



Southern Tier West Regional Planning & Development Board
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2010 Southern Tier West Region

Comprehensive Economic Development Strategy

Table of Contents

| | |
|--|-----|
| Introduction and Executive Summary | 1 |
| Introduction..... | 1 |
| Executive Summary..... | 2 |
| Chapter 1: Background Description of Region | 3 |
| Chapter 2: Analysis of Economic Development Problems and Opportunities | 6 |
| Economic Development Problems | 6 |
| Economic Development Opportunities..... | 11 |
| Relevant Material from Other Government-Sponsored or Supported Plans..... | 14 |
| Consistency with Applicable State and Local Workforce Investment Strategies..... | 14 |
| Past, Present and Projected Future Economic Development Investments in the Region..... | 15 |
| Analysis of Economic Clusters Within the Region..... | 16 |
| Chapter 3: CEDS Goals, Objectives, and Strategies – Defining Regional Expectations | 18 |
| Chapter 4: Community and Private Sector Participation | 30 |
| CEDS Development | 30 |
| CEDS Implementation..... | 31 |
| Chapter 5: Strategic Projects, Programs and Activities | 33 |
| Suggested Projects..... | 33 |
| Vital Projects..... | 39 |
| Chapter 6: CEDS Plan of Action | 42 |
| CEDS Plan of Action..... | 42 |
| Cooperation and Integration of the CEDS with the State's Economic Development Priorities..... | 46 |
| Chapter 7: Performance Measures | 47 |
| Identification of Performance Measures..... | 47 |
| Performance Evaluation..... | 48 |
| Appendix | |
| Members of the Southern Tier West Board of Directors..... | 52 |
| Descriptive Data..... | 53 |
| Reference Bibliography..... | 72 |
| Summary of Relevant Material Used in the CEDS from Works Cited | 75 |
| Other Southern Tier West Planning Documents..... | 107 |

Introduction and Executive Summary

Introduction

This **2010 Comprehensive Economic Development Strategy (“CEDS”)** is a strategic plan for economic development for New York State’s Southern Tier West Region (Allegany, Cattaraugus, and Chautauqua Counties).

The **Southern Tier West Regional Planning and Development Board (“Southern Tier West”)** annually prepares the CEDS per a contract with the US Department of Commerce’s Economic Development Administration (“EDA”). The CEDS conforms to EDA requirements with respect to planning process, document format, and document content.

- **CEDS Planning Process** – The CEDS contains a description of the CEDS planning process (Chapter 4).
- **CEDS Format and Content** - The CEDS contains a descriptive analysis of the region’s economic condition (Chapter 1, with supporting data including in the Appendix); an analysis of the region’s economic development problems and opportunities (Chapter 2); a listing of economic development goals, objectives and strategies (Chapter 3); a listing of selected strategic economic development projects, programs, activities (Chapter 5); a plan of action (Chapter 6); a proposed method for evaluating progress (Chapter 7); and a review of lessons learned (Chapter 7). Additionally, the Appendix identifies the members of the Southern Tier West Board of Directors (who are responsible for the CEDS planning process); provides descriptive data supporting the analysis of the region’s economic condition contained in Chapter 1; provides a bibliography of local, state, and federal strategic planning documents utilized in developing this CEDS; summarizes materials from these planning documents utilized in developing this CEDS; and identifies other relevant Southern Tier West planning documents.
- **CEDS Implementation** – As noted above, the CEDS identifies the strategic economic development goals, objectives and strategies (Chapter 3) and the strategic economic development projects, programs, activities (Chapter 5) and the plan of action (Chapter 6). Together, these constitute a guide for economic development activities within the region, not only for Southern Tier West itself, but also both for the region as a whole and for economic development entities within the region. Additionally, public and private sector partnerships are critical to the implementation of the CEDS, and EDA and Southern Tier West direct and encourage economic development entities to pursue such partnerships to catalyze collaborative economic development within the region.

Executive Summary

Located at the northern tip of the historically economically distressed Appalachian region, the rural Southern Tier West region for decades has experienced economic distress greater than either New York State as a whole or the nation as a whole. Historically, regional unemployment rates have exceeded State and national unemployment rates; regional per capita incomes have been below State and national per capita incomes; regional per capita incomes have failed to keep pace with inflation; and businesses and residents continue to migrate out of the region.

In recent years, in the midst of a historic recession, rural southwestern New York has struggled along with the rest of the nation to revive its economy and remain economically competitive. Despite

mitigating measures taken by Congress and the Federal Reserve, the duration and severity of this economic downturn remains unclear. Initially lagging the rest of the nation in the downturn, the region now clearly is experiencing economic dislocation in the form of layoffs, unemployment rates, business closures and outmigration, and population outmigration.

The region's economic health and quality of life are dependent upon its ability to regain and retain economic competitiveness. The dynamic restructuring of the regional and global economies goal has made accomplishing this more difficult. The region is experiencing a long-term transformation from a manufacturing-based economy into a service-based economy. Developing foreign economies, relative comparative disadvantages, and the restructuring of global financial markets all contribute to pressures on domestic regional economies such as ours. To maintain standards of living, the Southern Tier West region not only has to seize the opportunities made possible by its comparative advantages, it also must attain the goal of a regional net-export surplus. It is essential for the region to maintain and cultivate the value-added sectors of its economy – be they manufacturing, service, or agricultural – in clusters where the region enjoys a competitive advantage and where there is significant growth potential.

Southern Tier West has developed this Comprehensive Economic Development Strategy, including goals, objectives, strategies, projects, and a plan of action, to achieve the economic development goals identified in this CEDS. The Goals outlined in this CEDS are as follows:

1. Encouragement of the development of value-added businesses and other businesses that will augment or diversify the region's economic base
2. Improvement of private sector access to development incentive financing
3. Improvement of existing infrastructure and development of new infrastructure to support business development
4. Improvement of business productivity and competitiveness
5. Educational excellence and development of a skilled workforce ready to meet the challenges of tomorrow's economy
6. Maintain and improve the region's quality of life (i.e., provide, preserve, and enhance those factors that make the region attractive for residential, commercial, and industrial development)
7. Improve regional coordination and cooperative partnering efforts

The strategic recommendations (i.e., strategies, projects, programs, and other activities) contained in this CEDS are consistent with these stated goals.

In developing this CEDS, Southern Tier West is pleased to play a coordinating role in helping to guide the region's future.

- September 2010

Southern Tier West Regional Planning and Development Board

James Cooper, Chairman

Richard Zink, Executive Director

Thomas Barnes, Senior Regional Economic Development Coordinator

Chapter 1 – Background Description of Region

This chapter provides a description of the current economic development situation of the region.

Economy

- The region has experienced long-term economic distress, experiencing high unemployment and low per capita income over the long term, relative to state and national levels.
- Global competition and general macroeconomic conditions have negatively impacted the region's economy, resulting in job losses, business closures, and increased absentee business ownership.
- New York State is a high-cost business operating environment, including tax, regulatory, and workman's compensation burdens.
- The region is shifting from an economy of high-skill, high-wage unionized jobs to relatively low-skill, low-wage service and commercial employment.
- The region is experiencing inadequate levels of entrepreneurship, technology transfer and adoption, and export activity.

Population

- The region is comprised of three counties (Chautauqua, Cattaraugus, and Allegany). Per the 2000 Census, the populations of the three counties are as follows: Chautauqua, 139,750; Cattaraugus, 83,955; and Allegany, 49,927. The largest municipalities are Jamestown (Chautauqua County, 2000 Census population 31,730), Dunkirk/Fredonia (Chautauqua County, combined 2000 Census population 23,837), Olean (Cattaraugus County, 2000 Census population 16,347), Wellsville (Allegany County, 2000 Census population 6,171), and Salamanca (Cattaraugus County, 2000 Census population 6,097). These are the centers of economic activity in the region.
- The region's long-term population trends are a decreasing and aging population, negatively impacting the region's labor force.
- The region is experiencing high rates of outmigration.
- The region is experiencing an increase in the dependent population (particularly the 65+ age cohort).
- The region has a low population density, owing to its rural character and large geographic size.
- The region is experiencing an increase in racial diversity.

Geography

- The region's total size is 3,467 square miles. The sizes of each of the three counties are as follows: Chautauqua, 1,080 square miles; Cattaraugus, 1,340 square miles; and Allegany, 1,047 square miles).
- The region is located in the northeast, within a day's travel of large eastern metropolitan areas (New York, Boston, Philadelphia, Pittsburgh, Cleveland, Buffalo, Rochester, Binghamton, Toronto, and Hamilton).
- The region's northern location and adjacency to the Great Lakes (Lake Erie) influences the climate and weather, and hence the economy. Although currently Lake Erie is a source of drinking water for the City of Dunkirk, in the future it may prove to be an even more important resource in this regard.
- Most of the region has a hilly topography, limiting large scale enterprise requiring large amounts of flat land. Primary land use activities include forest/woodland and agriculture.

- The region is home to three territories (formerly known as “reservations”) of the Seneca Nation of Indians totaling more than 60 square miles of land. Development activities on these Seneca-owned lands are permitted by agreements between the developer and the Seneca Nation. Two territories are in Cattaraugus County (the Cattaraugus Territory and the Allegany Territory, the latter of which includes most of the City of Salamanca) and the third is in both Cattaraugus and Allegany Counties (the Oil Spring Territory). The Seneca Nation of Indians prepares its own CEDS document.

Workforce Development and Use

- The region’s labor force experiences unemployment rates that frequently are higher than State and national rates.
- The region has a significant amount of under-employed labor force due to job dislocations and the regional economy’s shift away from high-skilled, high-wage manufacturing jobs.
- The workforce is productive with a good work ethic. However, businesses often complain that the workforce lacks basic employment skills and advanced technical skills.
- Workforce skills are a function of the region’s educational and training system, which, ranging from primary to graduate schools and including a network of training institutions and Workforce Investment Boards, generally is a strong system. As a consequence, as compared to State and national levels, the region has high levels of primary and secondary educational attainment. However, compared to State and national levels, the region has low levels of post-secondary educational attainment. Also, there is a perception that there is a shortage in the region of assistance with basic and technical skills training and upgrading.

Transportation Access

- The region’s distance from metropolitan centers, primary airports, and global ports requires an efficient and high quality inter-regional transportation system.
- The region’s large geographic size and low population density requires an efficient intra-regional transportation system to facilitate passenger and freight transportation.
- There have been ongoing improvements to the region’s highway, freight railroad, air, and mobility management (public transportation) infrastructure. Continuing deficiencies need to be remedied by appropriate planning and investment.

Resources

- The region’s natural resources include climate and soils, oil, petroleum, natural gas, gravel, water, forest products, and natural recreational assets. These resources represent economic development opportunities.
- The region’s climate and soils are advantages to certain agricultural (dairy, apple, and grape production) and forest products industries. However, the region’s short growing season constrains other agricultural endeavors.
- The region has several world-class varieties of hardwoods, including maple, ash, red oak, and black cherry.
- The region is home to a significant oil, natural gas, and gravel extraction cluster. Marcellus shale represents a natural gas resource that has not yet been tapped. There is disagreement as to the potential environmental impacts of extracting Marcellus shale gas.
- The region’s natural recreational assets (lakes, parks, ski and snowmobile areas, etc.) provide assets for tourism business development.

Environment

- The region has a relatively clean environment with an abundance of greenfield development sites.
- The region's environmental quality of life is threatened by air, soil and water contamination and by development in floodplains and wetlands.
- The region needs to proceed with additional remediation of brownfield and Superfund sites.
- A specific significant environmental issue is the ongoing process of shut down and clean up of the West Valley Nuclear Services Center facility.

Income

- The region historically has experienced low per capita incomes in comparison with State and national per capita incomes.
- The region historically has experienced sectoral wage levels that are lower than analogous sectoral wage levels in other parts of the State.
- The region is experiencing high public assistance and income assistance burdens.
- The region is experiencing overall poverty rates that are above State and national levels.

Infrastructure

- Various locations across the region have inadequate infrastructure capacity and service (water, wastewater, communications, broadband, natural gas, and electricity). Utility costs in some communities are high, constraining development. Telecommunications and broadband infrastructure in particular are seen as being potential drivers of economic development in the region, and as being essential elements of the region remaining competitive in the global economy.

Other Community Assets and Quality of Life Services

- The region has a weak housing market and an aging housing stock.
- There are threats to many downtown business districts.
- The region has inadequate healthcare service capacity. Certain health care institutions face challenges to their viability. Health care costs are a burden to regional employers and residents.
- The region enjoys a high quality of life, with engaging cultural and recreational resources, low-crime rates, a small-town rural lifestyle, and a relatively clean environment. However:
 - The region has underutilized recreational and cultural assets. There is a perception that the region needs to continue to invest in these assets for the purposes of both economic development and quality of life.
 - While experiencing a low crime rate relative to urban areas, the region does have public safety concerns.
 - The region's quality of life is threatened by air, soil and water contamination and by threats to these resources.
- Although the region possesses a significant primary, secondary, and post-secondary educational infrastructure, the region feels that improvements are needed with respect to preparing residents for current and future jobs. However, certain of the region's post secondary institutions are centers of technology research, which could lead to business development through technology transfer.

Chapter 2 – Analysis of Economic Development Problems and Opportunities

This chapter includes an in-depth analysis of the region's economic development problems and opportunities. The analysis identifies strengths and weaknesses in the regional makeup of human and economic assets, and problems and opportunities posed by external and internal forces affecting the regional economy. There is an overview of certain relevant government-sponsored plans (see the Appendix), including workforce plans, and commentary on their consistency with and relevancy to the regional plan. There is an identification of past, present, and projected future economic development investments in the region, and an identification and analysis of economic clusters within the region that have significant growth opportunity. Please note that the elements of strengths, weakness, and opportunities in this section are highly interrelated, with frequent overlapping. Some regional assets, for example, represent both strengths and also weaknesses (e.g., the regional workforce).

Economic Development Problems

- The region's unemployment rates typically have been and remain higher than State and national rates. Since 1980, the unemployment rate for the Southern Tier West region has exceeded State and national rates in all but three years (1993, 2002, and 2003). In 2008, the region had an unemployment rate that was .7% above the State average and .3% above the national average. Unemployment causes the young and the highly skilled members of the labor force to leave the region for employment elsewhere, reducing the region's economic development potential.
- The region's per capita personal income levels are deteriorating, relative to State and national per capita incomes. As a percentage of New York State levels, price-adjusted per capita personal income in the region has markedly declined from 1980 to 2000 (71.69% to 59.70%). In 2003, the region's per capita income increased to 61.99% of New York State levels but in 2007 it was down to only 56.7% of New York State levels. The region's low relative per capita income has distressing quality of life and economic development costs. Businesses' employees are unhappy and residents and entrepreneurs are afforded little equity capital to invest in the regional economy.
- Global competition and general macroeconomic conditions have negatively impacted the region's economy, resulting in job losses, business closures, and increased absentee business ownership.
- The region historically has experienced significant public assistance/income assistance burdens, relative to western New York and the State as a whole.
- The region is shifting from an economy of high-skill, high-wage unionized jobs to relatively low-skill, low-wage service and commercial employment. The region's economy has failed to create high-skill high-wage jobs in a diverse portfolio of industry classifications.
- Measured by employment, the region's manufacturing sector has declined. There has been significant outsourcing of manufacturing production and jobs both domestically and overseas. The decline of the region's manufacturing sector has greatly threatened the standard of living in the region. As a vital primary value-added sector, manufacturing incorporates regional resources into products sold to regional and non-regional markets. Non-regional sales (i.e., regional exports) bring new wealth into the region and have been a traditional foundation for the region's standard of living.
- The services and trade sector is becoming an increasingly central element of the region's economy, as in many other parts of the country. However, many of these service and trade jobs are part time

or seasonal jobs with no benefits, eroding salaries and contributing to the weak regional growth of per capita personal income the region is experiencing as compared to New York State. Further, unlike the manufacturing sector, much of the region's services and trade sector are not net-export sectors, and thus do not bring new wealth into the region. As a consequence of these dynamics, cornerstone institutions (e.g., hospitals, schools and other community institutions) are threatened by the loss of manufacturing jobs and resultant decreases in population and standard of living.

- New York State is a high-cost business operating environment. Relative to the environments in other states, taxes, regulatory and compliance requirements, workman's compensation burdens, utility costs, unfunded mandates (whose cost is passed along to the businesses and residents in the State by county and municipal governments), etc. are burdensome to businesses.
- The region is experiencing inadequate levels of entrepreneurship, technology transfer and adoption, and export activity.

Weaknesses in the Regional Makeup of Human and Economic Assets

- The region is experiencing a net outmigration of population (especially the skilled and young population, in search of employment), a decreasing population base, the aging of the region's population, and the increasing of the (age cohort) dependent population. Between 1980 and 2000, the population of the Southern Tier West region *decreased* by approximately 4%, while New York State's population *increased* by approximately 8%. The region lost 10,732 people over that time and had a net migration rate of -9.77% (nearly a 29% higher rate of outmigration than the State as a whole). As noted, a high percentage of young, working-age persons and high-skill white collar/professional workers and college graduates are leaving the region in search of employment in other regions. Additionally, the loss of manufacturing jobs is simultaneously causing skilled manufacturing workers and even lower skilled workers to leave. As regards the aging of the region's population, the region's population is aging and doing so at a faster rate than the State as a whole. In 1980, the region's median age was below that of the State average; however in 2000 the region's median age surpassed State and national averages. The implications of this trend include a smaller labor force, a growing public assistance burden, and a less attractive economic development environment. These demographic changes to the labor force increasingly pose challenges to regional business operations and business development activity.
- The region is experiencing the apparent declining relative productivity of its work force, and the need to train the region's labor force in the knowledge-based employment skills of tomorrow. To remain competitive, the region will need to seize invest in upgrading its labor force skills. The region must anticipate the skills needed by tomorrow's companies in order to create the requisite labor force that will attract such businesses. With a historical reliance on smokestack industries (e.g., steel, furniture, automotive, etc.), the region's labor force has skill sets tailored to low-skill, industry-specific jobs; consequently, a high-tech, high-skill labor force that can grow a technology business sector in the region never has developed. With few high-tech, high-skill jobs in technology-oriented companies, residents who go to school to develop such skills or who gain them in the workplace typically leave the region in search of employment. A low-skill labor pool results in high-tech firms avoiding the region, while the shortage of high-tech firms prevents a high-skill labor pool from developing. This self-reinforcing cycle constrains business development. The optimal situation is to develop a diverse portfolio of high-tech firms so that individuals with a wide spectrum of skill sets can find employment. Unless the region's labor force develops knowledge-based skill sets, the

region will be unable to compete in the global marketplace and continue to fall behind economic performance and development in other regions.

- New York State's labor force is sometimes perceived to be unfriendly toward business and management; consequently, other states with fewer labor laws and regulations sometimes may be considered better locations for business operations. (However, although it is true that New York has extensive labor regulations and an empowered labor force, cost disadvantages are often offset by its high productivity and strong work ethic. While the negative perception of New York's labor climate is perhaps inflated, its persistence is a deterrent to regional business development.)
- The region has limited infrastructure services capacity (including competitive-rate local water and wastewater systems, natural gas capacity, electric service capacity, and broadband telecommunications capacity). Water/wastewater infrastructure conditions in some communities in the region create health concerns. Other communities require considerable investment in water services to accommodate even modest expansions of business activity. In a few of the region's smaller communities, natural gas service is unavailable, and those communities with adequate service struggle to compete with lower cost utility services offered outside the region. Broadband service is also not uniformly available in the region, especially in the more rural areas of the region. Problems with aggregate service capacity and redundancy in most communities make the service inadequate for certain business development. A lack of alternate service providers also keeps competition low and broadband service costs high in some of the municipalities where it is available. In sum, there is a need for investment in the region's infrastructure services capacity so that the region can remain competitive with other regions and in the global marketplace. Investments in infrastructure services will lead to new business development opportunities, as prospective entrants and entrepreneurs see that the region has the capacity to accommodate their investment and activity. A limited amount of adequately serviced industrial sites and buildings constrains economic development in the region.
- The region has a need (a) to upgrade its transportation infrastructure, including the mainline and shortline railroad system, the air transportation system, and the State and local highway and bridge system; (b) to continuously develop a comprehensive plan for the region's transportation infrastructure that considers economic development issues; and (c) to implement investment strategies in the plan to upgrade transportation infrastructure so as to promote economic development. The region has inadequate low-cost freight and passenger access to the global marketplace.
- New York State's business climate (including corporate tax rate burdens, personal income tax rate burdens, workman's compensation, rising health care costs, environmental regulatory compliance costs, high utility costs, winter heating costs, high transportation costs, and other business cost drivers) constrains business attraction, retention, and development.
- High municipal operating costs originating from State mandates, regulatory and compliance requirements, and other miscellaneous issues (e.g., rising health care costs, State pension fund costs,) are passed on to businesses and residents, making businesses less competitive and discouraging residents from living in the State.
- Access to private and public equity and debt capital is essential to business development and especially to entrepreneurial development. There is a need for equity and debt capital to support entrepreneurship and business development in the region.

With respect to equity capital, the region's low per capita income leaves individuals with less

unencumbered wealth available for use as risk capital. The capacity of the private sector to undertake economic development projects is therefore directly related to the health of personal and commercial credit markets. The region has inadequate private equity and capital funding resources (including especially initial stage funding and micro-equity venture capital).

With respect to debt capital, there also appears to be issues with the availability of commercial debt financing. Furthermore, with few traditional or non-traditional sources of equity funding (traditional venture capital or non-traditional community venture capital sources), entrepreneurs are often unable to attain startup funding or are forced to start businesses with a highly leveraged (debt heavy) financial capital structure. Highly leveraged financial structures exact higher monthly debt obligations and a higher break even sales volume for the region's businesses. The end result is an elevated rate of failure and a reluctance to lend to prospective entrepreneurs that cannot guarantee higher probabilities of successful operations.

For a long time, the region struggled with a decreasing number of local independent banks and an outmigration of funds deposited in local branches, reducing the availability of debt financing. Recent years have seen commercial lenders expand into the region and certain savings banks increase commercial lending operations. While this has established a few more financial sources in the region, asset-based lending is still constrained by perceived higher default risks and weak collateral salvage markets, both common features of depressed rural economies. In many regions, real estate is a prime source of collateral because it maintains good resale value in strong real estate markets. However, the liquidation capacity of foreclosed assets in our rural region is low, as resale markets for commercial real estate and other business assets are not strong. This reduces the availability of asset-based commercial debt financing.

Symptoms of these inadequate equity and debt capital markets are the frequent use of SBA 7(a) loan guarantees and the waiting lists for many local public sector revolving loan funds. The region has been aggressive in developing public sector loan funds to augment the efforts of the commercial lending community. Yet even with public sector loan guarantees, commercial banks often are unwilling to undertake what they perceive to be risky loans.

Within the region's public sector inadequate financial resources also constrain development. First, local public sector loan funds often are under-capitalized relative to the demand for funds. Second, the State's participation in the traditional economic development finance arena has left certain gaps in terms of direct business loan incentive financing. Third, the State has fewer funds available for municipal economic projects and infrastructure projects, and even less available for speculative projects.

Additional public sector loan fund capitalization would be beneficial for the region. Another useful tool would be the creation and increased capitalization of public sector or community-based equity capital funds (especially seed or first stage capital funds). These initiatives would significantly impact entrepreneurial activity and the growth of small businesses in our region.

- Certain significant portions of the region's economic base (manufacturing and non-manufacturing companies as well as the government sector) are not globally competitive, and both the region's private and public sectors need to adopt the technologies of the future. While some companies and governments are constrained by a lack of capital, others are constrained by an inability to understand the importance of technological advancement and/or an unwillingness to embrace change. Comfort with the status quo has lead companies and governments in the region to operate with decades-old technologies. These institutions are less productive and are at an operational

disadvantage compared to more recent market entrants that utilize newer technologies.

- There is a continuing need to develop the value-added net-regional-export segments of the regional economy, especially in clusters with growth potential.
- The region continues to experience quality of life concerns. For example, the region's healthcare system, environmental and conservation practices, and housing stock all influence the region's overall economic appeal.

Adequate health care is a critical means of retaining and attracting employees and employers in the region. Health care is not only a quality of life issue; it is a business location and employee recruitment parameter. As the region's health care system experiences critical challenges, the region's economy also faces a lagged crisis. In addition to being an obstacle to new business development, the ultimate result may be outmigration of existing businesses and employees.

In terms of the region's environment, enhanced conservation practices are critical to retaining the region's natural resource base and aesthetic value. Often it is thought that economic development and sound environmental and conservation practices are inherently at odds with one another, but this is not always the case. Also, although sound environmental and conservation practices may raise business operating costs and thereby limit the achievement of maximum economic growth rates, from a societal perspective, sound environmental and conservation practices in fact minimize long-term socio-economic costs. This makes sound environmental and conservation practices the optimal long-term course of action, despite the limiting impact on economic growth rates. The region needs to encourage these types of practices to ensure its vital natural assets. Currently, improper practices threaten quality of life in the region and good environmental practices should be continually emphasized in the business community. An attractive and healthy environment is an asset to promoting regional business development.

Much like healthcare, the regional housing stock and housing market is not only a concern for quality of life; it is also a business location and employee recruitment parameter. It is difficult to recruit executives and professionals to live in an area without significant high-end housing stock, or to invest in a housing market that is weak and that does not offer the potential of capital gains from home ownership. There also needs to be a variety of types of housing stock offerings, to meet varied individual tastes and requirements. The region's aging and limited housing stock is in need of replenishment as a means of retaining and attracting employees and employers in the region.

- The Seneca Nation of Indians has weaknesses in several economic assets and human resource assets, including inadequate infrastructure (e.g., water, wastewater, broadband, etc.), inadequate transportation infrastructure (e.g., local roads and bridges, etc.), portions of its labor force that are un-skilled or under-skilled in the skills needed for tomorrow's jobs, and an aging population base. Also, although joint ventures with non-Native American businesses can offer substantial opportunity, the inability to obtain fee simple land ownership for development on Seneca territories can be an obstacle to non-Native American private sector investment. Seneca per capita income levels are lower than Cattaraugus County levels, while poverty rates and unemployment rates are higher than Cattaraugus County levels.

Problems Posed by External and Internal Forces Affecting the Regional Economy

- The region is at a critical juncture with respect to its primary and secondary educational system, as the ability of a region to provide adequate education facilitates the retention and attraction of employees and employers in the region.
- The State's fiscal crisis is creating problems for the business community and for residents.
- Homeland security issues continue.
- The Seneca Nation of Indians' economy, which is highly dependent upon casino resort operations and tax-free sales of tobacco and gasoline, is facing current and potential threats. The challenges to tax-free sales threaten both tobacco and gasoline sales, and the challenge to the use of the mails to transmit tobacco threatens tobacco sales. It is possible that at some time in the future, Class III gambling operations may not be permitted, and there are competitive threats from proposed Class III gambling initiatives in Pennsylvania and Ohio.

Economic Development Opportunities

- There is an opportunity for the development of internet-related businesses.
- There is an opportunity for businesses to embrace broadband technology.
- There is an opportunity for the business community to adopt new and alternative technologies to remain competitive.
- There is an opportunity for the business community to take advantage of technology transfer opportunities from research institutions.
- There is an opportunity for additional entrepreneurial activity. Entrepreneurship offers a number of benefits, including:
 - The stimulation of job growth by increasing the population of small businesses
 - The retention of wealth within the region, as non-locally owned industries and businesses dependent on non-local vendors drain wealth out of communities while entrepreneurship largely implies local ownership and regionally retained profits
 - The reduction of regional outmigration and attendant economic and social costs through increased employment created by entrepreneurship
 - The increase in regional population as regional expatriates return to the region to become entrepreneurs and employees of entrepreneurs
 - The stimulation of innovation, which creates a diverse and dynamic economy, as entrepreneurs initially form small companies that have greater flexibility than larger companies, and thus are able to take advantage of new technologies, new markets, and new ideas, helping to keep the regional economy competitive.

The region's strong entrepreneurial potential builds from its other regional strengths; however the region needs to be more successful in fostering this potential by assisting prospective entrepreneurs with starting and growing their businesses. Such assistance could include increased financing assistance, improving education and entrepreneurial training, improving marketing resources available to entrepreneurs, creating mentoring programs, facilitating technology transfer from

research institutions, and the recruiting college graduates.

- There is an opportunity for higher impact utilization of the region's hardwoods resource. Much of the hardwood timber harvest is exported from the region as logs; increasing secondary processing (e.g., dimensioning, furniture manufacturing, etc.) could positively impact the regional economy. There is a need for capital investment in current technologies in secondary processing.
- There is an opportunity to utilize agribusiness resources to develop agribusinesses. There are opportunities for increased value-added secondary processing of primary agricultural products grown in the region.
- There is an opportunity for increased tourism business development. A flourishing tourist industry also supports other regional businesses. The region should incentivize the development of additional tourist destinations and year-round tourism for currently seasonal destinations. Research indicates that integrating heritage and cultural tourism with non-heritage/cultural tourism would increase the number and duration of visitor stays. The region should utilize a more comprehensive scheduling and marketing approach; while there is modest coordination amongst the three counties, not all tourist destinations are being jointly marketed and therefore are not achieving their full economic potential.
- There is an opportunity to use the region's underutilized labor force (especially the manufacturing labor force).
- There is an opportunity to increase utilization of the region's training infrastructure (Workforce Investment Boards, Board of Cooperative Educational Services, colleges, etc.), which could help capitalize on the business development opportunity represented by the region's under-skilled labor pool, to promote the development of businesses requiring certain specific labor skills.
- There is an opportunity to focus economic resources on attracting high-paying value-added net-export services and trade employers to the region. See the discussion on target clusters later in this chapter.
- There is an opportunity to utilize the region's highway and railroad transportation infrastructure to a greater extent.
- The Seneca Nation of Indians has an opportunity to utilize revenues from casino resort operations to diversify its economic base so as to provide more diverse employment opportunities for members of the Nation and for the general population, and also to insulate itself from threats to tobacco and gasoline sales and casino operations. The Seneca Holdings, LLC and Seneca Nation Economic Development Corporation are assets that can be utilized to catalyze business development activity. The Seneca Nation also could increase joint ventures with non-Native American partners.

Strengths in the Regional Makeup of Human and Economic Assets

- Labor supply surplus (unutilized and underutilized workers) and productive work force with good work ethic.
- Workforce training and other human resource assistance provided by an aggressive network of public and private human resource and training organizations, including the Workforce Investment Boards, Board of Cooperative Educational Services, colleges, the Regional Technology Development Center for Western New York (Insyte Consulting), etc.

- Manufacturing expertise. According to New York State Empire State Development, New York State ranks 9th in the nation for worker productivity in the manufacturing sector, with workers generating a value of more than \$6 of output for every dollar earned.
- Capable system of primary, secondary and post-secondary education institutions.
- Research Institutions (especially ceramic technology research) and capacity for technology transfer. The Southern Tier West region is advantageously located in the center of a number of research institutions (in nearby Pittsburgh, Cleveland, Buffalo, Rochester, Ithaca, and in the village of Alfred in Allegany County) which afford the region's business community significant opportunity for technological advancement.
- Significant post-secondary educational institutions.
- Farmland and forest assets. The climate, soils, and topography of the region has also made the region a resource for world-class forest products in several choice hardwood species (maple, ash, red oak and black cherry). Presently, only 1/3 of the region's annual net timber growth (over 1.6 million tons) is being removed through harvesting and there is significant potential for increased export use and domestic secondary processing. Retaining these logs in the region, and increasing the amount of secondary processing (e.g., dimensioning, furniture manufacturing, etc.) will provide substantial economic benefit to the region.
- Proximity to eastern metro markets.
- The implementation of the results of the **"Southern Tier West Regional Transportation Strategy,"** and ongoing transportation planning initiatives.
- Ongoing highway corridor development initiatives, including I86, US Route 219, and State and local corridor initiatives.
- Aggressive railroad transportation program.
- Ongoing investment in the region's broadband capacity, focusing on upgrading existing capacity, establishing service in un-served and under-served areas, providing redundancy in broadband service, and ensuring competition in cost and quality of service. The expansion of the region's broadband network allows for the development of internet-related, location-neutral businesses (negating the region's commonly perceived locational disadvantage). Broadband investment affords an opportunity for regional businesses to utilize broadband connectivity when communicating with vendors and customers, moving data, conducting research, developing strategic partnerships, and performing any number of activities to bring value to their business. In today's global marketplace, broadband infrastructure is essential, and businesses that do not embrace this technology will likely be at a competitive disadvantage in coming years.
- Productivity enhancement programs and assistance.
- Tourism assets.
- Entrepreneurial opportunity.
- The Seneca Nation of Indians' territories have a number of economic assets, including natural gas deposits, sand and gravel deposits, wildlife and fish resources, the potential for wind energy and ground source heat pumps, developable land, and adjacency to land assets including Allegany State park, the Allegany River, Cuba Lake, and Lake Erie. The Nation's membership represents a significant labor force base that is an economic development asset.

Opportunities Posed by External and Internal Forces Affecting the Regional Economy

- The opportunities in clusters where the region may enjoy competitive advantages.
- The opportunity to train the region's labor force in the knowledge-based employment skills of tomorrow, so as to facilitate dynamic business development.
- The opportunity for investment in the region's infrastructure capacity, including cost-competitive local water and wastewater systems, natural gas and electric service capacity, and broadband telecommunications capacity.
- The opportunity to upgrade transportation infrastructure (including mainline and shortline railroad infrastructure, air transportation infrastructure, and State and local highway and bridge infrastructure) and to continuously develop, update, and implement the Southern Tier West Regional Transportation Strategy (a comprehensive plan for the region's transportation infrastructure that considers economic development issues).
- The opportunity represented by the potential development of aggressive equity and debt capital funds that could support entrepreneurship and business development.
- The opportunity to promote increased rates of entrepreneurship.
- The opportunity to promote business development in green and alternative energy businesses.

Relevant Material from Other Government-Sponsored or Supported Plans

The Appendix contains a bibliography of other government-sponsored or supported plans, and a section that summarizes content from these plans that was utilized in the development of this CEDS.

Consistency with Applicable State and Local Workforce Investment Strategies

Both of the region's local workforce investment strategies (the **Cattaraugus-Allegany Workforce Investment Board's "2005 to 2008 Strategic Plan"** and the **Chautauqua Workforce Investment Board's "Three Year Plan"**) are consistent with the analysis indicated herein. Both plans feature an analysis of the labor supply and labor force in their service areas (which together comprise the entire region) that are consistent with the analysis herein, and both plans have similar goals, objectives, and strategic programmatic foci that are consistent with the CEDS. See the Appendix for additional detail.

The State workforce investment strategy - **Workforce New York's (New York State's Workforce Investment Board) "Strategic Five-Year State Plan 2003"** – also is consistent with the economic analysis contained herein. As in the region, the state also is experiencing a shift toward increasing service sector employment. However, the State plan does not focus on the decline in the manufacturing sector, as does the regional plan. The State plan only notes that *"despite many changes, the factory sector remains an important part of New York's economy,"* which remains true at the regional level as well. The primary divergence of the State plan and the region's two local workforce investment strategies (and this CEDS) may lie in the mix of important clusters and consequent difference in certain types of jobs in other areas of the State (e.g., New York City, where there are more advertising, television, computer, and media cluster businesses). However, both the State plan and the region's two local workforce investment strategies have similar goals, objectives, and strategic programmatic foci that are consistent with the CEDS. See the Appendix for additional detail.

Past, Present and Projected Future Economic Development Investments in the Region

Past and present economic investments in the region have included:

- Retention and public assistance to the region's short line and mainline railroad system
- Investment in highway infrastructure, including construction of I86 and ongoing improvements to US 219
- Construction of industrial parks in all three counties
- Extension of infrastructure services to serve scattered site industrial firms, including industrial access roads, water, and wastewater systems
- Construction of speculative industrial buildings
- Retrofit of older buildings into modern productive facilities
- Remediation of brownfield acreage and buildings and redevelopment of these assets into productive uses
- Construction of business incubators in all three counties
- Employee and labor force training programs
- Empire zones, industrial development agencies, and incentive programs including industrial incentive financing, industrial revenue bonds, and revolving loan funds
- Technical assistance to business and entrepreneurs, including business planning, counseling, procurement, export, and marketing assistance
- Construction by Seneca Nation of Indians of Seneca Allegany Casino Resort
- Investment in the region's ski resort facilities and other recreational businesses and infrastructure
- Marketing of the region and specific individual buildings and sites
- Investment in colleges and universities in the region, especially public sector institutions

Projected future economic investments in the region include:

- Improvement and development of interstate highway I-86 as a revitalized regional economic development corridor
- Continued construction of I-219 (Interstate Route 219), a primary north-south limited access highway corridor bisecting the region, as part of a multi-state development corridor
- Expanded investment in highway trade corridors (including local and State highways)
- Additional investment in railroad infrastructure
- Phased construction of multimodal freight transfer facility (including phased development of industrial acreage, transload facilities, satellite marine terminal/container operations, warehousing and distribution facilities) and associated business park, with free trade sub-zone. Additional site development along rail corridors to facilitate business development.
- Investment in regional broadband and communications infrastructure
- Construction of the Bonaventure Square Project

- Construction of Millennium Parkway, connecting the northern Chautauqua County industrial corridor with Interstate Route 90 (I-90)
- Phased construction of Crossroads business park
- Completion by the Seneca Nation of Indians of the Seneca Allegany Casino Resort, and continued investment by Seneca Nation of Indians so as to further diversify the Seneca Nation's economy
- Expanded entrepreneurial assistance activities
- Focused assistance targeting growth clusters
- Support for enhanced technology transfer activities and incentives for business development of knowledge-based and technology-based cluster businesses
- Additional investment in employee skills training activities
- Expanded regional marketing facilities

Analysis of Economic Clusters Within the Region

The cluster theory of economic development states that regions should invest resources in business clusters in their regions (a) that exhibit the opportunity for growth, (b) in which companies can maintain comparative advantages with respect to competitors outside the region, and (c) that are value-added net export clusters that bring new money into the region. Clusters are groupings of not only businesses with similar processes, products, inputs, or technologies. Clusters also may include businesses with similar key suppliers and other related businesses from other sectors that rely on other shared features (e.g., shared workforce, knowledge transfer, etc).

Our region has identified the following target or niche clusters in which we should focus investment:

- ceramics, glass, and advanced materials cluster
- secondary forest products manufacturing cluster
- agribusiness (including secondary food processing) cluster
- metal fabricating and automotive parts manufacturing clusters
- technology-based, including telecommunication-based industry clusters
- plastics products manufacturing cluster
- technical support services (back office computer service) cluster
- trucking and distribution cluster
- tourism cluster

There are a number of local strategic economic development planning documents within the region, and there is some variation in target clusters specified in these local plans. Such differences may be explainable by localized variances in analytical techniques, opportunity, economic assets, and industrial concentration. The divergences may also be explained by newly developing opportunities, or small-scale opportunities that either reflect existing or projected business operations in localities or are significant in relationship to a specific local area. Nonetheless, there remain significant overlaps of common cluster opportunities. With the passage of time since the designation of the regional target clusters, the region may wish to reconsider its analysis of target cluster designation.

The future also requires that we look to value-added, net-export economic activity not only in the traditional manufacturing sector, but also in service businesses. In fact, it is in knowledge-based service

businesses where perhaps much of the region's future economic growth in the global marketplace will occur, because of the region's inability to compete with lower cost offshore manufacturing operations. There also is support for focusing economic development resources on those industry clusters in the surrounding regions that are experiencing growth, because of the potential for participating in their growth.

The highest impact economic development strategy might be to focus economic development resources on promoting knowledge and technology-based clusters, as opposed to the heavy and/or commodity-based manufacturing clusters. However, it may be difficult to seize opportunities in technology growth clusters without a strong technology base in our region, without a strong human resource base with requisite skill sets, and without a threshold level of existing technology activity in our region. Developing this technology base, including a technology business sector and a skilled labor force, should be a primary regional economic development strategy.

Chapter 3 – CEDS Goals, Objectives, and Strategies – Defining Regional Expectations

Through its CEDS planning process, Southern Tier West has identified seven regional economic development **goals** that any strategic project, program, or activity identified in the CEDS should work toward fulfilling. Each goal reflects the intention to improve the region’s economy, and may be thought of as being an ultimate end that the region desires to achieve through successful implementation of the CEDS. Goals are broad, primary regional expectations.

Southern Tier West also has identified **objectives**, which are more specific than goals, are clearly measurable, and realistically consider what can be accomplished over the five (5) year CEDS planning horizon. The goals provide a more comprehensible and more measureable approach than the broad goals, and help the region track its progress toward achieving each goal.

The objectives also are linked to **strategies**, which may be thought of as being individual projects, program, activities and initiatives that are intended to achieve the desired objectives. The specific priority projects included in Chapter 5 all are consistent with the economic development goals, objectives, and strategies listed in this chapter, and should be intended to fulfill these goals and objectives.

A central tenant is that public sector investment in economic development has maximum impact on the regional economy when it is directed toward inducing investment and job creating activity by high-skill, high-wage, job-intensive, regional-export, proprietary technology businesses.

Southern Tier West feels that the goals and objectives identified in this chapter are necessary to solve the economic problems of the region and/or capitalize on the resources of the region.

Goal 1: Encouragement of the development of value-added businesses and other businesses that will augment or diversify the region’s economic base

Objectives:

1. Creation, retention, expansion, and attraction of businesses in specific identified target industry clusters, or of businesses that either have the potential for significant economic growth, or that are likely to be able to withstand competition from offshore manufacturers:

The specific identified target industry clusters are the:

- Ceramics, glass, and advanced materials cluster
- Secondary forest products manufacturing cluster
- Agribusiness (including secondary food processing) cluster
- Metal fabricating and automotive parts manufacturing clusters
- Technology-based, including telecommunication-based industry clusters
- Technical support services (back office / computer service) and value-added export services cluster
- Plastics products manufacturing cluster
- Trucking and distribution cluster
- Tourism cluster

Businesses that either have the potential for significant economic growth, or that are likely to be able to withstand competition from offshore manufacturers typically will include:

- Businesses with local monopolies
- Businesses with proprietary technologies
- Knowledge-based businesses
- Niche businesses
- Businesses that effectively do not face competition from offshore because of high transportation costs relative to product value
- Export businesses
- Service businesses

Strategies:

- The implementation of a business visitation program.
- The provision of focused technical assistance (including but not limited to productivity enhancement assistance, marketing assistance, human resource development assistance, vending, operational, environmental or other compliance, new technology, etc.) and financial incentive assistance to businesses to incentivize and/or facilitate their creation, retention, expansion, and attraction.
- The promotion of entrepreneurship through initiatives including but not limited to marketing, technical assistance, financial assistance, etc.
- Marketing (marketing and provision of assistance, incentives, services, and public investment) of cluster and other development opportunities to existing regional businesses, prospective entrepreneurs, and cluster businesses located outside the region, including the encouragement of entrepreneurship by college graduates, individuals who previously had out-migrated from the region, cluster employees, and dislocated target cluster employees to encourage business development and especially the development of value-added and export sector firms.
- Appropriate investment in publicly owned capital and non-capital assets and services required to facilitate the creation, retention, expansion, and attraction of regional businesses.
- Provision of local sourcing opportunities and local customer opportunities for existing and proposed regional businesses through business attraction activities (marketing and provision of assistance, incentives, services, and public investment) targeting vendor and customer businesses of existing regional businesses, to induce them to locate operations within the region (excluding relocation attraction).
- Development of improved linkages between businesses and educational institutions, including the development of a technology transfer program from universities to the business community, internship placement activities, technical consulting activities, etc.
- Activities that will promote increased levels of exports from the region.
- Promotion and development of multi-firm operating and/or marketing initiatives.
- Development of non-traditional forms of ownership of manufacturing, value-added

and export sector firms (e.g., publicly owned, quasi-public-owned, or private-non-profit-owned) for spin-off to the private, for-profit sector.

- Promotion of the maintenance of local ownership of manufacturing, value-added and export sector firms and promotion of the return of non-locally owned manufacturing, value-added and export sector firms to local ownership.
- Assistance with the take over of a failing or otherwise exiting business by employees (e.g., an ESOP), and provision of assistance to employee-owned businesses.
- The implementation of a public sector start-up/spin-off program.

Goal 2: Improvement of private sector access to development incentive financing

Objectives:

1. Improvement of private sector access to development incentive financing, through:

Strategies:

- Improvement of access to private capital, through (but not limited to) the following:
- Encouragement of the private sector banking community to offer aggressive, development-oriented non-traditional lending practices to the specific selected target clusters.
- Facilitation of access to loans from the private sector banking community through the aggressive use of loan guarantees and through the use of technical assistance to businesses applying for such loans.
- Improved access to private sector angel and venture capital small business financing.

2. Improvement of access to public sector development incentive capital, through (but not limited to) the following:

Strategies:

- Streamlining access to existing public revolving loan funds.
- Recapitalization of existing public financing programs (including local revolving loan funds) as appropriate to fill gaps in local credit markets.
- Capitalization of new public financing programs (including local revolving loan funds) as appropriate to fill gaps in local credit markets.
- Development of non-traditional public business financing sources (e.g., equity/venture capital fund, etc.).
- Increased utilization of state economic development zones.

Goal 3: Improvement of existing infrastructure (water, wastewater, natural gas, electricity, telecommunications, technology, highway system, rail system, aviation system, access roads, etc.) and development of new infrastructure to support business development

Objectives:

1. Promote innovative transportation programs and expansion of existing transportation services

Strategies:

- Continued strategic and project-specific transportation planning activities, including:
 - Update of Regional Strategic Transportation Plan
 - Highway and rail corridor development plans and land use plans
 - Investment in the region's short line and mainline railroad system, including:
 - Phased construction of transmodal freight transfer facility
 - Construction of rail sidings
 - Site development along rail corridors
 - Investment in the region's highway trade corridors, including:
 - Continued construction of US-219 as primary north-south limited-access highway corridor
 - Construction of Millennium Parkway connecting northern Chautauqua County industrial corridor with I-90
 - Upgrade of Routes 60, 62, 16, and 19
 - Site development along highway corridors and interstate interchanges
 - Improvement and extension of industrial access roads
 - Improvement and investment in the region's aviation system
 - Improvement and extension of the region's mobility management (public transportation) system
 - Expansion of technical and financial assistance for transportation infrastructure projects
2. Develop and expand industrial sites, acreage, and parks

Strategies:

- Expansion and improvement of existing industrial parks
- Construction of new industrial parks, including especially targeted parks such as green parks, alternative energy parks, etc., including:
 - Phased construction of Crossroads business park
- Development of speculative industrial buildings, multi-tenant facilities, and incubator facilities
- Retrofitting of older buildings into modern productive facilities
- Pursuing appropriate brownfield remediation and redevelopment projects
- Promotion of marketing of industrial buildings and sites

- Expansion of technical and financial assistance for industrial development projects
- 3. Develop, maintain, and improve municipal and private utilities infrastructure

Strategies:

- Improvement and enhancement of the region's water and wastewater systems
 - Encouragement of alternative energy utilities and creation of a regional energy purchasing alliance
 - Identification and GIS-based inventorying of existing and planned infrastructure
 - Expansion of technical and financial assistance for industrial development projects
- 4. Expand information technology infrastructure and telecommunications systems

Strategies:

- Extension of broadband infrastructure throughout the entire region
- Promotion of the utilization of information technology and telecommunications systems

Goal 4: Improvement of business productivity and competitiveness

Objectives:

- 1. Improve technical assistance to the private sector

Strategies:

- Development and provision of increased public sector capacity to provide business and management counseling and crisis assistance.
- Development and utilization of a standardized customized electronic internet-based prospect management system, including protocols and lead agency system for prospect management, and integration with a site/building database and an internet-based economic development program database.
- Development, enhancement, and increased utilization of an electronic internet-based site/building and economic development program database system, and integration with a standardized customized electronic internet-based prospect management system.
- Improved networking and referral services between economic development and workforce organizations
- Facilitation of shared supplier networks, procurement, and export.
- Regional marketing activities.
- Centralization and coordination of tourism and recreational facility development, marketing and promotion.
- Development, expansion, renovation, and marketing of small business incubators.
- Promotion of increased environmentally sound utilization of the region's natural resources, and improved business compliance with environmental regulations.

2. Encourage best business practices and productivity assistance to capitalize on existing businesses and attract development in target industries with comparative advantage

Strategies:

- Support enhanced technology transfer activities and incentives
- Encouragement of the replacement and/or upgrading of obsolete and inefficient physical plants, machinery, and equipment
- Promotion of the introduction and adoption of new technologies, including computerization, robotics, telecommunications, etc.
- Promotion of utilization of productivity enhancement consulting programs (e.g., Insyte program and Industrial Effectiveness Program) and implementation of recommendations
- Development and increased utilization of the region's telecommunications infrastructure.
- Increased utilization of the internet
- Promotion of increased utilization of by-products, resulting in cash flow generating economic activity and also reduction of waste produced, waste handling, and waste disposal costs
- Increased implementation of skills upgrading, basic training, and literacy programs.
- Promotion of the reduction of workplace substance abuse
- Facilitation of shared supplier networks, procurement, and export

Goal 5: Educational excellence and development of a skilled workforce ready to meet the challenges of tomorrow's economy

Objectives:

1. Encourage improvements to primary, secondary, and post-secondary educational institutions

Strategies:

- Improve math, science, and English competency so as to foster workforce creativity and reasoning skills
- Invest in colleges and universities in the region, especially public sector institutions
- Promote cooperation between local educational institutions
- Encourage employer-specific and cluster-specific job training and educational needs
- Improve entrepreneurial education and technological literacy

2. Widen the range of educational services for diverse demands

Strategies:

- Invest in skills upgrading, basic training, and literacy programs
- Encourage employer-specific and cluster-specific job training and educational needs

- Improve entrepreneurial education and technological literacy
3. Actively attract and retain young professionals to work in the region

Strategies:

- Market entrepreneurial and employment opportunities to college graduates and those who previously had out-migrated from the region
- Encourage high-wage, high-skill businesses to develop in the region
- Invest in high-end housing
- Improve quality of life and basic regional appeal

Goal 6: Maintain and improve the region’s quality of life (i.e., provide, preserve, and enhance those factors that make the region attractive for residential, commercial, and industrial development)

Objectives:

1. Enhance and utilize the region’s natural resources in an environmentally sensitive manner

Strategies:

- Preserve natural quality while promoting the region as a destination for outdoor activities (environmental preservation and enhancement of access to nature).
- Maintain and improve natural recreational and tourist opportunities (facilities and attractions)
- Encourage and enhance renewable energy exploration and production in an environmentally sensitive manner

2. Maintain and improve regional infrastructure and services to improve area quality of life

Strategies:

- Invest in housing stock improvement
- Invest in local educational system
- Invest in local health services
- Invest in regional cultural (arts, historical, and entertainment) capacity, institutions, and offerings
- Develop and improve civic institutions and facilities
- Maintain and improve man-made recreational and tourist opportunities (facilities and attractions)
- Marketing and promotion of tourism, cultural, entertainment, and recreational opportunities, and the coordination of activities as appropriate.

Goal 7: Improve regional coordination and cooperative partnering efforts

Objectives:

1. Strengthen and enhance partnerships between the federal government, the State government, Southern Tier West, the counties, and local units of government and economic development-minded agencies throughout the region and state in order to increase the benefits of regional development activities and improve efficiencies of operation

Strategies:

- Promote dialogue between the economic development community, federal, state, local government officials, the business community, and concerned citizens
2. Centralize and coordinate regional economic development activities

Strategies:

- Implement regional marketing activities
 - Coordinate development, renovation, and marketing of small business incubators
 - Coordinate educational, cultural, tourism, and recreational activities and sponsorships
 - Develop a standardized electronic prospect management system and integrated site/building database, including protocols and lead agency system for prospect management
 - Promote environmentally sound utilization of natural resources and compliance with environmental regulations so as to prevent regional environmental degradation
 - Streamline the regulatory processes and establish consistent information and/or contact information available at city and county offices
3. Encourage preparation of communities for achieving economic development success

Strategies:

- Enhanced networking between communities and economic development organizations
- Development of localized and regional economic studies for planning and development purposes, and the implementation of recommendations contained in those studies, including specifically but not limited to:
 - Feasibility studies that support subsequent economic development projects
 - Sector-specific or local-opportunity-specific studies.
 - Advance planning for communities vulnerable to import-competition, and plant closures.
 - Strategic focus on local diversification efforts.
 - Development of marketing strategies and marketing implementation programs.
 - Entrepreneurial support for new business formation.
 - Information technologies and e-commerce.
 - Energy efficiency and alternative energy sources.

- Creation of strategic development plans to guide implementation of proposed economic development initiative
- Achieve consensus and agreement amongst project participants as to individual organizational roles and responsibilities and commitments
- Acquisition of appropriate land control (fee simple control or options on land proposed for subsequent development) as needed
- Engagement of engineering consultant to prepare preliminary engineering
- Engagement of other consultants as appropriate and necessary to study soil conditions, archeological resources, flora and fauna issues, historical preservation issues, etc.
- Obtain all appropriate and required regulatory permits (e.g., SEQRA, NEPA, SHPO / OPRHP, DEC, US Army Corps, US Fish and Wildlife, etc.)
- Work with prospective beneficiary businesses to achieve consensus regarding shared expectations of each other's plans, and obtain commitments from beneficiary businesses to implement their plans (investment, job creation, etc.) conditioned on any incentives or development initiatives promised by the community or economic development organization(s)
- Grantsmanship to support implementation of planned economic development initiative

Seneca Nation of Indians Goals and Objectives

Some years ago, the Seneca Nation of Indians went through a process it called SEARCH, a visioning process to decide where it wanted to be in 20 years. Following is an excerpt from the Seneca Nation of Indians' 2010 CEDS, outlining goals and objectives as developed in the SEARCH process:

“Education & Workforce Development

- There needs to be a stronger push to encourage young Seneca to earn college degrees
- There needs to be more collaboration between the Nation and other job and training resources to identify skill areas in demand and provide the programming to meet those needs
- There needs to be more tracking and communication with higher ed students to insure that they are aware of potential jobs/careers on the Territories
- Training programs needs to focus more on the job skills that match the jobs being created by the Nation's economic and enterprise development efforts
- More emphasis must be placed on job preparedness

Essential Services

- More aggressive programs need to be implemented for preventive health and wellness
- More aggressive drug and alcohol abuse programs and policies must be instituted to prevent and deal with unemployment caused by these social issues

- Emergency communications and operations must be improved to hasten response time and insure the community's safety

Infrastructure

- The current state of water, wastewater and sewer systems fail to provide adequate service to the residents, much less the enterprises on territory
- Upgrades must present solutions to not only current, but also projected needs
- Roads and bridges are wearing and in need of upgrades to support the increased travel and traffic through the territories
- Public utilities need to be assessed for their ability to respond to growing demands

Quality of Life

- More standards need to be in place to insure the health, safety and attractiveness of the residential communities
- Better access to health, recreation, and transportation needs to be developed
- Additional lands and housing options must be available to attract the educated Seneca youth back to the territories
- Expanded day care and cultural education opportunities need to be instituted to engage women in the workforce and attract community members back to the territories

Economic Development

- Diversification strategies need to be developed to insure a strong and stable economy in the future
- Projects must be developed that will not only create new revenue into the Nation, but also create job and/or entrepreneurial opportunity
- Projects should reflect the Nation's values and maintain a balance between economic success and cultural preservation
- More investment/ sufficient resources are required to facilitate and expedite economic development opportunities
- More collaboration with county and regional economic developers is necessary to maximize cluster opportunities and shared resources"

The Seneca Nation of Indians' 2010 CEDS also includes the following narrative: *"The political and market environment, and the Nation's capabilities and priorities have evolved since the SEARCH was completed; it is time to look at the Nation in transition and re-focus our economic development priorities and action plans accordingly."* Accordingly, although recognizing that some of the above text may continue to be relevant, the Seneca Nation of Indians' 2010 CEDS also includes an updated section that provides both economic development goals and objectives and quality of life goals and objectives, The Seneca Nation of Indians' 2010 CEDS indicates that *"The quality of life issues are salient from the standpoint that, not only will these objectives and the strategies borne out of their development improve the standard of living for resident Seneca members, but these improvements will also strengthen the Nation's ability to recruit skilled workforce, i.e., Senecas who have relocated after college or military service. The development of human capacity within the Seneca Nation and on its territories is vital to the overall economic health of the Nation."* Following is the specification of economic development goals and objectives and quality of life goals and objectives in the Seneca Nation of Indians' 2010 CEDS referred to above:

“Economic Development Goals

- Improve the Seneca economy with increased employment and mean income.
- Create a stable and diverse economy.
- Create opportunities for skilled and non-skilled labor force to heighten their standards of living
- Increase the attractiveness of the Seneca Territories as places to do business
- Build human capacity within the Nation.
- Improve the business development process to create a more developer-friendly climate
- Improve the territories’ infrastructure to support expanded development

Economic Development Objectives

- Increase employment opportunities
- Decrease unemployment
- Increase earnings/gained income
- Create an economic diversification strategy that identifies target growth industries outside of gaming, fuel and cigarettes; add two new growth industries by next census
- Improve collaboration with regional economic development groups to maximize opportunities and attract targeted employers
- Develop a strategy that positions the Nation territories as a competitive business location
- Strengthen infrastructure to support increased economic development
- Improve the business development process to create a more developer-friendly environment
- Utilize regional resources to develop targeted workforce training programs which focus on new and emerging industry needs
- Provide opportunities for traditional arts and crafts persons to reach the market
- Increase Nation spending on economic development that supports the diversification strategy
- Develop policies and procedures that facilitate business start-ups and expansion
- Develop policies and codes that facilitate development while protecting the cultural, environmental and legal context of the Seneca community
- Complete necessary upgrades to water, waste water, electric and gas infrastructure to accommodate planned and future economic growth
- Create shovel-ready sites where commercial growth can be accommodated appropriately
- Provide access to broadband services
- Develop tourism infrastructure and attractions that nurture small business development and provide benefits to both community members and tourists

Quality of Life Goals

- Improve the well being of the community through the development of facilities, programs and services
- Address the prevailing health issues with programs that foster preventive care and wellness
- Create a more attractive community environment for both residents and returning Seneca members
- Increase the land base and provide more parcels for individual housing

QUALITY OF LIFE OBJECTIVES

- Develop wellness programs to fight the onset of diabetes and heart disease
- Increase access to cultural and recreation programs; heighten exposure and educational support of traditions and language for youth
- Improve recreational facilities to support traditional sports and expand recreational opportunities to keep the youth engaged in positive, drug-free activities
- Upgrade sewer, water and wastewater treatment facilities to meet increased demand and to support commercial expansion.
- Improve access to quality health care
- Stabilize housing stock and provide access to adequate housing
- Increase land base through thoughtful land acquisition
- Create an Emergency Management Plan and improve effectiveness of emergency response teams
- Enforce codes and ordinances; create and enforce workplace alcohol/drug abuse programs and policies
- Improve road safety and access to transportation; investigate feasibility of transit system to improve access to job sites
- Explore assisted living and continuum of care options to help elders remain in the community while receiving the care and services that they need; expand home health care vocational training to meet those needs and to support additional programming for elders
- Develop access to broadband service to increase community access to social, educational, medical, and business applications.
- Develop tourism infrastructure and attractions that provide benefits to both community members and tourists”

The goals and objectives and strategies contained in Southern Tier West’s 2010 CEDS are consistent with the goals and objectives outlined in the Seneca Nation of Indians’ 2010 CEDS.

Chapter 4 – Community and Private Sector Participation

The private sector is a critical component of both the development and implementation of the CEDS. The region has found that public-private sector partnerships are critical to many localized and regional planning and implementation activities.

CEDS Development (i.e., CEDS Planning)

The 2010 CEDS was prepared consistent with US Department of Commerce Economic Development Administration guidelines for process and document format and content.

Southern Tier West Regional Planning and Development Board, the Economic Development District serving Chautauqua, Cattaraugus, and Allegany Counties in New York State, acted as the CEDS Committee or Planning Organization in the preparation of the 2010 CEDS.

Southern Tier West’s Board of Directors also functions as its CEDS Planning Committee, and does so to conform to state law and also as a matter of policy. The composition of Southern Tier West’s Board of Directors is controlled by State legislation.

Because it is broadly representative of various sectors in the economy, including the private sector, public officials, community leaders, and private individuals Southern Tier West also acted as Strategy Committee in the preparation of the 2010 CEDS. Southern Tier West gains a private sector perspective by having representatives of the private sector on its Board of Directors and by working alongside private sector companies and individuals in day-to-day operations and project activities.

Southern Tier West does employ a wide-ranging process for soliciting input into the CEDS planning process, insuring that there is substantial input from all groups, including private sector interests. The CEDS also incorporates relevant material from other (local, state, regional, and federal) government plans. The CEDS planning process involves the region’s constituent counties and municipalities, development organizations, service agencies, minority groups, business community, and resident population. Specific requests for input into the CEDS are provided to County Planning Departments, County Development Departments, County IDA’s, County Health Departments, Empire Zones, municipalities, NYS Empire State Development, agencies, past project sponsors, private sector entities, and others. Southern Tier West considers public-private sector partnerships to be critical to the development and implementation of the region’s CEDS. Although the private sector does not have a formal discrete role in the development of the CEDS, members of the private sector play definite roles in its development, and Southern Tier West is careful to take into account the private sector’s input in developing the document.

Southern Tier West hopes that its dialogue with the public and private sectors will act as a catalyst for collaborative economic development action in the region. Some examples of Southern Tier West’s public-private sector collaborative efforts in this regard (i.e., planning) include:

- Soliciting private sector input during the **2000 Commission on the Future regional planning process**, from which the region refined much of its economic development goals, objectives, and strategies (including the targeting and identification of specific economic clusters)
- Hosting the **2007 Economic Summit**, a planning conference that brought together public and private sector representatives to discuss future economic development issues and how the region can best address these issues into the future – topics discussed included the importance

of the region's broadband system (and more generally, electronic communications systems) to the development of the regional economy, business finance, support systems for green energy projects, regional marketing, transportation corridor development, the regional transportation network, and other important regional infrastructure networks; Southern Tier West has used the results of this dialogue as a catalyst for collaborative actions for implementation of economic development initiatives

- **Working with engineering firms** that service regional companies and municipalities to ensure an understanding of regional economic development priorities
- Working with companies and institutions on the **US Route 219 initiative** (the Route 219 Association is a private sector educational group), the I86 initiative, local highway corridor planning, and the regional strategic transportation planning process
- Establishing and working with the **Southern Tier West Development Foundation**, which for many years has had a strong private sector representation on its Board
- Working with private companies on **disaster preparedness** and **broadband roll-out** and utilization

CEDS Implementation

Southern Tier West considers public and private sector partnerships to be critical to the implementation of the CEDS.

Generally, most economic development initiatives, such as industrial park development, training programs, and infrastructure projects, are developed in conjunction with one or more beneficiary firms. Accordingly, the private sector is intimately involved in both the development and implementation of the project. During the implementation phase, the beneficiary firm is either directly involved in the project (e.g., training of employees or prospective employees) or indirectly involved through undertaking an activity induced by the project initiative (e.g., building a building in response to the building of an industrial park or expanding operations in response to the extension of infrastructure). Recent examples of this include:

- **Southern Tier Extension Mainline Railroad System** - This 145-mile long east-west railroad was a critical catalyst for the initial economic development of southwestern New York and northwestern Pennsylvania. However, on its own, (under ownership by the Erie Lackawanna Railroad, then Conrail, then Norfolk Southern) the line had fallen dormant and near abandonment, and was no longer a vehicle for economic activity in the region. Through a partnership between the public sector (NYS Department of Transportation, Southern Tier West, affected counties, local municipalities and school districts) and the private sector (Norfolk Southern and Western New York and Pennsylvania Railroad) this situation reversed. The railroad line has since been saved from abandonment and salvage, service has been restored, railroad business activity on the line once again is commercially viable, and the line is again serving as an engine of business development in southwestern New York and northwestern Pennsylvania. Since then, this same process has been brought to bear, with the same public and private sector players, on the Buffalo Line, which is a north-south railroad line in Cattaraugus County.
- **US Route 219** – Through this initiative, a group of varied private sector institutions (the Route 219 Association, including manufacturing companies, banks, and universities) has come together

with the public sector to address the need for the completion of the Route 219 limited-access highway. The interaction of the private and public sector has been central to recognizing the economic development importance of this infrastructure project and achieving the required public sector capital investment.

- **Western New York Fiber Optic Loop** – This proposed Southern Tier West project would construct the “last mile” of the trunk fiber optic system in New York State, completing a loop and thereby providing (a) redundancy in broadband service in case of a physical break or other interruption in service from the fiber trunk line, (b) higher volume service availability, and (c) first-instance service in un-served portions of the region. The scope of this project is dependent upon private sector (businesses, universities, hospitals, small business, and residents) and public sector service demand (local municipalities and agencies that are moving to implement e-government initiatives). From the supply side, the implementation of this initiative will be based on the ability of the public sector (Southern Tier West) to work with the private sector (a consortium of 8 different telecommunications companies). Accordingly, the ability of the public and private sectors to work effectively together will be essential to make this initiative a reality.
- **Wireless Broadband Project** Southern Tier West also is working with private sector companies in undertaking the first (Allegany County) and now planned second and third phases (Cattaraugus County and northern Chautauqua and Cattaraugus Counties) of the wireless broadband project. These projects involve Southern Tier West either constructing new towers or leasing space on existing towers, purchasing broadcasting equipment and installing it on these towers, and then leasing the equipment to private companies for provision of wireless broadband services.
- **The (Ongoing) Regional Strategic Transportation Planning and Project Implementation Process** – Both this planning process and the implementation of the results of the regional strategic transportation plan are examples of public-private collaboration. For example, with respect to railroad operations, Southern Tier West has worked with the two mainline railroads and three short line railroads operating in the region to identify their desired projects and assist with their implementation. Example of the implementation of these projects are flood damage mitigation projects, flood damage response projects, rail siding projects, and the proposed transload facility project that would be constructed in Allegany and Olean NY.
- **Cluster Group Initiatives** – An example of public-private collaboration is taking place in Chautauqua County, where the County government has been working alongside a group of companies in the food products cluster and the trucking and distribution cluster to make local railroad and highway corridor infrastructure improvements to facilitate the expansion of the companies within these clusters. The coordination of the public and private sectors has been critical to the willingness of both sectors to make the requisite investments needed to implement these business development projects.

Chapter 5 – Strategic Projects, Programs, and Activities

This chapter of the CEDS identifies regional economic development projects, programs and activities designed to implement the Goals and Objectives of the CEDS, as listed in Chapter 4 herein. Chapter 5 contains two lists, a Suggested Projects list and a Vital Projects list. A description of each list is provided below. Both lists contain projects sponsored by the Seneca Nation of Indians, excerpted from the Seneca Nation of Indians' 2010 CEDS, with inclusion on each list as specified by the Seneca Nation.

Suggested Projects

This section is a list of economic development projects, programs and activities that Southern Tier West suggests should be implemented so as to implement the Goals and Objectives of the CEDS, as listed in Chapter 4 herein. This list identifies the project, the lead organization(s) responsibilities for execution of the projects, and the projected number of jobs to be created as a result.

| <u>Project Name</u> | <u>Project Sponsor</u> | <u>Jobs to be Created</u> |
|--|--|---------------------------|
| Alternative Fuels Laboratory Project | SUNY Alfred State College | 35 |
| Occupational Therapy Assistant Project | Jamestown Community College | 16 |
| Seneca Arts Virtual Incubator (SAVI) Phase 1 Project | Seneca Nation of Indians | 10 |
| Seneca Arts Virtual Incubator (SAVI) Phase 2 Project | Seneca Nation of Indians | 8 |
| Southern Tier Advanced Manufacturing Institute Project | Cattaraugus Allegany BOCES | 41 |
| Geothermal Heat Pump Laboratory Project | SUNY Alfred State College | 35 |
| Foundations in Healthcare Project | Southern Tier West RP&DB and the Employment and Training Committee | 120 |
| Electronic Health Record Simulation Project | Jamestown Community College | 173 |

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| Electronic Medical Records Implementation Project | Jones Memorial Hospital | 333 retained |
| New Production Well and Appurtenances Project | City of Salamanca | 2,725 retained |
| Water Wells and Water Storage Project | City of Salamanca | |
| State Park Avenue Reconstruction and Infrastructure Enhancement Project | City of Salamanca | 534 |
| County Route 20 Water System Project | Allegany County | 300 |
| Route 417 East Water Extension Project | Town of Wellsville or Allegany County | 800 retained |
| Bonaventure Square Project | Town of Allegany & County of Cattaraugus Industrial Development Agency | 300 |
| Allegany (Town) I-86 Interchange Infrastructure Development Project | Town of Allegany | 100 |
| Onoville-Sawmill Run Campground Expansion Project | Cattaraugus County | 10 |
| BOCES Water Line Extension Project | City of Olean/Town of Olean | 10 retained |
| Olean General Hospital Expansion Project | Olean General Hospital | 25 |
| Millennium Parkway Project | Chautauqua County | 100 |
| Ripley Interstate Site Project | County of Chautauqua Industrial Development Agency | 300-600 |
| Rail Corridor Site Identification and Development Project Phase 1 | Southern Tier West RP&DB | 0 (jobs will be induced subsequently) |
| Railroad Rehabilitation Project | Southern Tier Extension Railroad Authority | 50 |

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| Transload Facility Project Phase 1 | Southern Tier Extension Railroad Authority | 10 created (additional jobs will be induced Subsequently) |
| Cattaraugus County Wireless Project | Southern Tier West RP&DB | 10 |
| Northern Chautauqua and Cattaraugus Counties Wireless Broadband Implementation Project | Southern Tier West RP&DB | 10 |
| Broadband Fiber Implementation Project | Ion LLC | 0 (jobs will be induced subsequently) |
| US Route 219 Supplemental EIS Funding Project | Southern Tier West RP&DB | 0 (jobs will be induced subsequently) |
| Seneca Holding Company Project | Seneca Nation of Indians | Seneca Nation of Indians (\$5,000,000 per year) |
| Wind Assessment Cattaraugus Territory Project | Seneca Nation of Indians | TBD |
| Gas Well Inventory Project | Seneca Nation of Indians | TBD |
| Digital Mapping of Utilities Project | Seneca Nation of Indians | 3 |
| Energy Transmission Study Project | Seneca Nation of Indians | TBD |
| Buffalo Road Water/Wastewater Project | Seneca Nation of Indians | TBD |
| Burning Springs Road Elevated Water Tank Project | Seneca Nation of Indians | TBD |
| Cattaraugus Campus Electrical Upgrades Phase 3 Project | Seneca Nation of Indians | TBD |
| Newtown Water/Wastewater Project | Seneca Nation of Indians | 2 |
| Steamburg Wastewater Facility Project | Seneca Nation of Indians | 2 |

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| Brownfields Railyard Site Cleanup and Use Plan Project | Seneca Nation of Indians | TBD |
| Irving Commercial Site Development Market Analysis Project | Seneca Nation of Indians | TBD |
| Seneca Allegany Casino Gaming Development Market Analysis Floor & Hotel Expansion Project | Seneca Nation of Indians | 500 |
| New Museum Facility/Museum Expansion Project | Seneca Nation of Indians | 15 |
| Basic Construction Training Program | Seneca Nation of Indians | 8 |
| Vocational Training Program | Seneca Nation of Indians | 30 |
| Construction Training Program | Seneca Nation of Indians | 137 |
| Routes 5/20/438 Intersection Reconfiguration Project | Seneca Nation of Indians | 8 |
| Routes 5 & 20 Bridge Replacement Project | Seneca Nation of Indians | 15 |
| I-86 Reconstruction Exit 17 to Exit 20 Project | Seneca Nation of Indians | 20 |
| Center Street Bridge Replacement Project | Seneca Nation of Indians | 15 |
| Red House Bridge Replacement Project | Seneca Nation of Indians | 15 |
| Lebanon Road Bridge Replacement Project | Seneca Nation of Indians | 5 |
| Irvine Mills Bridge Project | Seneca Nation of Indians | 5 |
| Vandalia Bridge Replacement Project | Seneca Nation of Indians | 12 |
| Import/Export Commission Project | Seneca Nation of Indians | 10 |
| Tribal Transit Program | Seneca Nation of Indians | TBD |

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|---|--------------------------|---------------------------------------|
| SNI Energy Plant/Renewable Energy Development Project | Seneca Nation of Indians | 0 (jobs will be induced subsequently) |
| Community-Scale Wind Development Project | Seneca Nation of Indians | 10 |
| Cellulosic Biomass Generation & Ethanol Plant Project | Seneca Nation of Indians | TBD |
| Renewable Technologies Manufacturing Joint Partnership Project | Seneca Nation of Indians | 100 |
| Develop Gas Production/Exploration Company, ESNC Co Natural Gas E&P Company Project | Seneca Nation of Indians | 20 |
| Seneca Nation Broadband Development Project | Seneca Nation of Indians | TBD |
| Natural Gas Pipeline Upgrade (Cattaraugus) Project | Seneca Nation of Indians | TBD |
| Wastewater System Cattaraugus Territory Project | Seneca Nation of Indians | TBD |
| Cuba Lake Property Development Project | Seneca Nation of Indians | 1 |
| Seneca Nation Entrepreneurial Training Project | Seneca Nation of Indians | TBD |
| Community Development Financial Institution Project | Seneca Nation of Indians | TBD |
| Business Venture, 8 (a) Corporation Project | Seneca Nation of Indians | 20 |
| Seneca Radio Station Project | Seneca Nation of Indians | 5 |
| Seneca Holdings, LLC Project | Seneca Nation of Indians | 3 |
| Seneca Nation Visitor Centers/ Farmer's Market Development Project | Seneca Nation of Indians | 1 |

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| Seneca Leadership Internship Program | Seneca Nation of Indians | 2 |
| Summer Youth Employment Program | Seneca Nation of Indians | 39 |
| Renewable Energy Technology Training Program | Seneca Nation of Indians | TBD |
| Career Development Program | Seneca Nation of Indians | 0 |
| I-86 Exit 20 Bridge Abutment Art Project | Seneca Nation of Indians | 0 |

Vital Projects

This section is a list of vital projects, programs and activities that Southern Tier West suggests should be priorities for implementation so as to implement the Goals and Objectives of the CEDS, as listed in Chapter 4 herein. These vital projects, programs, and activities either address the region's greatest needs or best enhance the region's competitiveness. This list notes past and proposed future related investments, and identifies sources of funding for past and potential future investments. In some case, the list may represent overarching "themes" for regional economic development success may include project components. Funding sources are not limited to EDA programs. The Vital Projects list is a subset of the Suggested Projects list specified above; the Vital Projects list identifies the highest priority implementation projects from all the projects specified in the Suggested Projects list.

| <u>Project Name</u> | <u>Project Sponsor</u> | <u>Founding Sources</u> |
|---|---|--|
| County Route 20 Water System Project | Allegany County | Allegany County, EDA, ARC, NYS ESD, Local, USDA RD |
| Route 417 East Water Extension Project | Town of Wellsville or Allegany County | Allegany County, EDA, ARC, NYS ESD, Local, USDA RD |
| New Production Well and Appurtenances Project | City of Salamanca | NYS EFC (\$2,750,000) ARC (\$150,000) |
| Water Wells and Water Storage Project | City of Salamanca | NYS EFC, City of Salamanca |
| State Park Avenue Reconstruction and Infrastructure Enhancement Project | City of Salamanca | EDA, ARC, USDA RD, NYS EFC, NYS ESD, NYS OCR, NYS DOT, City of Salamanca |
| Bonaventure Square Project | Town of Allegany & Cattaraugus County IDA | EDA, USDA RD, Private |
| Allegany (Town) I-86 Interchange Infrastructure Development Project | Town of Allegany | Cattaraugus County. Town of Allegany. HUD |
| BOCES Water Line Extension Project | City of Olean/Town of Olean | City of Olean/Town of Olean (\$150,000) |
| Olean General Hospital Expansion Project | Olean General Hospital | Private (\$14,300,000) |

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| Millennium Parkway Project | Chautauqua County | EDA, NYS DOT, Chautauqua County |
| Ripley Interstate Site Project | County of Chautauqua Industrial Development Agency | EDA, Chautauqua County, NYS ESD, Private Investment |
| Rail Corridor Site Identification and Development Project Phase 1 | Southern Tier West RP&DB | STW, Counties |
| Railroad Rehabilitation Project | Southern Tier Extension Railroad Authority | EDA, NYS DOT, FRA, WNYP |
| Transload Facility Project Phase 1 | Southern Tier Extension Railroad Authority | EDA, NYS DOT, FRA, WNYP |
| Cattaraugus County Wireless Project | Southern Tier West RP&DB | ARC (\$40,000), STW (\$40,000) |
| Northern Chautauqua and Cattaraugus Counties Wireless Broadband Implementation Project | Southern Tier West RP&DB | NYS |
| Broadband Fiber Implementation Project | Ion LLC | NTIA, Private |
| US Route 219 Supplemental EIS Funding Project | Southern Tier West RP&DB | NYS DOT, US DOT |
| Seneca Holding Company Project | Seneca Nation of Indians | Seneca Nation of Indians (\$5,000,000 per year) |
| Wind Assessment Cattaraugus Territory Project | Seneca Nation of Indians | SNI, BIA |
| Gas Well Inventory Project | Seneca Nation of Indians | BLM |
| Digital Mapping of Utilities Project | Seneca Nation of Indians | SNI |
| Energy Transmission Study Project | Seneca Nation of Indians | TBD |
| Buffalo Road Water/Wastewater Project | Seneca Nation of Indians | TBD |
| Burning Springs Road Elevated Water Tank Project | Seneca Nation of Indians | CIA Bond, ARRA |

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|---|--------------------------|--|
| Cattaraugus Campus Electrical Upgrades Phase 3 Project | Seneca Nation of Indians | CIA Bond |
| Newtown Water/Wastewater Project | Seneca Nation of Indians | CIA Bond |
| Steamburg Wastewater Facility Project | Seneca Nation of Indians | CIA Bond |
| Brownfields Railyard Site Cleanup and Use Plan Project | Seneca Nation of Indians | EPA |
| Irving Commercial Site Development Market Analysis Project | Seneca Nation of Indians | TBD |
| Seneca Allegany Casino Gaming Development Market Analysis Floor & Hotel Expansion Project | Seneca Nation of Indians | Seneca Nation of Indians (\$130,000,000) |
| New Museum Facility/Museum Expansion Project | Seneca Nation of Indians | Seneca Nation of Indians |
| Basic Construction Training Program | Seneca Nation of Indians | Seneca Nation of Indians Tribal 477 |
| Vocational Training Program | Seneca Nation of Indians | Seneca Nation of Indians Tribal 477 |
| Construction Training Program | Seneca Nation of Indians | Seneca Nation of Indians Tribal 477 |
| Routes 5/20/438 Intersection Reconfiguration Project | Seneca Nation of Indians | NYS DOT |
| Routes 5 & 20 Bridge Replacement Project | Seneca Nation of Indians | NYS DOT |
| I-86 Reconstruction Exit 17 to Exit 20 Project | Seneca Nation of Indians | NYS DOT |
| Center Street Bridge Replacement Project | Seneca Nation of Indians | NYS DOT |
| Import/Export Commission Project | Seneca Nation of Indians | Seneca Nation of Indians |
| Tribal Transit Program | Seneca Nation of Indians | FTA |

Chapter 6 – Plan of Action

The primary focus of the CEDS is job creation and retention over the coming five-year period through the strategic planning and subsequent project implementation process. The CEDS provides a unified approach to implementing economic development strategies in light of changing economic conditions. The CEDS Plan of Action is a statement of the region's and Southern Tier West's intention to focus economic development activity in specific ways so as to promote job creation and retention over the next five years.

The region's Plan of Action is a mission statement for immediate and long-term economic development activity is comprised of the goals, objectives, and strategies listed in Chapter 3, in combination with the list of vital and suggested project lists identified in Chapter 5, with the vital and suggested projects being the priority projects for immediate or short term implementation.

Per the direction of EDS, Southern Tier West has created the CEDS Plan of Action so as to implement the goals and objectives of the CEDS in a manner that-

- Promotes economic development and opportunity;
- Fosters effective transportation access;
- Enhances and protects the environment;
- Maximizes effective development and use of the workforce consistent with any applicable State or local workforce investment strategy;
- Promotes the use of technology in economic development, including access to high-speed telecommunications;
- Balances resources through sound management of physical development; and
- Obtains and utilizes adequate funds and other resources.

Over the next 5-10 years and beyond, many issues and needs will arise that the region will need to address. In fact, as the region makes progress on this strategy, other priority needs will arise or elevate to positions of higher priority. With this in mind, this CEDS provides a framework that will require continual adjustment as resources become available and priority needs arise. Thus, this CEDS Plan of Action therefore should be considered a fluid outline created that is flexible and can be modified to meet changing regional needs and priorities.

Southern Tier West supports and compliments local, state, and federal economic development efforts, and will continue to participate in the following regional activities, which comprise the Plan of Action for this CEDS.

CEDS Plan of Action

The region and Southern Tier West will:

1. Undertake and encourage transportation-based economic development strategies, including:

- ongoing regional transportation system planning and priority project implementation
- rehabilitation of mainline and short line railroads and enhancement of freight activity
- improvements and upgrades to I86, US 219, and I90, plus other state and local highways and bridges
- additional build-out of region's mobility management (i.e., public transportation) system

- improvements and upgrades to the region’s aviation system

2. Undertake and encourage business development strategies, including:

- regional business development planning and priority project implementation
- development of municipal infrastructure, industrial sites and buildings, and business incubators
- increased rates of entrepreneurship through means that include new initiatives for recruiting prospective entrepreneurs and the creation of innovative entrepreneurial technical and financial incentive programs
- business outreach and mentoring activities
- capitalization and / or recapitalization of small businesses loan funds
- creation of innovative business funding mechanisms, including umbrella loan guarantees, venture capital, and export financing
- export, environmental compliance, energy, marketing, procurement, and other technical assistance to small businesses
- increased networking and referral between technical assistance providers
- internal and external marketing activities designed to enhance our regional image and / or to attract business development

3. Undertake and encourage telecommunications-based economic development strategies, including:

- regional telecommunications system planning and priority project implementation
- increased utilization of regional telecommunications system
- development of broadband infrastructure
- development of telecommunications-based businesses

4. Undertake and encourage technology transfer, technology-based, and productivity-based economic development strategies, including:

- increased technology transfer between research institutions and regional businesses
- improved access to non-local research institutions’ technology transfer programs
- development of technology-based businesses
- adoption of new technologies by the region’s businesses
- increased utilization and availability of regional productivity enhancement programs

5. Undertake and encourage workforce training and education-based economic development strategies, including:

- support for regional Workforce Investment Boards and educational and workforce training institutions
- increased availability and utilization of worker and labor force training programs
- increased availability and utilization of entrepreneurial education

6. Undertake and encourage environmental and conservation-based economic development strategies:

- remediation and redevelopment of regional brownfield sites and buildings
- improvements in green energy and environmental conservation by businesses and entrepreneurs

7. Undertake and encourage transportation-based economic development strategies, including:

- ongoing regional transportation system planning and priority project implementation
- rehabilitation of mainline and short line railroads and enhancement of freight activity
- improvements and upgrades to I86, US 219, and I90, plus other state and local highways and bridges
- additional build-out of region's mobility management (i.e., public transportation) system
- improvements and upgrades to the region's aviation system

8. Undertake and encourage business development strategies, including:

- regional business development planning and priority project implementation
- development of municipal infrastructure, industrial sites and buildings, and business incubators
- increased rates of entrepreneurship through means that include new initiatives for recruiting prospective entrepreneurs and the creation of innovative entrepreneurial technical and financial incentive programs
- business outreach and mentoring activities
- capitalization and / or recapitalization of small businesses loan funds
- creation of innovative business funding mechanisms, including umbrella loan guarantees, venture capital, and export financing
- export, environmental compliance, energy, marketing, procurement, and other technical assistance to small businesses
- increased networking and referral between technical assistance providers
- internal and external marketing activities designed to enhance our regional image and / or to attract business development

9. Undertake and encourage telecommunications-based economic development strategies, including:

- regional telecommunications system planning and priority project implementation
- increased utilization of regional telecommunications system
- development of broadband infrastructure
- development of telecommunications-based businesses

10. Undertake and encourage technology transfer, technology-based, and productivity-based economic development strategies, including:

- increased technology transfer between research institutions and regional businesses
- improved access to non-local research institutions' technology transfer programs
- development of technology-based businesses
- adoption of new technologies by the region's businesses
- increased utilization and availability of regional productivity enhancement programs

11. Undertake and encourage workforce training and education-based economic development strategies, including:

- support for regional Workforce Investment Boards and educational and workforce training institutions
- increased availability and utilization of worker and labor force training programs
- increased availability and utilization of entrepreneurial education

12. Undertake and encourage environmental and conservation-based economic development strategies:

- remediation and redevelopment of regional brownfield sites and buildings
- improvements in green energy and environmental conservation by businesses and entrepreneurs

13. Undertake and encourage transportation-based economic development strategies, including:

- ongoing regional transportation system planning and priority project implementation
- rehabilitation of mainline and short line railroads and enhancement of freight activity
- improvements and upgrades to I86, US 219, and I90, plus other state and local highways and bridges
- additional build-out of region's mobility management (i.e., public transportation) system
- improvements and upgrades to the region's aviation system

14. Undertake and encourage business development strategies, including:

- regional business development planning and priority project implementation
- development of municipal infrastructure, industrial sites and buildings, and business incubators
- increased rates of entrepreneurship through means that include new initiatives for recruiting prospective entrepreneurs and the creation of innovative entrepreneurial technical and financial incentive programs
- business outreach and mentoring activities
- capitalization and / or recapitalization of small businesses loan funds
- creation of innovative business funding mechanisms, including umbrella loan guarantees, venture capital, and export financing
- export, environmental compliance, energy, marketing, procurement, and other technical assistance to small businesses
- increased networking and referral between technical assistance providers
- internal and external marketing activities designed to enhance our regional image and / or to attract business development

15. Undertake and encourage telecommunications-based economic development strategies, including:

- regional telecommunications system planning and priority project implementation
- increased utilization of regional telecommunications system
- development of broadband infrastructure
- development of telecommunications-based businesses

16. Undertake and encourage technology transfer, technology-based, and productivity-based economic development strategies, including:

- increased technology transfer between research institutions and regional businesses
- improved access to non-local research institutions' technology transfer programs
- development of technology-based businesses
- adoption of new technologies by the region's businesses
- increased utilization and availability of regional productivity enhancement programs

17. Undertake and encourage workforce training and education-based economic development strategies, including:

- support for regional Workforce Investment Boards and educational and workforce training institutions
- increased availability and utilization of worker and labor force training programs
- increased availability and utilization of entrepreneurial education

18. Undertake and encourage environmental and conservation-based economic development strategies:

- remediation and redevelopment of regional brownfield sites and buildings
- improvements in green energy and environmental conservation by businesses and entrepreneurs

Cooperation and Integration of the CEDS with State's Economic Development Priorities

Southern Tier West solicits input into the CEDS planning process from New York State Empire State Development. Subsequent to the publication of the CEDS, Southern Tier West delivers a copy of the CEDS planning document to New York State Empire State Development for integration into the State's economic development priorities. Throughout the year, Southern Tier West and New York State Empire State Development cooperate on a number of CEDS strategic planning and implementation activities, e.g., railroad development, broadband system development, industrial infrastructure development, business attraction/expansion/retention activities, etc. New York State Empire State Development sends a representative to all of Southern Tier West's Board of Directors meetings for the purpose of encouraging cooperation with Southern Tier West and the integration of the CEDS into the State's economic development priorities.

Subsequent to the publication of the CEDS, New York State normally obtains a copy of the CEDS planning document either directly from Southern Tier West or from Southern Tier West's web site, and uses it as input into the State Appalachian Development Plan. Thus, the priorities of this State agency's economic development planning document reflect Southern Tier West's CEDS planning priorities for our region.

Chapter 7 – Performance Measures

Identification of Performance Measures

Southern Tier West will move to using the following performance measures to evaluate its (and the region's) successful development and implementation of the CEDS:

- Number of and types of CEDS projects implemented in the region,
- Number and types of other investments undertaken in the region,
- Number of jobs created by CEDS project beneficiaries,
- Number of jobs retained by CEDS project beneficiaries,
- Amount of private sector investment by CEDS project beneficiaries,
- Changes in the economic environment of the region, and
- Initiatives undertaken to promote economic development within the region.

Performance metrics are tracked for each project post-implementation and included in Southern Tier West's Annual Report submitted to the EDA. Additional qualitative and quantitative measures may be used to evaluate economic development efforts, however the CEDS performance measures provide the basic framework with which EDA and Southern Tier West evaluate Southern Tier West's development of the CEDS and Southern Tier West's and the region's and implementation of the CEDS.

Southern Tier West may use additional qualitative and quantitative measures to evaluate economic development efforts as well.

In fact, Southern Tier West has not historically collected all of the above data on past CEDS efforts, in part because of its unavailability. Accordingly, Southern Tier West's ability to comment on economic development effectiveness using the above evaluation criteria will be delayed somewhat until such data is available.

Nonetheless, it is fair to say that cumulatively, over the past three to four decades, the Southern Tier West region's economic development community has not been very successful in addressing the region's long-term economic distress. The region still has higher-than-state-and-federal-average unemployment rates, and per capital income continues to decline as a percentage of state per capita income. The region's youth leaves the region in search of jobs.

However, the region's economy would probably be much more distressed if there had been no economic development strategy in place and if the region had not made an ongoing strategic economic development effort over the last three to four decades. Thus, the focus perhaps ought not to be on the fact that the region still is economically distressed, but rather, recognizing that we have made some progress, we should focus on how we can do better in the future. History can teach us which economic development initiatives did not work, and which are likely to hold promise.

The results of these project performance metrics along with updated regional economic data are used for new insight into new project suggestions, changing priorities, and/or revising CEDS goals and objectives should changing economic conditions necessitate. Consequently, the CEDS is a living document, updated and monitored on an ongoing basis by the Southern Tier West Regional Planning and Development Board.

Performance Evaluation

Some of the lessons we have learned in the strategic planning and development process are as follows:

- Readiness for economic development is essential. The region must prepare for the economic development opportunities and jobs of tomorrow, not those of yesterday or even of today. This cannot be accomplished with the resources of yesterday.
- We must prepare for economic development prior to having “birds in hand.” If we delay preparation and public investment until a specific private sector beneficiary company appears, we will be unable to respond in time to meet the company’s development timetable. In some sense, therefore, readiness equates to speculative investment in economic development. However, because of the scarcity of economic resources, such speculative investment must be made judiciously.
- To support the CEDS economic development Plan of Action, the region must undertake multi-year county-level economic development planning processes, and we must develop and implement multi-year county-level capital investment plans. In this regard, the creation of capital reserve funds and annual budgetary commitments of resources for economic development investment is most beneficial. Many economic development initiatives consist of phased approaches that require an ongoing annual commitment of resources.
- Economic development requires more than bricks and mortar. Effective economic development requires attention to human resource and technology issues, as well as productivity, market, and financial issues. We must have the flexibility to bring resources to bear on all of these fronts for any given economic development opportunity as it arises. Often, investment must be funneled into an initiative in a coordinated, multi-agency approach (the “critical mass theory of economic development”).
- We must upgrade the region’s technology infrastructure. Any gains in domestic value-added activity in the future will not be in manufacturing industries (unless proprietary technologies or other comparative advantages are involved), but in information technology or knowledge-based industries, or in other clusters where a long-term competitive advantage can be created and maintained. We must position ourselves appropriately to seize any opportunities in this regard.
- We must not ignore our existing manufacturing base. We have a substantial investment of both public and private capital invested in this manufacturing base, not to mention the economic health of many direct and indirect employees and their families, and all of this is at competitive risk in the global marketplace. As economic developers, we must improve communications with the region’s manufacturing base, and the communication must be two-way. We must encourage a progressive attitude on the part of our business community, and we must be prepared to do likewise ourselves.
- Economic development requires innovation in financial packaging and tools. The traditional tools available in our region sometimes are not competitive with those of neighboring states, let alone the rest of the world. We must develop alternative financial tools, and we must invest in our financial tools.
- Each county should act as a central clearinghouse for municipal water and wastewater projects within the county.
- Each county should prepare and regularly update a county-wide strategic economic development plan. The plan should contain priority projects from a variety of sponsors including the county, its

municipalities, agencies, etc. At any point in time each county should be able to identify its priority economic development initiatives. Each county should commit to implementing the projects for which it is listed as sponsor, and to assisting the other sponsors with implementation of their projects.

- There should be a regional strategic economic development plan that should be revisited every few years and whenever there is a major change in circumstances.
- Essential elements of the region's economic development strategy should be encouragement of entrepreneurship, encouragement of human resource development activities, encouragement of export activities, encouragement of utilization of technology, encouragement of technology transfer, improvement of transportation infrastructure, and encouragement of broadband technologies.

As indicated above, it is too early to begin to measure many of the projects appearing in more recent editions of the Comprehensive Economic Development Strategy (CEDS). Southern Tier West's practice is to use its performance measuring system over time to measure the dynamic implementation efficacy of the CEDS planning process on a rolling basis.

Several general observations can be made.

First, as one might expect, projects appearing in earlier year CEDS documents are more likely to have been implemented than those in later year CEDS, owing to the unpredictable lengths of planning phases and uncertainty of funding sources.

Second, the ARC, NYS DOT, and FAA projects in the list typically are the most likely to have been completed and to have met targets, because of the relative certainty of the funding stream. Other projects, such as EDA projects, are less likely to have been completed or even implemented because EDA funding is less certain.

Third, most infrastructure projects have longer time frames to implementation and final completion than do non-infrastructure and non-construction projects, other things equal, measured from the date of their appearance in the CEDS. This is because the overall process (planning, funding, engineering, environmental review, bidding, and construction, etc.) is a longer process than the process involved with non-construction projects. Some of these projects occasionally evolve into significantly different projects over a period of several years.

Fourth, economic development projects seem to have a shorter and more certain path to implementation that do other sorts of projects, owing to their development based on and constrained by beneficiary company timeframe windows and the often stronger linkage to funding availability. Further, once these economic development projects are completed, they normally meet their job and investment targets.

Fifth, although the water and wastewater projects of many small municipalities may be high priorities for implementation, owing to health and public safety concerns, these projects often languish in the planning phase awaiting funding for several years, owing to inexperienced municipal project sponsorship, changeovers in local administrations (affecting continuity), insufficient local match funding, and inability to obtain funding packages that are perceived as affordable by the municipalities. This is less true, however, if the project can be primarily categorized as an economic development project, for the reasons noted above.

Sixth, the Seneca Nation of Indians' portfolio of projects has changed significantly in recent years. Certain projects have been completed, others are no longer priorities, and some continue to be active projects. Many new projects related to casino resort development have been proposed, and other new projects have been made possible because of casino revenues. A driving philosophy of the Seneca Nation of Indians seems to be diversification of its economic base. The Seneca Nation does not always participate in the Southern Tier West Annual Comprehensive Planning process, so its projects are not always present in the CEDS, although this CEDS does include participation by the Seneca Nation of Indians. Monitoring data on Seneca Nation economic development projects also is not always available.

Seventh, because certain municipalities having projects listed in prior CEDS documents have not participated in the planning process in 2010, Southern Tier West cannot evaluate their projects or consider them as priority projects.

Finally, Southern Tier West generally has seen CEDS projects meet job and investment targets upon completion.

Appendix

The Southern Tier West Regional Planning and Development Board

Board of Directors

As of September 2010, the members of the Southern Tier West Board are as follows:

| <u>Name</u> | <u>Representing</u> | <u>Title of Officers</u> |
|-------------------|--------------------------|--------------------------|
| James Cooper | Chautauqua County | Chairman |
| Robert Keis | Cattaraugus County | Vice Chairman |
| Susan Myers | Allegany County | Secretary |
| Ted Hopkins | Allegany County | |
| John Margeson | Allegany County | |
| Jerry Scott | Allegany County | |
| Fred Sinclair | Allegany County | |
| Crystal Abers | Cattaraugus County | |
| Charles Couture | Cattaraugus County | |
| Joseph Eade | Cattaraugus County | |
| William King | Cattaraugus County | |
| William Daly | Chautauqua County | |
| Greg Edwards | Chautauqua County | |
| Shaun Heenan | Chautauqua County | |
| Allan Hendrickson | Chautauqua County | |
| Lucille White | Seneca Nation of Indians | |
| Curtis Crandall | Allegany County | Ex-officio |

Descriptive Data

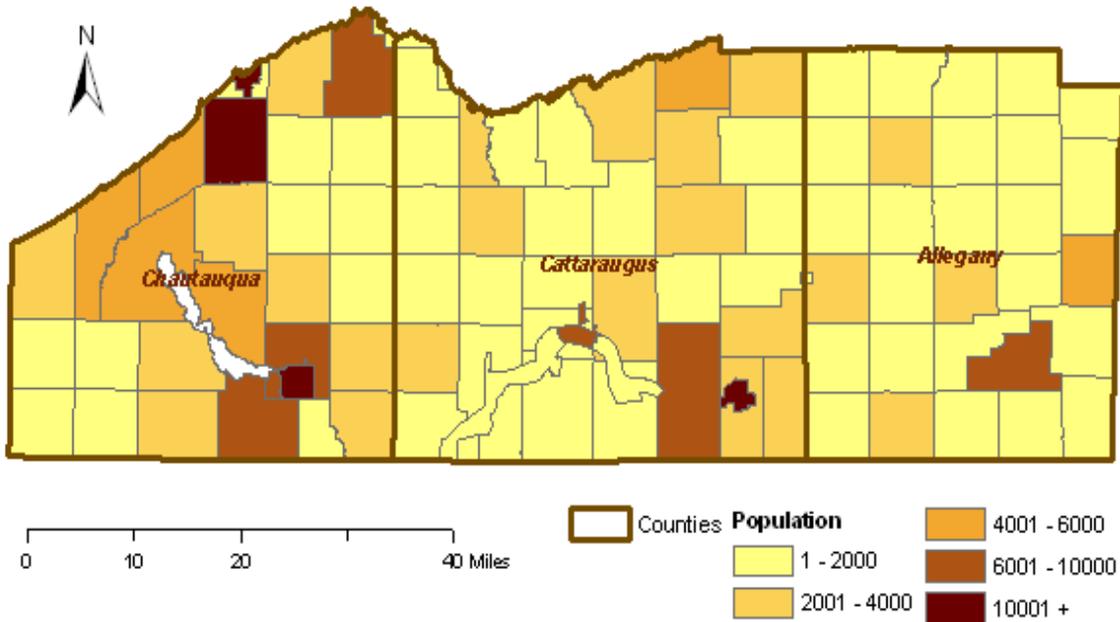
Following are various data and maps providing information about the region.

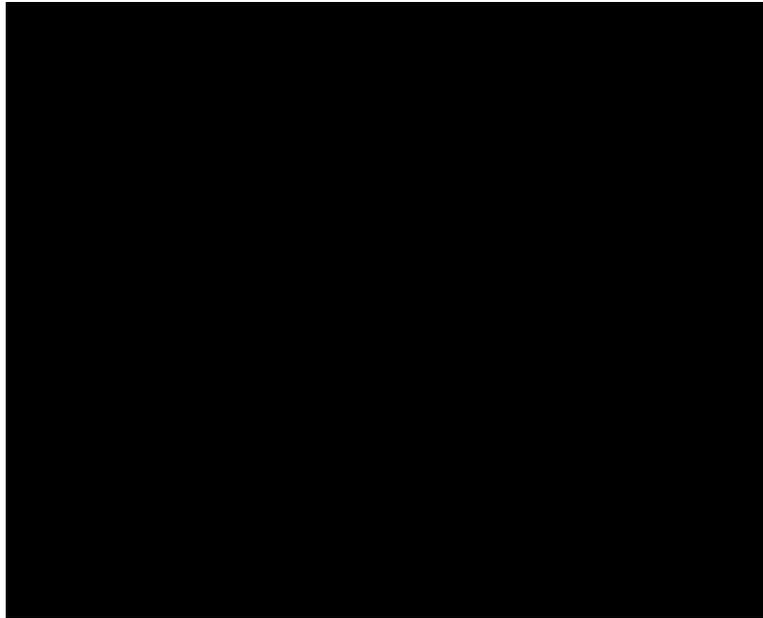
Population Trends, 1980-2000

| | 1980 | 1990 | 2000 | Total Change | Average Yearly Change | Percent Growth |
|---------------------------|-------------------|-------------------|-------------------|------------------|-----------------------|----------------|
| Allegany County | 51,742 | 50,470 | 49,927 | -1,815 | -91 | -3.51% |
| Cattaraugus County | 85,697 | 84,234 | 83,955 | -1,742 | -87 | -2.03% |
| Chautauqua County | 146,925 | 141,895 | 139,750 | -7,175 | -359 | -4.88% |
| Southern Tier West | 284,364 | 276,599 | 273,583 | -10,732 | -537 | -3.77% |
| New York State | 17,558,072 | 17,990,455 | 18,976,457 | 1,418,385 | +70,919 | +8.07% |

Source: U.S. Census Bureau (1980, 1990, 2000 Census)

Population Density and Distribution





Source: U.S. Census Bureau (1980, 1990, 2000 Census)

1980-2000 Migration Trends

| | Total Population Change | Natural Increase (Births – Deaths) | Net Migration | Net Migration Rate * |
|---------------------------|--------------------------------|---|----------------------|-----------------------------|
| Allegany County | -1,815 | 3,563 | -5,378 | -10.39% |
| Cattaraugus County | -1,742 | 6,729 | -8,471 | -9.88% |
| Chautauqua County | -7,175 | 6,747 | -13,922 | -9.48% |
| Southern Tier West | -10,732 | 17,039 | -27,771 | -9.77% |
| New York State | 1,418,385 | 2,043,387 | -625,002 | -3.56% |

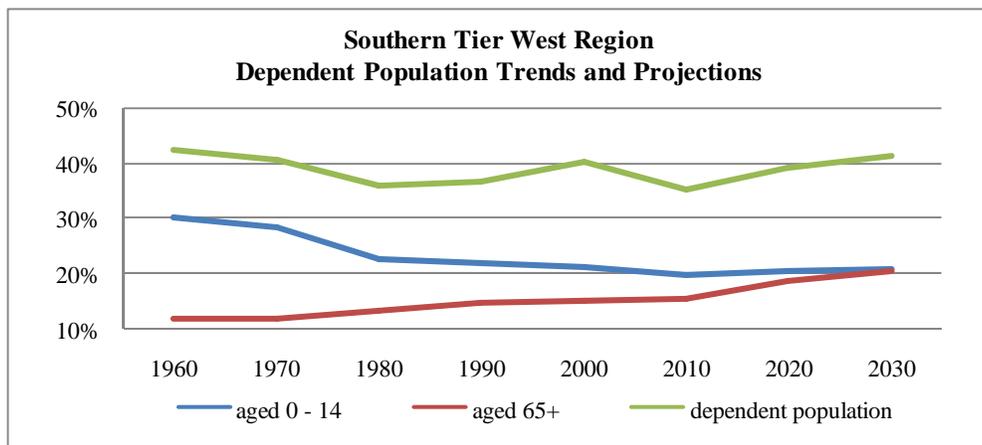
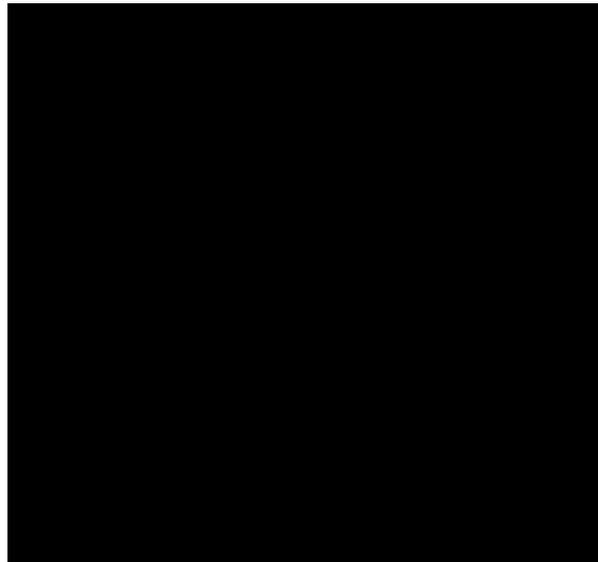
* rates are per 1000 average population

Source: 1980, 1990, & 2000 Population Data, Intercensal Estimates, U.S. Department of Commerce, Census Bureau

**Aging Population:
Median Ages of Region, States and Nation, 1980-2000**

| | Southern Tier West | New York | United States |
|------------------|--------------------|----------|---------------|
| Median Age, 2000 | 37.2 | 36.9 | 35.3 |
| Median Age, 1990 | 33.4 | 33.8 | 32.8 |
| Median Age, 1980 | 30.3 | 33.4 | 30.0 |

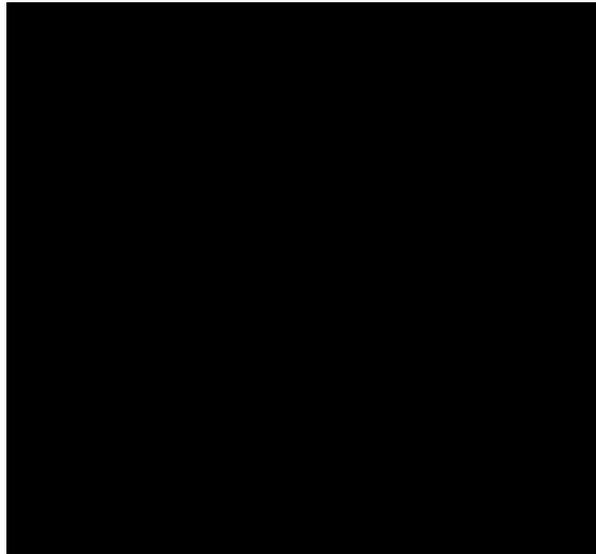
Source: U.S. Census Bureau (1980, 1990, 2000 Census)



Source: New York Statistical Information System, US Census Bureau

Racial Composition as Percentage of Total Population, 2000

| | Allegany County | Cattaraugus County | Chautauqua County | Southern Tier West Region | New York State |
|--------------------------------------|--------------------|-----------------------|----------------------|------------------------------|-------------------|
| White | 97.0 | 94.6 | 94.0 | 95.2 | 67.9 |
| Black or African American | 0.7 | 1.1 | 2.2 | 1.3 | 15.9 |
| Hispanic or Latino (any race) | 0.9 | 0.9 | 4.2 | 2.0 | 15.1 |
| American Indian | 0.3 | 2.6 | 0.4 | 1.1 | 0.4 |
| Asian | 0.7 | 0.5 | 0.4 | 0.5 | 5.5 |
| 2 or more races | 0.9 | 1.0 | 1.2 | 1.0 | 3.1 |
| Some other race | 0.4 | 0.2 | 1.7 | 0.8 | 7.1 |



Source: U.S. Census Bureau, 2000 Census



| | Average Annual Per Capita Income Growth Rate 1997-2007 |
|----------------------------------|---|
| Southern Tier West Region | 3.8% |
| New York State | 4.5% |
| USA | 4.3% |

Average Wage by Industry Sector, 2007

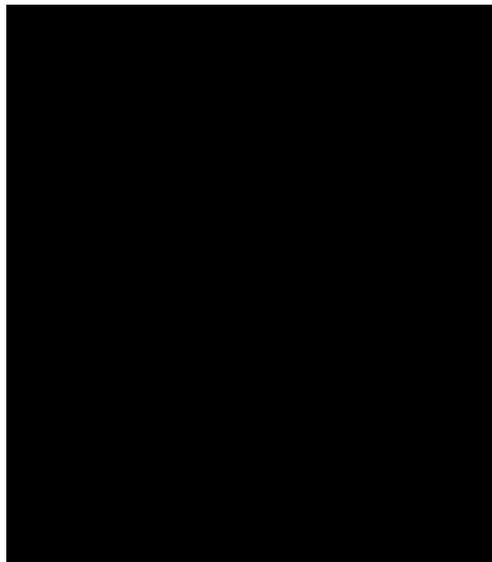
| Description (by NAICS) | Southern Tier West Region | New York State | Regional Wage as Percentage of State Wage |
|------------------------------------|---------------------------|----------------|---|
| Total, All Industries | \$31,242 | \$59,499 | 52.5% |
| Total, All Private | \$29,943 | \$61,455 | 48.7% |
| Agri., Forestry, Hunting | \$23,684 | \$27,239 | 86.9% |
| Mining | \$43,928 | \$54,580 | 80.5% |
| Utilities | \$72,957 | \$92,640 | 78.8% |
| Construction | \$36,831 | \$55,889 | 65.9% |
| Manufacturing | \$44,321 | \$56,007 | 79.1% |
| Wholesale Trade | \$40,197 | \$69,231 | 58.1% |
| Retail Trade | \$20,086 | \$29,199 | 68.8% |
| Transportation, Warehousing | \$34,239 | \$42,335 | 80.9% |
| Information | \$30,794 | \$86,365 | 35.7% |
| Finance and Insurance | \$36,166 | \$208,490 | 17.3% |
| Real Estate, Rental, Leasing | \$23,235 | \$55,614 | 41.8% |
| Professional, Technical Services | \$33,711 | \$84,813 | 39.7% |
| Mgmt. of Companies & Enterprises | \$35,940 | \$141,100 | 25.5% |
| Administrative, Waste Services | \$27,875 | \$39,470 | 70.6% |
| Educational Services | \$35,107 | \$43,619 | 80.5% |
| Health Care, Social Assistance | \$26,739 | \$41,409 | 64.6% |
| Arts, Entertainment, Recreation | \$15,978 | \$44,514 | 35.9% |
| Accommodations, Food Services | \$11,661 | \$21,094 | 55.3% |
| Other Services (exc. public admin) | \$16,454 | \$31,839 | 51.7% |
| Public Administration | \$34,909 | \$49,774 | 70.1% |

Public Assistance as Percentage of Total Households, 1990-2000

| | <i>% of Households with Public Assistance, 1990</i> | <i>% of Households with Public Assistance, 2000</i> |
|----------------------------------|---|---|
| <i>Allegany County</i> | 9.8% | 4.4% |
| <i>Cattaraugus County</i> | 7.9% | 3.4% |
| <i>Chautauqua County</i> | 9.0% | 3.9% |
| <i>Southern Tier West Region</i> | 8.9% | 3.9% |
| <i>New York State</i> | 9.1% | 4.9% |



Source: U.S. Census Bureau, Small Area Income & Poverty Estimates



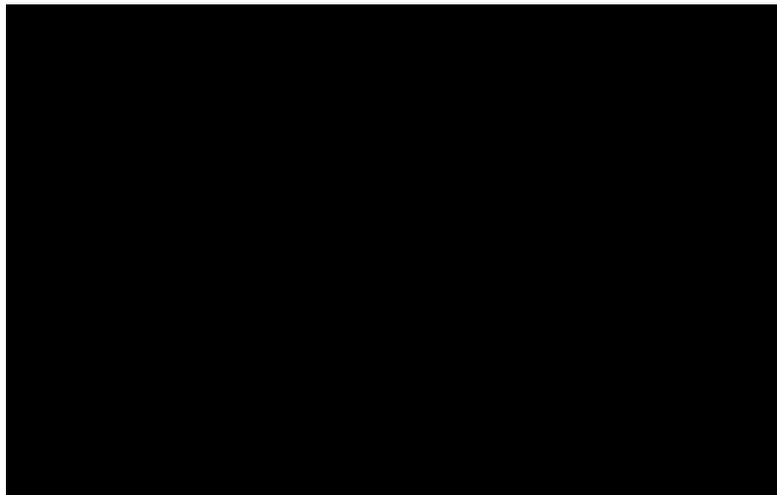
| | Bachelor's Degree or Higher, 2000 |
|----------------------------------|--|
| Allegany County | 17.2 % |
| Cattaraugus County | 14.9 % |
| Chautauqua County | 16.9 % |
| Southern Tier West Region | 16.3 % |
| New York State | 27.4 % |
| United States | 24.4% |

Source: US Census Bureau, 2000 Census

Labor Force Average Annual Figures for the Population Aged 16 Years and Older

| | 1990 | 2000 | 2002 | 2004 | 2006 | 2007 | 2008 | % Change 2000-2008 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|
| Allegany County | | | | | | | | |
| Labor Force | 22,400 | 22,800 | 23,400 | 23,600 | 23,600 | 23,500 | 23,900 | 4.8% |
| Employed | 20,900 | 21,700 | 22,200 | 22,100 | 22,300 | 22,200 | 22,400 | 3.2% |
| Unemployed | 1,500 | 1,100 | 1,300 | 1,500 | 1,300 | 1,300 | 1,600 | 45.5% |
| Unemp. Rate (%) | 6.5 | 4.9 | 5.4 | 6.4 | 5.3 | 5.5 | 6.5 | 32.6% |
| % of Regional Labor | 17.1 | 17.3 | 17.7 | 17.8 | 17.8 | 17.8 | 18.0 | 4.0% |
| Cattaraugus County | | | | | | | | |
| Labor Force | 39,000 | 41,100 | 41,700 | 42,400 | 42,000 | 41,400 | 41,700 | 1.5% |
| Employed | 36,500 | 39,300 | 39,400 | 39,800 | 39,800 | 39,300 | 39,100 | -1.0% |
| Unemployed | 2,500 | 1,900 | 2,400 | 2,500 | 2,200 | 2,100 | 2,600 | 36.8% |
| Unemp. Rate (%) | 6.3 | 4.5 | 5.7 | 6.0 | 5.2 | 5.2 | 6.2 | 37.8% |
| % of Regional Labor | 30.1 | 31.3 | 31.5 | 32.0 | 31.6 | 31.4 | 31.4 | 0.0% |
| Chautauqua County | | | | | | | | |
| Labor Force | 68,100 | 68,100 | 67,400 | 67,100 | 67,200 | 67,100 | 67,300 | -1.1% |
| Employed | 64,200 | 65,400 | 63,600 | 63,400 | 64,100 | 64,000 | 63,500 | -2.9% |
| Unemployed | 3,900 | 2,700 | 3,800 | 3,700 | 3,100 | 3,000 | 3,800 | 40.7% |
| Unemp. Rate (%) | 5.7 | 4.0 | 5.6 | 5.5 | 4.6 | 4.5 | 5.6 | 40.0% |
| % of Regional Labor | 52.6 | 51.8 | 50.9 | 50.6 | 50.6 | 50.8 | 50.6 | -2.3% |
| Southern Tier West | | | | | | | | |
| Labor Force | 129,500 | 131,500 | 132,500 | 132,500 | 132,800 | 132,000 | 132,900 | 1.1% |
| Employed | 121,600 | 126,400 | 125,600 | 125,300 | 126,200 | 125,500 | 125,000 | -1.1% |
| Unemployed | 7,900 | 5,700 | 7,500 | 7,700 | 6,600 | 6,400 | 8,000 | 40.4% |
| Unemp. Rate (%) | 6.2 | 4.5 | 5.6 | 6.0 | 5.0 | 5.1 | 6.1 | 35.6% |
| New York State | | | | | | | | |
| Labor Force | 8808,900 | 9167,000 | 9299,000 | 9360,100 | 9530,100 | 9574,800 | 9679,600 | 5.6% |
| Employed | 9152,900 | 9140,900 | 9091,700 | 8816,000 | 8721,400 | 8751,400 | 8339,800 | -8.8% |
| Unemployed | 526,700 | 433,900 | 438,400 | 544,100 | 577,600 | 415,500 | 469,100 | 8.1% |
| Unemp. Rate (%) | 5.4 | 4.5 | 4.6 | 5.8 | 6.2 | 4.5 | 5.3 | 17.8% |
| United States | | | | | | | | |
| Civilian Labor Force | 125,840,000 | 142,583,000 | 144,863,000 | 147,401,000 | 151,428,000 | 153,124,000 | 155,921,000 | 9.4% |
| Employed | 118,793,000 | 136,891,000 | 136,485,000 | 139,252,000 | 144,427,000 | 146,047,000 | 140,826,000 | 2.9% |
| Unemployed | 7,047,000 | 5,692,000 | 8,378,000 | 8,149.0 | 7,001,000 | 7,078,000 | 15,095,000 | 165.2% |
| Unemp. Rate (%) | 5.6 | 4.0 | 5.8 | 5.5 | 4.6 | 4.6 | 5.8 | 45.0% |

Source: NYS Dept. of Labor

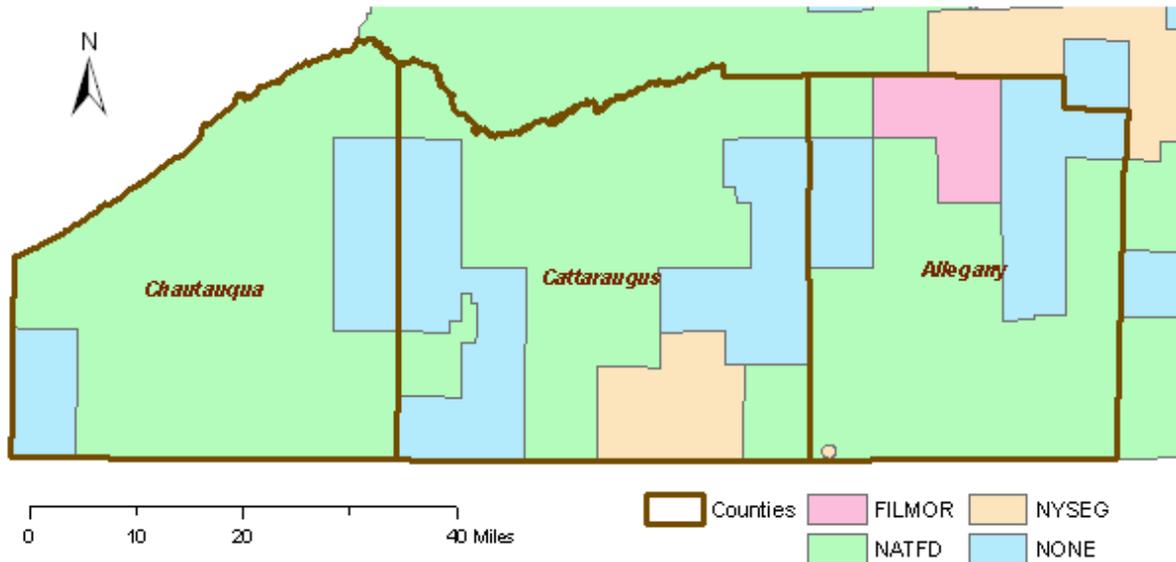


Regional Employment by Industry, 1990-2008

| | 1990 | 1995 | 2000 | 2005 | 2008 | % Change 1990-2008 |
|---|---------|---------|---------|---------|---------|--------------------|
| Total Non-Farm | 105,600 | 104,700 | 110,300 | 108,100 | 108,800 | 3.0% |
| Total Private | 83,900 | 82,900 | 85,600 | 82,200 | 82,900 | -1.2% |
| Service-Providing | 74,700 | 78,500 | 84,500 | 86,800 | 86,900 | 16.3% |
| Private Service-Providing | 53,500 | 56,800 | 59,800 | 60,800 | 60,600 | 13.3% |
| Government | 21,200 | 21,600 | 24,800 | 26,100 | 26,300 | 24.1% |
| Goods-Providing | 30,400 | 26,000 | 25,800 | 21,500 | 22,000 | -27.6% |
| Education and Health Services | 13,600 | 15,600 | 16,600 | 17,900 | 18,300 | 34.6% |
| Manufacturing | 26,700 | 23,000 | 22,700 | 18,400 | 17,800 | -33.3% |
| Transportation, Trade, and Utilities | 18,400 | 18,200 | 18,100 | 17,800 | 16,900 | -8.2% |
| Leisure and Hospitality | 9,000 | 9,300 | 9,900 | 10,000 | 9,900 | 1.1% |

Source: New York State Department of Labor, Minor County Employment by Industry

Natural Gas Providers in the Southern Tier West Region



Housing Characteristics as Percent of Total Housing Units, 2000

| | Housing Units | % Vacant | Occupied Units | % Owner Occ. | % Renter Occ. | Urban Housing | Rural Housing | Median Value |
|-----------------------|----------------------|-----------------|-----------------------|---------------------|----------------------|----------------------|----------------------|---------------------|
| Region | 129,244 | 19.1% | 104,547 | 71.6% | 28.4% | 43.7% | 56.3% | \$57,666 |
| New York State | 7,679,307 | 8.1% | 7,056,860 | 53.0% | 47.0% | 85.6% | 14.4% | \$147,600 |
| United States | 115,904,641 | 9.0% | 105,480,101 | 66.2% | 33.8% | n/a | n/a | n/a |

Source: U.S. Census Bureau, 2000 Census

Age of Housing Stock by Year Built
(expressed as percent of total 2000 housing stock)

| | 1960 or later | 1940-1959 | 1939 or earlier |
|-----------------------|---------------|-----------|-----------------|
| Region | 39.1% | 17.8% | 43.1% |
| New York State | 40.4% | 28.3% | 31.2% |
| United States | 65.0% | 20.0% | 15.0% |

County Economic Profiles

Allegany County

Allegany County has a land area of approximately 1030 square miles and a population density of 48.5 per square mile. From 1980 to 2000, Allegany County's population *decreased* by 4% (an average annual change of -90.75)

Select Economic Indicators for Allegany County, NY

| | Value | Rank in State (62 counties) | | Value | Rank in State (62 counties) |
|--------------------------|---------|-----------------------------|-----------------------------------|----------|-----------------------------|
| Population (2008) | 49,649 | 48 | Per Capita Personal Income (2007) | \$23,292 | 62 |
| Growth since 2000 | - 0.6 % | 33 | Median Household Income (2007) | \$37,954 | - |
| Households (2000) | 18,009 | - | Poverty Rate (2007) | 16.7% | - |
| Labor Force (2008) | 23,900 | - | H.S. Diploma or More (2000) | 83.2% | - |
| Unemployment Rate (2008) | 6.5% | - | Bachelor's Degree or More (2000) | 17.2% | - |

Per Capita Personal Income Trends for Allegany County, NY

| | Value | Rank in State (of 62 counties) | As % of year's NYS Per Capita Income | As % of year's U.S. Per Capita Income |
|---|----------|--------------------------------|--------------------------------------|---------------------------------------|
| Per Capita Income – 2007 Adjusted for inflation | \$23,292 | 62 | 50% | 60% |
| Per Capita Income – 1997 Adjusted for inflation | \$16,862 | 61 | 56% | 67% |
| Per Capita Income – 1987 Adjusted for inflation | \$10,865 | 62 | 57% | 67% |

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Of the Southern Tier West three-county region, Allegany County is the most rural and least populated. While it has the most stable population level of the three counties in the region (only a 0.6% decrease since 2000), it also has the highest poverty rate and lowest median household income - largely a result of its more rural character. Allegany County's per capita income has consistently been the lowest in both the region and the State. It is currently only 50% of New York State's per capita income and 60% of the national per capita income. A positive trend for the region is its high percentage of high school graduates. It has the highest percentage of people receiving a high school diploma out of the three-county region as well as the highest percentage gaining a bachelor's degree or more.

Allegany County's labor force is growing at the fastest rate of the region's three counties - increasing

4.8% from 2000-2008. The number of employed has also *not* decreased since 2000 as in the other two counties. This means that Allegany County is assuming an increasing percentage of the regional labor force while the other two counties are losing their percentages of regional labor. Allegany County's unemployment rate is consistently above State and national levels and has seen drastic increases since 2000, along with the entire region. In the last year, it experienced the highest unemployment rates for the County since the early 1990's. While reflecting national trends, unemployment rates constantly exceeding State and national levels reveals economic distress in the county.

As of 2007, the largest employment sectors for Allegany County were public administration (government), manufacturing, health and social assistance, retail trade, and education. The County appears to be losing manufacturing employment, while it is experiencing some growth in education, health services and agriculture. Between 2000 and 2007, the County's manufacturing sector had a loss of 354 jobs or 15% of that sectors 2007 employment. Allegany County is highly impacted by manufacturing decline. Employment trends in all other sectors of the County appear relatively flat, or marginally positive. Because the NYS DOL combines data for seasonal industry employment (e.g., winter recreation and tourism-based industries) with data for other sectors (e.g., service sector), employment in some industries are under or overstated. It can be said, however, that there is a large employment base relating to seasonal agriculture (farming and processing operations) and recreation/tourism.

The average annual wage in Allegany County was \$30,785 in 2007. The average wage for New York State was \$59,499 in 2007. This makes Allegany County's average wage only 51.7% of New York State's average wage or \$28,714 *less*. The County's highest average wages are paid in the utilities sector, educational services sector, manufacturing sector, and construction sector.

Allegany County, NY - Employment and Wages by Industry Sector (2007)

| Description (by NAICS) | Establishments | Jobs | % Distribution in County | Total Wages | Avg. Annual Wage |
|---|----------------|--------|--------------------------|---------------|------------------|
| Total, All Industries | 941 | 13,868 | 100.0% | \$426,930,995 | \$30,785 |
| Total, All Private | 831 | 9,708 | 70.0% | \$295,627,338 | \$30,452 |
| Agri., Forestry, Hunting | 18 | 183 | 1.3% | \$4,319,590 | \$23,978 |
| Mining | - | - | - | - | - |
| Utilities | 6 | 72 | 0.5% | \$4,574,722 | \$63,538 |
| Construction | 65 | 346 | 2.5% | \$13,817,716 | \$39,936 |
| Manufacturing | 49 | 2,389 | 17.2% | \$106,877,203 | \$44,737 |
| Wholesale Trade | 23 | 184 | 1.3% | \$7,287,509 | \$39,606 |
| Retail Trade | 152 | 1,375 | 9.9% | \$25,248,938 | \$18,363 |
| Transportation, Warehousing | 14 | 175 | 1.3% | \$6,794,358 | \$38,825 |
| Information | 23 | 113 | 0.8% | \$2,756,613 | \$24,395 |
| Finance and Insurance | 33 | 205 | 1.5% | \$6,437,439 | \$31,402 |
| Real Estate, Rental, Leasing | 23 | 53 | 0.4% | \$1,231,050 | \$23,227 |
| Professional, Technical Services | 54 | 209 | 1.5% | \$6,089,681 | \$29,137 |
| Mgmt. of Companies & Enterprises | 3 | 118 | 0.8% | \$3,519,577 | \$29,827 |
| Administrative, Waste Services | 26 | 192 | 1.4% | \$3,359,652 | \$17,498 |
| Educational Services | 11 | 869 | 6.3% | \$37,627,929 | \$43,300 |
| Health Care, Social Assistance | 91 | 1,463 | 10.5% | \$33,438,785 | \$22,856 |
| Arts, Entertainment, Recreation | 17 | 129 | 0.9% | \$1,779,629 | \$13,796 |
| Accommodations, Food Services | 90 | 1,092 | 7.9% | \$11,979,206 | \$10,970 |
| Other Services (exc. public admin) | 109 | 405 | 2.9% | \$6,565,886 | \$16,212 |
| Public Administration | 110 | 4,160 | 30.0% | \$131,303,657 | \$31,563 |

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Cattaraugus County

Cattaraugus County has a land area of approximately 1,310 square miles and a population density of 64.1 per square mile. From 1980 to 2000, Cattaraugus County's population *decreased* by 2% (an average annual change of -87.1).

Select Economic Indicators for Cattaraugus County, NY

| | Value | Rank in State (62 counties) | | Value | Rank in State (62 counties) |
|--------------------------|--------|-----------------------------|-----------------------------------|----------|-----------------------------|
| Population (2008) | 79,688 | 35 | Per Capita Personal Income (2007) | \$28,841 | 44 |
| Growth (%) since 2000 | -5.1 | 61 | Median Household Income (2007) | \$40,830 | - |
| Households (2000) | 32,023 | - | Poverty Rate (2007) | 15.8% | - |
| Labor Force (2008) | 41,700 | - | H.S. Diploma or More (2000) | 81.2% | - |
| Unemployment Rate (2008) | 6.2% | - | Bachelor's Degree or More (2000) | 14.9% | - |

Per Capita Personal Income Trends for Cattaraugus County, NY

| | Value | Rank in State (of 62 counties) | As % of year's NYS Per Capita Income | As % of year's U.S. Per Capita Income |
|---|-----------|--------------------------------|--------------------------------------|---------------------------------------|
| Per Capita Income – 2007 Adjusted for inflation | \$28,841 | 44 | 62% | 75% |
| Per Capita Income – 1997 Adjusted for inflation | \$18,625 | 51 | 62% | 74% |
| Per Capita Income – 1987 Adjusted for inflation | \$12, 142 | 56 | 64% | 75% |

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Cattaraugus County is the second most populated county in the three-county Southern Tier West region. Since 2000, it has seen a decrease in its population of 5.1%, the highest of all three counties. As of 2007, Cattaraugus County was the region's most wealthy county in terms of median household income and per capita income. The region's per capita income was 62% of New York State's and 75% of the national per capita income in 2007. In that same year, Allegany County was 50% and Chautauqua County was 58% of the State per capita income level. This is a relatively recent trend of prosperity for the County. Its poverty rate was slightly lower than Allegany County's and slightly higher than Chautauqua County's in 2007. Cattaraugus County has a significant percentage of its population receiving a high school diploma, however it has the lowest percentage of its population gaining a bachelor's degree or higher in out of the region's three counties.

Cattaraugus County's labor force has increased only 1.5% from 2000-2008, which has allowed the County to sustain its portion of the regional labor force. However unlike Allegany County, the number of employed in Cattaraugus County has decreased since 2000. The region's unemployment rate is steadily above State and national levels and has seen a drastic increase since 2000, along with the other two counties. In the last year, it has experienced the highest unemployment rates for the County since the early 1990's. While this reflects national economic trends, the County shares in the region's long-term trend of unemployment rates exceeding State and national levels.

Cattaraugus County also has experienced employment trends that are similar to those experienced by Allegany County between 2000 and 2008. As of 2007, the County's largest employment sectors were public administration (government), manufacturing, retail trade, and healthcare and social services – data on educational services was not available through the NYS DOL however the County has considerable employment in the educational services sector. Between 2000 and 2007, the County's manufacturing sector lost 1573 jobs or 35.4% of its 2007 employment in that sector. There has been growth in the government sector, health and social services, construction, and mining sector as well as in smaller employment sectors. Cattaraugus County is deeply impacted by the shifting economy and manufacturing decline. It must capitalize on its manufacturing expertise and infrastructure by developing comparative advantage in this sector and using innovative strategies.

The average wage in Cattaraugus County was \$32,058 in 2007. The average wage for New York State was \$59,499 in 2007. Cattaraugus County's average wage is only 53.4% of New York State's average wage or \$27,441 less. The region's highest average wages are paid in the manufacturing sector, wholesale trade sector, management sector, and administrative and waste services sector – wages are also likely high in the County's utilities and educational services sectors although the data is not present.

Cattaraugus County, NY - Employment and Wages by Industry Sector (2007)

| Description (by NAICS) | Establishments | Jobs | % Distribution in County | Total Wages | Avg. Annual Wage |
|---|----------------|--------|--------------------------|-----------------|------------------|
| Total, All Industries | 1,847 | 31,307 | 100.0% | \$1,003,628,097 | \$32,058 |
| Total, All Private | 1,692 | 21,018 | 67.1% | \$643,143,255 | \$30,058 |
| Agri., Forestry, Hunting | 26 | 193 | 0.6% | \$4,858,759 | \$25,175 |
| Mining | 20 | 148 | 0.5% | \$5,377,708 | \$36,336 |
| Utilities | - | - | - | - | - |
| Construction | 161 | 754 | 2.4% | \$25,877,186 | \$34,320 |
| Manufacturing | 88 | 4,443 | 14.2% | \$200,464,067 | \$45,119 |
| Wholesale Trade | 76 | 731 | 2.3% | \$30,007,817 | \$41,050 |
| Retail Trade | 348 | 4,181 | 13.4% | \$90,518,554 | \$21,650 |
| Transportation, Warehousing | 42 | 404 | 1.3% | \$12,417,978 | \$30,738 |
| Information | 16 | 254 | 0.8% | \$9,591,803 | \$37,763 |
| Finance and Insurance | 75 | 605 | 1.9% | \$22,538,337 | \$37,253 |
| Real Estate, Rental, Leasing | 64 | 234 | .7% | \$5,540,822 | \$23,679 |
| Professional, Technical Services | 94 | 423 | 1.4% | \$16,896,971 | \$39,946 |
| Mgmt. of Companies & Enterprises | 10 | 174 | 0.7% | \$7,182,367 | \$41,278 |
| Administrative, Waste Services | 57 | 666 | 2.1% | \$31,205,826 | \$46,856 |
| Educational Services | - | - | - | - | - |
| Health Care, Social Assistance | 170 | 3,519 | 11.2% | \$102,284,219 | \$29,066 |
| Arts, Entertainment, Recreation | 23 | 208 | 0.7% | \$3,336,292 | \$16,040 |
| Accommodations, Food Services | 180 | 2,203 | 7.0% | \$27,481,235 | \$12,474 |
| Other Services (exc. public admin) | 181 | 1,110 | 3.5% | \$18,570,132 | \$16,730 |
| Public Administration | 155 | 10,289 | 32.9% | \$360,484,842 | \$35,036 |

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Chautauqua County

Chautauqua County has a land area of approximately 1,062 square miles and a population density of 131.6 per square mile. From 1980 to 2000, Chautauqua County's population *decreased* by 5% (an annual change of -359).

Selected Economic Indicators for Chautauqua County, NY

| | Value | Rank in State (62 counties) | | Value | Rank in State (62 counties) |
|--------------------------|---------|-----------------------------|-----------------------------------|----------|-----------------------------|
| Population (2008) | 133,789 | 23 | Per Capita Personal Income (2007) | \$26,986 | 54 |
| Growth (%) since 2000 | -4.3% | 60 | Median Household Income (2007) | \$38,926 | - |
| Households (2000) | 54,515 | - | Poverty Rate (2007) | 15.1% | - |
| Labor Force (2008) | 67,300 | - | H.S. Diploma or More (2000) | 81.2% | - |
| Unemployment Rate (2008) | 5.6% | - | Bachelor's Degree or More (2000) | 16.9% | - |

Per Capita Personal Income Trends for Chautauqua County, NY

| | Value | Rank in State (of 62 counties) | As % of year's NYS Per Capita Income | As % of year's U.S. Per Capita Income |
|---|----------|--------------------------------|--------------------------------------|---------------------------------------|
| Per Capita Income – 2007 Adjusted for inflation | \$26,986 | 54 | 58% | 70% |
| Per Capita Income – 1997 Adjusted for inflation | \$19,070 | 47 | 64% | 75% |
| Per Capita Income – 1987 Adjusted for inflation | \$13,139 | 43 | 69% | 81% |

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Chautauqua County is the most populated and urban of the Southern Tier West three-county region. Since 2000, it has seen a decrease in its population of 4.3%, the second largest in the region. Chautauqua County has also seen the most dynamic rate of decrease in per capita income and median household income. Cattaraugus County has been the most stable county in the region in terms of employment and income levels. In the last 20 years, Chautauqua County's per capita income went from assuming 69% of New York State's per capita income to assuming only 58%. At the national level, it was 81% of the national per capita income in 1987 and only 70% in 2007. Its per capita income level is currently lagging Cattaraugus County but exceeding rural Allegany County. Its poverty rate is also above Cattaraugus County levels but below Allegany County levels. Chautauqua County sees a significant percentage of its population receiving high school diplomas but a lesser percentage go on to attain bachelor's degrees or higher.

Chautauqua County's labor force has experienced a decrease of -1.1% since 2000, and it has assumed a decreased percentage of the regional labor force as Allegany County assumes more. From 2000 to 2008, the number of employed in Chautauqua County has seen the greatest percentage decrease out of the three counties, and its unemployment rate has seen the greatest increase over that time. The unemployment rate exceeds State and national levels. In the last year, it experienced the highest unemployment rates for the County since the early 1990's. While this reflects national economic trends, the County shares in the region's long-term trend of unemployment rates above State and national levels.

Chautauqua County has experienced employment trends similar to those experienced by Allegany and Cattaraugus County between 2000 and 2008. As of 2007, the County's largest employment sectors were public administration (government), manufacturing, retail trade, and healthcare and social services. Between 2000 and 2007, the County's manufacturing sector lost 2249 jobs or 16.5% of its 2007 employment in that sector. There has been small growth in the County's other employment sectors. Chautauqua County is thus also deeply impacted by the shifting economy and manufacturing decline and must capitalize on its manufacturing expertise and infrastructure by developing comparative advantage in the manufacturing sector and implementing innovative strategies.

The average wage in Chautauqua County was \$30,884 in 2007. The average wage for New York State was \$59,499 in 2007. Chautauqua County's average wage is only 51.9% of New York State's average wage or \$28,615 less. The region's highest average wages are paid in the mining sector, utilities sector, manufacturing sector, and wholesale trade sector – wages and employment are also likely higher than noted in the educational services sector.

Chautauqua County, NY - Employment and Wages by Industry Sector, 2007

| Description (by NAICS) | Establishments | Jobs | % Distribution in County | Total Wages | Avg. Annual Wage |
|---|----------------|--------|--------------------------|-----------------|------------------|
| Total, All Industries | 3,313 | 55,065 | 100.0% | \$1,700,608,374 | \$30,884 |
| Total, All Private | 3,150 | 45,289 | 82.2% | \$1,327,867,188 | \$29,320 |
| Agri., Forestry, Hunting | 50 | 415 | 0.8% | \$9,088,260 | \$21,899 |
| Mining | 19 | 199 | 0.4% | \$10,252,403 | \$51,520 |
| Utilities | 9 | 285 | 0.5% | \$23,477,286 | \$82,376 |
| Construction | 282 | 1,596 | 2.9% | \$57,834,376 | \$36,237 |
| Manufacturing | 226 | 11,338 | 20.6% | \$488,748,995 | \$43,107 |
| Wholesale Trade | 135 | 1,451 | 2.6% | \$57,944,341 | \$39,934 |
| Retail Trade | 537 | 6,831 | 12.4% | \$138,298,585 | \$20,246 |
| Transportation, Warehousing | 97 | 1,269 | 2.3% | \$42,072,677 | \$33,154 |
| Information | 51 | 780 | 1.4% | \$23,576,331 | \$30,226 |
| Finance and Insurance | 165 | 919 | 1.7% | \$36,615,467 | \$39,843 |
| Real Estate, Rental, Leasing | 99 | 477 | 0.9% | \$10,875,724 | \$22,800 |
| Professional, Technical Services | 186 | 987 | 1.8% | \$31,632,518 | \$32,049 |
| Company, Enterprise Mgmt. | 20 | 250 | 0.5% | \$9,178,908 | \$36,716 |
| Administrative, Waste Services | 124 | 2,002 | 3.6% | \$37,983,597 | \$18,973 |
| Educational Services | 23 | 351 | 0.6% | \$9,442,556 | \$26,902 |
| Health Care, Social Assistance | 313 | 7,454 | 13.5% | \$210,925,876 | \$28,297 |
| Arts, Entertainment, Recreation | 66 | 1,037 | 1.9% | \$16,651,305 | \$16,057 |
| Accommodations, Food Services | 328 | 5,196 | 9.4% | \$59,964,418 | \$11,540 |
| Other Services (exc. public admin) | 369 | 2,411 | 4.4% | \$39,587,748 | \$16,420 |
| Public Administration | 163 | 9,776 | 17.8% | \$372,721, | \$38,128 |

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

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FEDERAL ECONOMIC DEVELOPMENT PLANS

The USDA Rural Development Strategic Plan, Fiscal Years 2005-2010, United States Department of Agriculture, August 2004

This plan provides a strategic approach for addressing the human and economic concerns of rural America. The plan outlines four national priorities for creating economic opportunities and improving the quality of life in rural America:

- Access to capital to build entrepreneurship and business development
- Affordable housing and community facilities
- Broadband deployment to strengthen communications infrastructure and increase the availability of technology in rural areas.
- Realignment of the agricultural cooperatives program to promote contemporary cooperative business models, catalyze building cooperative equity, and stimulate organizational flexibility in market response

The report recognizes two strategic goals:

Goal 1: Increase economic opportunity in rural America - enhance capital formation, encourage a diverse business base, improve access to modern telecommunications, and create new opportunities for agricultural producers and rural businesses.

Goal 2: Improve the quality of life in rural America - develop community infrastructure and provide decent, safe, and affordable housing.

Report Access: <http://www.rurdev.usda.gov/rd/strategicplans/rdstratplan05-10.html>

Moving Appalachia Forward: ARC Strategic Plan, 2005-2010, Appalachian Regional Commission, October 2004

“Changes to the (Appalachian) Region’s economic base present significant opportunities and challenges to Appalachia. The new economy offers opportunities for the Region in knowledge-based industries and sectors such as services and healthcare. At the same time, shifting demands present challenges to traditional manufacturing, mining, and agriculture.”

ARC’s mission is to be a strategic partner and advocate for sustainable community and economic development in Appalachia and by doing so place Appalachia in socioeconomic parity with the nation. The concerns and policy recommendations outlined in this development plan are found in more local detail throughout this CEDS.

The goals and objectives outlined in this plan are as follows:

Goal 1: Increase job opportunities and per capita income in Appalachia to reach parity with the nation

- Foster civic entrepreneurship
- Diversify the economic base

- Enhance entrepreneurial activity in the region
- Develop and market strategic assets for local economies
- Increase the domestic and global competitiveness of the existing economic base
- Foster the development and use of innovative technologies
- Capitalize on economic potential of the Appalachian Development Highway system

Goal 2: Strengthen the capacity of the people of Appalachia to compete in the global economy

- Foster civic entrepreneurship
- Enhance workforce skills through training
- Increase access to quality child care and early childhood education
- Increase educational attainment and achievement
- Provide access to health-care professionals
- Promote health and wellness and prevention

Goal 3: Develop and improve Appalachia's infrastructure to make the region economically competitive

- Foster civic entrepreneurship
- Build and enhance basic infrastructure
- Increase the accessibility and use of telecommunications technology
- Build and enhance environmental assets
- Promote the development of an intermodal transportation network

Goal 4: Build Appalachian Development Highway Systems to reduce Appalachia's isolation

- Foster civic entrepreneurship
- Promote on-schedule completion of Appalachian Development Highway System
- Coordinate work on Appalachian Development Highway System state-line crossings

Report Access: <http://www.arc.gov/index.do?nodeId=2296>

Energizing Appalachia: A Regional Blueprint for Economic and Energy Development, October 2006,

Appalachian Regional Commission, October 2006

This document is an "energy blueprint" for Appalachia, providing a strategic framework for the promotion of energy-related job opportunities through the stimulation of sustainable energy production, efficiency, and innovation efforts in the Appalachian Region. It condenses key findings and shares initial recommendations from research studies, regional energy roundtables, and the work of the ARC Energy Advisory Council. It includes an overview of the global, national, and regional energy landscapes; an explanation of the Energy Blueprint's goals and strategic objectives; and an identification of specific strategies that can be pursued by ARC and its partners.

ARC's energy goal is to *"develop the Appalachian Region's potential to increase the supply of locally produced, clean, affordable energy, and to create and retain jobs"*. The strategic objectives for economic and energy development outlined in the plan include:

- Promote energy efficiency in Appalachia to enhance the Region's economic competitiveness
- Increase the use of renewable energy resources, especially biomass, to produce alternative transportation fuels, electricity, and heat
- Support the development of conventional energy resources, especially advanced clean coal, to produce alternative transportation fuels, electricity, and heat

The report details the imbalance of the oil and gas markets and its effect on the costs of transportation fuels and residential and commercial heating, as well as the costs of generating electricity and supplying energy to the manufacturing and agricultural sectors of the world economy. Policy recommendations include:

- Technology research and development and demonstration programs
- New energy technology investment incentives
- Energy or efficient products production incentives
- Consumer adoption incentives for energy efficiency purchases
- Standards and mandates to promote energy efficiency, market adoption, and environmental quality

Report Access: <http://www.arc.gov/publications/EnergizingAppalachiaARegionalBlueprintContents.asp>

Unlocking Rural Competitiveness: The Role of Regional Clusters, U.S. Department of Commerce, Economic Development Administration, January 2007

The plan contains the following statements: “Most of the 17 clusters analyzed tend to be concentrated in urban counties. The clusters most strongly oriented toward urban locations are business and financial services; biomedical/biotechnology; information technology and telecommunications; and printing and publishing. The three clusters with the strongest rural orientations are agribusiness, food processing and technology; forest and wood products; and mining. ... Although rural economies have historically lagged behind urban economies, there is scattered evidence of the possible narrowing of the gap between rural and urban economic performance. ... The clusters most strongly associated with higher levels of economic performance are business and financial services; information technology and telecommunications; and printing and publishing. ... Human capital (as measured by educational attainment) is the primary factor related to differences in income growth among counties.”

With respect to rural economic development and cluster development strategies, the plan indicates the following:

- *“Clusters are a useful concept for strategic planning for rural regional economic development.*
- *Contrary to traditional thinking, most rural economies are not dependent upon agriculture.*
- *Non-disclosure of establishment data at detailed NAICS levels is a major obstacle to the finer-grained analysis that is most useful. This is a particular problem in analyzing rural areas because the number of establishments tends to be much smaller than in metropolitan areas.*
- *Mapping is a particularly helpful way to illustrate and communicate data on counties and regions.*
- *A successful planning activity requires at least six months to engage and collaborate successfully with regional stakeholders.*
- *The concepts and techniques of cluster analysis appear to be a useful tool for regional leaders; however, an educational component on the front end of the project is essential.*
- *Rural stakeholders may not be accustomed to thinking in regional frameworks, but are amenable to broaden their perspective.*
- *Surveying business executives in the region may require repeated efforts to collect an adequate number of responses.”*

Report Access: <http://www.eda.gov/PDF/2007%20Unlocking%20Rural%20Comp%20Report.pdf>

A Resource Guide for Technology-based Economic Development (Positioning Universities as Drivers, Fostering Entrepreneurship, Increasing Access to Capital), U.S. Department of Commerce, Economic Development Administration, August, 2006

Following is an excerpt from this planning document:

“Based on the experience of tech-based economies like Silicon Valley, Research Triangle, and Route 128, it is generally acknowledged now that the following elements are required for a tech-based economy:

- *An intellectual infrastructure, i.e. universities and public or private research laboratories that generate new knowledge and discoveries*
- *Mechanisms for transferring knowledge from one individual to another or from one company to another*
- *Physical infrastructure that includes high quality telecommunications systems and affordable high speed Internet connections*
- *Highly skilled technical workforce*
- *Sources of risk capital*
- *Quality of life, and*
- *Entrepreneurial culture”*

Report Access: <http://www.eda.gov/PDF/2006%20Resource%20Guide%20Report.pdf>

Measuring Broadband’s Economic Impact, U.S. Department of Commerce, Economic Development Administration, February, 2006

The plan indicates that “The results support the view that broadband access does enhance economic growth and performance, and that the assumed economic impacts of broadband are real and measurable. We find that between 1998 and 2002, communities in which mass-market broadband was available by December 1999 experienced more rapid growth in employment, the number of businesses overall, and businesses in IT-intensive sectors, relative to comparable communities without broadband at that time. The analysis did not find a statistically significant impact of broadband on the average level of wages; however, the effects of broadband availability by 1999 can also be observed in higher property values in 2000.”

Additionally, “The magnitude of impacts estimated by our models are larger than we expected ... For most of the impacts studied here to appear, broadband had to be used, not just available. The implication for economic development professionals is that a portfolio of broadband-related policy interventions that is reasonably balanced (i.e., also pays attention to demand-side issues such as training) is more likely to lead to positive economic outcomes than a single-minded focus on availability. The positive direction of broadband’s impacts was found to be robust across the different models tested at the zip code level, including models of economically distressed areas such as the Appalachian region. Our findings thus support the conclusion that broadband positively affects economic activity in ways that are consistent with the qualitative stories told by broadband advocates. Economic development practitioners who have been spending their time or money promoting broadband have indeed been engaged in a worthwhile pursuit. Many significant programs are in place or under consideration at the federal, state, and local levels to ensure competitive availability of broadband to all U.S. citizens, stimulate ongoing investment in broadband infrastructure, and facilitate the education and training that small business and residential customers need to make effective use of broadband’s capabilities. Such policies are indeed aimed at important goals. Broadband is clearly related to economic well-being and is thus a critical component of our national communications infrastructure.”

NEW YORK STATE ECONOMIC DEVELOPMENT PLANS

NYS Workforce Investment Board: Strategic Five-Year State Plan 2003, New York State Department of Labor, 2003

This plan discusses human assets and weaknesses in the Statewide economy. The plan notes that there is *“ongoing structural change in the economy,”* including a *“continuing growth in the services industries.”* The service industries that have grown the most in recent years and that are expected to grow the most include business, health, education and social services fields; computer- and health-related fields; the construction field; and the new media industry fields (which is comprised of computer-related enterprises such as Internet services, software developers for personal computers, multimedia and video games, and web site development).

With respect to the manufacturing sector, the plan notes that *“despite many changes, the factory sector remains an important part of New York’s economy. In an environment of increased global competition, New York’s manufacturers will need workers who are rich in skills and able to learn new skills and new procedures as technologies emerge.”*

Further, *“technology has and will continue to transform the workplace. Computer usage is nearly universal in almost all industries. The rapid expansion of e-commerce and information technologies will accelerate this trend.”*

With respect to projected skills development needs, the State Plan notes that *“the State will need persons skilled in computer programming, data processing, and cutting edge computer-related fields. Skills in many health care fields will be in demand as the population ages and requires greater levels of health services. Individuals with skills in the construction trades and machine trades should have little trouble finding jobs. Teachers and trainers will be in demand as long-time teachers retire in great numbers and the workplace increasingly requires that workers learn new skills throughout their working lives. Social services workers will be in demand as well.”*

Additionally, *“the New York labor force will include more women and more multi-cultural persons in the next five years. In addition, New York’s labor force participation rate will rise as many persons enter the workforce for the first time. Many of these first-timers will lack the skills that employers need. Ongoing welfare reform efforts and foreign immigration will contribute to labor force growth.”*

The State plan goes on to state *“to minimize future labor shortages, it will be necessary to provide training for those in New York who cannot otherwise acquire suitable employment. Training will be especially important since New York’s working-age population is expected to grow slowly. Workers, including incumbent workers, unemployed workers, displaced workers, and new entrants to the labor force, will require labor market information about available and emerging employment and training opportunities and opportunities for high wage, high skill employment.”*

The plan goes on to say *“many new labor force entrants, including former public assistance recipients and recent immigrants, will require training in basic literacy (e.g., English as a second language), social, or job-specific skills. Upgrading the skills of incumbent workers will be required*

to keep New York State businesses competitive, minimize worker underemployment, and to keep pace with technological change. Worker training should reflect the increased use of technology and computer skills throughout nearly all industries.”

With respect to projected skills development needs, the State Plan includes the following narrative:

“Skill development will vary widely. There are three types of skills: work-readiness or social skills, basic educational skills, and job-related occupational skills. Examples of work-readiness or social skills include coming to work on time, dressing appropriately, and getting along with others. Examples of basic educational skills include reading, writing and math. Examples of job-related occupational skills include how to wire an electrical outlet, how to paint a car, and how to create a web page. Workers with no work experience and no high school diploma may need basic skill training, including literacy training.

“Basic and work-readiness skills development may be appropriate for customers with no work experience, an inadequate education, and a lack of work-readiness skills. Job specific training will be provided to customers who have basic and work-readiness skills, but lack all the job-specific skills needed to work in a demand occupation. For example, job-specific skill development would be appropriate for incumbent workers who need to update their technical skills to meet the new skill requirements of their current job.

“The projected skill development needs of customer segments vary according to the skills they possess when they access the Workforce Development System. There are a number of customer segments, including, but not limited to, dislocated workers, public assistance recipients, older workers, veterans, migrant and seasonal farm workers, Native Americans, persons with disabilities, women, minorities, businesses and youths.

“Individuals in each of these customer segments may need help finding and interpreting labor market/career information and planning and executing a job search. The table below shows which customer segments are most likely to require work-readiness, basic educational, and job-related occupational skills.”

Report Access: Report not available online

NYS Workforce Investment Board: Two Years of the Strategic Five-Year State Plan, 2007-2009, New York State Department of Labor, May 2007

This document discusses the human assets and weaknesses of the statewide economy. It notes that *“between 1990 and 2006, the New York State economy continued its long-term transition from one centered in the manufacturing of goods to one dominated by the service-providing sector...Service-providing industries are expected to continue to account for most new jobs in New York through 2014, while manufacturing is projected to continue to shed workers into the foreseeable future.”*

In describing current and projected statewide growth industries, the State Plan notes, *“The professional and business services sector has the highest projected growth rate among the major sectors of the State’s economy. Within this sector, strong growth is expected in the high-skilled occupations in the professional, scientific, and technical services industries...Demographic changes, especially the aging of the population, will significantly impact industries and occupations in demand. As a result, the health care and social assistance sector is projected to have the second highest growth rate in the State’s economy... Although manufacturing employment as a whole is projected to continue to decline, specific high technology industries are projected to grow and develop...Construction is another sector expecting*

strong growth...Population trends are also expected to affect the need for workers in education and related occupations...strong growth is projected for educational workers”

Although this data analysis identifies many issues, the following are main issues recognized by the State Plan as challenging workforce development and economic growth:

- The need to increase labor force participation rates and training accessibility
- The need to increase the levels of literacy to develop a 21st Century knowledge workforce
- The need to design strategies that effectively support vocational English as a Second Language
- The need for mature worker retention strategies and younger worker attraction strategies in our Upstate regions, where population growth is not keeping pace with workforce needs
- The need to focus on post-secondary education to prepare individuals for the highly skilled employment sector
- The need to design creative approaches to retaining retirement age workers’ participation in the labor force
- The need to provide specialized training and skill development in the health care and social assistance sectors
- An increased attention to aligning economic and labor market needs with the K-12 curriculum to increase the understanding of local economies and the critical role education plays in keeping economies vibrant
- A heightened focus on ensuring that New York’s civilian labor force has access to the tools needed to assess and understand their skills (and skill gaps) in relation to the local and regional economies

The proposed plan of action for workforce development in 2007-2009 is: *“...revitalizing the upstate economy through targeted industry sector initiatives and infrastructure investments such as universal broadband capabilities to ensure that upstate citizens have access to affordable, high-speed Internet service; continued focus on streamlining and integrating workforce development resources through functional alignment; increasing opportunities for incumbent worker training through innovative programs; and encouraging regional strategies and partnerships that improve worker attraction, retention and skills development that align with local and regional economic needs.”*

The CEDS adopts as a central economic development strategy this statewide path for workforce development and training. The assets, challenges, and recommendations for workforce development at the State-level are reflected clearly in the CEDS.

Report Access: <http://www.labor.state.ny.us/workforcenypartners/swibs.shtm>

New York State: Appalachian Development Plan, 2003-2006, *New York State Department of State, 2003*

This plan discusses economic problems faced by the region, and internal and external forces impacting the region’s economy. The plan notes that *“the Southern Tier West Region has confronted a stagnant population base and out-migration during the 1990’s, through the beginning of this new decade. ... The region’s economy has long been buffeted by outside forces and trends, including the loss of furniture industry jobs to the southeast, the decline of the domestic steel and automobile industries and the growing competitiveness of international markets. One of the results has been the gradual restructuring of the regional economy away from manufacturing and toward the service and trade sectors. While there was a small reduction in unemployment around the turn of this Century, the Southern Tier West region has failed to fully recover from the recession of the late 1980’s and early 1990’s. The region continues to experience relatively high rates of unemployment and low per capita income. Like many*

Appalachian regions, the economic future depends on the ability to diversify its manufacturing base and refocus investment and education strategies on information and financial services and proprietary technologies.”

Further, the plan states that *“perhaps the most significant regional economic trend has been the ongoing shift from a manufacturing to a service-oriented economy. The transformation of the Southern Tier’s manufacturing sector continues and is largely the product of structural changes in both the regional and national marketplaces, including the southward and overseas flow of manufacturing jobs and the transition to a service and information-based national economy. Although the region has experienced brief periods of manufacturing growth over the past few decades, there is a long-term decline in manufacturing.”*

This plan also notes that *“the change to a service based economy in Appalachian New York, has been paralleled by two other troubling economic developments: a growing dependence on government transfer payments and rising poverty rates.”* The plan notes that poverty rates in each of the region’s three counties exceed both Appalachia and national rates of poverty.

The plan states that *“the growing reliance on individual-level government assistance reflects both the seismic economic shifts and short-term economic difficulties the region faced over the past decade. The downsizing or departure of leading manufacturers (especially in the computer, electronic, aeronautic and fabricated metal industries), sharp cutbacks in defense contracts, a slow recovery from recessions in the late 1980’s and early 1990’s, the proliferation of relatively low-paying service sector jobs, an aging population and other factors have all weakened the competitive position of Appalachian New York. These changes have also taken their toll on the Southern Tier’s economic standing within the Appalachian Region. Nowhere is this more apparent than in regional income trends.”*

Further, *“once one of Appalachia’s leaders in per capita market income, a primary indicator of an area’s economic vitality, the Southern Tier now ranks 7th among the 13 states. Equally important, it continues to move away from, rather than toward, the Appalachian and national averages for this measure. In 1990, Appalachian New York’s per capita market income represented 80.5% of the national average and 103.6% of the Appalachian average. By 2000 it had slipped to 73% of the national statistic and 94.4% of the Appalachian figure. No other state’s Appalachian region has experienced a sharper decline in per capita market income since 1970. The Southern Tier thus stands in stark contrast to those Appalachian regions which have made gains or held their own in per capita market income over the last three decades.”* In point of fact, the per capita income of the Southern Tier West region is less than that of the Southern Tier Central and East regions.

The plan also notes the *“significance of net migration as a factor that affects the economic prosperity of Appalachian New York.”*

The plan states that *“in a report studying New York Counties, the New York State Legislative Commission on Rural Resources suggests that the level of urbanization of a county is positively associated with increased economic competitiveness. More rural counties are characterized by stagnant population growth, relatively aged populations, and high levels of senior dependency. The Southern Tier constitutes the most rural portion of New York State outside of the Adirondack Park and that portion of the Catskill Park outside the region. The Commission on Rural Resources identifies Allegany, Chenango and Delaware counties as the most rural individual counties in the Southern Tier. In the aggregate the Southern Tier West region is the most rural portion of Appalachian New York. The report points out that there is much variation between counties in economic and social conditions and also significant disparities within counties in terms of income levels, poverty and unemployment rates.”*

Additionally, the plan notes that *“one of the most significant logistical challenges affecting education in Appalachian New York is the lack of access to educational services caused by the region's low population density and transportation deficiencies.”* The plan notes that *“Appalachian New York has had a higher percentage of high school graduates among the adult population (aged 25 and older) than has the nation as a whole.”*

The plan indicates that *“the State of New York has constructed a substantial educational infrastructure geared towards provision of job skills training. Along with the two university centers and four liberal-arts colleges, there are six two-year community colleges and technical institutes located in the Southern Tier. These two-year community colleges offer a wide array of vocational and technical training programs and tend to focus on skills-based education. Due to their flexibility, community focus and partnerships with business, labor and public schools, community colleges give students an opportunity to gain the applied skills they need to land good jobs and help displaced workers transition to new careers. The number of students in the Southern Tier entering the community colleges is a reflection of the opportunities available through this educational infrastructure.”*

As mentioned previously, the Plan notes that *“one of the most significant logistical challenges affecting education in Appalachian New York is the lack of access to educational services caused by the region's low population density and transportation deficiencies.”* Nonetheless, the plan notes that *“distances can be bridged, increasing the effective use of educational resources and the demand for courses, through an advanced and broadly accessible telecommunications infrastructure. It is the objective of New York State that Appalachian residents will have access to a modern and flexible telecommunications infrastructure serving multiple categories of beneficiaries.”*

Further, the Plan notes that *“the Southern Tier's growing telecommunications infrastructure has applications beyond formal education. Specifically, access to and proper use of telecommunications technology can increase the quality, availability and efficiency of business services, health care and governmental administration and service provision. Telecommunications equipment can be used to enrich both basic and advanced education and skills training programs, as well as to foster regional data exchanges. By providing a gateway to otherwise inaccessible resources and facilitating communication across great distances, this technology also helps to ‘level the playing field’ between isolated rural areas and metropolitan centers.”*

Many communities in our region have inadequate infrastructure services. The plan notes that *“inadequate, antiquated and often substandard water and wastewater systems can impede economic growth and vitality in Appalachian New York. Many industries in the area are water-dependent and require a suitable water supply adequate for their growth needs. To retain or enhance their commercial sectors, as well as to satisfy environmental regulatory requirements, municipalities must continue to upgrade and expand their water and wastewater systems. Infrastructure development must often occur in a fiscal environment of low property tax bases and sharply reduced federal funding. Eying the bottom line, numerous rural communities have had to defer necessary repair and maintenance of their systems. Meeting the capital requirements of infrastructure development for new industrial parks and other business sites is a similar challenge. ... The main obstacle to resolving these problems is the absence of adequate financial resources within these communities. Too often, the rural communities most in need of critical infrastructure upgrades are those that are least able to pay for them.”* These fiscal challenges are present in all of our region's communities.

With respect to transportation infrastructure, the plan notes that *“the Southern Tier's terrain presents a major barrier to surface transportation. As a result, there is only one major east-west road, New York State Route 17/Interstate 86 (I86), that traverses the entire region.”* The western segment of I86, as it

traverses our region, “serves as a major corridor for tourist and non-business travel. In much the same way, (this highway) gives heretofore isolated residents of the Southern Tier access to economic, social and cultural opportunities in the region's small metropolitan areas and beyond. ... These benefits include shorter travel times and reduced vehicle operating costs.” ... “Whether considered from the standpoint of increased economic opportunity, ease of travel or cultural contact, the ongoing modernization of Route 17/186 is an important economic benefit for the Southern Tier.” A recent study, released in January 2000, “determined that \$3.2 billion in benefits would be realized over the next twenty years by Southern Tier communities if I-86 were completed in eight years.”

However, the plan also notes that “the Southern Tier faces related highway transportation problems, such as deteriorating bridges and inadequate secondary roads, that prevent the region from maximizing the potential of its major highways. Too often, deficient bridges and roads prohibit transportation options necessary to local development or impede efforts to get products to market reliably. These conditions, for instance, can prevent modern milk or timber trucks from gaining access to an area. For people residing on the wrong side of a restricted or closed bridge, especially in the small and isolated communities of the region, the economic price can be severe. These limitations must be overcome if the full benefit of (186) is to be realized.”

Further, “the Appalachian Development Highway Corridors (and in our region, more specifically, 186,) will play an integral long-term role in regional development. Local development officials and the New York State Department of Transportation are aware of the importance of connecting area development strategies to these assets. Moreover, the relationship between economic development and the Corridors is explicitly recognized in New York State Appalachian plans and Area Development policy.”

The plan also notes that “rail traffic on the Southern Tier Main Line is expected to increase significantly” in the future. Further, the Southern Tier Extension Railroad Line has “the capability of serving as a mainline through route for the first time since the 1980’s.”

With respect to aviation services, “municipal airports ... (can help) to attract some economic development. (However, as) is the case with other infrastructure concerns, the most significant barrier to constructing and improving these small airports is the lack of local financial resources.”

The plan also notes that “there is a continued need to stimulate manufacturing opportunities in the Appalachian region of New York State. The economic benefits of doing so are manifold, not least of which is the higher than average pay associated with manufacturing employment. A strong manufacturing base remains a key element in a viable regional economy and a path to economic advancement.” Further, “to be effective, ... economic development strategies need to focus on more than one economic sector. Equal attention must be paid to expanding economic sectors like services. In this light, greater emphasis should be placed on stimulating high ‘value-added’ services in the health, education, business and financial sectors. This would also enable the Southern Tier to capitalize upon its socio-economic strengths, including its substantial educational infrastructure. Targeting investment and development strategies on advanced manufacturing processes and on information, business, health care and other professional services would help Appalachian New York to adapt to changing economic realities, generate high caliber employment opportunities and move constructively into the future.”

Further, “the small cities of the Southern Tier West region are dependent upon a mix of industries including food processing, manufacturing and education. The diversity of educational institutions in Appalachian New York, its varied manufacturing, commercial and agricultural concerns (ranging from dairy and meat production to potatoes and fruits) and the disparate location of natural resources mean that no single economic development strategy is sufficient for the region in its entirety.” ... “Locally-

generated strategies for business and employment development have the best chance of producing sustained economic competitiveness because they center economic leadership and responsibility within the ... (r)egion itself."

Finally, the plan notes the importance of entrepreneurship as a driver of economic development within the region.

Report Access: Not available online

New York State: Appalachian Development Plan, 2007-2010, *New York State Department of State, December 2007*

This document discusses the internal and external forces affecting the region's economy in both positive and negative ways. It echoes the regional economic weaknesses and challenges outlined in this CEDS.

"In a report studying New York Counties, the New York State Legislative Commission on Rural Resources suggests that the level of urbanization of a county is positively associated with increased economic competitiveness. More rural counties are characterized by stagnant population growth, relatively aged populations, and high levels of senior dependency. The Southern Tier constitutes the most rural portion of New York State outside of the Adirondack Park and that portion of the Catskill Park outside the region. The Commission on Rural Resources identifies Allegany, Chenango and Delaware counties as the most rural individual counties in the Southern Tier. In the aggregate the Southern Tier West region is the most rural portion of Appalachian New York. The report points out that there is much variation between counties in economic and social conditions and also significant disparities within counties in terms of income levels, poverty and unemployment rates."

"The growing reliance on individual-level government assistance reflects both the seismic economic shifts and short-term economic difficulties the region faced over the past decade. The downsizing or departure of leading manufacturers (especially in the computer, electronic, aeronautic and fabricated metal industries), sharp cutbacks in defense contracts, a slow recovery from recessions in the late 1980's and early 1990's, the proliferation of relatively low-paying service sector jobs, an aging population and other factors have all weakened the competitive position of Appalachian New York. These changes have also taken their toll on the Southern Tier's economic standing within the Appalachian Region. Nowhere is this more apparent than in regional income trends...it continues to move away from, rather than toward, the Appalachian and national averages for this measure. In 1990, Appalachian New York's per capita market income represented 80.5% of the national average and 103.6% of the Appalachian average. By 2000 it had slipped to 73% of the national statistic and 94.4% of the Appalachian figure. No other state's Appalachian region has experienced a sharper decline in per capita market income since 1970. The Southern Tier thus stands in stark contrast to those Appalachian regions that have made gains or held their own in per capita market income over the last three decades."

"One of the most significant logistical challenges affecting education in Appalachian New York is the lack of access to educational services caused by the region's low population density and transportation deficiencies."

"Inadequate, antiquated and often substandard water and wastewater systems can impede economic growth and vitality in Appalachian New York. Many industries in the area are water-dependent and require a suitable water supply adequate for their growth needs. To retain or enhance their commercial sectors, as well as to satisfy environmental regulatory requirements, municipalities must continue to upgrade and expand their water and wastewater systems...Eying the bottom line, numerous rural

communities have had to defer necessary repair and maintenance of their systems. Meeting the capital requirements of infrastructure development for new industrial parks and other business sites is a similar challenge. ... The main obstacle to resolving these problems is the absence of adequate financial resources within these communities. Too often, the rural communities most in need of critical infrastructure upgrades are those that are least able to pay for them."

The Plan also notes the *"significance of net migration as a factor that affects the economic prosperity of Appalachian New York."*

It also echoes the regional economic assets and opportunities outlined in the CEDS.

"Appalachian New York has had a higher percentage of high school graduates among the adult population (aged 25 and older) than has the nation as a whole."

"The State of New York has constructed a substantial educational infrastructure geared towards provision of job skills training. Along with the two university centers and four liberal-arts colleges, there are six two-year community colleges and technical institutes located in the Southern Tier. These two-year community colleges offer a wide array of vocational and technical training programs and tend to focus on skills-based education. Due to their flexibility, community focus and partnerships with business, labor and public schools, community colleges give students an opportunity to gain the applied skills they need to land good jobs and help displaced workers transition to new careers. The number of students in the Southern Tier entering the community colleges is a reflection of the opportunities available through this educational infrastructure."

"Distances can be bridged, increasing the effective use of educational resources and the demand for courses, through an advanced and broadly accessible telecommunications infrastructure. It is the objective of New York State that Appalachian residents will have access to a modern and flexible telecommunications infrastructure serving multiple categories of beneficiaries."

"The Southern Tier's growing telecommunications infrastructure has applications beyond formal education. Specifically, access to and proper use of telecommunications technology can increase the quality, availability and efficiency of business services, health care and governmental administration and service provision. Telecommunications equipment can be used to enrich both basic and advanced education and skills training programs, as well as to foster regional data exchanges. By providing a gateway to otherwise inaccessible resources and facilitating communication across great distances, this technology also helps to 'level the playing field' between isolated rural areas and metropolitan centers."

"The Southern Tier's terrain presents a major barrier to surface transportation. As a result, there is only one major east-west road, New York State Interstate 86 (I86), that traverses the entire region." The western segment of I86 traversing the region, "serves as a major corridor for tourist and non-business travel. In much the same way, (this highway) gives heretofore isolated residents of the Southern Tier access to economic, social and cultural opportunities in the region's small metropolitan areas and beyond ... These benefits include shorter travel times and reduced vehicle operating costs ... Whether considered from the standpoint of increased economic opportunity, ease of travel or cultural contact, the ongoing modernization of I86 is an important economic benefit for the Southern Tier."

"Rail traffic on the Southern Tier Main Line is expected to increase significantly." The Southern Tier Extension Railroad Line has "the capability of serving as a mainline through route for the first time since the 1980's."

"There is a continued need to stimulate manufacturing opportunities in the Appalachian region of New York State. The economic benefits of doing so are manifold, not least of which is the higher than average

pay associated with manufacturing employment. A strong manufacturing base remains a key element in a viable regional economy and a path to economic advancement.” Further, “to be effective ... economic development strategies need to focus on more than one economic sector. Equal attention must be paid to expanding economic sectors like services. In this light, greater emphasis should be placed on stimulating high “value-added” services in the health, education, business and financial sectors. This would also enable the Southern Tier to capitalize upon its socio-economic strengths, including its substantial educational infrastructure. Targeting investment and development strategies on advanced manufacturing processes and on information, business, health care and other professional services would help Appalachian New York to adapt to changing economic realities, generate high caliber employment opportunities and move constructively into the future.”

Report Access: <http://www.dos.state.ny.us/lgss/pdfs/ARC/ARCDevPlan07-11.pdf>

New York State Rail Plan, 2009, New York State Department of Transportation, February 2009

The State Rail Plan is critical to railroad transportation infrastructure initiatives in the region. The CEDS analysis and initiatives for railroad infrastructure reflect this comprehensive plan to update and improve the statewide rail system. The State Rail Plan notes the successes of railroad transportation planning and development in the region:

“A notable success in railroad preservation and revitalization is the Southern Tier Extension...In essence the Southern Tier Extension had evolved from a rail lined targeted to be abandoned by Conrail, to a highly functioning line serving numerous customers with significant economic development potential for the Southern Tier region.”

“The Southern Tier Extension Railroad is essential to the economy of southwestern New York in assisting in retaining and attracting manufacturing by providing and additional transportation option to this rural region...given the limited opportunity to expand the highway system, an abandoned railroad right-of-way represents and extremely valuable resource for future mobility.”

Report Access: <https://www.nysdot.gov/divisions/policy-and-strategy/planning-bureau/state-rail-plan>

A Plan to Stabilize and Strengthen New York’s Health Care System, Commission on Health Care Facilities in the Twenty-First Century, December 2006

The New York State Berger Commission’s mission was to undertake a rational, independent review of health care capacity and resources in New York State to ensure that the regional and local supply of hospital and nursing home facilities across the State is best configured to appropriately respond to community needs. The Final Report released in December 2006 recommended a reconfiguration of 48 hospitals across NYS, and in the Southern Tier West region it made the following major recommendations:

- Bertrand Chaffee Hospital should downsize by at least 25 beds, seek designation as a critical access hospital, and affiliate with TLC Tri-County and TLC Lake Shore.
- Brooks Memorial Hospital should seek designation as a sole community provider.
- TLC Tri-County should downsize 28 medical/surgical beds and convert the remaining 10 medical/surgical beds to detoxification beds.
- TLC Lake Shore should downsize all 42 medical/surgical beds and 40 nursing home beds and convert to an Article 28 diagnostic and treatment center. At its option Lake Shore should continue to

- operate approximately 20 psychiatric beds or these beds should be added by another local sponsor.
- Westfield Memorial Hospital should downsize all 32 inpatient beds and convert to an Article 28 diagnostic and treatment center.

Report Access: <http://www.nyhealthcarecommission.org/docs/final/commissionfinalreport.pdf>

REGIONAL ECONOMIC DEVELOPMENT PLANS

Cattaraugus-Allegany Workforce Investment Area Strategic Plan, 2005-2008, Cattaraugus-Allegany Workforce Investment Board, Inc., 2005

This plan comments on the strengths and weaknesses of human assets in Cattaraugus and Allegany counties. The weaknesses in the regional makeup of human assets are consistent with the CEDS analysis.

The plan indicates that the health care, hospitality, tourism, and construction sectors are growth sectors for our region. Tourism and health care growth is seen as being driven by continued development of the tourism economy largely around the Ellicottville area and the ongoing Seneca Nation of Indians Seneca Allegany Casino and Resort development. These two tourism and hospitality developments also are driving construction sector activity, as new structures are built and old ones remodeled to meet new needs/uses.

The plan also notes smaller growth opportunities in the dairy and food processing sector; the ceramics, glass and advanced materials cluster, and the trucking and distribution cluster.

The plan also notes that the impending phased construction of the U.S. Route 219 highway also is anticipated to accelerate development. The plan also notes that *“as the expansion of the Ellicottville and Salamanca economies continues, it is expected that auxiliary ancillary jobs will be created as well in sub-sectors such as food and beverage supplies, and paper products and related supplies.”*

The plan also states that *“health care is also emerging as a powerful driver of local economic development. Cuba Memorial Hospital is seeking to create a supported living campus, potentially housing hundreds of elder clients. This will create an even greater demand for local physicians, specialists, nurses and other health care staff. These jobs will be in addition to the demand created by the national demographic trends. Further, as the Ellicottville and Salamanca economies mature, additional health care capacity will be required.”*

Further, *“the Ceramics, Glass and Advance Materials sectors continue to see steady growth as the emerging fields of biotechnology, nanotechnology and glass science mature. Alfred University has been a world-renowned center for glass science technology for decades and the local Ceramics Incubator project is showing steady growth and expansion as commercial products are brought to market.”*

The WIA plan cites a *“national crisis”* in finding qualified employees in the region’s medical and healthcare sector as the population ages and shrinks. Population aging causes additional difficulty finding qualified employees in the manufacturing sector. The Plan states, *“With the aging of the Baby Boom generation and the pending retirement of large numbers of people with these critical skill sets, a ready pool of trained applicants must be prepared.”* As an economy *“subject to the macro trends of the increasingly globalized economy,”* and *“the manufacturing sector in particular has been impacted by shifts in production out of the northeastern United States towards cheaper labor pools in the south of the*

Country (if production stays within the borders) or abroad.” Workforce projections include additional shortages in the skilled trades - especially welding, machine operating, and specific vocational and trade jobs. The plan notes a need to increase training and placement services to regional youth.

Workforce development assets in the two-county region include accelerated development opportunities linked to the phased construction of the US Route 219 highway, and growth in the following occupational fields:

- Tourism/Hospitality – All levels
- Construction Trades – All levels
- Health Care – All levels, and particularly Dentistry, Nursing, and Support Staff
- Manufacturing – Food-Processing-related
- Trucking/Distribution – Long Haul Drivers, Distribution Center

The plan also notes that the region’s population is aging, that the population is decreasing in size, and that the younger portion of the population is declining in size. The plan projects workforce shortages in the skilled trades, especially welding, machine operators, and specific vocational and trade technicians. This has resulted in the re-institution of trade straining programs, which had been stopped because of prior leveling off or declines in jobs in those trade occupations.

Finally, the plan notes a greater need and an increase in training, placement and services to the youth portion of the region.

The CEDS industry growth projections as well as recognized regional strengths and weaknesses are consistent with the analysis of regional workforce development plans.

Report Access: <http://www.cawib.net/pdfs/CAWIB%20Strategic%20Plan%202005-2008.pdf>

Southern Tier West Regional Transportation Strategy, Southern Tier West Regional Planning and Development Board, June 2009

“Southern Tier West’s vision for the region’s transportation system is that the system should provide for adequate passenger and freight service as measured in quality of service, timeliness of service, and cost of service, both within the region and also with respect to origins and destinations outside the region. The region’s transportation system should be scaled to a size proportionate to demographic needs and be designed to allow modification as needs, technologies, economics, and the environment change. The region’s transportation system should be capable of being maintained effectively at a cost reasonable for the return. Improvements to the system should be justifiable in terms of cost-benefit analysis. The region’s transportation system should promote both economic development and quality of life, insure safety of users and the general public, secure against natural and man-made threats, and be developed in accordance with sound environmental and conservation principles.”

Report Access: <http://www.southerntierwest.org/pdfs/transportation/stwtransstrategy.pdf>

Regional Housing Assessment and Development Strategy, Southern Tier West Regional Planning and Development Board, 1999

The study determined:

- There is a high vacancy rate in the region’s general housing market.
- There are sub-areas of the region that have a saturated housing market (i.e., where the supply of

housing exceeds the demand for housing).

- Typical housing units are on the market longer than in the past.
- There is a high availability rate for older housing units.
- Replacement units are not being built, resulting in an aging housing stock.
- There is inadequate luxury/high income housing.
- Recent efforts to improve the housing stock center on construction of income-subsidized units and elderly units and the rehabilitation of dilapidated units.

The study concluded that overall the region's housing stock is adequate for the current and projected population's needs, both in terms of number and condition of the housing. However, the study also concluded that there is a need for revitalization of the region's housing stock through rehabilitation and/or removal of dilapidated and sub-standard units, focusing on higher-end (luxury) units, and infrastructure improvements in neighborhoods and parks. The quality of housing stock impacts not only quality of life, but also economic development efforts.

Report Access: Report not available online

Agriculture and Forestry-Dependent Economic Development for Western New York State, Buffalo Niagara Enterprise, 2006

This plan concludes, among other results, that the opportunities for agribusiness in the region, based on a 'success matrix' of factors are:

"Primary opportunities

- *Yogurt*
- *Specialty cheeses*
- *Biodiesel*
- *Ethanol*
- *Fluid milk*
- *Grape wineries*

Secondary opportunities are:

- *Maple syrup*
- *Field crops/vegetables*
- *Forestry and products*
- *Greenhouse vegetables "*

Report Access:

http://www.buffaloniagara.org/files/content/Research/DataPoints/BNE_Report_Oct_25_06.pdf

COUNTY ECONOMIC DEVELOPMENT PLANS

Allegany County Comprehensive Plan: A Plan for 2008-2018, Allegany County Comprehensive Planning Committee, April 2008

This comprehensive plan is a critical step toward improved economic development in Allegany County. Allegany County has undertaken a wide variety of Strategic Planning efforts over the last decade and these plans are incorporated in this particular plan. The plan notes economic development assets as the County's *"rural character, which provides an enhanced quality of life and highly productive levels of quality of life. The low crime, good schools, well maintained roads, easy access to interstates, low traffic congestion, and general characteristics of the area are all positive factors for living and working in our area. Businesses can now be based in any locale with the advent of internet and multiple methods of broadband availability."*

Objectives, which are intended to support, attract and expand new and existing businesses in Allegany County, include:

- Allegany County should have focused development within identified corridors and parks
- Focus on the development of I-86 and Route 19 at the Crossroads
- Developing business locations: Empire Zone Development areas: Friendship Development corridor, Crossroads Development Area; Wellsville Development Area; Cuba Development Area, Sugar Hill Development and others to be determined
- Encourage new and established businesses to utilize and invest in existing empty buildings in addition to new construction. We need to continue and create tax incentives, low interest loans, and dedicated funds
- Areas for development include but are not limited to:
 - Friendship Empire Zone Sites,
 - Wellsville-Scio Corridor
 - Wellsville Airport
 - Development along Route 19
 - Sugar Hill in Alfred
 - Canaseraga Creek Corridor
 - New sites along I-86 corridor
 - Alfred-Almond Corridor
 - Bolivar Industrial Park
 - I-86 and Rt. 305 Corridor
 - And other locations to be determined in the future
- Develop an Inventory of available sites
- Increase focus on Main Street development
- Consider utilizing more Brownfield sites
- Streamline the delivery system for permitting and of new investment and construction
- Implement the six-exit strategy for Cuba, Friendship, Belmont, Angelica, West Almond, and Almond/Alfred of I-86
- Continue our focus on key sectors including manufacturing, education, agriculture, and green energy

Report Access: <http://alleganyplanning.com/theplan.htm>

Allegany County HUD Consolidation Plan, 2007-2012, ACCORD Corporation and Allegany County Planning Board, July 2007

This document outlines economic development weaknesses and threats to Allegany County as including a general lack of available debt and equity capital for small business, inadequate telecommunications infrastructure, higher-end housing, public transit and transportation options (for a variety of reasons including economic interaction between businesses, commuting, seeking educational opportunities, and access to health care), and proper environmental practices in development planning (specifically flood plain and wetland issues, storm water runoff pre- and post-construction, and well-head recharge area sensitivity). The document indicates that removal of the “blight” of Allegany County’s development environment is critical to future success.

The Plan indicates that the following four corridors within Allegany County are highly suitable for development:

- Friendship East (encompassing County Road 20 from Friendship to Amity to the I-86/State Route 19 Crossroads Development Area), due to resolutions supporting an inter-municipal sewer and water district to support development here
- Wellsville Town and Village (State Route 417) within which several zone-certified businesses exist, as do sewer, water, utility, and transportation infrastructure and parcels of open land
- Cuba Town and Village (from pre-existing village zone westward along County Route 466 and northward across Interstate 86 and State Route 305) within which is a mix of zone-certified businesses and locations for business site development
- Friendship West (at Interstate 86, Exit 29) including previously designated prime land, a ‘shovel ready’ 22-acre industrial site, and existing infrastructure to support business development.

The plan indicates that “sites identified for business growth and development (include):

Existing

- *Friendship Empire Zone locations*
- *Cuba Industrial Park*
- *Wellsville Airport Industrial Park*
- *Sugar Hill Industrial Park*
- *Ceramic Corridor Incubator*
- *Swain Ski Resort*

New/Future

- *Sites along the I-86 Corridor, including the I-86 Exit 30 and State Route 19 crossroads*
- *Empire Zone identified “regionally significant manufacturing projects”, including the former Tracewell site north of Cuba*
- *Canaseraga Watershed*
- *Belfast industrial development site*
- *Alfred-Almond, Wellsville-Scio and Houghton-Fillmore Corridors*
- *Brownfield sites, including the 5-acre Friendship Foundry site “*

The plan also discusses focusing economic development activity on specific target clusters, indicating:

“The first priority includes manufacturing sites, especially those “traded export businesses” selling products outside of the region and bringing new cash into the community. These manufacturing businesses include any manufacturing or processing industrial company and specifically the following strategic targeted business clusters:

- Dairy and food processing agribusiness (including primary agriculture supporting local dairy farming and agricultural infrastructure)
- Electrical and electronic manufacturing
- Precision metal fabricating manufacturing
- Ceramics, glass and advanced materials manufacturing
- Road, bridge, building and pipeline manufacturing construction
- Forest products manufacturing

The second priority includes sites that use the transportation infrastructure and natural resources of Allegany County to create a destination for logistical businesses. The importation and distribution of goods and destination enterprises adds wealth to the community by drawing from outside the region, generating new dollars and economic activity. The secondary priority destination sites include the following businesses:

- Rail, trucking, distribution and warehousing logistics
- Businesses destination recreation, tourism and hospitality businesses
- Support services including professional, financial, back-office,
- Technical operations and disaster recovery”

Report Access: http://alleganyplanning.com/pdfs/HUD_PLAN.pdf

Allegany County: Mobility Management Plan Final Report, 2008, Allegany County Transportation Task Force and Nelson/Nygaard Consulting Associates, 2008

This document examines mobility management issues and opportunities as well as County priorities. The Task Force is committed to continuing to pursue all opportunities to streamline transit services and reduce costs to the County.

Report Access: Not available online

Friendship Empire Zone Development Plan, 2007, Town of Friendship and Allegany County, June 2007

This plan discusses opportunities represented by specific target clusters in Allegany County. These target clusters, which were designated because of maximum opportunities for growth, are directly related to existing or projected business operations within Allegany County. The plan notes that its “strategy targets building a competitive advantage in those industries/businesses in which the region either has or can develop unique resource advantages. These industries/businesses import wealth into the (target) communities.” These target clusters are as follows:

- food and dairy processing industrial agribusiness
- electrical and electronic manufacturing industrial
- precision metal fabricating manufacturing industrial
- ceramics, glass and advanced materials manufacturing business
- road, bridge, building and pipeline manufacturing construction industry
- forest products manufacturing industry (including primary and secondary wood processing)
- rail trucking distribution and logistics business
- destination recreation, tourism and hospitality business
- support services (including professional, financial, back-office, technical operations and disaster recovery) business

Report Access: http://alleganyplanning.com/pdfs/Friendship_EZ_Dev_Plan_2007.pdf

Allegany County: Strategic Tourism Marketing Plan, 2007, Allegany County Office of Development and Stuart I. Brown Associates, Inc., July 2007

This plan indicates the following research findings regarding various problems existing in Allegany County that negatively impact the County's tourism industry:

1. Fragmentation and a lack of county-wide cohesion and identity
2. Lack of a county-wide business network and association (note: since the publication of this Plan, Allegany County has established a Chamber of Commerce)
3. Tourist attractions in Allegany County are small, often event-centered, and geographically dispersed throughout the County, which is not easy to travel and for which tourism signage is not adequate
4. Advertising and promotion activities are inadequate
5. Neglected marketing opportunities
6. Deteriorated and blighted physical appearance of communities
7. Low profile along Interstate 86
8. Inadequate organizational capacity / limited financial resources / lack of accountability

Report Access: <http://alleganyplanning.com/pdfs/AlleganyMarketingStrategicPlan2007.pdf>

Allegany County Coordinated Public Transit-Human Services Transportation Plan, July 2007, Allegany County Transportation Task Force and Allegany/Western Steuben Rural Health Network, Inc., July 2007

The mission of this plan is *"to identify the transportation needs of the transportation-disadvantaged as well as reduce gaps and duplication of services. By doing so it is our intention to develop a plausible, consumer-focused Coordinated Human Services Transportation Plan for Allegany County in collaboration with its neighboring counties."*

The plan outlines strengths that include existing human resources and transit partnership programs and task forces, and outlines weaknesses of public transit-human services transportation planning, which include limited resources, confusing regulations, and reliable funding. The CEDS and the Southern Tier West Regional Transportation Strategy both incorporate the findings of this plan.

Report Access: <http://www.alleganyplanning.com/otherreports.htm>

Focus 2004 – A Strategic Planning Document, Allegany County Board of Legislators and Carr Marketing and Communications, Inc., March 2004

This document discusses Allegany County's economic assets and failures. It details the region's lack of a main north-south highway and inadequate infrastructure, especially water and wastewater infrastructure along I-86 and NYS Route 19. The plan discusses external forces affecting the region, including high state and federal tax rates, downsizing and closure of non-locally-owned manufacturing companies, and over-regulation by NYS. The document outlines opportunities for economic development, including recreational and tourism attractions, interstate highway interchanges, low county debt, available industrial development sites, and three higher education institutions (including a world-renown ceramics college and a related ceramics incubator).

Report Access: http://www.alleganyco.com/btn_leadership/legislators/ac.public.plan%20report.htm

I-86/Rt.19 Crossroads Market Feasibility Criteria Study, 2004, Allegany County Office of Development and Carr Marketing and Communications, Inc.

The purpose of the study was to evaluate the marketability of the area surrounding the I-86/Route 19 exit 30 interchange for economic development purposes. This interchange is the intersection between I86 and NYS Route 19, which are the main east-west and north-south highways in Allegany County. The plan discusses the development potential represented by the four relatively undeveloped greenfield quadrants at the interchange, and the constraints to development of the four quadrants at the interchange, which include site control, infrastructure, flood plain issues, etc.

Report Access: Not Available online

Allegany County: Agriculture Development and Farmland Enhancement Plan, Allegany County Community Visioning Group, Cornell Cooperative Extension of Allegany/Cattaraugus County, Allegany County Agricultural & Farmland Protection Board, Allegany County Office of Development, and Allegany County Soil & Water Conservation District, date of publication unknown

This plan indicates that farm-based natural resources are *“one of Allegany County’s most valuable economic and environmental assets.”* The plan seeks to create a balance between *“public interest in economic development, viability of farming, and natural resource conservation. By focusing educational efforts toward the proper treatment of renewable resources, the resulting economic incentives can improve sustainability of rural businesses.”* The plan outlines the County’s stronger involvement in extraction sectors of agriculture, forestry, and mining (clay and gravel) than New York or the nation as a whole. However, the plan also outlines the general low profitability of agricultural enterprises. The plan outlines opportunities for economic development, including *“room for expansion in agribusiness, agri-forestry, ceramics, food processing, metal fabrication, technical support services, telecommunications, tourism and wood processing.”* Economic development challenges to the capture of these agriculturally-related and natural- resource-related opportunities include the ability of farmers to obtain the information necessary to make sound management decisions, increased constraints of environmental regulations, and increased attention from environmentalists.

Report Access: <http://www.alleganyplanning.com/pdfs/Farmland%20Plan.pdf>

Cattaraugus County Department of Economic Development, Planning & Tourism 2008 Annual Report, Cattaraugus County Department of Economic Development, Planning, and Tourism, 2008

This report outlines the annual funding and progress of various development, planning and tourism initiatives in Cattaraugus County. Issues discussed included the uses of casino revenue, the activities of the Community Transportation Coalition, the activities of the Route 16 Community Corridor Partnership, and agricultural districts.

Report Access: http://ww2.cattco.org/files/downloads/economic-development-planning-and-tourism/2008_Annual_Report.pdf

Cattaraugus County Department of Economic Development, Planning & Tourism 2009 Annual Report,
Cattaraugus County Department of Economic Development, Planning, and Tourism, 2009

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Report Access: http://ww2.cattco.org/files/downloads/economic-development-planning-and-tourism/2009_Annual_Report.pdf

Smart Development for Quality Communities Guidebook Series (Volumes 1 – 8), Cattaraugus County
Department of Economic Development, Planning and Tourism, 2001 - 2005

These guidebooks are advisory planning documents intended to help communities undertake community and economic development in a developer-friendly and environmentally safe manner.

Volume I provides the following recommendations for maintaining a sound economic base consistent with sustainability:

- *“Add value to tourism and quality to recreational development opportunities (e.g., Allegany State park, Ellicottville, Ski Resort, Onoville Marina)*
- *Identify appropriate locations for diversity of industrial (light, medium, high tech) and business development and supporting community services, including both greenfield and redevelopment sites*
- *Promote agricultural and forest uses of the land and appropriate reclamation of mining properties*
- *Support diversity of agriculture and education of the public about agriculture and working landscape business practices, particularly in the Routes 62, 219, and 16 highway corridors*
- *Foster collaboration between economic development initiatives (tourism, cultural, business, recreation, natural systems and related resources) to implement a shared vision efficiently and effectively*
- *Maintain high quality educational systems. Respond to changing 21st century needs with diversity of programs and through collaborative efforts”*

Volume I also provides the following recommendations regarding infrastructure improvement:

- *“Invest in county and state road networks to improve access between communities and to realize the economic potential of the Route 219 highway expansion*
- *Invest in fiber optics, telecommunications, sewer and water systems to serve the county’s business and residential centers and accommodate future development within existing core areas as defined in the county infrastructure study*
- *Develop and maintain new information systems, such as GIS, to provide accurate and timely information for decision-making”*

Volume I also provides the following recommendations regarding principles for economic development:

- *“Industrial Uses. Comprehensive plans should identify and target specific locations in the county and its 47 municipalities that are appropriate for industrial and business park development.

 - *Industrial and business projects should be located within population centers of the county that have a high level of accessibility (i.e., that use existing public services, infrastructure and highway interchanges).*
 - *Industrial development should be promoted within existing business districts in the county’s major highway corridors, or in the City of Olean, the City of Salamanca, or within potential growth areas near U.S. Route 219 and Interstate 86 interchanges.**
- *Commercial Uses. New commercial development should be directed to downtown cores and designated growth areas.*
- *Agricultural Uses. Agricultural related businesses should be promoted in the Routes 62, 16 and 219 highway corridors.*
- *Small Business Uses. Cattaraugus County should continue, and expand, its small business development program and loan fund for start-up, expansion and retention purposes. The county’s many small businesses are expected to grow, which will create jobs in the future.”*

Volume I also provides the following recommendations regarding coordinating infrastructure Development:

- *“Improve sewer and water systems. Where necessary, multi-year capital improvement programs should be organized for existing sewer and water systems, to repair, replace or expand them to better serve the county's business and residential centers. A shared, multi-year approach to accommodate future growth within existing urban cores or designated growth areas is the only feasible answer to these very expensive investments.

 - *Expansion of sewer and water service systems should be restricted to growth areas that are designated in comprehensive plans.*
 - *Proposals to construct public sewer and water systems in agricultural and other rural areas should be discouraged.**
- *Design better land use layouts. The purpose of Cattaraugus County’s highway network is to link people and their social and economic activities together, on both an intra-county (local) and interregional (national and international) basis. The following six principles should be used to evaluate highway improvements and comprehensive plans from a community growth perspective:

 - *First, Reinforce Economic Development. New economic development opportunities for the county are expected to originate with natural resources, agriculture, tourism and resort attractions (recreational), housing, mining, manufacturing and commercial retail uses.*
 - *Second, Design a Better Highway Network. ... (T)he county's prime economic development opportunities should be considered whenever plans are being made to improve highway access or capacity within the county. These improvements can open the county to new markets for industrial, timber, food product, mining, recreational, tourism and residential expansion. For example, value can be added to natural resource-based industries including agriculture, gravel mining and timber. The manufacturing and distribution sectors in the local economy can also be expanded. Secondary opportunities relate to expanding jobs in the commercial base. This includes enhancing tourism related markets in Ellicottville. It includes supporting specialty retail and light industrial centers in Springville, Ashford, Ellicottville, Great Valley, Salamanca and**

Limestone. Salamanca and Limestone are both proposed as gateways into Allegany State Park, with Salamanca being the park's major, central gateway. Limestone is the county's major gateway into New York State from Pennsylvania.

- *Third, Link Local Transportation Improvements to Broader Systems. ... Whenever possible, multi-modal transshipment facilities should be proposed that link expanded highway access with its increased truck traffic, to existing and proposed rail services. These opportunities are most prominent in the Cities of Olean and Salamanca.*
- *Fourth, Reinforce the Built Form of Existing Communities.*
- *Fifth, Add Value Through Scenic Byway Principles and Designations.*
- *Sixth, Coordinate Highway Improvement Plans With Emergency Access Program.*

Volume I also provides the following recommendations regarding increase the county's capacity for growth:

- *"Cattaraugus County should develop permanent, continuous economic development services at the county level:*
 - *To improve the quality and capacity of industrial and tourist assets in the county, and to keep them separate so that they do not interfere with the unique needs of each type of activity.*
 - *To promote all tourism activities in the county, such as skiing, hunting, fishing and cultural resources including, with mutual agreement, the Seneca Nation and Amish cultures. Resources such as the Onoville Marina in South Valley, Lime Lake in Machias, and the network of four season trails in the county should also be marketed.*
 - *To catalogue scenic resources and design a scenic easement program in order to preserve valuable tourist sensitive attractions and scenic vistas.*
 - *To foster the creation, expansion and retention of commercial, small business and industrial activities countywide, including aqua-farming.*
 - *To promote regional markets, financial sources, existing infrastructure, and parcels that are available for land assembly and new development.*
 - *To increase the planning and development capabilities of Cattaraugus County's various departments, and the County of Cattaraugus Industrial Development Agency.*
 - *To create community development programs and preservation funds for the Cities of Olean and Salamanca. The county's 13 villages and the many hamlets in the county's 32 towns should also be made eligible under criteria that are consistent with the guidelines presented in these visioning guidebooks."*

Report Access: http://www.cattco.org/planning/guide_books.asp

Route 219 Economic Strategy Study, Cattaraugus County, 1995

This plan is comprised of four separate documents:

"i) Analysis of Existing Conditions: First Technical Memorandum (July 1995): This document presents an analysis of the region's existing conditions in terms of economy, land use trends in transportation, tourism, recreation, commercial and industrial development, and promising business sectors.

ii) Economic Development Strategy and Projects: Second Technical Memorandum (Sept 1995): This document presents a development strategy for Cattaraugus County. It evaluates over 40 potential projects including commercial, industrial, residential, tourism and recreation, and public infrastructure

and development programs. In addition, it proposes a strategy for implementing projects including organizational responsibilities and potential funding sources.

iii) Demonstration Projects: Third Technical Memorandum (November 1995): This document develops six specific 'demonstration projects' in greater detail in order to illustrate potential economic benefits to be derived locally by Route 219 expansion, particularly the Freeway Alternative. These clusters of project opportunities include the Ashford Business Center, a Tourism/Cultural Center, Industrial Park and Planned Recreation Resort for Ellicottville, the Airport Business Center (new airport site), a major multi-modal (rail/truck) Business Center in Salamanca, and the proposed entrance to New York State from Pennsylvania at the Limestone Gateway Center (which also is located at a newly proposed entrance to Allegany State Park).

iv) Marketing and Organizational Strategy: Fourth Technical Memorandum (December 1995): This document presents alternatives for marketing and organizing Cattaraugus County's efforts to develop these Route 219 potentials over the next ten to twenty years. This includes marketing objectives for all major types of development, international business attraction, business retention, and local infrastructure and land use planning."

Report Access: Report is not available online

Local Land Use and Infrastructure Study, Cattaraugus County, 1996

This is the second major County study relating to Route 219. The plan presents specific growth and development potentials in every section of Cattaraugus County, conducts inventories, makes projections for water, sewage and gas service areas and presents comprehensive development principles to guide County and municipal decision making over the next two decades. The plan concludes with a series of recommendations for land use and infrastructure planning, scenic highway design, economic development, potential funding sources and data management improvements. In particular, it recommends that future planning look at the Route 219 corridor in order to create local roads that offer east-west linkages with Route 219's north-south corridor. This would maximize future growth potentials in Cattaraugus County near the seven proposed interchanges and along local interconnecting roads.

Report Access: Not available online

Central Corridor Market Research and Development Program Final Report, Cattaraugus County, 1997 and 1999

This plan summarizes the County's two-phase program to assist certain municipalities (i.e., the Towns of Ashford and Great Valley, the Town and Village of Ellicottville and Limestone, and the City of Salamanca) with creating and implementing "a market research and development program for six business development demonstration projects, as recommended in Cattaraugus County's Route 219 Corridor economic strategy, to attract businesses to take advantage of the proposed new ... Route 219 expressway. ... The Project includes the identification of sites in the central north-south highway corridor of Cattaraugus County between Springville and Bradford, PA, and refining existing project proposals."

Report Access: Not available online

Web Site, Cattaraugus Empire Zone, 2009

The Cattaraugus Empire Zone's web site delineates the clusters that the Empire Zone either focuses strategic resources on or wishes to facilitate the development of, because they represent an opportunity for business development. These clusters include:

- Agribusiness
- Automobile parts manufacturing
- Ceramics, glass, and advanced materials
- Education/schools
- Food processing
- Metal fabrication
- Plastic products manufacturing
- Technical support services (back-office computer support)
- Technology-based industry clusters
- (E-commerce)
- Telecommunications
- Tourism
- Trucking and distribution
- Word processing

Site Access: <http://www.cattempirezone.org/>

Agricultural and Farmland Protection Plan, Cattaraugus County, 2007

The purpose of this plan is *"to analyze and understand the foundations of Cattaraugus County's agricultural economy and to create recommendations for structural economic development programming to ultimately enhance the future of local agriculture"* within the County. The plan is intended *"to encourage long-term policy formation in support of agriculture while providing a specific short-term framework to guide local programs regarding specific agricultural economic development and land use initiatives."* ... *"The result of the process is a series of findings relative to agricultural business and land use conditions."* ... The plan makes *"12 recommendations for action to improve these conditions in advancement of both the agricultural industry and local communities."*

Report Access:

[http://ww2.cattco.org/files/downloads/planning/Catt Co Ag and Farmland Protection Plan.pdf](http://ww2.cattco.org/files/downloads/planning/Catt_Co_Ag_and_Farmland_Protection_Plan.pdf)

Chautauqua Workforce Investment Board: Three Year Plan, Chautauqua Workforce Investment Board, 2005

This plan focuses on human assets. The plan notes the general aging of Chautauqua County's population, which is resulting in retirements from professional occupations. Also, the plan notes that the decline in the size of the general population leads to workforce shortages. Further, the forecasted growth in need for services to the aged results in the need for additional workers in health care and other services, leading to shortages in these fields.

The plan also notes that growth industries include manufacturing (especially metal processing, wood processing, and food processing), health care, and travel and tourism, and notes a need to develop the

labor force in these sectors. Further, the plan indicates that there is a need to develop basic skills, entrepreneurial talent, and supervisory skills. The plan also notes that ongoing employer restructuring is resulting in employer layoffs. The Workforce Investment Board's financial constraints are resulting in reduced staffing capacity at a time when demand for Workforce Investment Board services is increasing.

Report Access: Not available online

Chautauqua Workforce Investment Board: Local Plan Modification, 2008-2009, Chautauqua Workforce Investment Board, 2008

This plan is an addendum to Chautauqua WIB's Three-Year Plan adopted in 2005. The plan notes that ongoing employer restructuring is resulting in employee layoffs. The plan notes the general aging of Chautauqua County's population, consequent retirements from professional occupations, and the need for services to the aged. This leads to workforce shortages in particular fields including health care and other services. The plan notes growth industries with a need for enhanced labor force skills, including manufacturing (especially metal processing, wood processing, and food processing), health care, and travel and tourism. There is also a need to develop basic skills, entrepreneurial talent, and supervisory skills.

The Workforce Investment Board's financial constraints are identified as causing reduced staffing capacity at a time when demand for Workforce Investment Board services is economically critical.

Report Access:

<http://www.chautauquaworks.com/Uploads/File/08%20Chautauqua%20Amended%20Local%20Plan%20-%20FINAL.pdf>

Greater Jamestown Empire Zone Development Plan, 2007, Greater Jamestown Empire Zone, 2007

This plan discusses both human and economic assets, noting *"major challenges to the regional economy include the high cost of doing business in New York State, over regulation, politics and its impact on causing disjointed development by New York State and its regions, the economic development incentives offered by other states and countries, and the low cost of labor overseas, especially in Asia, which continue to restrain regional and state-wide growth."*

The plan lists the economic development strengths and advantages of the region, which include:

1. A diversified, established industrial base;
2. Productive, skilled workforce with experience in fine hardwood and metal finishing production;
3. Several strong industrial clusters with growth potential, i.e. transportation products;
4. Basic infrastructure and transportation services provided by highways (I-86 and 1-90) and rail (WNYPRR), telecommunication networks, with ongoing upgrades to these systems;
5. Location, proximity to the major northeastern seaboard markets and the east coast ports with easy entry to all markets, including Canada and other global points;
6. Affordable electric power (.05-.06/kwh), substantial quantities of aquifer-filtered water, and tertiary sewer treatment provided by Jamestown's Board of Public Utilities (BPU) throughout most of the Zone, including Falconer and Ellicott. BPU also provides district heating and cooling in the Central Business District and operates a fiber optic telecommunications system. All services are sufficient for new development;
7. Local sources of natural gas;

8. Shovel-ready development sites with Infrastructure in three industrial parks;
9. A renowned Jamestown Area Labor-Management Committee which has eased historic labor problems and stimulated business development;
10. Good secondary and post-secondary educational and health care systems;
11. Affordable housing;
12. Fine outdoor recreation opportunities;
13. An experienced Chautauqua County Economic Development Team and coordinated support services: Chautauqua Works, the Small Business Development Center, etc.

The Plan indicates that the above strengths and advantages are especially present in the Jamestown area.

For the City of Jamestown, the plan indicates that *“the city's industrial areas are characterized by older and/or abandoned buildings, limiting the amount of available developable land for new development. The challenge is to adapt and reuse old industrial sites and structures. ... There is a need to develop a proactive industrial redevelopment strategy including land assembly, public coordination of the delivery and cost of infrastructure, proactive remediation of environmental conditions, business retention and attraction, and development of an entrepreneurship program.”* The Plan goes on to list the weaknesses and disadvantages for business in the Jamestown area, which include:

- High taxes, workers compensation costs, and regulatory compliance burden;
- Lack of "shovel-ready" developable land and antiquated industrial facilities in the City itself;
- Shortage of specialized expertise in some areas (i.e. engineers, technology);
- Over-reliance on outdated technology by many manufacturers;
- Lack of entrepreneurial knowledge and skills;
- Low cost competition, especially in Asia.

With respect to tourism development, the Greater Jamestown Empire Zone Development Plan indicates that *“the area's natural beauty and resources; man-made and natural recreational resources, cultural offerings, and proximity to major population areas are the ingredients for a strong tourism (i.e., regional exports) sector.”* With respect to more general industrial development, the Plan indicates that *“Chautauqua County's greatest advantages are its comprehensive economic development team, low-cost energy (Jamestown), two major interstate highways, east-west rail lines, significant supplies of fresh water, and a well-trained and motivated work force.”* The Plan also mentions Chautauqua County's four industrial parks, two empire zones, and two incubator facilities.

The Plan goes on to indicate that *“based on the strengths and weaknesses of the region, the Greater Jamestown Empire Zone specifically targets transportation manufacturing, metal fabrication, plastics, wood products, technical support, technology-based clusters, telecommunications, tourism, and trucking and distribution. The low cost municipal electricity, district heating and cooling systems, fiber optic network, educational system, and workforce provide opportunities for expansion and attraction of these industries.”* Further, *“GJEZ's main targets are manufacturers with potentially family sustaining wages especially ‘traded industries,’ exporting goods or services and importing wealth into the local economy. Vital local manufacturers (‘base industry’) and the critical suppliers and service providers, i.e. machining maintenance and repair, for the larger ‘export’ manufacturers fit this category, as well.”*

Chautauqua County also recognizes the primary opportunity that broadband telecommunications infrastructure represents. The Greater Jamestown Empire Zone Development Plan indicates that:

“Technical support services and back office computer support systems are a growth opportunity for the Jamestown area. Information technology customers are increasingly demanding enhanced reliability

from their data centers. The current reliability standard is defined in a four 'tier' system with customer reliability expectations approaching "five nines" or 99.999% reliability. Significant financial investment is required to achieve such a high level of reliability in data centers, necessitating economic efficiencies in other areas.

"The Jamestown Board of Public Utilities, the community-owned electric utility in Jamestown has some of the lowest industrial electric rates in New York State and the nation. BPU has the ability to provide data centers locating in the area with optimum redundancy and reliability at an exceedingly competitive cost. Data center site location criteria generally involves access to at least two telecommunications providers, with fiber optic lines located within a two mile radius of the site location with access to a minimum of a OC48 line capacity.

"The advisory policy standards for distance and cost analysis of telecommunications services indicates that Jamestown is one of the few locations in New York that qualifies as a remote data center site for Manhattan-based financial institutions. Based on the current price formula, Jamestown has the same advantages as any other site located an equal distance from Manhattan. One of Jamestown's local telecommunications providers has indicated a willingness to reduce one of the connection fees, consistent with pricing practices in the industry for large customers. In addition, the BPU owns and operates a twenty-mile fiber optic ring within Jamestown. The incoming data center cost of connecting to the fiber system would be considerably less expensive than industry norms."

Report Access: Not available online

Chautauqua County Coordination Transportation Work Plan, 2007, Chautauqua Area Regional Transit System, September 2008

The plan is both a long-range coordinated transportation plan, as well as short-range plan to address more immediate needs and concerns which will help improve transportation service for persons with disability, older adults and individuals with lower incomes in the Chautauqua County area. The plan identifies the deficiencies of the current transportation system, which include the duplication of services, limited services, and/or no services in various locations. The plan also identifies customer needs (the latter including service, education, marketing/promotion, coordination, and other considerations) and gaps in service. The plan outlines goals and short/long-term priorities, taking into consideration the growth of the transit system, future economic development, and quality of life.

Report Access:

<https://www.nysdot.gov/divisions/policy-and-strategy/transit-bureau/public-trans-respository/chautauqua%20plan.pdf>

Chadwick Bay Champion Community: Strategic Plan, City of Dunkirk, Towns of Dunkirk, Hanover, Pomfret, Portland and Sheridan, and Villages of Brocton, Fredonia, and Silver Creek, 2002

The City of Dunkirk, Towns of Dunkirk, Hanover, Pomfret, Portland and Sheridan, and Villages of Brocton, Fredonia, and Silver Creek have formed a regional partnership to guide the northern Chautauqua County area into the new millennium. Designated by USDA/Rural Development as a "Champion Community" region in 1996, the shared desire of the participating communities is to preserve the character of the region wherein rural surroundings are enjoyed and none of the advantages of the city are lost, while fostering safe, progressive, prosperous living and improving the

quality of life for all residents through preserving and expanding existing businesses and industry, seeking new complimentary enterprises, and creating new opportunities for job creation and economic revitalization.

As such, the following vision has been adopted for the Champion Community Initiative: *To promote and enhance a comprehensive and integrated regional planning process that identifies priorities and focuses resources on those identified priorities.*

In the formation of the Chadwick Bay Champion Community Network, inter-municipal collaboration and cooperation were considered critical to the achievement of sustainable communities. Since its designation as a Champion Community, the Chadwick Bay region, among other actions, has:

- completed the Chadwick Bay Region Comprehensive Plan
- initiated the preparation of the Chadwick Bay Local Waterfront Revitalization Plan
- effectively advocated for completion of infrastructure at the Chadwick Bay Industrial Park

The opportunity now exists to meld together various other development themes into a 5-year strategic plan to accelerate action on and secure funding for:

- previously identified economic development projects
- inter-municipal cooperation opportunities
- tourism development projects and programs
- human services, childcare and housing initiatives

This strategic plan represents the most recent work of The Chadwick Bay Champion Community's municipal leaders and is focused on improving economic and community development efforts in northern Chautauqua County. The strategic plan outlines the goals and strategies that reflect the most urgent and important priorities identified during the various focus group sessions conducted by the Community. The municipal leaders of the Chadwick Bay Champion Community will individually and collectively work to realize the goals.

This plan indicates that northern Chautauqua County suffers from a lack of skilled workers and venture capital. The plan references an earlier document that states that business development in northern Chautauqua County is constrained by human resource development, infrastructure inadequacies, and issues of perception. The areas strengths include its educational facilities, geographic location, tourist attractions, and strong work ethic.

Report Access: www.rurdev.usda.gov/NY/chadwick/chadbaystrategicplanrevised%2003-28-02.pdf

Seneca Nation of Indians: Transit Plan Final Report, 2009, Seneca Nation of Indians and Wilbur Smith Associates, 2009

The SNI Transportation Department's mission is to provide quality, safe, dependable, and courteous transit service to Tribal residents and visitors, and to lead, advocate, and deliver quality public transportation. Its goals include:

1. Develop transit service that provides transportation options for local residents and tourists
2. Develop transit service that positively contributes to SNI economic development
3. Develop financial stability for future SNI public transit
4. Develop efficient, effective and safe transit service
5. Promote future transit services

The report identifies public transportation needs for Seneca members. The report includes a 'Transit Needs Index' that identifies the areas within the SNI study area that have the highest propensity to use transit, based on census demographic characteristics. Each of the following demographic categories has a high need for public transportation: zero-vehicle households, elderly population, mobility limited population, and below poverty population. The report provides an implementation plan for achieving public transit for the Seneca Nation of Indians.

Report Access: Not available online

Seneca Nation of Indians 2010 Comprehensive Economic Development Strategy (CEDS), Seneca Nation of Indians, 2010

Relevant economic development projects specified in the 2010 Seneca Nation CEDS as being suggested and/or vital projects were included in the Suggested Projects list and Vital Projects list of this CEDS.

The Plan indicates that *“Advantages such as federal credits and property tax breaks, less stringent permitting requirements, available workforce, established infrastructure, and regional resources are benefits that the Nation can promote to attract outside businesses that ultimately will help diversify the Nation’s economy.”*

The plan also identifies the following assets of the Nation:

- *“Abundant natural resources*
- *Scenic, natural beauty of the area*
- *Proximity to the Buffalo metropolitan area*
- *Access to higher education, including 20 colleges and universities in a 50 mile radius*
- *Excellent transportation access*
- *Tax and other financial incentives to business development*
- *Proximity to international markets (Canada)*
- *Low cost of living*
- *Entrepreneurial spirit*
- *Available workforce*
- *A proud history that the community wants to preserve*
- *Varied recreational opportunities*
- *Strong regional tourism base*
- *History, culture, arts and crafts that appeal to travel industry*
- *Class III (Las Vegas style) gaming exclusive in western NYS”*

The plan also identifies the following major issues/challenges facing the Nation:

- *“Lack of family sustaining jobs*
- *Low percentage of college-bound youth*
- *High rates of disease and drug/alcohol abuse*
- *Lack of political stability*
- *Loss of educated youth from the community and inability to draw them back*
- *Lack of available land for development*
- *Infrastructure not keeping up with development – stressed*
- *Lack of funding to pursue major development projects*
- *Lack of professional capacity to drive development and implement projects*

- *Reluctance to implement land use, zoning or other codes/ordinances*
- *Contentious relationship with State (and City of Salamanca) government(s)*
- *Historical exploitation of natural resources by non-natives have left environmental scars and depleted some resources”*

The plan’s specification of goals, objectives and strategies were considered in developing the content of this CEDS.

Report Access: Not available online

Other Southern Tier West Planning Documents

Interested readers are encouraged to reference the following supplemental strategic planning documents prepared by Southern Tier West. These documents may be downloaded without charge from the Publications page of Southern Tier West's web site (www.southerntierwest.org):

- **Statistical Abstract:** most recently updated in 2009, statistical data and maps for the region.
- **Regional Development Strategy:** most recently updated in 2006, a comprehensive development strategy covering other topical areas in addition to economic development; also includes detailed information about the region, regional priorities and organizational data.
- **Comprehensive Project List:** most recently updated in 2006, a listing and description of all proposed projects for the region – information obtained from project sponsors, county planning and health departments, and other third party sources.
- **Regional Economic Development Strategic Plan:** originally published in 2000, updated in 2001 and re-published in 2002, a policy-based perspective on regional economic development strategy prepared for the Commission for the Future.

Additionally, Southern Tier West has recently published the following project-specific planning documents, which also may be downloaded without charge from the Publications page of Southern Tier West's web site (www.southerntierwest.org):

- **Southern Tier West Regional Transportation Strategy:** published in 2009, a strategic plan for the maintenance and improvement of the region's transportation (highway, railroad, aviation, mobility management) infrastructure system.
- **US Route 219 Planning Study:** published in 2009, a study report containing (a) an analysis of safety issues in regard to accident rates along the current two-lane Route 219 highway, (b) potential land use for highway interchanges and feeder roads along the proposed improved four-lane Route 219 highway, (c) a comparative analysis of the impact that the two-lane Route 219 highway has and the impact that a four-lane Route 219 highway would have on the western New York economy, and (d) an analysis of the projected traffic volume impact that a four-lane highway would have on I-86.
- **Truck-Rail Freight Transload Facility and Business Park Feasibility Study:** published in 2009, a study report (a) evaluating potential locations in the region of a transload facility, a business park, and potential future phase developments, (b) discussing freight flows and evaluating the feasibility of these developments in the region, and (c) providing a strategic plan for the development of these developments in the region.
- **Truck-Rail Freight Transload Facility and Business Park Preliminary Engineering Report:** published in 2009, a study report containing a preliminary site layout for the proposed potential phased development, aerial maps and a site survey, recommendations for a final plan, a geotechnical and soils review, a traffic analysis, an environmental assessment, a budgetary cost estimate, and findings and recommendations.