

# DRAFT

March 2014

Orange County

Economic Development Strategy



*Orange Blossoms: Economic Development in the 21st Century*

Orange County Department of Planning

# ORANGE COUNTY

## ECONOMIC DEVELOPMENT STRATEGY

**REVISED DRAFT MARCH 31, 2014**

**Steven M. Neuhaus, County Executive**

David E. Church, AICP, Planning Commissioner

### **Orange County Planning Board**

Susan G. Metzger, PhD., Chair

John Dodson, PE

Gerald Jacobowitz, Esq.

David Niemotko, RA, AIA

Michael Sweeton

Denise Ribble (through 2012)

Irving Zuckerman, Vice Chair

Tim Gottlieb

Elaine McClung

Greg Townsend

Richard Ostner

Constantine Sidamon-Eristoff  
(through 2011)

### **In Collaboration With:**

Orange County Partnership

Orange County Office of Business Assistance

Orange County Citizens Foundation

Orange County Chamber of Commerce

Orange County Arts Council

Orange County Association of Towns, Villages and Cities

Please address comments or questions to:

Orange County Planning Department

124 Main Street

Goshen NY 10924

Phone: (845) 615-3840

Email: [planning@orangecountygov.com](mailto:planning@orangecountygov.com)

# TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY</b>	<b>4</b>
<b>INTRODUCTION AND OVERVIEW TO ECONOMIC DEVELOPMENT STRATEGY</b>	<b>9</b>
<b>TABLE 1. ORANGE COUNTY INDUSTRIES AS OF THE 2007 ECONOMIC CENSUS</b>	<b>10</b>
<b>OVERALL STATE OF THE ORANGE COUNTY ECONOMY</b>	<b>11</b>
<b>STATE OF THE ECONOMY IN ORANGE COUNTY MUNICIPALITIES</b>	<b>12</b>
<b>ORANGE COUNTY IN THE NEW ECONOMY</b>	<b>17</b>
<b>ORANGE COUNTY IN 2020</b>	<b>17</b>
<b>GENERAL RECOMMENDATIONS</b>	<b>18</b>
<b>THE INDUSTRY APPROACH</b>	<b>21</b>
<b>MANUFACTURING AND TECHNOLOGY</b>	<b>23</b>
<b>INDUSTRY-SPECIFIC RECOMMENDATIONS</b>	<b>24</b>
<b>MEDICAL AND HEALTH CARE</b>	<b>25</b>
<b>INDUSTRY-SPECIFIC RECOMMENDATIONS</b>	<b>26</b>
<b>TOURISM</b>	<b>27</b>
<b>INDUSTRY-SPECIFIC RECOMMENDATIONS</b>	<b>28</b>
<b>ARTS</b>	<b>30</b>
<b>INDUSTRY-SPECIFIC RECOMMENDATIONS</b>	<b>31</b>
<b>AGRICULTURE</b>	<b>32</b>
<b>INDUSTRY-SPECIFIC RECOMMENDATIONS</b>	<b>33</b>
<b>CONCLUSION</b>	<b>34</b>

## Goals

1. Attract and Assist Businesses
2. Improve Economic Development Capacity
3. Strengthen Key Industries
4. Create a Supportive Culture for Small Businesses



### *Why This Plan? Why Now?*

Orange County has tremendous assets for economic development. To take full advantage of these assets and participate fully with our public and private partners including New York State, we need to focus our economic development efforts in a comprehensive, efficient strategy across our large and diverse county. At the same time, we need to protect these assets—our open space and scenic vistas, our connections to the Hudson Valley and the Northeast, our quality of life—now and in the future, to ensure that Orange County remains a great place.

The foundation for this Plan is **START Orange County**. 1. **S**hovel Ready, promote and fast track smart, shovel ready sites. 2. **T**eam Up and collaborate with our communities on strategies to attract jobs and investment. 3. **A**griculture can remain an integral part of our overall economic stability by bolstering farm to market opportunity. 4. **R**eward performance not promises for activities receiving financial support including tax exemptions. And 5. **T**out existing local businesses, big and small.

## Key Industries of Orange County \*(to be updated following release of 2012 Economic Census)



**Agriculture**— is still the largest nonresidential land use (in acres) throughout the County. It has also been a foundation sector of our economy for centuries. As of the 2007 Census of Agriculture, Orange County’s 642 farms sold \$73.7 million worth of products, and ranked 4th in the state for vegetable sales.

**Arts**—The 2007 Economic Census shows nearly 2,000 artists and arts businesses in Orange County, earning over \$145 million in revenue. Orange County is the home of many world-class visual and performing arts companies and other businesses.

**Manufacturing and Technology** —Orange County has over 600 manufacturers who made over \$2.3 billion according to the 2007 Economic Census. As part of the Hudson Valley Economic Development Corporation, Orange County is a partner in the New York

BioHud Valley initiative, which offers a way to enhance our thriving medical industry and support the emerging technology industry in the County at the same time.

**Medical**—At \$1.7 billion in revenue, health care and social services was our fourth-largest industry in the 2007 Economic Census. In 2011, the Orange Regional Medical Center became the first new hospital built in New York in 20 years, and over half the Class A office space built or leased since 2000 has been medical offices.

**Tourism**—Over four million visitors came to Orange County in 2012 and generated more than \$430 million in revenue, supporting over 9,000 jobs. Three out of the top five tourist attractions in upstate New York are located in Orange County.

# Economic Development Goals for Key Industries

## Goal 1: Attract and Assist Businesses

- *All Sectors*—encourage local business development through entrepreneurial assistance programs
- *Agriculture*—complete strategic plan to attract agribusinesses; expand local and regional market; increase visitors to farms; create supportive program for young farmers
- *Arts*—increase regional market; enhance connections with NYC, Hudson River School; expand supportive programs such as “art tours” for established artists and mentoring programs for new artists.
- *Manufacturing and Technology*—increase presence and support for food companies
- *Medical*—complete strategic plan for medical industry vitality
- *Tourism*—increase County overnight visitors; expand marketing of County as getaway destination for all Northeast.



## Goal 2: Improve Economic Development Capacity

- *All Sectors*—increase access to capital investment; improve infrastructure; promote intermunicipal cooperation
- *Agriculture*—create agribusiness industrial park; increase opportunities to create value-added products; help farmers get into organic niche markets
- *Arts*—connect artists with opportunities to provide public art.
- *Manufacturing and Technology*—map technology infrastructure and increase public availability and access.
- *Medical*—increase opportunities for research and innovation
- *Tourism*—increase overnight or weekend group tours with a common theme, like wineries or Revolutionary War sites; market other “staycation” packages in New York metro area.



### **Goal 3: Strengthen Key Industries**

- *All Sectors*—create workforce training and education programs tailored to each sector; develop “Orange County brand”
- *Agriculture*—enhance opportunities to make and market value-added products; improve infrastructure and delivery systems in rural areas.
- *Arts*—increase public art awareness; increase connections between arts and other industries.
- *Manufacturing and Technology*—increase and improve research and development facilities, including wet labs.
- *Medical*—improve technology infrastructure to facilitate data sharing; recruit additional medical, dental or nursing school or training program
- *Tourism*—broaden marketing programs and strategies; build on strategic location of County as prime “staycation” locale; provide portion of County “bed tax” for tourism marketing programs.



### **Goal 4: Create a Supportive Culture for Small Businesses**

- *All Sectors*—streamline regulatory review and procedures for smart, desirable business. Improve access to capital including NYS grants.
- *Agriculture*—increase marketing for local products, including farmers markets; continue TDR/PDR programs Countywide for continued viability of family farming.
- *Arts*—support efforts of existing artists’ cooperatives with technical assistance and project funding; make “arts community” design guidelines and policies available to municipalities.



- *Manufacturing and Technology*—set up local “crowd funding” capital investment program
- *Medical*—increase support for preventive care providers (visiting nurse services, etc.)
- *Tourism*—offer opportunity for small tourism-related businesses such as tour companies, hotels, B&B’s, and restaurants to share services (accounting, computer support, graphic design, legal services, etc.); increase mapping and signage for local attractions.

# Sampling of Recommendations for Action

*Within the Next Six Months to One Year, Orange County Should:*

1. Implement a **coordinated process** among County agencies for reviewing development projects.
2. Institute an **annual meeting of economic development agencies and interests** to discuss quality of life issues and cooperate in resolving those issues through direct grants, public-private partnerships, and other measures as appropriate.
3. Determine the types of **barriers facing smart desirable businesses** looking to locate or begin in Orange County and work toward removing those barriers; seek help from Small Business Administration.
4. Work with the Orange County Partnership and Orange County IDA to identify potential sites and **grow the inventory of Shovel Ready sites** needed in the County.
5. Update the existing **inventory of County-owned and government-owned property**, assess development potential for each property, and work toward the most efficient use with the best public value for each property.
6. Establish a **web portal** of comprehensive information of policies, codes, and permits needed by businesses, entrepreneurs and others.
7. Develop **model codes and plan language** to support smart, desirable business uses as part of a balanced growth strategy and a complete community. Provide language and technical assistance to municipalities for updated codes and procedures to create a supportive culture for smart businesses. Include in this guidance for more effective and efficient reviews when required under the State Environmental Quality Review Act (SEQRA).
8. Direct **County financing and support** to projects and municipalities that support the above actions and can show performance.

*Within the Next One to Two Years, Orange County Should:*

1. Work with Orange County Tourism, the Orange County Partnership, the Orange County Business Accelerator, the Orange County Industrial Development Agency, Cornell Cooperative Extension, and the Orange County Citizens Foundation to **market our quality of life** to businesses looking to relocate.
2. Develop strategies to **increase tourism**; this may include writing tourism plans for special interest groups such as eco-tourists, arts tourists, recreational tourists, etc.
3. Help municipalities evaluate ways to **get visitors downtown** by increasing public transit opportunities as well as designing Complete Streets. Inter-municipal cooperation is key to these efforts.
4. **Maintain the existing map of technology infrastructure** created by New York State.
5. **Develop incentive programs** for adaptive reuse of existing facilities, green infrastructure, and downtown revitalization, using private, nonprofit, state and federal funding. Begin by developing a list, updated regularly, of existing funding opportunities and make that list available to municipalities and nonprofits.
6. Develop industry-specific **economic strategies for key industries** in Orange County. Seek input from agencies such as the Council of Industry, the County IDA and the Orange County Partnership.

*Within the Next Three to Five Years, Orange County Should:*

1. Encourage and assist **industry-specific business clusters** to support our existing key industries.
2. Provide standards and procedures for creating **Arts Districts** in our cities and villages.
3. Examine results of the first two years of programming in order to capitalize on our successes and revise our less-successful programs. Enhance our capacity for **creativity and innovation**.
4. **Establish an Economic Investment Fund**—matching local, state, federal or private sources—to support the above actions by developing or upgrading physical and data infrastructure. Partner with the County IDA on funding.



# ORANGE COUNTY ECONOMIC DEVELOPMENT STRATEGY

## INTRODUCTION

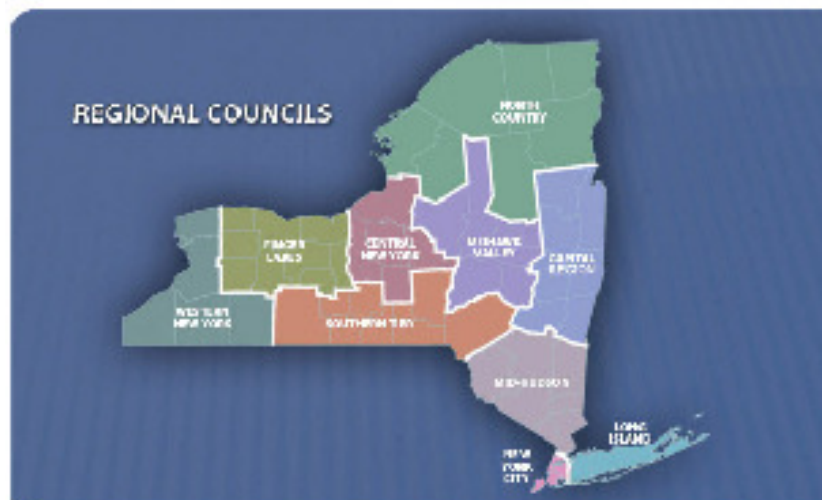
Orange County is a special place. We have a rich historical tradition dating back before the Revolutionary War. We have a long military history: for over 200 years, West Point has trained the best and brightest for service. We have a vibrant cultural tradition: our offerings range from one of the world's leading sculpture parks to the world's largest private holding of important original documents to one of the nation's leading performance bands. We have a vital agricultural tradition: farmers in Orange County have had an important role in the New York City "food-shed" for nearly 300 years. Our proximity to New York City and location in the beautiful Hudson Valley have made us a longtime destination for retreat and relaxation.

Part of the attraction of Orange County is our diversity. Our cultural and ethnic diversity is wide, but also our municipalities vary greatly in their characteristics: urban and rural, high and low density development, poor and very wealthy, young to older, and land uses covering the full spectrum from agricultural to commercial to residential to industrial. Among the County's attractions are three major interstate highways that run through the County. We are the northwestern-most county served by train in the New York City Metropolitan Transit Authority, coupled with robust commuter bus services making us a refuge for commuters. In the metropolitan area, we also have the most housing affordable to those commuters; approximately 13,000 housing units were built during the recent housing boom of 2000-2006, increasing our housing stock by 10%.

### ***Current Status of Economic Development***

The recession of 2007-2009 and the challenges of the housing market and the overall economy since have left an impression on the Hudson Valley and New York State. Although the recession is considered to be over, its effects are still felt in our lasting unemployment, tight credit market, low consumer spending, and reduced corporate spending, especially in the areas of research and development. In April 2013, the unemployment rate in Orange County was 7.1%, down from 8.2% in April 2012. Although the situation has improved in that banks are beginning to lend and consumer spending in December 2012 was higher than in 2011, progress still remains to be made.

In order to spur investment and job creation and better coordinate economic development efforts, Governor Cuomo created ten Regional Economic Development Councils along the boundaries of the State Department of Labor regions. Orange County is part of the Mid-Hudson Regional Economic Development Council (MH REDC), together with the Counties of Dutchess, Putnam, Rockland, Sullivan, Ulster, and Westchester. The MH REDC completed its five-year economic development plan in November 2011, updated in 2012 and 2013. The policies of Orange County, including the Comprehensive Plan, the Orange County Design Manual, and the Orange County Greenway Compact are in agreement with the strategies and policies supported by the MH REDC.



## Getting Started

While all industries in the County are important to our economic health and well-being, we determined that the following industries are key to our short-term economic success:

- **Manufacturing and Technology**—in the information economy, technology will be vital to every industry. Manufacturing is our third-largest industry by revenue, and employs nearly 8,000 workers; biotech manufacturing was singled out as an emerging industry in the Mid-Hudson REDC plan.
- **Medical**—our fourth-largest industry by revenue (in 2007) is poised to grow with the new Orange Regional Medical Center and Touro College of Osteopathic Medicine.
- **Tourism**—more than 4 million visitors came to Orange County in 2012, spending over \$430 million, supporting over 9,000 jobs and contributing more than \$28 million in local tax revenue.
- **Arts**—revenue from this sector has increased over 600% since the 2002 Economic Census, and has continued to grow through the recession and slow recovery period.
- **Agriculture**—our largest nonresidential land use by acreage, and vital to our historic role as the region’s breadbasket.

Tourism, although one of our key industries, is not defined in the chart below because several of the industry categories defined by the Census Bureau contribute to tourism in some way. Any statistics presented relating to tourism as an industry have been provided by Orange County Tourism and compiled by the I LOVE NEW YORK program, with data from the New York State Departments of Finance and Labor.

**Table 1. Orange County Industries as of the 2007 Economic Census**

NAICS Code	Industry Definition	# Employer Establishments	Annual Payroll (\$1,000's)	# Paid Employees	# Nonemployer Establishments	Total Industry Revenue (\$1,000's)
42	Wholesale Trade	447	335,035	7417	n/a	6,859,160
44-45	Retail Trade	1,586	517,419	22,345	2,338	5,828,081
31-33	Manufacturing	337	321,046	7,510	283	2,364,644
62	Health Care and Social Assistance	993	770,998	19,291	1903	1,761,302
54	Professional, Scientific, and Technical Services	908	233,460	5,365	3,396	742,671
53	Real Estate and Rental and Leasing	424	45,098	1,591	3,407	591,460
81	Other Services (except public administration)	740	98,481	3,887	2,841	510,937
72	Accommodation and Food Services	792	123,214	8,755	371	472,616
56	Administrative and Support Services et al	468	137,775	5,421	1,762	424,238
71	Arts, Entertainment, and Recreation	156	27,241	1,455	1,440	145,287
61	Educational Services	72	n/a	250-499	759	11,236
	<i>Agriculture</i>	235	15,922	1,550	407	73,748

Source: All industries except agriculture measured as part of the 2007 Economic Census, conducted by the United States Census Bureau. Agriculture data is from the 2007 Census of Agriculture, conducted by the United States Department of Agriculture. This table will be updated following the release of the 2012 Economic Census data.

# Overall State of the County Economy

## Strengths

- Highly educated workforce
- Scenic beauty of Hudson and Delaware as well as much land preserved as open space
- Three major interstates, two busy airports, and access to huge international market within 6-hour drive—recent work includes connection between I-84 and I-87 and upgrades to Exit 122 off Route 17 (soon to be I-86)
- Within 50 mi. of NYC; growing local arts scene, especially landscape painting and jazz musicians
- Active local-level nongovernmental groups ranging from Chambers of Commerce to youth soccer
- IDA and Business Accelerator; diverse business community; flexible and comprehensive warehouse and manufacturing infrastructure.
- ORMC in Wallkill is the first new hospital built in New York State in 20 years

## Weaknesses

- Lack of needed, smart Shovel Ready sites.
- Lack of housing affordable to residents, esp. residents working in Orange County and/or making under 120% of County median household income
- No direct “one-seat” train access to New York City; inadequate parking for otherwise convenient commuter bus service
- Aging/inadequate physical infrastructure at key locations; limited funds for major repairs, expansions, or other improvements to attract new businesses.
- Limited science, engineering, technology and math education programs, especially on college and graduate level.
- Lack of awareness regarding intra-county public transit options.

## Opportunities

- Newburgh Waterfront, Port Jervis Whitewater Park, and other riverfront developments capitalize on our natural assets.
- Non-motorized transportation infrastructure like the County trail system can be an asset for local businesses and residents’ quality of life.
- Create database of startup/expansion funding programs available for some industries to increase their presence in the County.
- Develop programs at SUNY Orange, Mount St Mary College, and Orange/Ulster BOCES to focus on needs of existing and future industries.
- Forthcoming NYS support, such as from MHREDC may provide funding, technical support, or other assistance.
- New York State and regional marketing strategies often highlight Orange County scenery and destinations

## Threats

- New York State and regional marketing strategies make no distinction between Orange and other counties.
- New York State tax/regulatory structures, restrictions and mandates are prohibitive for business development.
- Multiple layers of government and SEQR/DEC project review can lead to long and costly development process.
- Cost to maintain and expand infrastructure (energy, water and sewer, transportation) capacity as required by many County municipalities can increase business costs.
- Aggressive incentive programs offered elsewhere.

## ***State of the Economy in Orange County Municipalities***

In late 2011, the Orange County Planning Department investigated economic development activity in our municipalities, first by reviewing their codes and comprehensive plans, and second by surveying elected officials in each municipality about economic development—what the problems and opportunities are in their municipality, what their strengths are, and how the County could help with future development. Our goal was to determine if our municipalities currently have policies that support smart, desirable businesses.

Throughout this strategy, the term “smart, desirable businesses” is used. A smart, desirable business, in our view, is one that supports the local economy and is typically a company that is interdependent with other industries that already exist in the area. Doctor’s offices and medical supply stores would be smart, desirable businesses in a town near a hospital, for example. Other businesses might be desirable in some instances and not in others. In a village with a lot of office jobs, a coffee shop, deli, or other restaurant geared toward quick breakfast and lunch food service for busy professionals is supportive of the local economy where a bar or a restaurant geared toward leisurely dining might not be, but if the village wants to increase the number of people in its business district at night, that bar or restaurant could be the type of business that village would want to encourage.

Businesses in New York State have a high cost of operation. Tax rates are high; the average income tax rate in New York is the eighth-highest in the country according to Tax-Rates.org, and the Tax Foundation rates New York as 50th in their annual state business tax climate index. Municipal “home rule” in which each city, town or village has authority over issuance of building permit, site plan, special use permit, variance and other land use approvals can sometimes cause delays; often a project will still require review from County Planning and other county departments and state agencies, which can take additional amounts of time. Also, the State Environmental Quality Review Act requires all projects, other than those categorized as “Type II” actions, to go through an environmental assessment process. If a municipality determines that an action has the potential to have an adverse impact to the municipality or the land uses surrounding the project, the project sponsor may need to prepare an Environmental Impact Statement, a process that can take up to two years and add substantial cost to the pre-development phase of the project. Our municipalities walk a fine line between attracting and assisting businesses, which provide jobs and income to their residents and property tax revenue to the municipality, and maintaining the quality of life their residents value, which often depends on low traffic, low-density housing development, large tracts of open space, and good air and water quality.

Municipalities can assist businesses in their jurisdictions and attract new businesses to their locations in a number of ways. The code review explores a number of specific items that are important to create and maintain a thriving business climate; however there are also ways that municipalities can improve their processes and cooperate together on issues that will make them better places to do business.

### *Permit Streamlining*

As discussed in the code review section, more than half of the County's municipalities have more special or conditional uses than permitted uses in their commercial districts. Special or conditional uses are prudent in many cases; not all land uses are suitable for all types of land. However, in other cases, the special or conditional uses are sufficiently similar to the permitted uses that the land use requirements are generally the same, and the process to get a special or conditional use permit is simply one more layer of review.

In order to ensure that all uses requiring extra scrutiny are properly reviewed while not imposing additional costs and delay on projects that meet requirements, municipalities should review their zoning codes to ensure that the use and bulk tables are up-to-date and appropriate. We will be happy to assist the municipal and planning boards in this effort, and to provide them with copies of the code review we have already conducted.

### *SEQRA and Permit Streamlining*

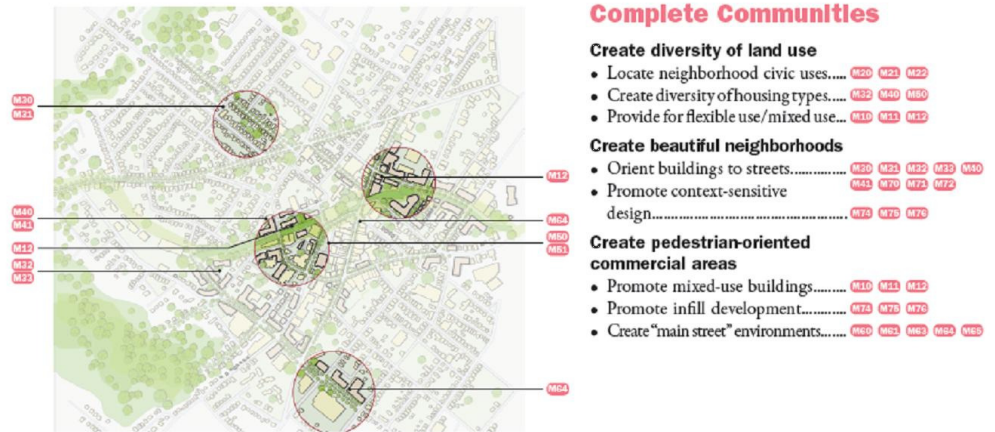
The requirements of the State Environmental Quality Review Act (SEQRA) are also essential but too often lead to protracted delay and indecision even when smart, desirable economic development is proposed. Businesses leaders regularly cite the unpredictability of the SEQRA process as a hindrance. The County can partner with NYS DEC and other interests to advance recommendations and procedures to improve effectiveness and predictability when actions are subject to SEQRA review. This should be matched to a municipality's preferred land uses as defined in their Plans as well as matched to the Priority Growth Areas element of the County Comprehensive Plan.

### *Intermunicipal Cooperation*

Municipalities can often find ways to cooperate in the interest of attracting businesses or cutting costs. One of the most effective ways to do this is by sharing services. A shared service agreement, such as for extension of water or wastewater services from a city or village into its surrounding town, or shared police services between a village and a town, can often provide the same or better level of service while cutting costs for the municipalities involved. Municipalities can encourage businesses, churches, public buildings and other entities in downtown areas to adopt shared parking agreements; these agreements allow those entities access to additional parking without having to construct it themselves, keeps parking areas full at times other than when the use to which they are attached is operating, and encourages foot traffic in downtown areas. These and similar ideas are examined throughout the code review and discussions with elected officials.

## Municipal Code Review

To conduct this code review, we first had to determine code and plan measures that are strongly associated with healthy business environments. According to the National Main Street Center, merchants in traditional downtown areas that have a coordinated Main Street strategy can double their sales, receipts and revenue compared to their earnings prior to adopting these strategies. A downtown with a design strategy—storefront awnings, street trees and streetlights, benches, wide sidewalks, municipal or shared parking lots and on-street parking, among other components—is more likely to generate foot traffic for its merchants because the downtown area itself is a pleasant place to walk.



## The Orange County Design

Manual includes a number of methods and tools that our municipalities can incorporate into a coordinated downtown development strategy. The Design Manual will be online shortly; the paper version and many other resources are available from County Planning.

## Findings

Too often, codes are out-of-date or include redundant and complicated language that does not support a culture for smart desirable business. For example, the audit revealed:

- Although mixed uses exist and are desirable in many locations, often codes limit or prohibit these uses.

*This is important because:* Mixed uses are a good way for a municipality to provide affordable housing for its workforce and ensure that there is activity in the downtown area at all times of the day. Increased street activity in walkable communities has been shown to decrease rates of both property and violent crimes, increase community and civic engagement, increase social equity for people without cars, and improve physical and mental health. Also, developing mixed uses in downtowns lessens the environmental impact of those uses, due to the existence of water and sewer infrastructure, power, trash pickup and other services.

- Every municipality in the County other than the Village of Kiryas Joel and the Town of Wallkill either permit shared parking arrangements for businesses on the same or adjacent lots or provide at least one municipal parking lot.

*This is important because:* Shared or public parking lots in downtown areas allows for more foot traffic for businesses in those areas. Additionally, shared parking measures reduce the paved area in municipalities, limiting the amount of stormwater runoff.

- Most municipalities require a minimum number of parking spaces in their codes, as opposed to a median or maximum number. Also, the formulas for determining the number of parking spaces are generally weighted toward providing excess spaces.

*This is important because:* Parking lots are usually designed for the heaviest use of a commercial building. Most of the time, those spaces are unused but must still be maintained with lighting, surface repair and plowing and sanding. Increased public parking and transit allow businesses to reduce their parking spaces, allowing landscaping, transit and pedestrian access, onsite stormwater management and decreased maintenance costs.

- Most of the municipalities in the County have a “downtown” area, where businesses are concentrated and residents can meet many of their commercial needs, ranging from medical and professional offices to retail. In the towns, these areas are usually historic hamlets, such as Pine Bush or Campbell Hall

*This is important because:* Typically, the physical infrastructure needed to support businesses already exists in the hamlets, villages, and city centers. Orange County Planning has identified “Priority Growth Areas”—places where we encourage municipalities to direct development activity—based partly on the presence of infrastructure. Targeted investment can increase the capacity and efficiency of existing infrastructure systems without the cost of constructing new systems. Investing in infrastructure improvements can increase the economic development capacity of these areas without substantially increasing traffic, water, sewer and other problems associated with development.

- Agriculture is a permitted use and recognized as a commercial use in nearly all towns in Orange County but prohibited or limited in most of the villages and all three cities.

*This is important because:* Agriculture is a key industry in Orange County, with revenue of about \$73.7 million in agricultural products, according to the 2007 Census of Agriculture. Also, our farms provide much of the scenic beauty of the County and contribute to our quality of life; about 15% of the County’s land area is actively farmed, and most of our 642 farms are family-owned and managed. However, agricultural operations require large amounts of land area, which is not readily available in denser areas like cities and villages.

- More than half of the municipalities in the County have more special or conditional uses than permitted uses in their commercial zones.

*This is important because:* Conditional or special uses require a review and permit from the municipal Planning Board, which adds expense and time to the development process. Conditional or special uses are prudent in many cases; some businesses or business categories need specific site conditions that are not available on every parcel, and many parcels are not able to support all businesses in a general category. However, in other cases, many conditional or special uses are similar enough to permitted uses in the same zone that the special uses could become permitted uses without detriment to the municipality; allowing those uses as of right would allow municipalities to streamline their permit approval process, reducing their costs and costs to developers in their municipalities.

### ***Economic Development Survey of Municipal Elected Officials***

In 2011, the Planning Department and Planning Board developed a short survey to administer to elected officials in all 42 of the County’s municipalities. Their responses led to the findings on the following page; recommendations based on these findings are at the end of this section.

## Findings

- Many of the County's rural municipalities have water surpluses, but lack funds to provide central water distribution—pipes, water treatment, etc.—and construct or expand sewer treatment facilities.
- Many of the more populated or more densely populated municipalities have issues with water supply or sewer treatment capacity, and have additional issues with traffic and road infrastructure.

*This is important because:* Infrastructure capacity is often the deciding factor in business construction or relocation. If Orange County cannot provide sufficient infrastructure, businesses looking to locate here will go elsewhere, and existing businesses looking to expand will leave the County.

*Possible Solutions Include:* Creating and funding a Capital Improvements Program for municipal infrastructure projects; dedicating a County bond issue toward infrastructure projects; providing technical assistance and support to municipalities for loan and grant applications; funding intermunicipal water connection projects such as those recommended in the County Water Master Plan.

- Municipalities in Orange County along the Thruway or the Metro-North line tend to be bedroom communities for commuters who work in Westchester, Rockland, New Jersey and New York City.
- The majority of Orange County's out-of-county commuters travel alone in a personal vehicle.

*This is important because:* High volumes of traffic and long commute times can decrease perceived quality of life for commuters. Some commuters enjoy the community of public transit and the ability to use their travel time efficiently, and are able to schedule their trips on public transit. However, existing public transit options are not often considered by Orange County commuters as a viable alternative to driving. Improvements like more frequent trains and buses, and additional park-and-ride capacity for commuter buses and carpools would increase ridership in Orange County, the northernmost member of the Metropolitan Transit Authority.

*Possible Solutions Include:* Creating a central electronic resource for Orange County commuters to arrange carpools; working with Metro-North and the various bus lines serving the County to increase the frequency of transit services or otherwise improve transit options; opening additional park-and-ride lots for commuters who carpool. This may include construction of new parking lots, or implementing shared parking agreements with businesses and organizations that have unused parking capacity during standard commuting hours.



In 1999, the Orange County Partnership Infrastructure Subcommittee studied the issue of infrastructure capacity for its long-term impacts on economic development activity; they made many recommendations to the County and its municipalities, which were recognized but not acted upon. We continue to recommend that the County: find solutions for traffic bottlenecks like the Harriman Thruway exchange; seek alternative energy sources to reduce costs and environmental impacts; assist municipalities to develop agreements for shared services; help improve sewer capacity and delivery systems; and evaluate existing business parks, commercial zones and industrial sites for development potential, and assist in developing Generic Environmental Impact Statements for suitable sites, which will save time and money in the development process and help municipalities address issues both on and off those sites. We further recommend continued advocacy on the part of the County toward the removal or reformulation of New York State regulations and mandates that constrain economic development in our municipalities.



## ***Orange County in the New Economy***

Our health care industry continues to be one of our economic strengths, with the approval of Touro College of Osteopathic Medicine and other potential medical and nursing schools. Manufacturing will benefit from the trend in public funding to reward manufacturers who keep their operations in the U.S.; technology will benefit from the international trend toward the knowledge-based economy. Agriculture in Orange County takes advantage of the local food movement, bringing locally grown food to farmers' markets and creating "pick-your-own" and farm share programs such as CSAs (community-supported agriculture), and has the potential to expand into niche markets like organic produce. The arts continue to grow in Orange County with coordinated efforts to increase visibility in New York City and improve local exposure by creating an "arts culture" in the area. Tourism can reinforce the efforts of all these key industries by attracting new visitors and residents to the County through reinvestment of some of the County's bed tax in the tourism program.

Although the slow economic recovery has had a prolonged negative impact on the County, as it has everywhere else in the nation, the five industries that we have chosen to highlight in this strategy will be able to reinforce each other and to some extent support the other industries of Orange County through the remaining period of recovery and into a strong and robust economy.

## ***Orange County in 2020***

When the recommendations in this strategy are adopted and implemented, we can expect:

- Job growth
  - ◇ Manufacturing and technology are likely to see growth in green industries, based on government investment priorities at this time. Alternative energy technology, biotechnology, and improvements to reduce carbon emissions in manufacturing processes will be key elements for industry growth, although retention of our existing manufacturers is also vital. Attraction of energy and biotechnology manufacturers could result in job growth in this sector of up to 15%, providing up to 1,200 new jobs.
  - ◇ With Touro College opening in the fall of 2015 with approximately 500 students, we can reasonably expect up to a 10% increase in medical-sector employment, providing a possible 2,000 new jobs in faculty, residency program management, school administration, and services. Also as the population ages, we will need visiting nurse services, home monitoring systems and housing retrofits, creating jobs in nursing, construction, and IT to serve the 55,000 residents in 2020 who will be age 65 or over.
  - ◇ Investment of 5% of the County "bed tax" revenue in promotion could lead to a tourism increase of 20% by 2020, more than 5 million visitors, and increase tourism jobs by up to 12%, or 1,000 new jobs.
- Revenue can be expected to grow for all key industries
  - ◇ Agriculture can expect to increase its revenue due to increased production and distribution of value-added products such as baked goods and jams for fruit growers or cheeses for dairy farmers, which would result from construction of time-shared or traveling commercial kitchen operations.
  - ◇ Increased marketing activities for artists, film and local art will increase revenue, particularly when combined with other industries, such as plein air painting workshops on local farms or art therapy or performances in hospitals and other skilled care-facilities.

## GENERAL RECOMMENDATIONS

A number of the recommendations in the following section are procedural, intended to make economic development more uniform and efficient across the County. Many of the issues raised in this strategy and supporting documentation require further study or cooperation from an outside agency, but implementation of these recommendations will put Orange County on a sound footing to ensure our economic health not only through this recovery period, but also through the next economic crisis we face. In all the recommendations throughout this strategy, if Planning is not listed as a responsible agency, we are still available and willing to assist as needed.

### SHORT-TERM RECOMMENDATIONS—ACTIONS TO BE COMPLETED

#### WITHIN SIX MONTHS TO ONE YEAR FOLLOWING ADOPTION OF THIS STRATEGY

- Implement a coordinated review process among County agencies for reviewing development actions as required by New York State General Municipal Law Section 239, Health code, and other County obligations.
  - ◇ *Responsibility:* Orange County Planning, County Departments of Health and Public Works
  - ◇ *Cost:* Low
- Evaluate the existing “shovel-ready” sites in the County to ensure that all necessary services are provided. Assist partner agencies to work with municipalities in expanding and maintaining the list of Shovel Ready sites.
  - ◇ *Responsibility:* Orange County Office of Business Assistance, Orange County Partnership, Alliance for Balanced Growth, with County Planning
  - ◇ *Cost:* Low
- Give municipalities the results of the code and plan audit done for this strategy. Meet with interested municipalities to help them develop strategies to improve their downtowns and business districts.
  - ◇ *Responsibility:* County Planning
  - ◇ *Cost:* Low
- Institute an annual meeting—convened by the County Executive with the OC IDA and OC Partnership—of economic development-related interests, including County Planning, Orange County Tourism, the Association of Mayors and Supervisors, the Alliance for Balanced Growth, the Orange County Citizens Foundation, and others in order to discuss and resolve issues related to economic development activity in Orange County.
  - ◇ *Responsibility:* County Executive with OC IDA, OC Partnership
  - ◇ *Cost:* Low
- Update the inventory of all government-owned property in Orange County; assess any vacant property for its development potential; work toward the “highest and best” use of those properties.
  - ◇ *Responsibility:* Orange County Office of Real Property and County Planning
  - ◇ *Cost:* Low to moderate
- Determine barriers that exist for smart and desirable business development in Orange County; these barriers may include outdated and complicated code language, operational costs, and so on. Assist municipal officials to identify problems and solutions specific to their municipalities.
  - ◇ *Responsibility:* County Planning, the County Municipal Planning Federation.
  - ◇ *Cost:* Low
- Establish a web portal of comprehensive information of policies, codes, and permits needed by businesses, entrepreneurs and others. Build this from the new municipal resources page of the Planning Department website.
  - ◇ *Responsibility:* County Planning, OC Partnership
  - ◇ *Cost:* Low

- Assist municipalities to evaluate their existing business parks and potential sites for future nonresidential development; Generic Environmental Impact Statements may be developed for those sites.
  - ◇ *Responsibility:* OC Partnership, Alliance for Balanced Growth with County Planning, and OC IDA
  - ◇ *Cost:* Low to moderate
- Help municipalities develop shared services agreements to reduce costs, as has occurred in the Town and Village of Warwick.
  - ◇ *Responsibility:* County Planning, other agencies as required
  - ◇ *Cost:* Low to moderate
- Develop model zoning and subdivision codes and language for municipal plans to support smart, desirable business uses. Provide language and technical assistance to municipalities.
  - ◇ *Responsibility:* County Planning with Orange County Association of Towns, Villages and Cities (OCATVC) and County Municipal Planning Federation
  - ◇ *Cost:* Moderate
- Direct County support and outside resources to projects and municipalities that support these actions.
  - ◇ *Responsibility:* County Executive with County Planning and County Planning Board, START / planning grants program
  - ◇ *Cost:* Moderate to high

### **MEDIUM-TERM RECOMMENDATIONS—ACTIONS TO BE COMPLETED WITHIN ONE TO TWO YEARS**

- Maintain the existing map of technology infrastructure created by New York State for use in marketing.
  - ◇ *Responsibility:* County Planning with Orange County Department of Information Technology
  - ◇ *Cost:* Low
- Develop industry-specific economic strategies for key industries in Orange County.
  - ◇ *Responsibility:* TBD
  - ◇ *Cost:* Low to moderate
- Assist municipalities to evaluate their procedures for new development, new construction activity and reuse of existing structures. Develop “best practices” models and make available to all municipalities.
  - ◇ *Responsibility:* County Planning with County Municipal Planning Federation
  - ◇ *Cost:* Low to moderate
- Create and dedicate strategic small planning grants to downtown revitalization projects.
  - ◇ *Responsibility:* County Executive with County Planning Board
  - ◇ *Cost:* Moderate
- Develop incentive programs for shovel ready sites, adaptive reuse of existing facilities, green infrastructure, and downtown revitalization activities.
  - ◇ *Responsibility:* Orange County IDA, Orange County Partnership, County Planning
  - ◇ *Cost:* Moderate (refers only to cost of developing and administering program)
- Develop solutions for existing traffic bottlenecks and other traffic problems.
  - ◇ *Responsibility:* Orange County DPW, NYS DOT, County Planning Transportation Division
  - ◇ *Cost:* Moderate (does not include capital costs or other costs of improvements)

- Market our quality of life to businesses and education facilities not currently located in Orange County.
  - ◊ *Responsibility:* County Tourism, OC Partnership, and others such as Orange County Land Trust, Cornell Cooperative Extension and Orange County Chamber of Commerce.
  - ◊ *Cost:* Moderate to high
- Assist municipalities in attracting visitors to their downtowns by increased tourism marketing, increased public transit options, and designing Complete Streets for a better pedestrian experience.
  - ◊ *Responsibility:* County Tourism, Orange County Partnership, Orange County Citizens Foundation, and others including County Planning, Orange County Chamber of Commerce, with municipalities
  - ◊ *Cost:* Moderate to high
- Improve water and sewer capacity and delivery in existing public systems; the County’s designated Priority Growth Areas shall be the County’s first priority for capacity and service improvements.
  - ◊ *Responsibility:* OCWA, County Planning, DPW, existing municipal system service providers
  - ◊ *Cost:* Moderate to high

**LONG-TERM RECOMMENDATIONS—ACTIONS TO BE COMPLETED WITHIN THREE TO FIVE YEARS  
FOLLOWING ADOPTION OF THIS STRATEGY**

- Evaluate results of all economic development work done as part of this strategy. Revisit this strategy with these results in order to capitalize on our successes and revise our less-successful programs.
  - ◊ *Responsibility:* County Executive with County Planning, OC Partnership, OC IDA
  - ◊ *Cost:* Low
- Work with interested municipalities to create Arts Districts in accordance with New York State programs.
  - ◊ *Responsibility:* County Tourism with OC Arts Council and OCATVC
  - ◊ *Cost:* Low to moderate
- Work with New York City’s “Silicon Alley” businesses to bring manufacturing facilities to Orange County.
  - ◊ *Responsibility:* OC Partnership, OC IDA with support from Central Hudson, Orange & Rockland, and other utility companies.
  - ◊ *Cost:* Moderate to high
- Encourage “visiting scholar” programs at colleges with art, medical and other schools in New York City.
  - ◊ *Responsibility:* County Executive with OC Partnership, Orange County Chamber of Commerce, County Office of Business Assistance, Orange County Arts Council, Orange County Citizens Foundation, SUNY Orange, Mount Saint Mary College, and other County businesses and nonprofits
  - ◊ *Cost:* Moderate to high
- Encourage development of industry-specific business clusters to support our existing key industries.
  - ◊ *Responsibility:* OC IDA, Orange County Partnership, County Planning
  - ◊ *Cost:* Moderate to high
- Establish an infrastructure fund—matching local, state, federal or private sources—to support the actions recommended as part of this strategy.
  - ◊ *Responsibility:* County Executive with Orange County Legislature, OC IDA. County Planning Board
  - ◊ *Cost:* High

## THE INDUSTRY APPROACH

We determined early in our analysis of the existing Orange County economy that, while there is substantial industry diversity throughout the County, there were five industries that show both strong growth potential within the industry and increased economic activity in related industries: manufacturing and technology, medical/health care, tourism, arts, and agriculture. We recognize that there are other industries that contribute significantly to Orange County's economic health and well-being. However, the five industries in the County that we have chosen to highlight in this strategy all have history in the County and have already developed industry clusters, which increase the impact and importance of those industries.

Industries are specific branches of manufacturing, trade, or service. Businesses related to these specific industries often spring up in the same geographic area, such as doctors' offices near hospitals; related and interconnected businesses in the same area are often referred to as an industry cluster. Development of industry clusters is desirable; associated businesses that are related to the primary industry, such as art supply stores or machine shops, often meet a need that allows the primary industry to operate or expand, and clusters can often be adapted to new uses when the needs of their industry change. For example, dairy farm supply stores that specialized in large-animal feed, milking machines, and dairy packaging supplies shifted their product lines to seeds, mulch and fertilizer when Orange County farms shifted toward vegetable and fruit cultivation.

In order to achieve our goals of attracting and assisting businesses and strengthening key industries, the County must assist our identified key industries to define their clusters and to work more efficiently toward maximizing the benefits of the industry cluster while not eliminating the benefits of industry competition. In order to best assist our key industries, the County will work with the Council of Industry, the Orange County Chamber of Commerce and business leaders in each industry to develop "cluster plans" that will allow the businesses in each key industry to thrive and will allow the industry to attract businesses that will contribute to development of a cluster. We have chosen to focus on the manufacturing and technology, medical, tourism, arts, and agriculture industries as key to the Orange County economy for the following reasons:

*Manufacturing and Technology*—Manufacturing and technology are natural industries for Orange County due to our expanse of land and extensive transportation network. Manufacturing is our third largest industry, earning over \$2.3 billion in revenue. Technology businesses have tremendous growth potential as we live in an increasingly electronic world, and a key component of the technology industry is biotechnology. We are ideally poised to take full advantage of this industry, given our existing manufacturing infrastructure and health care network.

*Medical*—Health care is our fourth-largest industry; in 2007, the industry generated \$1.5 billion in revenue and supported over 16,000 jobs. Medical offices account for over half the Class I office space built in Orange County since 2000, and in 2011, Orange Regional Medical Center in Wallkill became the first new hospital built in New York State in the last 20 years. The Mid-Hudson Regional Economic Development Council has determined that the medical industry, due primarily to our large medical community that represents a diverse range of specialties, is Orange County's primary industry, and therefore may assist the County to attract new medical businesses and support businesses to the County.

*Tourism*—Over four million visitors came to Orange County in 2010. According to New York State, visitors to Orange County spent over \$384 million in 2010, which supported 8,635 jobs and contributed over \$2.6 million directly to the County through the hotel occupancy tax. In 2009, Orange County instituted a 5% hotel occupancy tax, which generated a total of over \$5.3 million in 2010 and 2011 directly for the County General Fund, and the visitors that stayed overnight generated further revenue through sales tax on their purchases. Research has shown that overnight visitors spend an average of four times the money spent by a visitor on a day trip. Increasing the number of overnight visitors to the County will not only generate additional direct revenue through the hotel tax, but will also increase sales tax revenue from associated visitor spending.

*Arts*—The 2007 Economic Census shows nearly 2,000 artists and arts businesses in Orange County, earning over \$145 million in revenue. This represents an increase from the 2002 Economic Census of more than 600%, a demonstration of phenomenal growth for this sector. Orange County is the home of many world-class visual and performing arts companies and other businesses. The arts make an important contribution to our quality of life, and they are also key to our economic growth in that the arts and arts-related businesses in Orange County, as identified by the Creative Industries program of Americans for the Arts, account for over 3,100 jobs as of January 2012.

*Agriculture*—Orange County’s traditional way of life for centuries contributes strongly to our quality of life, and is the largest nonresidential land use (in acres) in the County. According to the 2007 Census of Agriculture, the County’s 642 farms sold \$73.7 million worth of agricultural products, and ranked 4th in New York State out of 59 agriculture-producing counties for vegetable sales. The industry has grown in recent years; revenue from farm product sales increased about 11% between the 2002 and 2007 Censuses of Agriculture, only partly due to inflation. Strong potential exists for growth in organic farm products and value-added products like fruit pies from an orchard or cheese from a dairy farm.

Orange County is home to many industries that do not fall into these five categories, and many of these other industries are thriving and worthy of our support. We have chosen to focus on strengthening these five industries, so that they will continue to grow and support their industry clusters, and allow us to evaluate how we can help other industries in the future.



## **MANUFACTURING AND TECHNOLOGY**

Manufacturing and technology in Orange County benefit from our unique ability to move goods quickly throughout the Northeast, the nation, and the world; our large amounts of undeveloped industrial land suitable for factory location; and our proximity to the New York City market.

### *Flexible Industrial Space*

Manufacturing and distribution are dependent upon the availability of industrial space, suitable either for manufacturing or for temporary storage of goods prior to transport. In Orange County, when one mentions “industrial space”, one’s thoughts generally turn to the large warehouse and distribution centers that dominate the County’s industrial areas. These buildings generally are between 50,000 and 1,000,000 sq. ft. in size, have ceiling heights between 22’ and 40’, and have a large number of loading docks. Another less visible category of industrial space is space suitable for relatively smaller industrial users who need between 2,500 sq. ft. up to around 50,000 sq. ft. Often referred to “flexible” space, this category of space is often located in buildings designed to accommodate more than one occupant, and means that the air conditioned office and high-tech space within the building can range from zero up to 100%. This requires the site to have more parking spaces per 1,000 sq. ft. of building area because office and high-tech space generally requires two to four times as many parking spaces as does general industrial space.

### *Potential for Development in Technology Industry*

Orange County has the opportunity to create new and expand existing research and development facilities for technological advancement, and expand the research and development network through the use of traditional venture capital financing as well as new micro-lending or “crowdfunding” financing, such as the philanthropic models of Kickstarter and Donors Choose (sites that allow small donations to specific projects, which then accumulate until the project goal is reached). Changes in financing structure are especially helpful for small technology startups. Crowdfunding or micro-lending initiatives are helpful for technology companies, in that crowdfunding requires the entrepreneur to refine his idea and sales pitch to the point where the idea can be grasped quickly by many people; users of crowdfunding websites are often more technologically oriented than the average venture capital firm, which often makes those users receptive to technology ideas and innovations; and crowdfunding or micro-lending relies on the cumulative effect of small donations rather than a large single cash infusion, the risk to investors is negligible.

### *Laboratory Facilities*

Technology requires experimentation and testing, like all science industries. Technology with biological or agricultural applications in particular requires laboratory facilities, including “wet labs” where chemicals, drugs, biological material or other matter are handled in liquid solutions or volatile phases. Such labs do not handle biohazards with more than a minimum potential risk of hazard to researchers or the environment, but they do require direct ventilation and specialized piped utilities such as water and various gasses. Wet lab facilities are necessary for research and development, but should naturally be very carefully located in order to minimize even the slight potential of risk associated with these facilities.

Based on these analyses and those contained in the supporting documentation for this strategy, we recommend the following actions specific to the manufacturing and technology industry.

## Recommended Actions

- Develop list of existing flexible industrial buildings; include list as part of public education program about benefits of industrial development.
  - ◇ *Responsibility:* County Department of Real Property, County Planning, OC Partnership, Hudson Valley Pattern for Progress, Empire State Development Corporation.
  - ◇ *Timeframe:* Short
  - ◇ *Cost:* Low
- Work with New York State Department of Transportation to keep all planned improvements on schedule.
  - ◇ *Responsibility:* Orange County Legislature, Orange County Office of Business Assistance, County Planning Transportation Division/Orange County Transportation Council
  - ◇ *Timeframe:* Short
  - ◇ *Cost:* Low to moderate (does not include cost of capital improvements)
- Implement the recommendations of the affordable housing section of the Orange County Comprehensive Plan 2010 Update to attract technology companies and young, single-income workers.
  - ◇ *Responsibility:* County Planning
  - ◇ *Timeframe:* Short
  - ◇ *Cost:* Low to moderate
- Develop funding programs to finance small business startups, possibly including a crowdfunding capital management website, capital investment fund or revolving loan program.
  - ◇ *Responsibility:* County Planning, OC IDA, Hudson Valley Economic Development Council (HVEDC)
  - ◇ *Timeframe:* Short
  - ◇ *Cost:* Low to moderate
- Assist Port Authority of New York and New Jersey to implement Stewart Capital Improvement Program.
  - ◇ *Responsibility:* County Planning, OC IDA, OC Partnership, Towns of New Windsor and Newburgh
  - ◇ *Timeframe:* Short; ongoing
  - ◇ *Cost:* Moderate to high
- Partner with existing small businesses in the County to increase technology offerings, particularly green infrastructure and technology such as the development of alternative energy sources.
  - ◇ *Responsibility:* County Office of Business Assistance, OC Partnership, County Chamber of Commerce
  - ◇ *Timeframe:* Short to medium
  - ◇ *Cost:* Moderate
- Increase facilities and opportunities for small technology startups to share office space, services, and labs.
  - ◇ *Responsibility:* OC IDA, OC Partnership, County Chamber of Commerce
  - ◇ *Timeframe:* Short to medium
  - ◇ *Cost:* Moderate
- Develop specialized workforce training for technology jobs with school districts, BOCES, and colleges.
  - ◇ *Responsibility:* County Planning, OC Partnership, SUNY Orange, BOCES, Mount Saint Mary College
  - ◇ *Timeframe:* Medium
  - ◇ *Cost:* Moderate



## **MEDICAL AND HEALTH CARE**

The medical industry has grown significantly in Orange County over the last ten years. From 2002 to 2007 as measured by the Economic Census, the number of health care establishments more than doubled, and their revenue increased by nearly 50%. This trend has continued to the present; more than half of the Class A office space constructed in Orange County in the last ten years has been occupied by medical offices. Orange Regional Medical Center (ORMC) in the Town of Wallkill, opened in August 2011 and consolidating operations from its two previous locations, is the first new hospital to be constructed in New York State in the last 20 years.

Medical facilities are located throughout the county with reasonable equity. Although there are clusters of offices around hospitals and in our larger or denser population centers, notably the “Medical Mile” on Crystal Run Road in the Town of Wallkill, most residents of Orange County have a medical care facility within 10 miles of their home. The Cities of Newburgh and Port Jervis have hospitals within their borders, ORMC is within two miles of the City of Middletown, the Village of Kiryas Joel opened a women’s health center in 2008, and urgent care clinics and hospitals are located in the Village of Warwick, the Town of Monroe, the Village of Highland Falls, the Town of Cornwall and the hamlet of Pine Bush, among other locations.

The City of Middletown has completed the final approval process for Touro College to open a medical school at the Horton Hospital campus formerly operated by ORMC; when fully operational, the medical school is expected to enroll more than 500 students and occupy up to 110,000 square feet of the existing complex, with the remaining space potentially devoted to other health science-related schools. Mount Saint Mary College in Newburgh offers an accredited Bachelor of Science in Nursing degree, a Master of Science in Nursing and post-master’s certifications for adult nurse practitioners and family nurse practitioners.

### *Current Challenges and Strategies*

The aging of the Baby Boom generation and the national focus on health care has brought much attention to the medical industry and its practices. By 2015, Orange County will be home to a projected 93,259 Baby Boomers aged 50 to 69. Aging brings increased health problems for all people; however the sheer size of the Baby Boom generation, increased health care costs for all services, and the changing face of Medicare and other forms of health insurance will all have serious lasting effects on the medical industry in Orange County. We should anticipate a substantial increase in people suffering from age-related conditions such as heart disease, diabetes, Alzheimer’s Disease and other forms of dementia, and most forms of cancer. Further, as the population ages, we will require more home-based healthcare solutions such as visiting nurse services, home-based monitoring systems and accessibility retrofits for housing. Primary care physicians that accept Medicaid and low-income patients, pediatric and adolescent sub-specialties, behavioral health care for all ages, orthopedists, and dental care and preventive education are all areas in which Orange County needs more providers. Comprehensive electronic medical records will be necessary, to ensure that all members of group practices have patients’ full medical histories and to reduce duplication of services and inefficiencies of care. Other issues related to poverty and language barriers also need to be part of the discussion, such as the need for intra-and inter-county transit services to ensure that patients can get from one facility to another, and the need for health care providers to be representative of the populations they serve. Attracting an additional medical or nursing school to the County will help fill our service gaps.

## Recommended Actions

- Develop additional recommendations with assistance from the medical community as a supplemental report to this strategy, together with a plan for achieving the goals stated therein.
  - ◇ *Responsibility:* County Planning, County Office of Business Assistance, OC Partnership, Orange County Citizens Foundation (OCCF) Health Care Committee
  - ◇ *Timeframe:* Short term
  - ◇ *Cost:* Low
- Increase and improve home-based and intermediate care facilities for the elderly and disabled, such as visiting nurse services, home health aide services, and adult day care programs.
  - ◇ *Responsibility:* County Health, Orange County Office for the Aging, County Planning with assistance from the Orange County Long Term Care Council
  - ◇ *Timeframe:* Short to medium term
  - ◇ *Cost:* Low to moderate
- Organize existing medical transportation routes into intra-county medical route for low-income, elderly and disabled persons to access medical treatment in multiple municipalities.
  - ◇ *Responsibility:* County Health, County Office for the Aging, County Planning Transportation and Transit Division/Orange County Transportation Council, OCCF
  - ◇ *Timeframe:* Short to medium term
  - ◇ *Cost:* Moderate to high
- Assist with recruiting and retention of primary and specialty care providers prepared to work with the low-income and immigrant populations of the County, specifically primary care providers (including nurse practitioners) fluent in Spanish, French and Creole.
  - ◇ *Responsibility:* County Health, OC IDA, OC Partnership, OCCF Health Care Committee, other medical employer representatives
  - ◇ *Timeframe:* Medium term; ongoing
  - ◇ *Cost:* Low to moderate
- Engage medical facilities and workforce development agencies in strategies to attract and retain skilled workers, including skilled nurses and other skilled labor, IT workers, urgent and emergency room care.
  - ◇ *Responsibility:* County Planning, County Health, County Office of Business Assistance, OC Partnership, OCCF Health Care Committee, other medical employer representatives
  - ◇ *Timeframe:* Medium to long term
  - ◇ *Cost:* Moderate
- Attract additional medical, dental, or nursing educational facilities to Orange County.
  - ◇ *Responsibility:* County Planning, County Health, OC IDA, OC Partnership
  - ◇ *Timeframe:* Medium to long term
  - ◇ *Cost:* High

## TOURISM

The scenic beauty and well known destinations of the Hudson Valley continue to help the tourism industry grow in Orange County. Home to three of the top five tourist attractions in New York State outside New York City (the United States Military Academy at West Point, Woodbury Common Premium Outlets, and Orange County Choppers), the county also boasts an excellent collection of wineries, historic sites, museums, farmers markets, farm to fork restaurants, parks, outdoor recreation, fairs, festivals, and events.

One in twelve United States residents lives within driving distance of Orange County. Located just fifty miles from Manhattan, many come from the New York City metro area for experiences not found in an urban setting: wineries, apple picking, hiking, canoeing and rafting, and more. Those traveling from further distances come to visit the county's one-of-a-kind attractions such as Storm King Art Center, West Point, and Sugar Loaf Craft Village.



Tourism as a whole has a significant impact on the economy of the county. In 2012, more than 4 million tourists visited Orange County, spending over \$430 million. This relative windfall contributed \$28,785,397 in local taxes, lowering personal tax bills of residents. Overnight visitors to Orange County also paid the hotel occupancy tax, or “bed tax,” of 5% instituted by the County in 2009. In 2010, this tax generated over \$2.6 million for the County general fund. In 2012 the figure was \$2,867,763, an increase of 10% over the initial two year period. Over 9,000 people are employed in the tourism industry throughout the County, or 7% of workers in the County. Payroll for workers in the tourism field for 2012 was over \$236 million.

For the county to continue its growth in tourism a broader reach is necessary to increase the number of visitors coming to the County. Since overnight visitors spend four times as much as day trippers, it would pay to invest in promotional programs that cast a wider net beyond the metro area, particularly since tourism offices throughout the northeast vie for hotel guests and the revenue it brings to their counties. Attracting tourists also requires reinventing themes and itineraries to give new meaning to longstanding destinations.

With an additional \$150,000 added to the Tourism Division's promotional budget (approximately 5% of the hotel occupancy tax collected in 2012), Orange County could accomplish the following:

- ✦Banner ads on major media web sites (CBS, NBC, ABC, PBS, etc.) to expand beyond the metro area and into the Philadelphia, Boston, and Washington, D.C. markets promoting hotel stays
- ✦Television spots in the same markets touting Orange County as an overnight, weekend, and week-long destination
- ✦Radio advertising to entice people to spend more than one day
- ✦Attendance at consumer trade shows such as the Travel Show at the Javits Center in Manhattan, and group travel shows such as the American Bus Association
- ✦Advertising in print publications and on their web sites outside of New York State to attract the traveling public

## RECOMMENDED ACTIONS

- Organize a recreational website concentrating on non-motorized transportation with promotions to an urban population. Mapped routes of these trails that include locations of amenities along the way have seen a marked increase in demand.
  - ◇ *Responsibility:* County Tourism, County Planning, Orange County Parks, Orange County Land Trust, OCCF
  - ◇ *Timeframe:* Short
  - ◇ *Cost:* Low to moderate
- create culinary adventure tours centered around wineries, microbreweries, farms, farmers markets, farm to fork restaurants and lodging facilities.
  - ◇ *Responsibility:* County Tourism, County Agriculture and Farmland Protection Board (AFPB), Cornell Cooperative Extension, Hudson Valley Food and Beverage Alliance
  - ◇ *Timeframe:* Short, ongoing
  - ◇ *Cost:* Low to moderate
- Encourage place-based retailers and area Chambers of Commerce to participate in cooperative marketing promotions including printed or online brochures with locations and descriptions of local businesses, plus nearby lodging.
  - ◇ *Responsibility:* County Tourism, County Planning, OCCF
  - ◇ *Timeframe:* Short, ongoing
  - ◇ *Cost:* Low to moderate
- Increase and improve mapping and signage for tourism destinations in the County. These improvements should also encompass mobile and GPS technology.
  - ◇ *Responsibility:* County Tourism, County Planning, with assistance from County IT as needed.
  - ◇ *Timeframe:* Short
  - ◇ *Cost:* Moderate to high
- Design and implement a broad marketing program to increase the County's overnight visitors. The plan would build on the strategic location of the County within the Hudson Valley as a prime getaway destination for the entire Northeast. Emphasis would be placed on the affordability of a reverse commute to New York City where hotel rates have skyrocketed. Measure of success would come through hotel occupancy tax figures.
  - ◇ *Responsibility:* County Tourism
  - ◇ *Timeframe:* Short, ongoing
  - ◇ *Cost:* Moderate to high

- Develop and map water trails along each of the County’s three rivers. Encourage riverfront communities to include facilities for small watercraft such as boat launches, docks, and storage facilities in their waterfront plans to attract more boaters.
  - ◊ *Responsibility:* County Planning, Orange County Land Trust
  - ◊ *Timeframe:* Medium
  - ◊ *Cost:* Low to moderate
  
- Work with museums, historic sites, arts venues and others to create themed destination trails and itineraries.
  - ◊ *Responsibility:* County Tourism with OCCF
  - ◊ *Timeframe:* Medium, ongoing
  - ◊ *Cost:* Low to moderate
  
- Work with municipalities, small businesses and private developers to incorporate amenities, including restrooms and water stations, for walkers, hikers, and bicyclists along the Heritage Trail and other trails throughout the County.
  - ◊ *Responsibility:* County Planning, OC Partnership
  - ◊ *Timeframe:* Medium
  - ◊ *Cost:* Moderate to high
  
- Create strategies to increase experiential tourism so that tourists can do more than just be viewers. Activities such as participating in the cooking demonstrations at Fort Decker, talking to one of the artists at Storm King Art Center, taking a behind the scenes tour of Museum Village, etc., bring the visitor closer to the experience.
  - ◊ *Responsibility:* County Tourism
  - ◊ *Timeframe:* Medium to long
  - ◊ *Cost:* Moderate to high
  
- Identify retail sectors with high concentrations of similar products. These can be turned into trails and itineraries that cover areas such as pottery, antique shops within antique buildings, local processed foods such as maple syrup, etc.
  - ◊ *Responsibility:* County Tourism
  - ◊ *Timeframe:* Long
  - ◊ *Cost:* Low
  
- Work to promote the “shoulder season” (January through March), encouraging sites to offer special events and experiences to increase tourism traffic in these off months.
  - ◊ *Responsibility:* County Tourism
  - ◊ *Timeframe:* Long, ongoing
  - ◊ *Cost:* Moderate

## ARTS

The arts, although long recognized as important to communities, have only recently been recognized as an economic engine, creating jobs and revenue and increasing tourism in an area. In 2010, the National Endowment for the Arts coined the term “creative placemaking” for a process in which partners from public, private, nonprofit and community organizations strategically shape the physical and social character of a neighborhood, town, city or region around arts and cultural activities. Creative places, in turn, foster cultural industries and entrepreneurs that generate jobs and revenue, create new products and services, and attract and retain unrelated businesses and skilled industries.

In early 2010, the Orange County Arts Council formed an Economic Development Committee to examine the impact of the arts as an industry on the economy of Orange County. The result of this committee’s impact study will be a specific economic development plan for the arts in Orange County, expected to be completed in the next two years. Some of the specific objectives of that plan may be met by the Arts and Agriculture working group, formed in 2011 through a series of charettes that addressed ways in which the arts industry and the agricultural industry in Orange County can work more closely and more effectively together.

The Arts Council is exploring a number of ways that the arts can work cooperatively with other industries as an economic engine. The arts can work effectively with our other key industries in a number of ways:

- *Manufacturing and Technology*—Film production is an increasing industry in Orange County, allowing our technology businesses to be on the spot with graphic design, animation, and other technical solutions. We also have several manufacturers in the County that produce scenery, costumes and stage lighting.
- *Medical*—The arts play a well-documented role in the healing process, as a means of therapy, as part of a more relaxing treatment setting, and by allowing patients another means of expressing themselves.
- *Tourism*—Creative communities are a natural draw for tourists. Music festivals, theater productions and gallery shows routinely bring in out-of-town visitors, who often stay overnight.
- *Agriculture*— Arts and agricultural are natural partners in Orange County; both benefit from easy access to New York City, rely heavily on the natural environment, are highly individual, and have similar needs for funding, specialized tools and materials, and marketing.

### Recommended Actions

- Update list of artists and related businesses in Orange County and convert to online public database.
  - ◇ *Responsibility:* County Planning, OC Arts Council
  - ◇ *Timeframe:* short term, with ongoing maintenance
  - ◇ *Cost:* low
- Build online database of farmers and artists who are willing and able to participate in tourist events.
  - ◇ *Responsibility:* County Planning, OC Arts Council, Cornell Cooperative Extension, with assistance from the Wallkill River School as needed.
  - ◇ *Timeframe:* short term, with ongoing maintenance
  - ◇ *Cost:* moderate

- Develop legislative code sections for arts activities in municipalities: one section devoted to film, TV, and video production, one section pertaining to arts markets, and other such sections as appropriate, and offer those code sections to municipalities throughout the County.
  - ◇ *Responsibility:* County Planning, with assistance from OC Arts Council
  - ◇ *Timeframe:* short-to-medium term
  - ◇ *Cost:* low
- Create an arts-focused tourism program, including measures such as coordination between various museums, galleries or other important arts sites throughout the County (e.g. the Seligmann Homestead) and restaurants and lodging facilities for discounted rates and package deals.
  - ◇ *Responsibility:* County Tourism, OC Arts Council, with assistance from County Planning if necessary
  - ◇ *Timeframe:* short-to-medium term
  - ◇ *Cost:* moderate
- Provide technical assistance for projects, plans and grant funding that combine the efforts of the arts industry and other key industries, such as a creative placemaking plan for the County, or an ongoing arts and agriculture program.
  - ◇ *Responsibility:* County Planning, OC Arts Council
  - ◇ *Timeframe:* medium term
  - ◇ *Cost:* moderate to high
- Complete full study of Economic Impact of the Arts in Orange County, to be included as a supplemental report for this strategy and presented to the Orange County Arts Council.
  - ◇ *Responsibility:* County Planning, County Office of Business Assistance
  - ◇ *Timeframe:* medium term
  - ◇ *Cost:* low to moderate
- Complete research and write guidelines for redevelopment of downtowns and Main Streets as arts communities. These guidelines shall be made available to municipalities as a guidance document.
  - ◇ *Responsibility:* County Planning with assistance from OC Arts Council and OCCF
  - ◇ *Timeframe:* medium-to-long term
  - ◇ *Cost:* low to moderate
- Develop an arts-specific program for incubating small businesses, similar to the Business Accelerator.
  - ◇ *Responsibility:* County Planning, OC Arts Council, OC IDA, Orange County Partnership
  - ◇ *Timeframe:* medium-to-long term
  - ◇ *Cost:* moderate to high

## **AGRICULTURE**

Agriculture has been the primary land use in Orange County for over four hundred years. The rich alluvial soil of the Black Dirt region in particular is important to the region due to its suitability for root crops; onions in particular thrive in the mucklands of the Wallkill River Valley. Although the number of farms has decreased steadily over the last twenty years, at the time of the 2007 Census of Agriculture conducted by the United States Department of Agriculture, Orange County had 642 farms, comprising a total of 80,990 acres and producing a total of \$73.7 million of agricultural products sold. 15.59% of all the land in Orange County is in active agricultural production.

### *Orange County Agriculture and its Role in Economic Development*

In 1996, Orange County was the first in New York State to adopt an Agricultural and Farmland Protection Plan. In 2004, the County prepared an Agricultural Economic Development Strategy to help farmers recognize that economic development activities could be easily integrated into their operations and improve their business. The expected outcomes of the strategy, which was never adopted, were to: improve on-farm profitability; enhance agribusiness infrastructure; improve understanding of agriculture as a key economic engine; heighten awareness of agriculture as a community asset; enhance market access for local agricultural products; increase value-added production activity; and engage public and elected officials in the future of agriculture.

Orange County has begun the process to update its Agricultural and Farmland Protection Plan, which will be completed by the end of 2014. The new plan will include a Countywide map of priority farmland and a SWOT (Strengths, Weaknesses, Opportunities, and Threats) assessment, and will consider the 1996 plan, the 2004 Agricultural Economic Development Strategy, the County Comprehensive Plan, the County Open Space Plan and the existing municipal comprehensive plans, zoning laws, land use regulations, economic development incentives, and other local reports and documents. Those considerations will be incorporated into a comprehensive set of recommendations regarding zoning and land use techniques, policies, programs, easements, purchase or transfer of development rights programs, and other options relevant to farmers and citizens throughout the County.

### *Hudson Valley Food Hubs Initiative*

In April 2013, the Local Economies Project of the New World Foundation, working with Hudson Valley Pattern for Progress, released a report analyzing the potential benefits and feasibility of creating a “food hub” in the Hudson Valley. The USDA working definition of a food hub is “a business or organization that actively manages the aggregation, distribution and marketing of source-identified food products primarily from local and regional producers to strengthen their ability to satisfy wholesale, retail and institutional demand.” The Hudson Valley Food Hubs Initiative Research Findings and Recommendations report concluded that Hudson Valley farms and communities could benefit from the development of a regional food hub. This report was generated for the entire Hudson Valley region, defined here as Columbia, Dutchess, Greene, Orange, Putnam, Rockland, Sullivan, Ulster and Westchester Counties, rather than for each individual county. Conversations with Orange County farmers have indicated support for a local food hub; partnering with the other counties in the region may allow for a greater diversity of products while also permitting farmers to obtain greater access to markets, secure more affordable insurance, and obtain access to capital for supply chain infrastructure (such as equipment, vehicles, storage facilities or retail locations). Operating as a group allows the individual farmers in the food hub or food system to obtain volume discounts while retaining their independent operations.



## Recommended Actions

- Identify municipal policies that are helpful or harmful to agricultural practice and industry.
  - ◇ *Responsibility:* County Planning, County Agriculture and Farmland Protection Board (AFPB), Cornell Cooperative Extension
  - ◇ *Timeframe:* short term
  - ◇ *Cost:* low
- Develop educational program regarding agriculture as a land use and as an economic engine. Incorporate elements of USDA's Know Your Farmer Know Your Food program as appropriate.
  - ◇ *Responsibility:* County AFPB, County Municipal Planning Federation, OCCF, BOCES, County Planning
  - ◇ *Timeframe:* short term
  - ◇ *Cost:* low
- Create Agribusiness Retention, Expansion, and Attraction Plan as recommended by the 2004 Strategy. This plan should incorporate the recommendations of the Hudson Valley Food Hubs Initiative Report prepared in 2013, as far as is feasible, and any relevant recommendations of the updated Agriculture and Farmland Protection Plan.
  - ◇ *Responsibility:* County Planning, County AFPB, OCCF, Hudson Valley Agribusiness Development Corporation
  - ◇ *Timeframe :* short to medium term
  - ◇ *Cost:* moderate
- Generate model code and plan language for small- and large-scale agricultural uses.
  - ◇ *Responsibility:* County Planning
  - ◇ *Timeframe:* medium term
  - ◇ *Cost:* low to moderate
- Develop farmer education programs dealing with farm and labor management, small business finances, safety conditions for agritourism, right-to-farm laws, and other topics of interest.
  - ◇ *Responsibility:* County AFPB, Cornell Cooperative Extension, County Planning as needed
  - ◇ *Timeframe:* medium term and ongoing
  - ◇ *Cost:* low to moderate
- Design food hub for Orange County as pilot program for region, which can be expanded to cover multiple counties as required. Begin with strategic plan for distribution, logistics, and marketing.
  - ◇ *Responsibility:* County AFPB, Cornell Cooperative Extension, County Planning as needed
  - ◇ *Timeframe:* medium term
  - ◇ *Cost:* moderate
- Identify and coordinate funding sources for on-farm infrastructure development, value-added processing infrastructure and construction of information and marketing network
  - ◇ *Responsibility:* County Planning, County AFPB, Cornell Cooperative Extension, HVADC
  - ◇ *Timeframe:* medium to long term
  - ◇ *Cost:* low to moderate

## CONCLUSION

Orange County is a great place to live, work, learn, play, create, connect and raise a family, due to our tremendous natural, physical, social and human capital. To protect these forms of capital and maximize benefits to our residents, we must balance economic development and improved quality of life, protecting natural resources and open space while allowing appropriate development in areas where infrastructure exists, and allowing new development without adversely affecting existing development and resources. In order to participate fully as a member of the Mid-Hudson Regional Economic Development Council, and for Orange County to thrive in the new economy, we must also evaluate our existing economic development structure and build on the diverse industries that already exist within the County.

The foundation for this Plan is **START Orange County**. 1. **S**hovel Ready, promote and fast track smart, shovel ready sites. 2. **T**eam Up and collaborate with our communities on strategies to attract jobs and investment. 3. **A**griculture can remain an integral part of our overall economic stability by bolstering farm to market opportunity. 4. **R**eward performance not promises for activities receiving financial support including tax exemptions. And 5. **T**out existing local businesses, big and small.

We can do this through the following four basic goals:

1. **Attract and Assist Businesses**—attract new businesses to Orange County and assist the businesses already here through technical support, business-friendly codes and plans and clearly-defined development policies that protect and enhance our quality of life.
2. **Improve Economic Development Capacity**—increase opportunities for existing business owners to work cooperatively, improve and expand our infrastructure to allow for new businesses to locate and existing businesses to expand without undue strain on other infrastructure users, and create opportunities for research and development of new ideas.
3. **Strengthen Key Industries**—provide technical assistance and access to financial resources for agriculture, tourism, outdoor recreation, arts, medical, and technology businesses and their related businesses.
4. **Create a Supportive Culture for Small Businesses**—as of 2006, small businesses made up 99.1% of businesses in New York State; of the net jobs created in New York State that year, 53.9% (more than 61,000) were in businesses with one to four employees. Small businesses are the backbone of the New York State economy and the economy of Orange County, and much of the creativity and innovation necessary to survive in today's marketplace is born in small companies.

The recommendations in this strategy are applicable to our key industry sectors and for general economic development purposes. They are intended to attract new businesses and improve conditions for businesses that are already here, but not indiscriminately. The primary goal of this strategy is to encourage sustainable, diverse economic development that allows us to protect our important natural and cultural resources while maintaining and enhancing quality of life. As we move forward in this new economy, we look to ensure that the County continues to be a great place, and that we grow to become an even better place to do business.