



2016 North Country Alliance Education and Outreach Agenda

OUR MISSION: The North Country Alliance (NCA) is a private-public consortium of economic development organizations, private businesses, utilities, public and private colleges, the media and financial institutions working to grow the economy of New York's seven-county North Country region. Its role is to offer a single point of access to the resources you need to expand or locate your business in Northern New York. Visit our website at www.northcountryalliance.org.

ECONOMIC DEVELOPMENT

The NCA applauds Governor Cuomo's regional approach to economic development with the creation of the Regional Councils. The North Country has embraced the opportunity to develop a vision and strategies based on input from the people and organizations that know their area best. It is now critical to bring key economic development programs, like what was done with the Excelsior Jobs Program in 2013, into compliance with the same spirit of regionalism.

NY is a diverse state; hence programs with a "one-size-fits-all" approach are not the best of mechanism to affect positive job growth. Evaluation of economic impact should be relative to the region where a business is locating, and program criteria should take into account the number of jobs created or retained relative to the size of the community, business and unemployment rate.

The NCA urges the Governor and the Legislature to consider the following amendments to the state's economic development programs:

- ✓ Programs should contain "weighted" regional cost indices that take into account rural and urban areas as they relate to job creation standards and potential economic impacts of projects. The type, size and pay quality of jobs created in rural areas are generally far less than that in metropolitan areas and these should not be considered negatively in determining benefits to new and expanding companies;
- ✓ Diversify benchmarks for qualifying businesses beyond just job creation and include such qualifiers as annual capital investment, annual training activities, annual facility improvements, facility diversifications, etc.; and

THE NCA *SUPPORTS* THE FOLLOWING ECONOMIC DEVELOPMENT LEGISLATIVE PRIORITIES:

- **THE NCA *SUPPORTS* THE GOVERNOR'S EXECUTIVE BUDGET PROPOSAL TO REDUCE THE NET INCOME TAX RATE FROM 6.5 PERCENT TO 4 PERCENT FOR SMALL BUSINESSES WITH NET INCOME LESS THAN \$390,000.**
- **THE NCA *SUPPORTS* THE GOVERNOR' EXECUTIVE BUDGET PROPOSAL TO ALLOW SOLE PROPRIETORS AND FARM SMALL BUSINESSES TO EXCLUDE 15 PERCENT, INSTEAD OF 5 PERCENT OF THIR INCOME.**

- THE NCA ***SUPPORTS*** THE EXTENSION OF THE EXCELSIOR JOBS PROGRAM FOR AN ADDITIONAL 5 YEARS.
- THE NCA ***SUPPORTS*** FUNDING TO TECHNOLOGY DEVELOPMENT ORGANIZATIONS (TDOs) AND MANUFACTURING EXTENSION PROGRAMS (MEPs). TDOs and MEPs provide programs and services that foster business growth and job creation across the North Country.
- THE NCA ***SUPPORTS*** THE GOVERNOR'S EXECUTIVE BUDGET PROPOSAL TO INVEST IN INFRASTRUCTURE ACROSS NEW YORK STATE. Infrastructure plays a crucial role in attracting and maintaining businesses in New York State; and long-term investment in maintaining this infrastructure is critical.
- THE NCA ***SUPPORTS*** THE GOVERNOR'S CONTINUED PROMOTION OF THE REGIONAL COUNCIL PROCESS AND ***SUPPORTS*** THE ADDITIONAL EXECUTIVE BUDGET PROPOSALS:
 - \$750 Million for Round VI of the REDC Competition;
 - \$200 Million for the URI Runner Ups to Fund Top Projects;
 - \$100 Million for Downtown Revitalization Program;
- THE NCA ***ACKNOWLEDGES*** THE GOVERNOR'S MWBE GOAL OF 30%; HOWEVER RECOGNIZES THAT THERE IS DISPARITY BETWEEN REGIONS AS TO THE POOL OF CERTIFIED WOMAN AND MINORITY OWNED BUSINESSES. Streamlining the backlogged certification process will help to grow the pool of qualified MWBEs.

INDUSTRIAL DEVELOPMENT AGENCIES

The NCA ***SUPPORTS*** its local industrial development agencies and their affiliated development corporations. Robust, empowered and integrated local development agencies and corporations are the frontline partners for ensuring the successful execution of the Governor's and Regional Council's initiatives.

In order to provide the best environment for local, regional and New York State economic development success, the NCA ***SUPPORTS*** the following:

- ✓ Restore the IDA power to undertake civic facility projects.
- ✓ Provide for consistent treatment of local development corporations from the various regulatory and legislative entities in New York State government. The Authorities Budget Office treats LDCs as public authorities, imposing significant oversight and reporting requirements, many of which add administrative and financial burdens to the LDCs' operations. At the same time, the Comptroller's office has issued an opinion defining LDCs as private entities and preventing them from obtaining administrative services from IDAs. This reduces efficiency, causes unnecessary duplication and limits the ability for New York State communities to provide comprehensive one-stop economic development services through their professionally staffed IDAs.

WORKFORCE DEVELOPMENT

- THE NCA ***SUPPORTS*** THE PROGRESSIVE WORKFORCE DEVELOPMENT INITIATIVES TO ADDRESS THE SKILLS GAP:

The skills gap, especially in the manufacturing sector, is a well-documented impediment to business growth and expansion that exists nationally as well as in New York State. With the re-shoring of American manufacturing; the retirement of baby boomers; and an outdated negative view of manufacturing jobs, this skills gap is continuing to widen. Future economic growth will go to those states and communities that are able to win the battle for talent. To be truly “Open for Business” New York must be able to supply the manufacturing sector with a workforce strong in the technical and trade skills.

- ✓ New York State must encourage development of a talent pipeline by educating youth and their parents about the variety of good-paying jobs in manufacturing and the skilled trades. Currently, such educational efforts are initiated at the local and regional level. New York’s leadership in a statewide promotional campaign would not only develop such a pipeline, but would provide an alternative career pathway for those youth who are not college-bound. In directing them toward viable career opportunities, we would increase the number of productive individuals entering the workforce and reduce the number that would otherwise become dependent on public aid programs.
 - ✓ New York’s support for workforce development programs must not be limited to those who are already long-term unemployed. Such programs have had limited impact on developing the talent pipeline. The State must also support adult and continuing education programs for incumbent workers and those who are under-employed.
 - ✓ Provide special incentives to rural areas that help them retrain dislocated workers to staff chronically hard-to-fill rural health care positions like registered nurses, physician assistants, health care database managers, etc. through dedicated individual training accounts.
- THE NCA **OPPOSES** any consideration for future minimum wage adjustments without consideration for a regionally-weighted minimum wage that takes into consideration a region’s existing wages for specific industries. Wages within specific industries in rural areas of Upstate New York are not the same as those same industries in Downstate New York or New York City. An increased minimum wage may also lead to corresponding wage increases within a company which again increases the cost to do business in New York State. Also, an increased minimum wage impacts FICA and worker’s compensation which will correspondingly increase business costs. Together, these issues might prevent companies from competing globally and may force them to leave New York State.

ENVIRONMENT

- The NCA **SUPPORTS** increasing the Environmental Protection Fund to \$300 Million.

OTHER

- The NCA **SUPPORTS** legislation that will allow recipients of old Urban Development Corporation grants used to create Regional Revolving Loan Trust Funds to be allowed to keep and utilize interest income for administration.