



2018 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

New York 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, job retention, etc.

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

- ✓ The NCA *SUPPORTS* the continued funding for the following regional programs:
 - \$750 Million for Round VII of the REDC Competition;
 - \$100 Million for Downtown Revitalization Program.
- ✓ The NCA *SUPPORTS* continued 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 to invest in infrastructure across New York State for attracting economic development projects. Critical infrastructure such



as water, sewer, broadband, road, and necessary utilities play a crucial role in attracting and maintaining businesses in New York State; and long-term investment in maintaining this infrastructure in rural communities is critical.

➤ **THE NCA *RECOMMENDS* THE FOLLOWING ECONOMIC DEVELOPMENT LEGISLATIVE PRIORITIES:**

- ✓ The NCA *RECOMMENDS*, at a minimum, \$75 million be provided to fund a Round VI of RESTORE NY grants. On August 17, 2017, Governor Cuomo announced \$80 million in funding for Round V of RESTORE NY grants. The deadline for projects was December 15, 2017. These awards help to advance municipal projects which would otherwise not be completed.
- ✓ The NCA *RECOMMENDS* that when establishing MWBE goals for state funding programs, that regional disparity be strongly considered. In the North Country there are limited numbers of certified women or minority owned businesses. Consideration should be given to the number and types of certified businesses when establishing goals for grants as they are different in each region. The goals should be weighted, to some degree, by availability of such certified contractors in a region.

➤ **THE NCA *OPPOSES* THE FOLLOWING ECONOMIC DEVELOPMENT LEGISLATIVE PRIORITIES:**

- ✓ The NCA *OPPOSES* the Deferment of Business Tax Credits: Part S of the Revenue Memo of FY 2018-2019 Budget. This bill would require taxpayers to defer the use and refund of certain business tax related credits for three years if such credits exceed \$2 million in the aggregate. Under this bill, taxpayers would calculate the amount of each credit they would otherwise use and refund absent this provision, and if the total for the specified credits sums to more than \$2 million, taxpayers must reduce each credit proportionally. If this bill were to pass, many tax credits such as the investment tax credit (ITC), Brownfield Tax Credits, and Historic Tax Credit would all be impacted. A disruption to these valuable economic development tools will negatively impact any business already in these programs, and any future projects that may be considered.

INDUSTRIAL DEVELOPMENT AGENCIES

Economic development in rural communities across Northern New York State does not occur in a vacuum but with the cooperation and partnership of many organizations like industrial development agencies, local development corporations, chambers of commerce, and other not-for-profit organizations. Not all organizations are created or sponsored by a public entity or municipality; however their work is not any less important in achieving the desired economic goals in rural communities.

- ✓ The NCA *SUPPORTS* NYSEDC's draft legislation that proposes amending the IDA statute to allow for loans, grants, and private activity bonds to be issued by IDAs from fees



generated from economic development projects in accordance with the best practices reforms passed in 2016 with the Office of the State Comptroller. This will inject fresh capital into communities and stimulate economic growth through activities like infrastructure development, job creation, and workforce development to name a few.

- ✓ 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 Regional Council’s and counties initiatives.
- ✓ The NCA ***OPPOSES*** efforts by the Authorities Budget Office to classify all not-for-profit local development corporations as falling under the Public Authorities Accountability Act. Not all not-for-profit local development corporations are affiliated with, sponsored by, or created by a county, city, town or village government as a local authority. The NCA ***SUPPORTS*** the fair review and classification of local development corporations by the Comptrollers’ Office.
- ✓ The NCA ***RECOMMENDS*** allowing property under a PILOT to be included in the calculation for determining a taxing jurisdiction’s tax levy for purposes of the two percent real property tax cap. This is important economically to municipalities and school districts in order to accurately reflect growth in value and for fair calculation of the tax cap.

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 evolving manufacturing sector with a workforce strong in the technical, trade and program coding skills.

- ✓ The NCA ***SUPPORTS***, at a minimum, level funding to the State’s community colleges. There are several community colleges in the North County. All provide much needed workforce development programs, degree and certificate programs to meet the North Country’s workforce needs. A reduction in funding to community colleges will have a negative impact not only on the colleges, but the taxpayers that support the institutions.
- ✓ The NCA ***SUPPORTS*** the Governor’s proposal to create a Consolidated Funding Application for workforce investments that would support strategic regional efforts to meet businesses’ short-term workforce needs, improve regional talent pipelines, expand apprenticeships, and address the long-term needs of expanding industries. The NCA



supports new, flexible funding in the amount of \$150 million, as well as \$25 million in existing streams of workforce funding.

- ✓ The **NCA *SUPPORTS*** educating tomorrow's workforce. 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. The FY 2019 Executive Budget provides continued support for our schools, including funding for pre-kindergarten, after school programs, and turning schools into community hubs. It also continues the Excelsior Scholarship Program. New York should also support intensive post-secondary skills training for those job opportunities providing a good wage, but that do not require a college degree.
- ✓ The **NCA *SUPPORTS*** providing greater and more flexible support for incumbent worker training. New York's emphasis with the Governor's 15% fund, on supporting workforce development programs for those who are already long-term unemployed and dislocated workers has generated little success from employers and has had limited success. 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 in order to develop the talent pipeline needed to keep our existing employers competitive and to attract new business to the state.

ENERGY

- ✓ The **NCA *SUPPORTS*** legislation that would require the PSC to modify the Clean Energy Standard to ensure that operating renewables stay in operation in New York and do not export their renewable energy attributes elsewhere. The decision by the PSC to eliminate from the Clean Energy Standard the proposed Tier 2 market for existing renewable energy projects will likely lead to renewable energy leaving the state. According to a review of existing and recently expired contracts to sell renewable energy certificates under the Renewable Portfolio Standard, the predecessor program to the Clean Energy Standard, it is clear that the North Country region has more existing renewable energy projects than any other region in New York State. These projects total 1,080 megawatts.
- ✓ The **NCA *SUPPORTS*** a consumer impact study and cost benefit analysis to better ascertain and respond to the costs associated with New York State's Reforming the Energy Vision initiative (REV).
- ✓ The **NCA *SUPPORTS*** the expiration of the 18-a energy surcharge, which negatively impacts NNY manufacturers.
- ✓ The **NCA *SUPPORTS*** the initiative to deploy 1,500 megawatts of energy storage by 2025, employing 30,000 New Yorkers in this industry. To help reach this goal, the NY Green Bank will commit at least \$200 million for storage-related investments to help drive down costs and to strategically deploy energy storage to where the grid needs it most. Additionally, NYSERDA will invest at least \$60 million through storage pilots and activities to reduce barriers to deploying energy storage (e.g., permitting, customer acquisition, interconnection, and financing costs).



- ✓ Additional natural gas capacity is needed to grow the upstate NY economy. New York State should create rules and regulations that are sensitive to both environmental and economic concerns, regarding the development and transportation of energy resources.

ENVIRONMENT

- The NCA ***SUPPORTS*** maintaining the Environmental Protection Fund at \$300 Million.