

**NIAGARA COUNTY, NEW YORK**



**COMPREHENSIVE ECONOMIC  
DEVELOPMENT STRATEGY  
(CEDS)**

## **2018 ANNUAL PERFORMANCE REPORT**

**Submitted to:**  
**UNITED STATES DEPARTMENT OF COMMERCE  
ECONOMIC DEVELOPMENT ADMINISTRATION**

**JUNE 2018**



**Prepared by:**

**6311 Inducon Corporate Drive  
Vantage Center, Suite One  
Sanborn, New York 14132**

**[www.NiagaraCountyBusiness.com](http://www.NiagaraCountyBusiness.com)**

**Michael A. Casale, Commissioner**

**NIAGARA COUNTY LEGISLATURE**

[www.niagaracounty.com](http://www.niagaracounty.com)

**Legislator Wm. Keith McNall, Chair  
Legislator Clyde L. Burmaster, Vice-Chair  
Legislator Randy R. Bradt, Majority Leader  
Legislator Dennis F. Virtuoso, Minority Leader**

**Legislator Rebecca J. Wydysh  
Legislator Mark J. Grozio  
Legislator Owen T. Steed  
Legislator Jason A. Zona  
Legislator Kathryn L. Lance  
Legislator Richard L. Andres  
Legislator David E. Godfrey  
Legislator Anthony J. Nemi  
Legislator William J. Collins, Sr.  
Legislator Dr. John Syracuse  
Legislator Michael A. Hill**

**Richard E. Updegrave, Niagara County Manager**

**ECONOMIC DEVELOPMENT COMMITTEE**

**Legislator Kathryn L. Lance, Chair  
Legislator William J. Collins, Sr., Vice Chair  
Legislator Richard L. Andres  
Legislator Randy R. Bradt  
Legislator Rebecca J. Wydysh  
Legislator Jason A. Zona**

**COMPREHENSIVE ECONOMIC DEVELOPMENT  
STRATEGY COMMITTEE**

**Kathryn L. Lance**

**Michael A. Casale**

**William J. Collins, Sr.**

**Robert F. Bilson**

**James Bittner**

**Daryl Bodewes**

**Paul E. Brown**

**John Butcher**

**Thomas DeSantis**

**Paul A. Dyster**

**Wright H. Ellis**

**George Helfrich**

**Donald Jablonski**

**Andrea Klyczek**

**Don MacSwan**

**Cathy Lovejoy Maloney**

**Cathy Oddo**

**Lynn M. Oswald**

**Seth Piccirillo**

**Anthony Restaino**

**Kory Schuler**

**Brian Smith**

**Erik M. Solomon**

**Joseph Steinmetz**

**Thomas Tedesco**

**Lee Wallace**

**Thomas Weeks**

**Jerald Wolfgang**

**Michael Zimmerman**

**Richard E. Updegrove\***

**Honorable Robert G. Ort\*<sup>t</sup>**

**Honorable Angelo Morinello\***

**Honorable Michael Norris\***

**Honorable Robin Schimminger\***

**Honorable Raymond Walter\***

**Honorable Chris Collins\***

**Honorable Brian Higgins \***

**Christopher Schoepflin\***

**\* Ex-Officio**

## **Table of Contents**

I. Overview.....	1
A. Composition of the CEDS.....	1
B. Annual Performance Report.....	1
C. Summary of Findings.....	1
II. Evaluation Framework.....	2
A. Performance Measures.....	2
1. Business Climate.....	2
2. Industry Sectors.....	2
3. Infrastructure.....	3
4. Quality of Life.....	3
5. Workforce.....	4
B. Accomplishments.....	4
1. Accomplishments & Anticipated Actions.....	4
2. NCIDA Projects.....	7

### **TABLES**

Table 1. 2018 NCIDA Closed Industrial Revenue Bond and Leaseback Projects.....	8
Table 2. 2018 Microenterprise Assistance Program Loan.....	8
Table 3. 2018 NCIDA Revolving Loan Fund Projects.....	8

## **I. Overview**

The Niagara County Comprehensive Economic Development Strategy (CEDS) is a plan of action to strengthen Niagara County's economy. It is the result of a sustained annual economic development planning process involving public and private sector stakeholders working together to identify investment priorities and the resources necessary to carry out those investments.

### **A. Composition of the CEDS**

The Niagara County Comprehensive Economic Development Strategy includes an examination of existing economic conditions including strengths, weaknesses, opportunities, and threats; goals and objectives for improving the economy; implementation strategies for achieving those goals and objectives; and a framework for measuring progress. The CEDS leverages Niagara County's many unique advantages to attract new private investment, create and retain jobs, maximize economic opportunity, and improve the quality of life for residents and visitors alike. The complete Niagara County CEDS can be found online at:

[www.NiagaraCountyBusiness.com/2015\\_Niagara\\_County\\_CEDS.pdf](http://www.NiagaraCountyBusiness.com/2015_Niagara_County_CEDS.pdf)

### **B. Annual Performance Report**

The purpose of this Annual Performance Report is to document progress achieved on economic development initiatives and to identify changing economic conditions in the region. It includes a report on Performance Measures, which are statistics used to evaluate economic conditions in Niagara County and to measure progress in achieving key goals and objectives outlined in the CEDS. It also includes a list of economic development Accomplishments from the previous year and a list of Anticipated Actions for the year ahead relative to each goal in the CEDS. Finally, it includes a list of projects assisted by the Niagara County Industrial Development Agency with the total capital investment, jobs created, and jobs retained for each.

### **C. Summary of Findings**

Niagara County uses year-over-year statistical comparisons and longer-term benchmarks to evaluate changing economic conditions and trends as part of its Performance Measures. Below are a few notable findings. The New York State corporate tax rate in 2017 was 6.5%, unchanged from 2016 and the lowest since 1968. In 2017, the average annual unemployment rate in Niagara County was 6.2%, a slight uptick from 2016, but remains the second lowest level in the last decade. Niagara County's manufacturing sector continues to rebound despite structural shifts in the global economy, automation, etc. The latest data from the Census Bureau puts the Niagara County manufacturing sector payroll at the highest level (\$479,766,000) since 2008, with an increase of nearly 340 jobs in the last three years.

Major accomplishments in 2017 include the completion of a Feasibility/Planning Study for the WNY First Response & Preparedness Center to be constructed at the former U. S. Army Reserve site in the Town of Niagara and will house Mercy Flight, Mercy EMS, and the Sheriff's Aviation Unit in Phase I of the project. Additional funding in the amount of \$300,000 was secured by Niagara County to assist in brownfield cleanup efforts. Niagara County also assisted the Town of Newfane in securing \$500,000 in grant funding for the Olcott Harbor Breakwater Feasibility Study and Construction Plan to improve inner harbor conditions. Through collaboration with the Niagara Falls International Stakeholders Group the Niagara Falls International Airport Fiber-Optic Network Plan was completed, which upon buildout, will provide gigabit internet speeds to businesses near the Niagara Falls International Airport. A feasibility study was also completed to determine the viability of constructing a new multi-use event facility in Niagara Falls to expand and diversify the tourism industry. The NCIDA closed on seven projects in 2017 that will create 51 new jobs and which represent nearly \$43 million in new private capital investment. Finally, the Niagara Orleans Regional Land Improvement Corporation was established to help reduce blighted neighborhoods and encourage economic development in Niagara and Orleans Counties.

## **II. Evaluation Framework**

The Evaluation Framework serves as a tool for measuring progress on the overall CEDS. It is an important element of the ongoing planning process and seeks to answer the questions, "How are we doing?" and "What can we do better?" The Evaluation Framework is part of the CEDS Annual Performance Report that will be submitted to the U.S. Economic Development Administration each year.

### **A. Performance Measures**

Measurements of success will serve as the ultimate determinant of how well we are doing. Evaluation is a key element of our ongoing planning process and redevelopment strategy. The following performance measurement criteria are important to evaluating Niagara County's progress. Where possible, benchmarks are provided in at least a 10-year increment.

#### **1. Business Climate**

**Goal:** Strengthen the competitive position of Niagara County businesses

**Objective:** Reduce the cost of doing business

**Metric:** New York State Corporate Tax Rate (decrease)

**Data source:** The Tax Foundation (<http://taxfoundation.org>)

**Benchmark:** 9.0% (2000)

2016: 6.5%

2017: 6.5 %

**Benchmark**

**Change:** ↓ 2.5%

**Annual**

**Change:** ↔ 0.0%

**Summary:** New York State's corporate tax rate in 2017 held steady from the previous year. Repeated calls from the business and economic development community to alleviate the corporate tax burden are yielding important advances. A low corporate tax rate helps make Niagara County more economically resilient by keeping existing businesses in New York State, while attracting new businesses.

#### **2. Industry Sectors**

**Goal:** Expand key sectors of Niagara County's economy

**Objective:** Focus on identifying and attracting high-growth economic sectors companies, specifically manufacturing

**Metric:** Manufacturing Sector Annual Payroll (increase)

**Data source:** United States Census Bureau's County Business Patterns

**Benchmark:** \$758,591,000 (2002)

2015: \$462,607,000

2016: \$479,766,000

**Benchmark**

**Change:** ↓ \$278,825,000

**Annual**

**Change:** ↑ \$17,159,000

**Summary:** The manufacturing sector provides the largest annual payroll in Niagara County. After a dip in the recession years of 2008-2010, and in the last three years especially, manufacturing sector payroll and employment have gradually increased.

**Goal:** Diversify Niagara County's economic base  
**Objective:** Increase the number of companies receiving economic development incentives  
**Metric:** Number of companies receiving incentives (increase)  
**Data source:** Niagara County Industrial Development Agency Annual Report  
**Benchmark:** 11.2 companies (2009-2013 average)  
**2016:** 15 companies  
**2017:** 7 companies  
**Benchmark**  
**Change:** ↓ 4.2 companies  
**Annual**  
**Change:** ↓ 8 companies  
**Summary:** Projects incentivized by the Niagara County Industrial Development Agency bring new jobs and economic investment into Niagara County. In 2017, seven projects were approved, representing nearly \$43 million in new private capital investment and the creation of 51 new jobs.

### **3. Infrastructure**

**Goal:** Ensure quality transportation and utility infrastructure networks necessary to support businesses and development  
**Objective:** Cleanup brownfield sites and prepare them for redevelopment  
**Metric:** Number of brownfield sites receiving Certificates of Completion (increase)  
**Data source:** New York State Department of Environmental Conservation  
**Benchmark:** 1.2 sites (2009-2013 average)  
**2016:** 1 sites  
**2017:** 0 sites  
**Benchmark**  
**Change:** ↓ 1 site  
**Annual**  
**Change:** ↓ 1 site  
**Summary:** Developers are utilizing tax incentives available through the New York State Brownfield Cleanup Program to redevelop strategic properties in Niagara County. Continued promotion of tax incentives will help increase use of the program.

### **4. Quality of Life**

**Goal:** Improve the quality of life for the people of Niagara County  
**Objective:** Attract higher paying jobs to afford residents opportunities for higher incomes.  
**Metric:** Niagara County Poverty Rate (decrease)  
**Data source:** United States Census Bureau (www.census.gov)  
**Benchmark:** 11.4% (2003)  
**2015:** 13.7%  
**2016:** 13.6%  
**Benchmark**  
**Change:** ↑ 2.2%  
**Annual**  
**Change:** ↓ 0.1%  
**Summary:** The poverty rate has fluctuated over the last five years from a low of 13.3% to a high of 13.7%. The latest Census data indicates the City of Niagara Falls poverty rate at 27.2%, well above Niagara County's other two cities. The poverty rate indicates the percent of the County's population earning minimal income for subsistence and basic needs, which impacts many aspects of individual and family well-being. Decreasing the poverty rate, especially in the City of Niagara Falls, will improve the quality of life for many County residents.

## **5. Workforce**

**Goal:** Develop a comprehensive education and training program

**Objective:** Reduce the unemployment rate through job training and placement

**Metric:** Niagara County Average Annual Unemployment Rate (decrease)

**Data source:** NYS Department of Labor Local Area Unemployment Statistics

**Benchmark:** 6.2% (2004)

**2016:** 5.8%

**2017:** 6.2%

**Benchmark**

**Change:** ⇔ 0.0%

**Annual**

**Change:** ↑ 0.4%

**Summary:** During 2017, the unemployment rate in Niagara County rose to the 2004 benchmark. The unemployment rate is down from its 25-year high of 9.3% in 2009 (the height of the Great Recession). To be more economically resilient, Niagara County needs a diverse economic base capable of absorbing shocks to the economy and a workforce equipped with diverse, translatable skills to ensure continued employment.

## **B. Accomplishments**

Annual accomplishments are identified and assessed relative to the Goals outlined in this CEDS. The information is used to frame anticipated actions for the current year. Accomplishments by the Niagara County Industrial Development Agency (NCIDA) are also listed, providing a snapshot of economic activity within the county over the past year.

### **1. Accomplishments & Anticipated Actions**

Niagara County continues to make progress towards its economic development goals. The following section identifies accomplishments over the past year and anticipated actions for the current year. The accomplishments are intended to provide additional context around the Performance Measures in the previous section.

#### **Business Climate**

**Goal: Strengthen the Competitive Position of County Businesses**

##### **2017 Accomplishments:**

- Approved two new Empower Niagara low-cost power allocations resulting in nearly \$24 million in new private capital investment and the creation of 52 new jobs and retention of 27 existing jobs. These two power agreements are in the tourism sector, and will increase economic impact in the off-season. Renewed or extended power allocation agreements with three existing companies, one each in the manufacturing, tourism and agricultural sector. These companies continued to invest in their facilities, and exceeded employment projections.
- The Niagara County Industrial Development Agency reactivated 31 acres of Foreign Trade Zone (FTZ) #34 after successfully attracting Borderworx Logistics to its Vantage International Point industrial park. Borderworx is in the process of completing U.S. Customs requirements for FTZ Operator.
- Conducted free Business Workshops in Niagara County's five villages.

##### **2018 Anticipated Actions:**

- Continue to market the Empower Niagara Program to small and medium-sized businesses that do not qualify for New York Power Authority Expansion/Replacement Power Programs.



- FTZ #34 begins taking inventory. Market and promote FTZ #34 to Niagara County companies and in our attraction efforts.
- Conduct free Business Workshops in three Niagara County towns.
- Support the Niagara County Community College (NCCC) Small Business Development Center's Microenterprise Training Program

## **Industry Sectors**

### **Goal: Expand Key Sectors of Niagara County's Economy**

#### **2017 Accomplishments:**

- Contacted 71 companies as part of the Niagara County Business Growth and Retention Program and conducted meetings with 48 of those companies, offering assistance and promoting incentives to companies looking to expand or invest in their facilities and create or retain jobs.
- The NCIDA assisted companies in the manufacturing, healthcare, and housing sectors, which will result in nearly \$43 million in new private capital investment, the retention of 109 jobs and the creation of 51 new jobs.
- The NCIDA developed a successful marketing campaign targeting 550 Canadian companies poised for growth in the U.S. market, and conducted meetings with 63 of those companies to discuss U.S. expansion opportunities.
- Implemented a \$30,000 grant from New York State Department of Agriculture and Markets to update the 1999 Niagara County Agriculture and Farmland Protection Plan, to bolster the agriculture sector.
- The Niagara Falls Tourism Target Zone Program was established to offer grants to attract private investment and spur job creation within a one-mile radius of the Seneca Niagara Casino in Niagara Falls. To date, five projects have been approved for the downtown area, totaling over \$1.3 million.

#### **2018 Anticipated Actions:**

- Reach out to at least 70 existing companies through the Niagara County Business Growth and Retention Program to offer business assistance.
- Aggressively market business incentives available through the Niagara County Center for Economic Development in order to facilitate new capital projects, job retention, and job growth.
- Aggressively market Niagara County to U.S. and Canadian companies through advertising, direct mail, tradeshows, and in-person meetings.
- Work with Cornell Cooperative Extension of Niagara County to complete the Niagara County Farmland Protection Plan, which will help improve the agricultural sector in the County.
- Continue to promote the Niagara Falls Tourism Target Zone Program to provide loans, grants, or a combination of both to developers with marketable projects with the goal to attract private investment and spur job creation within a one-mile radius of the Seneca Niagara Casino in Niagara Falls.

### **Goal: Diversify Niagara County's Economic Base**

#### **2017 Accomplishments:**

- Completed a Feasibility/Planning Study for the WNY First Response & Preparedness Center to be constructed at the former Niagara Falls U.S. Army Reserve site, which will house Mercy Flight, Mercy EMS, and the Niagara County Sheriff's Aviation Unit in the first phase of the project.
- Completed a feasibility study to determine the viability of constructing a new multi-use event facility in Niagara Falls to expand and diversify tourism industry.
- The NCIDA assisted the development of a memory care assisted living facility that includes housing for low-income patients, serving an unmet need in the local healthcare industry.

## **2018 Anticipated Actions:**

- Complete the Engineering Design phase for the WNY First Response & Preparedness Center resulting in final engineering plans and identify gap funding needed for construction.
- Monitor reconstruction of the U.S. Customs plaza at the Lewiston-Queenston Bridge.
- Advocate for acquisition of a flight simulator to support the KC-135 air refueling mission of the 914th Airlift Wing at Niagara Falls Air Reserve Station.
- Advocate for stationing of a Launch and Recovery Element and MQ-9 airframes for the 107th Attack Wing at Niagara Falls Air Reserve station.
- Continue to market economic development sites such as the Cambria Technology Park, Niagara Airport Commercial Park, Somerset Lakeshore Site, and sites within the three cities for high-tech and advanced manufacturing operations.

## **Infrastructure**

### **Goal: Ensure Quality Transportation and Utility Infrastructure Networks Necessary to Support Businesses and Development**

#### **2017 Accomplishments:**

- Assisted the NFIA Stakeholders Group, Inc. in completing the Niagara Falls International Airport Fiber-Optic Network Plan, which will provide gigabit internet speeds to businesses near the airport.
- Advocated for NYS Department of Transportation funding to extend fiber-optic infrastructure to Niagara Falls International Airport for traffic signal synchronization and airport connectivity.
- Assisted the Town of Newfane in securing \$500,000 in grant funding for the Olcott Harbor Breakwater Feasibility Study and Construction Plan to improve inner harbor conditions.

#### **2018 Anticipated Actions:**

- Work with the Niagara Falls Transportation Authority to identify project funding partners to enable construction of the Niagara Falls International Airport Fiber-Optic Network.
- Identify funding strategies to support construction of the transportation and utility infrastructure necessary to attract development to the Cambria Technology Park.
- Assist the Town of Newfane in completing the Olcott Harbor Breakwater Feasibility & Construction Plan by providing project management services.

## **Quality of Life**

### **Goal: Improve the Quality of Life for the People of Niagara County**

#### **2017 Accomplishments:**

- Received \$300,000 in grant funding through the U.S. Environmental Protection Agency to conduct brownfield site assessments in Niagara County, eliminating blight and improving public health.
- Completed two Phase I Environmental Site Assessments and four Phase II Environmental Site Assessments through the Niagara County Brownfields Program.
- Awarded nearly \$30,000 in grants to 20 business associations through the William G. Mayne Business/Community Enhancement Program for business district beautification projects and promotion efforts.
- Nearly \$1.1 million in funding approved by the Niagara County Host Communities Standing Committee for eight new Niagara River Greenway projects and two existing projects including new sidewalks and trails, park improvements, statuary, tourist transportation, attractions, and more.
- Established the Niagara Orleans Regional Land Improvement Corporation to help reduce blighted neighborhoods and encourage economic development in Niagara and Orleans Counties.

#### **2018 Anticipated Actions:**

- Market brownfields assessment and cleanup incentives available through the Niagara County Brownfields Program and implement projects at approved sites.
- Apply for \$500,000 in federal funds to supplement the Niagara County Brownfields Revolving Loan Fund program.
- Promote available grant funding through the William G. Mayne Business/Community Enhancement Program to assist communities in developing and promoting their business districts.
- Support development of new Niagara River Greenway projects consistent with the Niagara River Greenway Plan that enhance and expand recreational opportunities for both residents and visitors.
- Participate in the City of Niagara Falls Empire State Poverty Reduction Initiative (ESPRI) Task Force, which will focus on job training and readiness as a way to assist residents living in poverty.
- Acquire residential properties for targeted redevelopment through the Niagara Orleans Regional Land Improvement Corporation.

## **Workforce**

### **Goal: Develop a Comprehensive Education and Training Program**

#### **2017 Accomplishments:**

- Promoted Niagara's WorkSourceOne workforce development and training programs to Niagara County companies through the Niagara County Business Growth & Retention Program and free Niagara County Business Workshops.
- Participated in Niagara's WorkSourceOne Spring and Fall Career Fairs, which attracted over 800 job seekers and over 130 businesses over the course of the two hiring events.
- Supported the Niagara County Workforce Development Board in the transition from the Workforce Investment Act to the Workforce Innovation and Opportunity Act including programmatic changes.
- The Niagara Global Tourism Institute (NGTI) conducted training programs for hotel front desk staff, and hosted the Disney Institute Program for training in the tourism and other industry sectors as well.
- Cornell Cooperative Extension conducted its' NiagaraWorks Workforce Development Training pilot program. Of the 11 applicants, six earned successful Certificates of Completion, four found jobs prior to completion in industries such as greenhouse/nurseries; tourism/culinary; buildings & grounds maintenance; landscaping/facilities maintenance.

#### **2018 Anticipated Actions:**

- Continue to support the skills development programming of the Niagara Global Tourism Institute.
- Work with the Buffalo Niagara International Trade Gateway Organization to identify workforce development needs and assess educational offerings in the logistics industry.
- Continue participation in WorkSourceOne Career Fairs and Career Fair Prep Workshops.
- Utilize the Niagara County Business Growth and Retention Program to identify workforce needs and program development opportunities.
- Continue to refer companies to Orleans/Niagara BOCES and Niagara County Community College workforce development programs.
- Continue to monitor Cornell Cooperative Extension's ongoing workforce development programs, including the Master Food Preserver program, and plans to create a Farm Incubator on premises which would offer farm mentorship to new and beginning farmers who will have the ability to rent a parcel of land to grow their crops.

## **2. NCIDA Projects**

Projects incentivized by the Niagara County Industrial Development Agency (NCIDA) provide a good indicator of economic activity within the County. In 2017, the NCIDA assisted projects in the housing,

healthcare/assisted living, parts manufacturing/machining, logistics, and food manufacturing sectors. The NCIDA closed on five industrial revenue bond and leaseback projects representing \$42.1 million in private capital investment, retention of 106 existing jobs, and creation of 42 new jobs within the next three years. The NCIDA also closed on one loan through its Microenterprise Assistance Program and one loan through its Revolving Loan Fund representing an additional \$175,000 in new private capital investment, retention of three jobs and creation of nine new positions within the next three years.

**Table 1. 2017 NCIDA Closed Industrial Revenue Bond and Leaseback Projects**

Company	Description	Location	Project Amount	# of Jobs (FTE's)	
				Retained	Created*
Rock One Development	Apartment complex	City of N. Tonawanda	\$20,045,000	0	11
Briarwood Manor	Memory care unit	City of Lockport	\$3,071,467	60	9
YMCA	Athletic facility	Town of Lockport	\$17,000,000	23	19
CRS Truck & Trailer	Tank washing facility	City of Niagara Falls	\$440,000	8	3
NBR Holdings	Manufacturing facility	Town of Wheatfield	\$1,500,000	15	0
<b>TOTALS</b>			<b>\$42,056,467</b>	<b>106</b>	<b>42</b>

\*Jobs projected within 3 years

**Table 2. 2017 Microenterprise Assistance Program Loan**

Company	Description	Location	Loan Amount	# of Jobs (FTE's)	
				Retained	Created*
Superior Tool Company	Machine shop	City of N. Tonawanda	\$50,000	3	3
<b>TOTALS</b>			<b>\$50,000</b>	<b>3</b>	<b>3</b>

\*Jobs projected within 3 years

**Table 3. 2017 NCIDA Revolving Loan Fund Projects**

Company	Description	Location	Loan Amount	# of Jobs (FTE's)	
				Retained	Created*
Lake Effect Ice Cream	Food manufacturing	City of Lockport	\$125,000	0	6
<b>TOTALS</b>			<b>\$125,000</b>	<b>0</b>	<b>6</b>

\*Jobs projected within 3 years