

Jefferson County Comprehensive Economic Development Strategy

October 2021

Developed in partnership with:



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THIS REPORT WAS COMMISSIONED BY JEFFERSON COUNTY

Jefferson County is on the northern border of the U.S. and is connected to the Canadian Province of Ontario via the Thousand Islands International Bridge extending across the St. Lawrence River. The eastern shore of Lake Ontario forms its western boundary. Its extensive waterfront attracts significant boating and fishing activity, as well as large numbers of campers to the state parks and private campgrounds along its shores. Its inland farm and forest land support a strong agricultural industry and a wide range of outdoor recreational activities. The County's Planning Department serves as technical staff to the County and its municipalities in a variety of planning, development, and resource management activities. The department, with the assistance of JCED, oversees the CEDS planning process on behalf of the county as an extension of its regular duties. The CEDS is intended to assist and guide efforts at both the County and local levels which will have positive impacts on the area's economy, environment, rural character and land uses.



JEFFERSON COUNTY ECONOMIC DEVELOPMENT

Jefferson County Economic Development (JCED) is the lead entity for economic development in the county and helped coordinate the development of this plan. Also known as the Jefferson County Local Development Corporation, the agency provides access to a full range of county-level tools and programs to support business growth and expansion, including those available through its sister agencies, the Jefferson County Industrial Development Agency and the Jefferson County Civic Facility Development Corporation.



1000 ISLANDS INTERNATIONAL TOURISM COUNCIL

The Thousand Island International Tourism Council is a New York State 501(c3) nonprofit corporation, whose largest stakeholders are the Thousand Islands Bridge Authority (TIBA) and Jefferson County, New York. The Corporation contracts as the official Tourism Promotion Agency for Jefferson County and receives occupancy tax funds from the county. The Council works closely with the Ontario-based destination marketing organizations to coordinate international marketing efforts and helped support the CEDS development.



CONSULTANT TEAM

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve economic development organizations and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus), and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to over 1,000 projects in over 43 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal.



UNITED STATES ECONOMIC DEVELOPMENT ADMINISTRATION

The United States Economic Development Administration oversees the Comprehensive Development Strategy process. As the only federal government agency focused exclusively on economic development, the U.S. Department of Commerce's Economic Development Administration (EDA) plays a critical role in facilitating regional economic development efforts in communities across the nation.



COLLABORATING FOR JEFFERSON COUNTY'S FUTURE

INTRODUCTION

2020 brought uncertainty and economic instability across the nation. Entire industries were shut down to manage the public health crisis, impacting everyone from business operators to employees to municipalities. While the public health situation has returned to a stable condition in the North Country, the ongoing and yet to be measured impacts of the COVID-19 pandemic will have lasting effects on Jefferson County. The COVID-19 pandemic brought challenging circumstances; but also presented opportunities for Jefferson County to frame itself as a location where workers, and therefore employers, may want to locate based on the ongoing prevalence of remote work and the increased ability of individuals and families to think about the types of attributes they want in a place where they settle down first and think about a job secondarily.

Since the 2012 Comprehensive Economic Development Strategy (CEDs), several items advanced to produce opportunities in the economy. Yet, concerning demographic and economic trends prevail in the county and region. These issues are not unique to Jefferson County but continue to pose striking challenges. The pandemic brought to light inequities, lagging infrastructure, and exacerbated drastic labor force shortages. This is a time to act boldly, think about how investments today will provide continued support in the future, and further collaboration that sprang into action during the worst of the pandemic. This process also re-evaluated *how* economic development functions in Jefferson County and addresses the systems that will be formalized to ensure that the next five years changes economic tides and celebrates the county's assets, businesses, and community members.

This work was completed in parallel with a Tourism Market Study for the 1000 Islands International Tourism Council. Tourism is a critical portion of Jefferson County's economy. The infrastructure around tourism assets, including sites, lodging, workforce, and connectivity are critical to maintaining the pristine reputation of the 1000 Islands Region. As market shifts occur and consumer expectations adapt, communicating internally and externally surrounding what changes are being made is imperative. See more details for strategies to grow and support destination management and marketing in Appendix D.

WHAT IS A COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY?

A CEDs is a key component in establishing and maintaining a robust, diverse economic ecosystem. The CEDs provides a platform for individuals, organizations, local governments, institutes of learning, and private industry to engage in a meaningful conversation about how local strengths can be leveraged to improve overall quality of life and how barriers can be overcome to achieve goals.

CEDs PROCESS

- ✓ Data + resiliency analysis
- ✓ Stakeholder coordination and interviews
- ✓ Coordination and facilitation with CEDs Committee
- ✓ Strategy development
- ✓ Implementation plan

ECONOMIC DEVELOPMENT IMPERATIVES

Based on the data analysis, stakeholder engagement, market analysis and an understanding of Jefferson County's capacity within the realm of economic development and workforce development, the following economic development imperatives summarize the driving themes behind the goals of this CEDS.

1. **Grow from within** to support existing industries and grow the entrepreneurial culture/pipeline.
2. Continue to develop the county's **downtowns into destinations** with a range of food/retail/entertainment /housing options that generate economic activity and support a sense of place that embraces who and what Jefferson County represents.
3. Support **business retention, local expansion, and innovation** efforts of existing major employers in legacy industries.
4. Continue to address **workforce needs of existing and new employers** through partnerships and innovative solutions that engage students to see the possibilities for them to grow careers in the region.
5. Work in **partnership with surrounding counties**, where possible, to deliver key economic development functions.

CEDS GUIDING PRINCIPLES

The following principles were agreed upon by the CEDS Committee during the planning process. These principles are intended to guide the initial round of strategy development, in addition to future strategies that will be developed over the five-year life span of the plan.

1. Growth Focused
2. Future Oriented
3. Resilient
4. Innovative
5. Actionable
6. Collaborative
7. Realistic
8. Transformative
9. Transparent
10. Sustainable

DEVELOPING PROJECTS

The ability to act and collaborate was paramount to devising strategies for the five-year time of the CEDS. The CEDS Committee worked together to establish projects within six categories. These categories closely reflect the functions that drive success in Economic Development Organizations (EDOs). The organizational setup of the projects ensures that as projects are executed, they ultimately contribute to supporting the broader economic prosperity of Jefferson County.

While Jefferson County Economic Development does not have the capacity to implement, direct or control all projects in each of these categories, the partners involved in the CEDS Committee represent a range of sectors. Together, with Jefferson County Economic Development as the lead coordinator of the CEDS, the partners will be supported to lead projects in their respective fields.

-  Data, Information & Business Intelligence
-  Business Retention & Expansion
-  Marketing (Tourism), Attraction & Lead Generation
-  Entrepreneurship & Innovation
-  Main Streets – Retail – Destination Development
-  Workforce
-  Sites & Infrastructure
-  Business Advocacy

ORGANIZING FOR SUCCESS

In reaction to the pandemic onset, the County and its economic development partners and stakeholders began monthly virtual meetings to organize a response to COVID-19 impacts. The CEDS formalizes that structure and suggests the county continue to lead these partners. Many of these partners acted as the CEDS Committee throughout the planning process and will transition to the Advisory & Implementation Committee (AIC) in the execution of the CEDS through the formation of teams and the establishment of regular group and team meetings.

The sole purpose of each team is to execute on its assigned plan objectives in the Action Plan Matrix. The team lead is an organization that is already leading or heavily involved in that category with the expertise and capacity to address that topic. The projects in their categories ultimately support the missions of the team’s organizations. These teams are a snapshot of partners working in economic development but are not meant to be inclusive of all partners currently involved in that work. These teams and their priorities are expected to grow and shift with time as conditions, events, or needs warrant. To ensure execution of objectives, any deviation from the actions within the team’s section of the Action Plan Matrix must be first discussed with the AIC.

The AIC will be chaired by the Jefferson County Economic Development Department CEO and comprised of a representative of each 9 newly established teams (to the right), as well as other partners and stakeholders. The AIC Chair will be responsible for agenda preparation, coordinating communication among the partners, supporting team plan implementation, and mid-month follow-up on team progress. The AIC will meet quarterly, and each team will meet on an established day each month to coordinate the execution of assigned objectives. In addition to other agenda items established by the AIC Chair, the quarterly AIC meetings will consist of each team reporting to the full AIC on implementation progress.

TEAM LEADS

INDUSTRY DATA & BUSINESS INTELLIGENCE

Jefferson County Economic Development

BUSINESS RETENTION & EXPANSION

Jefferson County Economic Development

TOURISM MARKETING

1000 Islands International Tourism Council

MARKETING ATTRACTION & LEAD GENERATION

Jefferson County Economic Development

ENTREPRENEURSHIP & INNOVATION

Jefferson County Economic Development

DOWNTOWN REVITALIZATION

Watertown Local Development Corporation

WORKFORCE

Jefferson-Lewis Workforce Development Board

SITES & INFRASTRUCTURE

Jefferson County Economic Development

BUSINESS ADVOCACY

Greater Watertown Chamber of Commerce

Jefferson County Action Plan Matrix 2021 - 2026

1 - Least imperative : 5 - Most imperative

Category	Project Name	Description	Partners - Contributors	Further Information Needed	Why is this Project Important?	Priority Level (1-5)
Entrepreneurship and Innovation	Small business support	Utilize Partners to share best business practices with existing businesses. This will help strengthen existing businesses and create opportunities for growth. This can include coaching, funding, marketing help, seminars, and internships.	SBDC, JCC, WDB, JCED, and Chambers of Commerce, AEDC	Narrative of existing resources and programs, and plan to reach out to the small business community. Needs to be very task specific, not generalized.	This will help shore up existing business and perhaps help grow organically for small business/entrepreneurs ready to grow but unsure about strategy.	4
	Entrepreneur mentorship program	Create networking and mentorship opportunities for new business owners to learn from more experienced entrepreneurs.		Need to identify the new entrepreneurs that could benefit.	An entrepreneurship support ecosystem will improve start-up success and contribute to the region's economic growth.	5
	Experienced entrepreneur networking event	Bring together successful entrepreneurs/investors for a high-level networking event to facilitate connections that might lead to new or expanded business activity.		Need to identify who those individuals would be.	These individuals have the skills, experience, resources, and connections to make things happen. Connecting them may stimulate new partnerships or give purchase to ideas that have been brewing.	4
Main Streets - Retail Destination Development	Advance the expansion of Black River recreation	Build a deliberate path from downtown to the river. Have events along the path, i.e. craft fairs. Establish a tourist destination by cleaning up the area, retaining vendors, adding music events, and appropriate lighting etc.	City of Watertown, JCED, Watertown LDC		Waterfront connections have been utilized successfully to revitalization other areas. This strategy can be applied to other similar geographies across the county.	5
	Regionalization of Main Street revitalization	This project will establish a regional approach to Main Street revitalization. Through shared resources and shared intelligence, this program will amplify and expand successful local initiatives throughout the region to direct attention to these important community centers.	Chambers, Advantage Watertown, Municipalities, LDCs, private sectors, Lewis and St. Lawrence Counties		Commercial corridors and main streets are essential to creating spaces and places where people want to be. Sharing knowledge and resources on a regional level will help tackle challenging issues on a regional scale and ultimately have a larger overall impact.	5
Workforce	Jefferson County internship guarantee program	Support a county-wide internship program, jointly coordinated by JCC and BOCES, to connect local educational institutions with local employers to provide work-based learning opportunities. Guarantee a paid internship with a local employer for any interested career and technical student at JCC and BOCES. (this will require significant oversight for educational quality/student safety/tracking and monitoring, etc.)	JCC, BOCES, local employers, County	# of potential students/internships needed, estimated cost, # of potential local employers to participate, quantifiable goals for the project (job placement after program completion, wages)	This project will connect students with employers and support local workforce retention, it will expose local students to local career fields, and meet an immediate workforce/student employment need.	4
	Revolving employer educational assistance program	The County establishes a fund to support specific non-credit workforce training that leads directly to local employment, local employers would then reimburse the County for the expenses upon hire of the newly trained individual (e.g. CDL, CNA). This would be a revolving loan fund -- County pays BOCES/JCC for non-credit, Employer reimburses County, Employer receives a trained new employee.	JCC, BOCES, County, local employers	Specific training programs of interest with sufficient projected enrollment, cost estimate	Non-credit training is rarely financial aid eligible, making it difficult for individuals to afford the out-of-pocket expense (e.g. CDL estimated at \$6k)	4
	Micro-credential academic innovation fund	Support the creation of non-degree educational paths (i.e. micro-credentials) that are tailored to local employment needs (affordable/quick/connected to real jobs). This requires investment in curriculum creation, attracting instructional talent, supporting necessary equipment needs, and pilot implementation in partnership with local employers.	JCC, local employers	List of potential micro-credentials areas of interest (business, health, and computer sciences), cost estimates, timeline for project creation, list of interested employers/occupational fields	Local students and local employers have expressed an interest in additional non-degree, career, and technical educational pathways. Creating these pathways requires some investment and local buy-in/support to encourage enrollment and program success/student placement.	4
	Home-based childcare bootcamp	Sustain current pilot effort in Jefferson and Lewis Counties to increase the number of home-based child care providers.	Lewis County Economic Development, JCC, CAPC, SBDC		Lack of affordable childcare in the region impedes participation in the workforce and/or training opportunities to advance one's employability	4
	Youth recruitment & education	Continue events and activities (such as Career Jam and Manufacturing Day) to attract and steer youth toward high demand skills needed by employers.	WDB, Educational institutions	In-demand skillsets, occupations	Retaining the next generation of workers in Jefferson County is critical to supporting the growth of existing businesses and attracting others.	5
	Partnerships for remedial skills	Identify partnerships or gap funding sources that can be used for remedial training in appropriate subjects to enable individuals to proceed in workforce training programs.	WDB, JCC, Educational institutions		There is a funding gap for remedial skills that prevents individuals from entering the workforce system and moving forward in their career.	3
	Fort Drum retention	Continue to increase the recruitment and retention of the 200-300 soldiers transitioning out of the Army at Fort Drum each month, and their spouses.	Advocate Drum, JCC, Jefferson & Lewis EDOs, WDB, local employers, Fort Drum	Evaluate current pilot effort for improvements.	While talent recruitment remains a national challenge, this population is already here and may stay if employment connections are made that align with their relevant skills.	4

Jefferson County Action Plan Matrix 2021 - 2026

1 - Least imperative : 5 - Most imperative

Category	Project Name	Description	Partners - Contributors	Further Information Needed	Why is this Project Important?	Priority Level (1-5)
Sites & Infrastructure	Town of Hounsfield sewer	Sewer project that would help attract businesses and provide sewer service for growing businesses at adjacent Business Park.	Town of Hounsfield, JCIDA	Additional Funding	This project will provide the necessary infrastructure to expand manufacturing projects and the expansion of the airport, leading to job creation.	4
	City Center Industrial Park rail spur	Public rail siding for use by area businesses.	City of Watertown, JCIDA, Watertown LDC	Feasibility and engineering study, funding	Provide logistics support to new and expanding businesses	4
	Regional electric & gas infrastructure	There is increasing demand for high-volt electric transmission lines especially due to growth of renewable energy projects, primarily in solar.	National Grid, NYPA, NYSERDA	Feasibility and engineering study, funding	Lack of high-volt transmission lines bottle-neck renewable energy potential in North Country and the ability for large scale power and gas users to operate or expand in North Country.	5
	Last Mile Telecom	Jefferson County does not have as many issues as other rural counties in the North Country, however a study completed by the County and DANC will identify issues relating to affordability and quality of broadband in the county.	County, Municipalities, DANC	Study to be completed soon, funding	Enhance the ability for work from home and telecommuting from rural areas in Jefferson County.	5
	Second entrance to City Center Industrial Park	Second entrance would support major employers in the Park and support business growth	City of Watertown, Watertown LDC, JCIDA	Funding	Currently one access onto heavily traveled Arsenal Street; several employers in Park have large trailers	4
	CLEAR Initiative (currently underway)	Regional report underway. Funding will be needed to support infrastructure projects identified in report that support local communities dealing with persistent high-water levels along Lake Ontario and the St. Lawrence River.	Municipalities, County, State	Study underway, funding	Projects yet to be identified	4
	Expand infrastructure in Town of Watertown	Extension of water and sewer utilities to the TI Ag Park to spur growth in agribusiness by creating shovel ready sites for development.	Municipality, private developer	Funding	Support growth of agribusiness in Jefferson County.	4
	Expand infrastructure in the Village of Sackets Harbor	New water intake to support Agbotics	Municipality	Funding	Agbotics is large water user. When water levels get too low, the Village has to ask the Town of Hounsfield to buy water from the City of Watertown.	4
	Creative regional housing solutions	Work with municipalities on place-based housing solutions that tackle barriers to development including: appropriate zoning, land assembly, affordability, proximity to employment and transportation, alternative housing styles, and other solutions.	Municipalities, DANC, JCED, developers, Jefferson County		Housing is a national crisis and must be aggressively addressed in order to make improvements to the supply and diversity of housing options in the county.	4
	Enhancement to public transportation	Determine creative solutions to implement public transportation improvements between Fort Drum and Watertown, along with other identified notes of employment activity.	Watertown-Jefferson County Area Transportation Council, Jefferson County, JCED		Rural public transportation is a reoccurring issue that prohibits economic growth. Working with the MPO to establish improvements based on their latest data will contribute to economic development efforts.	3
Continue implementation of Watertown International Master Plan	Continue to support growth and development of the Watertown International Airport - especially military courtesy & training center, weather-station sensors, de-icing containment facility, and sanitary sewer system.	City of Watertown, Jefferson County, JCED	All priority projects listed are noted in 5 year Capital Plan.	Airport is a must-have regional asset for general transportation and the support of business connections between Jefferson County and the world.	5	

Jefferson County Action Plan Matrix 2021 - 2026

1 - Least imperative : 5 - Most imperative

Category	Project Name	Description	Partners - Contributors	Further Information Needed	Why is this Project Important?	Priority Level (1-5)
Marketing (Tourism), Attraction & Lead Generation	Brand determination	The county has many regional branding efforts including business/workforce recruitment and destination marketing being undertaken by a myriad of public and private entities though they lack in cohesion. Do they need to be aligned or are prospect targets getting "brand fatigue" and trying to decipher what the county brand(s) are? Which ones are worth investing in?	TI Council, JCED, private recruiters i.e. hospitals, media companies, Chambers of Commerce.	What are the most prevalent brands, what is their value and which should be fostered collectively, or, by-sector-only? Which should be abandoned?	An assessment of brand equity would drive decision-makers away from activities with lower yields and showcase the brand that is attracting the most visitors.	4
	County marketing professionals partnership	Establish a group of marketing professionals that would build greater understanding for inter- and intra-markets, assets available to partners (subscriber lists, visual assets, calendars, etc.).	TI Tourism Council, Chambers of Commerce, private companies with marketing staff, JCED	Inventory of agencies/businesses with active marketing staff.	To embrace a regional/county message and develop meaningful partnerships, periodic meetings of marketing professionals would build relationships that allow for greater intra-collaboration. The County has many public and private marketers though interaction among them on things such as asset collaboration and	3
	Annual "State of Tourism Report"	Use market data, annual survey data, and market research to produce a brief "State of Tourism Report" that showcases trends and economics impacting Jefferson County's tourism industry. Promote findings with public presentation and digital dissemination.	Joint lead by TI Council + JCED, Chambers of Commerce, market research professionals	This summit could be expanded to be inclusive of Jefferson County's entire economy and showcase leading sectors like tourism, manufacturing, agriculture, defense and more. The goal is to breakdown barriers among sectors and share ideas and solutions to the established challenges.	Collecting and promoting market intelligence will help amplify the importance of tourism to the Jefferson County economy and provide operators with material to adjust their approach to marketing or services based on regional trends.	4
	Drum Country NY - Workforce attraction and retention campaign	Regional marketing initiative currently undertaking a workforce retention/attraction and business attraction/retention campaign. Hope to have materials ready to deploy in mid-summer.	Regional EDOs, Chambers of Commerce, DANC, Advocate Drum, National Grid, private businesses, public entities, Lewis and St. Lawrence Counties	Completing review of materials with targeted groups. Will require additional investment in long term to maintain marketing efforts.	Regional marketing to externally promote assets to attract workforce, residents and businesses.	5
	Cross-border commerce promotion	Reinvigorate bi-national partnership effort (when border reopens) to promote and support two-way business activity between Jefferson County and Ontario businesses.	Economic development agencies in Jefferson County and Province of Ontario		Mutual benefit accrues to both sides of a commercially active border crossing. Could also lead to new markets, business partnerships, and supply chain efficiencies.	5
	Promote innovative and high tech industries in the county	The county's legacy industries have adapted and innovated their processes to match today's digital landscape. Simultaneously, new sectors like renewable energy have grown in the region. Telling the story of how these businesses locate and grow in Jefferson County will help shift the perception of what types of industries are well-suited to grow in the region.	JCED, ESD		Celebrating the innovative sectors in Jefferson County will help showcase the possibilities for growth in the region, especially in sectors where there is market demand and interest like renewable energy, agbiotechs and advanced manufacturing.	4
	Southeastern Ontario marketing campaign	Social media, article placement and direct email are becoming the primary tools for creating awareness among businesses about what a region or community has to offer to expanding businesses. The County will develop a campaign toward target industry businesses located north of the border. More specifically, this market tactic would focus on target industries including: milk based food processing, manufacturing, and value-added agriculture. The region is well suited to capture attraction from mid-size manufacturing companies in Southeastern Ontario who want to enter the larger U.S. market.	Economic development agencies in Jefferson County and Province of Ontario		One of the county's competitive advantages is the ease of access to the border. Targeted attraction efforts will have a greater chance of success.	4
	Strategically invest in infrastructure to support agriculture and related value-added production	A meat processing facility and/or a dairy processing facility would support the local agriculture community by reducing time/distance their product has to travel to be processed and open up opportunities for value-added production in the local economy.	JCED, US EDA, American Rescue funds, other state funding sources	Specs needed by these facilities, investment estimates, potential private partners, developers, site readiness	A local meat processing facility would support local livestock producers and minimize threats to the food supply chain experienced during the pandemic (or other disasters). The region also has enough milk to support another dairy processing facility which would benefit dairy farmers throughout the region by providing another market for their milk.	4
	Using digital tools to gather market intelligence	Monitor website analytics to identify what types of businesses and industries are visiting key pages (incentives, doing business here, workforce, sites, etc.) of the County's website. Assess this visitation to determine additional industries and geographies indicating interest and utilize this information to adjust target marketing efforts.	JCED		Monitoring website analytics will help JCED determine what types of businesses are most likely to view their website and tailor their outreach approach to potential leads.	4

Jefferson County Action Plan Matrix 2021 - 2026

1 - Least imperative : 5 - Most imperative

Category	Project Name	Description	Partners - Contributors	Further Information Needed	Why is this Project Important?	Priority Level (1-5)
Data, Information, & Business Intelligence	Refine the "Live and Work Section" on website as part of talent recruitment strategy	This section of the website will be streamlined to display real time labor market/skills data, maps highlighting the county's convenient location to infrastructure nodes, and quality of life elements that are important for employers and employees.	JCED, Lewis & St. Lawrence Counties, DANC, Chambers		This is critical data that employers and developers want to access with ease to assess development potential in a location.	3
	Improve data available for sites	Critical information for businesses includes workforce, available sites and incentives/assistance. The County should update/add available sites to its Business Resources web page options. Location, size, zoning, infrastructure, and other critical relevant information about each parcel should be made available. This page in particular, should be used to identify business visitors as a platform to initiate engagement.	JCED	Documentation of sites up for sale or redevelopment, for example the Mercy Hospital Site.	This is critical information that developers or site selectors will look for immediately on an EDO website.	4
	Monitor real time labor market intelligence	Expand available labor market data for the city and region - specifically skills and current openings.	JCED, Workforce Boards		This is critical piece of information that employers or site selectors will use to determine suitability for development.	3
Business Retention & Advocacy	Formalize BRE process with CRM	Other competitive regions and states have become aggressive with investment attraction. In many cases, New York businesses are hearing more from EDO representatives from other regions than they are hearing from their local EDO. Now more than ever, business retention has become key to slowing the outmigration of businesses and labor. To combat this, the County should consider utilizing a CRM tool that will help coordinate business retention and expansion efforts among the various partners.	JCED	Cost for CRM investment	Business retention is a primary function of a successful EDO. Understanding the real-time needs of your businesses, along with building trust among partners, will allow the JCIDA to act quickly and effectively.	3
	Include and promote Tourism and Recreation as a target industry for Jefferson County.	Tourism and Recreation contributes about 3% towards Jefferson County's total economy and accounts for over 7% of all jobs. While the area is well known for tourism, it has not typically been as integrated into the overall economic development system. The industry will be included on JCED's Target Industry website page.	JCED, TI Council	Determining roles and relevant collaborations across economic development partners related to destination management.	In order to attract additional investment for destination management, Tourism and Recreation needs to be elevated and recognized on the same level as the other target industries in the county.	5

- PARTNER LEGEND**
- AEDC - Adirondack Economic Development Corporation
 - BOCES - Board of Cooperative Educational Services
 - CAPC - Community Action Planning Council of Jefferson County
 - DANC - Development Authority of the North Country
 - EDA - Economic Development Administration
 - EDOs - Economic Development Organizations
 - ESD - Empire State Development
 - JCC - Jefferson County Community College
 - JCED - Jefferson County Economic Development
 - JCIDA - Jefferson County Industrial Development Agency
 - LDC - Local Development Corporation
 - MPO - Metropolitan Planning Organization
 - NYPA - New York Power Authority
 - NYSERDA - New York State Energy Research and Development Authority
 - SBDC - Small Business Development Center
 - TI Council - Thousand Islands Tourism Council
 - WDB - Workforce Development Board

Appendix B

ECONOMIC PROFILE

Submitted to:

JEFFERSON COUNTY

KEY FINDINGS

Limited population growth has direct implications for the region's economic potential. The county's demographics are greatly influenced by Fort Drum's operations. A relatively young population with a higher-than-average proportion of Veterans is a unique characteristic of Jefferson County, especially in New York's North Country. Limited population growth is a persistent trend in the region and other rural portions of the country, which can limit the ability of local businesses to grow when additional workforce capacity is constrained. While migration patterns spurred by COVID-19 make this an opportune time to increase the county's population base by showcasing the economic and quality of life opportunities in the region, supporting the existing labor force through educational opportunities, transportation, and childcare options must also be a foundation to catalyze economic changes. This could also mean working with populations that face additional behavioral health obstacles to employment, such as mental and substance use disorders, and need labor force reentry resources.

Jefferson County's economy is driven by federal institutions and government operations. Nearly 50% of the county's jobs are classified in Government, NAICS 90. Additionally, nearly 60% of the county's Gross Regional Product is derived from the Government sector, followed by Health Care (7.3%) and Retail Trade (6%). These economic figures show how the county's economy is closely intertwined with the operations of the installation.

Although the agriculture sector is not one of the largest employers in Jefferson County it remains an important part of the county's legacy and economic profile. Subsectors like Animal Production and Dairy Product Manufacturing show particular specialization. About a third of agricultural producers in the county are over 65 years old, which puts the future of farming in perspective. Only 7% of the producers in the county are considered "young producers," aged 35 or younger. Growing subsectors including crop production, wineries, breweries and cheese-based snack foods have resulted in the agriculture cluster growth over the last decade.

Jefferson County's economy did not recover from the 2008 Recession on pace with New York State or the nation. The county's concentration of public sector jobs mitigates dramatic economic disruption, and therefore job losses during the Great Recession were not as severe in Jefferson County as they were in the rest of the North Country, state, or nation. However, since 2008-2009, New York State and the nation have amplified job creation, while Jefferson County's job growth remained consistent or slightly trended down. Since the 2008 recession, New York's employment grew by about 9% and the United States' total employment grew by about 10%. Excluding jobs military positions, Jefferson County expanded employment by just 3% since 2001. Economic recovery following severe disruption is driven by established firms rebounding as well as new establishment growth. Following the 2008 recession, new business growth was concentrated in metropolitan areas and this uneven distribution has been attributed to why many rural regions did not rebound. Recovery from the economic disruption caused by the COVID-19 pandemic will necessitate a multi-faceted approach that anticipates the industries with the greatest opportunity to emerge from COVID-19 in the region and

fosters an environment that supports business creation. This will help the region not just return to status quo but capitalize on emerging opportunities coming out of this economic and public health crisis and be more resilient in the future. The

Fueled by the 2020 summer season, Jefferson County's sales tax collections fared better than New York State's. Total sales tax collections between January - October 2020 were flat in the county, while collections across the state were down by 10.4%. Sales tax specific to the retail sector was up 5.3% (March - November 2020), faring better than the state, which was down .6% for retail collections. The county also fared better than the state in collections for Restaurants and Bar and Travel Accommodations, although still experienced lost revenue in those categories.

As expectations for working from home change from temporary to permanent, the ability of locations like Jefferson County to potentially attract residents and workforce has reinvigorated conversations about the need for holistic solutions to issues like housing diversity. While working from home has meant more flexibility for how and where employees work, the sectors with the greatest opportunity to work from home are not prevalent in Jefferson County. Professional services and technology sectors tend to have greater opportunities for remote-work and only make up about 4% of the region's jobs. Growing businesses in professional services or technology related sectors will require a robust digital infrastructure network, as well as a focus on the quality-of-life elements throughout the region, entrepreneurship networks and supportive business environment.

TARGET INDUSTRIES

Research was conducted to define the industries with the greatest potential to expand and contribute to Jefferson County's economy. The criteria used to identify these industries is listed in the box to the right. The table below summarizes the status of Jefferson County's target industries. Next steps in the research process will seek to maximize the economic potential of these industries based on market trends and Jefferson County's assets.

Three indicators were used to take a snapshot of the economic health of each target industry.

1. Job Growth: Historic job growth refers to the period 2010-2020. A green box indicates growth while a red box indicates a decline in jobs over the last decade. Projected jobs refer to the period 2020-2030. Employment projections come from labor market intelligence from Emsi, which is based on the BLS's Quarterly Census of Employment and Wages (QCEW) dataset. A green box indicates growth is projected; a red box indicates job loss is projected.

2. Competitive Effect: Competitive effect indicates how much of the job change within a given region is the result of some unique competitive advantage of the region. This is because

Target Industry Criteria

- ◆ Are within growing and/or emerging markets;
- ◆ Fit within regional talent and skills;
- ◆ Align with regional supply chains;
- ◆ Are highly concentrated and/or competitive;
- ◆ Align with the community's infrastructure and development preferences;
- ◆ Can gain a competitive advantage by locating in the region; and
- ◆ Have capacity and potential for innovation

the competitive effect, by definition, measures the job change that occurs within a regional industry that cannot be explained by broader trends such as overall economic growth or changes in the industry nationally. It is important to note that this effect can be positive even if regional employment is declining. For example, if regional employment is declining less than national employment, it would result in a positive competitive effect. The competitive effect in the pages that follow is a snapshot of how the industry performed relative to overall economic growth or national industry trends between 2010-2020. A green box indicates that an industry performed better than would be expected based on national or industry trends and a red box indicates the industry declined despite positive industry or national trends.

3. Outlook: Outlook for the industry is a composite of several different labor market indicators. Green indicates that the trends in the industry show growth potential, yellow demonstrates stable or unchanged outlook and the red means that the industry is going through transition or is anticipated to shed jobs.

Target Industry Summary

	Job Growth		Competitive Effect	Outlook
	<i>Historic</i>	<i>Projected</i>		
Agriculture and Food Processing	Green	Green	Green	Green
Wood & Paper Product Manufacturing	Red	Green	Green	Green
Transportation Equipment Manufacturing	Red	Red	Red	Yellow
Other Manufacturing	Red	Red	Red	Yellow
Energy Production	Red	Red	Red	Yellow
Defense	Red	Green	Red	Yellow
Tourism	Green	Red	Red	Green
Health Care	Green	Green	Green	Yellow

NEXT STEPS

As a foundational component of the CEDS, the findings from the Economic Profile help determine leads for additional research and strategy potential. Immediate next steps regarding data collection include:

- Conduct interviews with individuals in key sectors as well as small business owners to determine the immediate and future needs of the businesses driving the county's economy.
- Distinguish where Jefferson County could grow the supply chains of target industries.
- Analyze Canadian direct investment in Jefferson County and the region and highlight competitive factors of Jefferson County that could attract additional investment.
- Review infrastructure capacity and alignment with target industries.

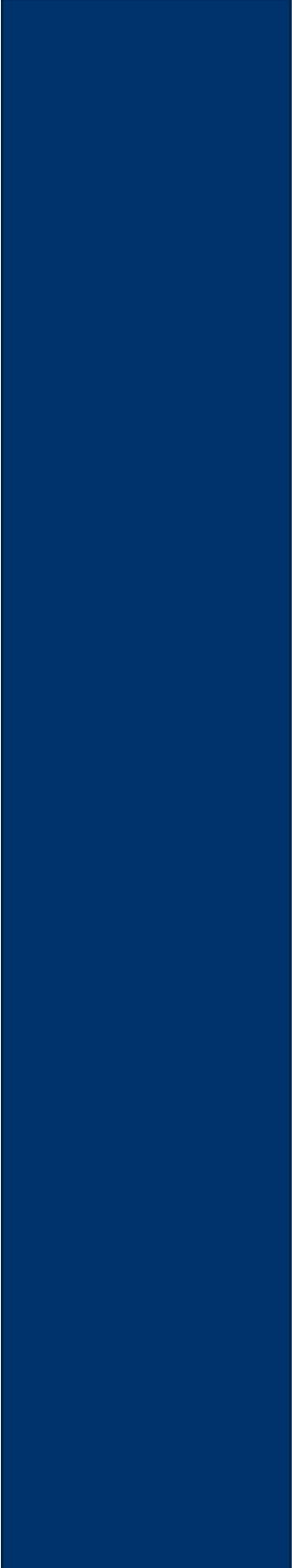


* The North Country as defined by NYSED includes the counties of Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis, and St. Lawrence.

METHODOLOGY

STUDY REGIONS

The goal of the Economic Profile is to provide a road map to secure the economic future of Jefferson County. It is important to establish a baseline understanding of Jefferson County and the area in which it is located. Economic conditions are determined by a variety of factors that interrelate with conditions in the North Country (Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis, and St. Lawrence Counties) including the State and national level trends. This report provides the results of a data analysis conducted to identify demographic, socioeconomic, and business and industry trends in Jefferson County.



DEMOGRAPHIC AND SOCIOECONOMIC PROFILE

DEMOGRAPHIC SUMMARY

- ◆ Growth in Jefferson County has remained flat compared to the state and nation. The county's population has increased by 1.1% since 2010.
- ◆ With a median age of 34.5 in 2020, county residents' trend younger than the other geographies.
- ◆ Household incomes in the Jefferson County are lower than the state and nation. 2020 median household income in the county is about \$52,800, or approximately \$16,000 lower than the median in New York and \$9,000 lower than the median in the nation.

Demographic Summary

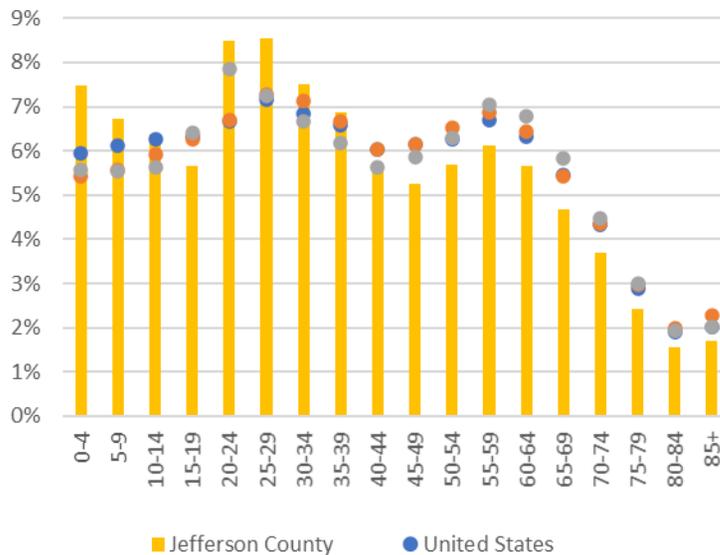
	2010	2020	2025	2010-2020 % Change	2020-2025 % Change
Jefferson County					
Population	116,229	117,481	114,797	1.1%	-2.3%
Median Age	32.7	34.5	35.4	5.5%	2.6%
Households	43,451	44,118	43,103	1.5%	-2.3%
Average Household Size	2.53	2.52	2.52	-0.4%	0.0%
Median Household Income		\$52,804	\$54,525		3.3%
North Country					
Population	433,193	433,678	426,298	0.1%	-1.7%
Median Age	37.6	39.1	40.3	4.0%	3.1%
Households	164,730	166,550	163,831	1.1%	-1.6%
Average Household Size	2.43	2.41	2.41	-0.8%	0.0%
Median Household Income		\$53,799	\$56,498		5.0%
New York					
Population	19,378,102	19,825,692	19,899,059	2.3%	0.4%
Median Age	37.9	39.3	40.4	3.7%	2.8%
Households	7,317,755	7,522,434	7,558,777	2.8%	0.5%
Average Household Size	2.57	2.56	2.56	-0.4%	0.0%
Median Household Income		\$68,828	\$75,239		9.3%
United States					
Population	308,745,538	333,793,107	346,021,282	8.1%	3.7%
Median Age	37.1	38.5	39.3	3.8%	2.1%
Households	116,716,292	126,083,849	130,658,485	8.0%	3.6%
Average Household Size	2.58	2.58	2.59	0.0%	0.4%
Median Household Income		\$62,203	\$67,325		8.2%

Source: Esri

POPULATION CHARACTERISTICS

- ◆ Driven by the presence of Fort Drum, a larger portion of the Jefferson County's population is in the 20-34 age cohort compared to the North Country, state, and nation.
- ◆ The Jefferson County's population has a larger share of population of 18 and younger compared to New York and the U.S. (23.8% vs. 20.4% and 22%, respectively) and a lower share of population over 65 compared to the state and nation (14.1% vs. 17.1% and 16.6%, respectively).

Population Distribution by Age, 2020



Source: Esri

Population by Age Cohort, 2020

Age	United States	New York	North Country	Jefferson County
0-4	6.0%	5.4%	5.6%	7.5%
5-9	6.1%	5.6%	5.6%	6.7%
10-14	6.3%	5.9%	5.6%	6.4%
15-19	6.3%	6.3%	6.4%	5.7%
20-24	6.7%	6.7%	7.8%	8.5%
25-29	7.2%	7.3%	7.2%	8.6%
30-34	6.8%	7.1%	6.7%	7.5%
35-39	6.6%	6.7%	6.2%	6.9%
40-44	6.0%	6.0%	5.6%	5.6%
45-49	6.1%	6.1%	5.8%	5.2%
50-54	6.3%	6.5%	6.3%	5.7%
55-59	6.7%	6.9%	7.0%	6.1%
60-64	6.3%	6.4%	6.8%	5.7%
65-69	5.5%	5.4%	5.8%	4.7%
70-74	4.3%	4.4%	4.5%	3.7%
75-79	2.9%	3.0%	3.0%	2.4%
80-84	1.9%	2.0%	1.9%	1.6%
85+	2.0%	2.3%	2.0%	1.7%
Total Age < 18	22.0%	20.4%	19.9%	23.8%
Total Age 18+	78.0%	79.6%	80.1%	76.2%

Source: Esri

- ◆ Jefferson County has a larger than average proportion of Millennials, which aligns with the population data seen on the previous page.
- ◆ The proportion of the population that is 55+, and within the range of retirement, is smaller than the national average.
- ◆ Jefferson County has a higher proportion of Veterans when compared to the nation.
- ◆ Racial diversity is significantly lower than the national average.
- ◆ Violent crime and property crimes are well below the national average.



Millennials

Jefferson County, NY has 25,653 millennials (ages 25-39). The national average for an area this size is 22,649.



Retiring Soon

Retirement risk is low in Jefferson County, NY. The national average for an area this size is 32,297 people 55 or older, while there are 27,765 here.



Racial Diversity

Racial diversity is low in Jefferson County, NY. The national average for an area this size is 43,817 racially diverse people, while there are 20,542 here.



Veterans

Jefferson County, NY has 10,464 veterans. The national average for an area this size is 6,374.



Violent Crime

Jefferson County, NY has 2.21 violent crimes per 1,000 people. The national rate is 3.53 per 1,000 people.



Property Crime

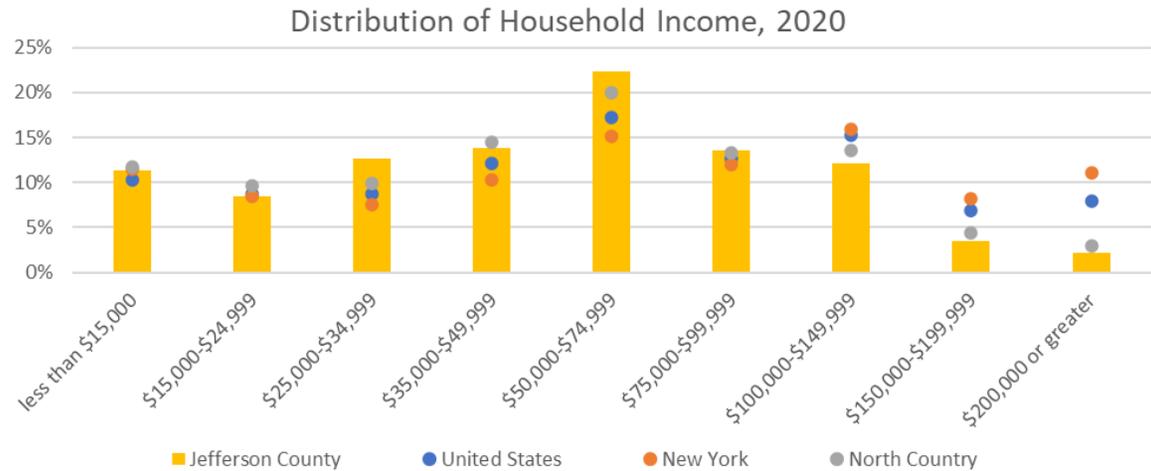
Jefferson County, NY has 14.69 property crimes per 1,000 people. The national rate is 19.79 per 1,000 people.

Source: Emsi

HOUSEHOLD INCOME

◆ Household incomes are lower in Jefferson County than the state and nation. A higher proportion of the comparison geographies make over \$100,000 annually.

◆ Median household income (MHI) is similar when comparing the county to the North Country (\$52,800 compared to \$53,800). MHI in New York is about \$68,800, and the MHI in the U.S. is approximately \$62,200.



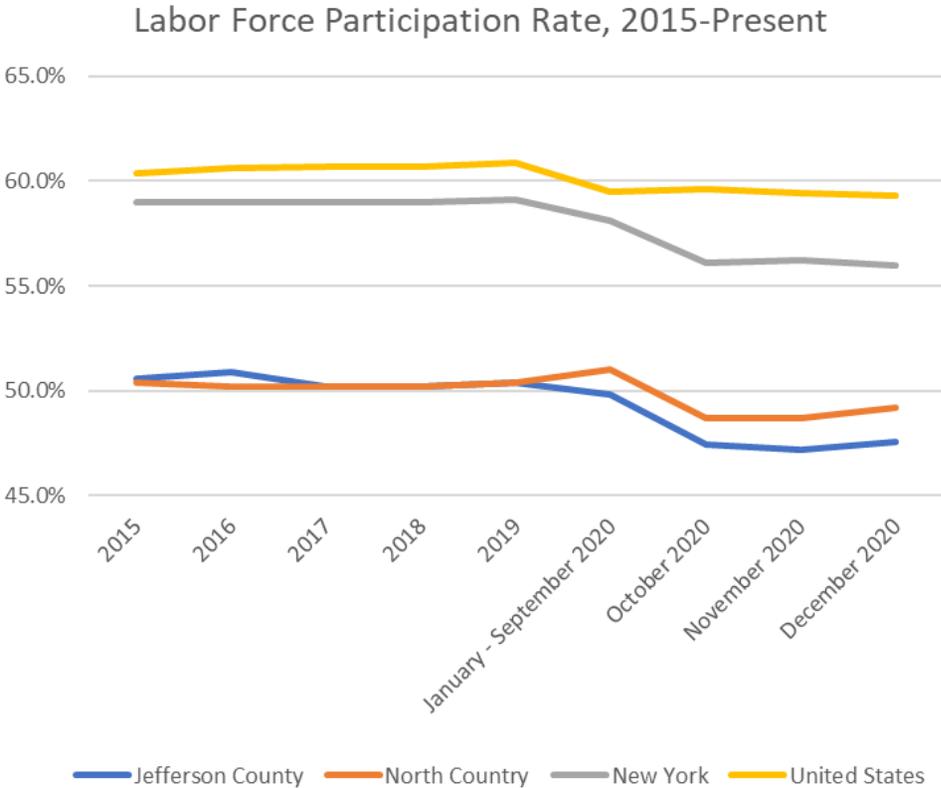
Source: Esri

Household Income, 2020				
Income	United States	New York	North Country	Jefferson County
less than \$15,000	10.3%	11.4%	11.7%	11.4%
\$15,000-\$24,999	8.8%	8.5%	9.6%	8.5%
\$25,000-\$34,999	8.7%	7.6%	9.8%	12.6%
\$35,000-\$49,999	12.2%	10.3%	14.5%	13.8%
\$50,000-\$74,999	17.3%	15.1%	20.0%	22.3%
\$75,000-\$99,999	12.6%	11.9%	13.3%	13.6%
\$100,000-\$149,999	15.3%	15.9%	13.6%	12.1%
\$150,000-\$199,999	6.9%	8.2%	4.4%	3.5%
\$200,000 or greater	7.9%	11.1%	3.0%	2.2%
Median Household Income	\$62,203	\$68,828	\$53,799	\$52,804

Source: Esri

LABOR FORCE PARTICIPATION

- ◆ Over the past five years, Jefferson County and the North Country have persistently had lower levels of labor force participation compared to the state and nation.
- ◆ January – September 2020 saw an ongoing downward trend in Labor Force Participation rate in Jefferson County and the North Country. The decrease flattened out around October and has slightly risen in recent months.
- ◆ The region’s Labor Force Participation is greatly influenced by seasonal hiring and reflects individuals that are leaving the labor force or no longer looking for jobs due to ongoing strains on businesses due to COVID-19.

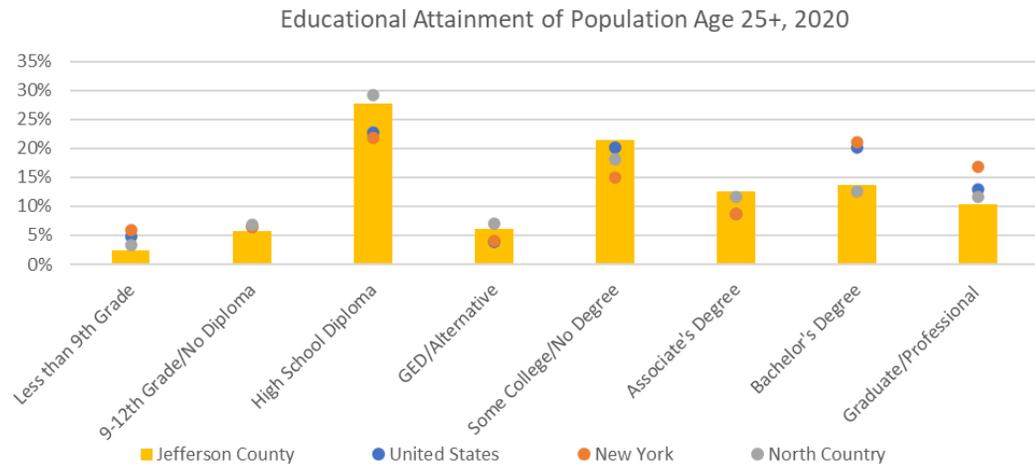


Source: Esri

EDUCATIONAL ATTAINMENT

◆ Compared to NY and the nation, the Jefferson County population has a smaller share of residents who hold at least a Bachelor’s degree (24%, versus 38% in NYS and 33% nationwide).

◆ Jefferson County leads the comparison geographies in the percentage of the population that has an Associate’s Degree, 12.6% of adults over 25.



Source: Esri

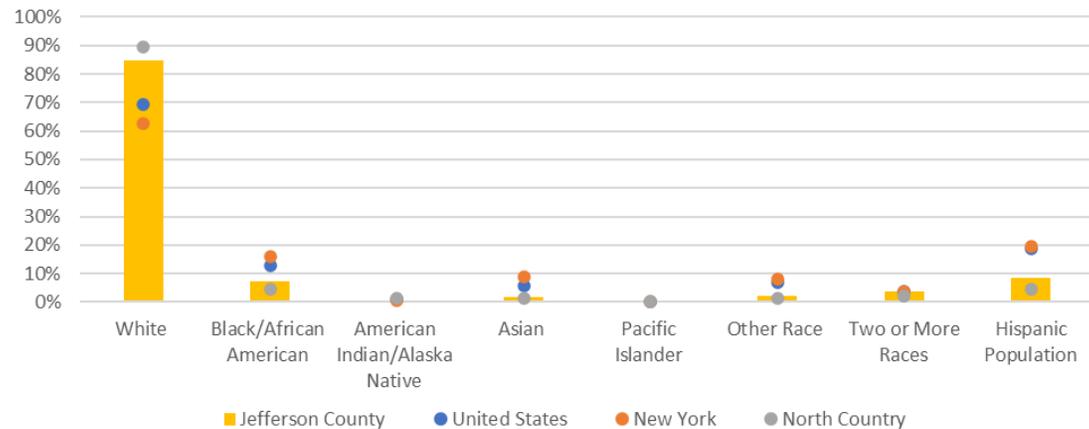
Education	United States	New York	North Country	Jefferson County
Less than 9th Grade	4.8%	6.0%	3.3%	2.4%
9-12th Grade/No Diploma	6.5%	6.5%	6.8%	5.8%
High School Diploma	22.8%	21.8%	29.2%	27.6%
GED/Alternative	3.9%	4.0%	7.0%	6.0%
Some College/No Degree	20.1%	15.0%	18.1%	21.4%
Associate's Degree	8.7%	8.7%	11.6%	12.6%
Bachelor's Degree	20.2%	21.2%	12.6%	13.7%
Graduate/Professional	12.9%	16.8%	11.6%	10.3%
High School Equivalent or Higher (includes GED)	88.7%	87.5%	89.9%	91.7%
Bachelor's Degree or Higher	33.1%	38.0%	24.2%	24.0%

Source: Esri

RACE AND ETHNICITY

- ◆ The vast majority of Jefferson County's population is white. Compared to the state and nation, the Jefferson County's population is less racially diverse.
- ◆ Jefferson County's population has a higher Hispanic population than the North Country (8.4% compared to 4.4%).

Population by Race & Ethnicity, 2020



Source: Esri

Population by Race, 2020

Race	United States	New York	North Country	Jefferson County
White	69.4%	62.8%	89.4%	84.6%
Black/African American	13.0%	15.9%	4.5%	7.2%
American Indian/Alaska Native	1.0%	0.6%	1.5%	0.6%
Asian	5.9%	8.8%	1.2%	1.7%
Pacific Islander	0.2%	0.1%	0.1%	0.3%
Other Race	7.1%	8.2%	1.2%	2.2%
Two or More Races	3.6%	3.6%	2.2%	3.6%
Hispanic Population	18.8%	19.7%	4.4%	8.4%

Source: Esri

INDUSTRY ANALYSIS

EMPLOYMENT BY SECTOR, 2-DIGIT NAICS

- ◆ In 2020 there were over 58,000 jobs in the Jefferson County.
- ◆ Sectors that hold the greatest number of jobs include Government, Health Care and Social Assistance, and Retail Trade.

Jefferson County 2020 Employment by Sector

NAICS	Description	2020 Jobs
90	Government	26,944
62	Health Care and Social Assistance	6,973
44	Retail Trade	6,154
72	Accommodation and Food Services	4,094
31	Manufacturing	2,001
23	Construction	1,999
81	Other Services (except Public Administration)	1,899
56	Administrative and Waste Management Services	1,026
48	Transportation and Warehousing	1,015
42	Wholesale Trade	988
54	Professional, Scientific, and Technical Services	972
52	Finance and Insurance	838
11	Agriculture, Forestry, Fishing and Hunting	828
53	Real Estate and Rental and Leasing	573
51	Information	555
71	Arts, Entertainment, and Recreation	529
61	Educational Services	364
55	Management of Companies and Enterprises	364
22	Utilities	158
21	Mining, Quarrying, and Oil and Gas Extraction	60
99	Unclassified Industry	43
Total		58,378

Source: Emsi

EMPLOYMENT DISTRIBUTION BY SECTOR, 2-DIGIT NAICS

- ◆ Government accounts for the most jobs in the county – 46.2% of total jobs. Government jobs comprise 34.1% of the North Country’s economy, 14.5% of the state’s jobs and 14.9% of the nation’s jobs.
- ◆ Other top contributors include Health Care and Social Assistance (11.9%), Retail Trade (10.5%), and Accommodation and Food Services (7.0%).

Employment Distribution in Jefferson County, 2020

NAICS	Description	Jefferson County	North Country	United New York	United States
90	Government	46.2%	34.1%	14.5%	14.9%
62	Health Care and Social Assistance	11.9%	14.1%	16.4%	12.8%
44	Retail Trade	10.5%	11.4%	9.0%	9.8%
72	Accommodation and Food Services	7.0%	7.9%	7.5%	8.6%
31	Manufacturing	3.4%	5.7%	4.3%	7.8%
23	Construction	3.4%	4.2%	4.7%	5.7%
81	Other Services (except Public Administration)	3.3%	3.4%	4.7%	4.7%
56	Administrative and Waste Management Services	1.8%	2.3%	5.4%	6.2%
48	Transportation and Warehousing	1.7%	2.1%	3.4%	3.8%
42	Wholesale Trade	1.7%	1.5%	3.2%	3.6%
54	Professional, Scientific, and Technical Services	1.7%	2.0%	7.5%	6.6%
52	Finance and Insurance	1.4%	1.5%	5.3%	4.0%
11	Agriculture, Forestry, Fishing and Hunting	1.4%	2.6%	0.4%	1.2%
53	Real Estate and Rental and Leasing	1.0%	0.9%	2.2%	1.7%
51	Information	1.0%	0.9%	2.9%	1.8%
71	Arts, Entertainment, and Recreation	0.9%	1.2%	2.2%	1.8%
61	Educational Services	0.6%	2.9%	4.3%	2.6%
55	Management of Companies and Enterprises	0.6%	0.6%	1.4%	1.4%
22	Utilities	0.3%	0.3%	0.4%	0.3%
21	Mining, Quarrying, and Oil and Gas Extraction	0.1%	0.2%	0.0%	0.4%
99	Unclassified Industry	0.1%	0.1%	0.3%	0.1%
Total		100%	100%	100%	100%

Note: NAICS 90, Government, includes federal, state, and local government, (including military and postal service) as well as public schools, correctional facilities, and hospitals.

Source: Emsi

JOB TRENDS BY SECTOR, 2-DIGIT NAICS

- ◆ Between 2015 and 2020, Jefferson County's economy lost about 1,800 jobs (3%).
- ◆ Retail Trade lost the most jobs, 870. Government lost 553 and Manufacturing lost 491.
- ◆ Health Care and Social Assistance added the most jobs, 554. This is followed by Transportation and Warehousing which added 178 jobs.
- ◆ Average earnings per job in the county is \$57,672. This is lower than the average earnings per job of \$88,755 in the state.
- ◆ While Utilities does not represent a large portion of jobs, green energy industries that fall under NAICS 22 present significant opportunity to Jefferson County. Biomass and hydro power have performed well and are state priorities, while fossil fuel power generation contributes to losses in the sector.

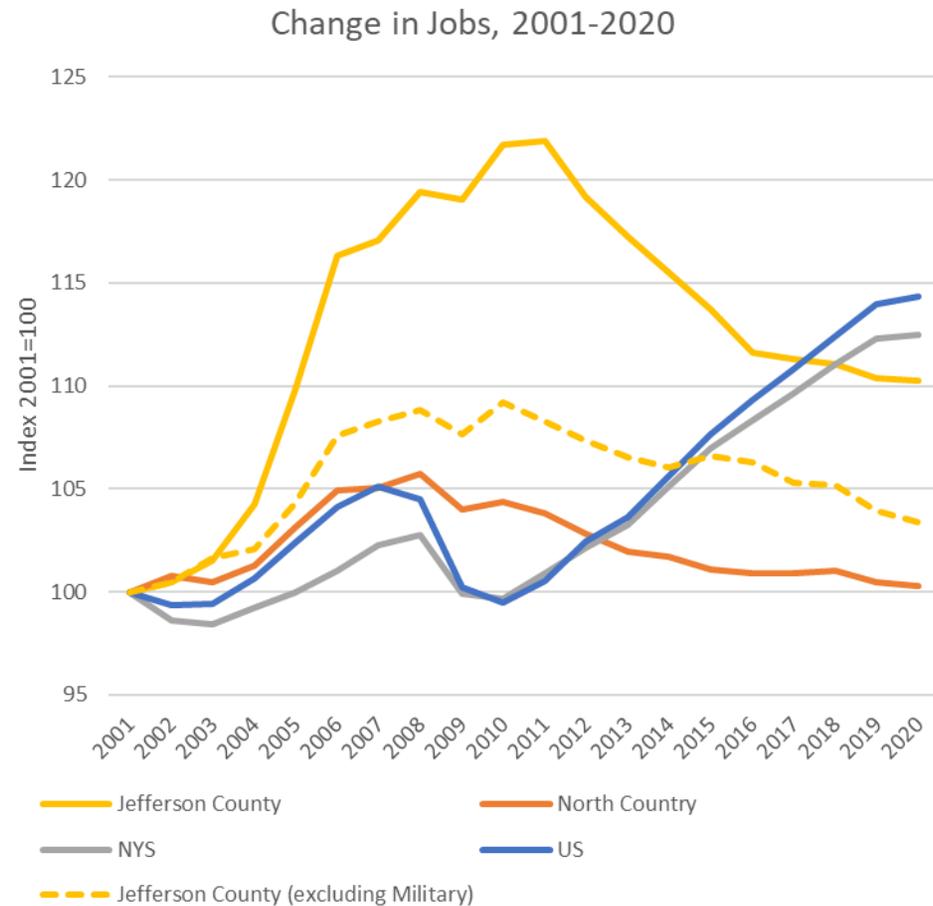
Jefferson County Job Trends by 2020 Employment

NAICS	Description	2015 Jobs	2020 Jobs	2015 - 2020 Change	2015 - 2020 % Change	Avg. Earnings Per Job
90	Government	27,497	26,944	(553)	(2%)	\$69,054
62	Health Care and Social Assistance	6,419	6,973	554	9%	\$61,279
44	Retail Trade	7,024	6,154	(870)	(12%)	\$35,387
72	Accommodation and Food Services	4,389	4,094	(295)	(7%)	\$22,362
31	Manufacturing	2,492	2,001	(491)	(20%)	\$67,657
23	Construction	2,163	1,999	(163)	(8%)	\$63,323
81	Other Services (except Public Administration)	1,933	1,899	(33)	(2%)	\$28,541
56	Administrative and Waste Management Services	1,251	1,026	(225)	(18%)	\$33,072
48	Transportation and Warehousing	837	1,015	178	21%	\$49,066
42	Wholesale Trade	1,006	988	(18)	(2%)	\$65,157
54	Professional, Scientific, and Technical Services	915	972	57	6%	\$64,291
52	Finance and Insurance	767	838	71	9%	\$74,601
11	Agriculture, Forestry, Fishing and Hunting	874	828	(46)	(5%)	\$44,802
53	Real Estate and Rental and Leasing	578	573	(5)	(1%)	\$42,809
51	Information	673	555	(118)	(18%)	\$53,849
71	Arts, Entertainment, and Recreation	556	529	(27)	(5%)	\$32,535
61	Educational Services	286	364	78	27%	\$29,694
55	Management of Companies and Enterprises	288	364	76	26%	\$85,492
22	Utilities	164	158	(6)	(4%)	\$157,737
21	Mining, Quarrying, and Oil and Gas Extraction	46	60	14	31%	\$50,994
99	Unclassified Industry	59	43	(15)	(26%)	\$37,750
Total		60,215	58,378	(1,837)	(3%)	\$57,672

Source: Emsi

HISTORIC ECONOMIC TRENDS

- ◆ Since the 2008 Recession, the number of jobs in Jefferson County decreased by 7.7% and decreased by 5.1% in the North Country. When excluding military jobs this figure drops to 5.0% in the county.
- ◆ Comparatively, state and national employment grew by 9.5% since 2008.



AVERAGE EARNINGS BY SECTOR

- ◆ Average earnings per job in Jefferson County are \$31,000 lower than in New York State and are generally on par with the North Country.
- ◆ 29% of all jobs (17,140 jobs) in Jefferson County earn below the county's average earnings.

Average Earnings by Sector, 2020

NAICS	Description	Jefferson County	North Country	New York	United States
11	Agriculture, Forestry, Fishing and Hunting	\$44,802	\$46,400	\$45,289	\$47,142
21	Mining, Quarrying, and Oil and Gas Extraction	\$50,994	\$73,011	\$85,662	\$129,260
22	Utilities	\$157,737	\$151,100	\$172,484	\$153,496
23	Construction	\$63,323	\$62,593	\$80,622	\$69,541
31	Manufacturing	\$67,657	\$70,939	\$86,673	\$86,765
42	Wholesale Trade	\$65,157	\$60,407	\$103,508	\$93,453
44	Retail Trade	\$35,387	\$35,597	\$45,868	\$40,062
48	Transportation and Warehousing	\$49,066	\$50,959	\$61,367	\$65,188
51	Information	\$53,849	\$54,464	\$152,226	\$135,306
52	Finance and Insurance	\$74,601	\$67,322	\$262,725	\$130,544
53	Real Estate and Rental and Leasing	\$42,809	\$41,938	\$86,543	\$69,425
54	Professional, Scientific, and Technical Services	\$64,291	\$60,675	\$131,942	\$110,225
55	Management of Companies and Enterprises	\$85,492	\$71,228	\$178,289	\$147,747
56	Administrative and Waste Management Services	\$33,072	\$39,375	\$66,278	\$49,161
61	Educational Services	\$29,694	\$41,028	\$64,646	\$50,602
62	Health Care and Social Assistance	\$61,279	\$60,982	\$64,462	\$62,975
71	Arts, Entertainment, and Recreation	\$32,535	\$31,459	\$61,522	\$43,995
72	Accommodation and Food Services	\$22,362	\$24,042	\$35,292	\$26,141
81	Other Services (except Public Administration)	\$28,541	\$29,479	\$43,785	\$36,501
90	Government	\$69,054	\$75,617	\$103,663	\$79,520
99	Unclassified Industry	\$37,750	\$41,992	\$83,370	\$72,657
Total		\$57,672	\$57,884	\$88,755	\$69,635

Source: Emsi

SECTOR CONCENTRATION

- ◆ Dark green boxes in the table below demonstrate that there is a high concentration of businesses in that sector in the county.
- ◆ The county's most concentrated sector is Government followed by Agriculture, Forestry, Fishing and Hunting. The North Country shares these high-concentration industries, in addition to Retail Trade, Educational Services, and Health Care and Social Assistance.

Sector Concentration, 2020

NAICS	Description	Jefferson	North	New York
		County	Country	
11	Agriculture, Forestry, Fishing and Hunting	1.22	2.21	0.36
21	Mining, Quarrying, and Oil and Gas Extraction	0.25	0.38	0.12
22	Utilities	0.81	0.94	1.07
23	Construction	0.60	0.74	0.82
31	Manufacturing	0.44	0.72	0.54
42	Wholesale Trade	0.47	0.42	0.88
44	Retail Trade	1.08	1.17	0.92
48	Transportation and Warehousing	0.45	0.54	0.87
51	Information	0.52	0.52	1.57
52	Finance and Insurance	0.36	0.37	1.32
53	Real Estate and Rental and Leasing	0.57	0.55	1.30
54	Professional, Scientific, and Technical Services	0.25	0.31	1.13
55	Management of Companies and Enterprises	0.43	0.43	0.95
56	Administrative and Waste Management Services	0.28	0.37	0.88
61	Educational Services	0.24	1.12	1.66
62	Health Care and Social Assistance	0.93	1.10	1.28
71	Arts, Entertainment, and Recreation	0.51	0.68	1.23
72	Accommodation and Food Services	0.82	0.92	0.88
81	Other Services (except Public Administration)	0.69	0.73	0.99
90	Government	3.09	2.29	0.97

Source: Emsi

*Green indicates higher industry concentration.

Location Quotient

Location Quotient (LQ) is a measure of industry concentration, indicating how concentrated a certain sector is in a given area of study, relative to the nation. It can reveal what makes a region "unique" in comparison with the national average. A location quotient greater than 1 indicates that sector employment in the study area is more concentrated than it is at the national level.

SECTOR OUTPUT

- ◆ Government contributes over half of Jefferson County's GRP and 40% of the North Country's GRP.
- ◆ Other top contributors include Health Care and Social Assistance (7.3%), Retail Trade (6.0%), and Manufacturing (5.2%).

Sector Contribution to GRP, 2020

NAICS	Description	Jefferson County	North Country	United New York	United States
11	Agriculture, Forestry, Fishing and Hunting	1.1%	2.3%	0.2%	0.9%
21	Mining, Quarrying, and Oil and Gas Extraction	0.4%	0.5%	0.1%	1.9%
22	Utilities	1.8%	2.4%	2.1%	1.8%
23	Construction	2.7%	3.9%	3.5%	4.6%
31	Manufacturing	5.2%	10.2%	5.6%	12.6%
42	Wholesale Trade	3.1%	3.0%	5.4%	6.5%
44	Retail Trade	6.0%	7.9%	5.2%	6.0%
48	Transportation and Warehousing	1.2%	1.9%	2.7%	3.6%
51	Information	1.4%	1.7%	8.6%	5.9%
52	Finance and Insurance	2.6%	3.1%	17.1%	9.4%
53	Real Estate and Rental and Leasing	1.6%	2.1%	4.9%	4.1%
54	Professional, Scientific, and Technical Services	1.4%	2.0%	9.9%	8.5%
55	Management of Companies and Enterprises	0.6%	0.6%	2.0%	2.1%
56	Administrative and Waste Management Services	0.7%	1.4%	3.2%	3.4%
61	Educational Services	0.2%	1.5%	2.4%	1.4%
62	Health Care and Social Assistance	7.3%	10.1%	8.6%	8.4%
71	Arts, Entertainment, and Recreation	0.4%	0.6%	1.8%	1.2%
72	Accommodation and Food Services	2.5%	3.6%	3.2%	3.2%
81	Other Services (except Public Administration)	1.2%	1.5%	1.9%	2.1%
90	Government	58.6%	39.9%	11.6%	12.4%

Source: Emsi

INDUSTRY EMPLOYMENT – 4-DIGIT NAICS

- ◆ The largest industry by employment at the 4-digit NAICS level is Federal Government, Military (15,303 jobs). This is followed by Education and Hospitals (Local Government) with 4,197 jobs. Note that private medical facilities fall under NAICS 6221, General Medical and Surgical Hospitals.
- ◆ Of the top 25 industries, 14 (56%) have lost jobs over the past five years, particularly Federal Government, Military; Education and Hospitals (Local Government); and Restaurants and Other Eating Places.

Jefferson County Top 25 Industries by 2020 Jobs, 4-Digit NAICS

NAICS	Description	2015 Jobs	2020 Jobs	2015 - 2020 Change	2015 - 2020 % Change	Avg. Earnings Per Job
9012	Federal Government, Military	15,781	15,303	(478)	(3%)	\$63,217
9036	Education and Hospitals (Local Government)	4,435	4,197	(238)	(5%)	\$69,955
9011	Federal Government, Civilian	3,165	3,252	87	3%	\$80,723
7225	Restaurants and Other Eating Places	3,523	3,180	(343)	(10%)	\$21,621
9039	Local Government, Excluding Education and Hospitals	2,483	2,466	(17)	(1%)	\$60,812
6221	General Medical and Surgical Hospitals	1,889	2,036	147	8%	\$75,573
9029	State Government, Excluding Education and Hospitals	1,598	1,628	30	2%	\$111,363
6211	Offices of Physicians	1,003	1,013	10	1%	\$99,009
4523	General Merchandise Stores, including Warehouse Clubs and Supercenters	1,066	1,012	(54)	(5%)	\$33,326
6241	Individual and Family Services	671	980	309	46%	\$31,513
6231	Nursing Care Facilities (Skilled Nursing Facilities)	804	765	(39)	(5%)	\$46,858
4451	Grocery Stores	818	761	(57)	(7%)	\$27,823
4411	Automobile Dealers	773	728	(45)	(6%)	\$59,531
7211	Traveler Accommodation	666	689	23	3%	\$26,246
1120	Animal Production	644	567	(77)	(12%)	\$48,220
4441	Building Material and Supplies Dealers	549	538	(11)	(2%)	\$41,242
2382	Building Equipment Contractors	483	461	(22)	(5%)	\$62,901
5221	Depository Credit Intermediation	412	450	38	9%	\$61,098
5617	Services to Buildings and Dwellings	389	447	57	15%	\$27,517
4461	Health and Personal Care Stores	477	433	(44)	(9%)	\$43,467
4471	Gasoline Stations	510	431	(79)	(16%)	\$26,013
6232	Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	410	425	14	3%	\$45,703
8134	Civic and Social Organizations	415	423	9	2%	\$16,735
2361	Residential Building Construction	458	408	(50)	(11%)	\$44,087
5511	Management of Companies and Enterprises	288	364	76	26%	\$85,492

Note: All the jobs accounted for under NAICS 9036, Education and Hospitals (Local Government) are attributed to Education.

Source: Emsi

INDUSTRY EMPLOYMENT – 6-DIGIT NAICS

- ◆ Employment in the top 4-digit industries is driven by the following 6-digit subindustries: Military; Elementary and Secondary Schools; Federal Government; Local Government; Hospitals; State Government; Restaurants; Physicians; and Nursing Care Facilities.
- ◆ Seven of these top 10 industries have shed jobs in the last five years.
- ◆ Average earnings per job are highest in State Government at over \$110,000.

Jefferson County Top 10 Industries by 2020 Jobs, 6-Digit NAICS

NAICS	Description	2015 Jobs	2020 Jobs	2015 - 2020 Change	2015 - 2020 % Change	Avg. Earnings Per Job
901200	Federal Government, Military	15,780	15,451	(329)	(2%)	\$61,312
903611	Elementary and Secondary Schools (Local Government)	3,566	3,455	(111)	(3%)	\$79,832
901199	Federal Government, Civilian, Excluding Postal Service	2,963	3,057	94	3%	\$81,924
903999	Local Government, Excluding Education and Hospitals	2,483	2,395	(88)	(4%)	\$62,585
622110	General Medical and Surgical Hospitals	1,918	2,023	105	5%	\$74,958
902999	State Government, Excluding Education and Hospitals	1,598	1,629	31	2%	\$110,669
722511	Full-Service Restaurants	1,911	1,474	(437)	(23%)	\$22,911
722513	Limited-Service Restaurants	1,399	1,252	(147)	(11%)	\$20,517
621111	Offices of Physicians (except Mental Health Specialists)	993	982	(11)	(1%)	\$99,446
623110	Nursing Care Facilities (Skilled Nursing Facilities)	811	761	(50)	(6%)	\$46,619

Source: Emsi

INDUSTRY CONCENTRATION – 4-DIGIT NAICS

- ◆ Leather and Hide Tanning and Finishing has the highest LQ in the county at 25.75, growing by less than 10 jobs in 2015 to about 40 in 2020.
- ◆ The next most concentrated industries are Federal Government, Military (22.66) and Railroad Rolling Stock Manufacturing (19.52).
- ◆ Of the 13 industries with the highest LQs, seven have experienced job losses over the last five years.

Jefferson County Top Concentrated Industries, 4-Digit NAICS

NAICS	Description	2015 Jobs	2020 Jobs	2015 - 2020 Change	2015 - 2020 % Change	Avg. Earnings Per Job	2020 Location Quotient
3161	Leather and Hide Tanning and Finishing	<10	39	Insf. Data	Insf. Data	\$46,318	25.75
9012	Federal Government, Military	15,780	15,451	(329)	(2%)	\$61,312	22.66
3365	Railroad Rolling Stock Manufacturing	561	162	(399)	(71%)	\$86,761	19.52
3221	Pulp, Paper, and Paperboard Mills	247	174	(73)	(30%)	\$85,806	5.18
3256	Soap, Cleaning Compound, and Toilet Preparation Manufacturing	372	178	(194)	(52%)	\$99,401	4.50
1120	Animal Production	647	608	(38)	(6%)	\$49,556	3.78
3115	Dairy Product Manufacturing	252	187	(65)	(26%)	\$71,897	3.47
9011	Federal Government, Civilian	3,165	3,272	108	3%	\$80,570	3.17
8134	Civic and Social Organizations	415	359	(56)	(13%)	\$18,258	2.97
3353	Electrical Equipment Manufacturing	115	126	11	10%	\$82,783	2.52
4854	School and Employee Bus Transportation	74	153	79	106%	\$42,482	2.32
1152	Support Activities for Animal Production	17	36	19	117%	\$51,458	2.29
5323	General Rental Centers	<10	27	Insf. Data	Insf. Data	\$62,583	2.24

Source: Emsi

INDUSTRY JOB CHANGE

- ◆ Since 2015, Individual and Family Services has added the most jobs, adding 282. This is followed by Federal Government, Civilian (108).
- ◆ Restaurants and Other Eating Places and Business Support Services have shed the most jobs over this period, losing 657 and 501 jobs respectively.

Jefferson County Top Growing and Shrinking Industries, 4-Digit NAICS

NAICS	Description	2015 Jobs	2020 Jobs	2015 - 2020 Change	2015 - 2020 % Change	Avg. Earnings Per Job	2020 Location Quotient
Growing							
6241	Individual and Family Services	668	950	282	42%	\$32,448	0.97
9011	Federal Government, Civilian	3,165	3,272	108	3%	\$80,570	3.17
6221	General Medical and Surgical Hospitals	1,918	2,023	105	5%	\$74,958	1.2
3339	Other General Purpose Machinery Manufacturing	0	102	102	Insf. Data	\$66,472	1.06
5619	Other Support Services	46	146	100	220%	\$12,257	1.28
4854	School and Employee Bus Transportation	74	153	79	106%	\$42,482	2.32
5511	Management of Companies and Enterprises	288	359	71	24%	\$86,333	0.43
6214	Outpatient Care Centers	134	201	68	51%	\$76,202	0.56
9026	Education and Hospitals (State Government)	36	96	60	168%	\$68,099	0.09
4853	Taxi and Limousine Service	13	72	59	476%	\$34,655	0.66
Shrinking							
7225	Restaurants and Other Eating Places	3,543	2,886	(657)	(19%)	\$21,959	0.82
5614	Business Support Services	599	97	(501)	(84%)	\$46,007	0.31
9036	Education and Hospitals (Local Government)	4,435	4,031	(404)	(9%)	\$75,614	1.35
3365	Railroad Rolling Stock Manufacturing	561	162	(399)	(71%)	\$86,761	19.52
9012	Federal Government, Military	15,780	15,451	(329)	(2%)	\$61,312	22.66
3256	Soap, Cleaning Compound, and Toilet Preparation Manufacturing	372	178	(194)	(52%)	\$99,401	4.5
4522	Department Stores	495	321	(174)	(35%)	\$23,254	0.94
4481	Clothing Stores	436	285	(151)	(35%)	\$21,427	0.93
5151	Radio and Television Broadcasting	190	79	(111)	(58%)	\$60,825	1.05
4411	Automobile Dealers	780	671	(110)	(14%)	\$60,172	1.48

Source: Emsi

GROWING AND CONCENTRATED INDUSTRIES, 6-DIGIT NAICS

- ◆ Industries that already have a job presence in the county, have added jobs over the last five years, and have an LQ over 2.0 include those listed below.

Growing and Concentrated Industries in Jefferson County

NAICS	Description	2015 Jobs	2020 Jobs	2015 - 2020 Change	2015 - 2020 % Change	Avg. Earnings Per Job	2020 Location Quotient
335312	Motor and Generator Manufacturing	115	126	11	10%	\$82,783	9.86
713930	Marinas	135	143	8	6%	\$43,839	9.51
324121	Asphalt Paving Mixture and Block Manufacturing	42	53	11	26%	\$107,734	9.37
333924	Industrial Truck, Tractor, Trailer, and Stacker Machinery Manufacturing	0	75	75	Insf. Data	\$55,848	7.85
522120	Savings Institutions	164	179	15	9%	\$67,676	5.43
901199	Federal Government, Civilian, Excluding Postal Service	2,963	3,057	94	3%	\$81,924	3.72
312130	Wineries	66	73	7	10%	\$33,013	2.97
621910	Ambulance Services	165	175	10	6%	\$46,952	2.74
424410	General Line Grocery Merchant Wholesalers	173	201	27	16%	\$75,002	2.35
813319	Other Social Advocacy Organizations	78	85	7	9%	\$51,902	2.35
485410	School and Employee Bus Transportation	74	153	79	106%	\$42,482	2.32
623210	Residential Intellectual and Developmental Disability Facilities	265	334	69	26%	\$44,204	2.31
902999	State Government, Excluding Education and Hospitals	1,598	1,629	31	2%	\$110,669	2.05

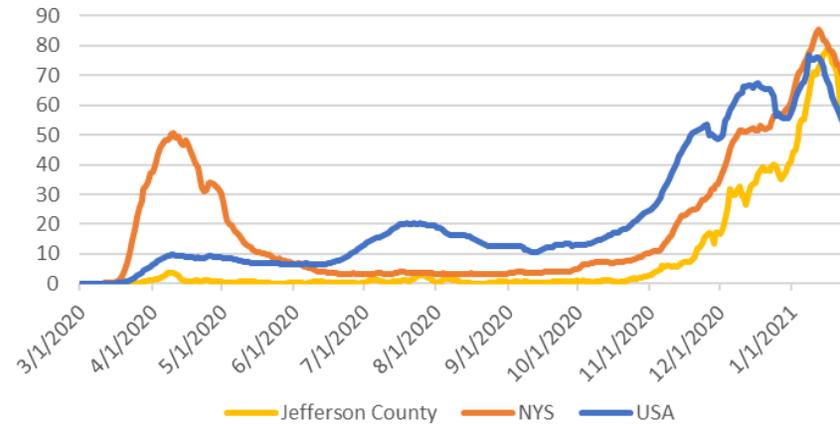
Source: Emsi

Industries listed above have 50 or more jobs in 2020, LQ greater than 2.0, and have added jobs in the last 5 years.

COVID-19 TRENDS

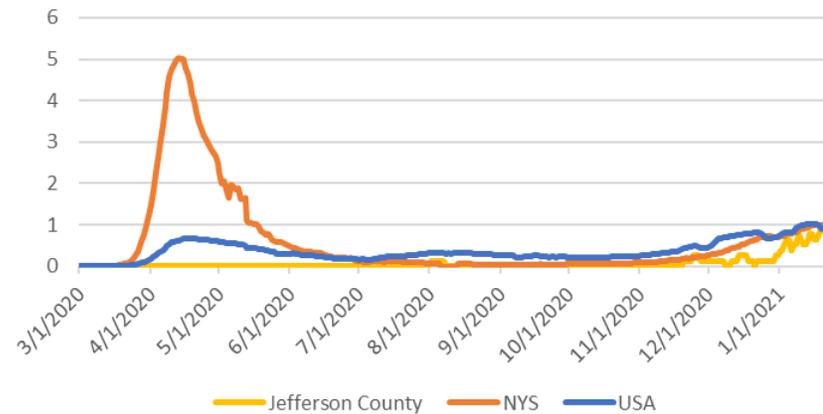
- ◆ The rate of new COVID-19 cases in Jefferson County remained below the state's and nation's new case rate throughout 2020. However, cases spiked during the holidays. New case levels peaked mid-January and have since fallen.
- ◆ Although the Jefferson County has a smaller total death rate than the state's and the nation's, the total death rate per 100,000 people was higher as of the end of January. This reflects the deaths from cases reported over the holidays.

New Cases per 100K



Source: Opportunity Insights
Data through 1/25/2021

New Deaths per 100K



Source: Opportunity Insights
Data through 1/25/2021

COVID-19 IMPLICATIONS: UNEMPLOYMENT

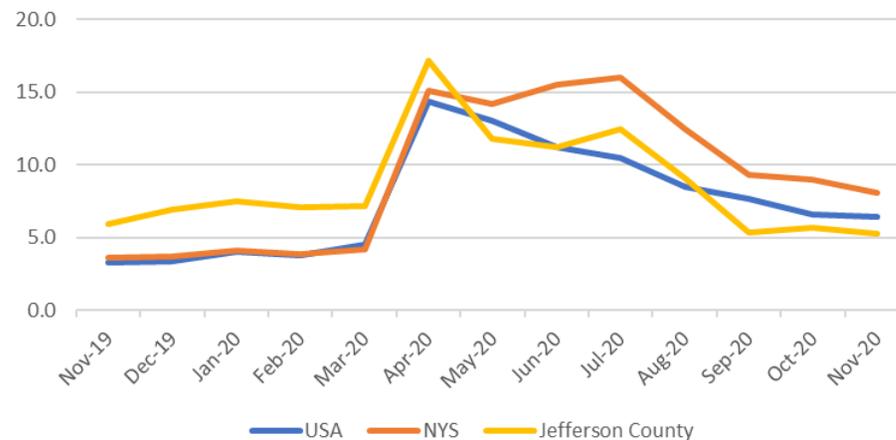
- ◆ Unemployment rates in the Jefferson County remain slightly lower compared to December 2019 levels. This is likely because of a reduction in the labor force. Unemployment rates have increased in both the state and nation (by 2.2% and 3.1%, respectively).
- ◆ Unemployment rates in the county and nation peaked in April of 2020 in the last year and have been steadily declining. NYS has an initially peak in unemployment in April 2020, then again in July.

Unemployment Comparison

	Nov-19	Nov-20	Difference
Jefferson County	5.9	5.3	-0.6
NYS	5.9	8.1	2.2
US	3.3	6.4	3.1

Source: BLS, Local Area Unemployment Statistics, Labor Force Statistics from the Current Population Survey
Not Seasonally Adjusted

Unemployment Rates, Nov 2019 - November 2020



BLS, Local Area Unemployment Statistics, Labor Force Statistics from the Current Population Survey
Not Seasonally Adjusted

UNEMPLOYMENT BY SECTOR – DECEMBER 2020

- ◆ In Jefferson County, Accommodation and Food Services and Retail Trade accounted for the largest portion of unemployment, accounting for 23% and 18% of the total, respectively. This matches the current economic environment around COVID-19 where many in-person activities are reduced for health and safety purposes.
- ◆ Unemployment levels in Jefferson County are more impacted in the Accommodation and Food Services and Retail Trade industries, and slightly less impacted in the Manufacturing, Educational Services, and Administration industries.

Jefferson County Unemployment by Industry

NAICS	Industry	Unemployed (12/2020)	% of Regional Unemployment	% of National Unemployment
72	Accommodation and Food Services	600	23%	15%
44	Retail Trade	461	18%	11%
62	Health Care and Social Assistance	391	15%	12%
23	Construction	214	8%	9%
90	Government	147	6%	2%
31	Manufacturing	129	5%	9%
81	Other Services (except Public Administration)	120	5%	4%
56	Administrative and Support and Waste Management	117	5%	10%
48	Transportation and Warehousing	113	4%	5%
42	Wholesale Trade	57	2%	3%
71	Arts, Entertainment, and Recreation	54	2%	2%
54	Professional, Scientific, and Technical Services	37	1%	4%
11	Agriculture, Forestry, Fishing and Hunting	31	1%	2%
53	Real Estate and Rental and Leasing	30	1%	1%
51	Information	30	1%	2%
61	Educational Services	20	1%	4%
52	Finance and Insurance	19	1%	2%
21	Mining, Quarrying, and Oil and Gas Extraction	16	1%	1%
55	Management of Companies and Enterprises	7	0%	1%
22	Utilities	2	0%	0%
99	No Previous Work Experience/Unspecified	0	0%	0%

Source: Emsi

COVID-19 IMPLICATIONS: ECONOMIC ACTIVITY

- ◆ Total sales tax revenue remained flat from 2019 to 2020. New York fared worse with a 10.4% decline over the same period.
- ◆ By industry, Travel Accommodations in Jefferson County has suffered a 38.5% reduction in taxable sales and purchases since the same timeframe a year prior. Retail Trade has seen a 5.3% increase, and Restaurant and other Eating Places has seen a 18.3% drop.
- ◆ NYS has seen more precipitous drops in taxable sales and purchases in these industries.

Cumulative Total Sales Tax Collections

Jan-Oct (Mil. \$)

Area	2019	2020	Percent Change 19-20
Jefferson Co.	\$66.2	\$66.2	(0.0%)
New York	\$14,968.9	\$13,404.9	(10.4%)

Source: Office of the New York State Comptroller

Restaurants, Bars, Other Food Services: Taxable Sales and Purchases, Mar-Nov (Mil. \$)

Area	Sales Tax Yr 2019-2020	Sales Tax Yr 2020-2021	Percent Change
Jefferson Co.	\$154.0	\$125.9	(18.3%)
New York	\$36,307.0	\$19,589.6	(46.0%)

Retail Trade: Taxable Sales and Purchases, Mar-Nov (Mil. \$)

Area	Sales Tax Yr 2019-2020	Sales Tax Yr 2020-2021	Percent Change
Jefferson Co.	\$989.7	\$1,042.0	5.3%
New York	\$120,261.6	\$119,576.9	(0.6%)

Travel Accommodations: Taxable Sales and Purchases, Mar-Nov (Mil. \$)

Area	Sales Tax Yr 2019-2020	Sales Tax Yr 2020-2021	Percent Change
Jefferson Co.	\$37.4	\$23.0	(38.5%)
New York	\$10,280.4	\$2,074.1	(79.8%)

Source: Office of the New York State Comptroller

Includes data for Q1,2,3 - Q4 data for 2020-2021 not yet available.

AGRICULTURAL SNAPSHOT

AGRICULTURE OVERVIEW

- ◆ As of 2017, there were 247,456 acres of farmland across 792 farms in the county.
- ◆ Since 2012, the number of individual farms has decreased by 10% and the average acreage of farms has decreased by 6%.
- ◆ The value of products sold has decreased by 10% to \$165 million.

Jefferson County Agriculture Overview, 2017

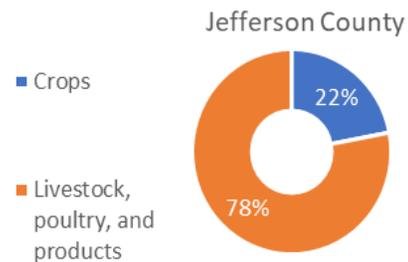
Number of Farms		Land in Farms (Acres)		Average Size of Farm (acres)		Market Value of Products Sold		Percent of State Ag Sales	
% Change Since 2012		% Change Since 2012		% Change Since 2012		% Change Since 2012			
#	2012	#	2012	#	2012	#	2012		%
792	-10%	247,456	-15%	312	-6%	\$165,056,000	-10%		3%

Source: USDA 2017 National Agriculture Census

FARM PRODUCTS

- ◆ Most farmland in Jefferson County is used as cropland (68%).
- ◆ The majority of agricultural sales are livestock, poultry and products (78%).

Share of Agricultural Sales by Type, 2017



Source: USDA 2017 National Agriculture Census

Jefferson County Land in Farms by Use, 2017

Cropland	68%
Pastureland	9%
Woodland	15%
Other	8%

Source: USDA 2017 National Agriculture Census

FARM CHARACTERISTICS

- ◆ Most of the acreage in Jefferson County is in forage (94,000) followed by corn for silage or greenchop (23,000).
- ◆ 96% of all farms in Jefferson County are family farms, and 75% have access to internet.
- ◆ The USDA considers “Producers” as an individual who is involved in making decisions about farm operations. Young producers are those that are 35 years or younger. Farms with Young Producers make up 7% of farms in the county.
- ◆ The future of farming in the county is dependent on young producers remaining active in the industry, as well as recruiting others to carry on agricultural production.

Jefferson County Top Crops in Acres

Crop	# of Acres
Forage (hay/haylage), all	93,814
Corn for silage or greenchop	23,388
Corn for grain	15,335
Soybeans for beans	6,276
Wheat for grain, all	2,825

Source: USDA 2017 National Agriculture Census

Jefferson County Farm Characteristics, 2017

Have Internet Access	75%
Farm Organically	4%
Sell Directly to Consumers	12%
Hire Farm Labor	23%
Are Family Farms	96%

Source: USDA 2017 National Agriculture Census

Farms by Age of Producer, 2017

	#	% of Total
<35	100	7%
35-64	802	59%
65+	462	34%

Source: USDA 2017 National Agriculture Census

TALENT AND WORKFORCE EVALUATION

OCCUPATIONS BY 2-DIGIT SOC

- ◆ Personal Care and Service Occupations and Business and Financial Operations occupations grew the most over the last five years, adding 401 and 347 jobs respectively.
- ◆ Military occupations account for the greatest proportion of jobs in the county. Figures sourced from Fort Drum’s 2020 Economic Impact Statement can be found on the following page.

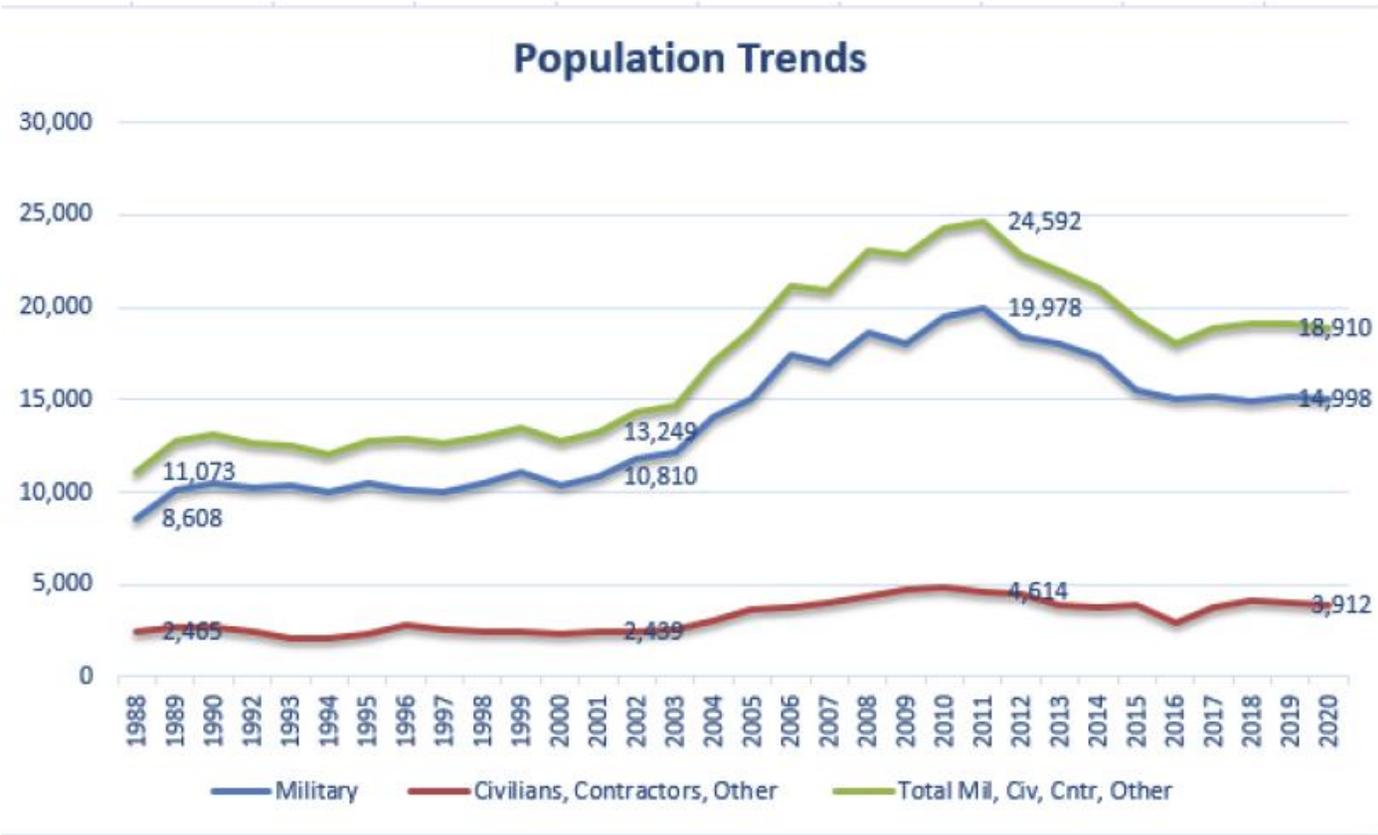
Jefferson County Occupations by 2-Digit SOC

SOC	Description	2015 Jobs	2020 Jobs	2015 - 2020		Median Annual Earnings	2020 Location Quotient	Number of Unemployed Oct 2020
				Change	% Change			
55-0000	Military-only occupations*							
43-0000	Office and Administrative Support Occupations	6,129	5,700	(429)	(7%)	\$34,979.14	0.77	225
41-0000	Sales and Related Occupations	5,487	5,070	(417)	(8%)	\$27,295.63	0.90	252
35-0000	Food Preparation and Serving Related Occupations	4,529	4,401	(128)	(3%)	\$26,444.13	0.91	361
53-0000	Transportation and Material Moving Occupations	3,900	4,081	181	5%	\$35,898.86	0.85	167
25-0000	Educational Instruction and Library Occupations	3,943	3,749	(194)	(5%)	\$51,652.05	1.14	70
49-0000	Installation, Maintenance, and Repair Occupations	3,695	3,572	(124)	(3%)	\$46,847.24	1.57	124
29-0000	Healthcare Practitioners and Technical Occupations	3,209	3,391	182	6%	\$58,975.30	1.05	53
11-0000	Management Occupations	3,201	3,080	(120)	(4%)	\$89,704.86	0.89	225
13-0000	Business and Financial Operations Occupations	2,229	2,576	347	16%	\$68,561.70	0.80	35
47-0000	Construction and Extraction Occupations	2,491	2,429	(63)	(3%)	\$45,016.86	0.88	138
33-0000	Protective Service Occupations	1,977	1,982	5	0%	\$59,000.06	1.52	58
31-0000	Healthcare Support Occupations	1,903	1,904	1	0%	\$27,835.00	0.76	71
51-0000	Production Occupations	1,827	1,543	(284)	(16%)	\$38,825.27	0.46	99
39-0000	Personal Care and Service Occupations	1,025	1,427	401	39%	\$25,669.43	0.84	158
37-0000	Building and Grounds Cleaning and Maintenance Occupations	1,693	1,407	(286)	(17%)	\$27,376.07	0.67	70
21-0000	Community and Social Service Occupations	1,084	1,094	10	1%	\$44,930.25	1.09	28
15-0000	Computer and Mathematical Occupations	894	740	(154)	(17%)	\$73,846.92	0.43	<10
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	819	739	(80)	(10%)	\$51,573.32	0.69	37
17-0000	Architecture and Engineering Occupations	751	733	(18)	(2%)	\$72,730.59	0.75	25
19-0000	Life, Physical, and Social Science Occupations	518	484	(34)	(7%)	\$61,289.69	0.95	10
45-0000	Farming, Fishing, and Forestry Occupations	457	464	7	2%	\$27,170.22	1.07	<10
23-0000	Legal Occupations	279	282	2	1%	\$82,536.59	0.58	<10
99-0000	Unclassified Occupation	0	0	0	0%	\$0.00	0.00	0
Total		52,042	50,847	(1,194)	(2%)			2,204

Source: Emsi

OCCUPATIONS AT FORT DRUM

◆ In 2020, the total military and civilian workforce at Fort Drum totaled 18,910. 14,998 of those employees are military personnel and 3,912 of those positions are civilians-held jobs.



Source: Fiscal Year 2020 Fort Drum Economic Impact Statement

OCCUPATIONS BY 6-DIGIT SOC

- ◆ Many top occupations in the county do not require advanced degrees and little or no on-the-job training. Exceptions include Registered Nurses, General Managers, Logisticians, and Teachers.

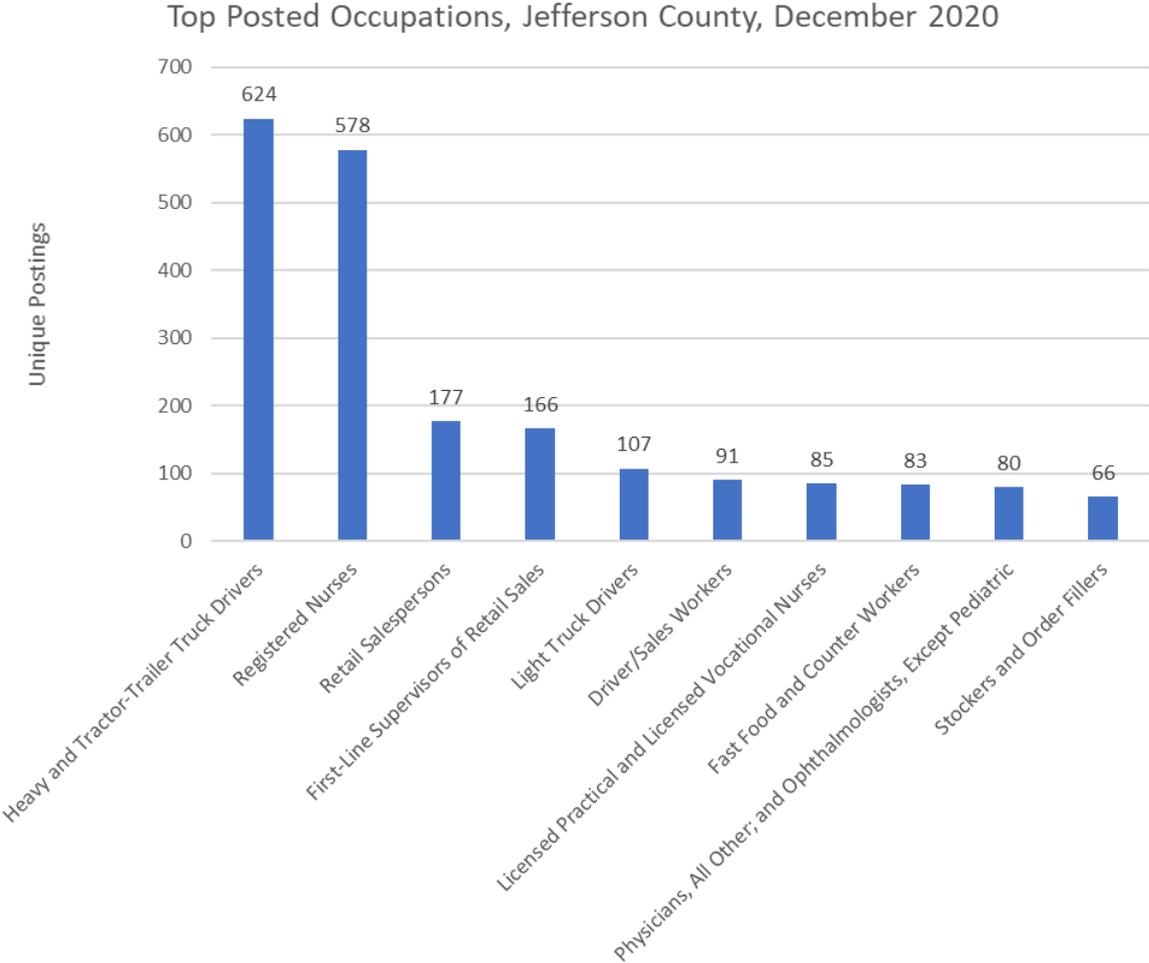
Jefferson County Top Occupations, 2020 6-Digit SOC

SOC	Description	Median Annual Earnings	2020 Jobs	2020 Location Quotient	Typical Entry Level Education	Work Experience Required	Typical On-The-Job Training
55-9999	Military-only occupations						
41-2031	Retail Salespersons	\$26,005	1,872	1.20	No formal educational credential	None	Short-term on-the-job training
35-3023	Fast Food and Counter Workers	\$25,521	1,310	0.92	No formal educational credential	None	Short-term on-the-job training
41-2011	Cashiers	\$24,812	1,178	0.94	No formal educational credential	None	Short-term on-the-job training
29-1141	Registered Nurses	\$68,947	952	0.88	Bachelor's degree	None	None
43-9061	Office Clerks, General	\$31,680	926	0.78	High school diploma or equivalent	None	Short-term on-the-job training
31-1128	Home Health and Personal Care Aides	\$25,941	907	0.74	High school diploma or equivalent	None	Short-term on-the-job training
25-9045	Teaching Assistants, Except Postsecondary	\$24,745	884	1.80	Some college, no degree	None	None
35-3031	Waiters and Waitresses	\$31,476	833	0.92	No formal educational credential	None	Short-term on-the-job training
11-1021	General and Operations Managers	\$75,620	757	0.86	Bachelor's degree	5 years or more	None
49-9071	Maintenance and Repair Workers, General	\$38,730	748	1.33	High school diploma or equivalent	None	Moderate-term on-the-job training
53-7065	Stockers and Order Fillers	\$26,269	709	0.94	High school diploma or equivalent	None	Short-term on-the-job training
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	\$27,091	698	0.77	No formal educational credential	None	Short-term on-the-job training
43-6014	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	\$34,240	697	0.81	High school diploma or equivalent	None	Short-term on-the-job training
53-3032	Heavy and Tractor-Trailer Truck Drivers	\$37,818	653	0.87	Postsecondary nondegree award	None	Short-term on-the-job training
43-4171	Receptionists and Information Clerks	\$28,765	617	1.58	High school diploma or equivalent	None	Short-term on-the-job training
35-2014	Cooks, Restaurant	\$26,614	610	1.20	No formal educational credential	Less than 5 years	Moderate-term on-the-job training
43-3031	Bookkeeping, Accounting, and Auditing Clerks	\$37,510	575	0.97	Some college, no degree	None	Moderate-term on-the-job training
33-3051	Police and Sheriffs Patrol Officers	\$67,330	568	2.18	High school diploma or equivalent	None	Moderate-term on-the-job training
13-1081	Logisticians	\$88,019	562	5.89	Bachelor's degree	None	None
25-2022	Middle School Teachers, Except Special and Career/Technical Education	\$78,286	554	2.53	Bachelor's degree	None	None
53-7062	Laborers and Freight, Stock, and Material Movers, Hand	\$26,323	525	0.49	No formal educational credential	None	Short-term on-the-job training
41-1011	First-Line Supervisors of Retail Sales Workers	\$37,998	516	1.05	High school diploma or equivalent	Less than 5 years	None
29-2061	Licensed Practical and Licensed Vocational Nurses	\$38,975	493	1.91	Postsecondary nondegree award	None	None
49-3011	Aircraft Mechanics and Service Technicians	\$72,959	477	6.88	Postsecondary nondegree award	None	None

Source: Emsi

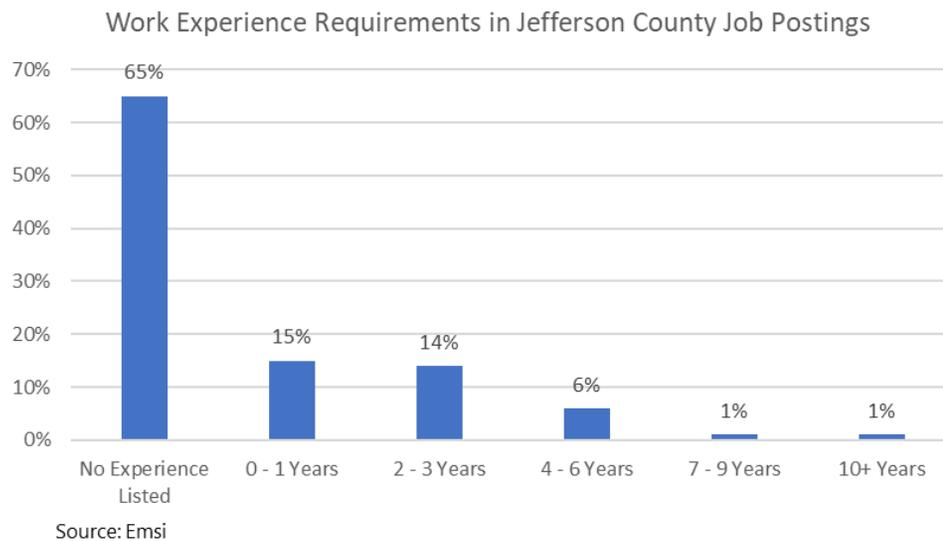
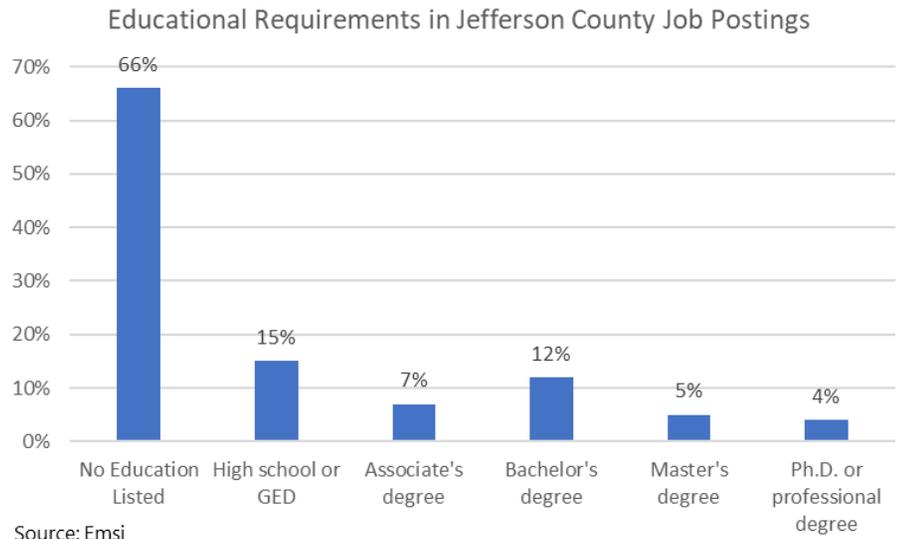
TOP POSTED OCCUPATIONS

◆ Most job postings in Jefferson County were recruiting for Heavy and Tractor-Trailer Truck Drivers and Registered Nurses.



Source: Emsi

EDUCATION AND SKILL REQUIREMENTS



◆ Where specified, a High school diploma/GED is the most common education credential specified by job postings, occurring in 15% of postings. Where specified, most job postings (15%) require 0-1 years of experience.

IN-DEMAND HARD SKILLS

- ◆ Merchandising and Nursing appear most frequently as hard skills in postings for jobs in Jefferson County. Other skills being requested most frequently in Jefferson County job postings include Basic Life Support, Restaurant Operation, Selling Techniques, Cash Register, and Auditing.

Top Hard Skills Listed in Jefferson County Job Postings, December 2019-December 2020

Skill	Frequency in Postings
Merchandising	8%
Nursing	7%
Basic Life Support	6%
Restaurant Operation	4%
Selling Techniques	4%
Cash Register	4%
Auditing	4%
Accounting	3%
Flatbed Truck Operation	3%
Customer Satisfaction	3%

Source: Emsi

IN-DEMAND COMMON SKILLS

- ◆ The common skills most frequently sought by employers in Jefferson County include Communications, Customer Service, Management, and Sales.

Top Common Skills Listed in Jefferson County Job Postings, December 2019-December 2020

Skill	Frequency in Postings
Communications	22%
Customer Service	17%
Management	17%
Sales	15%
Operations	11%
Leadership	10%
Valid Driver's License	9%
Detail Oriented	7%
Planning	6%
Interpersonal Commun	6%

Source: Emsi

IN-DEMAND JOB QUALIFICATIONS

- ◆ A Commercial Driver's License (CDL) is the most common qualification that appears in job postings.
- ◆ Nurse Practitioner, Licensed Practical Nurse, and Certified Nursing Assistant the next most common qualifications.

**Top Qualifications Listed in Jefferson County Job Postings,
December 2019-December 2020**

Qualification	Postings with Qualification
Commercial Driver's License (CDL)	1,959
Nurse Practitioner	430
Licensed Practical Nurse	350
Certified Nursing Assistant	246
Transportation Worker Identification Credential (TWIC) Card	183
Bachelor of Science in Nursing (BSN)	163
Hazmat Endorsement	133
Medical Technologist	123
Medical License	119
Psychiatric-Mental Health Nurse Practitioner	104

Source: Emsi

ATTACHMENT A: DATA SOURCES

ECONOMIC MODELING SPECIALISTS INTERNATIONAL (EMSI)

To analyze the industrial makeup of a study area, industry data organized by the North American Industrial Classification System (NAICS) is assessed. Camoin 310 subscribes to Economic Modeling Specialists Intl. (Emsi), a proprietary data provider that aggregates economic data from approximately 90 sources. Emsi industry data, in our experience, is more complete than most or perhaps all local data sources (for more information on Emsi, please see www.economicmodeling.com). This is because local data sources typically miss significant employment counts by industry because data on sole proprietorships and contractual employment (i.e. 1099 contractor positions) is not included and because certain employment counts are suppressed from BLS/BEA figures for confidentiality reasons when too few establishments exist within a single NAICS code.

ESRI BUSINESS ANALYST ONLINE (BAO)

Esri is the leading provider of location-driven market insights. It combines demographic, lifestyle, and spending data with map-based analytics to provide market intelligence for strategic decision-making. Esri uses proprietary statistical models and data from the U.S. Census Bureau, the U.S. Postal Service, and various other sources to present current conditions and project future trends. Esri data are used by developers to maximize their portfolio, retailers to understand growth opportunities, and by economic developers to attract business that fit their community. For more information, visit www.esri.com.

CENSUS OF AGRICULTURE, U.S. DEPARTMENT OF AGRICULTURE (USDA)

The Census of Agriculture provides a detailed picture of U.S. farms and ranches and the people who operate them. It provides uniform, comprehensive agricultural data for every state and county in the U.S. on topics including agricultural land, animal and crop production, employment, worker demographics, farm business operations, and the environment. and employment. It is conducted by the U.S. Department of Agriculture (USDA) every five years, in years ending in "2" and "7".

Appendix C

INDUSTRY AND BUSINESS CHARACTERISTICS

Submitted to:

JEFFERSON COUNTY

INTRODUCTION

This section will assess the health of Jefferson County businesses and help us better understand the extent to which they may be vulnerable to economic shifts and trends and what opportunities are embedded within the current context of the Jefferson County economy.

In addition to examining business characteristics within the county, we will provide an overview of the specific target industries that illustrate potential. This will include historic and projected data on each industry, as well as other measurements to assess overall industry health. In addition, we provide information about trends, existing infrastructure, and workforce characteristics that support each industry.

BUSINESS CHARACTERISTICS

BUSINESS SUMMARY & SIZE

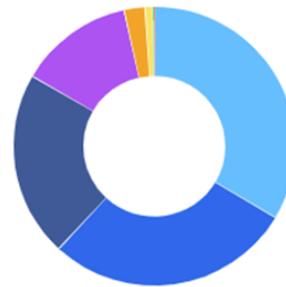
- ◆ There are approximately 3,800 businesses in Jefferson County with a total of 46,500 employees. The ratio of employees to population is 40 compared to 43 within the North Country and 45 statewide.
- ◆ The lower employee to resident population ratio is indicative of a smaller percent of the population in the workforce, which could ultimately impact industry attraction and growth.
- ◆ By size, 34% of businesses have 1-4 employees, 28% have 5-9, 22% have 10-19, and 13% have 20-49. The county has 9 businesses that employ over 250 people.

Business Summary

	Jefferson County	North Country	NYS
Total Businesses	3,800	14,872	707,191
Total Employees	46,528	184,597	8,946,565
Total Residential Population	117,481	433,678	19,825,692
Employee/Residential Population Ratio (per 100 Residents)	40	43	45

Source: Esri

Jefferson County Businesses by Size

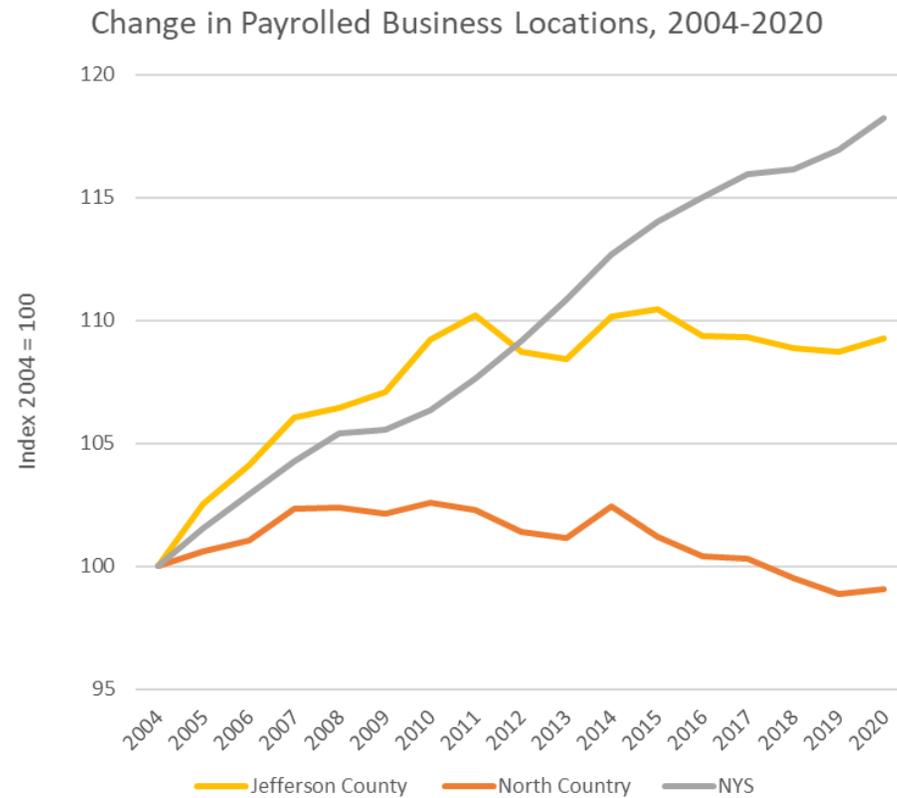


Source: Emsi

	Percentage	Business Count
1 to 4 employees	33.5%	1,286
5 to 9 employees	28.3%	1,088
10 to 19 employees	21.5%	825
20 to 49 employees	13.2%	507
50 to 99 employees	2.4%	92
100 to 249 employees	0.9%	35
250 to 499 employees	0.2%	7
500+ employees	0.1%	2

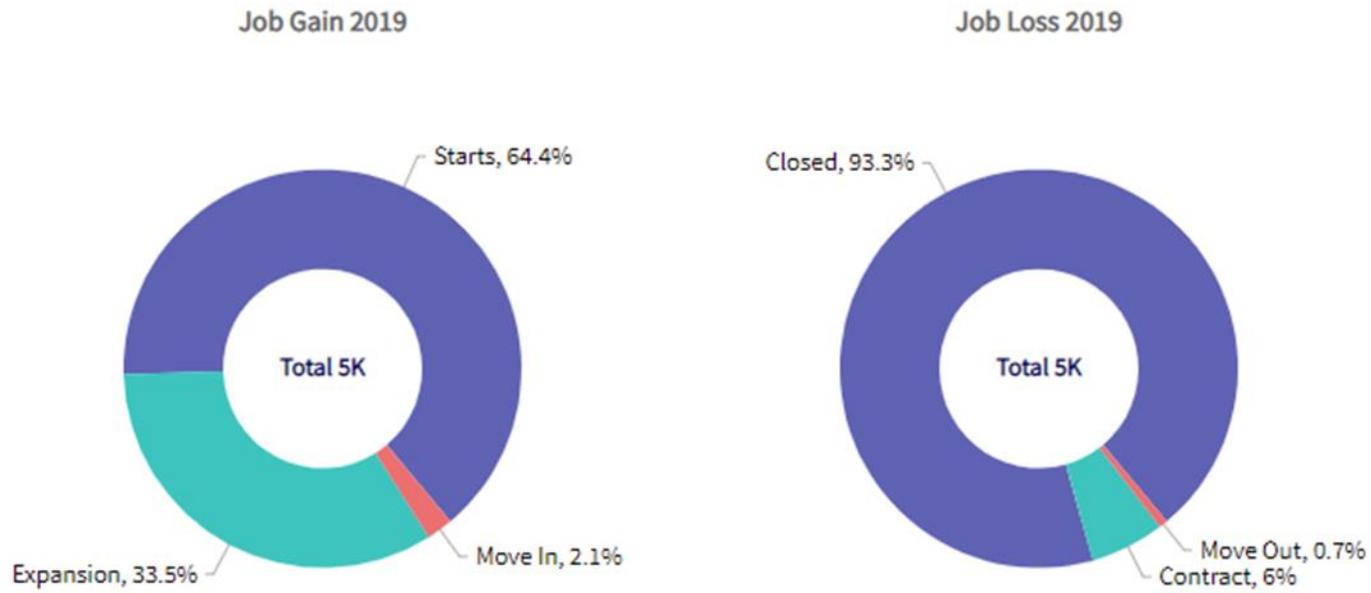
CHANGE IN BUSINESS LOCATIONS

- ◆ Indexed to 2004, the chart to the right indicates the change in payrolled business locations since 2004 for the county, region, and state.
- ◆ While there has been a steady increase in the number of businesses statewide, this has not been the case in the county or region.
- ◆ In the county, from 2004-2011 there was a steady increase in the number of payrolled businesses. Since then, growth has been stagnant.
- ◆ In the North Country there has been a steady decline in businesses since 2015, with stagnant growth prior to from 2004-2014.



JOB LOSS & GAIN

Jefferson County Job Loss & Gain, 2019



Source: youreconomy.org

- ◆ The charts above illustrate the breakdown of job growth and loss in the county in 2019, the most recent data available.
- ◆ There was an even number of jobs gained and lost in the county, at approximately 5,000 jobs each.
- ◆ A majority of job gain came through starting businesses, 64%. Job creation due to business expansion accounted for 34% of job growth. New businesses moving into the county accounted for just 2% of job gains.
- ◆ The majority of job losses came from business closures, 93%. Shrinking businesses accounted for 6% of job loss, and less than 1% of loss came from businesses moving out of the county.

MARKET SEGMENTS

- ◆ These charts provide data for the distribution of establishments that trade within local, external, and non-tradeable market segments over time in Jefferson County and New York State. **Local establishments (purple line)** are those that tend to sell their products and services to customers within the region. **External establishments (teal line)** tend to sell their products and services to customers outside the region. **Non-trade establishments (pink line)** are typically personal services, nonprofits (including hospitals) or government.
- ◆ The percent of external establishments within the county is significantly lower when compared to the state. This is important when understanding the potential of tradeable sectors for Jefferson County.

Jefferson County



New York State



Source: youreconomy.org

SELF EMPLOYMENT

- ◆ The table below contains the industries with the highest degree of self-employment. These sectors could potentially indicate where future growth may occur, as self-employment can sometimes lead to hiring others.
- ◆ Industries with the greatest historic growth by number of jobs include: Services to Buildings and Dwellings, Personal Care Services and Management Scientific, and Technical Consulting Services.
- ◆ The demand for childcare services and trades people was a common theme in interviews. Child Day Care Services and Specialty Trade Contractors and Building Equipment Contractors are all represented in the table below and could present an opportunity for the County to nurture the training and advancements in these fields to meet community demand.

Top Self Employment Industries by 2020 Jobs, Jefferson County

NAICS	Description	2015 Jobs	2020 Jobs	2025 Jobs	2015 - 2020 Change	2015 - 2020 % Change	2020 - 2025 Change	2020 - 2025 % Change	Avg. Earnings Per Job
1120	Animal Production	258	224	189	(34)	(13%)	(35)	(16%)	\$41,062
5617	Services to Buildings and Dwellings	123	166	191	43	35%	25	15%	\$28,646
8121	Personal Care Services	118	135	141	17	14%	6	4%	\$27,373
2361	Residential Building Construction	116	95	83	(21)	(18%)	(13)	(13%)	\$37,574
6244	Child Day Care Services	106	93	69	(12)	(12%)	(25)	(27%)	\$20,338
2389	Other Specialty Trade Contractors	105	85	73	(20)	(19%)	(12)	(14%)	\$37,574
8111	Automotive Repair and Maintenance	50	53	53	3	6%	0	1%	\$36,575
2383	Building Finishing Contractors	71	51	36	(19)	(27%)	(15)	(30%)	\$37,574
2382	Building Equipment Contractors	46	46	44	(1)	(1%)	(1)	(3%)	\$37,574
8141	Private Households	60	45	29	(16)	(26%)	(16)	(35%)	\$18,238
5416	Management, Scientific, and Technical Consulting Services	33	38	44	5	15%	5	14%	\$81,838
4853	Taxi and Limousine Service	<10	36	50	Insf. Data	Insf. Data	13	37%	\$34,413
4543	Direct Selling Establishments	54	35	28	(19)	(35%)	(8)	(22%)	\$19,764
6111	Elementary and Secondary Schools	27	33	37	6	22%	4	12%	\$32,099
6213	Offices of Other Health Practitioners	31	32	35	1	3%	4	12%	\$80,063
5311	Lessors of Real Estate	33	30	30	(2)	(7%)	(0)	(1%)	\$76,265
7115	Independent Artists, Writers, and Performers	24	28	32	4	18%	3	12%	\$39,898
7112	Spectator Sports	39	28	27	(11)	(29%)	(0)	(0%)	\$47,761
7139	Other Amusement and Recreation Industries	32	26	23	(6)	(17%)	(4)	(13%)	\$35,872
5411	Legal Services	36	26	23	(10)	(27%)	(2)	(10%)	\$147,827
6116	Other Schools and Instruction	25	25	27	(1)	(2%)	2	8%	\$28,003
1110	Crop Production	24	25	28	1	4%	3	13%	\$37,146
2381	Foundation, Structure, and Building Exterior Contractors	24	24	21	(0)	(0%)	(3)	(14%)	\$37,574
4539	Other Miscellaneous Store Retailers	24	24	25	0	0%	1	4%	\$48,306

Source : Emsi



TARGET INDUSTRY CHARACTERISTICS

INTRODUCTION

The profiles below provide an overview of the industries that exhibit the greatest potential for growth within the Jefferson County and the surrounding region. Industries were selected for inclusion based on research conducted for the *Economic Profile*, discussions with the CEDS Committee, and industry specific research using proprietary sources such as IBISWorld and Emsi.

Target industries include those that:

- ◆ Are within growing and/or emerging markets;
- ◆ Fit with regional talent and skills;
- ◆ Align with regional supply chains;
- ◆ Are highly concentrated and/or competitive;
- ◆ Align with the community's infrastructure and development preferences;
- ◆ Can gain a competitive advantage by locating in the region; and
- ◆ Have capacity for innovation.

Why are tradeable sectors important?

Note that while an industry like healthcare remain vital to Jefferson County's economy, it is not a "tradeable sector." Jefferson County's largest industries like government, health care, and retail trade, are all "non-tradable sectors," meaning they do not introduce *new* spending into the economy, rather those industries circulate money within the community. By focusing on tradeable sectors – those industries that produce goods or services locally but sell them outside of the region – revenue and wealth can be added to the community. For example, manufacturing is a tradeable sector, as goods are shipped out and revenue brought in. Very small manufacturers such as micro-sized food production may serve a wholly local market, but nearly every other manufactured good is, from the community perspective, an "export."

Jefferson County Target Industries

- ◆ Agriculture & Food Processing
- ◆ Wood & Paper Product Manufacturing
- ◆ Transportation Equipment Manufacturing
- ◆ Energy Production
- ◆ Tourism
- ◆ Defense and Related Industries

TERMS & DEFINITIONS

Definitions included below are from Emsi. More information can be found here: <https://kb.emsidata.com/glossary/>.

Competitive Effect: Competitive effect indicates how much of the job change within a given region is the result of some unique competitive advantage of the region. This is because the competitive effect, by definition, measures the job change that occurs within a regional industry that cannot be explained by broader trends such as overall economic growth or changes in the industry nationally. It is important to note that this effect can be positive even if regional employment is declining. For example, if regional employment is declining less than national employment, it would result in a positive competitive effect. The competitive effect in the pages that follow is a snapshot of how the industry performed relative to overall economic growth or national industry trends between 2010-2020.

Location Quotient: Location quotient (LQ) is a way of quantifying how concentrated a particular industry, cluster, occupation, or demographic group is in a region as compared to the nation. It can reveal what makes a particular region unique. For example, if the leather products manufacturing industry accounts for 10% of jobs in your area but 1% of jobs nationally, then the area's leather-producing industry has an LQ of 10. So, in your area, leather manufacturing accounts for a larger than average share of total jobs—ten times larger than normal. The LQs that are shown in the pages that follow are the range of LQs of subsectors within the industry listed.

Job Growth: For this report we show the percent change in jobs from 2010-2020 and from 2020-2030. Employment projections come from Emsi. Emsi projects employment data 10 years into the future. Industry projections are built from Emsi's industry data, which is based on the BLS's Quarterly Census of Employment and Wages (QCEW) dataset.

AGRICULTURE AND FOOD PROCESSING

Role in Jefferson County Economy | Agriculture is a legacy industry in Jefferson County. The fabric of many Jefferson County communities is centered around agriculture production. Farmers and operators continue to innovate and adapt to changing market demands through technologies or repurposing agriculture products.

Regional Trends | Growth in this sector has been driven by breweries, wineries, and distilleries. 2021 has been marked the year of localism in Jefferson County. The industry can be volatile based on consumer demand, commodity prices, change in trade or tariff agreements, or weather patterns.

Industry Trends | The continued move to Precision Agriculture, where agricultural processes are led by technology, will mean greater investment in digital tools are needed to compete. The pandemic shed light on distribution challenges in the food market and the reliance on goods from outside of the local or regional market. The uses for hemp and medical/recreational marijuana are expanding as products become more mainstream. Health and wellness foods such as organic produce, plant-based meat, low-ABV alcoholic drinks, organic wine, and alternative milks continue to grow. Consumers show a willingness to spend more money on goods that demonstrate sustainability or connection to the local or regional economy. Increased food safety regulations require more work on the part of the farmer or food processor to ensure high standards are met with all products.

Supply Chain | Consists of corn crops for animal feed, wheat/barley (not grown in county), animal production, milk and cheese food processing, malt manufacturing (not in county), milk carton manufacturing, tank truck manufacturing, farm machinery manufacturing, and distilling equipment manufacturing.

Workforce | Increasing labor shortage issues exacerbate the trends to move towards an investment in automation. Agriculture of all sizes is taking up the use of sensors, drones, GPS, and automated equipment to mitigate risk and increase productivity.

Market Opportunities | There are market opportunities to grow the county's regionalized reputation for beverage manufacturing including: beer, liquor, and cider, in addition to wine. Continuing to work on aggregating food production or meat processing at a scale that can be shipped to larger commercial centers like Rochester or Syracuse can build on the consumer demand and appreciation for local produce. The sector of hydroponics or regenerative farming shows opportunity and already has a base in the county. It is a method of farming that can withstand challenging weather conditions in the North Country and complement the resources and legacy of traditional agriculture. This sector does rely on the capacity of utilities to sustain and expand activities. In dairy manufacturing, products that creatively use byproducts like whey, and respond to consumer demand will be successful. Finally, agritourism continues to show growth potential and aligns well with the county's assets.

Industry Overview

JOB GROWTH



8% - 2010-20

3% - 2020-30

RANGE OF LOCATION QUOTIENTS



0.27-3.83

COMPETITIVENESS



61

INDUSTRY OUTLOOK

POSITIVE

WOOD & PAPER PRODUCT MANUFACTURING

Role in Jefferson County Economy | Businesses are surviving in this sector amid large competition from industries in Canada and the Northwest with specialty paper products, paperboard, and protective packaging products. Within the county these industries comprise about 500 jobs with marginal to flat growth by 2030.

Regional Trends | This industry is expected to increase by 6% from 2020 to 2030 for an increase of 27 jobs. Within this industry group, Non-upholstered Wood Household Furniture Manufacturing is expected to see growth of 41% by 2030. Paper mills are concentrating in areas just outside of Jefferson County resulting in lower county employment but higher regional employment. Conversely, Paper Bag and Coated and Treated Paper Manufacturing declined in the surrounding counties but increased within the county. Transportation costs have gone up since the pandemic because of a trucker shortage and the ability of getting product to other locations for additional processing.

Industry Trends | This industry is tied to national and global economic conditions and environmental regulations. By 2030, the industry is expected to decline by 5% or 774 jobs statewide and decline by 4% nationwide. Industry trends that can impact this industry's competitiveness include automation, economies of scale, having contacts with key markets, and undertaking technical research and development to create higher quality products with faster production schedules.

Supply Chain | Consists of logging, milling, and sawmill, woodworking, and paper mills and paper machinery manufacturing.

Infrastructure | The infrastructure required for wood and paper manufacturing is highly specialized and specific. Larger and more automated equipment allows the price to be driven down. This industry needs access to large amounts of water, power, and trucking access.

Workforce | 43% of the occupations within these industries are made up of production occupations; 14% are installation, maintenance, and repair occupations, 12% are office and administrative support occupations, 12% are transportation occupations, and 4% are management occupations.

Future opportunities | Wood & Paper manufacturing is a legacy industry in Jefferson County, whose local businesses have pivoted their product to meet demand over generations. The ability of the county's economic development to support this continued innovation is critical. With a robust housing and construction market boom, manufacturers see a positive outlook.

Industry Overview

JOB GROWTH



(14%) - 2010-20

2% - 2020-30

RANGE OF LOCATION QUOTIENT



0.41-10.11

COMPETITIVENESS



103

INDUSTRY OUTLOOK

POSITIVE

TRANSPORTATION EQUIPMENT MANUFACTURING

Role in Jefferson County Economy | The focus in Jefferson County is on equipment used in the manufacturing of transportation and agricultural equipment. This sector (transit equipment, in particular) is a focus of the North Country Regional Economic Development plan.

Regional Trends | Jobs declined in the region overall; however, there were localized growth in Industrial Truck Manufacturing, Fluid Power Cylinder Manufacturing, and Motor Vehicle Body Manufacturing.

Industry Trends | Technology uptake makes railroads more technologically advanced. Software helps the railroads manage fuel levels, determine scheduling with greater accuracy, and more. While there is uncertainty in the investment levels around public transit since usage has declined significantly during the pandemic, freight transportation has been stable, if not grown, during the same time. Beyond the pandemic, other trade topics like tariffs, international shipping lanes, and supply chain components play a heavy role in this industry's outlook. Like other manufacturing sectors, businesses scaled back in early 2020 anticipating a significant decrease in demand for an increased period of time. Demand has scaled back up quicker than anticipated and the market outlook is positive for downstream markets. Scaling back up to pre-pandemic levels or even increased capacities is dependent on available workforce.

Supply Chain | Consists of railroad rolling stock, fluid power cylinder and actuator manufacturing, motor and generator manufacturing, motor vehicle body manufacturing, industrial truck, tractor trailer, and stacker machinery manufacturing, and metal tank manufacturing.

Workforce | Occupations supporting this industry include assemblers, fabricators, machinists, engine assemblers, welders, mechanical engineers, and electromechanical assemblers. A high school diploma is typically required and experience working in manufacturing or with technological driving manufacturing process is a desirable quality in an employee. There is high demand for traditional trades work across this and other manufacturing industries, including welding and electricians.

Market Opportunities | With demand picking up post-pandemic, workforce will be absolutely critical for responding to the market. For companies in this sector, research and development for new products and services, based on calls for sustainability or other market demand, will be important to pivoting. With increasing industry consolidation in downstream customer industries and increased outsourcing by downstream manufacturers, a key success factor for companies is the ability to develop long-term sales contracts. Based on the county's assets and location, the most advantageous foreign market to target in this sector and supply chain are locations around Kingston and South Eastern Ontario.

Industry Overview

JOB GROWTH



(12%) - 2010-20

(28%) - 2020-30

RANGE OF LOCATION QUOTIENT



0.51-20.44

COMPETITIVENESS



(170)

INDUSTRY OUTLOOK

MODERATE

ENERGY PRODUCTION

Role in Jefferson County and Regional Economy | This sector includes fossil fuel power generation, biomass electric power generation, hydroelectric power generation and electric power distribution. The surrounding region employs over 1,500 people in energy generation and contributes \$1.6B in Gross Primary Product primarily through nuclear energy production in Oswego County. 44% of the entire state's renewable energy generation occurs in the North Country.

Regional Trends | New York State and the federal government have established goals to significantly reduce reliance on fossil fuel-based energy and growth opportunities in the field of renewable energy. Regionally, green energy is also a target for the North Country Regional Economic Development Council plan. Currently, there is hydro and biomass power generation being produced in the County because of its proximity to forests and rivers that run from the western portion of the Adirondacks and Tug Hill Plateau. Adjacent counties are also home to wind farms. As of February 2021, Jefferson County is in talks with a solar panel manufacturing plant and software development company at the Watertown Airport Industrial Park. The Development Authority of the North Country (DANC) also innovates in this sector by turning methane gas collected at a land fill to electricity that can be sold back to the grid.

Industry Trends | Fossil fuel production is projected to decline as growth is expected for green energy source generation. As tax credits and other incentives are more widely available for residential and business locations, uptake of alternative sources are also likely to grow. Semiconductors and electronic components are particularly important to solar panels and can impact production. Ability to negotiate successfully with regulators is also important as industry utilities are regulated by several government organizations, and operator performance is contingent upon their ability to receive favorable rulings from regulators.

Workforce | Occupations in this group of industries primarily includes electrical power-line installers, supervisors of mechanics, and customer service representatives.

Market Opportunities | With state and federal government prioritizing the development and transition to renewable energy, the county can build on their existing base of solar and wind projects, but not be limited to these fields. Federal and state funding for renewable energy will become more prevalent in the coming years, which could catalyze projects that were previously unfeasible due to budget constraints. With sizeable tracts of land that are undeveloped, solar and wind projects are suited to Jefferson County's landscape; however, these projects are not typically large job generators. There is a growing workforce to support this field – including, engineers, installers, designers, maintenance and more.

Industry Overview

JOB GROWTH



(29%) - 2010-20

(9%) - 2020-30

RANGE OF LOCATION QUOTIENT



0.98-19.11

COMPETITIVENESS



(57)

INDUSTRY OUTLOOK

MODERATE

TOURISM

Role in Jefferson County Economy | While there were significant challenges due to COVID-19, the industry is central to economic activity in the region. It accounted for \$194.6 million or nearly 3% of the county's 2019 Gross Regional Product. Within Jefferson County, the tourism industry supports 4,286 jobs.

Regional Trends | The North Country region has just as strong a tourism industry as the county. The area is known for its outdoor recreation, including boating, fishing, snowmobiling, ATVing, and hunting. Tourism primarily supports lodging, restaurants, retail, and recreational vehicle purchases. Restaurants and lodging are by far the greatest contributor to GRP.

Industry Trends | Within the state, the tourism industry is projected to decline by 7% in the next 10 years and increase by 6% nationwide. Trends in this industry are largely driven by disposable income, consumer behavior, and affordable airfare and other transportation costs.

Supply Chain | Consists of accommodations, transportation, excursions, shopping and dining establishments, and events. Destination management is a growing need to maintain and grow market share and requires collaborations and leadership by not just tourism organization but by regional economic development organizations as well.

Infrastructure | The infrastructure to support a healthy, active, and growing tourism sector includes both public investments such as access to water, roads, public parking, safe walking and biking routes, and private investments such as a concentration of eating, entertainment, and accommodation options (i.e. downtowns, main streets, and village centers). Some of these elements are managed at a county level but it is mostly driven by the individual towns and cities within the county.

Workforce | Workforce is cited as one of the most challenging aspects for the tourism industry. Tourism businesses were impacted heavily by the pandemic, and many had to shrink their workforce to survive. They are also driven by seasonal changes and require larger number of employees during the summer. 72% of occupations within tourism are in food service. As of March 2021, there were 375 unique jobs postings listed for this occupation.

Market Opportunities | Connect to the increasing popularity of breweries and wineries, the local food movement, and agricultural roots of the county and showcase these assets and stories within the county's downtowns and village centers. Expand access to Lake Ontario, the Black River, and the other waterways within the county. Create partnerships, link attractions to one another, and continue to offer a wide variety of activities to draw the largest regional market possible.

Industry Overview

JOB GROWTH



5% - 2010-20

(1%) - 2020-30

RANGE OF LOCATION



0.09-9.35

COMPETITIVENESS



(780)

INDUSTRY OUTLOOK

POSITIVE

DEFENSE AND TRANSITIONING SOLDIERS

Role in Jefferson County Economy | The defense industry is anchored by the presence of Fort Drum in Watertown. Fort Drum's direct economic impact was more than \$1.4 billion in 2020, which is an 8.1% increase from the previous year. Fort Drum supports more than 30,000 soldiers and their family members, along with the employment of about 3,900 non-military personnel.

Regional Trends | Fort Drum is the largest employer in the North Country region. The latest economic impact report for Fort Drum anticipates that the "current force structure levels are anticipated to remain stable for the foreseeable future." Fort Drum representatives are closely tied into the economic development and workforce system to coordinate job opportunities for soldiers transitioning out of the military. Soldiers exiting their service at Fort Drum are a target market to foster as entrepreneurs or as skilled employees in the local community. Advocate Drum is a key partner with the Fort Drum Transition and Employment Assistance Program, which supports transitioning soldiers and their partners to find fulfilling job opportunities.

Industry Trends | Defense spending at the federal level has increased in the last 4 years, but reductions are expected in the coming years under the new administration as long-term wars overseas have scaled back troop levels. The majority of spending in the current defense budget covers procurement, research and development and nuclear-related activities. A key focus will be on developing technologies that keep the United States at the forefront of traditional and digital capabilities in defense undertakings.

Workforce | Soldiers transitioning out of the army can work with one of the many service providers in the region to find the career or position that best fits their skillsets. Many employers in the region also welcome transitioning soldiers as part of their workforce. The pipeline of transitioning soldiers in the Watertown area was a factor that led Conval Energy and DigiCollect to recently announce that they are locating two new facilities in Watertown.

Market Opportunities | Employing the spouses of military personnel is a focus of Fort Drum and economic development partners. This will help support the local labor force and support growth of local communities by retaining families. In a recent survey of military spouses, officials found that a third of spouses have Bachelor's degrees, and another 19% have Master's Degrees. The survey also found that the perception about the local job market by veterans and their spouses is negative. Yet, over half of respondents were not aware that Fort Drum offered a "New Spouse Welcome Briefing" that helps partners find jobs. Continuing to grow businesses that appeal to the market of Fort Drum's demographics will help drive traffic to commercial corridors that will thrive on density of retail, entertainment, and food and beverage offerings.

Industry Overview

JOB GROWTH



(18%) - 2010-20

13% - 2020-30

RANGE OF LOCATION QUOTIENT



3.71-22.77

COMPETITIVENESS



(2,367)

INDUSTRY OUTLOOK

MODERATE

ATTACHMENT A: DATA SOURCES

ECONOMIC MODELING SPECIALISTS INTERNATIONAL (EMSI)

To analyze the industrial makeup of a study area, industry data organized by the North American Industrial Classification System (NAICS) is assessed. Camoin 310 subscribes to Economic Modeling Specialists Intl. (Emsi), a proprietary data provider that aggregates economic data from approximately 90 sources. Emsi industry data, in our experience, is more complete than most or perhaps all local data sources (for more information on Emsi, please see www.economicmodeling.com). This is because local data sources typically miss significant employment counts by industry because data on sole proprietorships and contractual employment (i.e. 1099 contractor positions) is not included and because certain employment counts are suppressed from BLS/BEA figures for confidentiality reasons when too few establishments exist within a single NAICS code.

ESRI BUSINESS ANALYST ONLINE (BAO)

Esri is the leading provider of location-driven market insights. It combines demographic, lifestyle, and spending data with map-based analytics to provide market intelligence for strategic decision-making. Esri uses proprietary statistical models and data from the U.S. Census Bureau, the U.S. Postal Service, and various other sources to present current conditions and project future trends. Esri data are used by developers to maximize their portfolio, retailers to understand growth opportunities, and by economic developers to attract business that fit their community. For more information, visit www.esri.com.

CENSUS OF AGRICULTURE, U.S. DEPARTMENT OF AGRICULTURE (USDA)

The Census of Agriculture provides a detailed picture of U.S. farms and ranches and the people who operate them. It provides uniform, comprehensive agricultural data for every state and county in the U.S. on topics including agricultural land, animal and crop production, employment, worker demographics, farm business operations, and the environment. and employment. It is conducted by the U.S. Department of Agriculture (USDA) every five years, in years ending in "2" and "7".

IBIS WORLD

IBISWorld provides trusted industry research on thousands of industries worldwide. Their in-house analysts leverage economic, demographic and market data, then add analytical and forward-looking insight, to help organizations of all types make better business decisions.

FORT DRUM 2020 ECONOMIC IMPACT STATEMENT

Performed by EBP, published April 20, 2021.

MILITARY SPOUSES EMPLOYMENT SURVEY

Published June 24, 2020



IMPLEMENTATION REPORT

OPPORTUNITIES IN JEFFERSON COUNTY AND THE 1000 ISLANDS

Submitted to:

1000 ISLANDS INTERNATIONAL TOURISM COUNCIL

Prepared by:



INTRODUCTION

The 1000 Islands International Tourism Council (the Council) engaged Camoin Associates to develop recommendations to support tourism businesses across the region, attract investment in tourism assets, and contribute to Jefferson County's overall economic development goals. This work will directly feed into the county's Comprehensive Economic Development Strategy (CEDS). The following components were completed to inform these findings and recommendations. These elements can be found at the end of this report unless otherwise noted.

- Business intelligence calls that reached a range of tourism businesses including lodging, entertainment, restaurants, and recreation;
- A lodging and short-term rental market snapshot;
- Research on tourism market trends that apply to the North Country and Jefferson County's landscape; and
- A labor market analysis on tourism jobs and occupations (included in CEDS documents).

IMPLEMENTATION OF ACTION PLAN MATRIX

The following section corresponds to the Action Plan Matrix for the Council. Details on market trends, developing partnerships and the dynamics of how implementation will occur are documented below. The Action Plan Matrix and the expanded implementation details coordinate with the ongoing work of the Jefferson County Comprehensive Economic Development Strategy (CEDS). The actions described below contribute to building a resilient, four-season economy that will generate prosperity across the county.

Note that the last column of the Action Plan Matrix shows where more information is available on a specific action. The Action Plan Matrix can be found on pg. 9-10 of this report.

DESTINATION MANAGEMENT

CATEGORY: CAPTURING MARKET OPPORTUNITY

Action 1. Partner with ongoing efforts in the North Country to welcome a diversity of visitors to the North Country, including BIPOC individuals:¹ Efforts are already underway in the North Country to understand perceptions of the Adirondacks and the surrounding region to Black Indigenous People of Color (BIPOC). This work is critical to uncovering biases within the community and to implementing real solutions that support ongoing conversations with public and private stakeholders.

¹ Examples in "Bring Equity to the Forefront in Tourism" text box adapted from Destinations International

Actions 2. Enlist anchor institutions to help collect market segmentation data.

Action 3. Use the 1000 Islands existing social media platforms to conduct informal surveys, polls, or quizzes to gauge recent visitor profiles.

Action 4. Collaborate with Chambers and other economic development partners to standardize messaging and/or onboarding for tourism workers.

EXPANDED DETAILS AND OPPORTUNITIES FOR ACTIONS 2-4

With family travel plans upended during COVID-19, Jefferson County and the 1000 Islands Region found itself welcoming a visitor population that was more domestically based, as opposed to Canadian visitors. Relating to this newer visitor segment and building a complete consumer profile for these cohorts will further help refine marketing endeavors and understanding market demand. This will include:

- Learning about how these visitors found specific sites or the 1000 Islands Region as a travel destination.
- Building a typical consumer profile of this new generation of visitors.
 - For example, in the summer of 2020, Lake George tourism organizations used visitor surveys to determine that their Summer 2020 visitor was much younger than their typical visitor.
- Determining which regional brand visitors most identify the region with and which ones they are most drawn to.
- Working with existing businesses to start collecting this information. The TI Council could standardize a series of three-five questions that are easy for an operator to collect on their consumers. The collection of this information could be tied to a prize giveaway – for example, if a consumer were to fill out the questionnaire or respond to survey questions, they would be entered to win a two-night stay at a regional hotel or tickets to a local event.
 - The TI Council could also adapt their annual survey of businesses to learn more about this recent visitor population from businesses.

Action 5. Incorporate the county’s Main Streets as “Must See” opportunities or as an add-on

activity to recreational options: While a variety of outdoor recreation activities may draw visitors to the area, this is an opportunity to drive activity to the county’s Main Streets as well. Incorporating Main Streets as a “must see” activity will help support traffic to restaurants and stores,

BRINGING EQUITY TO THE FOREFRONT IN TOURISM

Regional tourism organizations, along with their economic development counterparts are publicly establishing their stance on diversity, equity, and inclusion. A few examples of actions taken include:

- Internal audits of destination market materials asking who is and who is not represented?
- Quarterly DEI training to hospitality the workforce
- Op-eds from regional leaders to support DEI initiatives
- Collaborating and listening to community organizations representing BIPOC, LGBTQ+, accessibility advocates or other traditionally underrepresented groups
- Incorporating “Diversity Commitment Statements” into board policies
- Establishing a specific team to identify, promote and celebrate businesses that represent diverse populations.

further encouraging density of retail nodes and building around hubs that already exist. The connections between outdoor recreation and Main Street can be reinforced physically and digitally – with wayfinding from site to site, and further building business profiles on social media and online trip planners like Trip Advisor and Yelp, where a large proportion of consumers are building their trips.

Creating spaces that are welcoming to visitors as well as engaging to residents takes dedicated vision and collaboration. Part of this work will require coordination with municipalities, who have local control over things like zoning, signage and business environment.

Action 6. Build on pent up demand for entertainment and live events: In-person entertainment venues were particularly hard hit during the pandemic and their status continues to be precarious. There is pent up market demand for live performances and the return to venues that host live performances could bring in returning and new patrons. The additional demand could be an opportunity to showcase portions of the region that may not usually be on the radar for most visitors. Tying in entertainment venues to existing traffic generators will help drive attention to these sites and build a consumer base. Supporting cultural activities and entertainment venues for visitors can also support amenities that are in-demand from cohorts who are mobile and can move for work, a population Jefferson County seeks to attract.

Action 7. Use market research to produce a brief State of Tourism Report that showcases trends and economics impacting Jefferson County's tourism industry. Collecting and promoting market intelligence will help amplify the importance of tourism to the Jefferson County economy and provide operators with material to adjust their approach to marketing or services based on regional trends.

**This is a cross listing with the Jefferson County Comprehensive Economic Development Strategy*

Action 8. Include real estate agents in conversations about visitor profiles as it pertains to second-home owners as this can be an indication of future market potential. Real estate agents often hear initial perceptions of an area, concerns about housing, and other expectations from potential home buyers. This is valuable information to capture for destination marketing and economic development purposes.

CATEGORY: ATTRACTING INVESTORS, ENTREPRENEURS AND MAINTAINING EXISTING TOURISM ASSETS

Action 1. Work through the Greater Watertown Chamber of Commerce or other community liaison for the Center for Businesses in Transition (CBIT) to manage aging businesses, especially lodging or those on Main Streets. This work is already being done by the Center for Businesses in Transition and will continue to be a priority as business owners look to either sell or close their business. Further connecting existing community members with businesses that are looking to sell will help accommodate visitor capacity and support entrepreneurial endeavors.

Action 2. Engage tourism businesses in their off season with a "checklist" of activities or tasks that will prepare them for the next season. When the primary busy season winds down, businesses can begin to assess the successes of the season and look ahead to potential changes needed for the future. The Council, in partnership with economic development leaders, can prepare a checklist for this offseason time that puts into focus the resources available for businesses. This checklist could include:

- A link to the newly developed State of Tourism Report
- An assemblage of technical assistance resources throughout the region and the corresponding partners for those resources
- A "Looking Ahead" section that promotes the business transition services in the region – including the Adirondack North County Association's Center for Businesses in Transition (CBIT).

Not all this information will be relevant for every business, but when it is salient to the right operator it will put the Council, Jefferson County Economic Development and other partners in a position to be proactive instead of reactive.

Action 3. Promote CBIT's Pathways for Succession. ANCA recently developed this program in direct response to feedback from the community and their experience with individuals or businesses in the process of succession planning. Often the biggest barrier to purchasing a business is the initial down payment. To provide equitable opportunities for low-moderate income and BIPOC individuals, ANCA is offering the Pathways for Succession: Down Payment Assistance Forgiveness Program. Eligible participants can obtain down payment assistance loan forgiveness as well as technical assistance to ensure success in the business transition process.

Action 4. Promote and keep a sell sheet for the region readily available for interested parties and with economic development partners. Continuing to grow the market will require both business retention and attraction efforts. While technical assistance and regular communication with existing businesses will help with retention, attraction efforts will center around making the case for why an investor would choose to locate in the region.

MAKE THE CASE FOR INVESTMENT IN THE 1000 ISLANDS.

A digital sell-sheet for the region with key indicators will give investors the snapshot they need to consider development opportunities. Data on this sell sheet should include:

- Locations of other tourism drivers in the region
- Percentage of second homeowners
- Revenue per available room
- Strength of Canadian to US dollar
- Visitor demographic mix
- Visitor spending per capita
- Access to financing
- Average Daily Rate (ADR)
- Minimum investment threshold

Action 5. While businesses do not want to take on debt to realize expansion plans or stabilize, support other technical assistance efforts as relevant²: Businesses seemed aware of financing opportunities available to them, but many did not want to take on debt either as part of a return to stability or as a part of expansion plans. While loans are not a popular form of technical assistance, the TI Council and other economic development partners could focus on other technical assistance like support with market data, professional photography for marketing, business to business connections, financial training, training in digital tools, and/or support in technology uptake like online bookings systems, etc.

CATEGORY: FUNDING & CAPACITY

Actions 1. The process of developing the CEDS brought to light the valuable economic contributions of tourism to Jefferson County.

Action 2. Elevate the status of Tourism and related activities to a target industry for Jefferson County.

**This is a cross listing with the Jefferson County Comprehensive Economic Development Strategy*

Action 3. Communicate the economic value of tourism to the region's economy to legislators.

EXPANDED DETAILS AND OPPORTUNITIES FOR ACTIONS 1-3

It also exposed the lack of organized collaboration around destination management. The Council's primary role as a Destination Marketing Organization (DMO) means that there are not resources to also manage the components of the tourism sector throughout the county. While the Council oversees the internal and external messaging surrounding the assets and value of the 1000 Islands, destination management refers to the development and upkeep of those assets, market research, workforce training and education, and generally the infrastructure surrounding tourism and related amenities. This includes everything from lodging to roadways to wayfinding to Main Street businesses. Destination management is very closely related to the overall economic development goals of the County. Ensuring that tourism is designated as a target industry will elevate its profile within the County and allow partners in the tourism field to be on the same baseline as manufacturing or agriculture. Elevating the status to a target industry and documenting the

CASE STUDIES: FUNDING DESTINATION MANAGEMENT

As DMO's take on larger roles in the ever-growing realm of tourism, they must also work with municipalities and government to secure additional resources for this work.

Tourism Improvement Districts – A type of special benefit assessment district where operators can assess a fee on their services. For example, this could be an extra \$2.00 on a hotel room. Although not typical in New York State, there is movement to move towards this model.

Short Term Rental Fees – Some jurisdictions have enacted regulatory fees on short term rentals like VRBO or Airbnb and designated those funds to tourism related spending.

Market Based Mechanisms – This approach to funding uses market principles to incentivize spending in certain areas with less expensive pricing while disincentivizing other activities by raising the price. This can draw people to certain resources that are underutilized or away from locations that are experiencing heavy traffic.

Distribution of Occupancy/Bed Tax – In Essex County, NY the County Board of Supervisors voted to raise the county's occupancy tax by 2% in 2020. The 2% increase will be used for granting funding to local projects.

² See pg. 20 for an inventory of available public sector resources for tourism businesses.

economic impacts of tourism in the county is also critical to make the case to regional, state, and local policymakers that adequate resources are required in order to maintain the high-quality visitor experience in the 1000 Islands.

Action 4. Explore alternative funding mechanisms for supporting tourism destinations and other infrastructure that enhances the visitor experience and quality of life.³ As tourism evolves the need to find the many facets of the sector are critically important. Communities and regions have worked with policymakers and government officials to obtain funding from various sources to continue to deliver adequate service or improve services based on growing numbers of visitors.

Action 5. Develop a desired list of destination management projects and corresponding budgets to prepare for potential funding opportunities. Having a pipeline of projects and potential budget figures for these projects will help facilitate requests to legislators or other funding sources at the appropriate time. As federal dollars are dispersed through American Rescue funds, preparing potential asks will be critical to securing important funding for destination management.

Action 6. Create a breakdown of tourism related responsibilities by entity.⁴ Creating a roles and responsibility matrix will help the Council and others uncover the significant gaps in Tourism management. This is necessary to be able to request additional resources if relevant and demonstrate why there is need in certain areas for more personnel or resources. The following categories should be filled in, along with others relevant to the region.

- Education
- Research/Tracking
- Advocacy
- General Marketing
- Targeted Marketing
- Visitor Information Center
- Wayfinding Signage
- Maps and Guides
- Industry Networking
- Community Outreach

³ Sources in Case Studies include: *Funding Futures*, August 2020, Miles Partnership, Civitas, Tourism Economics

⁴ Adapted from Georgia (Ontario) Community Tourism Plan 2020-2022

DESTINATION MARKETING

MARKETING- INTERNAL

Action 1. Use the Council's annual event to share the regional vision for tourism, celebrate the year's accomplishments, and invite another regional DMO to share how they overcame certain challenges. This is an opportunity to inspire motivation and spread the vision for all tourism sector operators. This would be an opportunity to celebrate the completion of the CEDS and this Council's Action Plan Matrix, in addition to celebrating the adaptations businesses made and are continuing to make throughout COVID. This event could be in person and digital to maximize participation.

Action 2. Reinstigate familiarization tours with cohorts of businesses to expand awareness of new business offerings. Arrange free, closed-door tours for the business community to sites in the 1000 Islands Region and position them as local advocates. Include lunch and organize during low attendance times of the year for maximum business participation. Promote 1-2 newly opened sites to draw in attention. Another strategy to show value to the businesses would be organizing the tour in a way that emulates a half day excursion for visitors – giving operators an itinerary recommendation to give to visitors.

Action 3. Recognize service industry representatives within hospitality as the front-line advocates of Jefferson County. Communicate regularly with them to ensure they can talk intelligently to the various sites, guide visitors, and make every interaction positive and informative for guests.

Action 4. Convene a group of regional marketing professionals that will grow the knowledge and asset base of regional activities – With many players involved in tourism marketing activities, a formalized meeting at key points in the tourism season will help to coordinate the timing of activities and synchronize marketing messages.

**This is a cross listing with the Jefferson County Comprehensive Economic Development Strategy*

Action 5. Seek funding for marketing metrics – Seek funding that will allow the Council the resources and tools to design a marketing metric dashboard that includes data points like website views, social media hits, app downloads, email engagement, etc. that is reviewed at regular intervals. Tracking these metrics is crucial to documenting the progress, challenges or success of the Council's policies and programs.

MARKETING - EXTERNAL

Action 1. Expand social media reach in correlation with new visitors.: Many businesses interviewed indicated that the primary way that they advertise their services is through word of mouth. While happy customers are always the best ambassadors for a product, service, or location, social media remains a platform where multiple generations are learning about businesses, services, or entire regions to visit. A strategic social media presence for businesses that increases awareness and engagement will help expand market potential and drive traffic to other related businesses in the region. Chambers of Commerce and other community associations are likely leading these efforts on the ground and will be critical partners to expand the impacts of these efforts.

Action 2. Outreach to press and alternative marketing ideas – As visitors return to either new or adapted vacation patterns, thinking about the upcoming tourism seasons as a reintroduction to the 1000 Islands could allow people to get to know the assets of the region on a new level. As occupancy rates fluctuate across seasons, inviting the press to stay when a room is empty and coordinating that with other vendors to showcase the region’s offerings is a way to gain press coverage that can be merchandised online and on social media platforms.

Action 3. Continue to grow marketing tactics around the number 1000: This would support the work that the Council has already done. A campaign to enhance the tourism market in the region could be tied back to the number 1000, to align with the 1000 Islands. 1000 days spans about three years, which could connect to a capital campaign, benchmarks for visitation numbers, or driving up occupancy rates.

Action 4. Collaborate with notable community members to promote the region. Consumers respond to notable individuals telling them where they have traveled, where they have eaten, or other sites to check out. Identifying 1-2 community members with regional or national name recognition and leveraging their digital presence could be a boost to lesser-known areas of the 1000 Islands.

Priority Key

Highest			
High			
Medium			

Partner Legend:

- ANCA** - Adirondack North Country Association
- CEDS** - Comprehensive Economic Development Strategy
- DMOs** - Destination Marketing Organizations
- JCC** - Jefferson County Community College
- JCED** - Jefferson County Economic Development
- SBDC** - Small Business Development Center

DESTINATION MANAGEMENT						
Objectives: Development and maintenance of tourism related properties and amenities, market research, workforce training and education, diversity/equity/inclusion						
Category	#	Actions	Priority	Partners/Resources	Report Reference Page Number for More Information	
Capturing Market Opportunity	1	Partner with ongoing efforts in the North Country to welcome a diversity of visitors to the North Country, including BIPOC individuals.				ANCA; ANCA's Pathways for Succession: Down Payment Assistance Forgiveness Program Pg.1-2
	2	Enlist anchor institutions to help collect market segmentation data.				Private businesses Pg.2
	3	Use the 1000 Islands existing social media platforms to conduct informal surveys, polls or quizzes to gauge recent visitor profiles.				Greater Watertown Chamber of Commerce, JCED; Seek funding for more robust market segmentation when possible. If limited funding is available for this task, start with pilot programs in high traffic areas. Pg.2
	4	Collaborate with Chambers and other economic development partners to standardize messaging and/or onboarding for tourism workers.				Greater Watertown Chamber of Commerce, Local Development Corporations Pg. 2
	5	Incorporate the county's Main Streets as "Must See" opportunities or as an add-on activity to recreational options.				Greater Watertown Chamber of Commerce, Local Development Corporations Pg. 2
	6	Build on pent up demand for entertainment and live events.				Real estate community Pg. 3
	7	Use market research to produce brief State of Tourism Report that showcases trends and economics impacting Jefferson County's tourism industry.*				JCED, JCC; Jefferson County CECS + CECS "Teams" Pg. 3
	8	Include real estate agents in conversations about visitor profiles as it pertains to second-home owners as this can be an indication of future market potential.				Real estate community n/a
Attracting Investors, Entrepreneurs and Maintain Existing Tourism Assets	1	Work through the Greater Watertown Chamber of Commerce or other community liaison for the Center for Businesses in Transition (CBIT) to manage aging businesses, especially lodging or those on Main Streets.				Greater Watertown Chamber of Commerce, ANCA Pg. 3
	2	Engage tourism businesses in their off season with a "checklist" of activities or tasks that will prepare them for the next season.				ANCA, JCED Pg. 3
	3	Promote CBIT's Pathways for Succession				ANCA Pg. 4
	4	Promote and keep a sell sheet for the region readily available for interested parties and with economic development partners.				JCED Pg. 4
	5	Support other technical assistance efforts as relevant for tourism businesses.				SBDC, ANCA, JCC Pg. 4

Priority Key

Highest			
High			
Medium			

Partner Legend:

- ANCA** - Adirondack North Country Association
- CEDS** - Comprehensive Economic Development Strategy
- DMOs** - Destination Marketing Organizations
- JCC** - Jefferson County Community College
- JCED** - Jefferson County Economic Development
- SBDC** - Small Business Development Center

Funding & Capacity	1	Build off structures created in Jefferson County CEDS to bolster partnerships for managing and maintaining tourism assets.				JCED, other CEDS "Teams"	Pg. 4
	2	Elevate the status of Tourism and related activities to a target industry for Jefferson County.*					Pg. 4
	3	Communicate the economic value of tourism to the region's economy to legislators.				Use relevant information from Jefferson County CEDS and this report.	Pg. 4
	4	Explore alternative funding mechanisms for supporting tourism destinations and other infrastructure that enhances the visitor experience and quality of life.				New York State DMOs, Funding Futures report (linked)	Pg. 5
	5	Develop a desired list of destination management projects and corresponding budgets to prepare for potential funding opportunities.					n/a
	6	Create a break down of tourism related responsibilities by entity.				Chambers of Commerce, Thousand Islands Bridge Authority, JCED, private sector marketing professional, surrounding counties	Pg. 5

* cross listing with CEDS

DESTINATION MARKETING

Objectives:

Regional marketing with partners, collaboration with other regional brands, growing market share, promoting diversity/equity/inclusion

Category	Actions	Priority	Partners/Resources	Report Reference Page Number for More Information	
Internal Marketing	1 Use the Council's annual event to share the regional vision for tourism, celebrate the year's accomplishments and invite another regional DMO to share how they overcame certain challenges.				Other regional DMOs Pg. 6
	2 Reinstigate fam tours with cohorts of businesses to expand awareness of new business offerings.				Private businesses Pg. 6
	3 Recognize service industry representatives within hospitality as the front-line advocates of Jefferson County.				JCED, Workforce Development leaders Pg. 6
	4 Convene a group of regional marketing professionals that will grow the knowledge and asset base of regional activities.*				Regional marketing entities, engage private sector Pg. 6
	5 Seek funding for marketing metrics.				Pg. 6
External marketing	1 Expand social media reach in correlation with new visitors.				Pg. 6
	2 Outreach to press and alternative marketing ideas.				Social media, travel blogs, print media Pg. 7
	3 Continue to grow marketing tactics around number 1000.				Pg. 7
	4 Collaborate with notable community members to promote the region.				Regional marketing businesses pg. 7

FINDINGS SUMMARY AND MARKET OPPORTUNITIES

CONDITIONS & MARKET CHARACTERISTICS

This information was gathered during a time when the tourism industry was beginning to recover from the COVID-19 crisis. The following conditions and characteristics illustrate how tourism businesses in Jefferson County and the 1000 Islands Region were impacted and how they have pivoted. This provides important context for recommendations:

- The COVID-19 pandemic rocked the entertainment, recreation, lodging, and hospitality sector in Summer 2020. Measures put in place to support public health initiatives forced business to shift their service model, adapt to regulations and in some cases where adaptations were not possible, shut down all together. Investments made by businesses during this time in technology or other systems that would help adhere to social distancing measures are likely to remain permanent and therefore change expectations for workforce needs and productivity.
- While Summer 2020 was extremely challenging on visitation-related businesses, data from telephone survey respondents showed that some were able to capitalize on market shifts and were pursuing growth opportunities in the near future. However, businesses did not want to take on debt to pursue growth plans.
- The closure of the Canadian border to leisure travel during Summer 2020 meant that a significant portion of the typical visitors to the region were cut off for the entire season. However, a new cohort of visitors was introduced to the region as families and individuals in the Northeast sought out alternative vacation plans that were within a reasonable driving distance.
- There is continued market demand for outdoor recreational activities – from biking to boating to camping. The urge to get out of the house and enjoy nature continues as lockdown measures are relaxed.
- The 1000 Islands brand is a valuable asset to the success and reputation of Jefferson County tourism businesses.
- While growth opportunities exist in the market, the ability of businesses to grow relies on adequate workforce and resources. There have been dramatic challenges to hiring workers across a spectrum of positions, forcing businesses to reduce hours or not be able to maximize their earning potential.
- As travel patterns shifted in summer 2020, visitors were more regionalized than in previous years. Each of these new visitors holds opportunities for the region. While the border will eventually reopen and Canadian visitors will travel back to the region, their travel patterns will also have adapted. Drawing on the demand for domestic travelers secures additional spending with the opportunity for repeat visits in different seasons based on proximity and ease of travel.
- **Tourism market demand trends as of August 2021:**
 - *Business/Leisure blended travel* – With more people able to pick up and work remotely, this means employees could potentially travel to a desirable location to both work and play. Hotels are transitioning what were once large conference spaces into shared workspaces or smaller conference rooms where people can work during the day and then enjoy their evenings as a guest of the property. Demonstrating to visitors the adaptability of specific spaces and how the region can cater to their work and

entertainment needs will play well in the market. To take advantage of this trend, connectivity of telecommunications networks is directly proportional to opportunity. These travelers also have the greatest potential to extend the length of time spend in the region, increasing spending and participation in the community.

- *Sustainable/ecotourism travel* – A growing market prior to the pandemic, consumers are growing more conscious of their impact on the environment and communities around them. Activities that contribute to a local community, showcase local expertise, or preserve natural resources have grown in popularity.
- *Mobile booking* – Related to the ability of individuals and families to blend work and pleasure, on-the-go booking with mobile apps will continue to be critical for consumers to find properties.

HOTEL CHARACTERISTICS OVERVIEW

- ◆ There are approximately 63 hotels, motels, resorts, or B&Bs in the Jefferson County area. These are concentrated in the Alexandria Bay, Clayton, and Watertown areas.
- ◆ In sum, these hotels et. al. represent 2,792 rooms with a median number of 25 rooms.
- ◆ 30% of these hotels were built 1939 or earlier. Another 30% were built between 1950-1969 and the remainder were built mostly 1970 or later. The median year built is 1961.
- ◆ By type of scale of hotel, 44% are economy, 30% are independent, 10% are midscale, another 10% are upper midscale, and 6% are upscale.

Hotels by Year Built

Year Built	%
2014 or Later	2%
2010-2013	8%
2000-2009	5%
1990-1999	3%
1980-1989	11%
1970-1979	8%
1960-1969	16%
1950-1959	14%
1940-1949	3%
1939 or Earlier	30%
Median Year	1961

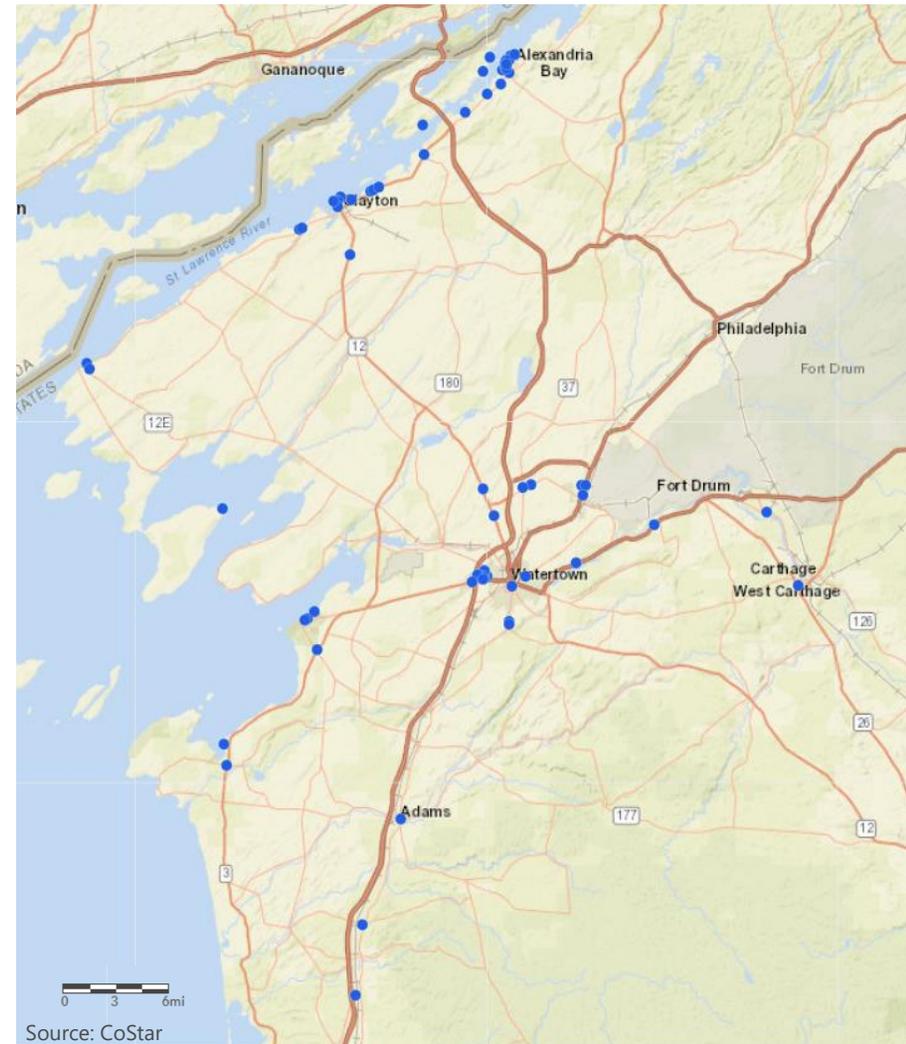
Source: CoStar

Hotels by Scale

Scale	%
Economy	44%
Independent	30%
Midscale	10%
Upper Midscale	10%
Upscale	6%
Total	100%

Source: CoStar

Location of Jefferson County Area Hotels



AREA HOTEL ROOM OVERVIEW: SUPPLY, DEMAND, AND REVENUE

A supply and demand analysis for hotel rooms in the study area was performed using data from CoStar who recently acquired STR, formerly known as Smith Travel Research. We studied trends from 2015 through 2019 and reported on findings for 2020 even though it was an abnormal year due to the pandemic. This data set is aggregated, so individual hotel performance is not available.

The following definitions are used by STR and in this analysis:

- ◆ *Supply (Rooms Available)* - The number of rooms times the number of days in the period. For example, annual supply would be number of rooms times 365.
- ◆ *Demand (Rooms Sold)* - The number of rooms sold (excludes complimentary rooms). For example, annual demand would be the number of rooms sold times 365.
- ◆ *ADR (Average Daily Rate)* - Room revenue divided by rooms sold, displayed as the average rental rate for a single room.
- ◆ *Occupancy* - Rooms sold divided by rooms available. Occupancy is always displayed as a percentage of rooms occupied.
- ◆ *RevPAR (Revenue Per Available Room)* - Room revenue divided by rooms available.



Source: CoStar

SUPPLY AND DEMAND FOR ROOMS

- ◆ Between 2015 and 2019, both supply and demand of rooms fell, with supply shrinking by 2% and demand shrinking by 0.4%. This may be a sign of hotels coming off the market due to age and in-need of repairs as one-third were built prior to 1939.
- ◆ Hotel demand in the area is strongest during the summer and fall months, peaking in August. An increase in demand during the September and October “shoulder” season is a tourism industry plus, as these visitors are often a higher-spending demographic, for example recent retirees. This pattern has not fluctuated between 2015 and 2019.

Monthly Trends in Room Night Demand, 2015 vs. 2019



Source: CoStar

Annual Room Nights Supply and Demand, 2015-2020

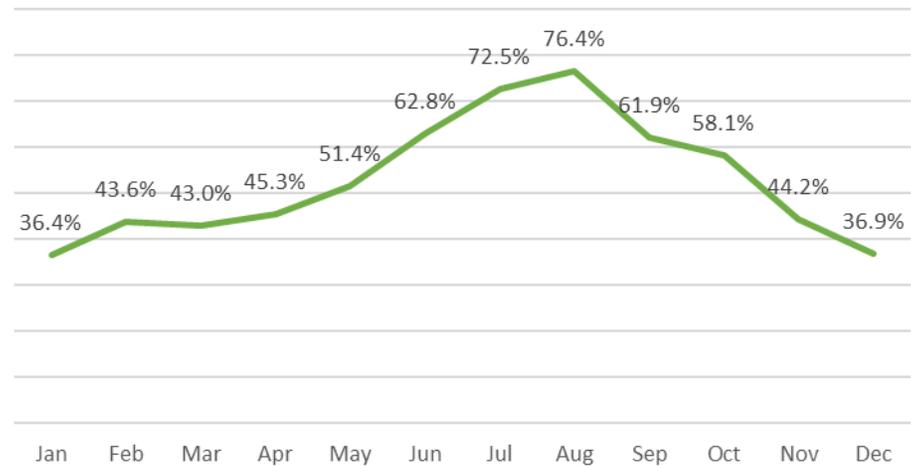
Year	Supply	Demand
2015	890,227	480,417
2016	883,523	471,365
2017	883,364	469,482
2018	877,778	476,134
2019	872,567	478,455
2020	865,149	404,325
% Change in Supply, 2015-2019		-2.0%
% Change in Demand, 2015-2019		-0.4%

Source: CoStar

TRENDS IN OCCUPANCY RATES

- Occupancy has remained mostly consistent from 2015 through 2019, up by 1.4% during this time frame. In 2020 the average occupancy rate fell to 38%, 15.5 percentage points lower than 2019.
- Occupancy varies by month of the year, peaking in the summer, which reflects the seasonal nature of occupancy in the region. Between 2015-2019 the average monthly occupancy shows a pattern that rises from 36.4% in January to its peak at 76.4% in August, prime tourist season, before dropping to a low of 36.9% in December. This is consistent with the data for demand, which peaks during summer tourist season. Occupancy of 61.9% and 58.1% in September and October, respectively, are likely benefits from autumn foliage and harvest season tourism.

Average Monthly Occupancy, 2015-2019



Source: CoStar

Trends in Occupancy Rates, 2015-2020

Year	Avg. Occupancy Rate
2015	52.1%
2016	52.2%
2017	51.9%
2018	53.7%
2019	53.5%
2020	38.0%
2015-2019 Change	1.4%

Source: CoStar

TRENDS IN REVENUE – AVERAGE DAILY RATE

- ◆ Room rates have been increasing during the study period. The annual average daily rate, or ADR, has risen from \$109.81 in 2015 to \$116.74 in 2019, a 6.3% increase. In 2020 the ADR fell to \$114.87, just above 2017 levels.
- ◆ Not surprisingly, average cost per night is highest during peak tourism season at a high of \$142 in August and a low of \$94 in November.

Average Daily Rate by Month, 2015-2019



Source: CoStar

Average Daily Rate, 2015-2020

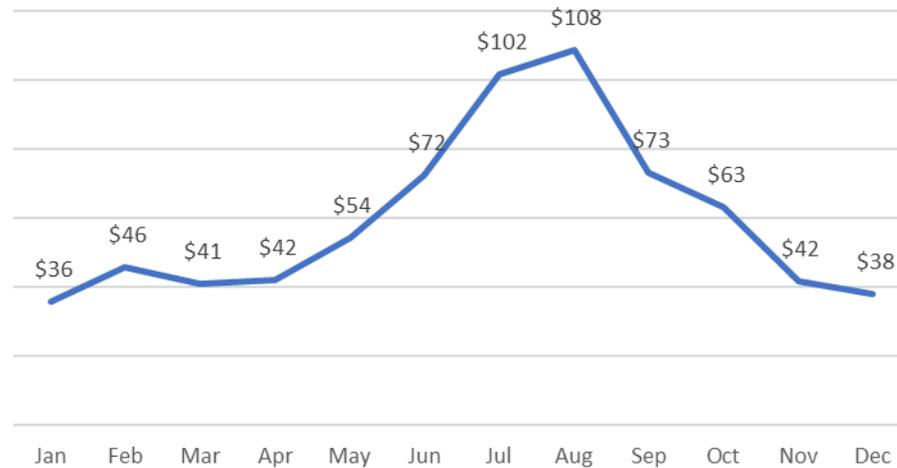
Year	ADR
2015	\$ 109.81
2016	\$ 112.39
2017	\$ 114.38
2018	\$ 115.24
2019	\$ 116.74
2020	\$ 114.87
% Change 2015-2019	6.3%

Source: CoStar

TRENDS IN REVENUE - REVPAR

- ◆ RevPAR measures the revenue generated by the hotel per available room; it is total room revenue divided by the number of rooms. All else being equal, higher occupancy rates will increase RevPAR by generating more revenue. RevPAR will also increase with higher room rates.
- ◆ RevPAR increased from \$57.37 in 2015 to \$62.22 in 2019, an 8.5% increase. During 2020 RevPAR dropped to \$41.73. RevPAR is highest during the months of July and August; both room rates per night and occupancy are highest at that time.

Average Annual RevPAR by Month, 2015-2019



Source: CoStar

**Average Annual RevPAR,
2015-2020**

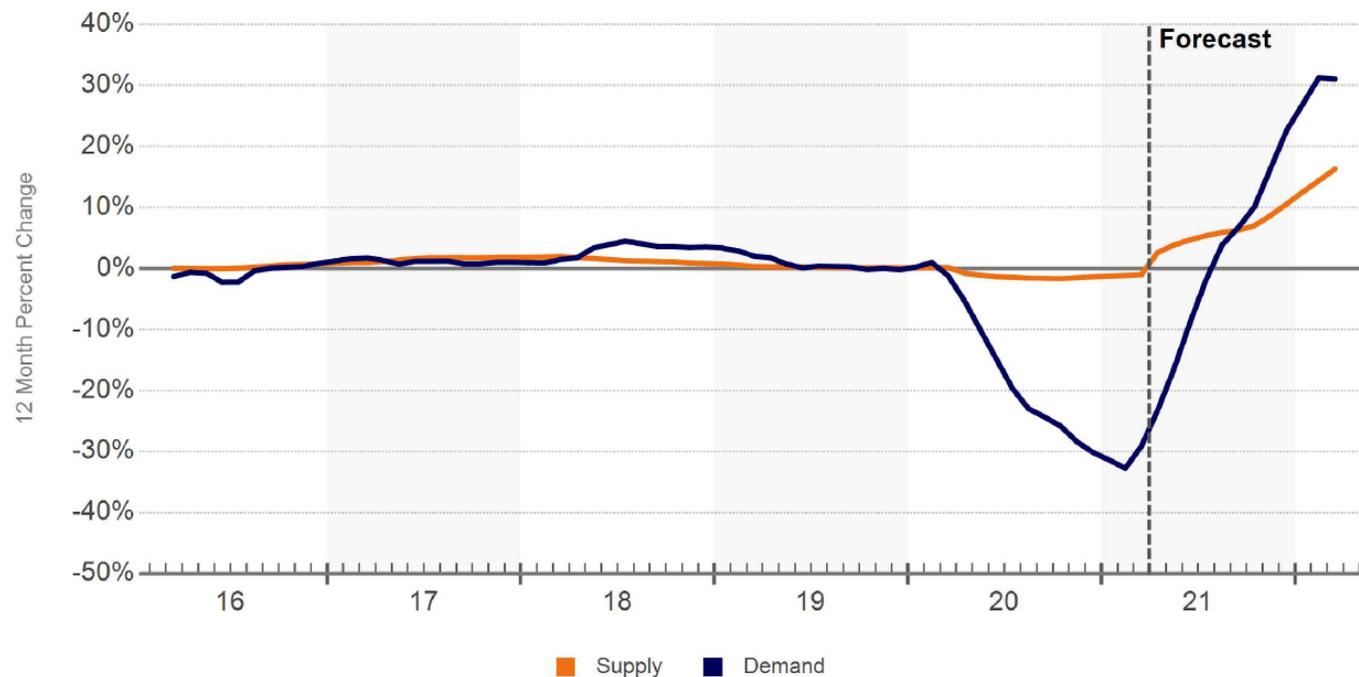
Year	Average Annual RevPAR
2015	\$ 57.37
2016	\$ 58.63
2017	\$ 58.90
2018	\$ 61.39
2019	\$ 62.22
2020	\$ 41.73
% Change	8.5%

Source: CoStar

UPSTATE NEW YORK OVERVIEW

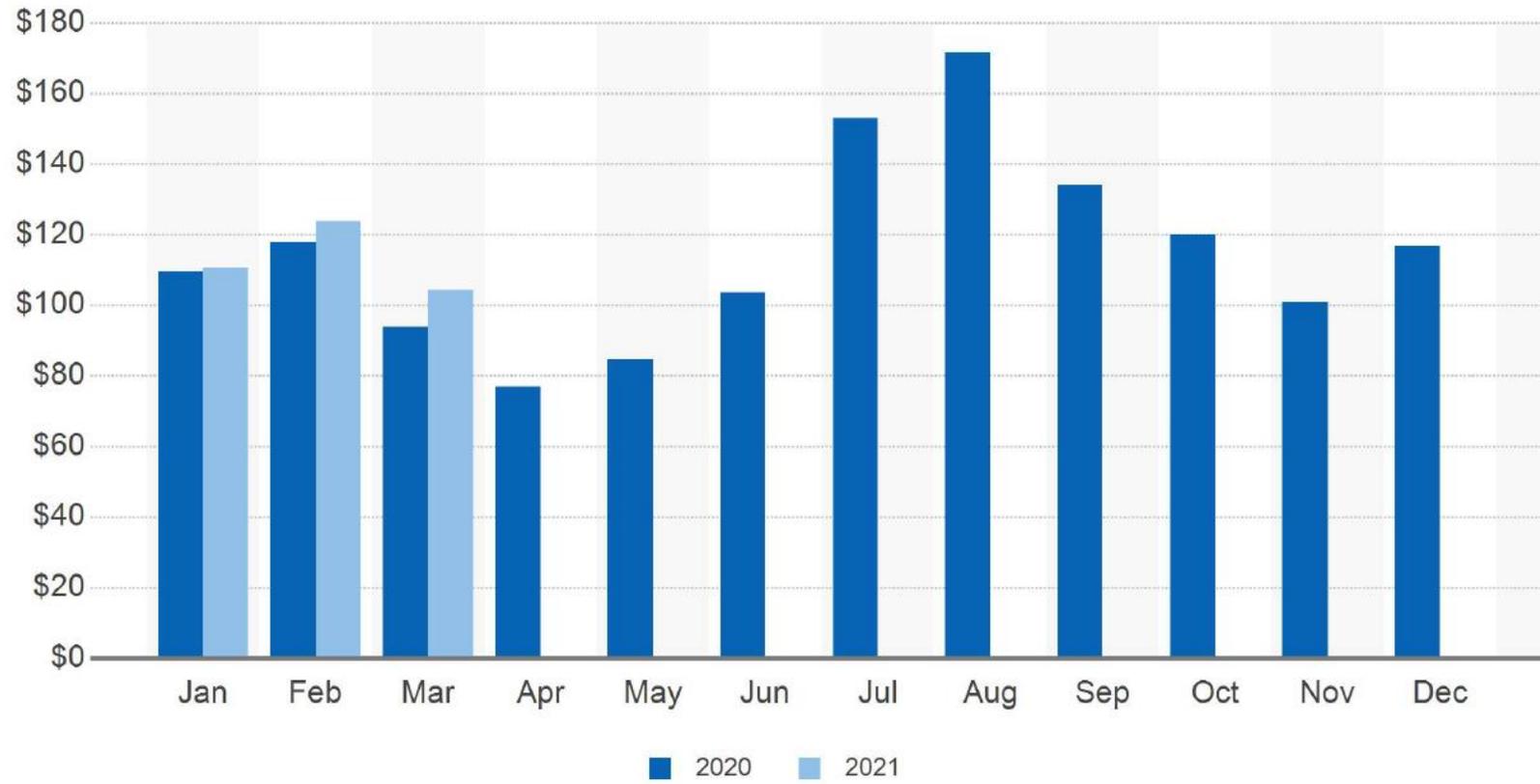
- ◆ CoStar reports out regional market findings for the lodging market. The charts on the following pages show regional trends for the Upstate New York market, which Costar defines as Clinton, Essex, Warren, Hamilton, Washington, St. Lawrence, Franklin, Fulton, Montgomery, Herkimer, Lewis, Oneida and Jefferson Counties.
- ◆ Demand for rooms in Upstate New York is forecasted to reach levels 30% higher than the previous year, while supply is expected to grow about 15% in 2021 compared to 2020.
- ◆ The hotel construction pipeline is limited in the region, with Costar reporting that only 95 rooms are being built in Utica for an August 2022 open date. No lodging options are underway in Jefferson County according to Costar.

SUPPLY & DEMAND CHANGE



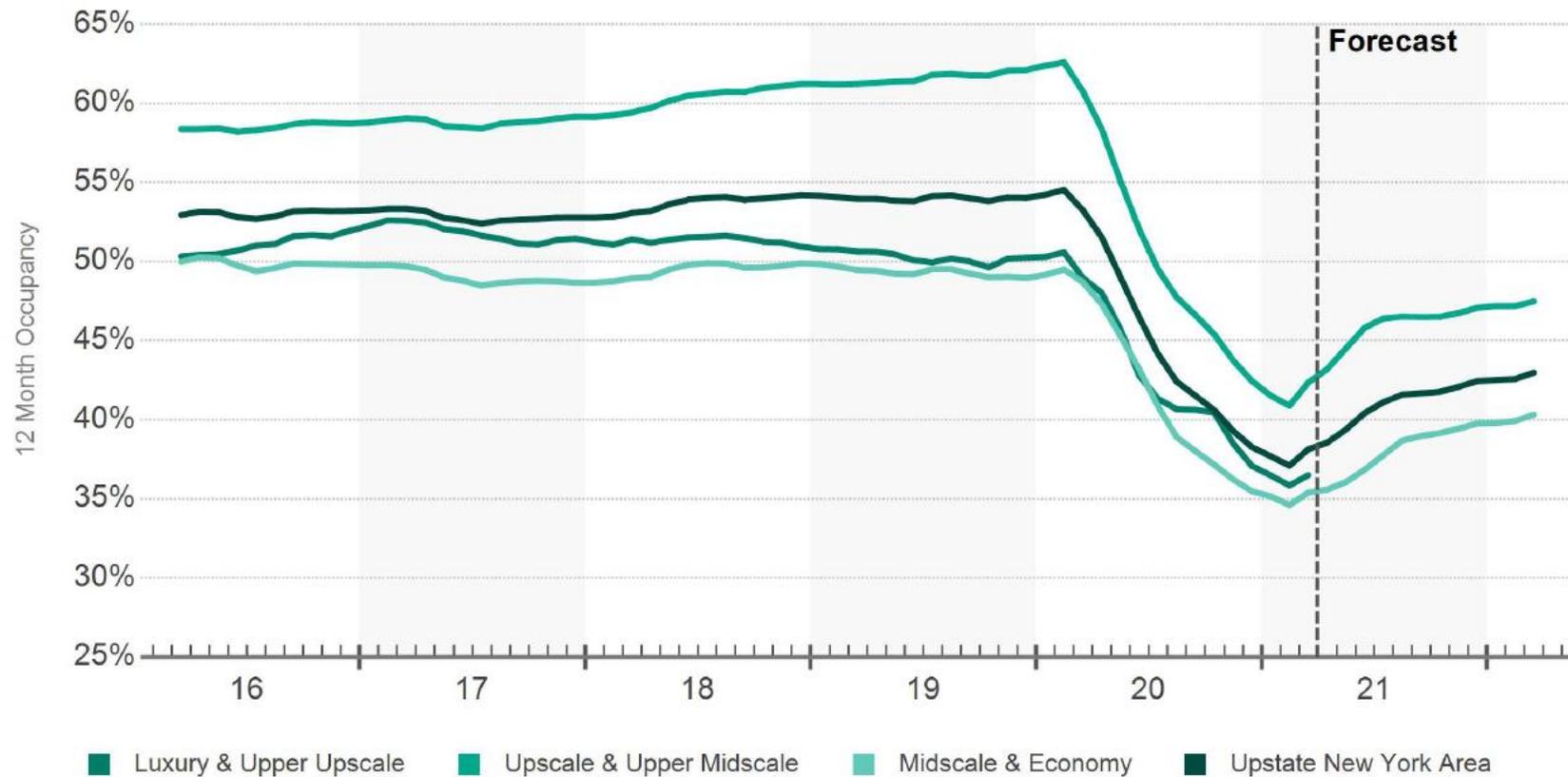
- ◆ Average daily rate (ADR) in 2021 in the Upstate New York Market exceed 2020 level for the three months reporting out for 2021. This includes January and February 2020, prior to major shutdowns hit the region.

ADR MONTHLY



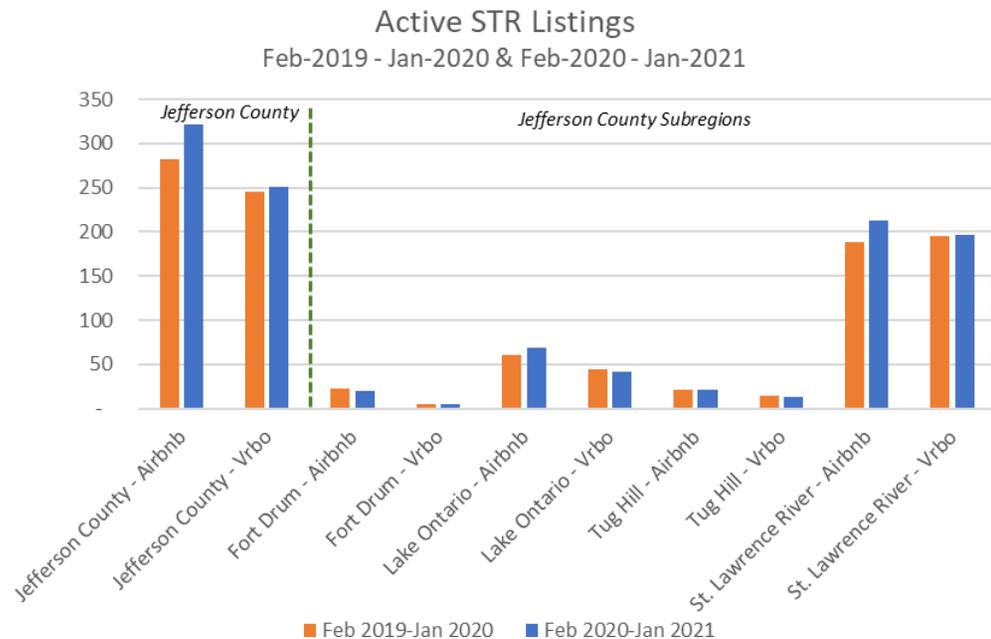
- ◆ The Upstate New York market is characterized primarily by cost-efficient lodging. More than half of the rooms fall within the Economy or Midscale class of hotel.
- ◆ While cost-efficient lodging is the most prevalent, occupancy rates are highest at Upscale & Upper Midscale properties when compared to other classes of hotels.

OCCUPANCY BY CLASS



SHORT TERM RENTAL LISTINGS SNAPSHOT

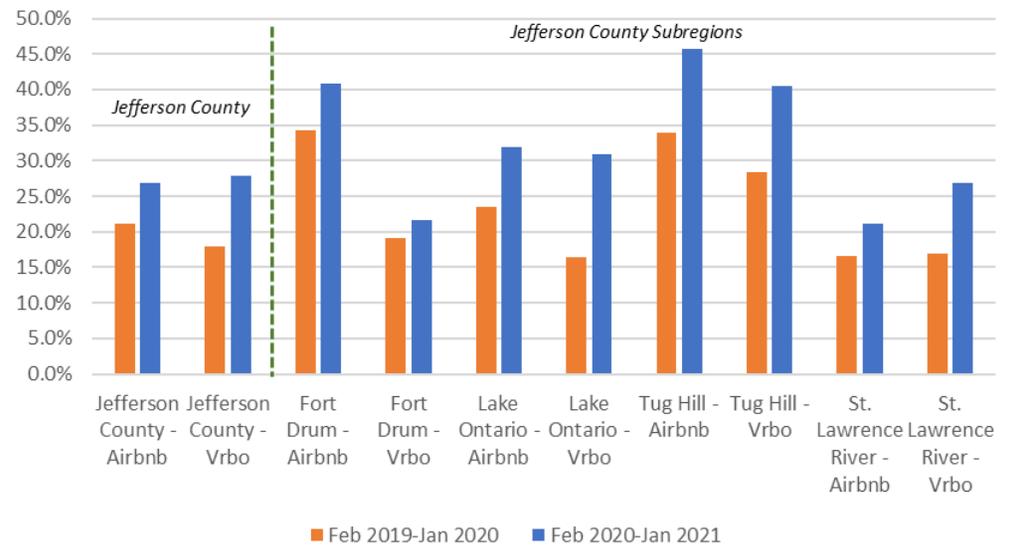
- ◆ Short-term rentals are an attractive alternative to the typical hotel stay for many different segments of tourism visitors. During the COVID-19 pandemic, research from Air DNA and CoStar showed that short-term rentals outperformed hotels in terms of occupancy rates. With the hotel market’s reliance on business and convention travelers, their usual demand generators were severely impacted. As leisure travel returns, consumers desire spaces that require less interactions with staff or crowds, which makes services like Air BnB or VRBO an ideal option.
- ◆ Over 2020, there were 321 Air BnB listings and another 251 VRBO available properties. Air BnB listings increased by 14% in 2020, while VRBO only increased by 2.4% or 6 properties.
- ◆ Other concentrations of short-term rentals in the North Country include along the St. Lawrence River and Lake Ontario.



Source: AllTheRooms Analytics

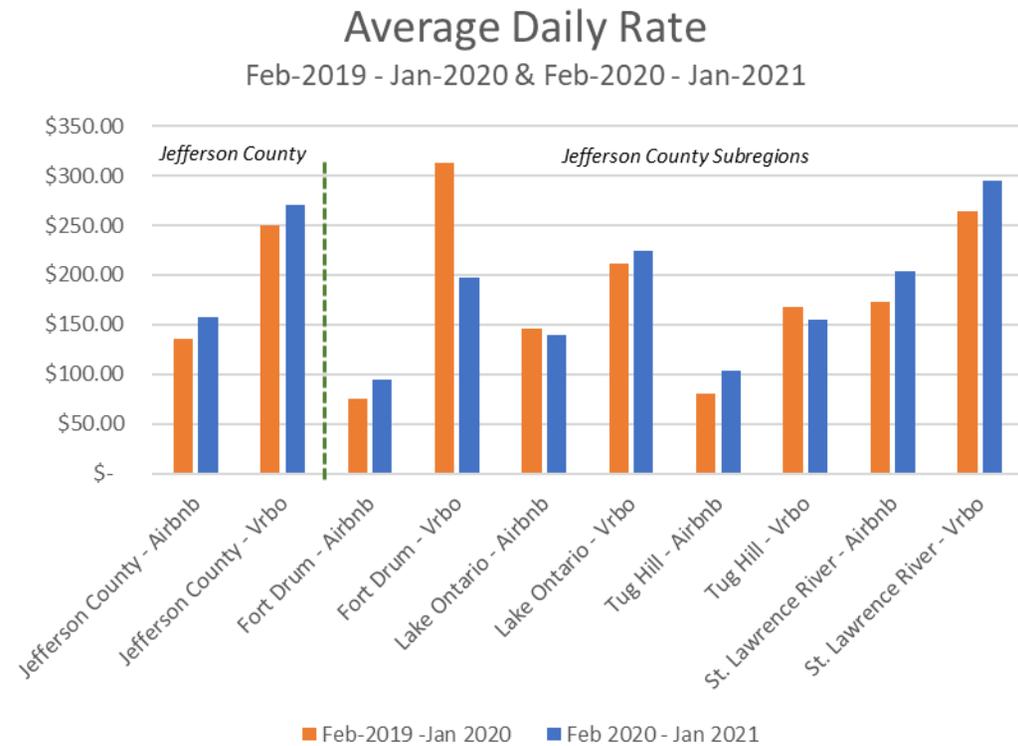
- ◆ Occupancy rates for Jefferson County Air BnB's reached 26.9% in 2020, an increase from occupancy of 21.1% in 2019.
- ◆ VRBO's in Jefferson County had an occupancy rate of 17.9% in 2019 and increased to 27.82% in 2020.

Adjusted Occupancy Rates
Feb-2019 - Jan-2020 & Feb-2020 - Jan-2021



Source: AllTheRooms Analytics

- ◆ The Average Daily Rate (ADR) for Jefferson County Air BnB's in 2019 was \$135.36, while VRBO's reached \$250.12. Both of these rates grew in 2020, by 16.3% and 8.4%, respectively.
- ◆ The ADR in 2020 for both Air BnB's and VRBO's exceeded the ADR for hotels in Jefferson County, which was \$114.87.



Source: AllTheRooms Analytics

TOURISM FINDINGS

These findings are derived from a questionnaire that was filled out by tourism businesses through an interview with a Camoin engagement professional as part of the Jefferson County CEDS. The questionnaire is attached below this section. Categories of businesses that responded to the survey include restaurants, hotels, restaurants, galleries, marinas, and agritourism businesses.

- Operators report that the average stay in the area is between 1-5 days.
- Visitors are much more regional since the pandemic and include first time visitors to the region.
- Most responses indicate that summer is their primary season, with a growing shoulder season.
- Businesses are typically hosting groups with moderate incomes – construction workers, families, state workers.
- Many businesses said that their primary business driver is longstanding relationships or word of mouth. The internet (traditional websites) was also a top driver for businesses. Social media usage was relatively small.
- Businesses called for a greater coordination of regional marketing. They do not have the resources to do this on their own and look to regional agencies to boost their business and the region.
- Growth plans were common among surveyed businesses. Many of these businesses indicated that business had been up during COVID as well. A smaller number of responses said that their goal was just to stabilize this year.
- Finding adequate staff was a challenge across the board. The most in-demand positions were housekeeping, general labor and mechanics. Most businesses say they train on the job for this, only a high school education is required, and only require essential work skills (being on time, responsible, problem solver).
- In terms of awareness of available grant/loan sources to support their business, the most common answer was that businesses were generally aware of some local or regional options for loan support (or the PPP) but were not interested in taking on debt and valued being a debt free business.
- Businesses typically described the 1000 Islands as the waterfront towns from Cape Vincent to Alexandria Bay, with some pushing north to Ogdensburg. Nearly all identified it as important to their own success to be identified with the 1000 Islands.
- Related Camoin work in the region identified what hotel operators are looking for in their next investment opportunity (*note that these findings predate the pandemic*):
 - Support from the location they expand/move to
 - Other tourism amenities nearby
 - Cost of land and labor
 - Other brands in the area
 - Difficulties in getting licensing and infrastructure, nature preservation
 - Market analysis of the region that includes spending and tourist number
 - A location that is “notable” – i.e. 1000 Islands, Adirondacks, Catskills
 - Demand generators for non-summer season (office/business/university base)
 - Properties are for sale for potential redevelopment

TOURISM QUESTIONNAIRE:

- What % of your annual revenue comes in Summer, Fall, Winter, Spring? Has this changed in any measurable way over the years? Do you see more opportunities for the "Shoulder Seasons?"
- For Accommodations only - What is the typical length of stay? Have these proportions changed significantly over time?
- What percentage of your customers come from:
 - The internet
 - Direct marketing on social media
 - Personal referrals
 - Longstanding relationships
 - State marketing campaigns
 - Regional and/or local marketing campaigns
- What trends are you seeing in your sector? Changes in the market that you see yourself having to adapt to?
- Are there tools, technical assistance, or other support that would help you capitalize on these opportunities?
- What occupations are most in demand?
 - Skill sets needed:
- What occupations are difficult to fill?
- Where do you see your business in the next 5-10 years?
- Do you have a business plan?
- Do you have a succession plan?
- Are you aware of programs/loans to assist you in upgrades/your business goals? Do these programs appeal to you - why or why not?
- Are there specific things within your industry/line of work that are preventing you from expanding economic potential?
- The 1000 Islands Intl. Tourism Council represents all of Jefferson County. Much of its marketing takes place under the 1000 Islands brand. Which areas do you define as the 1000 Islands region? Is it critical that your customers see you as part of the 1000 Islands region?

The following is an inventory of public sector financial assistance that may be a fit for tourism businesses in Jefferson County.

Resource Name	Type of Resource	Description
North Country Transformational Tourism Loan Fund (Development Authority of the North Country)	Loan	<ul style="list-style-type: none"> • Maximum loan amount is \$250,000 & loans cannot exceed 40% of total project costs. • Interest rate fixed at 1%. • MWBE goals and labor peace (new hotel construction) apply.
Jefferson County's Microenterprise Revolving Loan Fund	Loan	Market rate financing for all capital needs of small businesses (5 or fewer employees). The maximum loan amount is \$40,000 or 50% of total project costs, whichever is less.
Jefferson County Revolving Loan Fund	Loan	Can lend up to \$250,000; job creation requirements are in place.
North Country Alliance Revolving Loan Fund	Loan	Provides loans for fixed assets and working capital to businesses (with less than 100 employees) from \$25,000. Loans are limited to a maximum of 40% of total project costs.
Watertown Local Development Corp. Revolving Loan Fund*	Loan	Maximum loan amounts are limited to 40% of the total project costs or 10% of total WLDCs assets, whichever is lower.
Watertown Local Development Corp. Microenterprise Loan Fund*	Loan	Loans can be up to \$40,000 and will require at least equity of 10% of the project cost. Loans of \$10,000 or less will require only the submission of a personal financial statement and a clean credit history. Loans may be made without bank participation.
Watertown Economic Growth Fund	Loan	Can be used for fixed assets and working capital. Applicants are limited to a maximum of 40% of the total project costs or \$250,000, whichever is less.
Adirondack Economic Development Corporation	Loan – NYS MWBE, SBA and USDA-RD	The most likely beneficiaries of AEDC loans are those who are seeking smaller amounts (AEDC will loan as little as \$2,000) and those who do not have an established commercial banking relationship or have been turned down for such loans. Average interest rates are 8% with repayment terms available up to 7 years.
Empire State Development – Market New York	Grant	Regional Tourism Marketing- Grant requests for \$50,000+ for working capital / Tourism Capital – Grant requests of \$150,00+

Priority Key

Highest			
High			
Medium			

Partner Legend:

- ANCA** - Adirondack North Country Association
- CEDS** - Comprehensive Economic Development Strategy
- DMOs** - Destination Marketing Organizations
- JCC** - Jefferson County Community College
- JCED** - Jefferson County Economic Development
- SBDC** - Small Business Development Center

DESTINATION MANAGEMENT					
Objectives: Development and maintenance of tourism related properties and amenities, market research, workforce training and education, diversity/equity/inclusion					
Category	#	Actions	Priority	Partners/Resources	Report Reference Page Number for More Information
Capturing Market Opportunity	1	Partner with ongoing efforts in the North Country to welcome a diversity of visitors to the North Country, including BIPOC individuals.		ANCA; ANCA's Pathways for Succession: Down Payment Assistance Forgiveness Program	Pg.1-2
	2	Enlist anchor institutions to help collect market segmentation data.		Private businesses	Pg.2
	3	Use the 1000 Islands existing social media platforms to conduct informal surveys, polls or quizzes to gauge recent visitor profiles.			Pg.2
	4	Collaborate with Chambers and other economic development partners to standardize messaging and/or onboarding for tourism workers.		Greater Watertown Chamber of Commerce, JCED; Seek funding for more robust market segmentation when possible. If limited funding is available for this task, start with pilot programs in high traffic areas.	Pg. 2
	5	Incorporate the county's Main Streets as "Must See" opportunities or as an add-on activity to recreational options.		Greater Watertown Chamber of Commerce, Local Development Corporations	Pg. 2
	6	Build on pent up demand for entertainment and live events.			Pg. 3
	7	Use market research to produce brief State of Tourism Report that showcases trends and economics impacting Jefferson County's tourism industry.*		JCED, JCC; Jefferson County CECS + CECS "Teams"	Pg. 3
	8	Include real estate agents in conversations about visitor profiles as it pertains to second-home owners as this can be an indication of future market potential.		Real estate community	n/a
Attracting Investors, Entrepreneurs and Maintain Existing Tourism Assets	1	Work through the Greater Watertown Chamber of Commerce or other community liaison for the Center for Businesses in Transition (CBIT) to manage aging businesses, especially lodging or those on Main Streets.		Greater Watertown Chamber of Commerce, ANCA	Pg. 3
	2	Engage tourism businesses in their off season with a "checklist" of activities or tasks that will prepare them for the next season.		ANCA, JCED	Pg. 3
	3	Promote CBIT's Pathways for Succession		ANCA	Pg. 4
	4	Promote and keep a sell sheet for the region readily available for interested parties and with economic development partners.		JCED	Pg. 4
	5	Support other technical assistance efforts as relevant for tourism businesses.		SBDC, ANCA, JCC	Pg. 4

Priority Key

Highest			
High			
Medium			

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- JCC** - Jefferson County Community College
- JCED** - Jefferson County Economic Development
- SBDC** - Small Business Development Center

Funding & Capacity	1	Build off structures created in Jefferson County CEDS to bolster partnerships for managing and maintaining tourism assets.				JCED, other CEDS "Teams"	Pg. 4
	2	Elevate the status of Tourism and related activities to a target industry for Jefferson County.*					Pg. 4
	3	Communicate the economic value of tourism to the region's economy to legislators.				Use relevant information from Jefferson County CEDS and this report.	Pg. 4
	4	Explore alternative funding mechanisms for supporting tourism destinations and other infrastructure that enhances the visitor experience and quality of life.				New York State DMOs, Funding Futures report (linked)	Pg. 5
	5	Develop a desired list of destination management projects and corresponding budgets to prepare for potential funding opportunities.					n/a
	6	Create a break down of tourism related responsibilities by entity.				Chambers of Commerce, Thousand Islands Bridge Authority, JCED, private sector marketing professional, surrounding counties	Pg. 5

* cross listing with CEDS

DESTINATION MARKETING

Objectives: Regional marketing with partners, collaboration with other regional brands, growing market share, promoting diversity/equity/inclusion

Category	Actions	Priority	Partners/Resources	Report Reference Page Number for More Information	
Internal Marketing	1 Use the Council's annual event to share the regional vision for tourism, celebrate the year's accomplishments and invite another regional DMO to share how they overcame certain challenges.				Other regional DMOs Pg. 6
	2 Reinstigate fam tours with cohorts of businesses to expand awareness of new business offerings.				Private businesses Pg. 6
	3 Recognize service industry representatives within hospitality as the front-line advocates of Jefferson County.				JCED, Workforce Development leaders Pg. 6
	4 Convene a group of regional marketing professionals that will grow the knowledge and asset base of regional activities.*				Regional marketing entities, engage private sector Pg. 6
	5 Seek funding for marketing metrics.				Pg. 6
External marketing	1 Expand social media reach in correlation with new visitors.				Pg. 6
	2 Outreach to press and alternative marketing ideas.				Social media, travel blogs, print media Pg. 7
	3 Continue to grow marketing tactics around number 1000.				Pg. 7
	4 Collaborate with notable community members to promote the region.				Regional marketing businesses pg. 7

Updated SWOT

S

STRENGTHS

WEAKNESSES

W

O

OPPORTUNITIES

THREATS

T

Strengths

- **Agriculture supply chain** - spirits/beverage, milk related and hemp.
- **Affordable - housing and labor** (however, still in NYS which has the highest personal tax burden in the country).
- **Availability of land** for use/development.
- **Outdoor Recreation** availability - boating/fishing/hunting/snowmobiling/ATV.
- **Part of widely recognized tourism brand** - 1000 Islands.
- **High quality of life** - Low crime and relatively young median age, great school systems, rural lifestyle.
- **Responsive** economic development partners.
- **Legacy industries that have adapted** with market shifts over decades and in some cases centuries.
- **Economic contributions of Fort Drum.**
- **Proximity to Canadian border** - Foreign Direct Investment (FDI) attraction.
- **I-81 allows for easy highway transportation** from Canada to highly populous parts of the country.

Weaknesses

- **NYS is a relatively high cost and highly regulated.**
- Lacks a distinct “place to be” image.
- Limited of capacity to deliver the primary functions of economic development.
- While there is cooperation, the region does not appear to have the same level of involvement of business leaders the way Buffalo, Plattsburgh or Saratoga regions have.
- **Broadband and cellular** availability.
- A limited number of amenities that are desired by a significant segment of Millennials (and Gen Z and beyond).
- Region is losing manufacturing competitiveness.
- Ability to fill health care and tractor-trailer driver job openings.
- Climate is undesirable for some and a barrier for others to see economic opportunities.
- Lack of public transportation connections between residential and employment centers.
- Older housing stock that is less desirable to young professionals.

Opportunities

- Grow from within – **entrepreneurship**.
- **Agriculture & Food Production supply chain** – hemp (New NYS legislation), hydroponics, milk, cheese, distilleries, wine and beer.
- Adding businesses to **manufacturing supply chain**.
- **Alternative energy** production in the county and region.
- Logistics/Warehousing - has seen growth and **the I-81 corridor to the south has become the distribution spine** of the more densely developed east coast.
- **Targeted Canadian manufacturing** business attraction (Southeast Ontario).
- Greater usage of **public waterfront access**.
- Targeting message around “**made in Jefferson**” and the unique products that are produced here.
- **Retaining and growing first-time visitor base** that traveled to the county during COVID.
- **Attracting, supporting and growing** the work-from-home cohort.
- **Work regionally with surrounding North Country** counties on efforts from attraction, entrepreneurship and workforce.

Threats

- Significant **downsizing of Fort Drum**.
- Continued adoption of non-business friendly legislation and increasing taxes deterring business development.
- Ability of businesses that offer remote work to relocate and/or see employees relocate.
- Lack of housing stock inhibiting attraction or growth from within.
- Agriculture industry transitioning and consolidating.
- Continued lack of workforce inhibiting business success.

APPENDIX G: CEDS COMMITTEE AND ENGAGEMENT

Members for 2020	Title	Affiliation	Representation
Jay Matteson	Agriculture Coordinator	Jefferson County Economic Development	Agriculture
Elizabeth Lonergan	Regional Director	Small Business Development Center	Business
Peter Whitmore	Business Consultant	Entrepreneur	Business
Kylie Peck	President & CEO	Greater Watertown Chamber of Commerce	Business
Georgia Dusckas	Supervisor of Adult & Continuing Ed	Jefferson-Lewis BOCES	Education
Megan Stadler	Associate VP for Strategic Initiatives	Jefferson Community College	Education
Jeff Wood	Director of Technology, Cyber Security, & Innovation	Watertown City School District	Education/IT
Erika Flint	Executive Director	Fort Drum Regional Health Planning Organization	Health Care
William Hardin	Site Manager	Knowlton Technologies	Industry
George Anderson	President	Current Applications, Inc	Industry
Marshall Weir	Deputy CEO	Jefferson County Industrial Development Agency	Industry/Business
Don Rutherford	CEO	Watertown Local Development Corporation	Industry/Business
Bruce Armstrong		Retired County Government	Industry/Business, Carthage LDC
David Zembiec	CEO	Jefferson County Industrial Development Agency	Industry/Business/Military
Cheryl Mayforth	Director	Jefferson County WorkPlace	Labor/Employment

Michelle Capone	Director of Regional Development	Development Authority of the North Country	Local Government
John Peck	Legislator	Jefferson County Board of Legislators	Local Government
Michael Lumbis	Planning & Community Development Director	City of Watertown	Local Government
Sonja Draught	Chief	Plans, Analysis, & Integration Office at Fort Drum	Military
John O'Driscoll	Business Manager	International Brotherhood of Electrical Workers	Organized Labor
Corey Fram	Director of Tourism	Thousand Islands International Council	Tourism
<u>County Planning Staff</u>			
Michael Bourcy	Director of Planning	Jefferson County Dept. of Planning	
Andy Nevin	Senior Planner	Jefferson County Dept. of Planning	
Erin Ermine	Assistant Planner	Jefferson County Dept. of Planning	
<u>Fort Drum Planning Staff</u>			
Cathy Fashel		Plans, Analysis, & Integration Office at Fort Drum	Military

INTERVIEW TAKEAWAYS

This section reflects prevalent themes and findings from conversations conducted as part of the Jefferson County Comprehensive Economic Development Strategy. This includes 18 one-on-one interviews and direct outreach to 30 businesses in the tourism industry. The perspectives of interviewees presented below reflect economic opportunities and challenges, and assess partnerships among economic development stakeholders. The following is a summary of the findings grouped into major themes. Within each theme, initial strategy ideas are presented in response to the interview findings.

Regionalism and Economic Development

- There is a need for a joint understanding of the problems, leading to joint strategy, leading to joint action, across the region.
- Economic development and workforce players generally coordinate well together. The economic development office is responsive to employer questions and concerns.

Education/Workforce

- There is a gap in the uptake of training and educational training programs – while programs exist and/or could be further resourced with additional participants, the value or potential for an individual is not always apparent.
- There is a lack of mentors and readily accessible success stories in the region to showcase the variety of small businesses and jobs across industries.
- Students and/or adult learners do not always have a good understanding of what the potential job market in Jefferson County is for them, and many leave the area in search of opportunities they could have found locally if connections were made.
- Workforce partners can and have been adapting to in-demand skills – new opportunities like micro-credentialing make skills-based training possible.
- While employing or supporting veterans to start businesses has improved, there remains an issue of trailing spouses and the need to get them employed and engaged in the community.

Impressions of Jefferson County and Marketing

- Jefferson County has missed out on projects in food processing, agriculture, and manufacturing because of its perceived distance from the Thruway. This is a major perception/reality that will need to be addressed to compete with locations on the Thruway.
- Like many rural locations, childcare and broadband issues remain high on the list of challenges for businesses and community members.
- Soldiers that are leaving the region after Fort Drum are typically headed for less expensive, updated housing and dynamic locations in the southern U.S.
- While the waterfront is one of the region's best-known assets, public usage is underutilized and there is opportunity for development of blueways.
- While there are positive things happening across the region, Watertown/Jefferson County is not a place that young professionals typically gravitate to because of the lack of housing, limited entertainment, lifestyle, and diversity.
- The general perception from in and outside the county is that Jefferson County and the North Country is "behind the times."
- The people that live there are the greatest ambassadors for the community, if there is not a sense of pride or opportunity from within, then the people who could potentially move in are not likely to gravitate to the region.
- There is a constant mentality of NYS being anti-businesses.

Target Industries and Small Business

- Manufacturing remains a strong base in the county. Each specialty has workforce challenges, especially post COVID, as downstream demand continues to grow and stabilize, producers will be looking to scale up.
- Additional clustering of manufacturers could help develop workforce concentration and the variety of skills.
- Disruption of COVID in the food industry has the potential to shift more long-term demand to local producers. This includes across agriculture steps and includes: agrigation, processing, production, distribution.
- Most producers in the county have a limited scale of productions, which means that they are unable to successfully sell to distributors for larger metros. There are facilities that aggregate producers, but that process has not taken off.
- Infrastructure capacity is something to watch across the region. Electrical and natural gas was identified as an issue in some cases (but not all).

- Trades are in demand across the board. There is still not a great uptake in trades or certifications from high school kids because schools are pushing a 4-year degree (among other reasons).
- Canada is likely a source of opportunity for prospects. It would be difficult to attract from the southern U.S.
- While wind/solar are a development opportunity, they are considerations that must be made to align with Fort Drum's regulations.
- The pandemic seemed to be a reset for entrepreneurs and there has been recent business startup activity.

Recent Events

- Clayton given as an example of how having a vision and coordination can make a difference in catalyzing change.
- Two of the region's biggest industries – food production and wood/paper production - are in a transition.
- Plattsburgh (Clinton County) is given as an example several times as how to grow a cross border relationship.

Tourism Takeaways

These findings are derived from a questionnaire that was filled out by tourism businesses through an interview with a Camoin engagement professional. The questionnaire is attached below this section. Categories of businesses that responded to the survey include restaurants, hotels, restaurants, galleries, marinas, and agritourism businesses.

- Operators report that the average stay in the area is between 1-5 days.
- Visitors are much more regional since the pandemic and include first time visitors to the region.
- Most responses indicate that summer is their primary season, with a growing shoulder season.
- Businesses are typically hosting groups with moderate incomes – construction workers, families, state workers.
- Many businesses said that their primary business driver is longstanding relationships or word of mouth. The internet (traditional websites) was also a top driver for businesses. Social media usage was relatively small.
- Businesses called for a greater coordination of regional marketing. They do not have the resources to do this on their own and look to regional agencies to boost their business and the region.
- Growth plans were common among surveyed businesses. Many of these businesses indicated that business had been up during COVID as well. A smaller number of responses said that their goal was just to stabilize this year.
- Finding adequate staff was a challenge across the board. The most in-demand positions were housekeeping, general labor and mechanics. Most businesses say they train on the job for this, only a high school education is required, and only require essential work skills (being on time, responsible, problem solver).
- In terms of awareness of available grant/loan sources to support their business, the most common answer was that businesses were generally aware of some local or regional options for loan support (or the PPP) but were not interested in taking on debt and valued being a debt free business.
- Businesses typically described the 1000 Islands as the waterfront towns from Cape Vincent to Alexandria Bay, with some pushing north to Ogdensburg. Nearly all identified it as important to their own success to be identified with the 1000 Islands.
- Related Camoin work in the region identified what hotel operators are looking for in their next investment opportunity (*note that these findings predate the pandemic*):

- Support from the location they expand/move to
- Other tourism amenities nearby
- Cost of land and labor
- Other brands in the area
- Difficulties in getting licensing and infrastructure, nature preservation
- Market analysis of the region that includes spending and tourist number
- A location that is “notable” – i.e. 1000 Islands, Adirondacks, Catskills
- Demand generators for non-summer season (office/business/university base)
- Properties are for sale for potential redevelopment

Tourism Questionnaire:

- What % of your annual revenue comes in Summer, Fall, Winter, Spring? Has this changed in any measurable way over the years? Do you see more opportunities for the "Shoulder Seasons?"
- For Accommodations only - What is the typical length of stay? Have these proportions changed significantly over time?
- What percentage of your customers come from:
 - The internet
 - Direct marketing on social media
 - Personal referrals
 - Longstanding relationships
 - State marketing campaigns
 - Regional and/or local marketing campaigns
- What trends are you seeing in your sector? Changes in the market that you see yourself having to adapt to?
- Are there tools, technical assistance, or other support that would help you capitalize on these opportunities?
- What occupations are most in demand?
 - Skill sets needed:
- What occupations are difficult to fill?
- Where do you see your business in the next 5-10 years?
- Do you have a business plan?
- Do you have a succession plan?
- Are you aware of programs/loans to assist you in upgrades/your business goals? Do these programs appeal to you - why or why not?
- Are there specific things within your industry/line of work that are preventing you from expanding economic potential?
- The 1000 Islands Intl. Tourism Council represents all of Jefferson County. Much of its marketing takes place under the 1000 Islands brand. Which areas do you define as the 1000 Islands region? Is it critical that your customers see you as part of the 1000 Islands region?