

Franklin County Economic Development Plan

Steering Committee Workshop 3
August 28, 2014



Agenda

- Welcome
 - Project Status
 - Relevant Clusters
 - SWOT Analysis Discussion
 - Vision Statement Discussion
 - Next Steps
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Project Status

Phase I: Existing Conditions

1. Project Start-Up
2. Review and Integration of Prior Plans
3. Economic Profile
4. Key Stakeholder Interviews **S**
5. Vision Statement & SWOT Analysis **S P**
6. Relevant Cluster Analysis

S = Steering Committee
P = Public Meeting
F = Focus Group

Phase II: Priority Projects

7. Identification of Initiatives and Priority Projects **P S/F**

Phase III: Strategy Development

8. Action Plan Matrix
9. Draft Plan **S**
10. Performance Measurement
11. Final Reporting and Presentation **P**

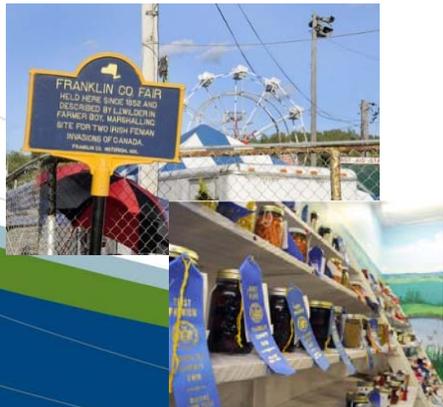
Franklin County's Relevant Clusters



Agriculture and Food Processing

Industry Trends

- Since 1997 decreasing number of farms and harvest cropland have decreased
- Increased automation has decreased number of employees required
- Dairy product exports are expected to increase
- Number of breweries in US have increased 87% since 2010 – NYS Craft Brew regulations



Franklin County Trends

- Crop production is the largest ag sector in Franklin County but it has been decreasing in employment since 2003
- Value of crop sales increase by 89% between 2007-2012
- Lack of processing facilities is a major challenge



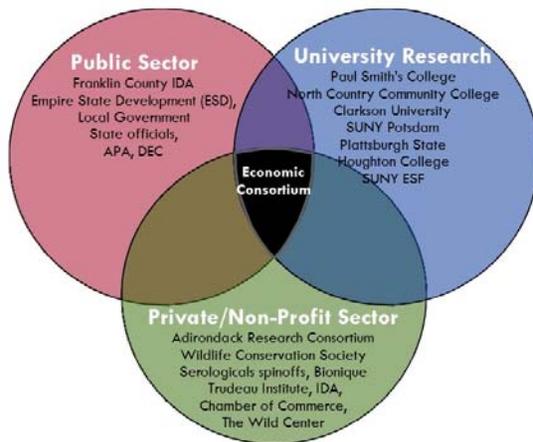
Initial Ideas for Strategies

- Focus on ways to increase profitability and productivity
- Find ways to cooperate and incorporate best practices
- Strengthen networks among existing farmers and supply chain industries
- Support development of agri-tourism through package deals

Environmental Science and Biotechnology

Industry Trends

- Biotechnology job declined since 2008, but projecting 18% job growth by 2023
- Environmental science jobs expected to grow at about 7%
- Collaboration leading to innovation



Franklin County Trends

- County job projections show decline
- Asset - natural environment, special interest groups and cluster of environmental science programs
- NC REDC noted opportunities for environmental science to play a role in the region's economic growth
- Trudeau Institute established a partnership with Clarkson University - expected to lead to commercialization of new technologies

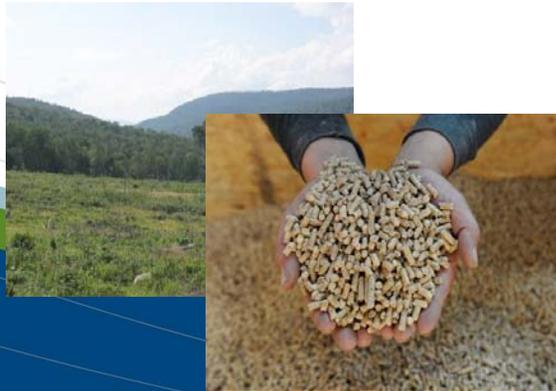
Initial Ideas for Strategies

- Establish consortium of public and private environmental and biotech groups to foster collaboration leading to the creation and commercialization of new technologies, solutions and services

Forestry and Wood Products

Industry Trends

- Facing competition for cheap foreign goods and alternative materials
- Slow recovery of the housing market since 2008 has decreased demand
- Aging workforce
- Paper products as a “green” alternative to plastics
- Wood pellet production for a source of renewable energy



Franklin County Trends

- Employment has declined since 2003 and decline will continue
- Largest sector is the Logging Industry
- Lack of sawmills and other products processing facilities in county and North Country – forces raw material to be exported to Canada and then final products imported back

Initial Ideas for Strategies

- Help producers transition into more competitive markets
- Improve competitiveness through strategic partnerships, cooperative equipment purchasing, tax abatement programs, etc.
- Incorporate wood products as part of “Made in Franklin County” brand effort

Health Care and Wellness

Industry Trends

- Affordable Care Act will have major impact on the health care system with many more people insured
- Vertical and horizontal integration is occurring throughout the industry
- Technology is increasing important
- Aging population

Franklin County Trends

- Industry accounts for 14% of employment in the County
- Alice Hyde is recognized as one of the most wired health care providers in the country
- Industry faces challenges related to hiring - common for rural health care providers

Initial Ideas for Strategies

- Continue collaboration with educational providers to train workforce
- Develop networks to connect trailing spouses with employment opportunities
- Support investment in technology for health care providers to encourage collaboration within northeast network
- Educate residents on wellness and importance of preventive medicine.



Tourism, Culture and Recreation

Industry Trends

- Rate of recreation travel and overall tourism spending is increasing
- Growth in wellness travel, adventure travel, and family travel to youth sporting events
- Travelers are looking for authentic and distinct experiences – not cookie cutter
- Technology's role in tourism is increasing – booking, maps, reservations, reviews, etc.



Franklin County Trends

- Dip in employment after 2003 but expected to show signs of rebound
- Need for more modern lodging options
- Demand for guided tours and excursions – accessible to a wide range of abilities
- Renovation of Hotel Saranac will add to variety of lodging options and conference/event space

Initial Ideas for Strategies

- Develop more modern hotel/lodging options
- Use existing facilities throughout multiple seasons
- Build on educational experience through outdoor excursions
- Support entrepreneurship within the tourism industry

SWOT Analysis



Strengths - Priorities

Agriculture

- Good soil – high organic/mineral content
- High quality dairy/cheese production
- Available and inexpensive land

Education (NCCC/Paul Smiths/BOCES)

- Community college can develop workforce programs quickly

St. Regis Mohawk Reservation

- Casino tourism

Value Added Industries

- Agriculture
- Plastics
- Wood products

Environment

- Natural beauty; quality of life
- UN designated as a biosphere reserve
- Adirondack Park
- Clean air and water
- Old growth forests

Tourism Amenities & Location to Markets (Tourism Advisory Council should oversee)

- Big Tupper Ski Area – Adirondack Club & Resort
- Malone Golf Course
- The Wild Center & Paul Smith's Visitor Interpretive Center
- Skiing, golfing, hiking, hunting, canoeing
- Proximity to travel markets

People

- Hardworking workforce (lacking skills)
- Diversified culture
- Community spirit of helping

Weaknesses - Priorities

Competing in highly competitive and/or slowing/declining industries

- Value added agriculture and wood products

Lack of economic development capacity

- No County Planning Board/Department
- Lack of County mechanism, funding or capacity

Location

- Distance to significant markets – national and global
- Transportation infrastructure - distance from airports and highway major interstates
- Regional competition for business investment
- Lack of mass transit opportunities to access region
- North/South divide

Workforce

- Small skilled labor pool and aging workers
- Brain drain
- Inadequate workforce programs
- Dependence on government employment

Significant Development Projects are Costly

- Adirondack Park regulations and national environmental organization involvement
- Legal challenges may deter future investment

Essential Infrastructure

- Technology: need high quality broadband
- Cell access (fill in gaps)
- East/West highway
- Natural gas
- Recreational – tourism related infrastructure
- Seasonal economy (Tourism does not provide year-round employment)

Opportunities - Priorities

Create office of Economic Development/Planning Services in Southern End of County

- Tupper Lake

Agriculture

- Value-added
- Exporting
- Reuse potential of ag by-product
- Medical marijuana industry

Growing Bio-Tech Cluster

- Trudeau/Clarkson partnership
- Expand partnership and collaboration
- Spin off opportunities and firms
- Commercialization
- Expand recognition for cutting edge research

Tourism

- Increased spending in tourism and recreation industries
- Youth athletic tournaments and related visitation
- Canadian market
- Environmental education based
- NYS DOT Remsen-Lake Placid Rail Corridor
- Tie into Lake Placid tourism, growing Saratoga/Warren County markets and Finger Lakes region traveler desires based on prior survey results
- Cooperative marketing within Tri-Lakes (SL-TL-LP)
- Adirondacks as part of labeling/branding
- Tourist conversion
- St. Regis Mohawk Reservation and Casino
- Cultural and historical tourism
- Passage of occupancy tax

Threats - Priorities

- Franklin County's fiscal situation
- Penal reform (reduction in prison population, employment and perhaps additional prison layoffs and closings)
- Global Competition - Forestry & Agriculture industries – global competition for providing the natural resources and value added production, becoming more mechanized – need fewer employees
- Unfavorable Canadian/U.S. Dollar exchange rate trends can reduce margins for Franklin County businesses
- Drug infiltration with youth

Changes to Health Care Industry

- Healthcare reform and financial issues (cost/lack of) potentially leading to hospital closures or reduction in providers
- Cost of healthcare increasing
- Shrinking health care infrastructure
- Fewer jobs in healthcare facilities
- Hard to recruit healthcare providers: other parts of the country are more attractive for the workers

SWOT Summary

Reality Check



The Situation

Need to accept the reality of the County's economic situation

- Significant global economic transformation still occurring
- Legacy industries - historically strong industries are struggling
 - Forestry
 - Agriculture
 - Criminal justice
- New business models and industries are emerging
- Lack transportation infrastructure
- Lack large labor pool
- Lack access to markets
- Historical legal challenges for game changing projects
- Implementation capacity and leadership

Then, we need to think boldly about how we are going to change the current economic course by...

- Retaining as much of the legacy industries as you can (Ag, Healthcare and Forestry)
- Pursuing game changing projects in the industries you can compete (i.e. Tourism)
- Fostering initiatives that will start the economic transformation needed (Entrepreneurship, Env. Sciences & Biotechnology)

How might we accomplish economic transformation - Concepts

- Support the legacy industries
 - Agriculture and Food Processing
 - Forestry and Wood Products
- Tourism – target markets and product development
- Economic & Environmental Partnership –education, research and solution development
- Begin creating a robust entrepreneurial culture

Vision Statement



Vision Statement – In 2025...

From the north to the south, Franklin County's population, economy, and name-recognition has grown despite significant economic shifts in its traditional core industries of Agriculture, Forestry and Tourism. The County achieved this growth by embracing economic transformation and by creating opportunities from changing legislation, economic realities, and technological advances.

Today, Franklin County remains an affordable destination for Canadian golfers and skiers, families looking for a relaxing and reinvigorating escape, and those visiting the Olympic Region that want to experience the mountains and serene Lakes Region of the Adirondacks.

A strengthening entrepreneurial culture has led to new and innovative businesses that are reviving the County's hamlets, towns, villages and downtowns and a thriving environmental research cluster fostered through collaborative partnerships with regional higher education and research institutions has created greater employment opportunities for residents.



Next Steps

- First Public Meeting
 - Initiatives and Priority Projects
 - Public Meeting and Focus Groups September 25
 - Action Plan Matrix
 - Draft Comprehensive Economic Development Strategy
 - Steering Committee Meeting October 30
 - Final Comprehensive Economic Development Strategy
 - Final Presentation December 4
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Thank you!



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