Targeted Industry Analysis and Marketing Plan for the Tryon Technology Park & Incubator Center – FINAL REPORT

Task 1 – Assessment of the Fulton-Montgomery County Region

prepared for the

Fulton County Board of Supervisors
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1.a – Project Introduction

Kick-off Meeting

The project was initiated at a Kick-off meeting held on May 29, 2014 where the following topics were covered:

- Discussion of project background, updating of news, introduction of project review committee
- Development of contact database of stakeholders, key project personnel
- Cloud storage of project deliverables (Dropbox)
- Review of Project Scope of Work
    - Task 1 – Assessment of Fulton County
    - Task 2 – Labor market analysis
    - Task 3 – Targeted industry analysis
    - Task 4 – Rename/rebrand Tryon technology park
    - Task 5 – Tryon marketing plan
        - Determination of meeting dates and presentations
        - Arrangement for Tryon site tour
        - Coordination with project support (CT Male, North Star)
        - Next steps

Tyron tour

A site tour was conducted on July 23, 2014 by DCG Corplan personnel hosted by the Director of the Fulton County Planning Department. While on site, road and utility construction was being undertaken in preparation for future sites re-positioning within the property. DCG Corplan's observations regarding the property and its location are as follows:

- The physical beauty of the site is a notable amenity, with slightly rolling hills, protected wetlands, and pastoral surroundings.

- Approach for the site from County Highway 107 is a pleasant drive from the Johnstown CBD and NY Highway 30A and provides connectivity to Amsterdam and the adjacent retail/service corridor of NY 30.

- The majority of the site is visually isolated from roadway by topography which may provide a sense of privacy and exclusivity for certain users, however, may negatively impact others who would seek highway frontage for business purposes.

- Although a nearby business park (Crossroads Business Park) supports industrial uses, it would appear that the two-lane road nature of County Highway 107 would not be conducive for heavy truck use.

- Absence of rail service precludes applicability of the site to the type of heavy industry who would normally rely on rail connectivity for freight movements.

- Proximity to the Fulton-Montgomery County Community College offers the possibility of academic linkages which may be attractive inducements. This is particularly true in the case of the Start Up-NY tax incentive program.

- Proximity to the Fulton County airport may provide executive air support for corporate users requiring such services.

- Existing on-site utilities and sewer services sets Tryon apart from other greenfield sites and suggests that shovel-ready certification could be reasonably achieved within adequate time frames.

- While the pre-tour discussion that the existing on-site electrical generator could be of use for new development, CT Male has provided a report that indicates to the contrary that the equipment is not of sufficient utility to be considered. Perhaps the generator could be retooled as an emergency common area lighting backup, or a use for renewable energy support. This is to be confirmed by others outside the scope of this study.

- Abandoned former housing structures directly across from the site entry are a visual distraction and should be considered for demolition prior to any serious marketing efforts are commenced.

- The bulk of on-site residential structures are of little value and continued demolition should clear the property of them as soon as possible, as well as any high-security fencing that reinforces the detention history of the site. While some corporate users may appreciate the secure nature of the site, a more attractive fencing design could accomplish similar results.

- The central recreation building with its amphitheater is to remain but will require interior and exterior modifications to bring the building to marketable utility. The mix of classroom, meeting, recreation, and workshop spaces within this structure suggests the potential for reuse by a number of business or industry sectors which may find the facility of significant value.

Business Interviews

As part of preparing the target industry and marketing plan for the Tryon Technology Park, the consulting team conducted a number of telephone interviews with areas business and community leaders, government officials, and economic development professionals. There were fourteen interviews conducted between mid-December 2014 and mid-January 2015.

Interviews were held with the following individuals:

- Dustin Swanger, President**, Fulton-Montgomery County Community College** – 8/15/14
- Mark Barbano – **New York State Department of Labor**, 12/8/14
- Ken Tompkins, **Empire State Development** – 12/8/14
- Michael Julius, Mayor**, City of Johnstown** – 12/16/14
- Gail Breen, Executive Director, **Fulton-Montgomery-Schoharie Workforce Development Board** – 12/17/14
- Ron Cetnar, Chairman, **Town of Perth Planning Board** – 12/17/14
- Lisa Miner, National Sales Manager, **Euphrates** – 12/17/14
- Mike Gendron, Chairman, **Economic Development & Environmental Committee** – 12/19/14
- Larry Kelly, **Nathan Littauer Hospital**, 12/19/14
- Jon R. Stead, Administrative Officer**, Fulton County Board of Supervisors** – 12/19/14
- Mark Kilmer, President**, Fulton-Montgomery County Chamber of Commerce** – 12/22/14
- Dayton King, Mayor, **City of Gloversville** – 12/22/14
- Rick Argotsinger, Chairman, **Fulton County Board of Supervisors** – 1/12/15
- Ron Peters, President/Chief Executive Officer, **Fulton County Center for Regional Growth** – 1/12/15

Despite repeated attempts, several companies whose input would have been welcome did not respond to the request to be interviewed. These included:

- Fage USA
- Walmart
- CG Roxane
- EPIMED

<u>Summary of Interview Comments</u>

The interviewees agreed that the Tryon site is well located in the region, about equidistant to the new high tech operations in Utica and Malta. Road access is generally deemed good, though several commentators noted that the roads would need to be upgraded if heavy volumes of truck traffic were to materialize. The size and overall design of the site and its campus-like were noted as particular strengths, as was the presence of infrastructure and the existing facilities, including workshops and some athletic facilities.

Strengths

Several observers noted that beyond the existing buildings, the site offered the opportunity to tailor development to the needs of individual tenants. Others noted the presence of the Community College and its ability to assist development through the Start-Up NY program and customized training. Several commentators noted that the Park could compete for tenants on the basis of price of land/space as well as labor costs. The labor supply was generally felt to be good. Finally, one interviewee noted that the area offered Quality of Life considerations for some persons.

The distance factor was thought to provide an advantage in that firms serving the high tech firms in Malta and Utica could operate from Tryon with lower operating costs.

Weaknesses

Asked about weaknesses, several of the respondents noted that the distance from other operations was a drawback and that the roads might need upgrading to facilitate access. As noted, the labor supply is thought to be adequate or even good, though several persons expressed reservations about the quality of the labor force, especially relative to the needs of high tech firms. This was counterbalanced by the knowledge that the Community College could quickly provide any necessary training, tailored to the needs of the relocating or expanding firm.

One person did feel that the water supply might not be adequate, especially for any sort of food processing firm. Another felt that there was an oversupply of vacant industrial space in the region and that Tryon would be competing against that supply of low-cost space. The idea that the site lacks any public transportation was noted by one person and another felt that there needed to be more coordination among the economic development entities in the region to effectively market the site.

Opportunities

The group was in general agreement about potential targets for the site. Light manufacturing with an emphasis upon technology was frequently mentioned, and the notion of "quality" manufacturing as opposed to "quantity" manufacturing was expressed in various ways. The idea of providing a base of operations for firms servicing or supplying the semiconductor chip manufacturers in Utica and Malta (as noted above) was often mentioned, and the ability to compete on the basis of price for both space and labor was noted several times. Lower cost was also seen as an advantage in attracting start-up firms who would perhaps be seeking an incubator situation. Mention was also made of using the site for distribution operations, given its access to the NYS Thruway (I-90).

Threats

Nearly all of the respondents did note the need for economic diversity if at all possible, to better insulate the area economy from shifts and downturns.

1.b – Assessment of the Fulton - Montgomery County Region

In this task, DCG Corplan undertakes an assessment of the Fulton County economy. The actual definition for Fulton County given by the US Office of Management and Budget is the Gloversville, NY Micropolitan Area. The Gloversville "Micro" definition is helpful in some ways to gather economic data. However, for the purposes of this study, DCG Corplan will defer to Fulton County and will also include Montgomery County in the description of the market. In combination, the newly defined region will be defined for the study as the" Fulton-Montgomery County Region".

Econographics

Demographics play an important part in any economic analysis, and DCG Corplan has originated a unique methodology for organizing information into useful categories that will be employed in later tasks as well. The analysis applies our comprehensive "Econographics" market profiling that provides demographic, economic, and social data for a broad range of categories in Fulton County. The Fulton-Montgomery County Region Econographics are located in the Appendix of this report.

In most instances, the 2012 US Census data projected from the three-year average of the American Community Survey (ACS) have been employed. Additionally, some non-Census business data has been drawn from respected commercial sources. Each table footnotes source information.

A Summary table precedes the group of Fulton-Montgomery County Region Econographics tables. The summary features a convenient index column that indicates the Study Area's advantages or disadvantages as compared to the State average. Where higher than State average indices are sought as strengths, a red "up" arrow is shown as the target index; a blue "down" arrow indicates that a lower target is favorable. The indices are developed from the NYS benchmarking and a checkmark on the summary table shows if a strength level has been achieved. A sum of the number of checkmarks is divided by the 26 overall categories providing a regional score shown at the bottom of the table. Index entries are computed by division of regional weighted average results for each category by the corresponding NYS average or figure. The following criteria and methodology have been applied in the 26 categories of investigation.

Part 1 -Demographics

<u>Population growth (#1)</u>
Size of the market area and growth trends gains determine potentials of an area to support proposed operations. *Methodology:* Use population change from 2000-2010 and average with projections for 2010-2020. Index for percent growth 2000-2020. Highest index is the most favorable.

<u>Working Ages (#2)</u>
The key working ages are 18-34 and 35-44, but the overall working ages to 65 are important. *Methodology:* Sum indexes for 18-65 years 2012 cohorts. Highest total index is the most favorable.

Racial Diversity (#3)
Racial diversity in the population base is a desirable attribute for most progressive employers. *Methodology:* Apply 2012 index for percent White and sum indexes for all other races. Highest non-White balance is best most favorable indicator of racial and ethnic diversity.

Language Capability (#4)
English spoken at home is indicator of the impact of immigration and attitudes toward education within the household. Using the 2012 population of five years and older, the percentage of English spoken at home is selected. Higher figure is the most favorable.

Households and median income (#5)
Income is the foundation for the economic structure of a market area and has a direct an impact upon a local wages, retail sales, housing prices, etc. However, wealthier communities often deter prospective employers seeking operational savings. *Methodology:* Compare 2012 indexes for median household income. Lowest figure possible is the most favorable.

Educational attainment (#6)
As businesses become more complex, increasing dependence is placed upon preparedness of employees to perform their assigned tasks. *Methodology:* Sum 2012 indexes for percentages of residents age 25 and over who have attained associate degrees, bachelor's degrees, or graduate or professional degrees. Highest total is the most favorable.

Housing (#7)
Since housing prices are in a state of flux, the reported value of owner occupied units is the most reliable Indicator. *Methodology:* Apply index for median home value in 2012 as derived from Census data, Lowest index is the most favorable.

Cost of living (#8)
The 2012 New York State average cost of living index is 151.0 . *Methodology:* Apply the published index for the area as compared to the NYS mean, with lowest index as most favorable.

Quality of life (#9, 10 & 11)

Comparative scores are assigned to crime, health care, culture and recreation based upon: crime rates; physicians per 100,000 of population; and, the tourism/leisure industries (arts, entertainment, recreation, accommodation & food services) employment per 100,000 of population. *Methodology:* Create 2012 indices for the three components. Lowest index for crime and highest indices for physicians and tourism/leisure employment are sought as the most favorable for the attraction of transferees and their families.

Part 2 - Economics

Labor market status (#12)

The labor market is in flux. The jobless rate is not quite at all time highs, and hopefully decreasing, yet the labor force has shown evidence of shrinking as unemployed persons become discouraged and stop seeking jobs. *Methodology:* Calculate labor participation rate by division of civilian labor force by population of age 16 years and older for 2012 (*Note: although the 18-65 years working age group is a preferred target for this analysis, Census statistics are only complied on the 16 years and older category*). A higher index is the most favorable for new employers entering the market.

Area business patterns (#13)

Stable economies have a good balance of goods-producing and service producing industries. *Methodology:* The four goods-producing industries in the U.S. are (1) forestry, hunting and agriculture support; (2) mining; (3) construction; and (4) manufacturing. *Methodology:* Sum the 2012 indexes for these four good-producing industries for the area. Then sum indexes for all other industries excluding the public administration industry. Then divide Goods-producing by Service-producing sums and multiply by 100 to create a new index ratio. Highest total index is most favorable. (*Note: Public administration is excluded as the category as it may cover portions of both goods- and service-producing sectors and data is unavailable for segmentation*).

Median hourly wages - Goods producing industries (#14)

Increasingly sophisticated business operations require a higher percentage of technically trained skilled workers at reasonable salary levels. Two occupations groups from the Census are considered: Natural resources, construction, & maintenance occupations; and, Production, transportation, material moving occupations. *Methodology:* Apply the total 2012 indices for these two occupational groups. Lowest total is most favorable.

Median hourly wages – Service-producing industries (#15)

Lower operating costs for service-producing occupations translate to higher profitability. The Service-producing occupations cover three Census categories: Management, business, science and arts occupations; Services occupations; and, Sales and office occupations. *Methodology:* Apply the 2012 total indices for these three occupational groups. Lowest total is most favorable.

Real Estate - Commercial and industrial Rents (#16, 17)

Most new employers opt for or suburban Class A office space or "flex" industrial space if available. In this region, there may be a difficulty finding either product. *Methodology:* Apply indices for triple net rent per square foot for all suburban office and industrial space categories. Lowest rent indices are the most favorable.

Real Estate - Avg. Commercial/Industrial Land Price/acre 2014 (#18)

Comparative land prices for commercial (non-retail) and industrial sites indicate valuation fluctuations per market. In order to determine an overall NY State mean, 200 land offerings throughout the State (2014) were weighted averaged by size and price per acre. *Methodology:* Apply an index of weighted average of local commercial industrial land prices against the State mean. Lowest price index is the most favorable.

Electric Rates (#19, 20)

Operating profits are significantly affected by variation in electric power costs. Individually negotiated rates may be possible, however, published rates are utilized for the comparison. Four major utilities operate in the upstate regions considered in this study: Central Hudson Electric & Gas; National Grid (Niagara Mohawk); NY Electric & Gas; and Rochester Electric & Gas. *Methodology:* Apply an indices from the local utility (National Grid) for commercial and industrial average cents per Kwh for Jan. 2013 and compare to NY State average. State rates are provided by the US Energy Information Administration (USEIA), whereas local rates are derived from the State of NY Public Service. Lower indices are favorable.

Part 3 - Market Assessment

Market potential (#21)
For operations at a location, the percent of total US population within six-hour driving radius approximates its practical "just-in-time" delivery zone and aligns with the new operating regulations for the trucking industry. Using a 300-mile buffer, a capture of the percentage of US population reachable by number of counties has been based on a polygon of the targeted region. *Methodology:* Apply indexed percentage of population reached, with the highest index as the most favorable.

Retail sales (#22)
Annual retail sales represents the location's relative strength. While the 2007 Economic Census remains the definitive measure, a more recent estimate of retail activity is required. New York State recognizes an estimating method that correlates retail sales per capita with retail trade earnings in each county. A correlation factor use that updates 2012 retail sales per capita has been employed in this instance. *Methodology:* Apply projected retail sales per capita index against the New York State figure. Highest index is the most favorable.

Worker mobility (#23, 24 25)
Successful development often hinges on the potential to provide an intercept location for workers travel long commutes. Mean travel time to work, commutation outside of county of residence, and having 2 or more vehicles available are indicators of relative mobility for employees and shoppers. *Methodology:* Apply indices for all three categories. Highest indices are most favorable.

Airport Accessibility (#26)
For most businesses, access to a major airport offering domestic connecting or non-stop service and international flights is a key driver for location success. Although there are no published statistics on average driving times to airports offered on a state average, this study will assume a forty-five minute commuting time as a benchmark to measure local results. Utilizing Google Maps, distances and travel times from county seats nearest major airports are averaged by population. *Methodology:* Apply an index of weighted average of airport travel time against the State mean. Lowest price index is the most favorable.

Summary of Fulton-Montgomery County Region Econographics Data

For each of the 26 categories, weighted averages of the Fulton and Montgomery Counties (the Fulton-Montgomery County Region) have been produced and then compared to NY State means per entry as the means of producing an index. An example of some key location qualifiers and resultant indices are shown in Table 1.b(a) below:

Table 1.b(a) – Key Location Qualifiers for the Fulton-Montgomery Co. Region

Competitive area	Working Age Group 18-65 % (#2)	% College Grads (#6)	Cost of living index (#8)	Goods-Producing Workers Median Wage/hr (#14)
Fulton-Montgomery County Region	**61.1**	**27.6**	**93.3**	**$14.73**
NY State Average	64.2	41.3	151.0	$15.86
Econographics Index	**95.2**	**66.9**	**61.8**	**92.9**
Strength advantage	No	No	**Yes**	**Yes**

As shown in the following, the 26 ranking categories are presented in more detail with the Fulton-Montgomery County Region's data shown in bold highlight. The Econographics index is presented below each table, along with the index target (higher or lower) and the observed Strength advantage (or non-advantage).

Part One – Demographics

Population Growth

County	2000 Pop.	2010 Pop.	2020 Pro.	% Change 2000-2010	% Change 2010-2020	**Avg. % Change 2000-2020 [#1]**
Fulton	55,073	55,531	55,629	0.8%	0.2%	
Montgomery	49,708	50,219	49,448	1.0%	-1.5%	
Fulton-Montgomery Co. Region	**104,781**	**105,750**	**105,077**	**0.9%**	**-0.6%**	**0.1%**
NY State	**18,976,457**	**19,378,102**	**19,697,021**	2.1%	1.6%	**1.9%**

Econographics Index: ***7.7***

Index target: Higher

Resultant: No advantage

Working Ages (#2)

County	Est. 2012 Pop.	Age group 18-24 yr. 2012	Age group 25-44 yr. 2012	Age group 45-54 yr. 2012	Age group 55-65 yr. 2012	**Age group 18-65 yr. 2012 [#2]**
Fulton	55,216	8.0	24.3	15.7	13.9	61.9
Montgomery	50,058	8.1	24.1	14.3	13.7	60.2
Fulton-Montgomery Co. Region	**105,274**	**8.0**	**24.2**	**15.0**	**13.8**	**61.1**
NY State	**19,490,373**	**10.2**	**27.1**	**14.7**	**12.2**	**64.2**

Econographics Index: ***95.2***

Index target: Higher

Resultant: No advantage

Racial Diversity (#3)

County	2012 Pop.	% White Alone 2012	% Black Alone 2012	% American Indian Alone 2012	% Asian Alone 201	% Others 2012	% Hispanic origin (may be of any race) 2012	**Total non-white /white ratio 2012 [#3]**
Fulton	55,216	93.8	1.4	0.2	0.7	1.5	2.4	**0.07**
Montgomery	50,058	84.5	1.2	0.2	0.6	1.8	11.7	**0.18**
Fulton-Montgomery Co. Region	**105,274**	**89.4**	**1.3**	**0.2**	**0.7**	**1.6**	**6.8**	**0.12**
NY State	**19,490,373**	**57.8**	**14.4**	**0.2**	**7.5**	**2.2**	**17.9**	**0.73**

Econographics Index: ***16.3***

Index target: Higher

Resultant: No advantage

Language Capability (#4)

County	2012 Pop. Age 5+	**% English Only Spoken at home 2012 [#4]**
Fulton	52,261	95.2
Montgomery	47,056	85.6
Fulton-Montgomery Co. Region	**99,317**	**90.7**
NY State	**18,330,655**	**69.8**

Econographics Index: ***129.9***

Index target: Higher

Resultant: STRENGTH

Households and median income

County	No. of households 2012	Median Household income 2012 [#5]
Fulton	22,665	$45,868
Montgomery	19,701	$42,109
Fulton-Montgomery Co. Region	**42,366**	**$44,120**
NY State	**7,210,095**	**$56,657**

Econographics Index: ***77.9***

Index target: Lower

Resultant: STRENGTH

Educational attainment (#6)

County	Pop 25+ 2012	% AA Cert. 2012	% Bachelor's degree. 2012	% Graduate degree(s) 2012	% College Grads 2012 [#6]
Fulton	38,810	11.7	8.4	6.7	26.8
Montgomery	34,513	12.1	9.6	6.9	28.6
Fulton-Montgomery Co. Region	**73,323**	**11.9**	**9.0**	**6.8**	**27.6**
NY State	**13,205,241**	**8.3**	**18.8**	**14.2**	**41.3**

Econographics Index: ***66.9***

Index target: Higher

Resultant: No advantage

Housing (#7)

County	No. Owner occupied units 2012	Median household value 2012 [#7]
Fulton	15,514	$106,600
Montgomery	13,298	$101,900
Fulton-Montgomery Co. Region	**28,812**	**$104,431**
NY State	**3,886,158**	**$286,700**

Econographics Index: ***36.4***

Index target: Lower

Resultant: STRENGTH

Cost of living (#8)

County	Population 2012	Cost of living index 2012 [#8]
Fulton	55,531	97.0
Montgomery	50,219	89.3
Fulton-Montgomery Co. Region	**105,750**	**93.3**
NY State	**19,490,373**	**151.0**

Econographics Index: ***61.8***

Index target: Lower

Resultant: STRENGTH

Quality of life (#9, 10, 11)

County	Population 2012	Crime rate per 100K pop. 2012 [#9]	Physicians per 100k pop. 2012 [#10]	Arts, entain't.,recr., accom. & food srvcs employment per 100k 2012 [#11] pop.
Fulton	55,531	30	1,468	2,537
Montgomery	50,219	26	1,312	3,278
Fulton-Montgomery Co. Region	**105,750**	**28**	**1,394**	**2,889**
NY State	**19,490,373**	**78**	**1,931**	**4,193**

Econographics Index (#9): ***36.0*** *Index target: Lower* *Resultant: STRENGTH*

Econographics Index (#10): ***72.2*** *Index target: Higher* *Resultant: No advantage*

Econographics Index (#11): ***68.9*** *Index target: Higher* *Resultant: No advantage*

Part Two - Economics

Labor market status

County	Population 16+ yrs 2012	Civilian labor force 2012	**Labor force participation rate (%) 2012 [#12]**
Fulton	44,902	26,650	59.4
Montgomery	39,924	24,143	60.5
Fulton-Montgomery Co. Region	**84,826**	**50,793**	**59.9**
NY State	**15,724,512**	**9,951,988**	**63.3**

Econographics Index: ***94.6***

Index target: Higher

Resultant: No advantage

Area business patterns (#13)

		Goods-producing		**Service-Producing**					
County	Employed Population 16+ yrs 2012	Nat'l resourc., const. & maint. Empl. 2012	Production, transportation, mat'l. moving. Empl. 2012	Mgmnt. bus., science & arts Empl. 2012	Srvcs. Empl. 2012	Sales & office Empl. 2012	% Goods Prod'g. Empl. 2012	% Service Prod'g. Empl. 2012	**Goods/ Service prod'g. indust. ratio 2012 [#13]**
Fulton	23,980	2,436	3,924	6,595	4,790	6,235	**26.5**	**73.5**	**36.1**
Montgomery	21,243	2,377	3,694	6,462	3,800	4,910	**28.6**	**71.4**	**40.0**
Fulton-Montgomery Co. Region	**45,223**	**4,813**	**7,618**	**13,057**	**8,590**	**11,145**	**27.5**	**72.5**	**37.9**
NY State	**9,003,001**	**668,201**	**865,059**	**3,454,557**	**1,824,524**	**2,190,660**	**17.0**	**83.0**	**20.5**

Econographics Index: ***184.7***

Index target: Higher

Resultant: STRENGTH

Median hourly wages - Goods producing industries (#14)

County	Total Goods Producing Empl. 2012	Nat'l resourc., const. & maint. Occup. Median Annual salary 2012	Prod., transp, mat'l. moving. Oocup. Median annual salary 2012	Total Goods-producing workers Median annual salary 2012 Wghtd. Avg.	**Total Goods-producing workers Median Hrly Wages 2012 [#14]**
Fulton	6,360	$33,060	$30,097	**$31,232**	**$15.02**
Montgomery	6,071	$36,217	$26,025	**$30,016**	**$14.43**
Fulton-Montgomery Co. Region	**12,431**	**$34,602**	**$28,108**	**$30,622**	**$14.72**
NY State	**1,533,260**	**$38,174**	**$28,993**	**$32,994**	**$15.86**

Econographics Index: ***92.8***

Index target: Lower

Resultant: STRENGTH

Median hourly wages - Service producing industries (#15)

County	Total Service Producing Empl. 2012	Mgmnt. Bus., science & arts Occups. Median Annual Salary 2012	Services Occups. Median Annual Salary 2012	Sales & office Occups. Median Annual Salary 2012	Total Service Producing Median Annual Salary 2012 Wghtd. Avg.	**Total Service producing workers Median Hrly Wages 2012 [#15]**
Fulton	17,620	$43,378	$23,472	$29,885	$33,192	$15.96
Montgomery	15,172	$48,766	$14,799	$29,099	$33,894	$16.30
Fulton-Montgomery Co. Region	**32,792**	**$45,871**	**$19,459**	**$29,521**	**$33,396**	**$16.06**
NY State	**7,469,741**	**$58,965**	**$21,266**	**$30,929**	**$41,535**	**$19.97**

Econographics Index: ***80.4***

Index target: Lower

Resultant: STRENGTH

Real Estate - Commercial Rents (#16, 17)		
County	Bldg Size	**Avg. Office Rent/sf 2014 [#16]**
Fulton	12,500	$6.00
Fulton	3,600	$5.83
Fulton	5,000	$10.00
Fulton	1,076	$11.82
Fulton-Montgomery Co. Region	**22,176**	**$7.16**
NY State		**$18.71**
County		**Avg. Indus'l. Rent/sf 2014 [#17]**
Fulton	18,930	$3.25
Fulton	3,214	$7.50
Montgomery	125,000	$3.00
Montgomery	20,000	$3.50
Fulton-Montgomery Co. Region	**167,144**	**$3.17**
NY State		**$7.25**

Econographics Index (#16): ***38.3*** *Index target: Lower* *Resultant: STRENGTH*

Econographics Index (#17): ***43.8*** *Index target: Lower* *Resultant: STRENGTH*

Real Estate – Commercial/Industrial Land (#18)			
County	Lot size (acres)	Price	**Commercial / Industrial Land Price/acre 2014 [#18]**
Fulton	29.9	$1,937,500	$64,799
Fulton	1.9	$369,900	$194,684
Fulton	1.6	$400,000	$250,000
Fulton (3 ind. Parks)	115	$2,300,000	$20,000
Montgomery	32.9	$1,999,500	$60,775
Montgomery	22.8	$395,000	$17,325
Montgomery	10.8	$985,000	$91,204
Montgomery (2 ind. Parks)	174	$2,610,000	$15,000
Montgomery (1 ind. Park)	30	$240,000	$8,000
Fulton-Montgomery Co. Region	**418.9**		**$26,825**
NY State			**$61,977**

Econographics Index: ***43.3***

Index target: Lower

Resultant: STRENGTH

Electric Rates (#19, 20)			
COMMERCIAL	Utility	Demand (monthly) 90,000 Kwh	**Avg. Commercial Electricity Prices Cents/Kwh 2013 [#19]**
Fulton-Montgomery Co. Region	National Grid		**11.200**
NY State			**14.800**
INDUSTRIAL	Utility	Demand (monthly) 4,680,000 Kwh	**Avg. Industrial Electricity Prices Cents/Kwh 2013 [#20]**
Fulton-Montgomery Co. Region	National Grid		**10.200**
NY State			**6.500**

Econographics Index (#19): ***75.7*** *Index target: Lower* *Resultant: STRENGTH*

Econographics Index (#20): ***156.9*** *Index target: Lower* *Resultant: No advantage*

Part Three – Market Assessment

Market potential (#21)	
County	**% of US Pop within 300 miles 2012 [#21]**
Fulton-Montgomery Co. Region	**18.8**
NY State	**28.0**
USA Pop 2012	**313,914,040**

Econographics Index: ***67.3***

Index target: Higher

Resultant: No advantage

Note: In this category, the State of New York is used as a polygon to determine 300-mile radius. By default, no sub-region of the State, including the Fulton-Montgomery County Region could ever exceed the State's share of total US population reached. But, the importance of the index will become apparent when comparing against competing regions in Task 2.c.

Retail sales (#22)

County	Retail personal income 2007 ($000)	Retail personal income 2012 ($000)	Retail sales per capita 2007	Retail Income per capita to sales per capita correlation factor 2007	Est. 2012 Retail sales per capita (using correlation factor) [#22]
Fulton	83,380	91,861	$10,478	0.1446	$11,503
Montgomery	85,508	96,970	$12,792	0.1372	$14,124
Fulton-Montgomery Co. Region	**168,888**	**188,831**	**$11,565**	**0.1407**	**$12,745**
NY State	**35,332,355**	**38,685,172**	**$11,879**	**0.1543**	**$12,866**

Econographics Index: ***99.1***

Index target: Higher

Resultant: No advantage

Note: The 2007 Economic Census is the only available source for Retail Sales per Capita information, and the correlation factor (described earlier) has been employed for this estimate. Although the 2012 Economic Census may provide a significantly different outcome on this topic, the release date for this data will be in 2015 or 2016 and will not be of applicable to this study.

Worker mobility (#23,24,25)

County	Employed Population 16+ yrs 2012	Mean travel time to work (mins) 2012 [#23]	% Commute Outside County of residence 2012 [#24]	% 2 or more vehicles available 2012 [#25]
Fulton	23,980	22.3	35.2	43.9
Montgomery	21,243	23.2	44.2	46.5
Fulton-Montgomery Co. Region	**45,223**	**22.7**	**39.4**	**45.1**
NY State	**1,533,260**	**31.5**	**32.6**	**31.8**

Econographics Index (#23): ***72.1*** *Index target: Higher* *Resultant: No advantage*

Econographics Index (#24): ***120.9*** *Index target: Higher* *Resultant: STRENGTH*

Econographics Index (#25): ***141.9*** *Index target: Higher* *Resultant: STRENGTH*

Airport Access (#26)					
County	2012 Pop.	Airport	County seat	Travel dist. (miles)	Travel time (mins.) [#26]
Fulton	55,216	Albany Int'l.	Johnstown	43.6	51
Montgomery	50,058	Albany Int'l.	Fonda	41.3	44
Fulton-Montgomery Co. Region	**105,274**			**42.5**	**48**
NY State	**19,490,373**				**45**

Econographics Index: ***105.9***

Index target: Lower

Resultant: No advantage

Task 1 – Conclusion

The Fulton-Montgomery County Region has many strengths to capitalize on, and a few weaknesses that should be addressed. The most compelling, readily observable advantage is the region's strategic geographic positioning which allows for efficient interaction with two nearby urban markets, the Capital District and the Utica-Rome Metropolitan Areas.

The area is a diverse marketplace for its population size, with numerous industrial parks, retail amenities, and superb recreational opportunities. Several leading corporate users have made this region a key location for domestic production, specifically Fage and Beechnut. Large retailers such as Walmart and Target have major distribution centers here as well. Educational resources such as the Fulton-Montgomery County Community College and the HFM BOCES provide job readiness skills for a number of disciplines important to local area employers.

By all accounting, the area could well be described as more blue-collar than white-collar, born out mostly by the somewhat low educational attainment levels and household income statistics. Farming is still a significant industry within both counties and as indicated in the 2012 Census of Agriculture, the region operated 870 farms with a total output of over $96 million annually. Three quarters of the farms are located in Montgomery County which produces over 90% of total product sales. As gathered through the interview process and reinforced by the Econographics analysis, the Fulton-Montgomery Co. Region offers a lower-cost alternative to either of the two adjoining marketplaces. While not likely to be destination for heavy industry due to road and rail constraints, the proximity to the pristine nature of the Adirondack Park and the 42-square mile Great Sacandaga Lake benefits by continued absence of potentially polluting industries.

Econographics

Through this evaluation, the Fulton-Montgomery County Region has been compared to NY State averages or medians for 26 categories. In fourteen instances, the region has demonstrated advantages (*Strengths*) over the State average, resulting in an Econographics score of 53.8 points. The role that this scoring system will play is further explored in Task 2.c. The following summarizes the strengths that the Fulton-Montgomery County Region exhibits:

Econographics Strengths

- High English language proficiency
- Non-excessive household incomes
- Affordable home values
- Low cost of living
- Low crime rate
- Favorable balance of Goods/Service producing industries
- Low hourly production wages
- Low hourly services wages
- Low commercial office rent
- Low Industrial rent
- Low commercial/industrial land price per acre
- Low commercial electricity rates
- Mobile workforce
- Adequate access to private transportation

The Tryon Site

As a former detention use, the Tryon site is nestled in a pastoral setting that is secure, remote, and unencumbered – qualities that the right user(s) will find attractive. Its 515 acres should quite easily support a number of subdivision configurations.