive in Clinton County, the North Country STEM Network and the HEARD consortium to link business, workforce and education together to promote employment opportunities for the area's workforce. Through these programs the Council will be able to better connect the local colleges with Regional employers to promote economic growth.

F. Public Engagement

THE PUBLIC PARTICIPATION COMMITTEE met regularly throughout 2013 to continue to ensure that information and activity for the Regional Council is provided to the public. Minor changes were made to the program and successful efforts from previous years were continued. The committee and the Council are committed to ensuring the citizens and businesses in the North Country are involved and aware of the Regional Council's activity.

Public Forums

THE NCREDC has been aggressive and thus successful at reaching into communities and soliciting feedback at the local level. For the third consecutive year, the Council held public forums in each of the seven counties in the Region. Council Co-Chairs Tony Collins and Garry Douglas led these forums at the following locations:

July 15	SPECULATOR (HAMILTON COUNTY) Oak Mountain Ski Center
June 16	PLATTSBURGH (CLINTON COUNTY) Clinton Community College
June 16	TICONDEROGA (ESSEX COUNTY) Fort Ticonderoga
June 22	LYONS FALLS (LEWIS COUNTY) Forest Presbyterian Church
June 22	CLAYTON (JEFFERSON COUNTY) Clayton Opera House
August 6	MALONE (FRANKLIN COUNTY) Malone Golf Course
August 6	OGDENSBURG (ST. LAWRENCE COUNTY) Bridge & Port Authority

THE FORUMS INCLUDED a presentation on Council information and activity, an explanation of the CFA application process, the Opportunity Agenda and the Cleaner Greener program. At least one project recipient from the Region presented at each forum adding commentary about how to approach the funding process. These forums were attended by a wide ranging audience, including community members, education leaders, small business owners, municipal officials and non-profit organization representatives. The Council heard comments about existing projects, suggestions on improving the funding application process, and presentations of needs and projects in a community.

COUNCIL MEETINGS WERE HELD in various locations across the Region and included specific opportunities for public comment. In addition, the Public Participation Committee was involved in the NYS sponsored CFA workshops. Committee members presented information on best practices for CFA applications and Priority Project nominations. These forums were held in Potsdam (June 18), Plattsburgh (June 26) and Watertown (June 28). Students attending Clarkson University recorded the Potsdam CFA training session, which was later uploaded to YouTube and embedded on the NCREDC website so individuals can obtain this training from their office or home. The North Country Regional Economic Development Council and its co-chairs believe this direct outreach to our communities has been very successful, and with the size of our Region, is important to ensure all constituents are reached.

Other Events & Organizations

The Council and its members are active participants in the Common Ground Alliance, the North Country Clean Energy planning team, local chamber of commerce events and business fairs. The Council has active work groups in tourism, agriculture, the Adirondack Park, clean energy, manufacturing, higher education, workforce, economic development and others. These groups include approximately 170 individuals in business, community organizations and municipalities that provide feedback and direction for Council issues. In addition, the NCREDC is working closely with the North Country Alliance, the Adirondack Economic Development Council, seven county industrial development agencies, Development Authority of the North Country, North Country Chamber of Commerce and others to provide outreach to businesses in the Region.

The Council will also co-sponsor two upcoming public forums on the role of higher educational institutions in driving local economic development. The forums, which will be held at Clinton Community College (Plattsburgh), Thursday, Sept. 26 and Clarkson University (Potsdam) Thursday, Oct. 7, will be open to the public and documented by the public television stations in Plattsburgh and Watertown.

Digital Connections & Media Outreach

The Council has maintained an active and informative web site, which is as up to date and comprehensive as any other council's site in the state. In 2013 we initiated e-mail newsletters. These digital packages contained key news items about the Council, our projects and Council members and were sent to more than 500 individuals on a bimonthly basis in 2013. In addition, the Council has a Facebook page that is maintained by Clarkson University.

The NCREDC, in cooperation with the Empire State Development Press office, provides media updates regarding council meetings and events and also news stories on key project activities throughout the year. These news releases are provided to the major newspapers, radio and television stations and other media in the Region. Regional Council representatives hosted a number of ground breaking events at NYS funded projects throughout the Region during the past year. These events included the Clayton Hotel, Fort Drum biomass project, mobile poultry processing unit in St. Lawrence County, Nova Bus in Plattsburgh, Adirondack Meat Company in Ticonderoga, and others. We have a vast Region and we believe we have provided wide distribution of information on the activity of the Regional Council.

Public Officials

The NCREDC recognizes the importance of municipal government officials in furthering the economic development priorities of the Region. The Council has involved local government representatives in many ways. In 2013, the Council developed a database of contact information for every town, village and county elected official in the seven-county Region. For example, the Council has:

- *Published and distributed NCREDC newsletters*
- *Promoted NCREDC events and public forums*
- *Presented at County Planning Board meetings*
- *Invited municipalities to apply for funding through the North Country's Infrastructure Fund (an ESD funding pool of \$2.5 million to be used for municipal water and wastewater projects that create economic development opportunities).*

Municipal officials were active attendees at the public forums and at the public comment portions of the Council meetings. In addition, the Regional Council is an important topic at conferences throughout the Region for local government officials. Specifically, the Council was present at the Tug Hill Commission Conference in March, the North Country Clean Energy Conference in June, the Forever Wired Conference in Potsdam in September, the Potsdam Local Government Conference in October, the Adirondack Park Agency Local Government Conference in April, the Flip the Switch event in Tupper Lake in June and the Common Ground Alliance Forum in July. Each of these events attracted a large number of community leaders, including hundreds of local officials.

Regional Council members and staff worked closely with organizers of these events, and local government officials interacted on topics such as infrastructure planning, community sustainability, shared services, zoning and economic development. Each of these forums also provided participants with an opportunity for an overview of the Regional Council process and the NCREDC strategy.

The result of this interaction between the Council and local government leaders has been Council action on important local issues, including:

- *Opposition to facility closings or reorganizations in Ogdensburg and Chateaugay*
- *Support for State rehabilitation of Whiteface Veterans Memorial Highway*
- *Support for 2 Adirondack Forest Preserve Constitutional amendments in 2013 (NYCO and Township 40)*
- *Support of recommendations by the Adirondack Association of Towns and Villages for the classification of newly acquired Finch Pruyn lands*
- *Support for establishment of a lodging tax in Franklin County*
- *Support of federal permits for resumption of operation of the Saratoga to North Creek Railway extending north to Taberous*
- *Support for Empire State Forest Product Association's recommendations to streamline the APA permitting process on private forest lands*

The NCREDC co-hosted several outreach efforts to our state and federal legislators including the first ever “Adirondack Day in Albany”, the North Country Alliance education and outreach day in Albany, and joined the North Country Chamber of Commerce in “North Country Day in Washington”. The Council also co-hosted a “Beyond the Border Forum” for North Country community and business leaders in Potsdam with U.S. and Canadian officials, including North Country Congressman Bill Owens.

G. Performance Measures

IN THE FIRST FUNDING ROUND, the NCREDC selected a three-tiered approach in the collection and review of data to assess the implementation of its Plan and vision. Tier I performance measures include statistics that give the Council a general overview of the Region's economic health. Tier II measures are comprised of State or partnering agency data that focus on certain industries of the Region's economy, and Tier III measures consist of Priority Projects and regular CFA awards. In aggregate, these performance measures aided in the review and nomination of this year's priority projects.

A VITAL ELEMENT that has been successfully established and sustained in the monitoring of Tier III performance measures is the positive and dynamic working relationship between the Council Committee members and ESD staff. For the last three rounds, this productive relationship consists of regular phone, email, and in-person communication to review and discuss: the issuance of awards, the acceptance of contracts, project initiation and anticipated completion dates, unforeseen challenges and modifications to project scopes as needed, and the reallocation of funds to other Regionally significant, "shovel-ready" projects when necessary. In Rounds 2 and 3, this successful working relationship was further expanded. Committee members and ESD staff collaborated to: determine suitable allocations for the Council's \$1 million Community Revitalization fund; review and select Connect NY broadband projects; develop criteria for

the review and nomination of projects for the Council's \$2.5 million Infrastructure Fund; and develop parameters for the selection of the Region's Opportunity Agenda projects.

IN ROUND 2, the Council and ESD were able to quickly reallocate two Priority Project awards when the recipients declined the awards. This allowed the Council to establish a \$400,000 North Country Digital Film Conversion Fund to assist local theater venues in the modernization of their projection equipment. The Council also endorsed the redesign of the COR Carthage Apartments priority project. The original project to construct a new residential subdivision was altered and significantly expanded in scope to focus on the adaptive reuse of the former Mercy Hospital campus into a mixed commercial and residential development in downtown Watertown. This modification increased the overall economic impact of the project and raised the Council's project leverage ratio from 1:24 to 1:35.

PRESENTLY, THE COUNCIL is pleased to report nearly all of the Round 2 priority projects have been initiated. Of the 36 funded projects, six incentive proposals are in process by ESD; two contracts are being reviewed by project applicants, and the remaining 28 of these projects are either under contract or underway. Overall, the NCREDC's Round 2 Priority Projects have achieved a leverage rate of \$6.91 for every \$1 awarded, are retaining 710 jobs, and creating 510 new jobs throughout the North Country.

THIS YEAR'S REPORT CONSISTS OF a selection of Tier I and Tier II indicators that were readily available online or provided by state or partnering agencies upon request, and are listed for 2010 (the year before the Regional Council process was initiated), 2011 (Round I), and 2012 (Round II). All Round 2 projects awarded in the North Country are listed as Tier III performance measures and categorized by vision. As in Round 1, some projects are cross listed as they simultaneously advance more than one component of the Plan's vision. The compilation of this data is appended to this report. Highlights of the Council's performance measures for 2010-12 are featured on the following pages.

Tier I: Overall Economic Health

The North Country experienced a 1% decline in the number of business firms and employees from 2010-12 which can be primarily attributed to the national economic recession. The Region's unemployment and poverty rates for the same time period changed by less than 1%, and remain higher than the State and national averages. Neither figure comes as a surprise; the Region has the unfortunate distinction of traditionally representing some of the highest unemployment and poverty rates in the State. A lasting reduction for both indicators remains a long-term goal for the Council that will require diligence and strategic planning by the NCREDC, as well as access to a comprehensive selection of local, State and federal resources to successfully address both issues.

Energizing our micropolitan cities: Defense

The economic impact of Fort Drum's presence in the Region is clearly evident in the annual employee payroll and contracts with area businesses and vendors. From 2010-12, the value of the base's contracts with Lewis, Jefferson and St. Lawrence County based businesses grew by 20% from \$37.3 million to \$44.7 million. Both Jefferson and Lewis Counties also experienced a rise in home purchases and median home sales prices (as was predicted) due to recent increases in military personnel assigned to the Fort. As in Round 1, the Council responded to the area's demand for access to housing by successfully investing an additional \$10.8 million in Round 2 to construct and rehabilitate a total of 383 units in Jefferson and Lewis Counties. The Council is also endorsing an allocation of funds in Round 3 to support the adaptive reuse of the former Mercy Hospital campus into a large scale mixed-use development in Watertown.

Energizing our micropolitan cities: Manufacturing & Workforce Development

As a result of the national recession, the North Country experienced a decline of 2% to 5% in the number of manufacturing firms, employees and annual wages. Because the Region's manufacturing industry is a critical sector to preserve and strengthen, the NCREDC invested \$2.1 million in Round 2 to retain and create a total of 824 manufacturing jobs in the North Country. The Council also awarded \$150,000 to Volvo/Prevost Cars US to provide training to 49 new employees, a company which recently secured a \$164.8 million contract from the New York City MTA to manufacture 300 new transit buses. For Round 3, the Council is nominating three Opportunity Agenda projects that will invest additional resources in workforce development and advance the Region's manufacturing sector.

Agricultural Revolution

The North Country's agriculture industry - which is dominated by dairy operators and processors - maintained a consistent percentage of milk cows despite a national recession and record low milk prices. The Region also saw a 5% increase in the total number of cattle and calves. The number of agriculture, fishing and hunting firms in the Region grew by 1%, and the number of employees working for these firms increased 8%. In Round 2, the Council invested \$1.35 million to increase the presence of value-added production facilities in the North Country which will result in 57 new jobs for the Region. To expand on this endeavor, in Round 3 the Council is endorsing a proposal to establish a regional value-added loan fund to assist agricultural producers and processors in all seven counties. The Council is also endorsing the repair of two rail bridges near the St. Lawrence River to increase shipments of agricultural products for export.

Attract and nurture entrepreneurial pioneers; mobilize the creativity and capacity of the graduates

Despite the national recession's overall impact on the North Country's economy, the Region experienced gains of 2% to 7% in the number of small business firms, number of small business employees and their average annual wage. To sustain and expand the Region's high concentration of small business entrepreneurs, the Council awarded \$930,000 to four projects that will create 60 new jobs in the North Country, which is comprised of ten employees working for the Regional Food Hub, and 50 local artisans who will connect to wholesale markets through the Invisible Factory project. Clarkson University's incubator program, meanwhile, more than doubled its assistance to businesses and employees. In 2010, assistance was provided to 11 firms with 23 employees, and expanded to 28 firms with 44 employees in 2012. In Round 3, the Council anticipates the continued advancement of the Region's entrepreneurial pioneers through this year's Innovation Hot Spot proposal. The Council is also nominating the STEM Learning Network as an Opportunity Agenda project which will strengthen partnerships between community organizations, educational institutions and workforce development organizations and focus on building the capacity of the Region's students and faculty.

Overarching Strategies: Canadian Connection & Community Development

A decline in truck traffic entering through the Region's border crossings with Canada indicate the trucking industry was affected by the national recession. Trains, loaded rail containers, passenger vehicles and number of passengers, however, all experienced increases that ranged from 7% to 23%. From 2010 to 2012, \$11.6 million was invested to extend the

Elevate the global recognition of the Region; activate tourism as a driver

From 2010 - 12, the Region benefitted from a 6% to 8% increase in visitor spending, tourism jobs and tourism-related taxes generated at the local and State level. North Country State Parks and DEC Campgrounds recorded an overall 9% increase in attendance during the same time period, and the DEC reported a 6% increase in the issuance of non-resident hunting and fishing licenses. A significant portion of the North Country's visitor spending consists of Canadian visitors due to the Region's shared international border and the strengthening of the Canadian dollar. In Round 2, the Council successfully established a \$2 million Community Tourism Transformation Fund, and invested \$2.7 million in eleven projects to develop and implement a variety of tourism marketing plans; establish recreational trails; and develop, expand or restore Regionally significant visitor landmarks and facilities. This year, some of the Council's tourism-related endorsements include continued investments in Regionally significant landmarks and facilities that are critical in strengthening the North County's visitor hubs, and a Regional tourism marketing initiative that will be implemented on a collaborative basis by partnering Tourism Promotion Agencies.

Region's broadband network by an additional 1,846 miles and expand service in and to 242 municipalities throughout the North County. In Round 2, 60 awards totaling \$25.9 million were invested in community planning and implementation projects; a variety of downtown and community revitalization projects; and numerous community infrastructure

Create the Greenest Energy Economy

In 2010, approximately 94% of the grid-tied electricity commercially produced in the North Country came from renewable energy resources. From 2010-12, the North County experienced a near doubling of biomass energy production as a result of the Council's allocation of Industrial Revenue Bonds to assist with the conversion of ReEnergy's Black Lake power facility. In Round 2, the Council invested more than \$4.7 million in eight projects that reduce carbon emissions and the Region's dependence on fossil fuels; improve operational efficiencies; and advance renewable energy production in the North Country. In 2012, however, biomass energy production in the Region declined from 103 megawatts to 82 megawatts when ReEnergy announced the closure of its Chateaugay facility due to low earnings. Presently the company's proposal to raise its rates from \$15 to \$35 per megawatt hour is currently under consideration by the State Public Service Commission. In this funding round, the Council has endorsed ReEnergy's request as a regionally significant issue for the State to support. The Council is also endorsing renovations to the Croghan Dam in Lewis County that are necessary to bring the hydro facility back online; the installation of wood pellet boilers in a variety of education and training institutions; and a number of demonstration projects throughout the North Country that will implement key aspects of the Region's Cleaner Green Communities Sustainability Plan.

projects. All of these investments strategically enhance the North Country's overall quality of life, provide a reliable infrastructure that is critical for the conduct of business operations, and attract economic development in the Region's micropolitan communities.

III

Implementation

The Governor’s call in 2011 for the Regional Councils to “change our way of doing business” resonated in the North Country. We understood that the old way of doing business in partnership with the State was not only ending but had not yielded the desired results in decades. We were challenged to think in new ways about how we approached the process of growing businesses in our Regional economies. *The need to fundamentally change what we were doing became a necessity.*

In retrospect – three fundamental shifts occurred and all are well evidenced in the priority projects being advanced by the North Country this year.

1. EXPECTATIONS: there was a focal shift from outcomes to impacts. Outcomes are short-term measures of success. Impacts are the long-term changes the Region wants to achieve. Acknowledging that difference fundamentally shifts approach and priorities. The Regional Vision speaks volumes to the impact the Council hopes to achieve through its strategic and deliberate process. All of the projects advocated for and funded in the past two years help position to Region for long-term gains.
2. PERSPECTIVE: the Region and the organizations within it moved rapidly away from parochial perspectives to more Regional ones. This was both a product of the new model set in place by the Governor and of the reality of a new national (and international) economy. The Region’s Priority Project guidelines and the resulting CFA applications reflect this collaborative way of thinking more and more with each year.
3. STRUCTURE: the Region has, amazingly easily, moved from competition between entities to cooperation between them. As resources diminish and competition for resources intensifies, there is strategic advantage to working with former competitors. The North Country has embraced the prospective benefits of such allegiances in its collaborative applications.

There are two great examples in the applications submitted for Priority Project designation this year: the Market New York application from the Regional Tourism Promotion Agencies (TPA) working together across the entire Region and organized so that each TPA is responsible for promoting a common asset across the North Country (versus promoting its own unique geography and attractions). The other is the unique construct of the Region’s Innovation Hot Spot proposal which builds on the model and momentum of the HEARD consortium and recognizes that the innovation assistance available at Clarkson can be better delivered and augmented by cluster sensitive partners throughout the seven counties.

The change is affecting more than just applications. Long established entities are reinventing themselves to serve broader geographies and constituencies. We see it in our development organizations, housing organizations, our shared-risk investment pools, our educational support institutions, our work-force development organizations and even between county governments that are looking at new efficiencies and service delivery models. *In the end, it appears that our necessity has in fact become our virtue.*

The narratives on the following pages briefly summarize component parts of the Regional Vision, progress made on these components during the past two years and the opportunities for more progress in the current Round. Priority Projects described in the opportunity assessments are demarcated and are further described in Part Six of this report. The Master Implementation Matrix shows the alignment of our implementation by Vision statement, strategy, and Key Strategy. The Matrix is located in the appendices.

A. Workforce Development

The Region's Workforce Development network has recognized that it must support the needs of targeted small, medium and large business clusters, that this is key element in the strategic development of resources to support business investment and growth in our smaller and larger communities. The challenge we face in some areas continues to include shortages of non-retired residents, declining and aging populations, untrained/unskilled employees and a workforce that can exhibit poor customer service skills. The development of a strong workforce system to support the needs of employers in the targeted clusters using a combination of new and incumbent worker training, certificate programs, degree programs, internships, apprenticeships and recruitment assistance continues to be our focus.

Progress in 2012-13

- *Allocation of \$150,000 from Housing & Community Renewal's North Country Community Revitalization Fund will support training for the new employees to be hired by Volvo/Prevost Car. Funding will train up to 49 employees at the luxury bus manufacturer. The new Prevost facility enhances Plattsburgh's growing transportation equipment manufacturing cluster. Total project cost is \$25M*
- *Funding awarded to the Clinton Essex Warren Washington BOCES for the AIME prep course trained: four (4) people in CCC's Certified Production Technician course; ten people in welding; and 15 in Literacy/HSED(GED) instruction.*
- *Roth Industries, located in Watertown, was awarded \$3,000 to update employee training software.*

NCREDC's Workforce Development working group (WDWG) is currently surveying North Country businesses to ascertain existing and future employment needs. In conjunction with Clarkson University's MBA Consulting Group, the group has mapped the skills and occupations needs of targeted sectors throughout the Region. The project is expected to be completed by May 2014 and will include the development of a resource guide of key occupations credentials and training facilities in the area. The North Country STEM Network continues to work with industries across the Region. A new STEM-based pilot program is taking place with Beekmantown Central High School and Clinton Community College. Innovative Manufacturing Partnerships: Advanced Careers Through Technical Training - or IMPACTT- addresses the manufacturing industry's need for a skilled workforce, while also helping non-college bound high school graduates to find sustainable wage jobs in high growth industries.

NCREDC's Workforce Development Working Group (WDWG) will continue to establish partnerships and pool resources, in order to effectuate positive change and move the dial forward on addressing the Region's workforce needs. In 2014, the Group will be actively engaged in forging relationships between the area's educational institutions, training organizations and local employers to increase dialogue on closing the skills-gap and ensuring the workforce training needs of businesses are being met, an objective of NCREDC's Opportunity Agenda initiative. WDWG will also be focusing on strengthening networks and collaborations between NCREDC, our Innovation Hot Spot and colleges and universities to ensure that training assets are being aligned for employers and with key Regional objectives of NCREDC, as well as preparing our college and university assets to take advantage of next-generation initiatives that will be developed through StartUp NY, Next Generation NY and advancing our Opportunity Agenda.

Round III Opportunities

- *CNC/machinist programs for long-term unemployed in Jefferson and Lewis counties.*
- *A CFA has also been submitted to help support training for the new Clayton Harbor Hotel, a Round 1 Priority Project.*
- *A Round 3 priority is to provide training for incumbent workers across multiple departments and levels at Bombardier. Recent growth in the company has created the need for a standardized culture and education of Bombardier employees, which will lead to improved efficiencies. Over the last few years, the company's workforce has grown significantly, creating 147 new jobs in 2012 alone.*

B. Transportation

With its more than 11,420 square miles, the North Country is a vast area in which to live and conduct business. Due to its location at the northern edge of the State and its rural nature, extensive travel is required to conduct daily business and access major markets. As a result, the NCREDC has placed a priority on a robust transportation infrastructure as part of its economic plan. Strategies in the plan are aimed at:

- *Preserving all facets of transportation from air, to highways to rail and waterways.*
- *Improving supply chains and distributions networks.*
- *Strategic investments and enhancements that improve both economic activity and access for residents and tourists.*
- *Connecting communities throughout the region and into markets beyond the Region*

Progress in 2012-13

- *Supported efforts to designate the former GM plant in Massena as a part of CSX's "Select Site Program".*
- *A \$100 million inter-regional investment by CSX railroad will improve their lines between Montreal and Syracuse.*
- *Funding for an inter-regional project to extend rail service from North Creek to Tabawus in Essex County by Iowa Pacific.*
- *Work continues on the Newton Falls rail improvement project to serve existing businesses and attract new users of the service. The St. Lawrence County IDA is presently clearing overgrowth from the lines, and is completing due diligence for permits from other agencies.*
- *At the Massena Industrial Park, rail sidings are being installed that will help the railroad serve the area more efficiently.*
- *\$1 million investment into the Watertown International Airport.*
- *Supported legislation signed by the Governor designating the Black River Trail and Maple Traditions Scenic Byways.*
- *Awarding \$445,000 for implementation of the 90 Miler Blueway Trail Plan.*
- *Participation in the public process regarding the future of the Adirondack Railroad.*
- *Efforts to improve the connectivity of North Country communities through corridor efforts on the State's Scenic Byways and Blueway Trails.*
- *Supported efforts to improve the connectivity of North Country communities through corridor efforts on the State's Scenic Byways and Blueway Trails.*

Round III Opportunities

- *\$6.5 million for improvements at the Plattsburgh International Airport for U.S. Customs/ international arrivals facilities opening the North Country to global travel and cargo.*
- *Agribusiness Capacity Building at the OBPA investing \$2.4 million for rail, materials handling, and storage facilities.*
- *We once again identify the State owned Whiteface Mountain Memorial Highway as an important asset to our Region and to the entire State which should receive priority attention in the fiscal year 2014 - 2015 State Budget, carrying out a critically needed rehabilitation project.*

C. Defense

Fort Drum is the single largest employer in upstate New York. The growth of Fort Drum over the past 25 years has been intimately intertwined with the surrounding greater Watertown community. Over 60% of the military personnel and their dependents require housing off base. All hospital and emergency medical services are met by community health care facilities and all education is met in the area school systems. This symbiotic relationship between community and the base has created one of the largest economic benefits to the North Country. Meeting the demands of the installation and the community is one of the highest priorities of the NCREDC.

Investments to date have resulted in 1000 new multi-family units for both soldiers and their dependents and the community at-large. The community with assistance from the NCREDC, Development Authority of the North Country and the State has successfully leveraged a private sector 10:1 match. Work continues to improve the quality of housing options for the community as a whole. In addition, the community will focus on the adaptive reuse of existing buildings for long-term viability within the community core.

Progress in 2012-13

- *Norstar Development was awarded \$3 million for the second phase of their Creekwood Apartments project in Watertown. This project is under construction and will result in the construction of 104 units of housing.*
- *COR Development was awarded \$2 million for a potential housing project in West Carthage. This project was modified when COR acquired the former Mercy Hospital complex in downtown Watertown. At its August 6, 2013 meeting, the North Country Regional Economic Development Council agreed to re-allocate the \$2 million to assist with the redevelopment of the former Mercy Hospital Complex creating 168 units of rental housing and forty-two thousand square feet of commercial/office space.*

As a result of the federal government pulling out of international military conflicts, the federal budget situation and sequestration, and overall efforts to trim military budget expenditures there has been a looming threat of another round of Base Reductions and Closures (BRAC). New York has responded to this situation by funding Military BRAC closure prevention efforts in 2012 - 2013. In 2013 both the Fort Drum Regional Liaison Organization and the Fort Drum Regional Health Planning Organization each received \$300,000 to address the needs for retaining Fort Drum in the North Country.

In 2013 the NCREDC also worked with the Fort Garrison Command and the community on efforts to sustain the mission and premier military projection platform at Fort Drum. One of the Fort's highest priorities is ensuring that the training areas of the installation are not encroached by inappropriate development. The Council has recommended that New York State partner with the existing Army Compatible Use Buffer (ACUB) program which buys conservation easements on farm and forest lands that surround the training area. Specifically, the Council has recommended that the State fund \$550,000 in SFY 2013-14 and consider a line item in the Environmental Protection Program at the level of \$1 million/year for the next five years.

Round III Opportunities

- *Redevelopment of the former Mercy Hospital property in Watertown by investing \$5 million for a geothermal project for heating/cooling of the housing and commercial properties to be developed.*
- *Funding for rehabilitation of mixed use structures in downtown Watertown.*
- *\$1 million to fund the Neighbors of Watertown Housing Rehabilitation and Adaptive Reuse program.*

D. Manufacturing

New job growth in the North Country primarily comes from existing businesses. Supporting our small, medium and large sized manufacturers in key clusters and addressing the issues that threaten their regional and global competitiveness is a Key Strategy of the Council. Several projects proposed and funded by the Council focus on this goal.

Progress in 2012-13

- *International Paper in Ticonderoga is converting their energy source to natural gas via Council funding. This will significantly reduce their cost of operations and ensure the retention of 640 well paying manufacturing jobs.*
- *Curran Renewables project to use unmarketable biomass for on-site drying will reduce the cost of producing wood pellets.*
- *Four North Country companies have benefited from 2012 Recharge NY Power Allocations.*
- *Alcoa International is beginning a \$600 million expansion to upgrade its facility, solidifying one of the largest employers in the Region and reducing its carbon foot print and greenhouse gas emissions.*
- *Bombardier Transportation is constructing an addition to its plant in Plattsburgh and extending the nearby test track in support their new Center of Excellence.*
- *Kraft Foods in Lowville is continuing its plant expansion. The fill line project initiated with a Round I award has been completed.*
- *St. Lawrence Brewing Company is a new business that will use local agricultural production to capitalize on the craft brewing revolution and add twenty-five new employees.*
- *After receiving Priority Project funding, ACCO Brands is consolidating its North American operations to Ogdensburg.*

Round III Opportunities

- *A training program at Bombardier proposed in Round 3 will allow existing employees to gain skills needed to advance their careers*
- *Proposed training programs at the Jeff-Lewis and Clinton-Essex-Warren-Washington BOCES will help close the job skills gap for current and future manufacturing employees in the Region*
- *Two biomedical companies are expanding - Bionique in Saranac Lake and Asept Pak in Plattsburgh.*
- *Continued investments to improve and expand Plattsburgh International Airport.*
- *Support the Clarkson University-Trudeau Institute agreement to develop a world class biotech research—to—commercialization partnership.*

E. Higher Education

Our institutions of higher learning are major Regional employers and an economic resource. Considerable economic activity is also generated by their collective 30,000 enrolled students. Mobilizing the creative capacity of the Region's graduates and retaining them for applied research and entrepreneurial opportunities is a Key Strategy of the Council.

Progress in 2012-13

Prior to 2011, these institutions pursued their innovation, research and business start - ups individually. They are now working collaboratively on R&D and business development initiatives through the HEARD (Higher Education and Research Development) consortium and are advancing technical training for our workforce through the Regional STEM (Science, Technology, Engineering and Math) initiative.

The HEARD consortium also worked closely with our Innovation Hot Spot working group on submission of the North Country Innovation Hot Spot proposal. Both work groups are closely monitoring the StartUp NY for its partnership with our SUNY institutions, private colleges and several closed State facilities in the Region. The Council looks forward to using both the Hot Spot and StartUp efforts to address declining manufacturing jobs within the Region.

Round III Opportunities

- *The successful construct of the HEARD consortium serves as the conceptual basis for the North Country's Innovation Hot Spot proposal being advanced in 2014. The concept utilizes the Reb Center for Entrepreneurship and the Shipley Center for Innovation at Clarkson University as its business assistance hub and uses dispersed sites and services across the Region for its service delivery and support.*
- *A proposal by Cornell Cooperative Extension and Paul Smiths College to develop a test production kitchen and food distribution system focused principally on the Adirondacks.*
- *North Country Community College (NCCC) intends to expand its current capacity in to meet increasing enrollment, provide new curriculum, and create a co-location campuses.*
- *Align StartUp NY sites in conjunction with Innovation Hot Spots throughout the Region.*

A growing concern is the continuing erosion of the educational capacity of our public secondary school systems. The current condition is detrimental to the future work and/or educational aspirations of our Region's young graduates. Existing structural and fiscal limitations are not flexible enough to allow smaller districts to work together to achieve economies of scale necessary to reverse this trend. Barriers to creative solutions for small and rural districts to address these concerns need to be eliminated at the State level.



F. Global Recognition

The North Country enjoys globally iconic geography such as the Adirondacks and the 1000 Islands region. It is home to internationally renowned institutions such as the Trudeau Institute, the Seagle Music Colony and the Crane School of Music. The Region also enjoys international recognition for a number of annual events and places. Working together on common marketing and branding approaches is a strategy of the Council and building on this global recognition has the ability to benefit the entire Region.

Progress in 2012-13

- *Two bass fishing events, the Elite BASS Masters in Waddington and the FLW Bass Tournament in Lake Champlain brought anglers in from all over the United States and Canada.*
- *The Adirondack Canoe Classic continues to attract competitors from around the continent.*
- *The Ironman in Lake Placid consistently ranked as the most popular Ironman competition in North America.*
- *Whiteface Mountain is ranked as the top ski area in the Northeast.*
- *Governor Cuomo elevated attention on the Region through the first annual Adirondack Paddling Challenge.*
- *Website traffic to The Wild Center in 3 months alone totaled 333,000 visits from 203 countries.*

Round III Opportunities

Consultation with North Country-based agricultural and craft producers and other small businesses who want to capitalize on the fact that they produce products in the North Country led to a recommendation to create a powerful certification-based North Country product brand. The Region's greatest assets — including its small towns, natural beauty, and recreational opportunities, and the products that are made here — have a timeless appeal, and the timing is right to capitalize on these assets, especially with the Regional expansion of broadband as a game-changing job creator.

With assistance from NYS, the NCREDC will launch the development of a product brand that will increase market share for North Country products and services; attract and retain start-ups in Innovative Hot Spots; allow producers to raise their price point and compete with well-branded products from other regions such as Vermont. This product brand will capitalize on the emergence of a new generation of regional traveler interested in local experiences, culture and history.

G. Tourism

Tourism and outdoor recreation are one of the largest clusters of this Region and continues to be a focus of the NCREDC as it moves the implementation agenda forward. The Key Strategy for tourism relates to leveraging private investment to diversify our tourism/recreation based communities and allows enterprises to flourish.



Progress in 2012-13

- *Finalization of the Community Transformation Tourism Fund, a Priority Project in Round 2. The Development Authority of the North Country was chosen to administer the fund and protocols have been put in place for implementation of the fund in the fall of 2013.*
- *Development of the Tourism Destination Area (TDA) Nomination Workbook, which provides guidance to communities and regions interested in obtaining the designation as a TDA. The workbook helps communities and regions identify their strengths and weaknesses, focusing their efforts on achievable goals specific to their unique assets. Emerging, established and mature destinations will be identified. TDA designation will position the community or region to align with Regional priorities.*
- *Hosted the Governor's Adirondack Challenge in Indian Lake and North Creek.*
- *Worked closely with NYS Parks and Historic Preservation and other historic organizations to develop and implement the North Country Path Through History program.*
- *The Krog & Hart hotel, in Clayton, a Round 1 priority project, broke ground in 2013.*
- *The Council invested in the Village of Clayton wastewater treatment plant through its Infrastructure Fund. These upgrades are critical to the hotel construction.*
- *Invested \$1 million in the Wild Walk at the Wild center in Tupper Lake. The Wild Walk model has been featured at the Governor's REDC awards and the State Fair over the past year.*
- *Funded the Adirondack Recreational Web portal which is a project that also benefits the Capital (Saratoga, Washington and Warren Counties) and Mohawk Valley (Fulton, Herkimer and Oneida Counties) REDCs.*
- *Invested in the restoration of Great Camp Sagamore in Raquette Lake.*
- *Advanced our awards for the I-81 Corridor and I love NY Fishing marketing campaigns that benefit the North Country, CNY and Mohawk Valley REDCs.*

Round III Opportunities

- *Inn at Schroon Lake: providing an anchor lodging facility on the waterfront in Schroon Lake*
- *Wild Center Wild Walk: Phase 2 of a unique outdoor experience in Tupper Lake*
- *Lake Flower Hotel: conversion of 3 motels to a 90-room resort hotel in Saranac Lake*
- *Adirondack Museum: major campus and exhibit renovations in Blue Mountain Lake*
- *Seagle Music Colony: major renovation of theater and housing structures*
- *Hotel Saranac: Restoration of an historic hotel in downtown Saranac Lake*
- *North Country Market NY: multi region marketing campaigns*
- *Cycle Adirondacks: multi region weeklong cycling event*
- *Whiteface Mountain Highway: bringing the highway and elevator up to current standards*

H. Agriculture

The North Country's dairy operators and agri-businesses continue to reign as primary contributors to the State's dairy industry. However, while dominated by dairy, diversified agricultural production is growing throughout the Region – especially in regards to local foods. This remains a Key Strategy for the Council.

Progress in 2012-13

- *Upgrades to the Kraft Plant in Lewis County are installed and in operation.*
- *Delivery and launching of a USDA certified mobile poultry processing facility in St. Lawrence County.*
- *The extension of a natural gas line from St. Lawrence to Chateaugay is under construction and will provide a direct benefit through energy cost savings to North Country Dairy in St. Lawrence County and McCadam Cheese in Chateaugay.*
- *Construction of Adirondack Meat Company USDA meat processing facility in Ticonderoga, and the reation of a meat processing facility in Croghan.*
- *Investment in a willow harvesting project in Cape Vincent and development of a Regional Food Hub operation to improve supply chain dynamics.*
- *Continued advancements in value – added production through the start-up of a micro distillery in Clayton and craft brewing company in Canton, and the expansion of the Lake Placid Brewing Company.*

Round III Opportunities

- *A value-added agricultural development fund is being proposed by Development Authority of the North Country*
- *Improved handling and storage of agricultural products at the port in Ogdensburg*
- *An Adirondack food hub and kitchen is proposed as a partnership between Cornell Cooperative Extension and Paul Smiths College*
- *An effort to improve Regional branding of local foods and farm products*
- *The Adirondack Coast Wine Trail is seeking funds to install signage*

The North Country Council is also calling upon the State to assist in conducting a Region-wide supply chain analysis for locally produced agricultural products. As investments in value-added processing and distribution systems continue to develop, it is important to strategically invest in all facets of the Region's supply chain and marketing needs.

I. Green Energy

While the North Country is one of the State's largest exporters of renewable energy, much of the Region is dependent upon non-renewable resources and its housing stock is on average 75 years old. Mobilizing investment in energy efficiency and green energy businesses is a Key Strategy in the North Country. The Region also remains committed to its leadership position in renewable energy production.

Progress in 2012-13

- *2013 marked the completion of the North Country Sustainability Plan, a priority project in Round 1.*
- *Marked the opening of the Black River ReEnergy 60 megawatt biomass plant.*
- *Several new biomass systems are operating in area high schools and institutional buildings.*
- *Upgrades to Curran Renewable's biomass processing efficiency are underway to reexamine the firm's manufacturing potential.*
- *Nearly \$500,000 was invested in Celtic Farms for willow biomass planting and harvesting equipment to further establish biomass energy production.*
- *Permitting is underway for a natural gas pipeline to International Paper's Ticonderoga plant.*
- *Permit and regulatory approvals for energy efficiency and sustainability improvements at Alcoa in Massena.*
- *34 NYSERDA projects were funded in Round 2.*
- *Over 100 residential (84) and small business (44) energy assessments have been conducted.*

Round III Opportunities

A project to deploy high efficiency wood pellet boilers in several Regional institutions. The project will replace approximately 127,000 gallons per year in heating fuel oil.

Essex County has bundled nine individual projects in five counties including an anaerobic digester; an innovative composting system; solar thermal installation to extend a farm growing season; community scale hydro systems; high efficiency wood pellet systems and a model neighborhood project that would provide incentives for homeowners to convert from oil heat to wood heat. These projects serve as examples of each facet of the opportunities identified in the Cleaner Greener Sustainability Plan.



J. Canadian Connection

Much of the economic growth in the North Country is related to our geographic proximity to Canada, and the Region has put in place initiatives to capitalize on the opportunities this presents for the future.

The North Country is leading initiatives to fully tap the power of the dynamic international border, creating the most attractive and supportive location for Canadian-based investment, travel and other economic activity in the U.S. The Council will build upon the North Country's two existing bi-national corridor coalitions.

Progress in 2012-13

- *ACCO announced it would be consolidating its North American operations in Ogdensburg by closing its Brampton, Ontario facility.*
- *Volvo/Prevost is developing a bus manufacturing facility in Plattsburgh.*
- *Montreal-based Northstar announced that it was acquiring the former Pfizer research facility in Chazy for redevelopment purposes.*
- *A Canadian entrepreneur purchased the closed prison in Lyon Mountain.*
- *New York Air Brake is consolidating its Canadian operation into Watertown.*
- *In Lyons Falls, the primary goal of the Round 2 Priority Project is to ensure Kruger Energy, a Canadian owned company, can accomplish their Hydro-electric Expansion project.*
- *Helped to secure the Canadian government's commitment to improve the border crossing facilities at the 1000 Islands Bridge and the land crossing in Champlain.*

Round III Opportunities

The proposed planned major terminal expansion at Plattsburgh International Airport can transform the Region's global connectivity and be the North Country's first and only airport-based U.S. Customs/Federal Inspection Service. It will open the way to expected connections with Europe and elsewhere as well as create an international gateway in the North Country for incoming private and corporate travelers, bolstering our status as a key zone for foreign investment and international business. It will also improve materials handling and storage at the Port Facility in Ogdensburg.

K. Community Development & Small Business

Recognizing the importance of community planning and investment in public amenities and infrastructure remains a priority focus of the Council. Whether those investments are in our downtowns, our waterfronts or along our extensive network of Scenic Byways, they help transform our rural economies and improve quality of life.

Progress in 2012-13

- *The Development Authority of the North Country has completed over 200 miles of additional fiber optic network construction across the Region, including new connections to Corning, Inc. and to 48 medical facility locations in Clinton, Franklin, Essex, Warren and Washington Counties, completing the ACTION telemedicine network.*
- *The Council has also funded the \$2.2 million public safety telecommunications network that will reach 35 locations including all 911 centers across nine counties, including two counties in the Capital Region.*
- *Investment in broadband infrastructure has been leveraged with \$17 million in federal stimulus funds.*
- *The Council funded Development Authority of the North Country to administer a \$ 1 million telecom development fund for Jefferson, Lewis and St. Lawrence Counties.*
- *SLIC, Frontier and Time Warner utilized a combined \$11.1 million in Round 2 CFAs and Connect NY awards to build last mile connections in 10 smaller communities in the Region, including within the Adirondack Park.*
- *SLIC has received federal stimulus funds, and has invested over \$35 million to make over 3,000 last mile connections in St. Lawrence, Franklin and Hamilton Counties in 2012 and 2013.*

Round III Opportunities

- *In 2013 and beyond, the NCREDC is committed to assisting communities in securing the resources necessary to leverage successful startup of microenterprises.*
- *This year, the NCREDC has prioritized enhancement of tourism venues such as the Seagle Music Colony in Schroon Lake. This will draw more visitors to the Region and entice them to stay for longer periods.*
- *Over 60 community based projects related to parks, waterfronts, downtown and the arts have been requested for this year.*
- *Completion of the Wild Center's Wild Walk and modernization of exhibits at the Adirondack Museum will strengthen the museums as Regional attractions that will continue to serve as Regional economic engines*
- *The sale of the former Pfizer Research Facility in Chazy and the former Lyon Mountain Correctional Facility, and the ongoing redevelopment of the Lyons Fall Brownfield Area demonstrate that redevelopment success can be achieved through collaboration between the Council, New York State and its agencies, the community, and the private sector.*

L. Broadband

Closing the digital divide has been a priority in the Region and a major focus of the Council since the inception of this process. A significant effort has been made to improve both the fiber optic “middle mile” circuits and redundancy in the Region and to deliver “last-mile” service in some of the most rural reaches of the Region. It is a fundamentally important component of several key Regional economic development strategies.

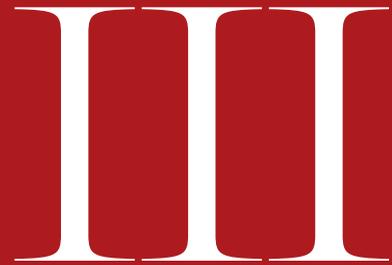
Progress in 2012-13

- *The Development Authority of the North Country has completed over 200 miles of additional fiber optic network construction across the Region, including new connections to Corning, Inc. and to 48 medical facility locations in Clinton, Franklin, Essex, Warren and Washington Counties, completing the ACTION telemedicine network.*
- *The Council has also funded the \$2.2 million public safety telecommunications network that will reach 35 locations including all 911 centers across nine counties, including two counties in the Capital Region.*
- *Investment in broadband infrastructure has been leveraged with \$17 million in federal stimulus funds.*
- *The Council funded Development Authority of the North Country to administer a \$ 1 million telecom development fund for Jefferson, Lewis and St. Lawrence Counties.*
- *SLIC, Frontier and Time Warner utilized a combined \$11.1 million in Round 2 CFAs and Connect NY awards to build last mile connections in 10 smaller communities in the Region, including within the Adirondack Park.*
- *SLIC has received federal stimulus funds, and has invested over \$35 million to make over 3,000 last mile connections in St. Lawrence, Franklin and Hamilton Counties in 2012 and 2013.*

Round III Opportunities

The significant investment in broadband infrastructure across the Region positions the North Country well for implementation of several other initiatives. The Innovation Hot Spot proposal will utilize robust broadband connections to link the Clarkson University campus to five college or community locations where local businesses will work with the university entrepreneur development center. The Opportunity Agenda identified job training service delivery as a key ingredient in raising job skills among the under employed, and specifically noted utilizing broadband communications as a desired means of reaching clients. The continued development of public and private broadband networks in the Region, and into adjacent Regions, closes the distance between the remote communities of the North Country and the rest of the world.





Opportunity Agenda



III. OPPORTUNITY AGENDA

THE OPPORTUNITY AGENDA (OA) is one of the most exciting new initiatives included in Round 3 of the State's Regional Council Program. In essence its purpose is "to help poor communities overcome the challenges that prevent them from fully participating in the State's economic revitalization."

THE INITIAL FOCUS of the OA program was to concentrate on local neighborhoods whose demographic and economic statistics demonstrated high levels of disadvantaged populations. Communications between the Council and the State resulted in an amendment to the targeting assumptions for the OA program. In essence, the Council and the State concurred that the initial targeting procedure would not work very well in non-metropolitan communities and that, therefore, it would be acceptable to apply method for selecting eligible communities that prevent poor communities from fully participating in the state's economic revitalization that would fit a rural environment without neighborhoods that illustrate massive distress as characterized in certain metropolitan quarters.

AS SUCH, the Council developed a Region-wide strategy that will invest new and existing CFA resources in projects that will foster a business environment that provides residents with the opportunity to enter the workforce and provide North Country residents with the tools they need to overcome economic barriers and fully participate in the state's economic revitalization.

THE COUNCIL developed a Pilot Opportunity Agenda to solicit projects for Round 3. The Council also established an Opportunity Agenda work group to develop a plan to augment the Council's 2011 Regional Economic Development Strategy.

OPPORTUNITY AGENDA PILOT PROGRAM

For Round 3 the Council sought projects that would address one or more of the following criteria – all of which the Council considered to be “proxies” for circumstances that prevent poor communities from fully participating in the state’s economic revitalization:

- *Experienced significant job loss in the past five years;*
- *Experienced a loss in markets due to foreign competition;*
- *A poverty rate of at least 125% of the seven county average poverty rate;*
- *At least 50% of total student population is eligible to participate in the federal free and reduced-price lunch program;*
- *An April, 2013 county unemployment rate greater than the NYS average (7.8%);*
- *Residing in a county with a seasonal unemployment rate greater than 125% of the seven County average;*
- *Experienced a population decline since the last decennial census (2000 to 2010);*
- *Residing in, or proximate to a Brownfield site, Environmental Justice Area or former Empire Zone Investment Zone area;*
- *Residing in, or proximate to an area where at least 15% of the total property/land within has been vacant, abandoned, deteriorated or is otherwise unavailable for industrial, commercial or retail development or redevelopment;*
- *Significant barriers to attracting financing and/or investment exist; or*
- *A median household income of 51% or less than the statewide non-metropolitan Median Individual Household Income (MHI).*

OPPORTUNITY AGENDA PLAN

The Council convened a new Opportunity Agenda working group that drew into the Council's orbit a host of North Country specialist organizations that had not participated in the Regional Council process before – community development agencies, housing organizations, social services groups, recognize charities, and workforce development initiatives (supplementing the Workforce Investment Boards that had been working closely with the Council all along). In the limited time available, this working group prepared an Opportunity Agenda Plan for the North Country (see Appendix).

The OA initiative prompted 20+ organizations to collaborate on defining what obstacles were preventing participation in the Region's revitalization and on identifying the various measures that might minimize or reduce these barriers. This was the first time that such a multi-specialty group was convened across the entire Region.

The working group realizes that its summary of ameliorative measures is the starting point for a longer-term effort during which it, together with Council participants and collaborators, will refine an attack plan that will prioritize a more manageable set of goals that the North Country should address during the "out" years of the OA program.

In short, the OA working group is committed to sticking with the effort started in 2013 and taking it to the next level in 2014. In fact, many of the constituent organizations are energized, because this is the first time that a development effort has utilized the expertise and local knowledge of safety-net agencies targeting economic development efforts to attack the roots of distress.

Most development programs have attempted to address the barriers indirectly, i.e., by supporting employers with hopes that such support will filter down to the local level. By starting at the local level and working up, the OA program has allowed the Council to select specific investments that will address the roots of distress from the bottom up.

The Council has identified six major barriers that are present all across the Region: high school dropout rates/value placed on education/college completion; insufficient job skills, education and/or training that enable the local labor force to meet an employer's needs, or to transition to new employment opportunities; large travel distances to job training and employment opportunities/transportation; limited availability of, and/or inadequate quality affordable early care and learning childcare services; need for housing, weatherization and energy services; and the digital divide and the consequent lack of access to high speed broadband.

Based upon the OA Pilot Program the Council recommends the following for Priority Project funding:

- *The Adirondack Teleworks project will link employers with newly trained workers, through training delivered over a high speed telecommunications network in one of the most remote communities in the State (the Indian Lake area). Residents of Hamilton County face multiple barriers to entry, common to the rural residents of our Region. In addition to capitalizing on previous Council investments in basic telecom infrastructure, this pilot project will demonstrate the value of delivering advanced job skills training in an extremely remote area where in-person access to training is almost non-existent. Therefore, this addresses several of the key barriers of the Council's OA attack plan, particularly inadequate job skills, large transportation distances, and the digital divide.*
- *The Jefferson – Lewis Machinist Training Program will utilize workforce development programs to address the skill gap between available jobs and the skills of the unemployed population. The project is vitally important to manufacturing businesses in Jefferson and Lewis Counties. It will increase the viability of existing businesses by developing the workforce necessary for them to remain competitive and grow. In Watertown well paid machinists positions remain unfilled while unemployment exceeds the state average, a common condition in the micropolitan communities throughout the Region. In addition to addressing the insufficient skills barrier, this also will assist in motivating students in the Region to stay in school, so as to qualify to enter the machinist program and to access good jobs after graduation. This model can then be replicated in the other micropolitan communities through the North Country.*

ROUND III OPPORTUNITIES

- *North Country STEM Learning Network – focuses on building capacity in students and educators in enhancing existing partnerships among community based organizations, PK-20 educational and training institutions, workforce development organizations and industry that will assure the future workforce poses the technical and soft skills needed by North Country employers - \$300,000.*
- *Advanced Manufacturing Institute – based on providing a certificate program through BOCES or colleges and universities based on a curriculum used by the National Association of Manufacturers to develop the skills and help place individuals in high tech manufacturing - \$300,000.*
- *Public/Private Internship Fund – working with eight of the Region's Foundations to support a North Country Internship Fund for targeted poor individuals to gain career building internships/apprenticeship opportunities - \$300,000.*
- *Community Services Block Grant for discretionary workforce development from Lewis County. The project will focus on transportation assistance services to income eligible residents.*
- *Community Action Planning Council of Jefferson County to help low income residents overcome barriers to livable wage employment. The project is in partnership with the Jefferson/Lewis WIB.*
- *Adirondack Community Action Program is proposing a workforce development project aimed at assisting eligible Essex County residents with job skills development, on-the-job training and wheels to work services. In addition, they will provide support services to facilitate transition to better employment and self-sufficiency.*

The NCREDC RECOGNIZES that the Opportunity Agenda work group had a very short period of time to pull together a Plan and strategies for consideration by the Council. More importantly, the Council acknowledges that several of the strategies identified by the OA work group correlate directly to strategies and actions already underway by several other NCREDC work groups. For example, the HEARD consortium has already advanced the STEM program for the Region which is also a recommendation of the OA work group. Similarly, the Cleaner Greener Sustainability work group has addressed several strategies that would also implement the strategies for Housing, Weatherization and Efficiency. For the remainder of 2013-14, the Council wants the OA work group to contact other work groups that can advance their strategies and further develop strategies and actions that will advance the Opportunity Agenda.WIB.

IV

Innovation Hot Spot

ANOTHER 2013 CHALLENGE put forth by Governor Cuomo for the Regional Councils was the “New York State Innovative Hotspots” for the creation of new businesses based on technology transfer from academic institutions to commercialization by the private sector. This, together with StartUp NY presents an exciting opportunity for our colleges, universities and research institutions to yet further invigorate our Regional economy.

FOR THE NORTH COUNTRY, the NCREDC established an Innovative Hot Spot working group led by Clarkson University to take this challenge on. Working with HEARD, CITEC, several county IDAs, the North Country Chamber of Commerce and several interviews with technology entrepreneurs in the Region, the IH work group developed a CFA for submission in the 2013 competitive Round. The Appendix includes the report that the IH work group presented to the Council for the Region’s Innovative Hot Spot nomination.

THE NORTH COUNTRY has a proud history of self-sufficiency, which is just another term for innovation. As such, the North Country’s model is “if we harness the existing human talent, the infrastructure will sprout up to support them.” This is the model of the original Silicon Valley, where Stanford invested in two college students to found HP when the surrounding area was mostly farmland. The success of the model caused supporting infrastructure to develop which fed continuous renewal with ever more startups attracting ever more talent and resources. The current best demonstrated practices of Tech Stars and Y-Combinator focus on the “voice of the customer,” in this case, the entrepreneur. Designing the model to begin with the entrepreneur will proceed along the lean startup approach, with resources and services evolving to fit the specific needs of the regional entrepreneurs. Once the infrastructure develops, outside entrepreneurs will be enticed to the Region thereby creating the continuous cycle that feeds the success of recognized innovation hotbeds such as Silicon Valley, Route 128, and Research Triangle.

CLARKSON UNIVERSITY has developed a scalable model with a track record of success through CAMP, the Shipley Center for Innovation, and the Reh Center for Entrepreneurship. By centralizing resources and services at Clarkson and de-centralizing idea generation/capture across the Region, the North Country can harness the existing intellectual capital to create the businesses we need in order to drive economic development. Adding to this model is the Region’s proximity to Canada and the ability to scale across the border.

THE PROPOSED STRUCTURE is a spoke and wheel model with Clarkson University at the hub and formal locations in Plattsburgh (SUNY/CCC), Watertown (JCC), Ogdensburg (OBPA), Massena, and Saranac Lake (NCCC/Trudeau). Leveraging the SUNY campuses in each location under the Startup NY will further support this proposal and maximize impact of that program. The visual representation of all partners and relationships is depicted in the Appendix.

CLARKSON HAS BUILT the supporting infrastructure to service entrepreneurs including:

- *Rapid prototyping*
- *Intellectual property identification and protection*
- *Seed Funding*
- *Accounting*
- *Business model generation*
- *Market research*
- *Branding*
- *Staffing*

THE FOCUS OF THE MODEL is to identify, vet, and train entrepreneurs/innovators through existing programs to then be established in their communities of origin. These locations will deliver the message that the model is available and conduct idea capture. Once captured, feasibility analysis will be conducted at Clarkson to provide a Go/No Go decision. If accepted, the entrepreneur will be provided a “commercialization mentor” to guide them through the commercialization process, bringing resources and services to them, as needed.

THE INNOVATION HOT SPOT PROGRAM’S focus will direct resources primarily to those efforts with the potential to create leading products and services in highly attractive growth markets. Target business opportunities will fall generally into two categories. Category One is the highest priority, highest return. Category Two are business that can generate success and benefit the local region.

CATEGORY ONE TARGETS

Great products are engineered to satisfy the specific demands of Hot Markets. Hot Markets are those attracting the highest levels of investment relative to size and growth rate. Market's attracting the largest amounts of venture capital will be targeted including but not limited to:

- *Water treatment and environmental technologies represent growing global markets*
- *Improving Social Networking Environments*
- *Gaming and Gamification of Mobile Applications and Web-Based Services as a proxy for improved access to traditional services previously un-available*
- *Advanced Materials*
- *Medical devices*
- *Clean Technology*
- *Security*

CATEGORY TWO TARGETS

Category two targets are likely to be project-based and/or more local in nature. Northern New York is a vast agricultural resource capable of producing, processing, packaging and distributing much of the food demand for the Northeast U.S. including high-quality products for niche metropolitan markets. Potential lucrative local businesses include:

- *Local Food for Local Consumption*
- *Local Food for Export to Thruway and Metropolitan Markets*
- *Web/Interactive Services*
- *Health Care Improvements*
- *High value wood and stone products*
- *Energy*
- *Building Systems and Materials Incorporating Local Timber and Stone in Advanced Materials*

TIMELINE

Year 1 of the proposal will focus on driving awareness of the model across the Region as well as base-lining the innovation capacity of the population. Existing infrastructure will be identified and centralized to provide smooth access. Resources/services to be captured will include:

- *Lawyers*
- *Accountants*
- *Manufacturing capabilities*
- *Investment*
 - *Angels*
 - *Venture Capitalists*
 - *Banks*
 - *Grants*
- *Real Estate*
- *SBDC's*
- *IDA's/Economic Developers*
- *Mentors*
- *Markets*
- *Research*

Year 2 will de-centralize services and resources to external locations to offer point-of-use access where applicable. De-centralizing the model after proven success will allow for scalability and growth. Focus on expansion of the model will also include partners in Canada (Ottawa and Montreal) mainly through the OBPA and Plattsburgh locations.

EXPECTED IMPACTS

By pursuing the proposed model, the North Country will be able to build a vibrant innovation community that is self-sufficient and uses internal resources to identify, vet, and create internal startups. The critical mass of startups will drive economic development in two ways:

1. *Direct employment in startups*
2. *Indirect employment in supporting infrastructure*
 - *Manufacturing*
 - *Retail*
 - *Construction*
 - *Support Services*

The 21st century knowledge economy places ideas as the most precious resources. The self-sufficient nature of the North Country drives practical ideation through everyday need which will deliver applicable concepts and innovations that are marketable. Capturing these ideas will drive confidence in Regional entrepreneurs and sustain momentum for the model. After initial successes, the model will become self-sustaining as the continuous cycle of renewal will deliver jobs and entrepreneurs will be trained in startups today to create their own ventures tomorrow.



Cleaner Greener



V. CLEANER GREENER

SUSTAINABILITY was deeply embedded in the North Country Regional Economic Development Plan in 2011. The Region's abundant natural capital was recognized in the NCREDC Plan as one of the key underpinnings of our economy. The Plan's Vision goals align with sustainability principles.

THE CLEANER GREENER COMMUNITIES planning grant was awarded priority project status in 2011 and has been developed in close collaboration with the NCREDC over the past year. It was completed and formally adopted by the NCREDC in February 2013.

THE PLAN

THE NORTH COUNTRY SUSTAINABILITY PLAN, recently awarded an American Planning Association Planning Excellence Award for “Innovation in Sustaining Places” and nominated for the National competition, will foster a robust economy that enhances the quality of our rural communities and sustainably manage our natural resources, becoming a clean energy leader and creating opportunities for present and future generations.

THE PLAN COMMITS TO THE FOLLOWING GOALS:

- Create the greenest and most self-reliant energy economy in New York State.
- Concentrate investment in vibrant and resilient downtowns.
- Grow an innovative local economy and attract the next generation of entrepreneurs, on the foundation of our well managed natural resources and exceptional quality of life.
- Cultivate economic opportunities based on sound environmental practices for farming, forestry, and recreation.
- Develop lower carbon solutions to our rural transportation challenges.
- Safeguard our abundant water resources.
- Transition from linear waste streams to innovative reuse of materials.
- Foster an informed and invested citizenry.
- Contribute to the state’s goal to reduce GHG emissions.
- Foster collaboration between regional entities and governments to improve planning, share knowledge, and implement best practices.
- Create capabilities to adapt to climate change through proactive planning and infrastructure upgrades.

SIX TECHNICAL FOCUS AREAS were developed for which to establish sustainability goals and strategies throughout the Region. To ensure that this planning process moves from theory to action, working group members developed strategies that were measurable through a series of indicators. To achieve these targets, each working group focus area chapter identified a series of specific implementation strategies that were associated directly with focus area goals.

1. CLEAN ENERGY: PRIORITY STRATEGIES

Create the greenest and most self-reliant energy economy in New York State

- Perform a resource and lifecycle assessment to evaluate the quality and quantity of the North Country’s biomass resources and determine the capacity for regional biomass expansion and adoption. What are the key employment skills needed by each identified targeted cluster?
- Provide and increase training opportunities for local contractors for renewable energy installations.
- Facilitate an increase in solar installation using successful models of residential and community-based solar power, including solar thermal.
- Promote the use of NYSERDA’s ongoing programs to enhance the rate and scale of energy retrofits.
- Establish incentives for energy efficiency and green building projects. Develop guidance for small-scale power economics.

2. LIVABLE COMMUNITIES & LAND USE: PRIORITY STRATEGIES

Concentrate investment in vibrant and resilient downtowns

- Implement pilot projects for Main Street redevelopment. Use successful outcomes as the basis for future projects.
- Provide funding and staffing resources to support the development of local planning, including Hazard Mitigation Plans and Comprehensive Land Use.
- Establish programs that provide infrastructure and economic resiliency to climate related impacts.
- Encourage healthy communities through nutrition awareness and providing healthy local food choices.
- Promote educational opportunities and develop knowledge networking to connect schools and enable them to share sustainability projects and programs across the Region.

3. WORKING LANDSCAPES: PRIORITY STRATEGIES

Cultivate economic opportunities based on sound environmental practices for farming, forestry, and recreation

- Capitalize on existing forest industry infrastructure to make greater use of forestland and underutilized farmland for biomass development.
- Support research and development of dedicated energy crops for thermal applications, such as shrub willow, switchgrass, and miscanthus.
- Expand availability of local food by encouraging new farmers, while connecting local growers with local markets, including year-round and seasonal residents, schools, institutions, and tourists.
- Establish visitor information hubs with concierge-style services in tourist destinations that coordinate outdoor excursions with transportation for visitors.
- Educate forestland owners on the financial and resource benefits of using the services of professional foresters to manage and develop their resource.
- Improve the production capacity of commodity and specialty crops and assist farms with diversification (including agri-tourism) and new business startups.
- Incentivize energy audits, upgrades of farm equipment, and methods to enable farmers to achieve production goals using less energy.

4. TRANSPORTATION: PRIORITY STRATEGIES

Develop lower carbon solutions to our rural transportation challenges.

- Update transportation codes to encourage intra-county bus services. Investigate new ways of increasing transportation or commerce options in North Country.
- Expand and complete broadband installations within the Region and identify and adopt strategies to reduce transportation demand and improve commerce.
- Expand existing public transit services and establish new inter- and intra-county bus routes. Provide better connections from regional passenger rail stations and airports to hamlets and cities.
- Develop publically available informational services and educational opportunities including a regional transportation website that links residents and visitors to transportation options and services.
- Improve Regional coordination of transportation infrastructure and services for residents, visitors and commercial interests.
- Improve freight operations and include freight shipping and distribution strategies in county comprehensive plans and local industrial development plans as they are updated.

5. WATER MANAGEMENT: PRIORITY STRATEGIES

Safeguard our abundant water resources.

- Implement programs to reduce system losses and conserve water supply.
- Support energy-efficient upgrades and encourage the use of renewable energy sources for water infrastructure.
- Support the development of watershed management plans.
- Reduce pollutant loads and non-point source impacts to water quality.
- Reduce the impacts of invasive species.
- Evaluate locations where engineering solutions may be needed to mitigate frequent flooding
- Identify water management strategies needed to support the growth of businesses, industry, and recreation within the Region.

6. MATERIALS MANAGEMENT: PRIORITY STRATEGIES

Transition from linear waste streams to innovative reuse of materials.

- Conduct regional research on materials management contracting and disposal fees to help determine best practices that can be shared Regionally to improve local decision-making for material management.
- Encourage counties and planning units to adopt single-stream or zero-sort recycling.
- Increase the number of composting and digester facilities to reduce the volume of food and yard waste sent to landfills, and to create a useable product (fertilizers).
- Explore and promote market opportunities for recyclable and recovered materials.

IMPLEMENTATION STRATEGIES

THIS SUSTAINABILITY PLAN drives specific actions and strategies that support implementation of the NCREDC plan. Many of the NCREDC projects funded in 2011 and 2012 were included as examples of sustainability in action. The NCREDC established scoring criteria for CGC Sustainability Projects, and encouraged 2013 CFA applicants to indicate whether their project met any of the criteria. This Plan strongly recommended that the NCREDC co-chairs establish and assign leadership to a Sustainability Working Group under the auspices of the NCREDC. They have appointed the Adirondack North Country Association (ANCA) to lead the implementation, under the auspices of the Council. ANCA was instrumental in creating the Plan, coordinated the seven-county leadership Consortium, and is working with members of the Consortium to oversee implementation of the Plan. ANCA's Executive Director sits on the Council. ANCA and the Working Group are tasked with facilitating implementation of the Sustainability Plan, coordinating with the Consortium and other organizations throughout the Region that are working on relevant projects. Efforts already underway at the time of this plan, including projects funded with NCREDC resources, reflect the strength that comes from collaboration and an established set of Regional goals.

WITH REENERGY'S BLACK RIVER biomass plant coming on line in 2013 (a priority project in 2011 awarded \$30M in Industrial Revenue Bonds in 2012), countless schools and institutions across the Region that have already converted to using biomass to heat their buildings, and a state-of-the-art facility in place to supply the Region with biomass fuel, the Region has made a significant start in meeting the energy goals outlined in the plan.

SEVERAL OTHER PROJECTS are already in place that align with the Plan's strategies, including a North Country biomass market assessment that is being done under the auspices of New York State's new Green Bank. With strategic market stimulation and support, the North Country can become an important model, demonstrating how technological advances combined with locally and sustainably produced renewable energy resources can drive the rural economy and attract investment into the Region. It will be completed in the fall of 2013.

THE SECOND ANNUAL North Country Clean Energy Conference was held in June 2013, attracting 250 leaders from across the Region to share success stories and create more synergy on multiple clean energy opportunities and businesses. 15 exhibitors showcased their innovative technologies and market approaches to driving a local clean energy economy. Planning for the third 2014 Clean Energy conference is well underway.

CFA APPLICATIONS for CGC round 2 implementation funds included projects that address all of the Plan's goals. The North Country again demonstrated its resourcefulness in working within the State's guidelines for CGC Round two project guidelines. The \$1M limit on project budgets created a barrier due to the relatively small size and scale of many North Country sustainability projects. One of the priority project submissions for CGC funds aggregated nine projects that together address each one of the Plan's goals, and individually can be developed as pilot projects or case studies for broader replication. Another priority project application focuses strictly on converting multiple buildings from fuel oil to biomass as a thermal fuel source.

VI

List of Priority Projects



PROJECT NAME:

VALUE ADDED AGRICULTURE PROGRAM

APPLICANT:

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

LOCATION:

SEVEN COUNTIES IN NORTH COUNTRY REGION

PROJECT COST:

\$2,000,000

FUNDING:

\$1,000,000 PUBLIC INVESTMENT
\$1,000,000 PRIVATE INVESTMENT

OUTCOME:

50 NEW JOBS CREATED, 50 EXISTING JOBS RETAINED

DESCRIPTION:

The project will create a loan fund, administered by the Development Authority of the North Country, to assist farmers and other food industry producers to increase production efficiencies, broaden product offerings, and increase capacity in the ag industry by offering low interest loan.

Regional Benefit

The project will increase availability of value added agriculture products in the internal and external market place, and will create direct and indirect jobs in the process. Further, value added processes create additional wealth in the community by keeping purchases local, keeping jobs local, and by diversifying an important sector of the Regional economy.

Vision Addressed

Propagate an agricultural revolution as we help feed the Region and the world.

Strategy Addressed

Maintain, establish and expand the presence of storage, processing and distribution facilities in the Region to promote the sales of value-added agricultural products that are sold locally and globally.



PROJECT NAME:

BOMBARDIER MASS TRANSIT EMPLOYEE TRAINING

APPLICANT:

BOMBARDIER

LOCATION:

PLATTSBURGH

PROJECT COST:

\$204,612

FUNDING:

\$40,922 PUBLIC INVESTMENT

\$163,690 PRIVATE INVESTMENT

OUTCOME:

RETENTION OF 469 EXISTING EMPLOYEES AT PLATTSBURGH LOCATION

DESCRIPTION:

The project will provide training to existing Bombardier employees across multiple departments and levels. Recent growth in the company has created the need a standardized culture and education of Bombardier employees, which will lead to improved efficiencies.

Regional Benefit

The Plattsburgh facility is a Center of Excellence for Bombardier Transportation. The company has experienced significant growth recently, creating 147 new jobs in the last year, and was a Priority Project in the 2011 funding round. This project will support critical training and education in the high tech manufacturing sector, which will support future job growth.

Vision Addressed

Energize our micropolitan cities, building on growth in aerospace, transit equipment, defense, biotech and manufacturing industries.

Strategy Addressed

Develop a strong workforce development system to support the needs of employers in the targeted clusters using a combination of new and incumbent worker training, certificate programs, degree programs, and recruitment assistance.





PROJECT NAME:

INN ON SCHROON LAKE

APPLICANT:

INN ON SCHROON LAKE

LOCATION:

SCHROON LAKE

PROJECT COST:

\$4,019,000

FUNDING:

\$819,000 PUBLIC INVESTMENT

\$3,200,000 PRIVATE INVESTMENT

OUTCOME:

CREATION OF 23 NEW JOBS

DESCRIPTION:

The project will restore an 1883 lodge into five luxury suites, and build a new 30 room inn and restaurant on Schroon Lake's waterfront.

Regional Benefit

The project will create a tourist destination facility in an eastern Adirondack community that depends on tourist traffic for its economic well-being, but has no quality hotel rooms to retain travelers in the community. The project will create significant direct jobs during construction and upon completion, and will indirectly support the existing and new jobs in the independent shops, restaurants and service establishments in the community.

Vision Addressed

Activate tourism as a driver to diversify our economies.

Strategy Addressed

Put in place tools to attract private investment which will drive demand to revitalize and diversify communities and create a climate that will allow entrepreneurs to flourish.



PROJECT NAME:

BIONIQUE TESTING LABORATORIES FACILITY
EXPANSION

APPLICANT:

BIONIQUE TESTING LABORATORIES, INC

LOCATION:

SARANAC LAKE

PROJECT COST:

\$3,500,000

FUNDING:

\$700,000 PUBLIC INVESTMENT

\$2,800,000 PRIVATE INVESTMENT

OUTCOME:

CREATION OF 5 NEW JOBS AND RETENTION OF
19 EXISTING EMPLOYEES

DESCRIPTION:

The project will add approximately 10,000 square feet of space to its existing complex. The expansion will double the capacity of the diagnostic laboratory and allow for the volume growth and expansion of Bionique's research and development activities.

Regional Benefit

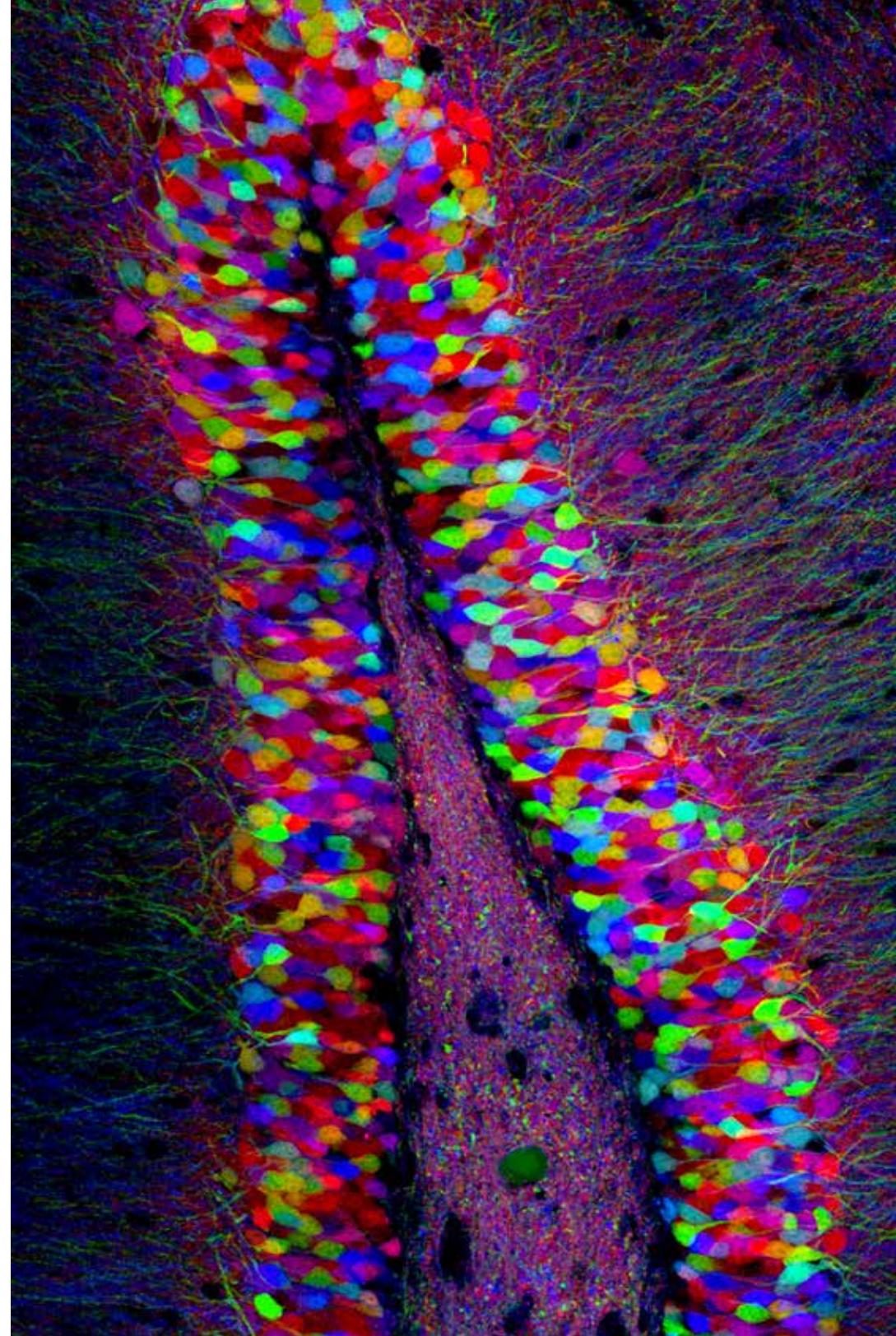
The project will create and retain high tech jobs in the Region, in addition to the construction industry jobs required to build the facility. The expansion will strengthen Bionique's position in the biotech industry and as a North Country resource. This enhances our ability to attract other high tech companies and environmentally friendly to the Region.

Vision Addressed

Energize our micropolitan cities, building on growth in aerospace, transit equipment, defense, biotech and manufacturing industries.

Strategy Addressed

Support the existing small but dynamic biotechnology cluster in the Saranac Lake/Lake Placid area, and encourage other biotech companies to locate in the Region, including early-stage biomedical tool companies. Having a larger bio-cluster presence in the Region will help large and small biotech facilities to stay, expand and thrive.





PROJECT NAME:

WILD WALK PHASE 2

APPLICANT:

NATURAL HISTORY MUSEUM OF THE
ADIRONDACKS DBA THE WILD CENTER

LOCATION:

TUPPER LAKE

PROJECT COST:

\$2,320,000

FUNDING:

\$464,000 PUBLIC INVESTMENT
\$1,856,000 PRIVATE INVESTMENT

OUTCOME:

CREATION OF 11.5 CONTRACT JOBS OVER 2
YEARS, AND RETENTION OF 10 JOBS

DESCRIPTION:

The project will complete the Wild Walk exhibit, the Wild Center's signature innovative interpretation of the abundant life above the ground. It will include a two story tree house, suspended bridges, and other exhibits built 30 feet in the air.

Regional Benefit

The project will allow for the continued expansion of The Wild Center as a tourism destination for the Adirondack region. The Wild Center currently has a \$10 million annual impact on the Region. The expansion will positively impact programming, help expand the visitor base, and will support revitalization of the Tupper Lake/central Adirondack region.

Vision Addressed

Activate tourism as a driver to diversify our economies.

Strategy Addressed

Put in place tools to attract private investment which will drive demand to revitalize and diversify communities and create a climate that will allow entrepreneurs to flourish.



PROJECT NAME:

MERCY HOSPITAL REDEVELOPMENT

APPLICANT:

COR ARSENAL STREET COMPANY, LLC

LOCATION:

WATERTOWN

PROJECT COST:

\$70,000,000

FUNDING:

\$5,000,000 PUBLIC INVESTMENT

\$65,000,000 PRIVATE INVESTMENT

OUTCOME:

CREATION OF 416 NEW JOBS OVER 5 YEARS

DESCRIPTION:

The project will demolish 377,000 square feet of former hospital/nursing home space in four abandoned buildings on nine acres in downtown Watertown. The project will then redevelop the site with four new mixed use buildings including 168 units of housing and 42,000 square feet of retail and commercial space.

Regional Benefit

The project will be a transformational project for the largest community in the North Country Region, as it will remove blighted and dilapidated buildings from a full city block, and restore the area to economic vitality with center-city housing and commercial activity. The project will provide much needed housing to support the on-going activities at Fort Drum, the Region's largest employer. The project will create significant direct jobs during construction and upon completion, and will indirectly support the existing jobs in the center-city.

Vision Addressed

Energize our micropolitan cities, building on growth in aerospace, transit equipment, defense, biotech and manufacturing industries.

Strategy Addressed

Address the shortage of rental housing available for soldiers and their families in the Fort Drum area and, in turn, improve the quality of housing options for the community as a whole.





PROJECT NAME:
LAKE FLOWER LODGING

APPLICANT:
LAKE FLOWER LODGING, LLC

LOCATION:
SARANAC LAKE

PROJECT COST:
\$14,875,000

FUNDING:
\$2,200,000 PUBLIC INVESTMENT
\$12,675,000 PRIVATE INVESTMENT

OUTCOME:
CREATION OF 71 NEW JOBS

DESCRIPTION:

The project involves construction of a hotel and waterfront restaurant on Lake Flower Avenue in Saranac Lake. The project will include 90 rooms, banquet facilities, and dockage. The project will remove 3 aging motels and site and infrastructure improvements to accommodate the new hotel.

Regional Benefit

The project will provide benefits to the Region in multiple ways. Construction and long term hotel related employment will increase due to the project. The hotel will be a critical anchor institution in making Saranac Lake a year around tourism destination.

Vision Addressed

Activate tourism as a driver to diversify our economies.

Strategy Addressed

Put in place tools to attract private investment which will drive demand to revitalize and diversify communities and create a climate that will allow entrepreneurs to flourish.



PROJECT NAME:

PLATTSBURGH INTERNATIONAL AIRPORT
TERMINAL EXPANSION

APPLICANT:

CLINTON COUNTY

LOCATION:

PLATTSBURGH

PROJECT COST:

\$54,600,000

FUNDING:

\$6,490,000 NYS INVESTMENT

\$48,110,000 OTHER STATE, FEDERAL AND PRIVATE INVESTMENT

OUTCOME:

CREATION OF 20 NEW JOBS

DESCRIPTION:

The project involves construction of the proposed terminal expansion at Plattsburgh International Airport. The project will include an approximately 80,000 square foot expansion of the terminal, with additional boarding gates, ticket counters, passenger screening facilities, and other passenger and administration space, in particular space for U.S. Customs and Border Protection.

Regional Benefit

The project will provide benefits to the Region in several ways. Construction and long term airport related employment will increase due to the project. The airport allows the Plattsburgh Region to offer increased capabilities to tourists and other employers needing efficient air travel connections. The improvements will strengthen Plattsburgh's role as a "gateway" for Canadian travel to the U.S.

Vision Addressed

Energize our micropolitan cities, building on growth in the aerospace, transit equipment, defense, biotech and manufacturing industries.

Strategy Addressed

Actively facilitate and promote the continued development of facilities and infrastructure at Plattsburgh International Airport.





PROJECT NAME:
SEAGLE MUSIC COLONY

APPLICANT:
SEAGLE MUSIC COLONY

LOCATION:
SCHROON LAKE

PROJECT COST:
\$945,600

FUNDING:
\$189,000 PUBLIC INVESTMENT
\$756,540 PRIVATE INVESTMENT

OUTCOME:
RETENTION OF 20 SEASONAL JOBS, CREATION
OF 1 NEW FULL TIME JOB

DESCRIPTION:

The project will build a new facility for faculty members, renovate the theater foundation, replace the water distribution system, upgrade the electric service and renovate the food service facility.

Regional Benefit

The Seagle Music Colony is one of the premier opera training facilities in the United States, and regularly hosts performers that go on to major metropolitan opera companies. The project will allow the Colony to extend its training program, attract additional tourists and local patrons to productions at the Colony, support artists for longer stays in Schroon Lake, and expand its workforce.

Vision Addressed

Elevate global recognition of the Region as one of the special places on the planet to visit, live, work and study. Activate tourism as a driver to diversify our economies.

Strategy Addressed

Elevate the access of the residents of the North Country to arts and culture through integration of cultural activities for higher education students and North Country residents. Foster the development and enhancement of sub-regional plans that identify opportunities to attract more businesses.



PROJECT NAME:

ADIRONDACK MUSEUM EXHIBITION MASTER PLAN PHASE I

APPLICANT:

ADIRONDACK HISTORICAL SOCIETY/ADIRONDACK MUSEUM

LOCATION:

BLUE MOUNTAIN LAKE

PROJECT COST:

\$14,750,000

FUNDING:

\$2,950,000 PUBLIC INVESTMENT

\$11,800,000 PRIVATE INVESTMENT

OUTCOME:

CREATION OF 72 NEW JOBS

DESCRIPTION:

The project involves replacing 30,000 square feet of exhibits dating back more than 40 years, and replacing them with new hands-on interactive experiences designed to engage contemporary audiences, in particular families.

Regional Benefit

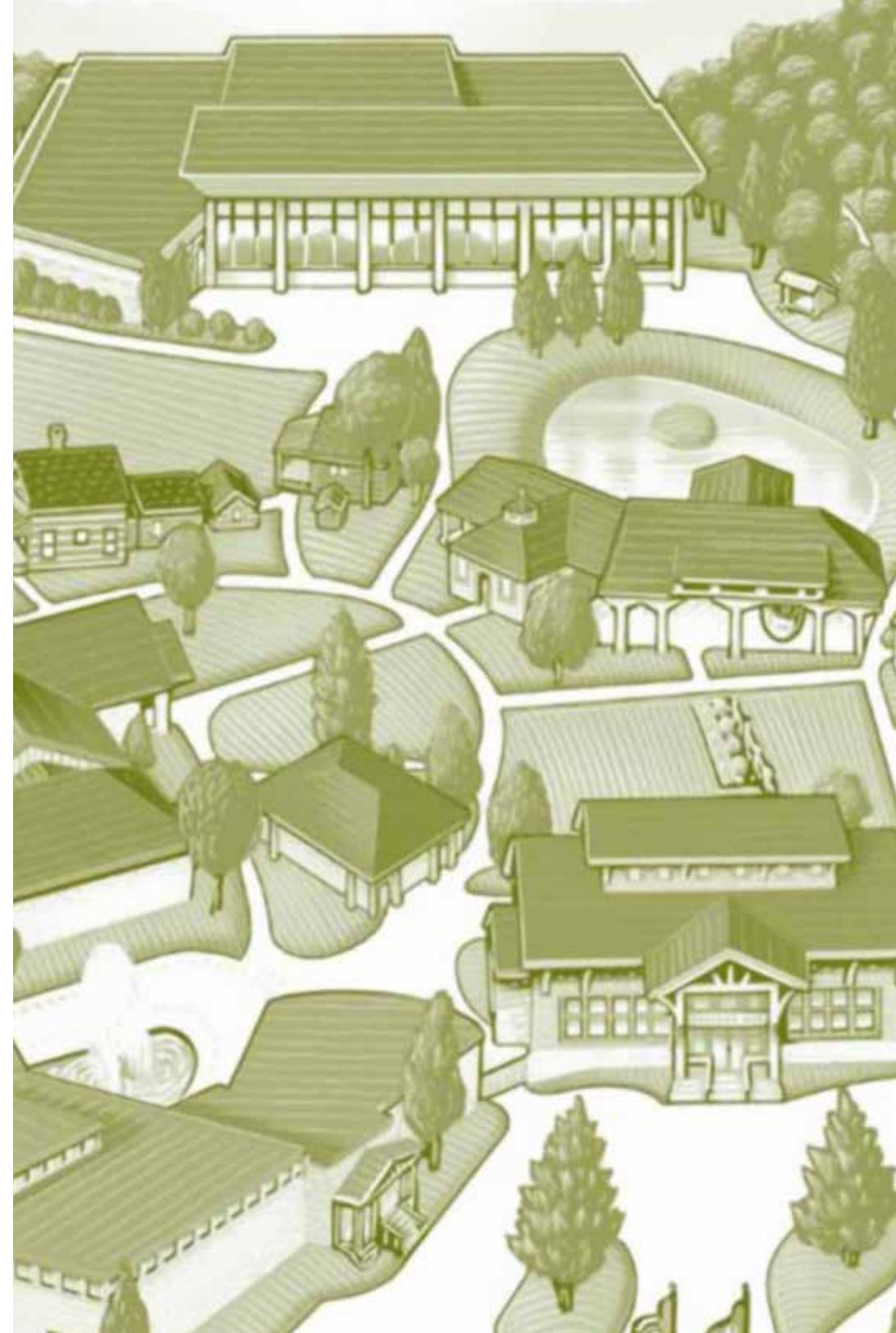
The museum is one of the North Country's largest and most important tourist attractions. The project will strengthen the museum as a Regional attraction, generate substantial economic activity during and after construction, result in significant job creation in the central Adirondack region.

Vision Addressed

Activate tourism as a driver to diversify our economies.

Strategy Addressed

Put in place tools to attract private investment which will drive demand to revitalize and diversify communities, and create a climate that will allow entrepreneurs to flourish.





PROJECT NAME:

PORT OF OGDENSBURG
AGRIBUSINESS CAPACITY

APPLICANT:

OGDENSBURG BRIDGE & PORT AUTHORITY

LOCATION:

OGDENSBURG

PROJECT COST:

\$2,377,200

FUNDING:

\$475,440 PUBLIC INVESTMENT
\$1,901,760 APPLICANT EQUITY
AND FEDERAL FUNDS

OUTCOME:

RETENTION OF 30 JOBS

DESCRIPTION:

The project will upgrade the Authority's capacity to ship, receive and store agricultural products. The project will upgrade two railroad bridges on the line that serves the port, and will purchase and install a new product conveyor and storage facility.

Regional Benefit

The project will increase OBPA's capabilities in the trans-load shipping industry, and will increase OBPA's competitiveness as an international border crossing. The project will also support the expansion of the industries that rely on the Ogdensburg Port for movement of goods. This will be a significant advantage as the Region's agriculture industry expands.

Vision Addressed

Propagate an agricultural revolution as we help feed the Region and the world.

Strategy Addressed

Maintain, establish and expand the presence of storage, processing and distribution facilities in the Region to promote the sales of value added agricultural products that are sold locally and globally.



PROJECT NAME:

HOTEL SARANAC

APPLICANT:

ROEDEL COMPANIES, LLC

LOCATION:

SARANAC LAKE

PROJECT COST:

\$12,700,000

FUNDING:

\$5,000,000 PUBLIC INVESTMENT

\$7,700,000 PRIVATE INVESTMENT

OUTCOME:

CREATION OF 65 CONSTRUCTION JOBS, AND 45
NEW FULL TIME JOBS

DESCRIPTION:

The project will renovate the historic Hotel Saranac, updating 75 guest rooms, banquet and meeting facilities, and street level retail space. The project will also create a 250 car parking structure to support the hotel and retail operations.

Regional Benefit

The renovated Hotel Saranac will be an anchor institution in making Saranac Lake a year around tourism destination. It will support significant job creation both during construction and on a long term basis. Annual economic impact is estimated at \$10 million to the Region.

Vision Addressed

Activate tourism as a driver to diversify our economies.

Strategy Addressed

Put in place tools to attract private investment which will drive demand to revitalize and diversify communities, and create a climate that will allow entrepreneurs to flourish.





PROJECT NAME:

ADIRONDACK NORTH COUNTRY
PRODUCT BRANDING

APPLICANT:

ADIRONDACK NORTH COUNTRY ASSOCIATION

LOCATION:

7 NORTH COUNTRY REGION COUNTIES

PROJECT COST:

\$120,000

FUNDING:

\$100,000 PUBLIC INVESTMENT

\$20,000 PRIVATE INVESTMENT

OUTCOME:

DEVELOPMENT OF A NORTH COUNTRY
PRODUCT BRAND PLAN

DESCRIPTION:

The project will develop a plan for creating a certification based North Country brand, describing how the brand will be developed, marketed, managed, and financed. The project will create an umbrella brand that will provide support for a wide range of products, services and facilities produced in or located in the Region.

Regional Benefit

The Adirondack North Country Region has faced an economic disadvantage because its qualities have not been widely known by consumers. This puts every business in the Region at a disadvantage versus better known brands like “Made in Vermont” or Napa Valley. The Regional brand will elevate recognition of the advantages of the North Country and its products across the Region and around the world.

Vision Addressed

Elevate global recognition of the Region as one of the special places on the planet to visit, live, work and study.

Strategy Addressed

Create and transform a transformational Regional brand which powerfully communicates the values, identity and resources of the people, places, and products of the North Country Region.



PROJECT NAME:

NORTH COUNTRY MARKET NY JOINT
MARKETING INITIATIVE

APPLICANT:

OGDENSBURG BRIDGE & PORT AUTHORITY

LOCATION:

SEVEN COUNTIES IN NORTH COUNTRY
REGION

PROJECT COST:

\$1,286,750

FUNDING:

\$1,086,750 PUBLIC INVESTMENT
\$200,000 PRIVATE INVESTMENT

OUTCOME:

DEVELOPMENT AND IMPLEMENTATION
OF A REGIONAL TOURISM MARKETING
INITIATIVE

DESCRIPTION:

The project will capitalize on one of the Region's most unique assets – the longest border with Canada – in a multi county effort to draw Canadian visitors across the border for four season recreational opportunities. The project will include marketing of specific niche recreation, opportunity marketing, and visitor experience enhancement.

Regional Benefit

The project will leverage and expand the Region's existing tourism industry and four season recreational opportunities, which will drive demand for ancillary business and services. Tourism in the North Country is a \$1 billion annual economic driver, but the impact is unevenly distributed among the seven counties. The project will link multiple communities across the Region by promoting key activities in several locations.

Vision Addressed

Elevate global recognition of the Region as one of the special places on the planet to visit, live, work and study.

Strategy Addressed

Foster the development and enhancement of sub-regional plans and marketing analyses that identify opportunities to attract more businesses; grow the number of visitors to the Region. Creation of the Tourism Business Revitalization Program – Regional Tourism Planning Initiative.





PROJECT NAME:

CYCLE ADIRONDACKS

APPLICANT:

WILDLIFE CONSERVATION SOCIETY

LOCATION:

ESSEX, FRANKLIN, LEWIS, HAMILTON,
ONEIDA, HERKIMER COUNTIES

PROJECT COST:

\$970,000

FUNDING:

\$211,750 PUBLIC INVESTMENT
\$758,250 PRIVATE INVESTMENT

OUTCOME:

CREATION OF 2 CONTRACT JOBS

DESCRIPTION:

Cycle Adirondacks is a week long, fully supported road bicycle tour through Northern New York, spanning both the North Country and Mohawk Valley economic development regions. In its first year it will host up to 600 cyclists riding through the Region, and staying overnight in host towns along the route. Participants will spend time in destination communities camping, eating, shopping, and engaging with local residents.

Regional Benefit

The event will promote the Adirondacks and North Country Region, bring a greater appreciation of this part of the state to participants and stimulate economic activity in the host communities. Based on similar events around the country, the vast majority of cyclists will be from other parts of the State and country. The project will drive tourism and promote community collaboration in the Region.

Vision Addressed

Elevate global recognition of the Region as one of the special places on the planet to visit, live, work and study. Activate tourism as a driver to diversify our economies.

Strategy Addressed

Solicit recreational and competitive sporting events/competitions on the national and international level to leverage Regional identity, sports tourism, and economic activities.



PROJECT NAME:

STERRx

APPLICANT:

ASEPT PAK INC.

LOCATION:

PLATTSBURGH

PROJECT COST:

\$5,505,000

FUNDING:

\$1,101,000 PUBLIC INVESTMENT

\$4,404,000 PRIVATE INVESTMENT

OUTCOME:

CREATION OF 80 NEW JOBS IN 2 YEARS

DESCRIPTION:

The project will develop a new manufacturing facility to meet product demand in the US, Canada, and third world countries. The project will include installation of a purified water system, pure steam generation, multiple cleanrooms, machines, molds, lab and packaging equipment.

Regional Benefit

The project will reuse a portion of the former Wyeth Labs manufacturing space, re-employ displaced pharmaceutical employees, further develop the biotech and pharmaceutical industry in the Region, and strengthen Asept Pak's position in the global pharmaceutical market.

Vision Addressed

Energize our micropolitan cities, building on growth in the aerospace, transit equipment, defense, biotech, and manufacturing industries.

Strategy Addressed

Support the existing small but dynamic biotechnology industry in the Saranac Lake/Lake Placid area and encourage other biotech companies to locate in the Region, including early stage bio-medical tool companies.



**OPPORTUNITY
AGENDA**



PROJECT NAME:

JEFFERSON-LEWIS MACHINIST TRAINING PROGRAM

APPLICANT:

JEFFERSON-LEWIS BOCES

LOCATION:

JEFFERSON AND LEWIS COUNTIES

PROJECT COST:

\$142,870

FUNDING:

\$38,814 PUBLIC INVESTMENT

\$104,056 PRIVATE INVESTMENT

OUTCOME:

MORE PEOPLE IN THE WORKFORCE WITH THE SKILLS NEEDED TO RETAIN AND GROW LOCAL BUSINESS, ATTRACT NEW BUSINESS, AND WITH THE POTENTIAL TO START THEIR OWN HOME-GROWN ENTREPRENEURIAL ENTERPRISE

DESCRIPTION:

The project will train participants in the basics of machining and Computer Numerically Controlled (CNC) machine operation and prepare them for employment as machine operators and manual programmers. It will also teach print reading, gauging and mechanical skills that are applicable in multiple manufacturing disciplines.

Regional Benefit

The project is vitally important to manufacturing businesses in Jefferson and Lewis Counties. It will increase the viability of existing businesses by developing the workforce necessary for them to remain competitive and grow. Its success will also help attract new industry to the area as other companies are made aware of our ability to provide highly skilled labor. It will also support entrepreneurship in the Region and improve job opportunities for the long term unemployed.

Vision Addressed

Energize our micropolitan cities, building on growth in aerospace, transit equipment, defense, biotech and manufacturing industries.

Strategy Addressed

Opportunity Agenda

**OPPORTUNITY
AGENDA**



PROJECT NAME:

ADIRONDACK TELEWORKS

APPLICANT:

TOWN OF INDIAN LAKE CHAMBER OF
COMMERCE

LOCATION:

HAMILTON COUNTY

PROJECT COST:

\$119,200

FUNDING:

\$119,200 PUBLIC INVESTMENT
\$22,200 PRIVATE INVESTMENT

OUTCOME:

10 TO 14 NEW JOBS CREATED IN FIRST YEAR

DESCRIPTION:

The project will link employers with newly trained workers, with training delivered over a high speed telecommunications network. The project will utilize local libraries as training sites, and WIB certified trainers; partner with employers to develop curriculum; and identify training candidates that are unemployed or under employed due to insufficient job skills.

Regional Benefit

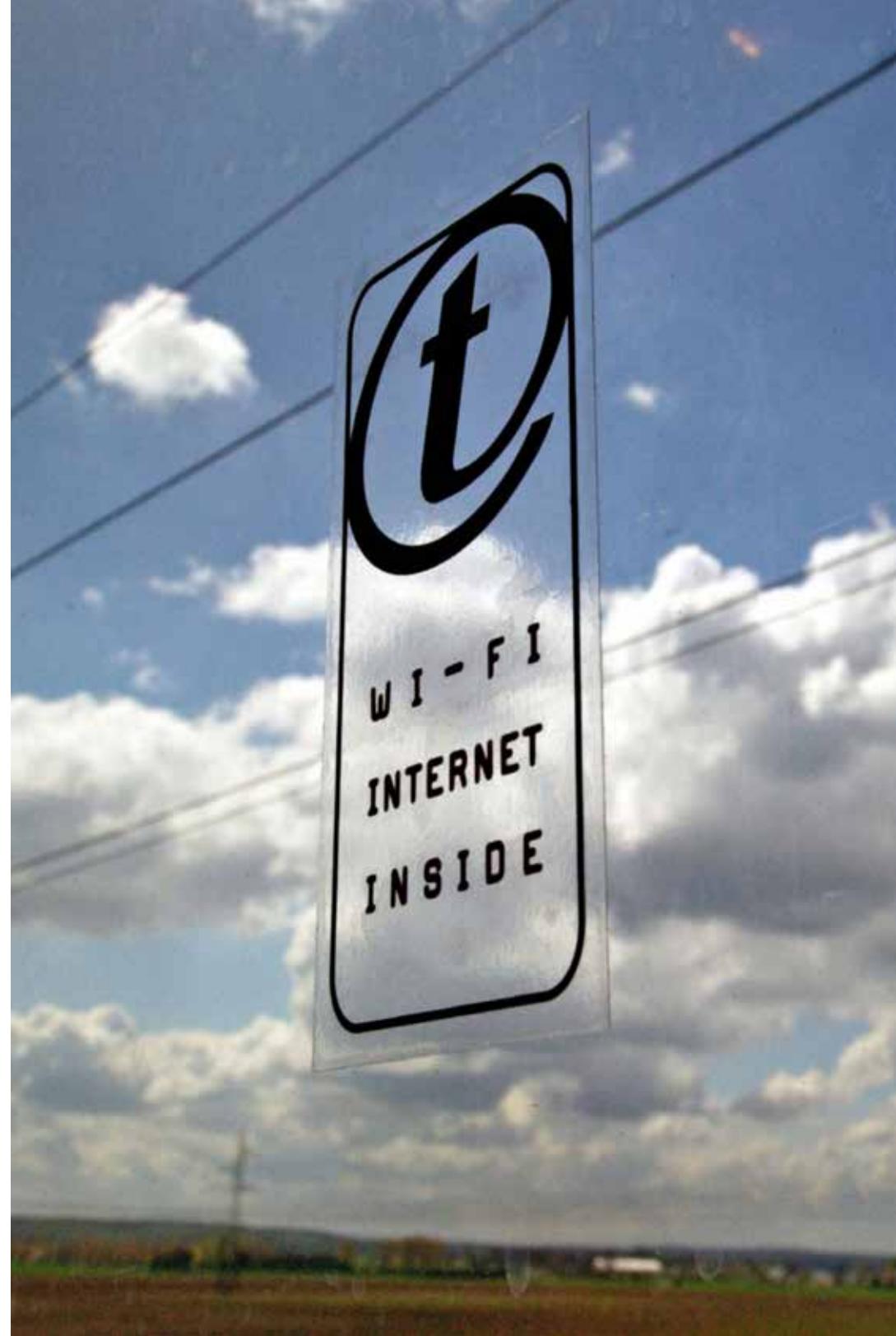
Hamilton County is the smallest and most remote county in the North Country Region. There are few year around private sector job opportunities, and unemployment is extremely high. Also, Hamilton County does not have a community college, and access to higher education resources is difficult due to distance. This pilot project will demonstrate the value of delivering advanced job skills training in an extremely remote area, using telecommunications technology.

Vision Addressed

Energize our micropolitan cities, building on growth in aerospace, transit equipment, defense, biotech, and manufacturing industries.

Strategy Addressed

Opportunity Agenda





**CLEANER, GREENER
COMMUNITIES**



PROJECT NAME:

REMOVING BARRIERS TO WOOD PELLET HEATING IN INSTITUTIONAL BUILDINGS IN THE NORTH COUNTRY

APPLICANT:

BIOENERGY PROJECT PARTNERS, LLC

LOCATION:

ESSEX, FRANKLIN, HAMILTON COUNTIES

PROJECT COST:

\$2,862,000

FUNDING:

\$1,394,173 PUBLIC INVESTMENT

\$1,467,827 PRIVATE INVESTMENT

OUTCOME:

UP TO 15 NEW JOBS CREATED LONG TERM

DESCRIPTION:

The project will install advanced high efficiency wood pellet boiler systems at five institutional sites in the Adirondacks and achieve the goals of reducing energy costs and replacing fossil fuel use with renewable biomass for heating. The project will provide access to competitive financing for the host sites, technical expertise for installation, and support for on-going operations.

Regional Benefit

The project is important to the Region as a pilot project. The selected institutions are currently reliant on expensive fuel oil, their executive management is committed to a more cost effective and environmentally friendly approach to heating, and the various sizes of the host institutions will demonstrate the technology at different size and scale. The success of the project may lead to replication at other sites across the Region.

Vision Addressed

Create the greenest energy economy in the State.

Strategy Addressed

Cleaner Greener – Invest in large and small clean energy technology businesses, including lighting and biomass.

**INNOVATION
HOT SPOT**



PROJECT NAME:

CLARKSON UNIVERSITY INNOVATION HOT SPOT

APPLICANT:

CLARKSON UNIVERSITY

LOCATION:

SEVEN COUNTIES IN NORTH COUNTRY REGION

PROJECT COST:

\$1,182,000

FUNDING:

\$250,000 PUBLIC INVESTMENT
\$932,000 PRIVATE INVESTMENT

OUTCOME:

A VIBRANT, SELF-SUFFICIENT INNOVATION COMMUNITY

DESCRIPTION:

The project will extend the services and expertise of Clarkson University's Shipley Center for Innovation and the Reh Center for Entrepreneurship to five locations in the Region. Clarkson staff will work with developing entrepreneurs on all aspects of business start-up and expansion, including product testing, intellectual property protection, marketing and web presence, in order to help insure the success of new businesses in the Region.

Regional Benefit

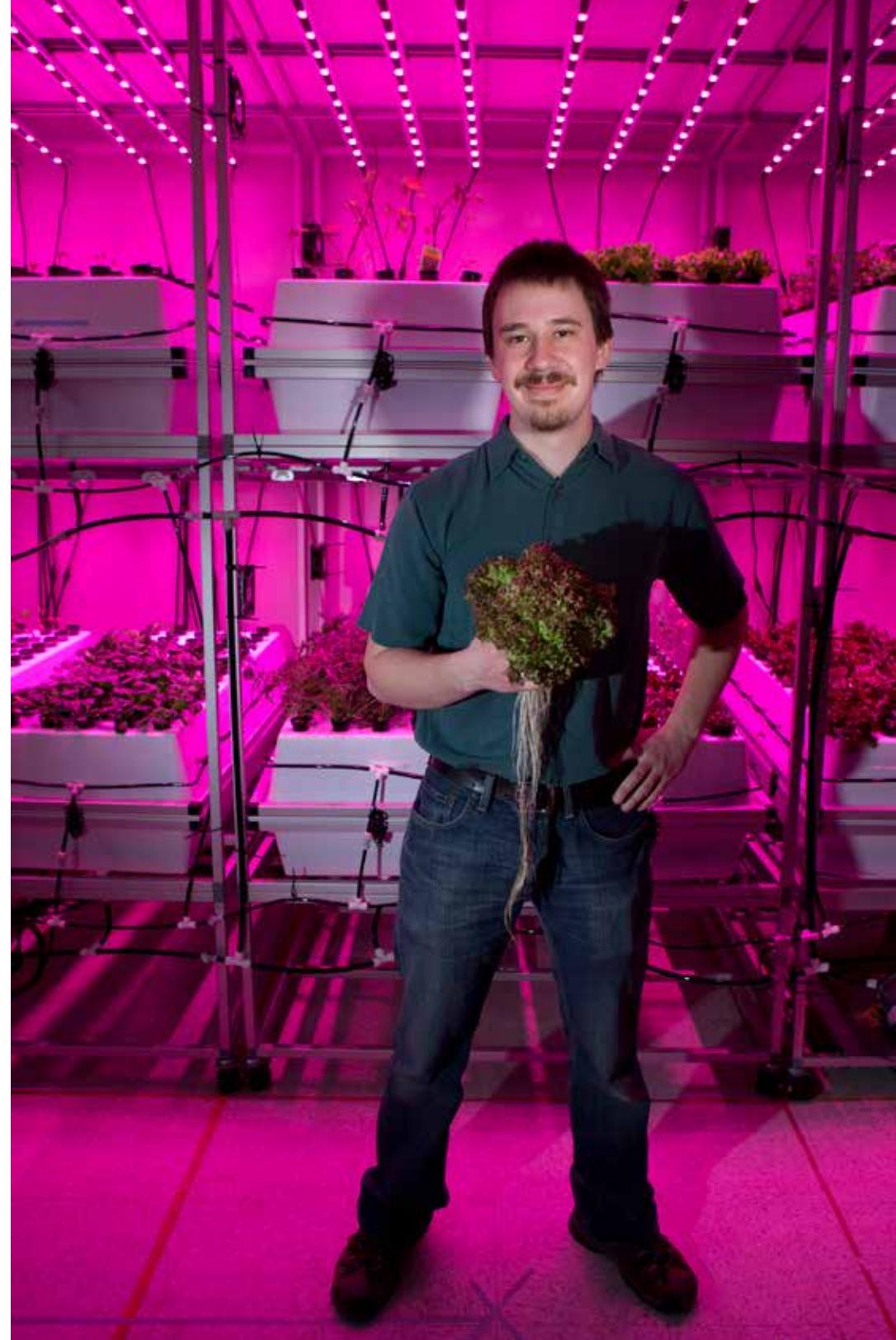
Our small rural area cannot afford the luxury of redundant services. Clarkson University has a proven model of entrepreneur development that will be extended across the Region via this Hot Spot proposal. By centralizing resources and service on campus, and decentralizing idea generation across the Region, the North Country can harness the existing intellectual capital to create the businesses we need to drive economic development.

Vision Addressed

Energize our micropolitan cities, building on growth in aerospace, transit equipment, defense, biotech and manufacturing industries. Attract and nurture entrepreneurial pioneers to cultivate innovative clusters in our rural communities. Catalyze the highest per capita rate of small business start-ups in the State.

Strategy Addressed

Innovation Hot Spot





**CLEANER, GREENER
COMMUNITIES**



PROJECT NAME:

GROWING OUR ECONOMY: NORTH COUNTRY
INNOVATIONS IN SUSTAINABILITY

APPLICANT:

ESSEX COUNTY

LOCATION:

ESSEX, FRANKLIN, LEWIS, ST. LAWRENCE
COUNTIES

PROJECT COST:

\$4,318,266

FUNDING:

\$2,539,668 PUBLIC INVESTMENT
\$1,778,598 PRIVATE INVESTMENT

OUTCOME:

RETENTION OF AN ESTIMATED 45 JOBS

DESCRIPTION:

The project will aggregate nine projects from around the Region, each addressing key aspects of the Regional sustainability plan. The projects include: renewable energy system installation, upgrades to small scale hydro systems, municipal biomass heating systems, food composting, and downtown pedestrian improvements.

Regional Benefit

The project is important to the Region because it addresses several issues raised in the North Country Sustainability Plan. The smaller scale of these projects would not fit the minimum requirements of CGC Phase 2 funding, and this aggregated approach solves that dilemma, allowing the plan to go forward on a Region wide basis.

Vision Addressed

Create the greenest energy economy in the state.

Strategy Addressed

Cleaner Greener – Invest in large and small clean energy technology businesses, including lighting and biomass. Maximize North Country utilization of energy efficiency resources.

OTHER REGIONALLY SIGNIFICANT PRIORITIES AND INITIATIVES	
<i>Trudeau</i>	1
<i>ACUB</i>	2
<i>Croghan Dam</i>	3
<i>Whiteface Highway</i>	4
<i>ReEnergy/Chateaugay</i>	5
<i>Higher Ed</i>	6
<i>Alcoa</i>	7
<i>HEARD</i>	8
<i>Regional Micro-Enterprise Incentive Program</i>	9
<i>Regional Arts and Interactive Learning</i>	10
<i>St Lawrence Psychiatric Center – Center of Excellence</i>	11

<i>North Country Regional Economic Development Council Organization Chart</i>	1
<i>Work Group Members</i>	2
<i>New and Refined Strategies</i>	3
<i>Master Implementation Matrix</i>	4
<i>Performance Measures Matrix</i>	5
<i>Priority Project Scoring Matrix</i>	6
<i>Priority Project Nomination Form</i>	7
<i>Transformative/Transformational</i>	8
<i>Work Group Reports</i>	9
<i>Opportunity Agenda – North Country</i>	10
<i>North Country Innovation Hot Spots</i>	11
<i>North Country Cleaner Green Sustainability Plan</i>	12
<i>North Country Infrastructure Fund</i>	13
<i>Community Revitalization Fund – North Country</i>	14
<i>Priority Projects</i>	15
<i>Code of Conduct</i>	16

