



Jefferson County, New York
Comprehensive Economic Development Strategy (CEDS)
2012

**A “BLUEPRINT” FOR
ECONOMIC DEVELOPMENT
ACTION**

Prepared by the Jefferson County CEDS Committee in
Partnership with Camoin Associates, Inc.

Jefferson County Comprehensive Economic Development Strategy 2012

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Acknowledgements:

The development of this document involved numerous members of the Jefferson County community. Below is a list of the people and organizations that made this analysis possible.

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- Future Jobs - Projections vs. Predictions
- Converting Jobs by Industry to Jobs by Occupation
- Total Jobs vs. Openings, Why look at both?
- A Deeper Look into NAICS 55: Management of Companies & Enterprises

I. EXECUTIVE SUMMARY

Introduction

The U.S. Economic Development Administration (“EDA”) recommends major updates to Comprehensive Economic Development Strategy (“CEDS”) plans every five years. Jefferson County’s last major CEDS update was in 2006 and the County received an EDA planning grant, matched with local resources, to complete a 2012 update to its CEDS plan. The County engaged Camoin Associates, an economic development consulting firm with CEDS experience, to lead the update effort.

Through this update, the Jefferson County CEDS Committee (“CEDS Committee”) has revised its baseline CEDS document to analyze changes in local economic conditions and identify emerging trends and new opportunities for improving the health of the County’s economy and employment base. The CEDS planning process attempts to reflect all major economic sectors in the County, such as Fort Drum, tourism, service businesses, manufacturing, and agriculture. The CEDS plan is intended to be used at varying levels to help direct integrated economic development programming and leverage funding for local economic and community development initiatives.

The following report includes a summary of all background research that was conducted as well as an Action Plan that describes the implementation of the CEDS in detail, including specific goals and action items. As such, the Action Plan is a blueprint for County-wide economic development efforts for the years to come. The CEDS Committee will continue to make periodic updates to the plan to anticipate changes in the economic climate.

Work Performed

In order to develop a well rounded and comprehensive economic development strategy for the County, it was necessary to conduct significant background research. The first step was to review existing research and planning documents as they relate to the County’s ongoing efforts, including past CEDS plans and the North County Regional Economic Development Council’s strategic plan. To supplement this, Camoin Associates completed a full economic data analysis, looking at: (a) historic and projected industry and occupation employment data, (b) levels of educational attainment, career pathways, and program completions (i.e. the number of students who successfully completed a program), and (c) various statistical comparisons to both a larger economic region and Upstate New York to identify areas of similarities and differences. For the more detailed economic data analysis, including the full data tables, please see the CEDS Supplement.

The CEDS research also included a summary of the economic development climate in Jefferson County, focusing on: transportation infrastructure, utilities, demographic information, Canadian opportunities, existing economic development organizations and initiatives, and the Fort Drum economy.

The CEDS Committee used this information, as well as numerous interviews with key stakeholders, to identify the strengths, weaknesses, opportunities and threats (SWOT) of the regional economy and to formulate an economic development vision statement. The SWOT analysis and vision exercise helped prioritize and inform the specific goals and initiatives for the Action Plan. The final step of the CEDS process was to use all the previous information to list and prioritize the goals and future actions to achieve the CEDS Committee’s vision for the future. This was done through input from the CEDS Committee as well as specific input from involved agencies and stakeholders. In addition, performance measures were developed so that progress can be reviewed on a regular basis as a way to document successes and areas for improvement.

Vision for the Future

The CEDS Committee developed the following economic development vision for Jefferson County:

In the future, Jefferson County will be recognized for its innovative, entrepreneurial spirit and culture of creativity. Its residents will enjoy a high quality of life and ample employment opportunities. These positive aspects of the community will support the retention of youth and retired military personnel and lead to successful business attraction efforts.

The future Jefferson County will pride itself on its competitive, well-educated workforce. Collaborations between the County's secondary schools, BOCES, SUNY Jefferson Community College and its affiliates, and industry leaders will prepare students to succeed. The labor force will meet the demands of local employers, allowing firms to compete in the global economy.

In the coming years, Fort Drum will continue to be one of the largest employers in New York State, and serve as a foundation of the community, providing employment, business activity, and diversity. Jefferson County will lead the Northeast in the agricultural industry, support the growth of local manufacturing businesses, and will be known for its world-class tourism opportunities. Watertown will continue to serve as a regional service center for healthcare, finance, retail, and government services. The strength of the region's economy will be seen in the thriving local businesses that provide stable and well-paying jobs and in the increasing amount of international investment made in the County.

Major Goals and Initiatives

As noted above, the CEDS process culminates in the Action Plan Matrix, which can be found on page 60 of this document. The Action Plan is a comprehensive list of specific goals and tasks that can be used to implement the CEDS, including the identification of a lead party, priority level, timeline, and other critical information. Below is a brief summary of the Action Plan, showing the major goals and initiatives the Committee has identified for the next five years.

Develop the local workforce to meet 21st century challenges

It is vitally important that our educators teach the skills necessary for students and residents to succeed in the 21st century job market. Ways to address emerging workforce needs include:

- Align workforce development programs with targeted industries
- Bring together educators and employers to jointly address workforce needs
- Encourage internship and apprenticeship partner programs
- Increase awareness of higher education offerings

Cultivate a culture of entrepreneurship

Changes in the economic climate in Jefferson County and throughout the United States have made entrepreneurship and small business development among the fundamental forces behind economic growth. Jefferson County is committed to supporting and encouraging entrepreneurs to help them succeed in their business endeavors. Ways to do so include:

- Expand existing support networks and programs
- Improve access to and promote sources of capital
- Target and support demographics with high potential to be entrepreneurs

Develop first-class amenities to support growth

For Jefferson County to be successful in business expansion and attraction efforts, it must offer new and existing businesses top-rate infrastructure and facilities as well as alternative energy options. These top priorities in the Action Plan include:

- Complete the Watertown International Airport development plan
- Expand broadband access and “last mile” infrastructure
- Help farmers capitalize on regional demand opportunities

Improve business development communications, marketing, and networking

Jefferson County economic development officials should focus on strengthening communication with and between our existing businesses and strive to ensure marketing materials are polished, up-to-date, and provide meaningful, relevant information. Our economic development community will engage elected officials in the process. The community can also take aggressive actions to enhance efforts to attract additional Canadian firms including:

- Promote a “one stop shop” for Canadian businesses
- Facilitate cross-border business to business opportunities
- Finish the Canadian version of JCIDA website

Enhance quality of life advantages of the County

Enhancing quality of life in the County will not only benefit our local residents and existing workforce, it will facilitate business investment and attract employers. We must continue to invest in our quality of life and amenities. Among the initiatives the Committee recommends:

- Continue the development of a housing strategy
- Continue reinvesting in downtowns
- Increase year round arts and cultural offerings
- Support ‘Buy Local’ campaigns and farmers markets

Work to retain, attract and grow the County’s targeted industries

To ensure the long-term economic health of Jefferson County, it must work to develop and improve career opportunities for our current workforce and our youth. Based on a comprehensive review of all available data, Jefferson County is well-positioned to grow and attract businesses in the following industries:

- **Manufacturing** – The County has many legacy manufacturing firms; some have been here for over 100 years. To support these businesses and ensure they continue to prosper, the community should expand manufacturing collaborative initiatives, initiate youth workforce development programs, and target manufacturing supply industries.
- **Tourism, Accommodations, Food Services and Retail Trade** - Retail and service sector industries provide a variety of entry level jobs, attract visitors to the region, and bring vibrancy to the area. The County at large should continue to develop, enhance, and market the recreational resources and special places that this unique area has to offer.
- **Agriculture** - The large cluster of dairy farming in Jefferson County has attracted dairy product manufacturing firms to the County and region and plays a large role in the overall culture of the area. To support the growing agriculture industry in Jefferson County, the community should develop and market local value-added products, investigate the potential for biomass feedstock crop production, and work with the industry to identify and implement solutions impeding growth.

- **Health Care and Social Assistance** - Watertown is also known to be a regional center for health care services. Recommendations for supporting this industry include developing a training cost sharing model to increase the pool of health care workers, tuition repayment programs, an annual health care summit, and continued youth shadowing programs.
- **Information Technology** - Information technology is an important support industry to all of the County's industries; and IT jobs can be found in almost every industry sector. To fully realize this industry's potential, plans should be prepared to develop a technology training and internship program, start an IT peer group, and identify and develop IT skills needed in non-IT industries.
- **Call Centers, Back office Support Industries (Finance, Real Estate, Insurance)** - The potential exists for growth in this segment to support not only existing firms but also to support the growing health care and social assistance industry. As such, local economic development developers should market the community's telecommunication infrastructure and labor force to attract back office operations as well as begin a targeted marketing strategy for call center operations.

The full Action Plan including specific tasks and lead agencies can be found in Section VII of this report.

II. INTRODUCTION

Purpose

Jefferson County is in a transitional period. The rapid economic growth of the last decade, driven by the expansion at Fort Drum, is beginning to stabilize while new opportunities in agriculture, manufacturing, health care and services are emerging. The 2012 Jefferson County CEDS process is designed to continue the momentum of the past decade by capitalizing on emerging opportunities.

Past Planning Efforts

The Comprehensive Economic Development Strategy (CEDS) Committee was created by the Jefferson County Board of Legislators in 1990. Since its formation, the CEDS Committee has supported the County and local economic development agencies by providing a mechanism for economic development planning and by leveraging local access to Federal and other economic development grant funds.

The Committee's original CEDS put forth strategies to capitalize on the County's strengths and assets. In conformity with EDA recommendations, major plan updates occurred in 1999 and 2006. However, as a living document, portions of the plan have been updated annually through an abbreviated review of the economic development strategies. Jefferson County's CEDS not only satisfies Federal requirements but also serves as the community's blueprint for economic development planning and action. The CEDS Committee will continue to make periodic updates to the plan to anticipate changes in the economic climate.

The success of this 2012 CEDS Update not only relies on an awareness of past labors of the CEDS Committee, but previous and ongoing planning efforts by partner organizations throughout the County and the Region. The intention of this CEDS is not to simply replace past economic development or any other planning efforts in the County, its aim is to build upon previous success and learn from less effective efforts. For this 2012 CEDS Update, the following plans and studies were reviewed in detail by Camoin Associates and select members of the Committee:

- 2006 CEDS, Jefferson County
- 2007 CEDS Report Card, Jefferson County
- 2008 CEDS Priorities
- 2010 CEDS Brochure, Jefferson County
- 2011 North County Regional Council Economic Development Plan
- 2007 North County Business and Resource Gap Analysis
- 2008 Fort Drum Growth Management Strategy (Summary Report)
- Fort Drum 2010 Economic Impact Report
- Spring 2010 Manufacturers Survey
- 2011 Jefferson-Lewis County Employer Survey Results
- 2011 Jefferson County State of the Workforce Study
- 2012 Thousand Islands International Tourism Council - Seasonal Homeowners Survey
- Fort Drum Regional Health Planning Organization 2008-2011 Regional Recruitment Project Pilot Project Outcomes
- 2012 Fort Drum Transit Needs Assessment

III. BACKGROUND

Jefferson County Geography

Located in the State of New York at the northeastern corner of Lake Ontario, Jefferson County spans an area of roughly 1,293 square miles making it the 9th largest county in the State.¹ It is situated on the western extent of New York State's North Country Region, roughly 60 miles north of the City of Syracuse, NY. The County is bounded by the St. Lawrence River and St. Lawrence County to the north, Lake Ontario to the west, Lewis County to the east, and Oswego County to the South. Jefferson County is also situated along the international border with Canada and facilitates traffic between the two nations across the St. Lawrence River via the Thousand Islands Bridge.

Jefferson County's physical geography carves the County into five natural regions, each with its own unique character and offerings. A series of small narrow lakes oriented with the St. Lawrence River Valley blanket the northeastern portion of the County known as the Indian River Lakes Region. Cutting east to west through the County, the Black River Valley divides Jefferson in half. The Black River guided early settlement in the region and flows through the County's most populated areas today. Rising out of the valley is the Tug Hill Plateau, which is a large physiographic region that crosses sections of Lewis, Oneida, and Oswego Counties. With an elevation of about 350 feet in the west and 2,000 feet in the east, the Tug Hill Plateau (or simply Tug Hill as it is known in the local vernacular) is known for receiving the greatest average annual snowfall east of the Mississippi. Down off the Tug Hill along the western border of the County is the Lake Ontario Lowlands Region. This region is comprised of large sand dunes, expansive backwater areas, and many bays along the lakeshore with gently rolling fields inland. Finally, the northern border of the County is part of the Thousands Islands Region and St. Lawrence Seaway. This section along the St. Lawrence River is dotted with islands and serves as the gateway from the Great Lakes to the Atlantic Ocean for water-going vessels.

Economic Development Environment

Demographic & Socioeconomic Information

According to estimates by the U.S. Census Bureau, Jefferson County's population is 117,536. The Census Bureau projects that the County's population will reach 121,953 by 2016; however, this projection is based on past trends, which were partially influenced by growth at Fort Drum. At this time, the population at the Fort Drum installation is projected to stay roughly at its current level and it is expected that the population of Jefferson County will remain relatively stable or experience a moderate increase in the coming years. There are approximately 43,967 households and 30,038 families in the County. The median age is 32.8 and is expected to increase to 33.3 by 2016.

Compared to New York State (NYS) and the nation as a whole, Jefferson County's population and number of households are expected to grow over the short term at a faster rate. Comparatively, the median age in Jefferson County of 32.8 is lower than that of New York State or the nation, which are both around 37 years old. The lower median age in the County is low largely due to the demographics of Fort Drum soldiers and their families.

¹ U.S. Census Bureau

Demographic Indicators				
Jefferson County	2011	2016	# Change	% Change
Population	117,536	121,953	4,417	3.76%
Households	43,967	45,938	1,971	4.48%
Families	30,038	31,094	1,056	3.52%
Median Age	32.8	33.3	0.5	1.52%
New York State	2011	2016	# Change	% Change
Population	19,425,339	19,624,672	199,333	1.03%
Households	7,335,843	7,440,161	104,318	1.42%
Families	4,662,961	4,680,148	17,187	0.37%
Median Age	37.9	38.0	0.1	0.26%
United States	2011	2016	# Change	% Change
Population	308,745,538	310,704,322	1,958,784	0.63%
Households	116,716,292	117,457,661	741,369	0.64%
Families	77,538,296	78,084,849	546,553	0.70%
Median Age	37.1	37.2	0.1	0.27%

Source: U.S. Census Bureau, Population Division; ESRI

The median household income in Jefferson County is \$41,811.² The average household income³ is over \$10,000 greater than the median at \$53,827. Per capita income is about \$20,438. By 2016, the median household income in the County is expected to increase by about 18% and reach approximately \$50,000. Both average household income and per capita income are expected to increase by about 10% by 2016. Compared to New York State and the United States, Jefferson County's per capita income is anticipated to grow more slowly over the next few years. Furthermore, the income data is showing a continuation of lower income levels in Jefferson County compared to the other geographies.

Socioeconomic Indicators				
Jefferson County	2011	2016	# Change	% Change
Median Household Income	\$41,811	\$49,514	\$7,703	18.42%
Average Household Income	\$53,827	\$59,013	\$5,186	9.63%
Per Capita Income	\$20,438	\$22,531	\$2,093	10.24%
New York State	2011	2016	# Change	% Change
Median Household Income	\$54,080	\$64,366	\$10,286	19.02%
Average Household Income	\$77,121	\$89,773	\$12,652	16.41%
Per Capita Income	\$29,922	\$34,852	\$4,930	16.48%
United States	2011	2016	# Change	% Change
Median Household Income	\$50,227	\$57,536	\$7,309	14.55%
Average Household Income	\$68,013	\$77,476	\$9,463	13.91%
Per Capita Income	\$26,391	\$30,027	\$3,636	13.78%

Source: ESRI

² Median HH Income: Value of the midpoint of the distribution of household income in the region.

³ Average HH Income: Obtained by adding all household incomes and dividing by the number of households.

Education Attainment

There are eleven school districts in Jefferson County, ranging in annual class sizes from around 30 students to over 200 students. In the 2010-11 graduating class, there were 1,287 students; 1,112 graduated (86%) and 175 were non-completers (14%). Approximately 29% of the County's graduating seniors plan on attending a 4-year college and about 44% plan on attending a 2-year college. Just over 5% intend on entering the military and 14% will begin working.

Graduation Rates & Post-Secondary Plans for Graduates 2010-11												
	Alexandria	Belleville Henderson	Carthage	General Brown	Indian River	LaFargeville	Lyme	Sackets Harbor	South Jefferson	Thousand Islands	Watertown	Total
Total Graduates	45	39	198	100	178	47	27	30	133	93	222	1,112
Regents Diploma	40	34	167	94	152	39	26	29	117	82	186	966
Total Noncompleters	6	3	27	9	22	10	1	3	16	6	72	175
Total Class Size	51	42	225	109	200	57	28	33	149	99	294	1,287
Post-secondary Plans for Graduates												
4-year college	14	8	70	25	52	8	6	13	43	37	57	333
2-year college	20	22	81	63	89	19	13	13	57	29	97	503
Other post-secondary	5	0	3	0	3	2	1		0	5	3	22
Military	2	1	18	2	8	1	1	3	3	7	14	60
Employment	4	10	28	9	22	19	6	5	30	16	17	166
Adult Services	0	0	0	0	1	0	0	0	0	0	3	4
Other	0	0	2	0	5	0	0	0	4	0	17	28
Unknown	0	0	1	1	0	0	0	0	1	0	23	26
Total	45	41	203	100	180	49	27	34	138	94	231	1,142

Source: <https://reportcards.nysed.gov/view.php?schedist=district&county=22&year=2011>

About 87% of Jefferson County's population has a high school diploma and over 50% has at least some college. Over 20% of the population has earned a Bachelor's degree and almost 9% a Graduate degree. Compared to New York State and the U.S. as a whole, a greater portion of the Jefferson County residents hold an Associate's degree and a slightly smaller portion of Jefferson County residents have achieved a Bachelor's degree or a Graduate degree.

Educational Attainment		
Jefferson County	%	Cumulative %
Some School	13.1%	100.0%
HS Graduation	35.7%	86.9%
Some College	19.3%	51.2%
Associate's Degree	11.3%	31.9%
Bachelor's Degree	11.9%	20.6%
Graduate Degree	8.7%	8.7%
New York State	%	Cumulative %
Some School	16.2%	100.0%
HS Graduation	27.6%	83.8%
Some College	16.1%	56.2%
Associate's Degree	8.2%	40.1%
Bachelor's Degree	18.2%	31.9%
Graduate Degree	13.7%	13.7%
United States	%	Cumulative %
Some School	15.4%	100.0%
HS Graduation	28.5%	84.6%
Some College	20.9%	56.1%
Associate's Degree	7.5%	35.2%
Bachelor's Degree	17.5%	27.7%
Graduate Degree	10.2%	10.2%

Source: EMSI

The Center for Community Studies at Jefferson Community College recently completed the 2012 *Jefferson County Seasonal Resident Survey*, which included gathering information on educational attainment levels of these part-time residents. Compared to the full County population, seasonal residents have attained higher levels of education, with almost 90% having some college and almost 65% having at least a Bachelor's degree.

Educational Attainment of Seasonal Residents		
Education Level	%	Cumulative %
HS Graduation	10.8%	100.0%
Some College	24.6%	89.2%
Bachelor's Degree	27.4%	64.6%
Graduate Degree	37.2%	37.2%

Source: 2012 Jefferson County Seasonal Resident Survey

Housing Data

According to ESRI data, the average household size in Jefferson County is 2.53 persons. Of the 43,967 occupied housing units in the County, approximately 25,395 (58%) are owner occupied and 18,572 (42%) are renter occupied.

Housing Characteristics	
	2011
Average Household Size	2.53
Owner Occupied Housing Units	25,395
Renter Occupied Housing Units	18,572
Total Occupied Housing Units	43,967

Source: ESRI

GAR Associates, Inc. completed a housing analysis of the Fort Drum and Watertown real estate market in August/September 2011. This market analysis found that as of late summer/early fall 2011, the housing market was relatively stable with an average occupancy of 95%. Between 2008 and 2011 over 1,610 newly constructed units became available. The report projects that while there is no additional growth anticipated related to soldiers assigned to Fort Drum, there will be an increase in market demand because of change in deployment schedules and other variables. Based on the net demand analysis, there will be a need for up to about 1,300 units. Recent reports indicate that there are over 1,000 housing units currently under construction in the County to meet the majority of that demand and additional projects are being considered. The GAR report concludes that the market will remain relatively stable in the near future. For new future developments to succeed, they must fit a niche market and offer amenities or locational advantages that are not currently available in the market.

According to the 2010 American Community Survey 1-year estimates, the median home value in Jefferson County was \$128,200, which was \$168,300 lower than the median home value in the State and \$51,700 below the National median home value. On the rental side, median gross rent in Jefferson County was \$831 a month compared to \$1,020 in the State and \$855 in the Nation. County monthly gross rent - includes all operating expenses - was just \$24/month below the National level and \$189/month below New York State (including the New York City metropolitan region).

Housing Costs			
	County	State	U.S.
Median Home Value	\$128,200	\$296,500	\$179,900
Median Gross Rent	\$831	\$1,020	\$855

Source: American Community Survey 2010 - 1yr Estimates

According to the 2012 Fair Market Rent Documentation System managed by the U.S. Department of Housing and Urban Development (HUD), the current fair market rental rates⁴ for Jefferson County are:

2012 Fair Market Rent by Unit Bedrooms					
Bedrooms	Efficiency	1	2	3	4
Fair Market Rent	\$696	\$697	\$838	\$1,080	\$1,135

Source: U.S. HUD Fair Market Rent Documentation System

In addition to the national data, local rental information about existing available apartments was reviewed. In May 2012, there were 61 apartment units available on the market and the average asking lease rate was \$1,054.

⁴ Fair Market Rent: Indicates the amount of money that a given rental property would sell for if it were available for leasing. The current legal definition of Fair Market Rent is *...the 40th percentile of gross rents for typical, non-standard rental units occupied by recent movers in a local housing market.* <http://www.huduser.org/periodicals/USHMC/winter98/summary-2.html>.

Available Apartments					
Bedrooms	1	2	3	4	Total /Avg.
Units Available	2	22	29	8	61
Average Rent	\$823	\$908	\$1,130	\$1,241	\$1,054

Source: Apartment Availability Report, May 2012

Housing was identified throughout the planning process as a major concern for residents and employers. The impact of Fort Drum on the housing market in the Watertown area has increased prices to more than some families can afford on civilian salaries. Furthermore, the constant stream of potential tenants in need of housing provides a disincentive to some property owners from making improvements leading to situations where there is a disconnect between the quality of the housing and rental prices.

Cost of Living

The following table compares the cost of living in Watertown, NY to several Upstate New York cities and Port Huron, a comparably sized city in Michigan that also has a border crossing between U.S. and Canada. While this data is city-specific, most of the sources used to generate the index are county-level data. The cost of living in Watertown, NY is just slightly above the U.S. average (the national average being 100 in all categories).⁵

The category in which the cost of living in Watertown is the greatest compared to the national average is utilities. The nearby cities of Syracuse and Oswego have comparable utility costs. Housing (including renter-occupied and owner-occupied units) is the lowest category compared to the national average for the City of Watertown but it is still higher than the other regional and comparison cities examined, with the exception of Saratoga Springs. Compared to Port Huron, MI, Watertown has a much greater cost of living overall and within each category.

Cost of Living Index							
	Overall	Grocery	Health	Housing	Utilities	Trans.	Misc.
Watertown, NY	103	110	109	81	124	106	111
Plattsburgh, NY	98	104	116	81	110	102	100
Buffalo, NY	78	93	92	32	109	102	89
Syracuse, NY	100	110	108	70	125	109	110
Oswego, NY	95	112	112	50	126	108	112
Saratoga Springs, NY	127	104	104	177	105	103	113
Port Huron, MI	83	100	96	43	107	103	95

Source: Sperling's Best Places: <http://www.bestplaces.net/>

Cost of Living Index Key:

Overall - The total of all the cost of living categories weighted as follows:

- Housing: 30%
- Grocery: 15%
- Transportation: 10%
- Utilities: 6%
- Health Care: 7%
- Miscellaneous: 32%

Grocery - The average cost of food and groceries, not including restaurants.

⁵ The Cost of Living Index is updated quarterly using data at the zip code and County level from the Consumer Price Index (Bureau of Labor Statistics), Medicare and the U.S. Department of Health and Human Services, Consumer Expenditure Survey (BLS), Department of Energy, Federal Tax Directory, National Association of Realtors, Home Price Mortgage Index from Freddie Mac, median home sales prices from state realtor associations and county deed records, Coldwell Banker' Home Price Index, and addition research. Data used in this report was current as of the First Quarter 2012.

Health - The average cost of health care calculated using the standard daily rate for a hospital room, and the costs of a doctor's office visit, and a dental checkup.

Housing - The average cost of an area's housing, which includes mortgage payments, apartment rents, and property tax.

Utilities - The average cost of heating or cooling a typical residence for the area, including electricity and natural gas.

Transportation - The average cost of gasoline, car insurance and maintenance, and mass transit for the area.

Miscellaneous - The cost of goods and services not included above, including clothing, restaurants, repairs, entertainment, and other services.

County Economic Development Tools

Jefferson County has access to several economic development resources and business incentive programs, including:

- **Low-cost financing** through revolving loan funds and microenterprise funds
- **Industrial revenue bonds**
- **Tax incentives:** property tax, sales tax, and mortgage recording tax abatement
- **Foreign trade zone opportunities** for duty deferral and relief
- **State tax credits** for job creation, capital investment, and research & development
- **Technical assistance** with business planning, site selection, funding applications, and international trade

The County's economic development partners include agencies with a county-wide and a local focus, organizations with regional jurisdiction, and assorted support and resource agencies. These organizations and programs are described below.

County and Local Organizations & Programs

The **Jefferson County Industrial Development Agency (JCIDA)** is the lead economic development organization in Jefferson County. The agency is responsible for marketing Jefferson County as a strategic business location and for working to retain and grow existing businesses, including the agricultural sector. To assist business development and expansion, the JCIDA operates three revolving loan funds and provides tax and financial incentives for qualified projects. These incentives include property tax, sales tax, and mortgage recording tax abatements, and industrial revenue bonds. The JCIDA also has two subsidiary organizations to assist in economic development activities. One is the Jefferson County Local Development Corporation, which can provide revolving loans or grants to qualifying projects. The other is the Jefferson County Civic Facilities Development Corporation, which can offer tax-exempt bonds to Civic Facility Projects.

Jefferson County is host to **Foreign Trade Zone (FTZ) 109**, managed by the JCIDA. The FTZ program provides duty deferral and relief, as well as a number of other cost-saving and logistical benefits, to companies that import raw materials and components, or goods for packaging and distribution. The three Foreign Trade Zone sites in the county include the Jefferson County Corporate Park, City Center Industrial Park, and the Watertown Airport Corporate Park. Trade zone status can also be provided elsewhere in the county to specific sites with qualifying activity.

The **Workplace** is a one-stop career center that provides comprehensive training and employment services for job seekers in Jefferson County. For businesses, the Workplace provides customized recruitment, screening, and referral of potential employees. It also administers several on-the-job

training programs that, for qualified positions, help to offset the wage paid to employees during the initial training period. In addition, the Workplace staffs the **Jefferson-Lewis Workforce Investment Board**, which provides input and oversight (and sometimes funding) for the design and delivery of the workforce development system in Jefferson and Lewis Counties.

The **Watertown Local Development Corporation** supports economic development and financing activities within the City of Watertown. It operates a revolving loan fund and a micro-enterprise loan fund, in addition to managing the City Center Industrial Park. Several other communities throughout the county also have their own local development corporations. Some of these also administer a revolving loan fund, but all play an active role in maintaining their community's economic vitality. These include the **Cape Vincent Local Development Corporation**, **Carthage Industrial Development Corporation**, **Clayton Local Development Corporation**, and **Sackets Harbor Local Development Corporation**.

County Support Organizations

The **Small Business Development Center (SBDC)** assists entrepreneurs, small businesses, and industry through advising, training, and research. SBDC advisors assist with business planning and budgeting, management practices, and loan applications for start-ups and expansions. The SBDC offers a regular six-week course for entrepreneurs and small business owners and also hosts a variety of workshops on specific topics.

The **Greater Watertown-North Country Chamber of Commerce** provides an extensive set of business-to-business networking activities and is an advocate for business interests at the local and state levels. The Chamber also hosts a number of speakers, educational workshops, and events that address business needs and interests.

The **Jefferson Community College (JCC)** is one of the 64 campuses – and one of 30 community colleges – that comprise the State University of New York (SUNY) system. When it comes to support for economic development activity, the college plays an important role in workforce development. In addition to its many degree programs, JCC offers customized training services to local employers, as well as a variety of continuing education programs aimed at enhancing workplace skills. JCC also houses the **Center for Community Studies**, a research, survey, and policy analysis resource for the region. The Center's services have often been used to gather data for economic development analysis and planning.

The **Jefferson-Lewis Board of Cooperative Educational Services (BOCES)** has played an increasingly important role in workforce development. In addition to its high school programs, BOCES provides adult continuing education courses in some of the key trade skills needed by local contractors and manufacturers. BOCES can also provide customized training for local employers.

The **Jefferson County Department of Planning** has continued to play the lead role in coordinating the work of the CEDS Committee, monitoring progress on CEDS goals, and ensuring that the priority goals are reviewed and updated on a regular basis. Ongoing economic development support activities include technical support for Fort Drum-related growth activities, GIS mapping support for various economic development projects, and maintaining Census and other economic data for Jefferson County. The department has also played a major role in capitalizing the local revolving loan funds administered by the JCIDA, through the County's participation in the Community Development Block Grant Program.

Regional Organizations

The **Thousand Islands Regional Tourism Development Corporation**, doing business as the **Thousand Islands International Tourism Council**, promotes the 1000 Islands region, including Jefferson County. The mission of the Council is the development, promotion, enhancement, and retention of the local tourism industry and its associated employment base. The Council operates a comprehensive, multi-faceted tourism marketing program, and sponsors a number of survey and research efforts that aid strategic planning for local tourism service providers and the industry as a whole.

The **Thousand Islands Bridge Authority** operates and maintains the Thousand Islands International Bridge system that connects Jefferson County to the Province of Ontario, Canada. The Authority is active in a number of economic development initiatives, including sponsorship of **The Capital Corridor**. The Capital Corridor is a bi-national transportation network that promotes the 500-mile trade and tourism corridor linking Ottawa, Ontario and Washington, DC.

The **Development Authority of the North Country (DANC)** was created by the New York State Legislature in 1985 and was charged with “supplying the infrastructure required by the expansion of Fort Drum, and leveraging the expansion for the economic well-being of the citizens of Jefferson, Lewis, and St. Lawrence Counties”. The Authority continues to address this mission through infrastructure projects such as the regional solid waste disposal facility in Rodman, wastewater and freshwater transmission systems servicing Fort Drum and other communities, and housing and telecommunications projects to enhance quality of life and economic development opportunities.

The **North Country Alliance (NCA)** is a consortium of economic development agencies working across the seven-county North Country region. The NCA provides working capital to small businesses in the region and serves as a united voice on issues impacting the North Country economy.

The **Fort Drum Regional Liaison Organization (FDRLO)** is a community-based membership organization “to foster effective communication, understanding and support by serving as the primary point of coordination and advocacy for resolution of those issues of mutual interest of the military and civilian community of the Fort Drum region”. Recognizing Fort Drum as the largest economic force in the region and the county, FDRLO is active on several fronts to maintain and enhance the presence of the post and to facilitate Fort Drum-related housing and economic development opportunities for the benefit of the tri-county region.

The **NYS Tug Hill Commission** is a non-regulatory state agency charged with helping local governments, public organizations, and citizens shape the future of the Tug Hill region (covering portions of Jefferson, Lewis, Oswego, and Oneida Counties). The Commission uses a grassroots approach to provide technical assistance and training to Tug Hill’s rural communities in the areas of land use planning, community economic development, and natural resource management.

The **Empire State Development Corporation (ESD)** is New York State's lead economic development agency, providing a wide array of capital funding, tax credits, and other forms of assistance to enhance business growth and development. Jefferson County is served by the ESD office in Watertown.

Transportation

Air Transportation

Watertown International Airport

The Watertown International Airport (airport code “ART”) is in the Town of Hounsfield, NY (10 minutes west of the City of Watertown on Route 12 and 35 minutes south of the Canadian border). This airport is owned and operated by Jefferson County and offers two round trips daily (except on Sunday) to the Chicago O’Hare International Airport through American Airlines affiliate American Eagle. American Eagle began providing 44-passenger jet service in November 2011 (note that the previous airline provided service to Albany with 9-seater propeller planes). The following table calculates the average number of passengers that travel through the Watertown International Airport per month and annually.

Watertown International Airport Enplanements Number of Passengers			
Month	Departures	Arrivals	Total Passengers
November '11	546	567	1,113
December '11	1,396	2,244	3,640
January '12	978	999	1,977
February '12	1,266	1,185	2,451
March '12	1,481	1,380	2,861
April '12	1,394	1,539	2,933
Average Per Month To Date	1,177	1,319	2,496
Annual	14,122	15,828	29,950

Source: Watertown International Airport

The Jefferson County 2010 CEDS noted a goal of achieving at least 10,000 passengers annually for the facility and as of July 2012 the County had already reached that number for the year, putting them on pace to far exceed that goal.⁶ There has been a substantial increase in the amount of airline passenger traffic and it has provided an additional transportation option for business owners, visitors, military families and vendors. Canadian utilization of the airport seems to be on the rise because of its close proximity to the border. The airport is also available for corporate air services, which is attractive for corporate executives and others who may be considering the Watertown area for a new project. Furthermore, there is initial discussion regarding the feasibility of a business/commerce park being developed on the land surrounding the airport.

Syracuse Hancock International Airport

Another option for residents, tourists, and military families is to travel approximately one hour south to Syracuse, NY to the Syracuse Hancock International Airport (airport code "SYR"). This airport offers additional connection options and serves millions of people throughout central and upstate New York and Canada. Data shows that in 2009, a total of 1,024,227 enplanements (approximately 2,800 daily) and 19,340 landings (approximately 53 daily) occurred.⁷ The Syracuse Regional Airport Authority and the City of Syracuse are working to increase air service by adding service to more destinations, which would assist with regional economic development efforts and make the airport more convenient and efficient for central New York and upstate New York travelers.

The Syracuse Hancock International Airport currently serves the following airports: Atlanta, Boston, Charlotte, Chicago, Cincinnati, Detroit, Minneapolis, New York (Newark, JFK and Laganrdia), Orlando, Philadelphia, Toronto and Washington DC. The following air lines have service from SYR: Delta, US Airways, United Airlines, American Airlines, Jet Blue and Air Canada.

Rail Transportation

Passenger

The only passenger train service that serves Upstate New York is Amtrak, which does not have a station in Jefferson County. The nearest Amtrak stations are in Syracuse, NY and Rome, NY. Amtrak does provide easy service to Quebec, Albany, and New York City as well as many points south and west via rail. Canadian passenger service is available at nearby Kingston and Brockville, Ontario.

⁶ Amaral, B. Airport Reaches Milestone. Watertown Daily Times. July 9, 2012.
<http://www.watertowndailytimes.com/article/20120709/NEWS03/707099928>

⁷ <http://www.syrairport.org/about/hancockfield/factsandfigs.cfm>

Commercial

Rail as a mode of transportation and its role in the shipment of goods was diminished in the end of the last century as more and more businesses began using trucks to move their goods. With the rising cost of fuel and the increased attention on sustainability, rail seems to be making a comeback. On average, railroads are three or more times more fuel efficient than the alternative. Trains can move a ton of freight nearly 500 miles on a single gallon of fuel.

CSX, an international transportation company offering a variety of rail, container-shipping, intermodal, trucking, and contract logistics services, provides shipping services through Jefferson County. The map to the right shows the CSX facilities in New York including the rail that runs through the County. In 2010, CSX handled nearly 905,000 carloads of freight in New York alone and employed 2,000 people. Typical products shipped by CSX in New York include, coal, ethanol, wheat, and municipal and construction waste.⁸

Rail spurs throughout Jefferson County allow easy access for industries looking to bring in components or transport their goods straight from their place of production or storage to customers. Some of the County's rail spurs need repairs to be brought back into service. Access to these spurs is very attractive to potential businesses looking to locate in the County. The spurs are useful to both manufacturing and agricultural firms needing to move product long distances affordably and reliably.

Representatives from CSX note that they operate a single northbound and southbound train each day between the Selkirk Yard in Albany, NY, and the connection with the Canadian National Railroad in Quebec. Daily trains typically carry a mix of freight including cars for local industries as well as through freight cars to and from Canada (such as loads of lumber).

Currently the maximum train length is restricted to 5,000' due to the fact that the siding tracks can only accommodate a train of this length in order to pass one another. CSX has long term plans to extend several sidings along the line to accommodate longer trains.

Ground Transportation

The major ground transportation artery in and out of Jefferson County is Interstate 81 (I-81). This interstate highway connects the Thousand Islands International Bridge to Dandridge, Tennessee. Since the region I-81 transects is mostly rural, it is heavily used as a trucking corridor to bypass Interstate 95, which connects the major metropolitan areas along the East Coast and can become very congested. In Jefferson County, approximately 15,000 to 30,000 vehicles use I-81 daily. Other major roads in the County include US Routes 11 and 12 and New York State Routes 37 and 3.



⁸ CSX <http://www.csx.com/index.cfm/about-csx/company-overview/state-fact-sheets/new-york/>

The Thousand Islands International Bridge connects Jefferson County to Ontario, Canada. The bridge has one American span, three Canadian spans, and one International span. The American span is 800 feet between towers, 150 feet above water and has two 1,500 foot viaducts. The Bridge had over 2 million vehicle crossings in 2011, which included over 350,000 commercial vehicle crossings.



For those without a private vehicle, there are limited transportation options within Jefferson County. One option within the City of Watertown is the CITIBUS Transit system, which offers services throughout the major corridors within the City of Watertown and access to major retail offerings along Arsenal Street, and throughout the residential neighborhoods.

The January 2012 Fort Drum Transit Needs Assessment prepared by Nelson/Nygaard includes a comprehensive inventory and assessment of the local transportation needs as it relates to Fort Drum and the surrounding communities. This Transit Needs Assessment includes recommendations for improvements to the existing system including van pools, hotel shuttles, on-post shuttle route expansions and the creation of a Regional Transit Committee, among others. These recommendations will improve the quality of life for soldiers and residents of Jefferson County and should be considered as part of this comprehensive plan.

Infrastructure

Telecommunications

For many rural communities, access to telecommunications infrastructure is a major struggle that must be mitigated when working to achieve economic development goals. There has been significant investment in fiber optics and telecommunication infrastructure, but Jefferson County is not fully connected. Specifically, the lack of telecommunications infrastructure in certain areas of the County has created challenges in attracting different kinds of businesses and for existing and potential residents looking to work from home.

In terms of fiber optics access, the Development Authority of the North Country (DANC) manages hundreds of miles of fiber, including a loop that runs between Watertown, Utica and Syracuse. DANC built an Open Access Telecom Network, which is a fiber optic transport system that operates throughout Jefferson, Lewis, and St. Lawrence Counties and connects to major global carrier facilities in Syracuse. This 1,000 mile state of the art fiber optic transmission network has 14 points of presences (POPs) that provide wholesale optical and Ethernet circuits. The circuits are leased to telecommunication carriers who offer end-users with a variety of services, including dial tone, data and internet access. DANC will provide the “last mile” infrastructure to individual businesses if requested by other service providers. There are also some smaller providers that are willing to make that investment to connect to the smaller population centers and individual users, like Westelcom.

As mentioned above, one of the challenges that Jefferson County is facing is what is known as the “last mile” of connectivity. The last mile is missing in the southern and northeast sections of Jefferson County in terms of connecting to smaller businesses which prohibits them from joining the regional networks. For example, the County is working to develop a health information technology network among health

care providers to allow for sharing of records, digital file transfer and overall improved communication and efficiency; but some of the small health care providers and their patients throughout the County are excluded from this advanced technology because they cannot connect to the fiber optic system. The larger telecom providers are not willing to make the investment, although there are some smaller providers that could. Another option would be to create public private partnerships between providers and public agencies that have a need for increased fiber optics.

Sewer and Water

The City of Watertown Municipal System provides water and wastewater services to a large portion of the residents and businesses in Jefferson County. The City of Watertown Water Plant can handle 15 million gallons per day (MGD) and averages about 4.8 MGD. The William T. Field Memorial Pollution Control Plant is a secondary facility that can handle 16 MGD and treats an average of 10.9 MGD. The City of Watertown Pollution Control Plant provides wastewater treatment services for the County and can handle up to 14 MGD but typically handles 6 to 7 MGD. (Information from Jefferson County Industrial Development Agency website). With respect to economic development initiatives, the existing City of Watertown Municipal System is operating below capacity and is therefore capable of accommodating additional growth,

Several other smaller water and wastewater treatment facilities serve outlying population centers in the County. Capacity at the smaller facilities varies and not all have extra capacity to service new major users.

Energy and Utilities

National Grid provides the County's residents and businesses with electricity and portions of the County with natural gas service. National Grid can provide industries with a variety of services to meet their needs and efficiently adjust with changing technology and electricity/energy demands. The North Country Regional Council's Economic Development Plan states that "the traditional power resources and transmission systems are well established throughout the region." While systems are established throughout the North Country, energy transmission capability for new large scale producers is limited.

An alternative energy source that poses a strong potential for Jefferson County is biomass. Jefferson County has the land, agricultural knowledge, forest area, and open space needed to make biomass energy a reality for increasingly larger projects. On Fort Drum, ReEnergy, Inc is slated to open a 60 megawatt cogeneration plant in early 2013. One-third of the energy produced will meet the Fort's needs and the remainder will be sold to the grid. This project will establish the initial demand and support services necessary to strengthen the market for the biofuel sources (such as switchgrass and willow). Biomass facilities can provide energy to a specific project or industrial park or act on a larger scale and provide energy back to the grid. While biomass does pose significant opportunities for the County, the potential challenges should be considered as well, including the price relative to natural gas and other options, the ability to access Federal production tax credits, and the sustainability of using federal credits for biomass products.

As described in the North Country Regional Council's Economic Development Plan, the North Country and Jefferson County have significant wind resources. In fact, 50% of the installed wind generated in New York State comes from the North Country; however there are no installed commercial wind turbines in Jefferson County at this time. Hydropower is also a significant energy generator in the North Country and currently generates 2,200 megawatts of energy for the grid.

The Fort Drum Economy

With around 24,000 employees, Fort Drum is the largest single-site employer in Jefferson County and in Upstate New York. Its position in the local and regional economy is substantial. The focus of this

Comprehensive Economic Development Strategy and all related analysis is on Jefferson County as a whole; however, it would not be a complete analysis if a review of the impact of Fort Drum was not included.

Specific industry and occupation information about operations at Fort Drum are confidential and could not be acquired for this analysis. However, some information has been made available that can be used to understand operations at the post and qualitatively assess its role in Jefferson County's economy. The following information is from the Fort Drum Economic Impact Statements for 2010 and 2011 as well as conversations with other stakeholders.

Economic impacts are most commonly described in terms of three indicators: **jobs** created, **wages** earned by workers in those positions, and **sales** made by businesses employing the workers. The following is a brief breakdown of these three indicators as they relate to the significant impact of Fort Drum on the local - regional economy.

Jobs

As shown in the table below, Fort Drum itself employed a total of 24,273 workers in 2010 and 24,592 in 2011. Of these positions, 19,447 were military and 4,826 were civilian positions in 2010, and there were 19,978 military and 4,614 civilian positions in 2011. One reason for the slight decline in civilian employment from 2010 to 2011 may be due to recent pressure to decrease positions in the installation command (described in greater detail below).

Fort Drum Employment Data		
Personnel Category	2010	2011
Military	19,447	19,978
Civilian	4,826	4,614
Total	24,273	24,592

Source: Fort Drum Economic Impact Statement, 2010, 2011

Tenant organizations are those government (military and non-military), non-government, and private organizations that have a presence at Fort Drum. In addition to the 10th Mountain Division, Fort Drum is home to a number of tenant organizations and contractors, whose employees are represented in the employment data provided in the "Economic Data Analysis" section of this report and the CEDS Supplement.

Fort Drum also is the home installation or training installation for many units for various branches of the military. Garrison command is the entity that oversees on-post operations, similar to a city government. In 2010 there were over 1,200 government positions in the garrison command. However, as mentioned above, in the past few years there has been some pressure to reduce that number.

There are also many contractors that represent a portion of the civilian employment on post (roughly over 1,000 civilian non-government employees out of the total of 4,800 in 2010).

Wages

Employment and payroll is the largest spending category reported by Fort Drum and, according to the 2011 Economic Impact Report, averages nearly 75% of the total \$1.6 billion yearly of direct economic impact.⁹ Of the \$1.6 billion, payrolls for Fort Drum military, civilian, contractor, and retiree benefits totaled over \$1.26 billion in 2011. Military payroll accounts for approximately \$1 billion and civilian pay

⁹ The impact studies of Fort Drum's economic impact measure "direct" economic impact in terms of total dollars spent on payroll, housing initiatives, contracting, tuition assistance, monetary charitable donations, federal aid to school districts, and other programs.

is over \$200 million. Additionally, there are about 2,353 retirees within the zip code 136XX¹⁰ that receive over \$45 million a year.

This \$1.6 billion is what is referred to as a “direct” impact. The wages earned by these employees circulate through the economy and generate secondary or “indirect” impacts as the workers spend their earnings on housing, food, healthcare, entertainment, and other purchases.

Sales

Fort Drum is a major consumer. In 2011, Fort Drum contracted for \$94.5 million of goods and services. The following table summarizes some of the goods and services that the post contracted for, as well as an estimate of the contract amounts with local businesses in Jefferson, Lewis, and St. Lawrence County (“Tri County”). The table also shows credit card purchases made by employees for post-related expenses. Of the over \$94.5 million in contracting spending, businesses in the Tri County area received roughly 42% of the contracts totaling almost \$40 million.

Fort Drum Contractor Contracting, 2011			
Contract Type	Total	Tri-County	% Tri County
Construction	\$43,887,988	\$18,451,610	42.0%
Service	\$16,922,547	\$10,874,348	64.3%
Supply	\$18,215,530	\$1,395,819	7.7%
Credit Card Purchases	\$15,506,600	\$9,058,067	58.4%
Total	\$94,532,665	\$39,779,844	42.1%

Source: Fort Drum Economic Impact Statement, 2011

In addition to contracts directly with Fort Drum, one of the post’s tenants, the U.S. Army Corps of Engineers, awarded construction contracts totaling \$202 million for work at Fort Drum. Other external agencies awarded \$46.7 million in contracts for supplies, services, maintenance, and labor.

Even beyond work directly related to Fort Drum or the tenants, the military personnel that are stationed at Fort Drum have a major impact on the local economy through purchases of consumer goods and services throughout the region. Much of the retail sector and hospitality sector is driven by Fort Drum in the Watertown area and many business owners depend on the Fort Drum customers as part of their business plan.

Fort Drum also has several ongoing initiatives and programs that generate a significant amount of spending locally and regionally. Two housing initiatives - Mountain Community Homes and the Domestic Lease Program - generated about \$22 million in spending. Medical services generated \$27.5 million in spending and dental services totaled \$5.8 million in 2011. Approximately \$863,000 was spent on tuition assistance and centralized education programs. Local school districts that have some of their district lands removed from the tax rolls due to property owned by the Federal Government received roughly \$21.8 million in federal impact aid. In addition to the spending outlined above, a number of smaller-scale initiatives generate additional spending by Fort Drum and its tenant organizations. For additional detail on these programs please refer to the 2011 Fort Drum Economic Impact Statement.

Overall Impact

The Fort Drum Regional Liaison Organization worked with Economic Development Research Group to develop a *Fort Drum Economic Impact Estimator* tool to calculate the indirect impacts of the post. In 2010, based on \$1.54 billion in direct spending, the model estimates another \$.4 billion occurring in indirect and induced spending for a total of \$1.94 billion in gross economic output. The model also

¹⁰ Symbolizes all zip codes within the initial 136 identifier.

estimates total new jobs created as a result of the post. In 2010, the model estimated that there were 26,535 direct jobs and 7,261 indirect and induced jobs in the tri-County area as a result of Fort Drum.

Considering the various impacts described above, Fort Drum is a dominate driver of economic activity in Jefferson County and Upstate New York. It is responsible for over 34% of the County's workforce; not including indirect job creation. As such, it is vital for County and regional leaders to continue frequent and meaningful communication with Fort Drum leaders and decision makers to ensure that the needs of the post are being met by local infrastructure, workforce, technology, and other services. Through this dialog, additional opportunities for local business to capture a greater portion of contract work may be exposed.

Canadian Investment

Jefferson County is well positioned to capitalize on its proximity to Ontario, Canada through business attraction and expansion efforts. Jefferson County economic development officials are hard at work building networks, increasing marketing, and attracting Canadian investment. With funding support from National Grid, officials have recently initiated a comprehensive marketing campaign that includes:

- Purchasing advertising in Canada's largest industry and trade association magazine, Canadian Manufacturers & Exporters (CME)
- Purchasing web advertising on CME's website
- Attending trade show events in Canada
- Hosting workshops for Canadian businesses throughout Eastern Ontario
- Membership in Canadian-based organizations including the Chamber of Commerce in Canada and Interactive Manufacturing Innovation Network (iMiN)

Jefferson County economic development officials are working to build networks and relationships with Canadian manufacturing firms to help spur partnerships and customer opportunities that will benefit County residents and businesses. One of the efforts to build these relationships is to be a part of the iMiN, a Canadian organization focused on the Ontario region of Canada with the goal of helping manufacturers to become more innovative. The JCIDA is the only US member of the iMiN at this time and the JCJDC's Deputy CEO serves on their steering committee for the eastern Ontario region. In the fall of 2011, the JCJDC and iMiN held a joint networking event for US and Canadian manufacturers. The efforts are vital to building partnerships and networks with Canadian businesses and for Jefferson County to be an international business location.¹¹

The following section outlines some of the major economic development indicators for the nearby Canadian cities that could provide some insight into how Jefferson County can capture some of the economic activity that is occurring near the border.¹²

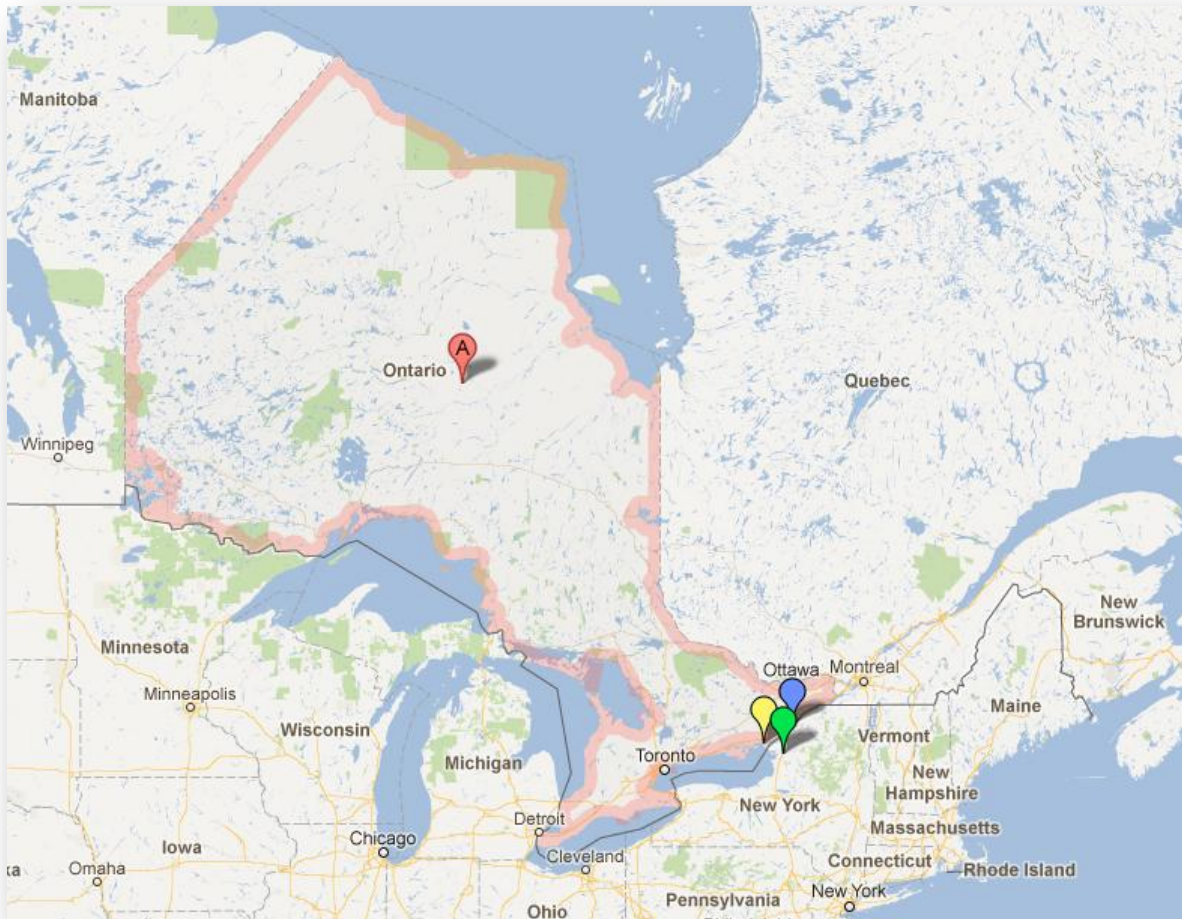
Recently, the Canadian government placed a larger emphasis on innovation, science and technology as a way to keep the economy growing and to drive economic development. A recent initiative by the Canadian government called *Advantage Canada* outlines the Country's goal to innovate new solutions to environmental health and other social challenges as a way to continue to improve their global competitiveness¹³. These are also important goals for Jefferson County, New York State, and the United States, and they present opportunities for partnership. The strengths of Ontario Province fit nicely with the strengths of Jefferson County and cross-border work could be possible through strategic networks and willing partners.

The map below shows the province of Ontario (outlined in pink), Kingston, Canada (yellow pin), Brockville, Canada (blue pin) and Watertown, New York (green pin). The nearby cities of Kingston and Brockville were selected as an example of nearby industry strengths and to identify any potential areas where investment in the United States may be possible.

¹¹ At the time of this 2012 writing, in a move toward administrative and operational efficiency, the JCJDC was in the process of dissolving and the JCIDA was taking over its economic development marketing and BRE functions.

¹² Note that that the data available for Canada is different than that available for the United States, but some conclusions can still be drawn regarding recommendations and opportunities.

¹³ <http://www.tradecommissioner.gc.ca/eng/science/strategies.jsp>



Kingston and Brockville are cities within the province of Ontario, located along the St. Lawrence Seaway. Kingston has a population of approximately 117,000, is the county seat for Frontenac County, and is approximately 80 minutes from Watertown. Brockville is much smaller with only 39,000 residents; this is the county seat of Leeds and Grenville United Counties and is approximately 70 minutes from Watertown.

General Characteristics		
	Population	Median Age
Ontario, Canada	12,160,285	39.4
Kingston, Ontario, Canada	117,207	40.0
Brockville, Ontario, Canada	39,668	43.8

Source: Statistics Canada, 2006 Census of Population

Ontario’s Competitive Industries

In the Economic Data Analysis conducted for this 2012 CEDS Update (see Section IV), several of Jefferson County’s strongest performing industries were identified (i.e. “Key Industries”). Many of these industries closely align with the industries that Ontario, Canada is most competitive in, such as manufacturing, logistics, and healthcare. Ontario’s competitive industries are profiled below.

Food Product Manufacturing

Ontario has one of the largest food clusters in North America; their food processing sector accounts for over \$32 billion in annual sales. Eastern Ontario and both the City of Kingston and City of Brockville have

experienced growth in this industry. This region of Ontario is one of the lowest cost food processing jurisdictions in the G7 (according to the 2006 Competitive Alternatives study done by KPMG¹⁴). Eastern Ontario has a competitive advantage due to its proximity to major markets such as Toronto, Ottawa, Montreal, and the United States. Besides proximity to these major markets, the region's competitiveness is also derived from the following:

- Reliable infrastructure, services, and facilities (including utilities and adequate water and sewer capacity)
- Well-trained and motivated workforce with a relatively low turnover rate
- Affordable land prices and fully serviced business parks
- Rail and highway access for transportation and movement of goods
- Streamlined development process and support services that assist with business expansion and technical assistance
- Incentives for investors and eligible developments

Some of the firms in the food processing industry that are located in Eastern Ontario include:

- **Ross Nutritional Products:** employs 120 people in Brockville and produces Similac and Ensure products. Ross Nutritional Products is a division of the US company Abbott Laboratories.
- **Burnbrae Farms:** employs 450 people; sells eggs and egg products to many of the major grocery chains, food service operations and large bakery customers throughout Canada.
- **Harvest Foodworks:** a growing company making freeze-dried and dehydrated meals, specifically formulated for outdoor enthusiasts.
- **Other international firms:** such as Pepsi, Quaker, Nestle, Parmalat, Hershey, Coca-Cola, General Mills, Kraft, Saputo and Casco.

Logistics and Distribution

Some of the characteristics that make Eastern Ontario strong in food product manufacturing (location to markets, transportation networks, workforce, and other factors) make the area strong in logistics and distribution as well. Approximately 5% of the residents work in the transportation and warehousing industry. The following firms have distribution centers in Eastern Ontario, some of which are US firms: Supply Chain Management (SCM-WalMart), Giant Tiger, Sears, Canadian Tire, Kraft Canada, Tim Hortons, Purolator Courier, Wills Transfer Ltd., All-Can Distribution Centres Ltd.

Healthcare

The healthcare industry in Eastern Ontario, particularly in the City of Kingston, is a major employer and catalyst for investment. Kingston is Southeastern Ontario's healthcare center and is home to top quality facilities, specialists, services, and researchers. The local hospitals partner with Queen's University and St. Lawrence College. The research occurring at the Kingston General Hospital has led to healthcare sector start ups, private research companies and innovation technology firms opening in the area.

Canadian Opportunities

Many of the locational strengths of Eastern Ontario are similar to those of Jefferson County, such as water access, rail transportation, access to major markets, and ground transportation networks. One aspect where Canada is more competitive than Jefferson County and New York State in general, is the provision of incentives for economic development. Here is an example of some of the incentives available to manufacturing firms looking to locate in Kingston:

- **Ontario's R&D Tax Credits:** Among the most generous in the G7, they can cut the cost of \$100 in R&D to less than \$41.

¹⁴ <http://www.brockville.com/economicdevelopment/index.cfm?ID=96>

- **Innovation Demonstration Fund (IDF):** The IDF is a discretionary, non-entitlement funding program administered by the Ministry of Research and Innovation that focuses on the commercialization and initial technical demonstration of globally competitive, innovative Green technologies, processes and/or products.
- **Scientific Research & Experimental Development Program (SR&ED):** The SR&ED program is a federal tax incentive program, administered by the Canada Revenue Agency (CRA) that encourages Canadian businesses of all sizes and in all sectors to conduct research and development (R&D) in Canada.
- **Eastern Ontario Development Fund:** \$80 million dollars available for business growth. Specific to Eastern Ontario, grants are available for up to 15% of eligible projects costs (up to \$1.5 million).
- **Prosperity Initiative:** Encourages businesses, not-for-profit organizations and post-secondary institutions in southern Ontario to undertake projects that will result in a more productive, diversified and competitive economy in the region.
- **Investing in Business Innovation:** Boosts private sector investment in start-up businesses to accelerate the development of new products, processes and practices and bring them to market. It also helps angel investor networks and their associations attract new investment and support the growth of angel investment funds.
- **Technology Development Program:** Provides financial support to encourage research and innovation organizations, the private sector, post-secondary institutions and not-for-profit organizations to work together to accelerate the development of large-scale, advanced technologies that will result in new market opportunities for southern Ontario businesses.

There does appear to be synergies between Eastern Ontario and Jefferson County in some of the targeted industries that are identified for this plan and the strengths of the Province. The following are some recommendations on capitalizing on proximity to Eastern, Ontario. Additional detail is provided in the Action Plan Matrix in Section VII and in the Action Plan Narrative in the Supplement Document.

- Work to build partnerships and help Canadian companies create secondary locations in the United States. There are certain benefits for Canadian firms to have a location in the United States and these should be marketed (Free Trade Zone, affordable land prices, access to water and sewer capacity, "Made in USA" brand, tax credits and incentives, and other benefits).
- Reach out to the food processing industry association in Eastern Ontario.
- Identify food processing firms in Canada and determine whether any of them are in need of significant dairy products.
- Continue to focus on technology and innovation advancement as a way to support advanced manufacturing, health care, and the food product manufacturing industry. Innovation in these processes and new tools for efficiency will make Jefferson County more attractive to potential investors, including Canadian investors.
- Partner with Eastern Ontario universities in advertising available positions.

Jefferson County economic development officials should continue to work to advertise and serve on boards where networks and relationships can be developed with officials in Ontario. Economic development is built on strong relationships and while they can be difficult and expensive to maintain at times, the payoff can be enormous when the relationships results in being the primary contact for a Canadian firm looking to get into US markets.

IV. ECONOMIC DATA ANALYSIS - OVERVIEW

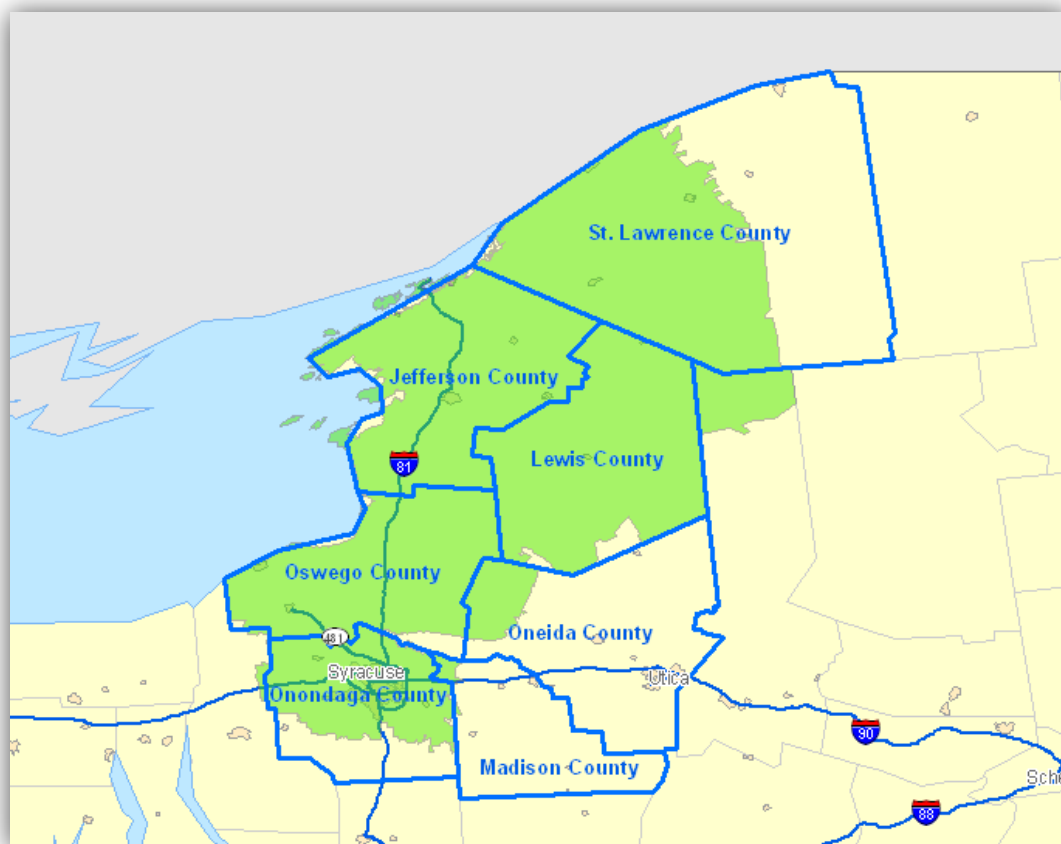
The economic data analysis begins with identifying existing conditions and recent trends within industry sectors that make up the local and regional economy. Industry trends in Jefferson County are compared to trends in the Jefferson County Economic Region and Upstate New York (both of which are defined below).

This section is a summary of the full data analysis conducted for Jefferson County's 2012 CEDS. In the narrative that follows, top industries and occupations for Jefferson County are identified and compared to the Economic Region study area and Upstate New York. The Supplement Document (addendum to this report) contains the complete economic data analysis, with full data tables that provide additional detail on the top industries and occupations in the County, Economic Region, and Upstate New York.

Economic Region Study Area

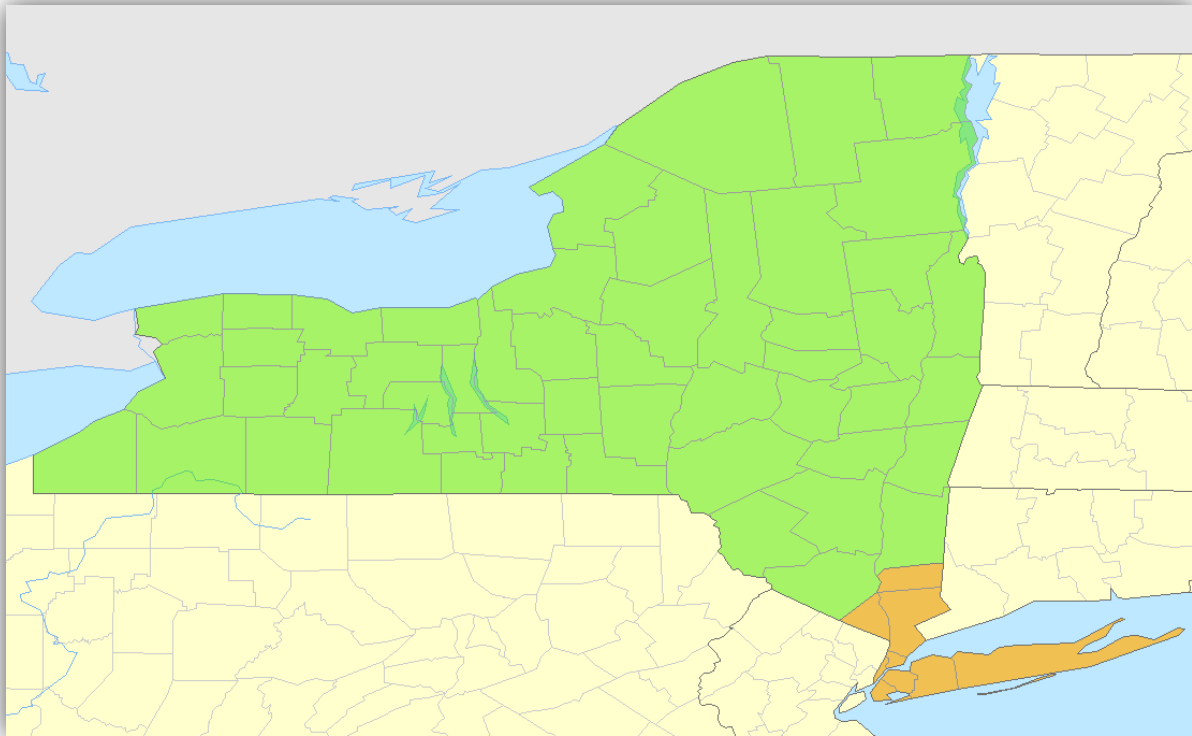
Camoin worked closely with the CEDS steering committee to delineate Jefferson County's Economic Region - the region to which much of Jefferson County's economic activity is closely tied in terms of supply chains, workforce travel, and other economic factors. Industrial/manufacturing/research related industries in Jefferson County tend to be closely tied to those in and around the Syracuse metropolitan statistical area whereas the County's agricultural/natural resource based industries are more closely tied to the adjacent more rural areas in Oswego, Lewis, and parts of St. Lawrence Counties. Therefore, as shown in green in the map below, the Economic Region's southern boundary is the middle of Onondaga County, capturing the Syracuse area, and its northern portion covers the western portion of St. Lawrence County.

Jefferson County's Economic Region Study Area



In addition to examining how the Jefferson County economy aligns with the regional economy, it is also important to understand how it fits in the statewide economy. For the state-level study area, Putnam, Rockland, and all counties to the south have been excluded to remove the weight of the New York City metro area, creating an “Upstate New York Study Area” (shown in green in the map below).

Upstate New York Study Area



Data Sources

Industry and occupation data used in this analysis is provided by EMSI (Economic Modeling Specialists, Inc.). EMSI combines employment data from the Quarterly Census of Employment and Wages (QCEW) produced by the Department of Labor with data from the Regional Economic Information System (REIS) published by the Bureau of Economic Analysis (BEA) and augmented with County Business Patterns (CBP) and Nonemployer Statistics (NES) published by the U.S. Census Bureau.

Projections are based on the latest available EMSI industry data combined with past trends in each industry, national growth rates of industries (Bureau of Labor Statistics), and data from the New York State Department of Labor. Projections provided in this report are informed guesses based on past and current trends. EMSI creates long-term, 10-year industry projections starting from the current year; 2012 for this particular report. Additional information about EMSI’s projections can be found in the CEDS Supplement section entitled “Additional Information & References”.

The data includes all employment covered by unemployment insurance. Unlike the decennial Census, QCEW measures jobs by place of work, not place of residence, and this is a strong measure of economic activity taking place in a particular region. Unlike most data sources, EMSI data includes Nonemployer Statistics, an annual series that provides sub-national economic data for businesses that have no paid employees and are subject to federal income tax.¹⁵ While some student workers, unpaid family workers,

¹⁵ <http://www.census.gov/econ/nonemployer/index.html>.

and some agricultural workers are excluded, EMSI is able to capture most all self employed workers and sole proprietors with no employees.

Understanding EMSI Data Pertaining to the Fort Drum Economy

Jefferson County's economy is heavily influenced by the presence of Fort Drum; therefore, Camoin Associates paid particular attention to how these military related industries were represented in the EMSI data. In the EMSI data, contractor employees are represented within NAICS codes specific to the industry they work in whereas employees of the federal government are all grouped into either the "government, military" or "government, non-military" industries. This makes it difficult to determine exactly how many jobs within a particular occupation are at the post. For example, the United States Army Medical Department Activity provides medical services to soldiers and their families on post. They staff approximately 645 military, civilian, and contract personnel. EMSI groups any physicians employed by a contractor in the health care sector whereas physicians employed as a civilian by the government are counted in the "government, non-military" industry and physicians employed by the army are counted under the "federal government, military" sector.

EMSI reports 17,074 jobs in the "government, military" sector in 2011, which is a difference of about 2,104 jobs when compared to the 2011 Economic Impact Analysis prepared by the Fort Drum Regional Liaison Organization. Based on this comparison, it is estimated that EMSI is under-representing the federal government, military employment by around 2,000 jobs; however, since this comparison is not of the same year, the actual discrepancy between the two datasets is unknown. Comparison of the "federal government, civilian" numbers is not possible since the civilian data includes both government and non-government employees working on the post.

It is important to keep in mind that the EMSI data is not incorrect; physicians employed by the federal government rightly belong to this industry sector just as a secretary employed by a telecommunications company belongs in the information industry sector. The reason for bringing this issue to the forefront is that when evaluating occupations, certain occupation categories are being slightly under represented because the "federal government, military" industry sector does not include a breakdown of occupations like the other industry sectors ("federal government, civilian" does contain a breakdown of occupations).

Presentation of the Data

Most of the data presented in this report are broken down into industry sectors, organized using the North American Industrial Classification System (NAICS). Occupational data is reported based on the federal system of classifications referred to as the Standard Occupational Classification (SOC) system. NAICS and SOC codes are classification codes that are used nationally to group industries and occupations into similar categories from low to high levels of specificity. As mentioned above, the following is a brief summary of the data analysis; the full data analysis is provided in the CEDS Supplement.

Each section of the industry and occupational analysis includes a brief summary of the notable findings from the data, including a chart comparing the top five industries or occupations for that category in each of the three study areas. The chart is coded with green and blue shading to show where Jefferson County industries align with the top five industries in one (**blue**) or both (**green**) of the comparison geographies. The analysis of industries and occupations, combined with information obtained from the interviews, leads into the identification of top performing or "key" industries in the County, which are defined and discussed in the CEDS Supplement.

Industry Analysis

To get a general sense of the Jefferson County economy as it compares to the Economic Region and Upstate New York, we begin the industry analysis at the 2-digit NAICS code level. This is the broadest level of detail at which industry employment data is available and it includes general broad-based industry categories such as wholesale trade or health care and social assistance.

Whereas the 2-digit analysis looks at the industries in larger groupings, the 4-digit analysis allows a deeper probe into the local and regional economies by examining industry subsectors. Within each 2-digit NAICS the industries are broken down into 3, 4, 5, and 6 digit groupings, getting more specific as the number of digits increases. Examples of 4-digit industry subsectors include general medical and surgical hospitals (NAICS 6221); department stores (NAICS 4521); warehousing and storage (NAICS 4931); and traveler accommodation (NAICS 7211).

As discussed in detail in the following section, the location of Fort Drum in Jefferson County makes the federal government the largest industry by employment. Additionally, as in many regions throughout the U.S., local government is also a top employer in the Jefferson County Economic Region and the Upstate New York region. To supplement the discussion of top industries and provide a thorough comparison, two top 5 summary charts are provided in most of the following sections; one of the top five industries overall and a second displaying the top five non-governmental industries.

Establishments by Industry

This first set of tables ranks 2-digit industries in Jefferson County and Upstate New York by the number of establishments within each industry.¹⁶ As shown, the industries with the greatest number of establishments includes agriculture, forestry, fishing, and hunting with approximately 940 establishments and the retail trade industry, with over 500 establishments. This is followed by accommodation and food services; construction; and health care and social assistance, which each have over 300 establishments. Overall there are almost 3,800 different establishments in Jefferson County.

As at the Regional scale, the retail trade industry contains the greatest number of establishments. Construction contains the second most number of establishments, followed by health care and social assistance. Other services and accommodation and food services industries round out the top five.

Top Five Industries by Number of Establishments (2-digit)

County		Upstate
1	Agriculture, Forestry, Fishing and Hunting	Retail Trade
2	Retail Trade	Construction
3	Accommodation and Food Services	Health Care and Social Assistance
4	Construction	Other Services (except Public Administration)
5	Health Care and Social Assistance	Accommodation and Food Services

The following data shows industries by number of establishments at the 4-digit NAICS level. As shown in the following chart, the top five industries by number of establishments in Jefferson County and Upstate

¹⁶ Note: Industry establishment information is not available for zip codes; therefore, this data is unattainable for the Jefferson County Economic Region.

New York at the 4-digit NAICS level are almost exactly the same sequentially, with the exception of limited service eating places and residential building construction.

Top Five Industries by Number of Establishments (4-digit)

	County	Upstate
1	Full-Service Restaurants	Full-Service Restaurants
2	Residential Building Construction	Limited-Service Eating Places
3	Limited-Service Eating Places	Residential Building Construction
4	Local government	Local government
5	Offices of Physicians	Offices of Physicians

Largest Industries

The following tables rank Jefferson County, its Economic Region, and Upstate New York industries by size (i.e. number of jobs) within each 2-digit NAICS code. The top five industries within each of these geographies are summarized in the chart below:

Top Five Largest Industries (2-digit)

	County	Region	Upstate
1	Government	Government	Government
2	Retail Trade	Health Care and Social Assistance	Health Care and Social Assistance
3	Health Care and Social Assistance	Retail Trade	Retail Trade
4	Accommodation and Food Services	Manufacturing	Manufacturing
5	Construction	Accommodation and Food Services	Accommodation and Food Services

Of note is that government is the largest industry for each of the study areas. In Jefferson County, this industry employs almost 40% of the workforce. This is largely due to the presence of Fort Drum and two state prisons in the County. Approximately 775 employees work at the State prisons (Watertown Correctional and Cape Vincent Correctional) and there are nearly 20,000 federal government-military employees in the County. In the Economic Region and Upstate New York, the government industry makes up roughly 19% and 16% of the workforce respectively.

At the regional and state level, health care and social assistance ranks second, followed by retail trade; however, at the county level retail trade takes the second spot. Jefferson County’s manufacturing industry is about 3.6% of the workforce, whereas at the regional level this industry employs about 6.5% of the workforce.

At the 4-digit level, the largest industries in Jefferson County are overwhelmingly government-related industries; including federal government, military (20,000 jobs); local government (6,600 jobs); and federal government, civilian (3,000 jobs). Local government is one of the top employers for all three geographies.

Top Five Largest Industries (4-digit)

	County	Region	Upstate
1	Federal government, military	Local government	Local government
2	Local government	Federal government, military	State government
3	Federal government, civilian, except postal service	State government	General Medical and Surgical Hospitals
4	General Medical and Surgical Hospitals	Colleges, Universities, and Professional Schools	Colleges, Universities, and Professional Schools
5	Full-Service Restaurants	Full-Service Restaurants	Full-Service Restaurants

The following chart summarizes the top five non-governmental industries by 2011 employment. The top three industries in Jefferson County - general medical and surgical hospitals (1,900 jobs); full-service restaurants (1,800 jobs); and limited-service eating places (1,600 jobs) - are also within the top five largest industries in both the Economic Region and Upstate New York.

Rounding out the top five largest industries in the County are crop and animal production and offices of physicians. At the state level, other top industries include colleges, universities, and professional schools and grocery stores.

Top Five Non-Governmental Industries (4-digit)

	County	Region	Upstate
1	General Medical and Surgical Hospitals	Colleges, Universities, and Professional Schools	General Medical and Surgical Hospitals
2	Full-Service Restaurants	Full-Service Restaurants	Colleges, Universities, and Professional Schools
3	Limited-Service Eating Places	General Medical and Surgical Hospitals	Full-Service Restaurants
4	Crop and animal production	Limited-Service Eating Places	Limited-Service Eating Places
5	Offices of Physicians	Grocery Stores	Grocery Stores

Detailed information on the top 25 largest industries by employment and the percent of the workforce occupied by each industry sector for all three study areas is provided in the Supplement to this report.

Historic Growth

This section summarizes employment trends in each 2-digit industry over the past 10 years (2001-2011). The top five fastest-growing industries within each region and summarized in the following chart:

Top Five Fastest Growing Industries 2001-2011 (2-digit)

	County	Region	Upstate
1	Government	Health Care and Social Assistance	Health Care and Social Assistance
2	Health Care and Social Assistance	Government	Finance and Insurance
3	Administrative, Support & Waste Management	Administrative, Support & Waste Management	Real Estate and Rental and Leasing
4	Real Estate and Rental and Leasing	Professional, Scientific, and Technical Services	Professional, Scientific, and Technical Services
5	Construction	Finance and Insurance	Educational Services

In Jefferson County, government was the fastest-growing industry, growing by 28% and adding over 6,000 jobs since 2001. Health care and social assistance was the second fastest-growing industry, adding 1,400 jobs during this time period. In the Economic Region and Upstate New York, the health care and social assistance industry was the fastest-growing, increasing by 21% and 16% respectively.

Another important take-away from the data is the difference in growth between the three geographies. While the Economic Region and Upstate New York Region only grew 3% and 1% respectively, Jefferson County industries grew by 18%.

Overall, the industry at the 4-digit level that experienced the most growth over the last 10 years was federal government, military, which added over 5,800 jobs and grew by 52% in Jefferson County. This industry grew by 43% in the Economic Region and was not in the Top 25 in the Upstate New York region. This growth was directly related to the addition of troops to the Fort Drum post starting in 2005.

Top Five Fastest Growing Industries 2001-2011 (4-digit)

	County	Region	Upstate
1	Federal government, military	Federal government, military	Other Financial Investment Activities
2	Business Support Services	Other Financial Investment Activities	Colleges, Universities, and Professional Schools
3	Federal government, civilian, except postal service	Individual and Family Services	Offices of Real Estate Agents and Brokers
4	Individual and Family Services	Other General Merchandise Stores	Other General Merchandise Stores
5	Other General Merchandise Stores	Employment Services	Activities Related to Real Estate

Excluding the government-related industries, the fastest-growing industry in Jefferson County is business and support services. Digging deeper, there has been significant growth in several of this industry’s subsectors (such as office and administrative services, facilities support services, and employment services). However, over 90% of the job growth was in the telemarketing bureaus and other contract centers industry (NAICS 561422). This growth is the direct result of the attraction of

Stream Global Services to Watertown in 2003.¹⁷ In the region and upstate area it was around the 13-14th fastest-growing industry.

Top Five Fastest Growing Non-Governmental Industries 2001-2011 (4-digit)

	County	Region	Upstate
1	Business Support Services	Other Financial Investment Activities	Other Financial Investment Activities
2	Individual and Family Services	Individual and Family Services	Colleges, Universities, and Professional Schools
3	Other General Merchandise Stores	Other General Merchandise Stores	Offices of Real Estate Agents and Brokers
4	Offices of Real Estate Agents and Brokers	Employment Services	Other General Merchandise Stores
5	Full-Service Restaurants	Offices of Real Estate Agents and Brokers	Activities Related to Real Estate

Many industries in Jefferson County saw significant growth in the past ten years (2001-2011). The fastest-growing non-governmental industry by percent change was the second fastest-growing industry by number of jobs added: business support services, which went from 100 to 795 jobs, growing by 695%.

Projected Growth

Looking forward, 2-digit industrial growth in Jefferson County is expected to be more closely aligned to growth within the Economic Region and Upstate New York than in the past. This closer alignment is likely due to the fact that historically there was significant growth in the military occupations in Jefferson County, moving forward the industry growth will be in industries that are growing in other parts of the Region and Upstate as well. The top five fastest-growing industries from 2011 to 2021 are projected as follows:

Top Five Fastest Growing Industries 2011-2021 (2-digit)

	County	Region	Upstate
1	Health Care and Social Assistance	Health Care and Social Assistance	Health Care and Social Assistance
2	Government	Government	Real Estate and Rental and Leasing
3	Construction	Accommodation and Food Services	Professional, Scientific, and Technical Services
4	Real Estate and Rental and Leasing	Finance and Insurance	Finance and Insurance
5	Finance and Insurance	Professional, Scientific, and Technical Services	Government

Over the next 10 years, the fastest-growing industry in all three regions is expected to be health care and social assistance. At the County level, this industry is expected to add almost 1,500 jobs and grow by 20%. This industry is expected to grow by a relatively comparable percentage in both the Economic Region and Upstate New York.

¹⁷ Stream Global Services Website: <http://www.stream.com/locations/north-america/watertown.aspx>. Stream currently has about 350 employees working at its Watertown location and has capacity for 747 employees.

Although the EMSI model projects that government will add about 1,100 jobs (a 4% increase), EMSI makes projections based on past trends within the industry and regional economy. EMSI cannot predict local trends, such as the leveling off of expansions at Fort Drum. Therefore, based on our understanding of the local and regional economy, we expect the size of the government industry to either remain relatively stagnant or decline in the coming years. Please refer to the section “Future Jobs - Projections vs. Predictions” under “Additional Information & References” in the Supplement to this report. Finance and insurance also make the top five fastest-growing industries in all three regions. In Jefferson County, finance and insurance is projected to add almost 430 jobs (23% increase).

According to the EMSI data, the construction industry is projected to be the third fastest-growing industry in Jefferson County over the next ten years. However, it is also clear that the recent growth of the construction industry has been largely driven by construction at Fort Drum. According to local stakeholders interviewed for this project, construction activities at the post and post related construction in the community is actually expected to slow in the coming years. As such, it is expected that this industry will not grow as quickly as expressed in the table and may even experience negative growth.

The significant growth experienced by many industries over the last 10 years is projected to slow in the coming years. At the County level, federal government, civilian is projected to be the fastest-growing industry by adding over 700 jobs (23% growth). At the regional scale, local government is projected to be the fastest-growing industry by adding over 2,600 jobs (6% growth). As discussed earlier, the EMSI model is likely overstating the growth of government as it is based on past trends. Local and regional trends and events are not taken into consideration when making projections.

Top Five Fastest Growing Industries 2011-2021 (4-digit)

	County	Region	Upstate
1	Federal government, civilian, except postal service	Local government	Other Financial Investment Activities
2	Offices of Real Estate Agents and Brokers	Offices of Physicians	Offices of Real Estate Agents and Brokers
3	Other Financial Investment Activities	Other Financial Investment Activities	Offices of Physicians
4	Offices of Physicians	Nursing Care Facilities	Nursing Care Facilities
5	Individual and Family Services	Individual and Family Services	Individual and Family Services

When the government related industries are removed from consideration, there is even more correlation among projected 10-year growth within all three geographies. Significant growth is expected within various health care sectors. We note that one sector showing growth in the County but not the other regions is within the mental health facilities sector, which is driven by the presence of Fort Drum in the County.

Top Five Fastest Growing Non-Governmental Industries 2011-2021 (4-digit)

	County	Region	Upstate
1	Offices of Real Estate Agents and Brokers	Offices of Physicians	Other Financial Investment Activities
2	Other Financial Investment Activities	Other Financial Investment Activities	Offices of Real Estate Agents and Brokers
3	Offices of Physicians	Nursing Care Facilities	Offices of Physicians
4	Individual and Family Services	Individual and Family Services	Nursing Care Facilities
5	Residential Mental Retardation, Mental Health Facilities	Offices of Real Estate Agents and Brokers	Individual and Family Services

Location Quotient Analysis

A Location Quotient Analysis (LQ) is used to compare the size of an industry in one region to a larger reference region according to relative concentrations of employment in that industry. It is essentially a way of quantifying how concentrated a particular industry, demographic group, or other variable is in a region as compared to the state or nation. An LQ helps identify unique characteristics of a particular region. For this report, employment by industry within Jefferson County is compared to New York State and the U.S. to identify which industries might have a concentration in Jefferson County.¹⁸ A complete discussion and full data table containing the LQ analysis is provided in the CEDS Supplement. Jefferson County industries that are highly concentrated compared to the overall economy of New York State at the 2-digit level include:

- Agriculture, Forestry, Fishing & Hunting
- Government (also concentrated compared to the National economy)
- Mining, Quarrying, and Oil and Gas Extraction

At the 4-digit NAICS code level, each of the Top 25 industries has a significant LQ for both the state and national analysis. Therefore, when considering LQ's for particular industries, the approach taken for this LQ analysis is to identify those industries that consistently appeared at the top for size, past growth, and projected growth in the 4-digit industry analysis (provided in the CEDS Supplement). The following 4-digit industries were identified as top industries that are highly concentrated compared to New York State.

- Federal Government Military (also concentrated compared to the National economy)
- Soap, Cleaning Compound Manufacturing¹⁹
- Federal Government, Civilian (also concentrated compared to the National economy)
- Crop and Animal Production
- Other General Merchandise Stores
- Nonresidential Building Construction (also concentrated compared to the National economy)

¹⁸ For the State LQ analysis, Jefferson County industries are compared to the state as a whole, not the Upstate region study area defined elsewhere in this report.

¹⁹ Car-Freshener Corp is listed under this category

Occupational Analysis

Occupational data is helpful in evaluating how the skills, education, and certifications of residents match up with the area’s occupational needs of the future. In addition to looking at employment by industry, this section takes a look at employment by occupation. Occupations refer not to the product or service being provided, but to the defined set of tasks of the employee in question. To illustrate the difference, consider that the health care industry contains occupations such as doctors and nurses who provide health services to patients. However, the same industry also contains occupations such as management, real estate professionals, information technology professionals, human resource experts, janitors and cleaners, and clerical staff. The report identifies the top occupations and fastest-growing occupations within each community.

Occupations are classified using the Standard Occupational Classification (SOC) system. This is the system used by Federal statistical agencies to classify workers into one of 840 occupational categories. For more detail on occupations and the “Standard Occupational Classification” system (SOC), please refer to <http://www.bls.gov/soc/>. All occupation data for this report was collected from EMSI Complete Employment 2011.3.

Largest Occupations - All Occupations

The chart below summarizes the top five occupations in Jefferson County and the Region at the 5-digit SOC level. Military occupations are the top occupational category in both regions. In Jefferson County, almost 24% of the workforce is classified as a military occupation. Other top occupations listed make up much smaller components of the County’s workforce: retail sales persons consist of about 2.6%, child care workers are at about 2.3%, and janitors and cleaners make up about 1.2%.

Top Five Largest Occupations		
	County	Region
1	Military Occupations	Military Occupations
2	Retail salespersons	Cashiers, except gaming
3	Cashiers, except gaming	Retail salespersons
4	Child care workers	Janitors and cleaners
5	Janitors and cleaners	Registered nurses

Teaching is also an important occupational group in Jefferson County; however, the SOC classifies these occupations in such detail that they do not make the Top 25 at the 5-digit level. In total, the education, training, and library occupations category at the 2-digit SOC level includes over 3,220 jobs (the 5th largest group at the 2-digit level). The top five occupations at the 5-digit level include teachers assistants (621 jobs), elementary school teachers, except special education (522 jobs), teachers and instructors - all other (438 jobs), secondary school teachers, except special education and vocational education (394 jobs), and postsecondary teachers (383 jobs). These 3,220 jobs in the education, training, and library occupation classification make up about 5% of the workforce.

Historic Growth - All Occupations

From 2001 to 2011, the fastest-growing occupations were military occupations. In Jefferson County, the number of military occupations grew by 5,800 during this time period due to the addition of the 3rd Brigade and other elements at Fort Drum. This is a huge number compared to the second fastest-growing occupation, retail sales persons, which grew by almost 350 jobs in the County. Occupations that experience job growth from 2001 to 2011 in both the County and Economic Region include real estate sales agents and home health aides. It is also interesting to note that military occupations are number one for the Region as well as the County indicating how expansive Fort Drum is and what a large role it plays in the Regional economy beyond Jefferson County.

Top Five Fastest Growing Occupations 2001-2011		
	County	Region
1	Military Occupations	Military Occupations
2	Retail salespersons	Home health aides
3	Real estate sales agents	Personal financial advisors
4	Home health aides	Real estate sales agents
5	Customer service representatives	Child care workers

Projected Growth - All Occupations

As shown in the chart below, home health aides and child care workers are projected by EMSI to be among the top fastest-growing occupations in both the County and Economic Region, adding roughly 310 and 260 jobs respectively.

Top Five Fastest Growing Occupations 2011-2021		
	County	Region
1	Home health aides	Home health aides
2	Child care workers	Personal financial advisors
3	Real estate sales agents	Child care workers
4	Compliance officers, except agriculture, construction	Combined food prep. and serving workers, inc. fast food
5	Customer service representatives	Personal and home care aides

V. STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

SWOT Analysis

As part of the planning process, it is important to take stock of what types of strengths, weaknesses, opportunities, and threats exist within the community as a way to determine how best to either capitalize on opportunities or mitigate threats. Based on previous planning efforts, the economic data analysis, interviews with stakeholders, and knowledge of the community, the Comprehensive Economic Development Strategic Plan Committee developed the following list of strengths, weaknesses, opportunities, and threats (SWOT) in an effort to help guide the development of the Action Plan Matrix and 2012 CEDS Update. The following is a list of the items identified by the committee and other community stakeholders with a brief explanation of why they were included. Please note that this list does not indicate preference or importance, but is merely a list of the County's assets and issues.

Strengths

A strength is a characteristic of a community that gives it an advantage over others.

- Economic activity driven by Fort Drum – The existence of Fort Drum in Jefferson County has a massive impact on the local economy in terms of services, accommodations, business opportunities, and general economic activity. The soldiers and their families have discretionary funds that help support the local economy, particularly retailers (stores, food services, and accommodations).
- Historic and current strength in agriculture (particularly dairy farming) and good environmental conditions for agriculture – Jefferson County has long been a strong farming community with the right weather, soils, and support services for farmers.
- Legacy businesses providing stable jobs – There are a number of strong and stable manufacturing and production firms that have been in the County for decades. Some of these firms started out small but have been able to grow and now employ hundreds of people. These firms are unlikely to leave the County due to their ties to the community, but their importance should not be overlooked and business retention and expansion efforts should be employed to help them continue to succeed.
- Significant manufacturing and agricultural exports – Jefferson County continues to export significant amounts of goods. Exporting is important to local economies because it helps to grow wealth.
- Foreign Trade Zone designation – Firms that are involved with importing and exporting of goods find the Foreign Trade Zone designation to be very helpful to keep their costs low and allow them to compete on a global scale. The JCIDA has worked to expand the Foreign Trade Zone designation to include more property within the County, which will help attract the attention of companies looking to locate or expand in the region.
- Watertown is one of the few major population and service centers in the North Country – The Watertown area acts as the service center for much of the North Country and attracts people from a wide area (including Canada). Access to retail services, restaurants, health care services, and media outlets contributes to the quality of life for Jefferson County residents.

- Health care industry and health care service availability – Being the regional service provider for much of the North Country has helped Watertown and Jefferson County to develop a strong health care industry to provide services to residents. Furthermore, health care providers in the County serve Fort Drum which, unlike most other posts, does not have its own hospital.
- High standard of safety and general welfare in the County – The low crime rates are attractive to families (and potential business owners) looking to locate in the area.
- Relationships with higher education in the region – Although there is no four year college or university in the County, there are strong relationships between the local community college and other institutions in the larger region (Clarkson, Canton, and Potsdam to name a few). Numerous programs have been developed that connect Jefferson County residents and JCC students to the other colleges to assist them in achieving a four year degree or beyond.
- K-12 education system and high graduation rates – The County’s strong K-12 education system and high graduation rates are attractive to business owners looking to locate their business or prospective employees considering relocating their family to the area. It is also a positive asset for current residents and improves quality of life.
- Support of JCC by Jefferson County – Jefferson County supports SUNY Jefferson (the local community college) through both professional and financial support. The County provides a large portion of the Community College’s budget and is a strong advocate for the work done through its programs.
- Proximity to Canadian market and businesses – Being only 30 minutes from the Canadian border, Watertown is able to attract Canadian consumers to their retail stores. In addition to consumers, Jefferson County has the potential to attract Canadian businesses looking to open a US location. Furthermore, the Thousand Islands Bridge is reported to be easier to use (shorter lines, more convenient) than some of the other US-Canadian bridges.
- I-81 Corridor – This corridor connects Jefferson County to Canada to the north and down through Syracuse, Pennsylvania, to Washington, DC and beyond.
- Watertown International Airport Connection to Chicago – The airport provides daily service to Chicago’s international airport, which has proven to be beneficial to business and military travelers. Syracuse International Airport is also only one hour away and offers additional connections.
- Significant non-profit network and community support for organizations – There are many very committed people in the community that have been able to support and manage a strong non-profit network. These organizations assist those in need and help to support the community as a whole.
- Expansive scenic and outdoor recreation resources – The Thousand Island and Eastern Ontario region is a world class tourism destination. The County has significant outdoor activity opportunities including fishing, hunting, snowmobiling, boating, and others.
- Natural resource assets for energy including wind, water and biomass – The County’s many natural resources provide potential for a variety of alternative energy possibilities.

- Growing fiber optic coverage areas – The County has fiber optics infrastructure; high speed internet coverage throughout the County is growing.

Weaknesses

A weakness is a characteristic of a community that gives it a disadvantage compared to others.

- Risk of over-dependence on Fort Drum and government jobs – Approximately 30% of the jobs in the County are related to Fort Drum and/or federal, state or local government. While these are typically very stable jobs, recent economic strain has caused pressure to reduce employment at all levels of government, which could impact Jefferson County.
- Shifts in required skill sets pose a challenge for the local workforce – Developing the skill sets necessary in a changing economy could better position Jefferson County's competitiveness. In terms of population, the fact that Jefferson County and the region is so rural also leads to a smaller labor pool that makes it difficult for some employers to find workers with desired skills. Many young residents are going elsewhere for college and do not come back to the area since there is a lack of opportunity for them, perceived or actual, depending on their profession. This results in a labor pool that is less robust and skilled in technical areas than it could be.
- Lack of diversity in job options and low percentage of high wage private sector jobs – After government/military, the next largest percent of employment is in retail sales, accommodations and food services. These are good jobs but for certain segments of the population there are limited options for individuals looking to get into other industry sectors with potentially higher wages.
- Difficulty attracting employees – Some of the higher skilled industries are having difficulty attracting qualified employees to live in Jefferson County due to a real or perceived lack of opportunities and non-work related opportunities.
- Perceived lack of art/cultural resources to attract employees from out of area – Being a rural region, there is a perception of a lack of traditional arts or cultural resources available throughout the year. Many that are present tend to be seasonal. This has a potential negative impact on quality of life for residents and contributes to difficulty in attracting higher skilled employees, especially for positions that require a more creative role. Furthermore, limited arts and cultural resources hinder the tourism industry's market capture, although these community features are growing.
- Lack of access to capital for existing and start up business – The tight financial markets locally and globally have had an impact on businesses in need of capital to start or expand. Lack of access to capital makes it difficult for owners to make investments in infrastructure, equipment and labor.
- High transportation costs for agricultural and manufacturing goods due to distance from markets – Jefferson County is not located in close proximity to the major markets. It is hours away from New York City, Boston, and Hartford and is not as centrally located as some of the mid-west distribution centers. The County's location will restrict it from being a major national distribution or logistics center for solely U.S. based activity.
- Distance from USDA meat processing facility – The nearest processing facility is two hours away.

- Lack of production job training programs – As throughout the nation, manufacturing and production firms have found it difficult to attract, hire, and retain skilled labor that is able to succeed in the production industries. Also, programs to teach these skill sets are typically more expensive than other programs to offer at the community college level.
- Low pay in some manufacturing firms makes it difficult to retain quality employees – Some manufacturing firms pay such low wages in an effort to be competitive that they are finding it difficult to retain employees. This lowers the area's quality of life and economic potential.
- Limited tourism infrastructure and a primarily two season tourism economy – Jefferson County has been working to increase its tourism attractions and appeal but dated tourism infrastructure (such as higher end hotels, restaurants, and trail systems) and a limited season has made it difficult to expand the industry.
- Resistance to regional tourism initiative – The State is attempting to market the entire region as the Thousand Islands region but there are other parts of the County that are geographically distinct (Tug Hill Plateau, for example) and have been resistant to working with the larger region on tourism initiatives.
- Lack of investment in biomass and other alternative energy – With the high cost of energy, it is important that Jefferson County consider alternative energy sources as viable alternatives for industries and residents. Increased investment is necessary to fully realize the potential for these sources. Beyond research into these options, there is also need to improve the electrical grid infrastructure to be able to distribute the energy once available.
- High cost of energy – The cost of energy is a major concern for many industries as it is a large part of their operational costs. The Cost of Living index presented earlier in this document demonstrates the high cost of utilities/energy for the Watertown area as compared to similar regions.
- Lack of good quality and affordable housing units – Demand for housing generated by Fort Drum has created a housing market in Watertown and Jefferson County that is unique in the North Country. While many new units have been added, the high demand for rental units has created a situation where some landlords are under no pressure to make improvements to existing units.
- Fiber optics system – While fiber optics availability throughout the County is growing, the last mile of fiber optics is sometimes not available. In addition, full cellular coverage is not available throughout the County, which is unattractive to businesses and residents looking to locate in the region.
- Some negative perceptions of the County by residents – Some Jefferson County residents have a negative perception of the area which reduces the potential of the area to grow and improve.

Opportunities

An opportunity is where improvements can be made to attain a community's goal.

- Increase value-added agriculture (such as wine production, distilleries, and syrup), build on dairy product manufacturing (yogurt, cheese, and other products), increase commodity crop

production – The strength of agriculture in Jefferson County is a true asset and one that should be developed to encourage additional development and profit potential. For Jefferson County farmers, there are a few major opportunities including wineries, distilleries, and breweries as a way to attract tourists and sell products to a regional market. In addition, Jefferson County has a substantial supply of milk that can support the dairy product manufacturing industry and build on the regional strength of these products.

- Address cost of doing business for agriculture firms (regulations, taxes, and cost of energy) – The cost structure for agricultural industries is such that it becomes very expensive and time intensive to conduct business, making them less profitable and more likely to be unsuccessful. By addressing some of the costs to farmers that Jefferson County has some control over, it may be possible to make the area more attractive for additional agricultural investment.
- Grow targeted Health Information Technology (HIT) sector (workforce training, infrastructure, regulations, etc.) – Around the County, there has been increased attention towards the health information technology sector, which includes telemedicine, connectivity of regional providers, digital medical records keeping, and others. With the strength of the health care industry in the Watertown/Jefferson County region there is potential to expand this industry as long as the workforce exists. Jefferson County must continue to train a workforce to have the skills necessary to operate, maintain, expand and innovate around the health information technology industry. The focus on training must include partnerships with regional colleges, attracting people from outside the region, community college programs and on-the-job training.
- Bring manufacturing employment up to state levels – The current levels of manufacturing export are strong but, like many parts of the country, there has been a decline in the actual number of employees working at these businesses due to high productivity and increased automation. If Jefferson County can raise its LQ for manufacturing from 0.83 to meet the State levels of 1.0, that will help increase manufacturing exports and create job opportunities. This increase is a reasonable goal in terms of job creation in this industry as the area has the skills, infrastructure, and support to achieve this type of increase.
- Support Science, Technology, Engineering, and Manufacturing (STEM) industries – These highly technical industries are the future of job creation and innovation for most parts of the country. Jefferson County will be able to achieve its economic development goals by supporting those industries to be innovative and resourceful and create new processes for product development and communication. The County should support workforce training in these industries, establish public private partnerships and offer incentives to encourage innovation and advancement.
- Attract Canadian firms to the County and consider supply chain firms and other partnerships – Jefferson County's shared border with Ontario and its direct access to the Thousand Islands Bridge makes it reasonable to attempt to attract additional Canadian firms to the County. These firms could include businesses looking to establish a US location, supply chain businesses for existing firms in the County, and/or partnerships between Canadian and US businesses.
- Conduct a feasibility analysis on alternative energy – The County has significant resources for alternative energy projects and a thorough review should be conducted to determine which will be the most effective in terms of price, distribution, cost of energy, sustainability, etc. Biomass is already being developed in relation to Fort Drum; this should be reviewed for its potential throughout the County since the resources exist and the Fort Drum plant could create the demand that will make it marketable for other suppliers.

- Improve/expand the North Country brand as it relates to agriculture and value-added food products – Initially focus on a regional area where the North Country is a known entity. Try to establish distribution to regional health food stores and market at farmers markets.
- Expand Business Retention and Expansion (BRE) efforts and establish an annual tracking system – With the significant legacy businesses that exist in Jefferson County, it is important to make sure that those businesses are finding what they need to be successful and continue to expand in the County.
- Assist small business owners in their efforts to expand – Small and mid-sized businesses are very important to local economies and they should continue to be assisted so that they can increase their job and investment numbers. Assistance can include financial, training, partnership development, and support services.
- Continue to identify and support entrepreneurs that live in Jefferson County – Local entrepreneurs have personal ties to the County and any new business endeavor they begin has the potential to create jobs for local residents. Support for entrepreneurs can include business services, assistance finding start up funds, market research and help developing networks. All of these things will help local entrepreneurs be more successful and increase their potential for profit.
- Develop a culture of entrepreneurship – In areas where there are only a few large employers, it is common that many young people do not think about becoming an entrepreneur but this can be changed through education and an overall support system for those that are taking risks to start their own business. This culture can be developed through programs for young people with ideas for businesses, business plan competitions, and publicity for entrepreneurs who are doing well.
- Bring back students that attend college out of the area – Many young people who grow up in Jefferson County attend college out of the area and do not return because they believe they would be unable to find jobs in the area. Being able to bring these young adults and families back to Jefferson County will reinvigorate the community and expand economic opportunities. This can only be done if there are more jobs for these families to contribute to a high quality of life.
- Expand and market “buy local” campaigns – In support of local agriculture, the County agricultural leaders should make sure that residents understand the importance of buying local fruits, vegetables, breads and meats.
- Improve tourism infrastructure – The County is in need of additional tourism infrastructure and upgrades to expand this industry and support the appeal of the County’s natural attractions. Additional indoor amenities would also help fill in the in-between seasons when outdoor recreation opportunities are limited.
- Seasonal residents (second home owners) looking to start their own business or work part time provide a new workforce – There are significant numbers of second home owners in Jefferson County who expect to spend more time in the County once they retire. These second home owners bring with them not only discretionary funds but also work experience. Some are interested in starting a new business or working from their home at their current job.

- An aging population – The changing demographics of the Region may create demand for different types of services in terms of health care and housing options.
- Expand industry services at the Watertown International Airport – Current services to Chicago O’Hare international airport are attracting a growing base of passengers but there is potential to expand services to other airports and increase economic activity surrounding the airport.

Threats

A threat is an external element that could pose challenges if not managed correctly.

- A decrease in the number of soldiers at Fort Drum and associated investments – If the number of soldiers and/or investment at the post were to decline significantly, Jefferson County would find itself struggling to replace the economic activity driven by the post.
- National fixed pricing on milk creating disincentive for investment – The current price structure for dairy products is not based on actual market conditions (i.e. supply and demand). Even with the increased demand for dairy products in the region, local farmers are unable to raise prices accordingly.
- Lack of financial resources from state/federal level for economic development projects – Some financial assistance programs that businesses and communities have come to rely on are being cut as a way to balance State and Federal budgets. This has led to cuts in workforce training funds, business assistance funds and tax incentive programs that are attractive to businesses. Continued decline in funding for these programs will make it more difficult to encourage economic development in New York State.
- Poor national and state economic climate (i.e. slow growth) – The overall national and state economic climate has been slow to recover following the Great Recession of 2009. Businesses have been slow to get back to their pre-Recession levels, which has led to increased unemployment and decreased economic activity throughout all sectors of the economy.
- Lack of support for the agricultural economy from the state and federal government – Assistance programs are more heavily geared towards science technology and manufacturing industries; there is less assistance available for agricultural economies similar to Jefferson County.
- Continued tight financial market and loss of local lending sources – Following the Great Recession, lending markets tightened up and have not yet fully rebounded making it difficult for businesses to get financing for investments from some sources.
- Fluctuation in the number of soldiers and their families – The nature of deployments at Fort Drum creates a situation where there can be significant fluctuations in County population from one year to the next. This has an impact on the housing and retail market and on the ability for businesses to plan for the future.
- Perception of the area persists or worsens – Some employers have found it difficult to attract and grow the local labor pool because some prospective employees profess they do not find living in Jefferson County attractive and, therefore, do not take jobs (or come only for a little

while and then leave). This difficulty in attracting and retaining employees has been seen especially in the health services industry.

- Unfavorable change in the Canadian conversion rate –If the conversion rate were to change and become less favorable for the Canadian consumer, then local retailers could experience a significant decline in sales.
- Changing work ethic – Some employers note that there is a difference in the work ethic of the younger generation; some tend to be less reliable and disciplined. This trend has been reported throughout the nation and has become a national struggle to correct and improve upon.
- Risk of the end of the “farming culture” – As farm owners in Jefferson County are getting older, they will soon be unable to manage the hard work of farming. With many children of farmers uninterested in continuing in the work, the local farming culture is at risk of losing its owners and workforce.
- Age of manufacturing workforce – A high percentage of the current manufacturing workforce is nearing retirement. This will pose a challenge to employers who are in need of certain skills that are not being taught to the younger generation. There is likely to be an increased demand for these manufacturing and production related skills in the next few years and there may be some limitations in filling these needs.
- Loss of businesses due to the perception of a high cost of operating in New York State (workers compensation, regulations, taxes, etc.) – The high cost of doing business in New York State (and Jefferson County) makes existing businesses a target for other states that are looking to attract new economic development. State leaders are working to change this perception and improve upon NY’s reputation.
- Degrading road infrastructure in rural areas of the County – Financial strains of many communities within Jefferson County has led to the degradation of some of the road infrastructure.
- Gentrification and development of the waterfront – The continued development of prime waterfront locations could hurt Jefferson County in the long run as this important asset of the County become less accessible.
- Gradual loss of open space and agricultural resources – As some family farms struggle, a number of operators are finding it to be financially beneficial to sell their land for development, which reduces the open space and agricultural land that plays a significant role in Jefferson County’s economy.
- Creation of a hospital at Fort Drum or expanded health services that are provided by the military – It is unique that the Fort does not have its own hospital and it has created a long term partnerships between health care providers in the community and Fort Drum. If the military decided to build its own hospital on the post, it would break those relationships and have a significant negative impact on local health care providers.
- Funding system for the Community Colleges – The State mandated system that outlines how community colleges are required to fund their programs makes it difficult to offer the more expensive, and yet highly demanded, technical programs. The nursing and health service

programs are typically much more expensive to run than other programs, but even with the demand for these courses, the college is unable to afford to offer more sections. This not only impacts the community college's bottom line, but creates a situation where the workforce is not being trained adequately.

- High levels of student debt after college – Many students are graduating from college with very high levels of debt, which is limiting the amount of discretionary funds and their ability to take jobs in Jefferson County that might not pay as much as other parts of the country.

VI. STRATEGIC INDUSTRIES

The following list of strategic industries was informed by the economic data, SWOT analysis, interviews, previous CEDS and planning documents, and historic information about Jefferson County. As most of these industries currently have some presence in Jefferson County, the idea is not necessarily to attract a brand new industry, but to support those that already exist and help foster additional economic development in their supporting industries. These are targeted industries which, if supported, could grow as important contributors to the County's economy over the next decade. The support needed from various organizations includes financial, business technical assistance, workforce development, quality of life improvements to retain employees, and networking support to help expand their markets. The CEDS' Action Plan Matrix (Section VII of this report) offers specific recommendations for each of the targeted industries.

Working within hopeful, yet realistic expectations of the potential for industry and economic growth in northern New York during this challenging economic environment, the following industries present opportunities for positive growth and wealth creation. The section below reviews each strategic industry in terms of the average income and educational requirements, opportunities for growth, constraints and challenges and how these industries can be supported to help foster economic growth.

Manufacturing

Manufacturing, and particularly advanced manufacturing, is a target for Jefferson County for a number of reasons, including historic strength, existing levels of export from manufacturing (wealth generation), wage potential, available space, and the ability to attract Canadian production firms. While it is true that the levels of manufacturing employment have decreased throughout the Country due to increased productivity and automation and the economic recession, manufacturing jobs are still an important part of the County's economy that should be targeted for support and attraction. Manufacturing firms today are much smaller, more nimble, and more innovative than the more traditional manufacturing companies of the last century.

A real strength in Jefferson County is the number of legacy businesses, such as Timeless Frames, that have grown from small start ups to large, successful and stable participants in the local economy. Some legacy firms started in Jefferson County because that is where the owner/founder was born or had family, rather than because of the County's unique assets or incentive programs. It is imperative that focus is placed on building those homegrown firms and entrepreneurs who are in the County for other reasons, but are interested in growing their idea for an innovative product or process. A recent example of a small manufacturing firm that has grown in Jefferson County is Current Applications which started with only 6 employees but now has 40.

The entrepreneurs and small manufacturing firms could build on the existing infrastructure and manufacturing presence, helping Jefferson County to build its manufacturing cluster which would, in turn, attract other production firms. Advantages gained from locating near other production firms include access to specialized workers, access to suppliers and customers, and also access to support firms with legal, management consulting and finance skills.

Innovation is a key piece of manufacturing and manufacturing firms are more likely to introduce new products and new production or business processes than non-manufacturing firms. Some highly innovative manufacturing industries include those related to computers, communications and pharmaceuticals. Additionally, innovation requires the technical and analytical skills of engineers. The Brookings Institute notes that "Manufacturing makes up about 11 percent of U.S. GDP, but accounts for

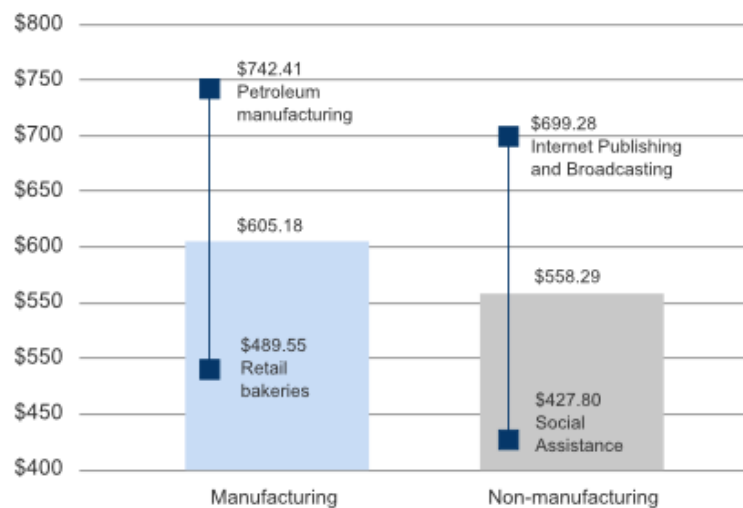
more than two-thirds (68 percent) of U.S. domestic company R&D spending—a key input to innovation.”²⁰

Beyond the innovation and technological advances that can come out of manufacturing firms, there is significant wealth creation from these firms as they tend to export their goods to other states and countries. In the past, many firms have “outsourced” or “off shored” their production to other countries, but the cost of production abroad has been rising, causing manufacturing firms to bring their production back to the United States. This trend, plus the demand by US consumers for products “Made in the USA”, have brought some manufacturing back to the US causing what some are calling to be a resurgence in manufacturing.

Income and Education

Jefferson County employees within the manufacturing industry earn approximately \$10,000 more per year than the average Jefferson County resident (average annual wage for those employed in Jefferson County is around \$45,000). The average annual salary for a manufacturing employee in Jefferson County is \$56,000 compared to \$73,000 per year nationally for a manufacturing employee. The following chart from the Brookings Institute illustrates that in general, manufacturing employees tend to make more than service employees (for example, in Jefferson County someone employed in the retail trade sector makes \$27,000 on average compared to \$56,000 in the manufacturing sector). The Brookings Institute goes on to say that the difference in income between manufacturing and the service sector is more prominent for low-wage workers, suggesting that manufacturing jobs could help lessen the income inequality at the lower income levels.²¹

Average weekly earnings in manufacturing and non-manufacturing, controlling for worker and job characteristics, 2008-2010



Education requirements for manufacturing jobs have been rising over the past decade as the work required has become more complex and technical. The increased productivity related to the higher levels of automation requires employees to be proficient in computers and have some technical skills to be able to operate the complex and expensive equipment. Most of the skills can be taught on-the-job as long as there is enough of a background knowledge level provided through high quality high school education.

²⁰ <http://www.brookings.edu/research/interactives/manufacturing-interactive>

²¹ <http://www.brookings.edu/research/interactives/manufacturing-interactive>

Opportunities

The County has existing strengths in goods manufacturing as compared to the state and national employment concentration. For example, the location quotient analysis identified railroad rolling stock manufacturing (NAICS 3365), rubber product manufacturing (NAICS 3262), and electrical equipment manufacturing (NAICS 3353) as having strength in the County. One way that the County economic development professionals should use this information is to work to identify and attract key supply chain businesses to the County to establish a location. Attracting the supply chain firms to the County would not only benefit the buyers and sellers but also increase employment opportunities and help support County manufacturing.

Another great opportunity is to continue to focus on increasing food product manufacturing activity. Access to raw materials and water/sewer capacity are two of the major requirements of food manufacturing firms and they are available in Jefferson County. Helping the County's farmers focus on adding value to their products by processing them for the end user will help farmers remain profitable and help generate wealth for the County. Specifically, attention should be paid to focusing on marketing and promoting local products to build regional and national recognition as an indicator of high quality unique products. The County has historic and current strength in dairy products (the County has a high location quotient for dairy product manufacturing) and should build on this strength as well as the regional cluster of dairy product manufacturers including yogurt producers and cheese manufacturing.

In addition to the dairy product manufacturing, another aspect of food product manufacturing that is gaining traction in Jefferson County and presents an opportunity for the future is the growth of grapes and hops for wine and beer production. Wineries throughout New York State have become significant drivers of tourism (wine trails and tours such as the Thousand Islands-Seaway Wine Trail) as well as a quality value-added product for farmers looking to increase their revenue. Jefferson County vineyards and wineries are able to offer a different product compared to other grape-producing areas of the State which could help drive tourism and improve the profitability of farms. Beyond vineyards, some farmers are also experimenting with hops for beer production. There are approximately 100 microbreweries in New York State that support the smaller hops growers that have sprung up in the last few years in a response to a hops shortage in 2007. Craft brewers and their consumers are increasingly interested and concerned with where the hops are coming from and are willing to pay a higher price for local, high quality hops that could be produced in Jefferson County. Hops are known to be difficult to grow (best grown in northern climates) and expensive to propagate and process. The Northeast Hop Alliance is a non-profit based in New York that is working to overcome some of the financial challenges and set up cooperatives between hops growers to reduce the cost and make the process more financially feasible.²²

A unique opportunity for Jefferson County in terms of manufacturing is to continue to attract Canadian firms to the County and also to expand export of Jefferson County goods to Canada. Jefferson County economic development professionals have been working diligently to market the County and build connections with Canadian partners. The County should continue to focus on the ease of access between the two countries over the Thousand Islands Bridge and the access to new markets when conducting marketing and promotion. One particular industry where there could be synergy between Ontario and Jefferson County is within the food product manufacturing cluster, which is a targeted industry cluster in both geographies. Identifying a food product manufacturing firm who may need access to US markets and substantial dairy assets could be attracted to Jefferson County to open a second location. For a more extensive discussion on potential synergies between Eastern Ontario and Jefferson County, see the "Canadian Investment" section of this report.

²² For more information about the Northeast Hop Alliance visit <http://nehopalliance.org/>

Increasing export potential is another opportunity for Jefferson County businesses. The 2010 Manufacturers Survey completed by the Jefferson County Job Development Corporation noted that currently 50% of manufacturers surveyed were exporting globally. Exporting goods brings wealth into the community.

Constraints

There are a number of constraints in the manufacturing sector in Jefferson County that is making growth challenging for existing firms and those that may be looking to enter the market. The primary constraint identified was the perceived cost of doing business in New York State and lack of support for business development. New York State's reputation for regulations and requirements puts Jefferson County in a position of having to be even more aggressive in putting together incentive packages to level the playing field with other competing locations. Communities throughout New York State must put together ever more complicated and expensive incentive packages to attract and retain employment by combining state grants with local tax incentives and workforce training assistance. Recent efforts at the State level have tried to improve upon the State's ability and capacity to do economic development in coordination with local leaders. While this issue of perception poses a difficulty in terms of attracting new firms to the area, it also makes it all the more important that the County focus on homegrown entrepreneurs, small business owners and existing firms.

Another constraint to manufacturing being faced across the country is the age of manufacturing workers and the lack of young people looking to get into production work. The Country is in a transitional period where the existing manufacturing workers are getting older but there are not nearly enough younger people with the skills needed to fill their positions. The State of the Workforce Study that was conducted in April of 2011 noted that 33% of the "employable"²³ residents of Jefferson County have skills in manufacturing. Of those with skills in manufacturing, 76% have supervisory skills, 76% have assembly skills, 68% have inspection and quality control skills and 66% have maintenance and equipment repair skills.

The location of Jefferson County is an opportunity in terms of proximity to Canada, but it is also a small constraint in terms of distribution of goods on a national scale. The cost of transportation by truck would be slightly higher in Jefferson County than it would be in other areas due to extra distance that needs to be traveled (extra time to get to I-90 and other major east-west connections), which makes it less attractive to potential firms. To logistics companies looking to distribute on a national scale, the extra time is money and they would likely look to locate in a place where they have easier/quicker access to national transportation veins.

Finally, while Fort Drum is a very strong and important part of the local economy, the ability for local manufacturers to get contracts with Fort Drum has been limited. The procurement and contracting process that the US military uses makes it difficult for local manufacturers to be selected. This creates separation where a partnership could exist. To help address this, the Greater Watertown Chamber of Commerce houses the Procurement Technical Assistance Center (PTAC). PTAC is geared towards helping businesses participate in the government contracting process.

Marketing

Different than in decades past, marketing efforts to build on the manufacturing base in Jefferson County should be more focused on existing residents (and their potential to innovate new products for production) and expansion/retention of existing firms. The County's resources would be better spent working to retain existing firms and help start ups than they would be trying to compete with the rest of the country for a brand new firm.

²³ "Employable" is defined in this study as either currently employed or planning to look to get a job within the next 12 months.

Assets that Jefferson County could use to attract manufacturing firms, particularly food product manufacturing, is the water and sewer capacity. Manufacturing firms need substantial amounts of water and sewer resources to make their products and keep their facilities running, and the County generally has the capacity to meet these requirements.

Other assets that are important to manufacturing firms include access to major markets (difficult to distribute nationally, but the County is within a day's drive of many of the world's largest markets), easy access to Canada, Foreign Trade Zone designation in a number of locations, access to services and quality of life attributes.

Tourism, Accommodation, Food Services, and Retail Trade

The Watertown area is known as a regional service center and retail destination serving residents of New York's North Country and southern Ontario, Canada. Retail stores in the County range from local mom-and-pop stores like The Mustard Seed to major national chains such as Gander Mountain and Old Navy. Similarly the accommodation offerings in Jefferson County range from local boutique hotels such as the Edgewood Resort in Alexandria Bay to flagship hotel brands. Growth in retail stores, restaurants and hotels in the Watertown area has been strong and is likely to remain stable as long as 1) the number of soldiers stationed at Fort Drum remains at current levels, 2) Canadian visitation levels continues, and 3) the national economic climate begins to recover from the Great Recession of 2009. Tourism, accommodation, food services, and retail trade all offer a variety of entry level jobs that play an important role in meeting the needs of residents of Jefferson County.

Income and Education

Jobs in the tourism, accommodation, food services, and retail trade industries are typically filled by residents without any higher education or during life changes and transitions. The jobs generally pay less compared to the County's average wage of \$45,500 per year. The median income for a person in a sales related job in Jefferson County is \$27,095 annually, compared to \$29,494 nationally. Most of the jobs in these industries do not require any higher education and employers provide on-the-job training. Some of the occupations (such as managers, supervisors, executives, and technicians) do require previous experience if not higher education in related programs.

There are some occupations within the industry where employees can earn higher wages, such as in upscale restaurants and hotels where employees are expected to have some previous experience and be able to provide top quality service. Top sales and service employees at these establishments can improve their standard of living through higher base pay and larger tips.

Additional information on hospitality industry occupations can be found in the Career Pathways section of the CEDS Supplement document.

Opportunities

Retail and service sector industries are important to the Watertown and Jefferson County area. The interviews and research suggest that there could be some potential for additional accommodation facilities (hotels, motels, B&B's), or upgrades of existing facilities in areas outside of the City of Watertown to serve visitors and tourists who are looking to spend time in the County.

In addition, the County should continue to market the area as an international retail and tourism destination to attract more Canadian residents. The Canadian border crossing at the Thousand Islands is a relatively efficient crossing (compared to other border crossings in New York), which makes it possible for international visitors to come to Watertown for a day of shopping and dining and then return home that same evening. This is a market that few communities have, and Watertown/Jefferson County should make sure they are capturing as much of the international consumer spending as possible.

This grouping of industries also relates to the tourism industry and efforts to grow the tourism economy throughout the County. The County has significant recreational resources for outdoor activities like hunting, fishing, hiking, ATVing, snowmobiling, and boating. Opportunities exist to continue to grow these resources and increase the impact that they will have on the County.

Constraints

Tourism, accommodation, retail and restaurant services are highly dependent on the national, state and local economy. With low levels of consumer confidence ratings and the overall state of the economy, retail sales have been experiencing a slow period nationally. With such a high concentration of county employment in the services sector, a decline in retail sales could create a downward spiral scenario where there is continued loss of wealth.

Another constraint for this industry are the fluctuations of the number of people stationed at the Fort. The larger deployments create a situation where it is difficult for some stores and restaurants to plan for the future. The shifts in population are difficult on many of the smaller local stores since they find themselves with a loss in sales and are unable to stay profitable during the times when a large portion of the soldiers are deployed. Fortunately, the length and frequency of deployments is expected to moderate in the near future.

Marketing

The Watertown area has recently grown a retail cluster driven by consumer demands of the Fort Drum population. Watertown's retail cluster also attracts consumers from across the region and Canada. Watertown is already "on the radar" of retail businesses looking for new markets to expand into (this refers to marketing to attract new businesses, not to attract more customers to existing businesses).

In their efforts to attract new tourism related businesses, Jefferson County should market the large populations that are within driving distance, access to Canadian visitors, and the wide variety of natural resources. Jefferson County should focus attraction efforts on businesses that benefit from natural resources and those that would enhance the County's recreational assets to continue to meet the needs of current and future visitors and residents who appreciate Jefferson County for those amenities. New businesses may be attracted to the current flow of visitors to the area and the potential for that number to grow with the growth of the tourism industry. If possible, the County should identify and attract tourism related businesses that would be able to extend the tourism season beyond current peak months.

Agriculture

The agriculture industry is a target for Jefferson County due to its historic and continued importance to the regional economy. The large cluster of dairy farming in Jefferson County has attracted dairy product manufacturing firms to the County, for example Great Lakes Cheese in Adams. The dairy industry plays a large role in the overall culture of the area. Increased conglomeration, modernization and automation in farming throughout the country has negatively impacted the local, smaller farms in terms of making it difficult to compete on price and essentially making it even more difficult to remain profitable. These changes have led to the loss of many family farms. However, there are still a significant number of local farms and agricultural exports from the County. The JCIDA's agriculture division plays an important part in supporting local farmers to meet the challenges of production and marketing.

One change in the agriculture industry in Jefferson County is an increased number of farmers and entrepreneurs establishing wineries, distilleries, and breweries. More farmers are moving towards growing specialized crops (such as grapes and hops) and making and selling their own value-added end products. The Thousand Islands-Seaway Wine Trail has been established; five wineries, one grape nursery, and nineteen vineyards that are involved with the wine business in the region. This is a new

branch of the agriculture industry for Jefferson County that is at the intersection of tourism and agriculture. New York State has been supporting the growth of wineries and breweries throughout New York State with specific policies supporting these industries and helping them to become established and grow.

Income and Education

In terms of average income for employees of the agriculture industry, typical wages in Jefferson County are around \$20,000 (significantly lower than the average wages for the County), compared to \$26,000 nationally. Occupations within the agriculture industry vary in terms of educational requirements including entry level jobs with no requirements all the way up to those requiring specialty degrees. Just like any science based business, business leaders must have the requisite skills including the technical/science skills and the business skills in order to run a successful operation. While education is less important for the laborers, those with a higher levels of education will have a better opportunity to move up within the organization.

The State of the Workforce study reports that approximately 28% of Jefferson County residents have skills in agriculture. Of those with skills in agriculture in Jefferson and Lewis County, 68% of residents have vegetable, fruit or grain production skills, 67% have livestock and poultry care skills, and 54% have skills in farm equipment maintenance or sales. The report indicates that Jefferson County residents are more likely to have vegetable, fruit or grain production skills compared to Lewis County residents who are more likely to have skills in maple syrup, sugar or honey production.

Opportunities

On a national level there has been renewed interest in eating local foods and consuming organic products, which has had a positive impact on local farmers. Residents are becoming more invested in where their food comes from and there have been increases in the numbers of farmers markets, farm stands, and community supported agriculture (CSA) programs. Jefferson County is within a day's driving distance of some of the world's largest markets where "grown in New York State" is becoming a very important brand for restaurateurs and consumers.

In addition to marketing the dairy, beef products, produce, and raw materials from Jefferson County, there is an opportunity to explore the potential for more value-added products. Many in the industry are starting to turn to value-added manufacturing and working with processing facilities to create a unique and specialized product that can be sold at a higher retail value. These value-added products include everything from wine and beer to syrup and yogurt. The manufacturing section of this report discusses further the potential for hops and grapes as inputs for value-added food product manufacturing.

A final opportunity for the agriculture industry in Jefferson County is to cultivate crops needed for the biomass industry. The Re-Energy project underway at Fort Drum will create significant demand for biomass material. The increased demand for the biomass inputs (switchgrass, willow, and other crops) would create a need for increased crop production and benefit the local farmers that could develop a stable and predictable customer base.

Constraints

The most substantial, and unfortunately uncontrollable, constraint for the dairy farming industry is the national milk pricing structure, which sets the price of milk in a way that is unrelated to the actual supply and demand at the regional scale. The way milk is priced makes it very difficult for Jefferson County farmers to capitalize on regional demand opportunities. Just like many other industries in Jefferson County, the cost of doing business in the agriculture industry is very high, particularly due to strict environmental regulations and reporting requirements.

Another major constraint for the agriculture industry is the distance to major markets and the ability to transport goods on a national scale. Jefferson County is positioned in a way that producers can market and transport within the region reasonably well, but cannot compete with Midwest farmers who have access to major transportation corridors across the nation.

Marketing

The County should continue to support value-added agriculture that will sustain both the agriculture industry and the manufacturing industry (and related sectors). This will likely be a homegrown effort by encouraging young people to get into farming, helping family farms remain profitable and supporting agriculture as an economic development tool. While there has been a resurgence of young people starting their own farms, the best use of County resources will be to focus on assisting existing businesses to move into new markets, find solutions to the cost of doing business and remain in business.

The County has significant resources to be able to assist existing and new farms including available land and classes to help train the necessary workforce (provided through Cornell Cooperative Extension). All of these are very important assets for the agriculture industry and should be used to help market the County.

Health Care and Social Assistance

The health care and social assistance industry is a target for a number of reasons including its historic strength in terms of employment and the demand for health services throughout the region. Major health care employers include the County's hospitals (such as Samaritan Medical Center), a variety of specialists, family practitioners, and other service providers. In addition to being a destination for retail and food services, Watertown is also known to be a regional center for health care services. Recent advancements in technology have introduced the region to telemedicine that provides specialty care for residents who need to see specialists that are not present within the region. Telemedicine has the potential to expand the health care offerings and improve resident access to services. Fort Drum does not have its own hospital and generates significant demand for health services not offered at the post. This has a positive impact for community health services and works to strengthen ties between the community and Fort Drum as the post relies heavily on the community to provide health care services.

The health care and social assistance industry is growing throughout the country as the population gets older and there is increased demand for health care. Additionally, Fort Drum generates demand for increased mental health services, physical therapy, occupational therapy, and other specialized services. Jefferson County currently does not have the level of specialized services necessary to meet all these needs, which is creating an opportunity to use telemedicine and also a need to attract more providers to the County.

The North Country Resource and Business Gap Analysis prepared by Economic Development Research Group, Inc identified medical and dental services a targeted industry for the North Country (and Jefferson County) due to demands from Fort Drum and the purchasing power generated by soldiers and their families.

Income and Education

Employees in the health care and social assistance industry earn wages that are comparable to the median income for the County. On average, those in this industry earn just under \$46,000 annually, compared to \$50,850 nationally. In terms of educational requirements, there is a wide range of requirements within this industry from short-term on-the-job training to doctoral degrees. A majority of the employees in this industry require some type of higher education. For other occupations like daycare workers, clerical assistants, and home health aides, on-the-job training is all that is typically

required. Additional information can be found in the “Career Pathways” section of the CEDS Supplement document.

Opportunities

The health care and social assistance industry is changing and Jefferson County has the ability to capitalize on these changes to provide jobs and improved care for residents. Significant changes are occurring in the field of electronic medical records and telemedicine. Local employers have already started to adopt some of these new technologies, which could improve the level of care being provided by increasing access to information, sharing documents, and working with regional partners on diagnosis and evaluations. There is obvious demand for certain health care occupations such as certified nurses, technicians and specialists that could create direct and indirect employment throughout the County.

Fort Drum creates a larger demand pool for more specialized care such as specialized mental health providers, counselors and rehabilitation professionals. These are very unique challenges that soldiers and their families face and having the services to meet these challenges will improve the quality of life and success of the soldiers following the end of their military service.

Constraints

One of the primary constraints of the health care and social assistance industry is the small pool of qualified employees for certain health related professions. This lack of certain specialized skills in the County is caused by a number of factors. The first reason is that it is difficult to attract health care workers to the area due to the reality or perception of a lack of career advancement opportunities (both for the health care worker and for his/her spouse that may work in a different field). Trained health care workers can get a job almost anywhere they want and they can often make significantly more money in more urbanized areas, which makes rural areas less attractive, especially to recent graduates that have significant medical school debt. Many local residents interested in joining health care professions go elsewhere for college, get their degree and then do not return, leaving rural areas without enough health care providers.

Another factor that is leading to the low numbers of qualified nurses and health care providers is the high cost of running the education program at JCC. Due to the fixed pricing model community colleges must follow, the high cost of the health care programs makes it difficult for the community college to add additional sections and courses. Further exacerbating the problem, there is a lack of nursing instructors due to the higher pay they can receive working in a clinic vs. teaching. The North Country Resource and Business Gap Analysis report notes that “For many services, North Country economic development officials will have to work closely with existing medical groups to identify prospects. To attract others, you will have to convince local community colleges and BOCES to either start training the needed skill sets or at least have a syllabus prepared and ready to implement for a prospect”.²⁴

A final constraint related to the health care and social assistance industry has to do with the infrastructure for regional health networks and telemedicine (using video conferencing tools to provide Jefferson County residents with evaluations and diagnosis from specialists who are located across the country). A majority of the infrastructure does exist, but there is need for expanded broadband and networking access to connect all of the major and minor health care providers in the County so that they can share information and records more easily. In terms of telemedicine, a major constraint is the current payment and credential structure that is used in New York State (which varies from other states) and creates a challenge to using the technology more widely. This requirement makes credentialing and using the system more difficult for Jefferson County than it is in other states.

²⁴ North Country Resource and Business Gap Analysis, 2007, Prepared by Economic Development Research Group

Marketing

To continue to grow the health care and social assistance industry, health service providers will want to work to attract more qualified employees by marketing the ability to truly make a difference in the County. The key to growing the health care industry will be bringing back (or keeping) the younger population and attracting established professionals to open up new practices and join existing ones.

Another tool for marketing the area to health care and social assistance firms and employees is to highlight the soldier population and large market for the size of the community, the broadband and high speed internet infrastructure, and the quality of life for residents (good place to raise a family, safe community, and recreational resources).

Finally, continuing to grow the available health and technology related programs at JCC and with regional colleges could possibly lead to spin off companies and advancements for the health care industry. For example, JCC is working to get the funding to support a certificate program that will teach students how to manage the use of technology in health care such as electronic medical records management, regional networks and telemedicine. Having this program will encourage increased and improved use of the available technology and fiber networks and may help to attract related firms such as medical records management firms and information systems managers.

Information Technology

As more and more business is conducted over the internet and using technology, IT occupations are no longer relegated to just traditional IT industries and firms; IT occupations have found their way into almost every industry sector. There are Chief Technology Officers at many companies and some level of computer skill is a requirement for many jobs. Information technology is an important part of the County's economy as there is increased interest in telemedicine, health care related call centers and general innovation and advanced manufacturing.

Income and education

The median income for Jefferson County employees within the information industry sector is \$40,000 a year on average, compared to \$81,000 nationally. In terms of educational requirements, those in information industry occupations typically have a Bachelor's degree and some on-the-job training. Additional information can be found in the "Career Pathways" section of the CEDS Supplement document.

Opportunities

Information technology occupations are growing throughout the country. In particular, the County should focus on the intersection of health care and information technology as there is increased interest in electronic medical records, telemedicine, and regional networking of information and resources. There is virtually no limit to the benefit that combining health care in the County with improved telecommunications technology could create for County residents and regional providers. The benefit will come in the form of improved medical care, increased recognition as a center for health sciences, and increased job opportunities. Partnerships between major medical providers and health information vendors can be brokered to increase the use of technology throughout the field which may lead to spin off technology and start up firms.

Beyond just an opportunity to expand the use of information technology within the medical field and improve service provision, there will also be an opportunity for new jobs for people who know how to service the equipment. These jobs will require skilled labor which can be trained through local apprentice and internship programs. Finally, the skills to be able to build databases and manage websites and networks is essential to building an interconnected system in Jefferson County and an opportunity exists to increase those with network development and maintenance skills.

Constraints

The telecommunications infrastructure that is necessary to fully realize the potential for the information technology industry is not complete in Jefferson County. There are improvements being made to the broadband and fiber optics infrastructure, but there is a need to continue those improvements and continue the expansion into all areas of the County.

Another constraint to the information technology industry is the pool of skilled workers in Jefferson County to meet the needs of the IT industry as it grows. If the County is going to pursue the intersection of health care and information technology, there will need to be significant investment in training programs.

The State of the Workforce report showed that 88% of employable residents were able to use common software such as Word and Explorer. Only 22% have computer and software teaching and training, approximately 15% have database and website design and management skills and only 12% have network and LAN administration and maintenance skills.

Marketing

Marketing to attract information technology firms and related information industries will require the continued improvement of existing telecommunications infrastructure and educational programs. Information technology is an industry where person-to-person learning and information transfer is the most effective technique, so helping to showcase the available networks (and building on those networks) will make Jefferson County an attractive place to be. Many information technology firms and workers are involved in innovation and therefore being located near the community college and within close proximity to regional university centers will be attractive.

Call Centers and Back Office Support Operations (Finance, Real Estate and Insurance)

This grouping of industries is important to the County's economy because they provide the support for the larger legacy firms and industry sectors. Call centers are only a very small part of the County's current economy (there are currently approximately 550 employees at the Stream Global Services company located in Watertown), but the potential exists for growth in this segment to support not only existing firms but also to support the growing health care and social assistance industry. Back office support operation firms are the companies that make it possible for the larger firms to grow and be more efficient and are vital to emerging opportunities. Firms involved in support operations are typically flexible and able to meet the changing demands of the local economy.

Insurance carriers were identified as a targeted industry for growth as part of the North Country Resource and Business Gap Analysis conducted in 2007. The analysis determined that with the high numbers of insurance carriers in the northeast, some may need a small to medium-sized location in the North Country to serve the Fort Drum population and residents. Similar to the findings of the 2012 CEDS data collection, the gap analysis suggested that the County's economic development efforts "concentrate on back office, processing operations, especially in the medical, property and casualty and warranty areas. The expected influx of better educated, more experienced military spouses can be a selling point in recruiting these types of operations."²⁵

Income and Education

The average income for the finance & insurance, real estate rental and leasing sectors (average of the industries combined) is approximately \$25,000, compared to \$54,000 nationally for these industries. Income for employees in these industries is significantly lower than the County's average income of

²⁵ North Country Resource and Business Gap Analysis, 2007

approximately \$45,500 for all employees. Real estate and insurance agents and brokers require a post secondary vocational award in Jefferson County. Other occupations require additional training such as personal financial managers (Bachelor's degree).

Within the professional, scientific and technical services industry, the average income in Jefferson County is \$43,000, compared to \$71,000 nationally. Employees in this industry do require job experience and some higher education.

Employees of call centers typically receive an income of \$28,621 in Jefferson County compared to \$35,000 nationally for the same industry. The majority of call center employees only need a high school diploma or G.E.D. and some on-the-job training. Call center employees that are involved with the health care industry do require a bit more training to be able to manage health care service related questions. For example, medical records and health information technicians need an Associate's Degree and medical transcriptionists need postsecondary vocational training. Additional information can be found in the "Career Pathways" section of the CEDS Supplement document.

Opportunities

Call centers present an opportunity for Jefferson County to increase the number of job opportunities for local residents. Focusing on the strengths of the community and the growing health care and social assistance industry could make the County attractive to a potential call center operator with a focus on health issues and/or medical devices.

In terms of the back office support operations industry, these firms are looking to support existing businesses and therefore networking is important. The back office support operations will be able to work with existing businesses to make them more efficient and productive through technology and management process refinement to reduce the cost of doing business and make day-to-day operations more profitable.

Constraints

Since some back office support operations are small businesses, two major constraints related to the growth of firms in these industries include the lack of access to capital for small business start ups and a need for business training (bookkeeping, management, human resources, and others). To solve these problems, the Jefferson County IDA and the Small Business Development Center should continue to offer small business training programs and reach out to potential entrepreneurs interested in starting out on their own.

One constraint related to call centers is ensuring that the workforce exists to meet the demand. Most call centers are very large operations and therefore they need access to a large labor pool of trained and/or trainable employees to meet their various levels of customer service/technical service. The CEDS Committee will continue to make periodic updates to the plan to anticipate changes in the economic climate.

Marketing

There are a few important locational factors that are considered when firms are looking to open a call center and those include telecommunications infrastructure, access to a skilled workforce capable of filling the jobs, and affordable space. While Jefferson County needs to continue to expand the telecommunications infrastructure and improve the workforce to be able to meet the more highly technical skill set needs, it is currently able to market the availability of affordable space and the entry level workforce needs of the industry.

Working to attract a health care focused call center would build on two of the targeted industries (health care and information), but there would need to be a larger pool of qualified applicants to fill the call center positions and employees able to manage the technical side of the operation.

Finally, before working to attract any new call centers to the County, County economic development officials should work with Stream to ensure that their space and workforce needs are being met.

VII. STRATEGIC PROJECTS, PROGRAM AND ACTIVITIES

Vision for the Future

In the future, Jefferson County will be recognized for its innovative, entrepreneurial spirit and culture of creativity. Its residents will enjoy a high quality of life and ample employment opportunities. These positive aspects of the community will support the retention of youth and retired military personnel and lead to successful business attraction efforts.

The future Jefferson County will pride itself on its competitive, well-educated workforce. Collaborations between the County's secondary schools, BOCES, SUNY Jefferson Community College and its affiliates, and industry leaders will prepare students to succeed. The labor force will meet the demands of local employers, allowing firms to compete in the global economy.

In the coming years, Fort Drum will continue to be one of the largest employers in New York State, and serve as a foundation of the community, providing employment, business activity, and diversity. Jefferson County will lead the Northeast in the agricultural industry, support the growth of local manufacturing businesses, and will be known for its world-class tourism opportunities. Watertown will continue to serve as a regional service center for healthcare, finance, retail, and government services. The strength of the region's economy will be seen in the thriving local businesses that provide stable and well-paying jobs and in the increasing amount of international investment made in the County.

Action Plan Matrix

The following is a list of six goals and dozens of actions that have been carefully crafted to help Jefferson County meet its vision for the future. The strategic actions include tasks ranging from supporting existing efforts, establishing new programs, and capital projects that will encourage economic development. The Action Plan Matrix will help the County prioritize its economic development initiatives and provide direction for future efforts to help them meet their goals, which include:

- Develop the local workforce to meet 21st century challenges
- Cultivate a culture of entrepreneurship
- Develop first-class amenities to support growth (infrastructure, facilities and alternative energy)
- Improve business development communications, marketing and networking to enhance the economic climate
- Enhance quality of life advantages of the County to support local residents, workforce and to facilitate business investment
- Work to retain, attract and grow the following targeted industries within the County
 - ✓ Manufacturing
 - ✓ Tourism, Accommodation, Food Services, and Retail Trade
 - ✓ Agriculture
 - ✓ Health Care and Social Assistance
 - ✓ Information Technology
 - ✓ Call Centers, Back Office Support Industries (Finance, Real Estate, Insurance)

Each action includes a description, suggested lead agency or partnership, priority level, and time frame for completion. The suggested lead agency column indicates the agency or organization that the CEDS committee feels is best suited to take on the action item. Additional information, including performance measures and more detailed descriptions, are included in the Supplement document.

Goal: Develop the local workforce to meet 21st century challenges					
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
A.1	Coordinate efforts between all educational providers to align workforce development with targeted industries	Based on a career pathways approach, develop curricula based on the skills needed for the targeted industries (from high school to community college). Continue to coordinate efforts with the regional four year colleges and universities to build on their strengths.	High schools, BOCES, and JCC	High	Ongoing
A.2	Create a Task Force to regularly bring together educators and employers to jointly address emerging workforce needs	Provide job information to guidance counselors, teachers, principals and employers about various career and education pathways for the target industries and other employment opportunities. Task Force will address technical and academic skill areas that are needed as well as soft skills for employees (attendance, reliability, etc). Work to solve disconnect between available jobs and workforce skills.	WIB, JCC, BOCES, and High schools	High	Short
A.3	Encourage internship and apprenticeship partner programs	In an effort to attract students from regional colleges and create lifelong residents, expand internship opportunities throughout the County and market to college department heads. Encourage greater participation by companies.	JCC, WIB, and Regional College Partners	High	Short
A.4	Support Science, Technology, Engineering, Math (STEM) training programs	Support existing STEM training efforts and increase where possible. For example, the National Science Foundation offers grants to community colleges and other institutions of higher learning to increase their ability to deliver education and career training.	JCC, North Country STEM Hub, WIB, and BOCES	High	Short
A.5	Continue the Jefferson Express Workshops	Pursue funding to continue the Jefferson Express Workshops offered by JCC to provide job training, skill building, and mobile technical assistance to rural parts of the County.	JCC	High	Ongoing
A.6	Create new and promote existing programs to assist in the transition from military to civilian life for retired military personnel	Focus on transitions into targeted industries, acquiring the skills necessary for the current economy, and how to start a business. Pursue additional Federal funds and programs to train and place veterans.	JCIDA, JCC, WIB, and FDRLO	High	Short

A.7	Develop employee training programs that are available for small employers and new start ups	Program to include training opportunities for technical skills, and various managerial and business skills. Create programs where multiple firms can send employees to improve enrollment rates and increase sustainability for providers.	BOCES and JCC	Medium	Mid
A.8	Develop and promote adequate community support services required for a strong workforce	Integrate service and resource information pertaining to child care, elder care, and transportation alternatives through outreach to local employers and employees. Service providers should increase availability, marketing, and promotion.	Transit Providers and Community Action Planning Council	Medium	Mid
A.9	Establish a connection with Canadian universities to advertise jobs	Establishing a partnership with Eastern Ontario higher education centers could broaden the labor pool and attract applicants for hard to fill job openings.	JCIDA	Medium	Short
A.10	Increase awareness of available higher education offerings and continue to increase program offerings	Implement a "lifelong learning" strategy whereby residents are aware of the many available programs through JCC. Recognize and encourage the various ways that residents can get their higher degrees.	JCC	Medium	Mid
Goal: Cultivate a culture of entrepreneurship					
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
B.1	Expand on existing support network for entrepreneurs and new businesses, designed to help them grow and compete successfully.	Recruit successful entrepreneurs and encourage and support them to start an informal peer network that brings together those with technical skills and business ideas. Develop a mentoring program for hands-on experiences for entrepreneurs.	Chamber of Commerce and SBDC	High	Mid
B.2	Continue to build on existing youth entrepreneurship programs	Expand on entrepreneurship opportunities such as the annual E-Day (Entrepreneur Day) competition which involves both high school and JCC students, and the Junior Leadership Institute.	Area School Districts and JCC	Medium	Mid

Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
B.3	Study the feasibility of establishing an entrepreneur incubator space	Fort Drum, JCC, and SBDC should evaluate the need for an incubator. Focus on making space available and also offering services and technical assistance for entrepreneurs looking to start a new business.	JCC, JCIDA, and SBDC	Medium	Mid
B.4	Improve access to capital for entrepreneurs	Establish or identify sources of a venture capital fund, angel investment, or other sources of equity investment available to local entrepreneurs. These may include public or private funds. Recapitalize the County's microenterprise RLF through alternative sources. Advertise existing sources of funds.	JCIDA	Medium	Short
B.5	Promote existing sources of capital and work to find new sources for entrepreneurs	Develop a more intensive mentoring program for small business owners that have been in business between one and two years and are in need of assistance to get from their original product idea to creating a more established business. Focus on production industries to expand markets and find growth potential. This should be a regional effort as that will increase available resources and bring more entrepreneurs together.	SBDC, JCIDA, and JCC	Medium	Long
B.6	Support existing small business assistance programs and transitional classes aimed at Fort Drum retirees and soldiers separating from service	Former soldiers and their families are often potential entrepreneurs that want to remain in the area and have skills to develop niche business endeavors. Target business support services to this population.	WIB and SBDC	Medium	Ongoing
B.7	Continue training opportunities through the SBDC	The SBDC offers counseling and training as a core service to budding entrepreneurs; it helps with business planning, financial management, and human resource issues. Present a curriculum based on "innovation engineering" as a way to increase internal innovation and product development as outlined by State Manufacturing Extension Partnerships.	SBDC and CITEC	Medium	Short

B.8	Connect with seasonal homeowners looking to start their own business	The recent TIITC survey of seasonal residents indicated 4.5% were interested in owning and/or operating a local business. Market local business opportunities and services to second homeowners interested in starting or relocating their own business to Jefferson County.	JCIDA, SBDC, and TIITC	Medium	Long
Goal: Develop first-class amenities to support growth (infrastructure, facilities and alternative energy)					
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
C.1	Complete the Watertown International Airport development plan, addressing both future aviation and corporate park needs	The JCIDA is examining the feasibility of developing a new corporate park at the Watertown International Airport.	JCIDA and Jefferson County	High	Short
C.2	Analyze adaptive re-use opportunities for the Mercy Care Center health complex in downtown Watertown	With the anticipated closure of the Mercy Care Center facility, re-use options should be evaluated that complement the core downtown area.	City of Watertown and Watertown LDC	High	Short
C.3	Consider expansion of broadband access and "last mile" infrastructure	Leverage utilization of DANC's Open Area Telecomm Network and expand service capability and redundancy improvements through regional connections. Implement affordable "last mile" technology to ensure high speed broadband connectivity from business locations to main transmission lines.	DANC and FDRHPO	High	Short
C.4	Support biomass utilization and development	Biomass has been identified as a potential alternative energy source for the region because of its abundant farm and forest lands. Local stakeholders have been promoting interest in biomass utilization, and the biomass cogeneration project at Fort Drum should provide the critical mass demand for fuel to help make smaller scale biothermal projects a more viable alternative.	JCIDA	High	Mid

Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
C.5	Participate in planning for long term upgrades to County's electrical distribution and transmission infrastructure	As with many other areas, the County's electrical grid network is becoming dated and restricts transmission of certain locally generated energy sources. Also 3-phase power capability needs to be expanded to rural areas of the County.	National Grid, State, and Federal Gov'ts	High	Long
C.6	Feasibility study on anaerobic digester	Major cost concerns for dairy farmers are environmental regulations regarding methane management and the cost of energy. An anaerobic digester system would turn the methane into energy that could potentially reduce the cost of doing business for the farmers. These types of efforts are occurring on a smaller scale, but consideration should be given to the potential for a larger scale effort.	JCIDA	Medium	Long
C.7	Participate in the North Country Regional Economic Development Council's Cleaner, Greener, Communities Sustainability Plan	Participation will enable access to future NY energy efficiency and project development funds for local businesses and organizations.	Jefferson County	Medium	Short
C.8	Support the development of appropriate alternative energy development production facilities utilizing hydro, wind, or solar power.	Advancements in run-of-river technologies may provide opportunities to further tap local hydropower potential. Local wind resources create the potential for on-site and commercial wind projects, where appropriate. Photovoltaic advances offer greater solar potential for public and private facilities.	JCIDA	Medium	Ongoing
C.9	Capital Project: Proceed with implementation of Watertown International Airport Master Plan for aviation improvements.	Continue incremental aviation infrastructure and equipment improvements to support and leverage additional commercial passenger and private aviation services.	Jefferson County	High	Long
C.10	Capital Project: Build out and market Watertown International Airport corporate park	Develop access, utility infrastructure, and shovel-ready sites to support establishment of a corporate park adjacent to the Watertown International Airport	Jefferson County and JCIDA	Medium	Mid

Goal: Improve business development communications, marketing and networking to enhance the economic climate					
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
D.1	Enhance existing business retention and expansion efforts	Create a more formal evaluation of business needs (workforce, financial, space) and future plans. Particular attention should be paid to legacy businesses.	JCIDA	High	Ongoing
D.2	Continue participation in the "Drum Country Business" regional marketing effort	This partnership markets the collective assets of Jefferson, Lewis, & St. Lawrence County around the theme of their shared connection to Fort Drum and the economic opportunities related to post operations, post-related population growth, and associated workforce. Targeted industries include light manufacturing, food processing, renewable energy, and back office/call center operations.	JCIDA and partners	High	Ongoing
D.3	Public official economic development training and information	Conduct orientation for public officials on economic development practices and the nature of the competitive site selection process.	JCIDA and partners	High	Ongoing
D.4	Finalize Canadian Version of JCIDA Website	Finalize Canadian version of the JCIDA website, tailored to the needs and interests of Canadian businesses considering a US location, and hold a launch event.	JCIDA	High	Short
D.5	Develop updated marketing materials (including brochure) promoting Jefferson County as a desirable business location	An updated brochure that is consistent JCIDA's newly revamped website should highlight targeted industries and new information such as the availability of Foreign Trade Zone Benefits. Utilize a QR Code to direct people to the website. Develop fact sheets for each targeted sector and make them available on the website with links to information on workforce and regional assets. Update this information regularly.	JCIDA	Medium	Short
D.6	Analyze feasibility of a web-based Jefferson County Project Development Portal	Similar in nature to a recent Niagara County project, integrate information resources within a website portal to facilitate business and property development in the County.	JCIDA, County, and Municipalities	Medium	Mid

Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
D.7	Increase efforts to attract Canadian firms to the County	Continue to attend Canadian business events to identify and develop relationships with firms that may want/need to be in the US. Continue to be an active member of the Interactive Manufacturing Innovation Network (iMiN). Investigate opportunities to work cooperatively with the other North Country region counties to address common interests in Canadian business recruitment. Promote a user friendly "one stop shop" for Canadian businesses.	JCIDA, TIITC, and Capital Corridor	Medium	Mid
D.8	Facilitate cross-border business to business opportunities	Develop partnerships with the Canadian economic development professionals and organizations to create cross-border networking opportunities for US and Canadian businesses. Consider reaching out to the manufacturing industry and identifying possible expansion projects that would benefit from being in Jefferson County.	JCIDA, TIITC, and Capital Corridor	Medium	Ongoing
D.9	Continue implementation of growth management principles to maintain military and community land use compatibility	Follow FDRLO growth management plan recommendations to share information about development patterns and base activities to prevent encroachment concerns. Continue promotion of maps and planning guides to elevate awareness of potential encroachment conflicts.	County Planning Department, FDRLO, Municipalities, NYS Tug Hill Commission	Medium	Ongoing
D.10	Continue to promote the use of Watertown International Airport for passenger service	Passenger use has increased significantly since the introduction of American Eagle commercial jet service in late 2011. There continues to be opportunity for further local and regional promotion of the airport that could transition into additional flights and destinations at the airport. Consider potential for expanding Canadian market capture rate.	Chamber of Commerce, Jefferson County, and TIITC	Medium	Long

Goal: Enhance quality of life advantages of the County to support local residents, workforce and to facilitate business investment					
	Action/Objective	Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
E.1	Continue to support 'Buy Local' campaigns and farmers markets	Support the County's farmers, food product manufacturing industry, and residents by continuing to encourage customers to buy local and frequent farmers markets. Tangible efforts could include assisting farmers with signage for markets and stands.	JCIDA, Chambers of Commerce and CCE	High	Short
E.2	Continually evolve a County housing strategy to facilitate response to new unit demand and rehabilitation needs.	Pursue available financial tools, grants, and housing resources to assist development of new units to meet the County's unique housing demands. Perform periodic gap analyses to estimate unit shortfalls as the basis for local housing decision-making. Continue leveraging rehabilitation funding to further improve the viability County's existing housing stock.	DANC, FDRLO, County, and Local Municipalities	High	Medium
E.3	Continue reinvesting in downtowns, community centers and areas with infrastructure	Municipalities should undertake pre-development planning and apply for grants that will assist with downtown revitalization efforts. Sources should include the New York Main Street program, Community Development Block Grant program, United States Department of Agriculture Rural Business Enterprise Grants, and NYS CFA opportunities.	Municipalities, with assistance from County Planning Department, Regional Agencies, and downtown development organizations	Medium	Mid
E.4	Increase year round arts and cultural offerings	Work with community stakeholders to expand cultural and arts offerings to improve quality of life and tourism appeal. Particular attention should be paid to increasing options in the "shoulder" seasons.	North Country Arts Council and area Chambers of Commerce	Medium	Mid
E.5	Maintain regular communication between Fort Drum and the community.	Continue the liaison role of the FDRLO as the basis for two-way dialogue for partnering on military and community needs, opportunities and challenges.	FDRLO, AUSA, and FDRLO member organizations	Medium	Ongoing

E.6	Implement recommendations from Fort Drum Regional Transit Needs Assessment	The Regional Transit Needs Assessment calls for increased coordination to improve mobility and public transit alternatives to meet workforce commuting needs.	Transit Providers, City of Watertown, FDRLO Transit Group	Medium	Long
E.7	Improve government service delivery in key areas that affect business sustainability and growth prospects	Continue local government efficiency studies and implement recommendations that result in lower tax burdens.	Municipalities and School Boards	Medium	Ongoing
E.8	Capital Project: Upgrade Emergency Public Safety Radio System	Due to aging technology, interoperability improvements are needed to develop a multi-jurisdictional shared radio system.	Jefferson County	High	Short

Goal: Work to retain, attract and grow the County's targeted industries

Industry: Manufacturing

Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
F.1	Expand manufacturing collaboration initiatives	Manufacturing collaboratives are typically led by existing manufacturers within a region to leverage the resources and networks to support and grow the sector. Jefferson County's public/private manufacturing collaborative should advocate for and attempt to address workforce issues. The collaborative should include county economic development professionals, but should be primarily driven through a private effort.	JCIDA and WIB	High	Short
F.2	Develop appropriate youth workforce development programs	Work with local legacy manufacturing firms to determine their workforce needs and develop the appropriate school-based programs to address those needs. Educate students, parents, teachers and guidance counselors on the opportunities in production-related careers. Support funding for BOCES classes and encourage full enrollment to keep the classes going. Reach out to regional employers for financial assistance or partnerships.	BOCES, WIB, and school districts	High	Short

Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
F.3	Develop appropriate adult workforce development programs	Develop adult-oriented training and certification programs to help address the existing skills gap and challenge posed by an aging workforce.	BOCES, WIB, and school districts	High	Mid
F.4	Focus on targeted manufacturing supply industries	Hold a supplier conference to offer target industry suppliers a more in-depth look at County opportunities. Targeting these supply chains would not only increase job opportunities for County residents but would benefit existing manufacturers.	JCIDA	Medium	Mid
F.5	Attract dairy product manufacturing firms	Identify firms that need a location in NYS and bring them to Jefferson County to market and showcase the County's assets.	JCIDA	Medium	Mid
F.6	Support business location and expansion efforts through financial assistance and incentives	Assist new and expanding businesses in accessing the appropriate local, regional, and state programs to facilitate project completion and success.	JCIDA	Medium	Ongoing
F.7	Capital Project: Improve and expand rail infrastructure and rail siding availability	Rail infrastructure was identified as an important locational factor for existing and new industries. The rail infrastructure exists in Jefferson County, but additional rail sidings are needed to make the sites more attractive.	JCIDA	Medium	Mid

Industry: Tourism, Accommodation, Food Services and Retail Trade					
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
G.1	Continue to develop, enhance, and market recreational opportunities	Communities should continue to pursue grant opportunities for public recreation resource development, such as trails, park lands. Continue to develop the County's expansive natural resources.	Municipalities, area Chambers of Commerce, trail organizations, and TIITC	High	Short
G.2	Continually enhance promotion of the Thousand Islands-Seaway Wine Trail and the Thousand Islands Agricultural Tour	Expand marketing projects focused on agri-tourism and develop a forum for cooperative marketing that integrates agriculture and local foods into the County's tourism industry.	TIITC, Thousand Island Seaway Trail Association and JCIDA	High	Short
G.3	Continue to market the Greater Watertown area as an international retail destination	Reach out to regional and international consumer markets within driving distance to attract consumers to the Greater Watertown area.	TIITC and Chamber of Commerce	High	Short
G.4	Consider a retail recruitment strategy	Identify other retailers who might want to locate in the Watertown area and target them for attraction. Retail recruitment efforts should include targeting retailers that would appeal to a local and international consumer.	Chamber of Commerce	Low	Long

G.5	Facilitate and encourage investment in public and private tourism infrastructure to achieve standards comparable to competing destinations	Support upgrades for planned resort and hotel projects and re-developments. Improve associated municipal infrastructure to increase viability of private resort/hotel investments. Focus on specific tourism hub communities where potential and interest exists for additional tourism development.	Municipalities and TIITC	Medium	Mid
G.6	Continue development of hospitably sector workforce needs	With such a large retail and food service industry, Jefferson County should consider any programs needed to improve upon customer service skills.	JCC and BOCES	Medium	Mid
G.7	Commission Jefferson County Multi-Use Facility Feasibility Study	A feasibility study will soon be conducted to analyze development of a multi-use facility for large community events, concerts, etc. See also goal/action I.5.	JCC Foundation and others	Medium	Mid
G.8	Pursue continuing implementation of recommendations of recently completed Local Waterfront Revitalization Plans and the Black River Blueway Trail Plan	A major recreational resource for the County is its myriad of waterfronts. Planning and marketing efforts should continue to maximize recreational utilization of the Black River, Lake Ontario, St. Lawrence River, and Indian River Lakes.	Municipalities	Low	Long
Industry: Agriculture					
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
H.1	Develop and market local value-added products	Value-added agricultural products can generate higher profits for farmers. Assist value-added producers in marketing and promoting their products. Help producers develop product brand differentiation from other regions	JCIDA and CCE	High	Short
H.2	Improve production capacity of commodity and specialty crops and assist farms with diversification and new business startups.	Jefferson County has untapped potential to increase commodity and specialty crop production such as corn, soybeans, grapes, vegetables, maple syrup and honey. Efforts to help farms increase their production of these crops will be beneficial to our local economy	JCIDA and CCE	High	Short

H.3	Investigate the potential for biomass feedstock crop production	Establishing biomass crops such as willow or switchgrass could encourage the utilization of marginal farmlands to meet the anticipated demand for biomass fuel while providing an additional source of revenue to landowners.	JCIDA and CCE	High	Mid
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
H.4	Address needs of the dairy industry	The dairy industry has needs and opportunities that when addressed will allow for greater profitability and improved economic impact on local communities. Efforts should be made to assist the dairy industry in growing its capacity profitably.	JCIDA, CCE, SWCD, and USDA	High	Short
H.5	Maintain and expand agricultural economic development efforts	Maintain and expand efforts to assist in the retention, growth and promotion of Jefferson County's broader agricultural industry. Consider cooperative solutions wherever possible.	JCIDA, CCE, and Farm Bureau	Medium	Mid
H.6	Update the County's Agricultural and Farmland Protection Plan	The County's Agriculture and Farmland Protection Plan will be eligible for a State-assisted update in 2013. The update will allow the County to re-examine pressures on its agriculture land resource base and refine measures to maintain and improve the viability of local agricultural production.	JCIDA, AFPB and County	Medium	Short
H.7	Develop appropriate agriculture workforce development programs	Continue to partner with Cornell Cooperative Extension on training classes to maintain a workforce that can meet the needs of the advancing agricultural industry.	JCIDA, CCE, and WIB	Medium	Mid
H.8	Promote existing sources of capital and work to find new sources to assist with the capital project needs of agriculture	As agriculture is a capital intensive industry, there is a need for financial and technical assistance for producers interested in growing their production capability.	JCIDA	Medium	Long
H.9	Capital Project: Expand rail siding infrastructure	An additional agriculture rail siding facility will support the transport of commodity crops to outside markets and expand the production capacity of the entire region.	JCIDA	High	Medium

Industry: Health Care and Social Assistance					
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
I.1	Develop a training cost sharing model to increase the pool of needed health care workers	Recruit assistance from regional medical care providers and other sources to help pay for the cost of nursing and health care programs at JCC. Costs could potentially be covered by regional sponsors that would benefit by having a larger pool of trained labor.	JCC, FDRHPO, and WIB	High	Short
I.2	Offer tuition repayment or other incentives attract and retain top nursing educators	It is difficult to attract and retain nursing educators because of their potential for higher pay in a clinic setting. Offer incentives for nursing educators to stay in Jefferson County; such as tuition repayment, tuition remission for family members, etc.	JCC and FDRHPO	Medium	Long
I.3	Hold an annual health care industry summit	Bring together health care providers from all aspects of the profession to gather information on their training needs, workforce issues, and opinions on where the industry is going. Empower health care employees at all levels to get involved.	FDRHPO, JPO, and RHA	Medium	Short
I.4	Continue youth shadowing internships	FDRHPO provides paid internships for local youth interested in the health professions. Such experiences help to encourage the pursuit of health careers. These youth are more likely to return to the community after their education, thereby aiding long-term recruitment of health care providers to the area.	FDRHPO and RHA	Medium	Ongoing
I.5	Capital Project: Conduct a feasibility study for Coffeen Street Higher Education Multi Use Complex	Without adequate lab space JCC is precluded from offering additional sessions and more programs. The Coffeen Street Higher Education Multi Use Complex could include lab space that would allow JCC and regional partners to expand their nursing program. See also multi-purpose facility, Goal/Action G.7.	JCC, City ,and County	High	Mid

Industry: Information Technology					
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
J.1	Develop a technology training and internship program to promote and support the use of new technologies in local businesses	Develop a technology training and internship program to assist small businesses with innovative uses of information technology to further their business.	JCC and BOCES	High	Short
J.2	Pursue funding for Health Care Information Management/Technology Certificate	Work to develop on-the-job training or internship programs to ensure adequate supply of labor skilled in both health care and information technology.	JCC and FDRHPO	High	Mid
J.3	Start an information technology peer group	Information technology is an area where learning from other practitioners is highly useful. Recruit one or two people in the industry who would be interested in establishing a group to share information, offer workshops, collaborate, and encourage innovation.	JCIDA	Medium	Mid
J.4	Identify and develop IT skills needed in non-IT industries	Most IT occupations are in nontraditional IT industries. Include non-IT industries in the review of skills and workforce needs.	WIB, BOCES, and JCC	Medium	Mid
Industry: Call Centers, Back Office Support Industries (Finance, Real Estate, Insurance)					
Action/Objective		Description	Suggested Lead Agency/Partner	Priority Level	Timeframe
K.1	Market the community's advanced telecommunications infrastructure and available labor force to attract back office operations	Strategically identify business sectors and classifications that would benefit from the configuration and characteristics of Open Access Network. This is also a target industry in the regional Drum Country Business marketing effort.	JCIDA and Drum Country Business	High	Mid
K.2	Begin a targeted marketing strategy for call center operation based on targeted industries and workforce capacity	Meet with existing call center operators to discuss current needs, possible expansion, incentive programs, etc that would allow them to expand.	JCIDA and Drum Country Business	Medium	Mid

ATTACHMENTS

Attachment A – Glossary

AFPB – Agriculture and Farmland Protection Board
BOCES – Board of Cooperative Educational Services
CCE – Cornell Cooperative Extension
CEDS – Comprehensive Economic Development Strategy
CME- Canadian Manufacturers & Exporters
CSA – Community Supported Agriculture
DANC – Development Authority of the North Country
ESD – Empire State Development
FDRLO – Fort Drum Regional Liaison Organization
FDRHPO - Fort Drum Regional Health Plan Organization
FTZ – Foreign Trade Zone
IDF – Innovation Demonstration Fund
iMiN – Interactive Manufacturing Innovation Network
JCADC – Jefferson County Agricultural Development Corporation
JCC – Jefferson Community College
JCIDA – Jefferson County Industrial Development Agency
JCJDC – Jefferson County Job Development Corporation
JPO – Jefferson Physicians Organization
MGD – Million Gallons per Day
NCA – North Country Alliance
PTAC – Procurement Technical Assistance Center
RHA – Rural Health Association
SBDC – Small Business Development Corporation
STEM – Science, Technology, Engineering and Mathematics
SUNY – State University of New York
SWCD – Soil and Water Conservation Districts
SWOT – Strengths, Weaknesses, Opportunities and Threats
TIITC – Thousand Islands International Tourism Council
WIB – Workforce Investment Board