

PRINCIPLE

The local economy should be enhanced by building on important community assets, such as a highly educated workforce, an entrepreneurial spirit, dynamic academic institutions, and a high quality of life.

Our Education-Centered Economy

Tompkins County is a regional employment center anchored and stabilized by its largest employer, Cornell University. As host to a thriving higher education sector, the community is an attractive location for technological, creative, and information-related enterprises. The quality of life in the community is greatly enhanced by the human, cultural and economic resources of higher education institutions and the students and staff they attract.

Our education-dominated economy has experienced job growth at a rate that exceeds most of the rest of Upstate New York, which has contributed to a high incidence of in-commuting. The educated workforce and high quality of life have contributed to that growth. On the other hand, the typically low unemployment rate in Tompkins County is in part a statistical anomaly created by the large student population. This characteristic often disguises chronic community problems, such as underemployment and poverty.

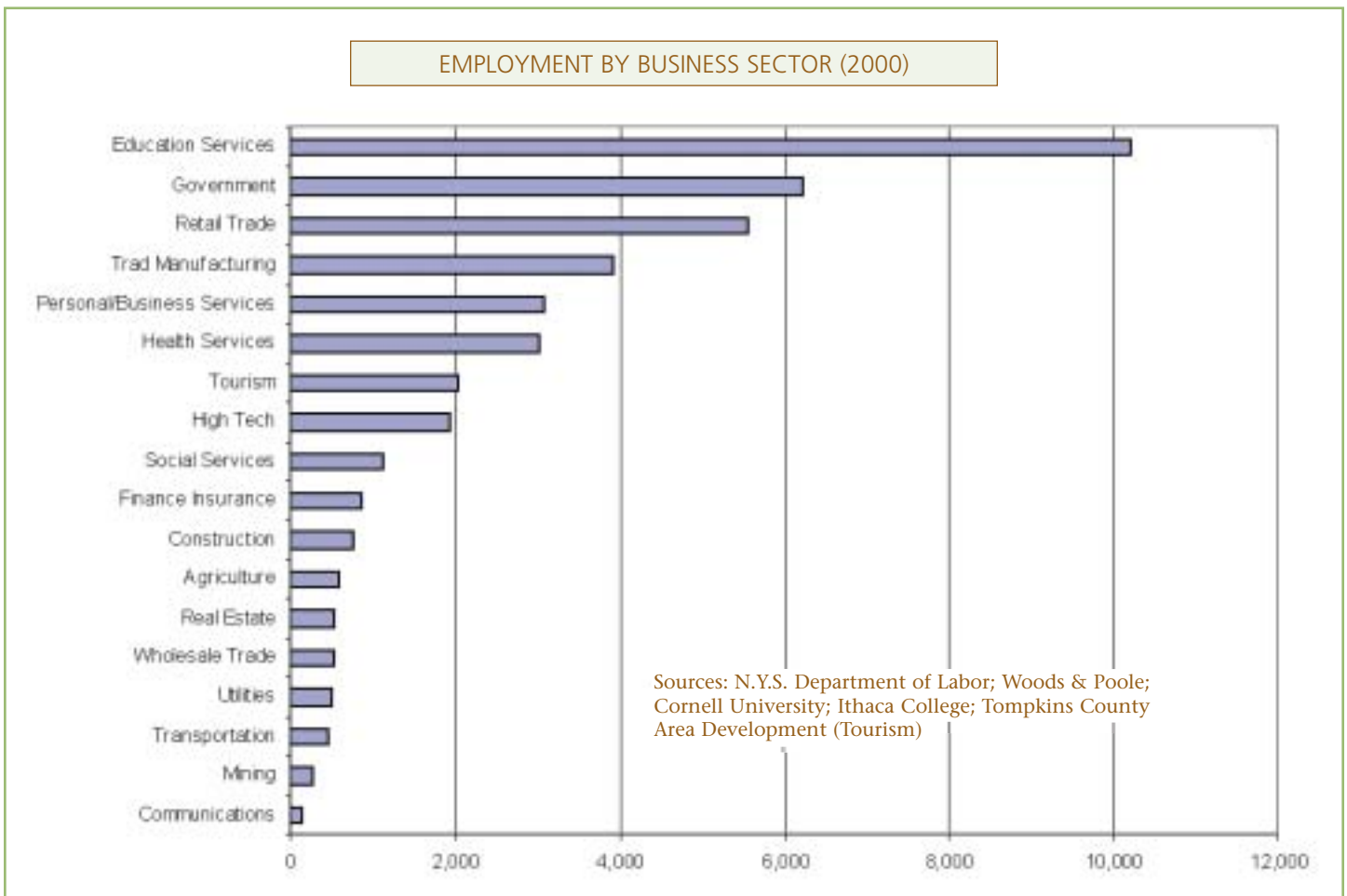
The Local Economic Picture

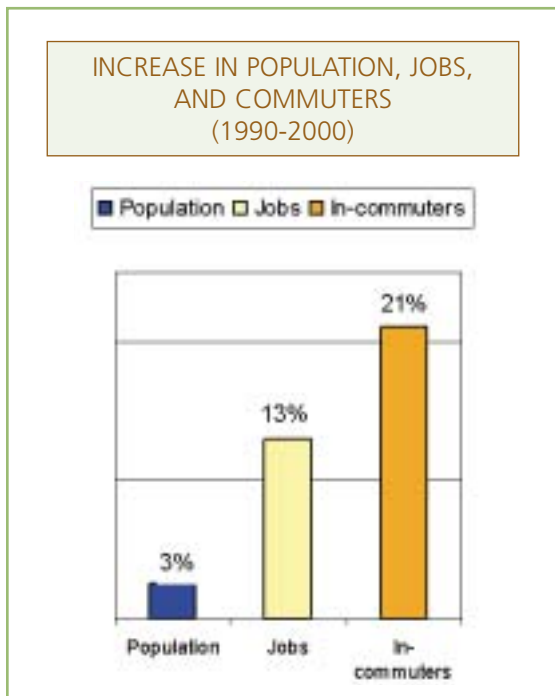
A picture of the local economy will help us know where we are going and how to get there. In recent years, the economy

here has had ups and downs, similar to the rest of the nation. After a period of moderate and steady growth in the 1980s, Tompkins County’s economy – like most others in Upstate – declined or was stagnant from 1991 to 1997. A spurt of robust growth from 1998 to 2000 was followed by relatively flat growth from 2001 to 2002 during the national recession. Tompkins County came out of that recession more quickly than much of the rest of the U.S. The county saw close to 2 percent growth in employment from 2002 to 2003, while the U.S. and New York State continued to lose jobs.

The economic growth or decline of a region depends on the outside demand for its products. The economic engine of a region – its economic base – lies with the “export” sectors that sell products and services to others outside the region. Our exports include education, manufactured goods, high-tech products and services, and tourism.

Tompkins County is home to three colleges: Cornell University, Ithaca College, and Tompkins Cortland Community College. The higher education sector accounts for 20 percent of the county’s gross product and nearly 40 percent of its economic base. While it is not a high-growth sector, the size and resource value of education helps it maintain its central importance in the economy.





Sources: N.Y.S. Department of Labor; U.S. Census 2000



Sources: N.Y.S. Bureau of Labor Statistics; N.Y.S. Department of Labor

Higher education is the largest industry in Tompkins County.

Traditional manufacturing follows in importance, generating about 15 percent of the county’s gross product and almost 30 percent of the economic base. Although restructuring and closure of several large firms reduced employment during the 1980s, strong entrepreneurial activity and a turnaround in the motor vehicles and equipment industries revitalized this sector in the 1990s. Manufacturing, a critical sector, is vulnerable to shrinkage in the local economy. In the midst of a serious loss of manufacturing jobs in the U.S. as a whole, Tompkins County’s loss has been much slower. The county’s 7 percent dip in manufacturing employment from 1999 to 2003 is considerably lower than the nearly 19 percent loss of manufacturing jobs nationwide in the same time period.

Our other export sectors are high tech industries – for example, electronics, software, bio-technology, and research – as well as utilities, agriculture, and tourism. Of these, the

The technology sector of our economy has the most potential to expand.

technology sector has the strongest growth trend and the most potential to expand, having provided over 10 percent of the local economic base in 2000.

Agriculture and tourism, although relatively small sectors of our economy, contribute in many ways to the quality of life. Farmers maintain 30 percent of the county’s land. After many years of decline, the dairy sector stabilized in the late 1990s, and small, innovative farm operations that fill niche markets are bringing new vitality to this sector. Tourism is valued for its support of cultural and commercial resources, such as the Farmer’s Market, our historic districts, unique shops and restaurants, Discovery Trail museums, parks and natural attractions, and arts and entertainment venues. The reduction of international travel since September 11, 2001 has enhanced local tourism growth.

The County’s Economic Development Strategy

In 1999, Tompkins County Area Development (TCAD) released Tompkins County’s first economic development strategy. The strategy, which combined comprehensive input from community leaders with extensive research and analysis, points the way to greater economic vitality, stability, diversity, and equity.

The Economic Development Strategy is organized around three main goals:

- Build on the economic foundations of Tompkins County. This effort includes strengthening and enhancing our workforce, infrastructure, business resources, and other community resources such as housing, arts, and daycare.
- Create employment and business opportunities. The conventional core of economic development work includes retention, expansion, and start-up support of businesses, with a focus on export industries. It also includes targeted attraction of new businesses and industries to our area. Key sectors are education, manufacturing, high tech, agriculture, and tourism.
- Reflect community values in the economic development process. The importance of our collective community values was regularly expressed during the strategy planning process. Top concerns are: creating opportunity for all; working cooperatively with business, governments, and civic groups as appropriate; building on the county's existing assets; and evaluating economic development work to optimize investments.

Many of the Economic Development Strategy partners are updating their organizational plans. An update of the strategy, planned for late 2004, will be grounded in those efforts. A key element is a renewed workforce development effort to ensure that the needs of unemployed, underemployed, and

Work that lies ahead includes strengthening workforce development, broadening university and college based development, and expanding resources for business development.

employers are met through job creation, training, and other employment programs.

In recognition that the education sector is central to our overall economic health, and that the community's economic development system is an integral part of keeping the education institutions vital, cooperative initiatives will be pursued. Future efforts will include working more closely with Cornell University on the feasibility of a business attraction initiative using specific Cornell research and development programs.

Other economic initiatives planned for the near future are to continue to work for State Empire Zone status for

Tompkins County and to explore regional partnerships to share underutilized economic development resources. In the context of national trends and changes in regional air service, it is also important to continue to explore ways to improve the cost and convenience of air service for county employers, visitors, and local residents.

Policies

Economic development efforts in Tompkins County have focused on creating jobs that offer good wages and benefits, supplying the labor force needs of local employers, enhancing the quality of life attributes that assist employers in outside recruitment and employee retention, and maintaining the community infrastructure necessary to retain our status as a regional employment center in Upstate New York.

It is the policy of Tompkins County to:

- Provide a setting where businesses, particularly locally owned ones, can flourish by enhancing the county's natural resources, arts and culture, lively urban core, and vital neighborhoods.
- Support economic development that provides quality employment opportunities to local residents, good wages and benefits, and affordable goods and services.
- Support tourism in the area by encouraging local institutions, businesses, and facilities to better plan, coordinate, and expand tourism-related activities.
- Enhance transportation options, including freight and air service, to support business development, while preserving the integrity of existing communities.
- Work closely with the local institutions of higher learning to enhance those institutions' significant and integral contributions to the local economy and community life.

Action Items

Action items are activities that Tompkins County government or community partners can undertake to implement policies.

TO DO

Complete the workforce development plan, ensuring that the needs of unemployed and underemployed are met by job creation activities, and the needs of employers are met by employment and training programs.

TO DO

Enhance the ability to analyze costs and benefits of projects as well as improve post-project job data collection to ensure that the public purpose of projects is realized.

TO DO

Continue to lobby for State Empire Zone status and explore regional partnerships to share underutilized economic development resources.

TO DO

Continue to explore ways to improve the cost and convenience of air service for County employers, visitors, and local residents.

TO DO

Work with Cornell University to improve technology transfer.

TO DO

Study feasibility of a business attraction initiative using specific Cornell University research and development programs as the key element.

TO DO

Promote and develop the county's tourism attractions including the Cayuga Lake Scenic Byway.