

I-86 Innovation Corridor Interim Progress Report October 2016



I-86 Innovation Corridor Interim Report to Stakeholders: September 2016

The I-86 Innovation Corridor Strategic Action Plan (I-86 plan) is designed to accelerate public, private and philanthropic investment, create job opportunities, advance regional competitiveness, and create the magnetism to draw and keep young and skilled workers in the I-86 Corridor work shed. Economic Development is market driven and always has a regional perspective. The I-86 plan embraces the regional concept and builds a sustainable network to execute the action plan.



For decades the region's government, economic development, and business leaders recognized that for sustainable economic prosperity and future growth to occur, the region must work together and make a tangible commitment to a shared plan for economic and community development. The I-86 Innovation Corridor Strategic Action Plan is a **Regional Guidebook** of recommended tactics and action steps required for success. A copy of the plan may be accessed at the Three Rivers Development Corporation website: www.3riverscorp.com.

The Vision

"The I-86 Innovation Corridor is recognized as a destination business development location, distinguished by its concentration of multi-national anchor companies, advanced infrastructure to support innovation and technology, rich educational and research resources, specialized and skilled workforce and vibrant communities."

In late 2014, hundreds of stakeholders from 7 municipalities and 2 counties came together to develop a vision and framework of new and innovative ways of working together, to address four identified and necessary components of a 21st Century economy.

Strategic Priorities:

- **Leadership/Innovation**
- **Business Development/Human Capital**
- **Vibrant Communities and Built Environment**
- **Identity and Marketing**

Specific programs, projects, and priorities are outlined in the plan and many have been completed, are in progress, or have led to other approaches for similar outcomes. The

cornerstone of the I-86 plan is leadership. Without visionary, innovative, committed and collaborative leaders few of the action steps discussed in the plan could be carried out. While the I-86 stakeholders, steering committee, and workgroup leaders do not take credit for the outcomes identified in this report; the members believe the convening of regional leaders via I-86 has opened essential channels of communication and cooperation to complete regional tasks. A list of the I-86 Steering Committee and Innovation Workgroup members is included as an endnote. For a list of Stakeholders see the complete I-86 Innovation Corridor Strategic Action Plan.

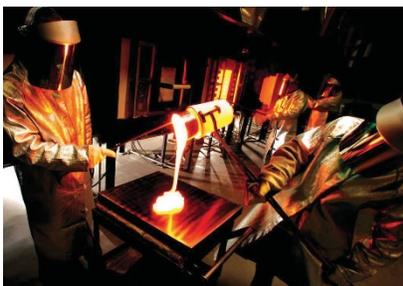
In 2014 Governor Andrew Cuomo announced the Upstate Revitalization Initiative Competition. Eight regions of the State of New York competed for a coveted \$500 million award. The background, data, strategies, action steps, programs and projects identified in the I-86 Plan became one of the backbones for the Southern Tier Regional Economic Development Council's Upstate Revitalization Initiative (URI) application. In December of 2015 the Southern Tier Region was awarded \$500 million of economic and community development incentive funds to be used for transformational projects. This success alone would validate the importance of convening regional leaders to map the economic future.

The most important outcome of the I-86 plan has been the on-going commitment to regional approaches to economic and community development challenges and opportunities. The plan envisions a leadership organization to assist governments, economic development agencies, and private sector partners with implementation of the plan and to continuously update the plan to keep it relevant. At this time Three Rivers Development Corporation in Corning will become **home** to the regional strategy and its companion philosophy. Three Rivers will continue to convene the I-86 Steering Committee and the current Innovation Workgroups: Vibrant Communities, Infrastructure Development, Business Development, and Talent Attraction and Workforce Development.

Projects:

Over the past 20 months many of the projects identified in the plan are now underway. These projects have been led by government and economic development leaders in partnership with the private sector. A quick review of the plan reflects impressive progress in three of the core strategic areas.

Human Capital: Workforce development and talent attraction are and will continue to be the critical elements of success in a global economy and a competitive regional economy. The I-86



Workforce Development Workgroup worked diligently together with the assistance of consultant Susan Payne, to complete a preliminary gap and demand analysis of the region's workforce, research Best Practices and prepare a detailed list of issues and recommendations. This pointed to the urgency of addressing the gap in workforce skills, the need for a workforce development pipeline and the importance of undertaking a talent recruitment effort.

The workgroup determined that the I-86 Corridor is facing a crisis with a projected need to replace nearly 30% of its workforce in the next 5+ years due to aging and population loss. This is compounded by the need for highly qualified and well-trained workers to meet the demand being

generated by expansion of existing companies and attraction of new businesses to the region. At a September meeting of the Chemung, Schuyler, Steuben Workforce Development Board (CSS), it was determined that CSS would take the lead in the continued exploration and implementation of the work outlined in the I-86 Workforce Development Report.

Business Development: Business retention is a vital component of a region's economic development efforts. Several projects and initiatives are underway.

- ✓ Alstom Transit Inc. recently signed a contract with AMTRAK to build the next generation high-speed passenger train in Hornell. Creation of the North American Rail Transit Hub project is being developed, and a strategy to build the corridor's rail manufacturing supply chain is underway. This will range from expansion of existing businesses such as TTA, to implementation of an aggressive recruitment of new businesses to the area.
- ✓ Several businesses are currently expanding or planning to enhance their operations in the I-86 Corridor. These range from small businesses and start-ups, such as SEPAC and Micatu, to larger companies including Corning Incorporated, DeMet's and FM Howell.
- ✓ In early 2016, EWI was enlisted to begin to work with regional employers as a contract research/development and engineering resource. Several regional companies are now using the services of EWI.
- ✓ There have also been successes with the 76 West Competition and some intellectual property commercialization efforts.
- ✓ The Ceramics Corridor continues to host technology transfer and business development trainings and expand entrepreneurship training.
- ✓ The Chemung County Chamber and Congressman Thomas Reed's office are holding manufacturing events to further assist small to mid-size companies.



Vibrant Communities/Built Environment/Infrastructure:

- ✓ **Corning Community College Health and Education Complex:**



Corning Community College is building a Health and Education Complex at the former Corning Hospital site and is receiving CFA and URI funding to assist with the construction costs. Construction is currently underway, and classes are projected to begin in the fall semester of 2017. This project will not only revitalize the property located in the center of Corning, it will bring much needed workforce training for the health care industry. The project

also includes market rate apartment living which is in high demand by a young professional workforce.

- ✓ **Corridor Housing Redevelopment and Revitalization:** The City of Corning has adopted a new comprehensive housing revitalization strategy. A partnership between the City of

Corning, Arbor Housing and Development, and Three Rivers Development Corporation has been established to begin a demonstration project in 2017. In addition, the City of Elmira updated its Comprehensive Plan this year, and plans to develop a neighborhood and housing revitalization strategy in 2017 as part of its Empire State Poverty Reduction Initiative plan. The Village of Horseheads submitted applications to secure funding to update its comprehensive plan, and also to undertake an economic feasibility study for the revitalization of Hanover Square and vacant commercial strips along I-86.

- ✓ **Revitalize Downtown Elmira:** Elmira Refresh was awarded the New York State Downtown Revitalization Initiative award of \$10 million in July 2016, which identified the city's role as the eastern anchor of the I-86 Corridor as an important strategy. Several downtown street reconstruction and streetscape improvement projects, totaling more than \$6.8 million, are slated for construction in 2017-2018. This will enhance the City's downtown environment and establish a "cultural connector" corridor linking Elmira College and LECOM to the City's central business district. In addition, STEG and private developers are finalizing plans for the West Water Street Infill Mixed Use Development Project, which is the cornerstone for redeveloping Elmira's downtown into a commercial, retail and residential hub.
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- ✓ **The Big Gig:** The expansion of the Southern Tier Network (STN) backbone and fiber brings higher connectivity speeds to small business corridors and residential neighborhoods. The Town of Big Flats and Village of Horseheads have worked closely with Empire Access and are benefitting from work being completed to expand services.
 - ✓ **Airport Development:** The Elmira/Corning Airport is currently the busiest airport in the Southern Tier with over 160,000 enplanements in 2015. Governor Cuomo invited regional airports in Upstate New York to apply for a \$40 million grant for regional airport redevelopment and expansion. Chemung County made application and was awarded the funding in September 2016. The I-86 Innovation Corridor Plan was one of the major arguments for the project.

Next Steps: The I-86 Innovation Corridor Strategic Action Plan is intended to be a dynamic, and ever changing *Regional Guidebook* for economic and community development. Moving forward, the steering committee and working groups will continue to focus efforts on the four key objectives:

- **Leadership/Innovation**
- **Business Development/Human Capital**
- **Vibrant Communities and Built Environment**
- **Identity and Marketing**

Business Development efforts will continue within the scope of the IDAs, STEG, Three Rivers Development Corporation, Empire State Development, the private sector, government and non-profit partners in the towns, counties and municipalities.

Local and County Governments will continue to focus on the **Built Environment** and enhancing the **Vibrancy of the Communities**, and identify projects for the next few years. In turn, this will give the region more to market in order to attract talent, companies and new community investment. Examples of potential projects include the continued extension of broadband off of the Southern Tier Network to increase access by small businesses and residential areas, plans for further development of the Erwin Town Center area, revitalization of historic buildings in Hanover Square in the Village of Horseheads, enhancement of the housing stock, and The Center at Horseheads Redevelopment.

The critical area of **Identity and Marketing** has not been a major focus of the I-86 Steering Committee in 2016. This is predominately due to the effort that was put into assessing the depth and breadth of the workforce issues, and need to establish a comprehensive strategy. It is understood that talent recruitment will be a major element of that strategy, and will need to be closely aligned with an overall Identity and Marketing initiative. A major step has been taken with leadership being demonstrated by the CSS Workforce Development Board and staff along with the region's education and training partners. As success occurs with further development of a workforce development and talent attraction strategy, the identity and marketing initiative is expected to rise to the top of priorities.

As Three Rivers continues to host the I-86 Steering Committee and Workgroup meetings, the tactics outlined in the Innovation Corridor Strategic Action Plan will continually be reviewed and revised to prioritize their accomplishment. The 16 regional tactics originally outlined in the Appendices 2 thru 6 of the I-86 Plan will be the building blocks of the continued investment of time and leadership.

Human Capital

- **Tactic:** Strengthen coordination between workforce development and economic development efforts
- **Tactic:** Proactively connect students to Corridor career pathways and support, and supplement programs that prepare them for success in those careers
- **Tactic:** Mitigate skill deficiencies in the adult workforce pool and support entrepreneurial skill development

Business Development

- **Tactic:** Build research, development and commercialization linkages between regional educational entities and strong industry clusters, and encourage technology transfer
- **Tactic:** Strengthen and expand the entrepreneurial support system in the I-86 Corridor
- **Tactic:** Expand the entrepreneurial pool in the region

Vibrant Communities

- **Tactic:** Create strong community centers
- **Tactic:** Redefine the public realm: design standards for the built environment
- **Tactic:** Establish a diversity of housing options
- **Tactic:** Connect people and places
- **Tactic:** Embrace and support human capital: the need for non-profits and philanthropy

Built Environment

- **Tactic:** Transportation network improvements
- **Tactic:** Utility-related infrastructure improvements
- **Tactic:** Development of key sites

Identity and Marketing

- **Tactic:** Market first to existing residents and businesses, and then industry attraction (community buy-in and support)
- **Tactic:** Workforce attraction and then industry attraction

Regionalism:

While the regional leaders and stakeholders of the I-86 Innovation Corridor take on the objectives and tactics outlined in the plan, a continued and renewed commitment to Regionalism and a regional approach to economic development is paramount. As long as there is access to the internet and a world class international airport, companies and workers can be anywhere in the World. In order to compete for much needed jobs and the associated financial investment, I-86 Corridor leaders from government, non-profits, industry and economic development must steadfastly commit to telling an on-going, long term regional story and the I-86 Innovation Corridor Strategic Action Plan.

Endnote: Thank you to the community leaders that serve on the I-86 Steering Committee.

Steering Committee Members: Dan Panosian (co-chair), Ed Fairbrother (co-chair), Jack Benjamin, Dawn Burlew, Jim Griffin, Betsey Hale, Jamie Johnson, Mike Krusen, Rita McCarthy, Tom Santulli, Jack Wheeler, and Consultant: Susan Payne.

Interested in serving on a workgroup or the steering committee? Please contact Emily J. Marino at emarino@3riverscorp.com or 607-962-4693.