

# **Strategic Options: New York and Vermont Analysis and evaluation of strategic options and opportunities for sustainable development**

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## **The Circle of Prosperity**

“When a state has and maintains a talented workforce it attracts a diverse industrial base of dollar importing businesses that create high wage jobs. From the economic drivers dollars flow into the private sector to provide taxes, public revenues, capital, resources, and employment opportunities. These private sector actions fund the public sector’s operations through taxes and governmental fees of which both the public and private sectors invests in creating and maintaining a clean environment, good schools, access to higher education, housing, and enhances the state’s quality of life creating healthy communities.” Frank Cioffi, *Surviving in a Flat World: The Challenges and Opportunities of Creating and Preserving Jobs and Economic Opportunities for Working Vermonters* 2005 (26:237)

**Community Development: Strengthen, re-build, and connect the region’s core communities (population centers, service centers) as a foundation for new economic growth and as an antidote to sprawl.**

## **Affiliated Strategic Options and Opportunities**

Communities may want to grow and others may want to stay the same. Some communities want everything to stay the same, but also grow. In all these cases, change is inevitable. However, growth and change don’t have to be outside the control of the community. Change and growth are infrequently all good or all bad. Communities make choices either by design or inaction. How and where development occurs can significantly alter the physical appearance and character of a community. It can change the way it functions. It can hurt or help the environment. A well designed, properly sited, suitable scale building or development can enhance a community’s look and feel. The Northern Forest is blessed with compact, 19<sup>th</sup> century communities that need economic restructuring to succeed in a 21<sup>st</sup> global economy. While it is important to restructure the economy, few would promote dramatically changing the look and feel of our homes to accommodate growth.

## **Federal and State Designations**

In order to direct development into selected core communities, economic development interests should pursue federally or state designated Empire Zones, Brownfield's, Business Improvement Districts or their clones. These designations enable jurisdictions to pass through tax credits and provide other forms of subsidy as incentives for location within the zones. Concurrent political and zone designation boundaries can help reduce sprawl and focus development in existing commercial or industrial neighborhoods. Zone designations can also help recycle abandoned or blighted properties instead of policies that promote development of vacant land for new construction purposes.

## **Military bases**

Military bases present unique opportunities for community development. Plattsburgh Air Force Base has been closed and redeveloped as an industrial park and the site of the new Plattsburgh International Airport. Fort Drum in Jefferson County, New York, is an active base. Support services, including housing, retail and supply clusters can be actively promoted in nearby communities, generating a multi-million dollar economic impact.

## **Transportation**

One aspect of the community development theme is to connect core communities to one another. The existing transportation network in the Northern Forest is an essential community service that links all communities together. The interstate system in New York and Vermont are oriented north-south and already connect regional community centers. Their continued maintenance is extremely important to ensure community accessibility as their use continues to increase. Exit ramps move vehicular traffic into secondary road networks and the design of intersections where interstate and local traffic meet requires new forms of planning and design. Analysis of traffic flow and calming techniques are needed in central business districts and other areas where pedestrians and other forms of transport meet. All forms of traffic, from commuters to commercial transport, need efficient and timely access to regional centers if they are to be revitalized as economic hubs.

The lack of an east west rapid transit system is a mixed blessing. On one hand it promotes traffic to flow through existing communities and contributes to local commerce. On the other hand, truck traffic also travels through the byways. There is ample evidence from the construction of I87 in New York, that interstates create winners and losers amongst communities based upon who has a designed interchange. They also create major problems for wildlife. While on one hand, an east-west highway will move vehicular traffic faster and more efficiently from one end of the Northern Forest to the other, communities who benefit from the commerce provided by the existing secondary road system will experience economic loss.

Concentration of development in existing regional centers promotes compact, easily navigated communities. Emulating good urban planning supports compact community development by considering alternative forms of transportation and pedestrian "friendliness." Creating convenient, clean, and energy efficient trolley, light rail and bus

systems that serve our existing compact communities would encourage environmentally conscious citizens to leave their cars at home. Adequate centralized parking, bike racks, wide sidewalks, traffic calming measures, well marked cross walks and bike lanes, as well as mixed use zoning encourage abandonment of automobiles in favor of more sustainable forms of transportation.

Burlington International Airport will be joined shortly by the Plattsburgh International Airport in serving the area. Air service is essential to attract business and industry that depend upon it to make their global connections. Both airports also are strategically located to provide service to the Montreal metropolitan area.

Passenger Rail service is rather limited in New York and Vermont, but will continue to enjoy ridership between New York City and Montreal. Incentives to make rail service an affordable and convenient alternative to automobiles is a challenge in the region.

The *Comprehensive Economic Development Strategy* for Franklin County, Vermont (16:175) was produced in 2004 and stated:

“The availability of high-quality infrastructure to move things, people, and information into and out of the Franklin County region is essential to attracting and retaining a diverse base of globally-competitive businesses. This is especially true if regional businesses—especially those in the region’s present and future mix of key dollar-importing businesses—are going to be able to effectively compete on the world stage from the relatively geographically remote location of Franklin County, Vermont within the United States. “

Remoteness forces transportation and communications into the forefront in order to regain existing business and visitors and encourage new business and visitors.

### **Regional Planning**

Regional Planning can provide the framework to connect communities. Every government in a particular region must be willing to adopt coordinating regulations and incentives that discourage sprawl or it cannot be curbed. Without regional and local zoning, open space, subdivision and other local land use policies in place, the connections between communities will become magnets for sprawl.

### **Model Developments**

Traditional forms of development have shied away from adaptive reuse and property recycling to development of vacant land outside of “town” to the rural boundaries and fringe. Prototypes are needed to demonstrate the utility and profitability of sustainable forms of housing, commercial and other forms of real estate development. The Vermont Forum on Sprawl and the Vermont Business Roundtable are at the forefront of creating prototypes for the private sector to evaluation (See Best Practices). They provide tangible, practical examples that can be applied in a real world context by developers or municipalities.

## **Access to Capital**

The federal and state governments have a myriad of programs available in theory to Northern Forest Communities, but demand far exceed supply. Public and private projects must compete statewide or nationally for meager funds. Competition pits community against community. In many cases, projects are designed to successfully compete rather than address local needs. For communities to be rebuilt and strengthened, financial capital and investment is needed. External public funds cannot be expected to rain down on the region, but the current system constrains community development in almost every case. Funding for infrastructure capital, micro-enterprise, main street revitalization, land use planning and project design are all in short supply. Insufficient wealth is generated from within the region to support community development functions without federal and state investment.

## **Green Infrastructure Planning**

Green infrastructure is the interconnected system of natural landscapes that sustain environmental health, economy and quality of life. While many communities own parks, community forests and other green space, few have inventoried what they have or conducted planning to preserve, protect and increase their use by community members. It is important to recognize that Green Infrastructure Planning is the new trend in community and regional planning. In addition to bringing natural resources to the forefront of the community development planning process, green infrastructure planning should have a place at the regional economic strategy table to help support the integrity of the region's communities as amenities for resident and visitor alike.

## **Community Development: Best Practices**

- **Saratoga County, New York: *Green Infrastructure Plan (107:105)*** Inventories and documents the county's natural resources. It establishes a strategic plan for promoting its preservation and enhancement. It is one of the first such plans in Northern New York and Vermont.
- **Vermont Forum on Sprawl: *Vermont Neighborhoods Project (27:108)*** Working with 3 communities in Addison County, the Vermont Neighborhoods Project Team is creating site plans on 3 specific parcels that will try to a) meet the public's demand for housing while avoiding localized NIMBY reactions, b) generate profit for the developers and property owners, and c) fit the character of the community while providing mixed-use housing options. These designs will support downtown and village development that will help curb scattered developments that lead to sprawl. The models will be tested for financial viability and regulatory compliance so they will have a realistic chance of being developed.

- **Vermont Forum on Sprawl: *New Models project for commercial and industrial development (27:235)***  
 A collaborative effort of the Vermont Forum on Sprawl and the Vermont Business Roundtable. The project has had two purposes: • to develop effective new models for commercial and industrial development that reinforce Vermont's policy favoring growth within compact settlements, separated by rural countryside; and • to recommend ways that these models can be implemented through policy changes, including land use laws and regulations, development and infrastructure planning, funding and financing mechanisms, and public education programs, along with better planning and incentives.
- **Lakes to Locks Passage, New York and Vermont: *Celebration Champlain Strategic Plan (2:20)***  
 The Celebration Champlain Strategic Plan identified seven areas for regional coordination: education, recreation, transportation, agriculture, tourism, environment, and historical/cultural resource management. These areas all contribute to the watershed's economy. The strategic plan uses a holistic approach to build a new economy, integrating all aspects of the working landscape. Lake to Locks has generated an important document and process that uses an integrated and sustainable rubric.
- **Conservation Law Foundation: *Community Rules (100:91)***  
 This guidebook includes many examples of smart growth strategies, particularly local regulatory strategies, from around New England and the rest of the country.
- **Preservation Trust Of Vermont: *10 Reasons Why Vermont's Homegrown Economy Matters And 50 Proven Ways To Revise It (47:171)***  
 This publication is the result of several years of collaboration between the Institute of Local Self-Reliance and the Preservation Trust of Vermont. Detailed here are specific reasons why locally owned businesses matter and practical ways to plan for a homegrown economy, foster revitalization and unite independent businesses. Mitchell uses practical examples from successful businesses and vibrant communities all across the states to illustrate the point that everyone benefits from keeping Vermont's economy local.

## **Gap Analysis**

### **Jobs and Transportation**

With regard to community development, the region must consider and create policy with respect to, "jobs to people or people to jobs." Where will economic development be centered? If the answer is, "within population centers", then transportation systems to support moving people from outlying areas into these job hubs is necessary to promote a sustainable and energy efficient system.

## **Conservation Planning and Community Development**

A disconnect appears to exist between conservation planning and community development. How well do communities use the State Land Master Plan/Unit Management Plan (UMP) for state land managed by New York (or Vermont) to negotiate recreational amenities of value to the community? State Land Master Planning considers public recreational needs, watershed protection, the production of forest products and environmental considerations. In addition when conservation easements are negotiated with the large property owners by environmental organizations, do local communities parley for recreational amenities or other community benefits? I know of only two communities, Franklin, New York (Lyme Timber) and Wilmington, New York (State Land Master Plan) that have actively participated and obtained negotiated amenities. Are they the exception or the rule?

## **Dwindling school populations**

Changes in demographics are affecting a key community institution: the local school. Student population declines affect community morale. Schools are also large employers and contribute to the local economy.

## **Changes in health care needs**

Demographic changes are also affecting the demand for primary and specialty health care. Health care is big business, and a big employment generator. Can regional centers support health care institutions that provide services to outlying areas? Are there new kinds of institutions (enriched housing, assisted living) that can be developed to serve an aging population?

## **Community Misconceptions**

Municipalities are operating under 9 misconceptions that undermine the community development goal for this strategy:

1. Any kind of development is good.
2. Our existing zoning ordinance is protecting us against bad development and uncontrolled growth (and/or the APA is protecting us if a local zoning ordinance does not exist).
3. Unlimited growth of the local tax base is good.
4. Encouraging the development of new housing is good for growing the tax base.
5. New government services will not be needed to support increased development.
6. Twenty units of new housing a year won't make any difference to the landscape or to the demand for services.
7. What is carrying capacity and why should we care?
8. Loss of farmland is a fact of life that we cannot change.
9. Why worry about our treasured landscape and scenery. They will be here, just like they are forever.

These misconceptions require consideration in the development of a sustainable plan of action. Local leadership may benefit from information to address these misconceptions.

## **Renewable Energy: Develop the region as a leader in sustainable, renewable energy development and use.**

### **Affiliated Strategic Options and Opportunities**

Renewable energy research and development is in full swing in New York and Vermont. State agencies, such as the New York Power Authority and Energy Research and Development Authority are collaborating with Clarkson University, SUNY ESF, and others to explore forest and crop based bio-fuels and opportunities for cogeneration. The important of collaboration amongst research institutions, the private sector and government, for applied research and development cannot be understated.

Wind farm developments in Vermont and New York are facing community concerns for human and wildlife health, safety and aesthetics. Where these issues can be mitigated, wind farm development is accelerating. However, the energy produced from these local farms will be fed into the utility grid and not be dedicated to local use. Therefore there will be local environmental impacts and limited benefits from its development. Creating greater levels of value added local economic benefit to the current energy development model presents a challenge for the Northern Forest Region.

The advent of climate change is motivating the private and public sector to reduce its carbon footprint. While renewable energy is clearly higher profile, conservation can achieve similar reductions and should be considered hand in hand with alternative energy development. Organizations, such as ICLEI (International Council for Local Environmental Initiatives) and the Vermont Climate and Energy Action Network advocate for a diverse agenda that promotes conservation and renewable development. Developing value-added technology, services and products that can help conserve energy would provide the local economy with enhanced benefits.

There are many “players” in the field right now. Government policy makers, researchers, developers, technical assistance providers, are all competing to demonstrate action and advocacy in this arena. Accordingly, there are opportunities to network, coordinate and improve communication within the field and with the public in general.

### **Renewable Energy: Best Practices**

- **Tupper Lake Wood Utilization Cogeneration Project Feasibility Study (171:238)**

A study is underway on the use of biomass generation to produce electricity for the community of Tupper Lake, which is an independent utility. It will evaluate the availability of wood biomass from sustainable sources of wood residue in and around Tupper Lake, the Adirondack Park and surrounding areas. Wood residue sources to be studied include unadulterated wood, such as forestry residue, utility clippings, saw mill and furniture manufacturing residues. The study would

also evaluate combustion methods such as direct burning and gasification. Wood gasification holds the promise to be significantly cleaner than wood burning in boilers. It has been shown to result in cleaner combustion, and produces substantially less ash and particulate matter than other wood-burning processes for producing electricity. The locally produced and used electricity would demonstrate small scale decentralization of energy development and use,

- **Biomass CHP plant, Middlebury College, Vermont (242:348)**

Biomass Energy Resource Center of Montpelier, Vermont, carried out a preliminary study for Middlebury College of the technical aspects of using biomass to replace fuel oil and possibly also to generate electricity at the college's central heating and power plant. Middlebury College is a leader in applying sustainable development practices to their operations. From green building to renewable energy, Middlebury sets a great example for other institutions to follow.

- **Climate Action Plan, Burlington, Vermont (140:63)**

This plan proposes five strategies that can work together, cutting across sectors of the local economy. By formally adopting these strategies and making them part of the city's decision-making procedures, the city council will build a strong foundation for attaining current and future climate protection goals. This aggressive plan sets an important standard for communities and demonstrates that planning and evaluation can result in significant carbon reduction achievements.

## **Gap Analysis**

### **Hydroelectric Power**

It is interesting to note that all current discussions of renewable energy omit small scale hydro-electric power as another renewable alternative. Hydro may still be a viable option since large scale wind power's environmental impacts are comparable to small scale hydro development. There are still possible small hydro electric sites with development potential.

### **Existing energy market**

How well do we understand the existing energy market? Have we analyzed our energy use, conservation reductions and potential generation capacity from within the region? Will the development of renewable energy address local capacity needs or subsidize other regions outside the Northern Forest?

### **Mitigating Negative Impacts from Renewable Energy Sources**

Development of local renewable energy projects can produce negative environmental, landscape and public health and safety impacts. Communities may benefit from standardized zoning criteria to mitigate, for example, wind farm impacts to homes and businesses (A. Holland has drafted these). Tradeoffs in design, siting, scale and construction may successfully mitigate many of the impacts of all forms of renewable

energy development. We may be replacing acid rain and pollution from mid-west fossil fuel burning plants with new, locally derived sources of pollution. In order to meet the goal of being a “leader” in renewable energy development, we have to consider negative impacts and build into any proposed local projects adequate protections and offsets for the environment, the landscape, and to protect public health and safety. Otherwise we will be trading national sustainability considerations for local ones.

### **Conservation**

It is important to remember that conservation can also be a source of economic benefit to the region. Reducing the carbon footprint involves both conservation and replacing existing energy generation with renewable. Efforts should be made to identify value-added businesses in the manufacturing, service and research arenas that can be spun off, from a “conservation” focus to energy management.

**Tourism: Establish the region as a top-notch destination for adventure and heritage tourism, while honoring tourism sub-brands of each state and sub-region.**

### **Affiliated Strategic Options and Opportunities**

The essential and strong relationship between cultural life and economic development is apparent in the Northern Forest Region. Heritage, arts and culture compliment the natural and scenic beauty of the region. For many years, cultural life has been a “hidden” economic driver. It is now recognized for its importance in a stable and diversified economy.

Partnerships are extensive and help to encourage economic activity that capitalizes upon small scale cultural venues. These in turn promote the region and help visitors experience the region’s history, art, music and folk-life. Cultural diversity fuels the Northern Forest creative economy. It provides residents and visitors alike with an endless variety of experiences. However, creative enterprises have not traditionally benefited from the same access to capital, marketing and technical assistance as the manufacturing sector. Despite this disadvantage, the creative economy is growing and can flourish if properly nurtured.

Coupled with a vibrant cultural life, the extensive and dramatic “endless” forests of the Great North Woods provide an ample assortment of four season adventures. The region’s beauty and wildness speak for themselves. The infrastructure that supports visitor access to nature is generally in variable condition and cannot rapidly respond to the “wants” of today’s tourists. Tourism infrastructure also lacks access to capital, marketing and technical assistance, as compared to the manufacturing sector. This disadvantage, coupled with the consequences of global environmental change, require adaptation. For example, if snow is scarce, can the lengthening of the “shoulder seasons” accommodate other forms of outdoor recreation and heritage tourism?

It is important to guard against homogenization of community character by helping communities to invest in the historic properties and revitalize their main streets. A sense of place is integral to quality of life. Nothing turns a tourist off more effectively than a franchised, stereotyped, built environment that they can experience anywhere. The expansion of cultural facilities into gallery spaces, interpretive sites, artist residences, shops and restaurants can help recycle key structures and develop a unique flavor and story for Northern Forest communities. Strategic cultural sites and institutions need re-investment and continuous support. With the exodus of manufacturing, the creative economy can help adaptively reuse redundant buildings. Entrepreneurial development in the arts and culture cannot completely substitute for the changes in agriculture and manufacturing, but it can contribute to the stability and diversity of businesses that will take their place.

### **Creative Economy**

Creative enterprises of all sizes and shapes require support in order to grow. Market share, promotion, and branding all require access to capital and technical assistance in order to expand. Now that the creative economy is recognized as an economic sector, its activity should be tracked and reported alongside manufacturing, government, and other reportable sectors. This concept is not only supported by the Vermont Council on Culture and Innovation, but also the New England Foundation for the Arts.

*The Creative Economy in Vermont (203:194)*, recommends that consumers, businesses and state agencies promote a culture that “buy [’s] local and buy [’s] creative.” Creating cross sector clusters that encourage businesses to buy from each other can help support the creative economy. This notion is taken further by the Urban Institute’s, Fund for Folk Culture. They initiated a funding program to support partnerships between regional economic development organizations and traditional artists and arts organizations. Underwritten by the Ford Foundation, the initiative funded about a dozen-and-a-half year-long projects chosen to show whether very modest amounts of money (\$15,000 grants with a one-to-one match) could encourage members of a certain class of development agencies to help traditional artists gain more active and profitable access to the marketplace. These kinds of practices are worthy of consideration in the Northern Forest.

### **Green Resorts**

Tourism is one of the primary economic drivers in Vermont and New York. Environmentally conscious consumers are a growing segment of the tourism market. Reducing the carbon footprint of existing or new resorts makes good business sense and honors the “triple bottom line.” The Conservation Law Foundation (100:286) is promoting green resorts as a sustainable form of tourist development.

### **Scenic Byways, Blue ways and other designations**

The National Scenic Byways Program provides an excellent framework for linking communities through transportation networks. The Corridor Management Planning process brings divergent interests together to plan in a regional context. Blue ways are water-based linkages between communities. Both Byways and Blue ways facilitate

participation by citizens. They converge to inventory, assess, and then strategize their tourism planning for both natural and cultural resources. As a “tried and true” planning process, Byways and Blue ways serve as models of regional planning in the tourism sector. They are effective at moving communities from thought to action.

Tourism infrastructure, in the form of multi-modal trails, public and shuttle transportation, interpretation and signage are also needed to support attractions and businesses. The Corridor Management Planning process of the Byways and Blue ways provides a codified and comprehensive set of implementation projects identified by a regional network that are ready to be developed. Their use should be promoted and supported, with funds provided for implementation projects.

The newly designated Lake Champlain Heritage Corridor can provide a similar framework as a Byway or Blue way. It will be important to consider this as another opportunity to recognize and strengthen historic and cultural institutions in the Champlain Valley of New York and Vermont.

### **Rest Areas**

Pull offs, parking areas, and interstate rest stops enable visitors to pause and consider the place in which they find themselves. Interpretive opportunities abound in existing and potential rest areas.

### **Tourism Venues**

Scenic Railroads, festivals and other forms of “draw” events are wonderful ways to diversify the region’s appeal. Big events, such as the upcoming Celebration Champlain, as well as community scale harvest festivals and farmer’s markets can benefit from coordination. Festivals are a great way to initiate community participation and can serve as a first step in developing tourism venues. Coordination of schedules throughout the season, collective marketing (including internet), and package rates provide visitors with the ability to visit and learn about several communities during their time in a region. A recent tourism gap analysis conducted for the Central Adirondack Trail Corridor Management Plan (9:69) revealed that communication and coordination between communities can improve attendance and sales.

The market segments of non-motorized (hikers, bikers and paddlers) and motorized recreationists (ATV and Snomobilers) spend a significant amount money when their on vacation. Accommodations, restaurants, shopping opportunities, fuel, internet access and other forms of service can provide distinct business opportunities.

Tourism venues cannot operation without employees and labor pools continue to be problematic for the entire industry. They serve as a severe deterrent to tourism development, particularly in regions of the Adirondacks. Livable wages, provision of health insurance, and adequate training continue to be needed, but are offset by profit margins, lack of public transportation and job-sharing programs. Importation of labor from central Europe and elsewhere reveal unskilled and semi-skilled labor shortages in

the region. Lack of affordable housing exacerbates circumstances when labor must commute long distances in order to work at low wage jobs.

A colleague once said, "Visitors don't throw money out of speeding cars on the interstate. You have to get them off the highway and give them a reason to stop and disembark." The creation and revitalization of tourism venues are essential to support the region as a tourism destination.

### **Tourism: Best Practices**

- **Northern Forest Canoe Trail (162:218), Northern Forest Region**  
The planning, development and execution of the truly regional project is worth documenting in a case study. A true Blue way.
- **Scottish Natural Heritage, United Kingdom (237:320) "The Caerlaverock Experience" The Report Of The North America/United Kingdom Countryside Exchange Team**  
This report provides useful and applicable information about carrying capacity issues, joint marketing and collaboration amongst historic and natural tourism venues in a rural setting.
- **Adirondack North Country Association, New York: Scenic Byways Project-Central Adirondack Trail Corridor Management Plan (9:69)**  
This document can serve as a prototype regional inventory, analysis and implementation plan for natural and cultural based tourism. The implementation plan details marketing, infrastructure, interpretation and collaboration ideas of value to any region of the Northern Forest.
- **Natural History Museum of the Adirondacks: The Wild Center**  
It would be interesting to develop and document a case study for the development of this destination site.
- **Adirondack Museum, New York (45:337)**  
Called "the best of its kind in the world," by the New York Times, the Adirondack Museum at Blue Mountain Lake overlooks the lake of the same name. Six million acres of Adirondack Park surround this place and form the basis of the museum's exhibits and programs telling the stories of how people have lived, worked, played and traveled in the Adirondack region since the early 1800s. Twenty buildings in 32 acres of grounds and gardens, house exhibits on logging, boats and boating, mining, outdoor recreation, transportation, rustic furniture..., and on-going programs and special events offer a variety of interesting activities for the whole family.

- **Adirondack North Country Association, New York: Online Marketing (94:84)**  
AdirondackCraft.com is an experimental, collaborative online marketing program. It serves as a complete service catalogue, highlighting local artists, craftspeople and small scale manufacturers. A prototype for e-commerce.
- **Lakes to Locks Passage, Vermont and New York (2:265): *Marketing Plan***  
The plan is designed to promote Lakes to Locks Passage as a region, to visitor and potential visitors. It is not intended to market individual attractions, historic sites, or even communities. The marketing plan can serve as a model for others to emulate. It is extremely well written and provides a sharply focused strategic plan for developing brand, infrastructure and promotion to targeted markets.
- **Northern New York Travel and Tourism, SUNY Potsdam, New York (34:259): *Successful Lodging Property Case Studies Competitive Analysis and Best Practices in Rural Communities that have Achieved Significant Tourism Development (In Development)***

Researchers will be traveling throughout the ten counties of northern New York to conduct in-depth interviews with the owners of select lodging properties that are commonly considered “successful” in a number of ways. From these interviews, as well as observations and other data, comprehensive successful lodging “profiles” will be created. These profiles will address everything from advertising dollars spent to staff training provided to the frequency and type of remodeling done. These profiles will help show that it *is* possible to operate a successful lodging business in northern New York and what is involved.

By studying other, geographically and economically similar communities in the northeast/Great Lakes region that have successfully implemented tourism development strategies, we will learn from their example. Specifically, looking at the “best practices” of these other communities, we will determine what needs to be in place for tourism development to happen in terms of infrastructure, incentives, financing, product inventory, etc. Based on the best practices discovered in these communities, specific recommendations will be made relative to what northern New York needs to do in order to make tourism development happen here.

## **Gap Analysis**

### **Market Data and Advertising**

Periodic and current market data, including visitor surveys are essential to keep up with the changing trends in the tourism industry. Currently, they are conducted either by Statewide or regional organizations on an ad hoc basis and with differing emphasis. Dr. Nancy Church of Plattsburgh State University (173:287) has been conducting market studies aimed at Canada for over 20 years. Her last study on Canadian perceptions of the North Country tourism venues is ten years old. Jim McKenna of the Lake Placid Essex County Visitor’s Bureau (163:219) also contracted with Dr. Mark Gultek, of New York and Vermont Synthesis

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Plattsburgh State University to conduct a visitor profile of the Adirondacks. It is unclear if the *World Yearbook* (98:327) is even consulted by tourism providers. Large venues, such as Fort Ticonderoga and the Lakes to Locks Passage, undertake their own market analysis and adjust their operations accordingly. Unfortunately, not all this data is available or disseminated, particularly to small scale tourism support services or businesses. As a result regions may lag in the responsiveness to visitor preferences or miss out entirely.

There is never enough advertising dollars available for small and medium scale tourism venues. Matching fund programs on the state level are helpful, but insufficient in scope and scale to do more than help select organizations with the resources to match. Cooperative regional advertising has many merits, but presupposes that groups exist and have the capacity to capitalize and launch their advertising. Then the strategic question is *where*? Guidance on prudent placement of advertising dollars is also needed.

### **Tourism Infrastructure**

Tourism infrastructure, that is to say the amenities, venues and artifacts that attract and retain visitors are not all in excellent condition. Interpretive spaces, restrooms, and waypoint visitor centers do not even exist in many strategic locations. If the goal is to strengthen and rebuild core communities, and tourism is to play a major role in stimulating the economy, then capital investment in facilities and operations must accompany this policy direction.

Year round tourist opportunities are needed wherever one looks. Selected Scenic Byway Corridor Management Plans and Comprehensive Economic Development Studies all recommend action on tourism infrastructure. For example, the Hamilton County, New York CEDS (111:112) recommends that existing lodging facilities be modernized to provide the kinds of accommodations demanded by today's travel market. Musty and dreary 1960's style motels do not attract repeat visitation. The workshop proceeding entitled, *Priority Action Items for Improving the Economic Benefit of Outdoor Recreation Tourism in the Central & Western Adirondacks* (67: 148) support this need as well.

The condition and stewardship of public outdoor recreation, historic sites and natural areas also need continual review. Government resources are generally allocated based upon priority. Private and non-profit historic resources are equally important since they define the character and quality of place. Buildings, bridges, and historic landmarks all need ongoing attention, proper interpretation and signage in order to support the heritage tourism goals for the region. It is essential that the Northern Forest communities advocate for up-to-date, well managed and well funded tourism facilities that encourage repeat and new visitorship.

### **Rapid Growth and Homogenization**

One key characteristic of the Northern Forest Region is its well preserved 19<sup>th</sup> century communities. Communities hugging the rivers and valleys, jewels in the setting of wilderness, are a compelling vision in the landscape. Their compact, quaint and “relatively untouched by modern development” ambiance is a magnet for tourists seeking a nostalgic vacation away from modern life. This romantic myth is quickly eroding. Rapid growth rates, franchise and structural homogenization are pushing development outward. Instead of infill, we are seeing sprawl. Instead of cluster development, we are seeing seven acre residential zoning encroaching on agricultural and forest lands. The relationship and perceptions of visitors to this dramatic change is unknown.

**Agriculture and Forestry: Retain, expand and diversify our farms and forest industries with a focus on sustainability and new emerging markets (e.g. certified wood, organic foods, local foods, etc.)**

**Affiliated Strategic Options and Opportunities**

Charming, picturesque, beautiful are words that describe the working landscape of northern New York and Vermont. Agriculture and forestry practices over the last two hundred years have shaped and sculpted the scenic vistas and created the pastoral landscape cherished by residents and visitors alike. The rural economy on which this scenic landscape is based is threatened. Agribusiness is still a business that depends upon access to capital, available labor, supply chains, and consumer demand. As with the creative economy, it has traditionally been downplayed in the region’s economic strategy in favor of heavy industry and manufacturing. As a result, agribusiness is rare and endangered of disappearing altogether, in favor of boutique farms, residential subdivisions and wind farm development. Raising the status and attention to agribusiness may significantly improve its chances of survival.

**Agribusiness**

Experts agree on strategies to strengthen existing farms and retain agricultural land viability. Collaborative marketing and joint ventures, product and brand development, assistance in use of technology and management, workforce training, and stronger connections to markets and suppliers are but a few of the actions necessary to be taken. The watchword in each of these is *cooperation*. Rather than isolated and independent, there is a need to work together as an industry trade association would do, to keep the economic sector competitive. Regional collaboration can increase market share and help local farms compete in a world market.

Northern New York and Vermont are moving full steam ahead with efforts to diversify agriculture and forestry. Agriculture is clearly aided in this process by a strong extension service. University of Vermont, Miner Institute, Chazy, New York and Cornell University play an active and engaged technical assistance and research role in diversifying agricultural production. SUNY ESF is experimenting with fast growing willows as a short rotation woody crop that can be used for bio-fuels. These institutions are experimenting, in an effort to improve productivity of existing products and to

develop new crops for bio-pharmaceutical or bio-fuel use. Resource Conservation and Development Districts can also play an important support role in agribusiness and forestry.

### **Buying Local and Food Security**

Growing consumer preference for organic and local foods has improved the viability of local farmland and a rapidly increasing market share. Diversity in products, from grass fed beef to hydroponic tomatoes and grey-water fed tilapia already can be found in the region. We cannot forget the central role that dairy has in the region. New York and Vermont supply the major metropolitan areas of New York and Boston with milk and milk products. A profitable and vibrant dairy industry is the keystone to agricultural viability in northern New York and Vermont.

Collaborative retail and wholesale distribution systems to get food to market are essential. Strengthening connections through community supported agriculture (CSA'S), regional farmer's markets, restaurants and grocery stores are needed. Rather than exporting wholesale, value-added schemes will keep economic benefits local and build economic wealth in the region. Canned, frozen and other packaged products produced and branded in the region, can indirectly keep agricultural land viable. Applying the cluster-based development scenario to the agribusiness economic sector is prudent and timely.

### **Forest Products**

Wood harvested from the forests only represents a very slim portion of the economic picture generated by this renewable resource. During the colonial period, raw materials were shipped elsewhere for processing, and countries of origin saw few economic benefits from the extraction of raw materials. The seller of the raw material gained, but the local economic benefit was narrow and limited. We now know that locally sited, value-added secondary processing of wood into paper products, millwork, cabinets, furniture, moldings, picture frames and woodenware account for the greatest capture of economic value.

Rapid globalization has had a negative impact on the secondary wood products economic sector. Plant closings and sharp reductions in sales are pervasive. Customers are looking for lower cost alternatives overseas. According to a recent report entitled, *Final Report: Secondary Wood Products Industry Study & Strategic Plan* (131:3) commissioned by the State of Vermont, Agency of Commerce & Community Development, Department Of Economic Development the following red flag has been issued:

“There is a lack of vision within the VSWPI. With only a few exceptions, none of those interviewed expressed a positive outlook for the industry. Without a positive vision for an individual industry or the industry as a whole, there is no mission – no reason for existence. This is very serious and adversely affects the industry and those within. There is the perception that the industry is drifting and the age-old saying – **“If you**

***don't know where you are going, any road will get you there*** – applies to most in the VSWPI. The weaknesses that follow are minor in comparison to this one. Many secondary wood products companies in this country will close in the next few years because they did not have a vision for the future of their company and remained unfocused. Likewise, the VSWPI will largely disappear within five years if a new vision is not cast and all efforts are made to adopt bold strategies. The industry must develop a positive vision and work together diligently to bring it to fruition.”

This dire warning was issued in 2002. A current assessment of where things stand five years later is critical.

### **Cluster-Based Economic Strategy**

The cluster based theory of economic development is well developed in northern New York and Vermont, but can be strengthened and extended. With a rapidly changing global wood product market, the loggers, suppliers, manufacturers and distributors all need to continue to work together to respond to changes in supply and demand.

As with agribusiness, small and medium scale forest-based business can benefit from collaborative marketing and distribution schemes. Most secondary wood products manufacturers lack effective marketing skills and are short staffed in this area. E-commerce solutions, such as AdirondackWood.com and Vermont Wood-net can help in this regard, but do not substitute for knowledge and resources to apply to marketing.

### **Agriculture and Forestry: Best Practices**

- **Adirondack Harvest, New York:** <http://www.adirondackharvest.com>  
This program provides mentoring, product development and marketing in a three county region. Of particular interest is their use of E-commerce and a promotional campaign to educate and inform consumers about the importance of buying local.
- **Vermont Housing and Conservation Board, Vermont: Vermont Farm Viability Enhancement Program (73:179)**  
This technical assistance program mentors farmers one-on-one to improve a whole range of their business practices.
- **Vermont New Farmers Networks, Vermont (149:205)**  
The guide is an effort among members of the Vermont New Farmer Network, a collaboration of agricultural organizations to better serve new and aspiring farmers.
  
- **Vermont Wood net, Vermont (89:167)**

Vermont Wood Net is a coalition of over 140 woodworkers. A great working example of cooperative marketing, supply and distribution. A strong advocate for the secondary wood products economic sector in Vermont.

- **Adirondack Wood.com, New York (94:83)**  
A cousin to Vermont Wood net, but with a slightly different approach.
- **Vermont Wood Manufacturers Association, Vermont (53:187)**  
A model trade association that highlights the role of the industry and its impacts upon the economy.
- **National Community Forestry Center: Northern Forest Region: Forest Research Database (239:323)**  
The database is the only one of its kind.
- **Catalyst Renewables, Lyonsdale, Lewis County, New York (In Development)**  
In cooperation with SUNY ESF, International Paper Company and Catalyst Renewables, a 10.3 million dollar grant was received to develop a small scale research and refinery operation next to an existing wood-powered energy plant.

## **Gap Analysis**

### **Green Forest Products**

The report referenced above also cites an emerging global trend towards green secondary wood products. Initiated by U.S. consumers and manufacturers, a market will continue to open in this regard. Certified forest products are also a rapidly growing market. Are efforts underway to capitalize upon these niche markets?

### **Export Opportunities**

Western goods are desirable commodities around the world and especially in Asia and India. A growing middle class is developing in these countries with the ways and means to purchase goods. Forward thinking, value-added forest product businesses, can capitalize upon this growing market segment, use the regional branding and entice this population to buy.

### **Plant Facilities**

New plant facilities are rare in northern New York and Vermont. Most are old, inefficient and outdated. If production costs are a basis for market share loss, then perhaps energy efficiency, layout and equipment need to be evaluated. Has an analysis of physical plant condition and impact on production costs been undertaken by industry trade associations?

### **Forest Tax Law**

Has there been an analysis of the role of existing forest tax law in supporting the current state of forestry in the Northern Forest?

**Research and Development: Create innovation and economic opportunity, based on our natural and cultural assets through R&D and incubators. Link educational institutions with natural resource opportunities and private sector applied research needs.**

### **Affiliated Strategic Options and Opportunities**

The creative economy happens at the kitchen table, as well as in the libraries and laboratories of academia. As discussed in the *Tourism* section of this document, there are environments in which the creative economy and intellectual capital can thrive. Research and study have revealed that communities must put out the welcome mat and encourage creativity to settle in. Humanities and the arts prosper from proximity to one another. Communities must appeal to highly skilled researchers and innovators, as well as to artists. Frank Cioffi, author of *Surviving in a Flat World: The Challenges and Opportunities of Creating and Preserving Jobs and Economic Opportunities for Working Vermonters* 2005 (26: 237) states, “In developing and sustaining an innovation knowledge based society, higher education, state, and business leaders should recognize the importance of three central themes: improving education, investing in research and development, and developing a system that enables the transmission of ideas to the marketplace.”

### **Cluster-Based Economic Development**

A report entitled, *The Dynamics of Technology-based Economic Development: State Science and Technology Indicators*, produced by the Office of Technology Policy Technology Administration, U.S. Department of Commerce (105:103), indicates that “enabling conditions and infrastructure” set the stage for the development of high tech economies. These include promotion of science and technology clusters. One or more research universities, private sector research centers, and federal research facilities can serve as the catalyst for the growth of a cluster.

Cluster-based economic development policies are being researched by several groups, including the Nelson A. Rockefeller Institute of Government at SUNY Albany. Their 2001 report entitled, *A Framework for Cluster-based Economic Development Policies* (88:32), recommended a pilot proposal to analyze three existing regional clusters in New York. The identification of successful examples, particularly from the high-tech field, might identify public policies that support and encourage cluster development. If such a pilot proposal was undertaken, then the results might be useful in further developing this strategy.

Two other Vermont organizations of note are involved with sector clusters. Associated Industries of Vermont (AIV) (61:283) was founded in 1920, and is the only state-wide business association dedicated to manufacturers and their supporting businesses. AIV'S core membership runs the full range of the manufacturing, mining, and forestry sectors, with companies of every size and from every part of the state. AIV members are also contractors, staffing agencies, banks, engineering firms, insurance companies,

law firms, farming operations, retailers, and many other kinds of businesses. These members often depend on a thriving manufacturing sector as an important part of their customer base. AIV reminds us that the concept of sector clustering is not a new idea, rather one that has demonstrated continuing success as an economic strategy.

The Vermont Sustainable Jobs Fund (VSJF) (146:149) is taking the concept one step further. Using sector clusters in a more sustainable fashion to create Green Economic Networks (146:319) VSJF has, for the past nine years, explored network approaches to sustainable development. Their experiences are based upon traditional trade associations and successful network models. "VSJF has helped to fund more than 30 groups of businesses engaged in sectors that include renewable energy, sustainable agriculture, certified forest products, lean manufacturing, education, and telecommunications. VSJF in itself is a network of like minded economic interests in Vermont and a good example of a creative economic approach to achieve the "triple bottom line" in Vermont.

At least three organizations have recognized the connection between environmental research and development and the region. The Saratoga Technology and Energy Park, the Greater Burlington Industrial Corporation and the Village of Saranac Lake all have identified environment-based research, innovation and commercialization as a medium of economic transition.

### **Venture Capital**

Another entry point into research and development occurs through access to capital. The availability and accessibility of venture capital can indicate the readiness of a region to support the innovation economy. Start up of biotechnology in northern New York depended on venture capital initially provided by the State of New York. Sector clusters can help sustain the development of new applications by supporting venture capital funds for R&D through trade associations. Venture capital networks can also be indicators of a mature entrepreneurial network.

### **Research Consortia and Hybrid Spin Off's**

Colleges and Universities use networks and consortia to further scholarship in topical or functional fields, but their vertical integration with community, non-profit and business sectors is limited. Regional research consortia, such as the Adirondack and Lake Champlain Consortia are useful resources for economic development interests. They are accessible through scholars with similar research interests. Cross sector collaborations can vertically link economic development and research universities. CITEC is a non-profit economic development organization that serves the New York State as one of ten NYSTAR® awarded Regional Technology Development Centers. CITEC grew out of an initiative of Clarkson University in Potsdam, New York. It represents a rare hybrid organization spun off by a research institution in order to bring the R&D gap between applied research and business.

## **Government and Non-Profits**

Government and not-for-profit organizations comprise a significant share of the region's economy and can benefit from applied research in political, social and environmental sciences. The Nelson Rockefeller Institute of Government, Albany, New York and the Snelling Center for Government at University of Vermont conduct applied research of benefit to all sizes of government. Associations, such as the Vermont Alliance of Non Profits (VANPRO) and Adirondack Community Trust, (New York) serve to direct attention of scholars to the hundreds of charitable organizations in the region. Non-profits are not well integrated into the research arena and would be well served by building relationships.

## **Research and Development: Best Practices**

- **New York Tech Valley Initiative, New York (82:25)**  
Tech Valley is a 19-county region of eastern New York State that spans from just south of Montreal to just north of New York City. This E-commerce based marketing project is a collaborative between local and regional Chambers of Commerce.
- **Greater Burlington Industrial Corporation, Vermont (26:203)**  
***Fostering Innovation in the Green Mountain State***  
An excellent study conducted as a follow up to the Creative Economy in Vermont (see Tourism). The report emphasizes the importance of higher education as the “lever” for a knowledge-based society. “A knowledge-based economy is best understood....as a *knowledge-based society* in which people and the economy are endowed with the ability and capacity to generate and capture new knowledge....”
- **Plattsburgh Aeronautical Institute, New York <http://www.cves.org>**  
CV-TEC, a public technical school serving 17 Northern New York school districts in Clinton, Essex, Warren and Washington Counties, and Clinton Community College a member of the SUNY higher education system, are partnering to create the Plattsburgh Aeronautical Institute. In response to anticipated local and state-wide business and industry training needs, and in response to the Clinton County Legislature's efforts to expand the scope of the Plattsburgh International Airport, CV-TEC and CCC are in the process of establishing an Aviation Technology Program, an FAA-approved Part 147 Airframe & Power plant (A&P) program, at the Plattsburgh International Airport, the site of the former Plattsburgh Air Force Base.
- **Gund Institute For Ecological Economics, University Of Vermont (159:214)**  
The Gund Institute's goals are “to shift the world's economies away from their present emphasis on infinite economic growth and toward a focus on sustainable human wellbeing. To forge fresh and visionary approaches to the economic challenges and opportunities that await us in the 21st century. To blur traditional academic boundaries and bring together experts, teachers, students, and

stakeholders from all disciplines in order to pioneer vital new developmental tools and ideas. To guide the way to true global economic sustainability through teaching, research, design, and the practical application of those economic solutions that will generate natural capital even as they create human profit.” This mission is consistent with the goals of the Northern Forest Sustainable Economic Strategy and thus examples from Gund’s current research may be useful case studies.

- **Conference Proceedings: American Association for the Advancement of Science, *Building Links Between Academic Research And The Private Sector: AAAS Leadership Development Conference: Vermont Update, April 23, 1998 (204: 195)***  
An outcome of the basin harbor meeting "Building Links Between Academic Research and the Private Sector" sponsored by the National Science Foundation (NSF) EPSCOR program and run by the Association for the Advancement of Science (AAAS), was the establishment of a set of Vermont goals in the technology transfer area. It would be interesting to note how far Vermont has come in nine years.
- **Saratoga Technology and Energy Park, New York (104:100 and 851:920)**  
This 280 acre industrial park is a joint venture between the New York State Energy Research and Development Authority, SUNY Albany, and the Saratoga Economic Development Corporation. STEP will be the first technology park to focus on clean energy and related environmental technologies. It is their hope that STEP will become known internationally as a knowledge community centered on niches of expertise in clean energy and environmental technologies, including a focus on transformational and enabling technologies.
- **Vermont Center for Emerging Technologies, University of Vermont *A Technology Incubator Assessment (205:198)***  
The only “discovered” publication with an emphasis on incubators. With sponsorship from the University of Vermont, this assessment charts an action plan for one component of such an overall strategy: the commercialization of science and technology-based innovations through business incubation. This study focuses on leveraging the existing “intellectual capital” in Vermont, with the goal of enhancing its academic institutions, creating clean industries, a more diversified economy and high quality jobs.

## **Gap Analysis**

### **Public and Private Education**

Education is the “fulcrum” on which the innovation economy depends. Our educational systems lag far behind those of countries who have made the transition from a manufacturing based economy to a knowledge-based one. A 2005 report entitled, *Transforming Learning For The 21st Century: An Economic Imperative* produced by Learning Point Associates (119:131), is a comprehensive review of the conditions

necessary to support an entrepreneurial economy. This document was developed as a terminating activity of the North Central Regional Technology Consortium, which after 13 years of existence concluded on September 30, 2005. A writing team, consisting of experts in education and economics worked with a panel of business and education experts to determine perspectives and recommendations to present about education, economic development, and information and communication technology. On particular note is the following:

“Much of U.S. education is still based on the premise that economic processes and institutions will mirror those of the 20<sup>th</sup> century. Students are prepared to be future employees of business organizations now rapidly becoming obsolete. Current trends suggest that more students will run their own businesses rather than work for others and as adults must constantly, quickly, and efficiently learn new skills and information to be effective entrepreneurs. **To succeed in life and to keep our country strong and prosperous, all of today’s students must graduate able to deal with ambiguity and capable of higher order analysis and complex communication.**”

This disconnect creates concerns about the ability of the U.S. economy to remain competitive. This is exacerbated by nationally subsidized research and development in Asia and Europe. A better educated Asia and Europe, combined with government underwritten research dollars may push the competitive edge in their favor at the expense of the Northern Forest.

### **Telecommunications Infrastructure**

While embedded in the goals for community development and the knowledge economy, it is important to highlight and reinforce these essential services. Currently “state of the art” telecommunications infrastructure is assumed to be “everywhere, but here” and spotty at best. How can the region compete in an evolving high technology world without a modern means of communication? Residents and businesses expect the best available technology to support a universal communication system. Antiquated educational and telecommunications systems are handicapping the region.

The Vermont Chamber of Commerce (145:98) specifically speaks to these needs in their *2005/2006 Priorities for Job Creation and Retention* statement:

- \*Encourage private telecommunications investment and remove/reduce barriers.
- \*Resist efforts to over-regulate telecommunications industry.
- \*Support and implement the Vermont Telecommunications Plan goals.
- \*Dedicate all revenue raised from transportation taxes to road and bridge projects.

The Adirondack-Champlain Community Broadband Network (CBN) (23:87) is a broad-based, grassroots, public-private community partnership. The CBN, coordinated by a

community board and SUNY Technical Assistance Center, is actively planning a broadband communication network in the eastern Adirondack-Lake Champlain region of Clinton, Essex, and Franklin counties of New York. Similar efforts are underway in the Northeast Kingdom to bring high speed internet to customers neglected by the major telecommunications companies through cooperative forms of business.

These initiatives are locally driven in part because the big telecommunications companies ignore the region. Even with these local initiatives, there will be sections of the Northern Forest without broadband service. Efforts are needed to homogenize services and ensure that core communities are included in the telecommunications network. The Greater Burlington Industrial Corporation (GBIC), in their publication, *Surviving in a Flat World: The Challenges and Opportunities of Creating and Preserving Jobs and Economic Opportunities for Working Vermonters 2005* (26:237) the author reinforces, for Vermont, the need to have seamless communication systems. It states, "If Vermont seeks to be on the cutting edge in the new digital economy then it must lead in having ubiquitous broadband, cellular/wireless communications and information technology infrastructure throughout every region and upon every major highway route and in every region of our state.

### **Hot Button Applied Research**

Exchange opportunities between all economic sectors of importance to the Northern Forest and researchers can improve innovation and commercialization of new ideas. Facilitating formal and informal exchanges should occur, as a starting point with research institutions within the region. They can then, through their peer-to-peer networks, foster communication with national or international institutions. Funding, such as that provided by the Northeastern States Research Cooperative, should be expanded and enhanced to include applied research in all economic sectors of importance to the Northern Forest.

### **What is Missing from the Strategic Options and Opportunities: Honorable Mention?**

#### **Gap: Workforce Development**

With an economy in transition, labor is needed to support existing business as well as potential ones. Therefore there is a need to train and re-train the labor pool as the job bank expands, contracts and changes. Tourism, high-tech and manufacturing all are crying out for a qualified workforce. Education is not keeping pace with learning and information needs for today's skilled workers. And then there is the trend towards entrepreneurial ventures, both small and large scale in all economic sectors. It has been stated that the educational system is not turning out venture-ready entrepreneurs.

As we promote a sustainable economy, have we considered what a sustainable workforce will look like? To what extent does the labor pool match employer needs? Addison County's *2001 Comprehensive Economic Development Strategy* (152:209) stated:

“The lack of a large local labor pool continues to be a problem. To date many companies have relied on labor from New York to fill needed positions. Layoffs at the International Paper mill in Ticonderoga, New York have created an available labor resource for growth over the past five to seven years. More recently the layoffs at IBM have increased availability of production workers with higher skill sets. Capacity for growth within existing structures does not exist in the county currently to any great extent. In short, growth may have in part been slow regionally due in large part to a **lack of an available labor pool...**”

Workforce is also important to Franklin County, in northern Vermont. Their 2004 CEDS report (16:175) stresses the need to “Build a Workforce to Make A Competitive Difference.” Franklin County emphasizes a widely available work force with a worth ethic, basic and advanced skills sets.

Another related issue is how the presence or absence of a livable wage affect labor recruitment? The Peace & Justice Center of Vermont continuously monitors wages, affordable housing and economic development through phases of the *Vermont Job Gap Study* (28:109). In our own lives we are passionately aware of the impact of affordable housing, health care, child care, and transportation are on our productivity at work and our quality of life. They are supporting actors in the drama of economic development.

A big gap, not only in the literature review, but in the entire economic planning process is a consideration of workforce, brain-drains from an aging population and from an out-migrating young population. How will the size of the actual labor pool correlate with the number of businesses now and into the future?

### **Gap: Retention and Recruitment Strategies**

Frank Cioffi aptly states, “A quality job preserved is as valuable as good as new quality job created.” Families cannot afford to lose their existing jobs in favor of some future trend or promise. The existing economic drivers need to be recognized, supported and nurtured. Many communities do not even know who drives their existing economy.

Another recruitment strategy is the targeting of visitors, alumni of higher education, camps and private schools, seasonal property owners, and natives living elsewhere as entrepreneurial, business or network prospects. Clearly, these people already have affection and perhaps a desire to live full time in the region. They represent an underutilized resource in many arenas. Assessment roles, development offices and tourism venues have information useful to recruitment strategies. Tourism venues can create events and appreciation opportunities that can also be a way to determine interest in investment and economic development.

### **Gap: Understanding Vermont’s Captive Insurance Program**

Several publications have mentioned the captive insurance program as a unique and strategic advantage, as its own economic sector and in relationship to the U.S. captive

domicile program. This required further research and investigation to better understand this program and its economic benefits and implications.

### **Gap: Regulatory Issues**

Both the Adirondacks of New York and Vermont share environmental and land use regulations that are significant in scope and reach. Act 250 in Vermont and Adirondack Park Agency Act have jurisdiction over many economic development projects. A common complaint is their cumbersome regulatory review and permitting process. Recommendations for streamlining the ACT 250 process are promoted by the Vermont Business Roundtable (55:234) in an effort to remain competitive with other locations. These regulations are meant to create a higher bar for business to operate within unique areas where preserving and protecting natural resources are a priority.

### **Gap: Understanding Quality of Life**

The Vermont Business Roundtable is the only identified organization that routinely surveys residents about Quality of Life. Their periodic *Pulse of Vermont* (55:236) survey and study results indicate a dynamic set of indicators of high value to the discussion of economic development. However, similar information for northern New York is sparse and stale.

## **Tier 1: Issues of value across the Northern Forest Region**

***The items provided below are not an exhaustive list, but a complimentary list to those found in each of the theme sections.***

### **Climate Change's effect on tourism, natural resources and places**

Of value and importance to all interests in the region, is an understanding of the consequences of global environmental change and their impact upon tourism, agriculture, forestry, natural resources as we have come to know them, as well as on public health and safety of our communities.

### **Canada**

Our shared neighbor to the north is an important trading partner in all economic sectors. The strength or weakness of the U.S. dollar plays a significant role in commerce. Capitalization on this resource is extremely important, since just over the border are the major metropolitan areas of Montreal, Quebec, Sherbrooke, and to the east St. Johns, New Brunswick. Canadian trade, investment and tourism can provide lasting value to the Northern Forest Region.

### **Horizontal Integration of Information and Lessons Learned**

The literature review reinforces the vertical integration of information and communities, which is natural and economically driven, considering the political impacts of states. Northern New York has a dearth of planning studies and information which is more than made up for in Vermont. Cross-regional collaboration can result in better research, capacity building and better dialogue about our shared issues and interests. For

economic development, thinking across the Northern Forest for sector clusters, recruitment and retention can reduce inter-state competition and promote cooperation.

### **Shared Regional Identity and Energy**

Thinking in as a multi-state, large geography is new and strange to most people. It will take a great deal of education and public relations to promote a shared region. However, there are others who are thinking even bigger. In addition to Two Countries, One Forest, there is a group called the Atlantic Institute for Market Studies (AIMS). AIMS has been promoting discussion about a geographical concept dubbed "Atlantica". The region is broadly composed of the Atlantic provinces, eastern Quebec, the northern tier of New England states and upstate New York. These territories share a number of common characteristics similar demographics, diversity and migration; a shared history, and interrelated transport issues. Perhaps most important, the residents of Atlantica have generally suffered from relative economic underdevelopment and growth compared to their respective national economies. Gordon I. Weil's plan for an Atlantica power market 143:284) is the first in a series of Atlantica papers about the meaning of the border and the creation of a heightened cross-border consciousness of what the former Mayor of Bangor, Maine, Tim Woodcock, calls "our shared region." With respect to renewable energy development, the larger geography may have merits for consideration.

The region also cannot conceptualize itself in a vacuum. The externalities of living in or near protected areas, across four states in the northeast, near Canada and in a global economy must be reiterated to reinforce our connectivity to forces beyond our control.

### **Access to Capital**

As seen with the New Markets Tax Credit and other federal forms of assistance, the region stands to increase its political clout in its competition for resources by aggregating the political will of our congressional delegation. The Northern Forest Small Grants Program is another example of a cross-regional effort that has succeeded in demonstrating that access to capital can be achieved through collaboration. Venture Capital networks, revolving loan funds, grant pools and other forms of financial capital can be created and utilized by a cooperative approach.

### **Promoting Regional Planning**

Forward thinking, proactive, local planning will only prevent sprawl within the borders of the respective community. Thinking about regional planning requires communities to work together. Each state has a different legislative basis for regional planning, but helping to convene communities to talk with one another about the regional effects of sprawl on a multiplicity of neighbors may be helpful. Most communities now understand the concept of watersheds and watershed planning and that they are larger than one local government. From this platform it may be useful to promote the notion that strong borders without sprawl make good neighbors.

### **Acceptance and promotion of Triple Bottom Line**

Vermont is well known for its acceptance and promotion of the Triple Bottom Line. The Vermont Businesses for Social Responsibility (240:324) is a great model. Perhaps we should have a Northern Forest Businesses for Social Responsibility?

### **Understanding Sustainable Economic Development**

As professionals and practitioners we throw around terminology that is not consistently used or understood. Perhaps we need to be careful and define what we mean by a sustainable economic strategy for the Northern Forest Region and what we do not. Here is an example from the Greater Burlington Industrial Corporation:

“Economic Development is NOT about land development. It is not about big box stores. Economic development means many things to many people. To some it means creating new job opportunities. To others, it means increasing the grand list of individual communities. To others, it means growth and the process of taking more of the world’s resources that inevitably leads to the degradation of the environment. To still others, economic development is about making the economy stronger, and making sustainable improvements in the lives of workers and families. With so many different views, it is not surprising that economic development is often mislabeled and misunderstood. Careful consideration of the term economic development finds that it encompasses much more than just creating additional businesses and jobs, or adding to a municipality’s tax base. Real and more enlightened economic development is about building a community’s capacity for shared and sustainable improvements in the economic well-being of residents. Under this definition, it is not just access to any job. Economic development is about access to good jobs that can support an adequate standard of living for all residents of a region or community. Economic development is also about continuous and sustainable improvements in the internal functioning of the economy, where its structural underpinnings are made stronger without sacrificing long term quality of life. Creating an environment and support network that encourages, nurtures and develops entrepreneurial enterprise and innovation must be one of Vermont’s primary economic development goals and programmatic priorities.”

Greater Burlington Industrial Corporation (GBIC), *Surviving in a Flat World: The Challenges and Opportunities of Creating and Preserving Jobs and Economic Opportunities for Working Vermonters* 2005 (26:237)

If there is not a universal understanding of the context of sustainable economic development in the Northern Forest Region, then the resulting adjustment strategy may be equally misunderstood.