

Le Roy & Bergen, New York Community Revitalization Plan

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Town of LeRoy



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Dear America's Best Communities Judges:

When we began the America's Best Communities project nine months ago, our focus was very specific; how can we secure the necessary funding to bring needed utility services (i.e., natural gas) to establish a commercial park in LeRoy and allow for expansion of the one in Bergen. Growth of our commercial tax base was seen as a priority by both LeRoy and Bergen Town and Village Boards.

Once into the project, and truly "rediscovering" our many community assets and our residents' sense of pride, the focus became so much more; how can we demonstrate to the ABC Committee, and nation as well, that LeRoy / Bergen, NY, is truly, in all sense of the phrase, one of America's Best Communities!

The volunteer efforts by large groups of residents in LeRoy / Bergen have truly been amazing (we never had to recruit – folks have come to us with ideas / support!). We hope to reward these efforts to improve our utility infrastructure and ensure our economic prosperity going forward. On behalf of our communities, thank you for this opportunity.

Stephen R. Barbeau
Supervisor
Town of LeRoy

Donald S. Cunningham
Supervisor
Town of Bergen



LeRoy & Bergen, NY America's Best Communities Team

An open letter to the America's Best Community judges:

The LeRoy and Bergen America's Best Community (ABC) team has been on an extraordinary journey for six months. Ever since the Genesee County Economic Development Center (GCEDC) alerted us to this opportunity offered by Frontier Communications, our team has been on a mission - a mission to win this contest and give us hope that we might be able to find funding sources to bring gas and broadband to our two communities. This has not been an easy journey for us. We are a small rural community. We have had to seek people who are committed and dedicated and above all, people who understand the critical situation we are in. For we know, that without gas and broadband, we have no future. We cannot attract new industry, nor can we provide sustainability for the industry that we have. That industry includes our greatest economic investor - our local farmers. We are very fortunate that the GCEDC understands our needs and they have been with us all along the way.

Our community has always been able to roll up its sleeves, and get things done. That's what happens in a farm family. They come together in good times and bad. Everyone pitches in. Everyone volunteers to help. In fact, trying to raise the \$15,000 match money wasn't a challenge. It became a time to get together and celebrate our rural heritage. Over 100 people gathered in a tent in the middle of an alfalfa field on a warm balmy night, listened to music, had a phenomenal meal of locally grown food, and opened their wallets to raise several thousand dollars. As they have always done - our farm community sustained us and helped us move forward. And then, a group of women, seeing that we needed more money, organized a grass roots fundraiser that gave us another \$3,000 toward the match money. Our ABC team cannot thank these people enough for their support.

Part of our journey was to find a consultant to prepare our Community Revitalization Plan. As we read through the proposals, it was very obvious that Camoin Associates were the people who should write our economic revitalization plan, but little did we know that our choice would introduce Alyson Slack and Rob Camoin to our team. They have become a part of our team, and although their job is complete, they have helped us see our community through new eyes. We have discovered ourselves - some good - some not so good - but it has been a journey of discovery for us. We have learned that we have some very important assets. We have a strong and reliable workforce. Our rural work-ethic gives us an advantage. We have noteworthy - award winning - schools and a higher education program that promises to provide the curriculum and training that is required for our emerging industrial complexes. We have community leaders that share a vision and a mission. We have communities with great programs for kids, great history museums, a vibrant Rotary Club, great health facilities, wonderful natural resources, beautiful vistas. There is unexcelled school pride. We have been tested by adversity and have survived and moved forward. We have a great location, between Rochester and Buffalo and only minutes from the New York State Thruway. We have local people who want to invest in our community but - and it is a big but - we have also discovered that our future lies in infrastructure and the cost of the installation of that infrastructure is much more than what our public or even private investors can bare. So we are trying to identify any and all sources of money that can help us prepare for our future.

LeRoy and Bergen are in this contest to win it. And we want you to know, that we have worked hard to get to this point, and we are willing to work harder to get to the next step. Our team is very diverse. We are volunteers willing to do what it takes to show you that we are America's Best Community.

Sincerely,

The LeRoy/Bergen ABC Team

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Introduction

The Town and Village of Le Roy and the Town and Village of Bergen, situated between Rochester and Buffalo in rural Upstate New York, were selected as quarterfinalists in the America's Best Communities (ABC) competition. These combined municipalities sought Camoin Associates' assistance in developing a long-term community revitalization plan.

Evident throughout Camoin Associates' work in these towns is their stakeholders' spirit of passion and dedication to working collaboratively to help Le Roy and Bergen continue and advance their adaptation and economic renewal. The applicants rightly feel that they are at "the very tipping point in our rebirth to becoming one of America's Very Best Communities." The resulting plan is grounded in the area's agricultural and workforce strengths and builds on the towns' historical ethic of adaptation and reinvention. The plan is submitted as part of the subsequent competition round, and will guide Le Roy and Bergen's economic development goals and practices in the years to come.

Our Planning Process

The Communities' economic development strategic planning approach is deeply rooted in implementation. With Camoin Associates' assistance, the Town and Village of LeRoy and the Town and Village of Bergen (collectively "the Communities" or "Study Area") and their stakeholders have created a data-driven plan with actionable strategies that, once implemented, will leverage the assets of the Communities and the region as a whole to increase economic vitality and opportunity for area residents and businesses.

The planning process included the following steps:

- Reviewed prior plans, reports, surveys, and other relevant materials. This review was used to gain an understanding and context for the vision, goals, issues, opportunities, and challenges for economic and business development in Le Roy and Bergen, and to ensure that this plan is consistent with and builds upon efforts already underway. (See Appendix 1.)
- Developed an existing conditions profile of the Study Area and region, to ensure a thorough understanding of their demographic and socioeconomic characteristics and emerging trends. (See Appendix 2.)
- Conducted an economic analysis that compares the Study Area with the larger county, with the Upstate New York region, and with the United States as a whole, in order to identify current strengths as well as emerging opportunities. (See Appendix 3.)
- Interviewed fifteen community stakeholders—including manufacturing leaders, farmers, Main Street retailers, historians, and economic development and municipal officials—to gain on-the-ground perspective about relationships in the local and regional economy and to uncover opportunities for investment that cannot be seen solely through data analysis.
- Performed a target industry analysis of the Study Area's agricultural and food processing industries to inform strategy development linked to this key strength and opportunity area. (See Appendix 4.)
- Crafted an economic development-focused vision statement reflecting the joint aspirations of the two towns and villages, and conducted a SWOT analysis (strengths, weaknesses, opportunities, and threats) to inform strategy development.
- Held multiple meetings and communicated closely with the Study Area's ABC committee to discuss findings and identify and prioritize strategies.
- Held a public forum to solicit community input into the plan, in complement to the committee's other ongoing community engagement tactics.

- Performed an economic impact analysis quantifying the potential impact of new private sector investments in Le Roy and Bergen’s proposed and existing business parks—as would be made possible by the extension of critical infrastructure to those sites, with the support of an ABC award. (See Appendix 5.)
- Developed an action plan matrix that serves as the core of the community revitalization plan. The matrix reflects committee consensus on goals, objectives, strategies, actions, prioritization, and timeframe, and includes notes on cost estimates, potential resources, and performance/outcome measures. (See Appendix 6.)

Vision

The vision that Le Roy and Bergen have for their economic future is truly unique. It reflects the Study Area’s defining attributes and a shared understanding of a sound and sustainable approach to economic development—one in which investment in economic development fundamentals generates the growth of the industrial and tax base, which in turn will provide for an alleviated tax burden, investment in community assets, and a higher quality of life.

VISION STATEMENT

“Our economy is grounded in strong agricultural and food production industries, a resilient manufacturing sector, and vibrant village centers. Our proactive economic development investments provide the foundation for sustainable, long-term growth. Our communities maintain a high quality lifestyle and livelihood through a collaborative ethic of adaptation and reinvention and by leveraging our historic and natural assets.”

SWOT Analysis

The SWOT analysis here is derived in part from the Town of Le Roy comprehensive planning process, the public surveys collected at the 2015 Oatka Festival, and the work of the ABC committee to identify the economic development strengths, weaknesses, opportunities, and threats collectively faced by the Communities.

SWOT Analysis for Le Roy & Bergen	
Strengths	Weaknesses
Agricultural production and food manufacturing; economic development and workforce training efforts around those industries	Lack of gas supply to key industrial park site
Proximity and access to I-90	Lack of shovel-ready industrial space to support private investment and job growth
Proximity to major markets (Rochester, Buffalo, Golden Horseshoe)	Lack of gas/sewer at Thruway interchange
Small/local businesses that have adapted and reinvented themselves over time	Downtown vibrancy
Strong education system	Insufficient tax base
Cheap power (Bergen)	Limited arts, entertainment, and recreation opportunities
Available property for commercial/industrial development	Infrastructure capacity issues at Apple Tree Acres
Strong sense of community	High cost of living
Liveability	Aging infrastructure
Retail assets including Main Street specialty shops & convenient chains	Not enough retail businesses
Tourism and heritage assets (Jell-O Museum, Bergen Swamp, Oatka Creek and festival, small town charm, barn quilt trail, scenic views, rural character, Finger Lakes access)	Rising costs of municipal services
	Shrinking workforce pool
	Housing options for Millennials, empty nesters and workforce
Opportunities	Threats
Capitalize on food processing opportunities associated with agricultural base	Projected manufacturing losses (that have previously been bucked)
Pursue logistics and distribution industry growth	Regulatory (state and federal) constraints on local industry
Preserve prime agricultural soils	Sprawl and loss of the division between village and countryside
Increase access to technology (e.g. broadband to rural businesses)	Rented farmland (threat of sale to development)
Improve awareness of regional heritage, cultural resources, and recreational opportunities	Projected decline in working age population
	Rising land costs (prohibitive for farm expansion)
	Falling commodity prices and rising dollar



Summary of Study Findings

Background and Context

The Study Area maintains a quintessential American small town charm, complete with a robust network of community relationships, strong local pride, and well-preserved scenic assets like Oatka Creek, the Bergen Swamp, rural landscapes, and countless sites that enjoy a place on the national historic registers.

These baseline qualities are complemented by unique assets that the Communities have used, historically and today, to adapt and reinvest in themselves and to sustain a vibrant quality of life. For example, Le Roy and Bergen have large tracts of “prime” farmland—the top rating enjoyed by only 6 percent of agricultural land worldwide—and agriculture not viewed as a past way of life but valued as a cornerstone of the current and future local economy. Farms are side-by-side with schools, businesses, and



residential areas. Le Roy and Bergen’s Main Street businesses largely sustained themselves through the Great Recession, and many of them are products of reinvention and adaption over time by individuals who are passionate about their role in making the villages vibrant for all residents. And the area is quick to capitalize on its fun association with “America’s most famous dessert”: Le Roy is the birthplace of Jell-O, invented there in 1897.¹

Less visible but equally present is the Communities’ substantial manufacturing sector. At a time when manufacturing employment has declined nationwide, Le Roy and Bergen have retained their manufacturing jobs through proactive economic development strategies. Nationwide and industry-wide trends and pressures do threaten the future prospects of some Le Roy and Bergen manufacturing businesses, but others are home-grown success stories that see bright futures.

Le Roy and Bergen are primed to accelerate their revitalization momentum, as evidenced by a number of innovative and forward-looking investments made by the Communities. New public-private partnership models have been used to secure internet, electrical, and other utility upgrades needed for businesses to thrive. The Village of Bergen recently purchased and redeveloped a mixed-used space on Main Street that now houses village offices, residential units, and a first-floor business—a unique undertaking for a municipality in New York State. New health care facilities are popping up. A prosperous past two years for the farm economy has been followed by tremendous re-investments in that sector.² There are new recreation assets for residents of all ages: a disc golf course that drew enthusiasts from around the state in its first season, a new kayak launch and footbridge across Oatka Creek, new exercise trails designed for

DEFINING QUALITIES: LE ROY & BERGEN

- Endowed with **prime farmland**
- Vibrant **community life** and pride in local heritage
- Ethic of continual **reinvestment** and **adaptation**
- Scenic natural assets** that are treasured and protected
- Passion** for shared vision and progress
- Resilient **manufacturing** sector
- Top-rated schools** that expose students early to key career pathways

¹ 11,000 people visit the Jell-O Gallery in Le Roy each year, usually from all fifty states and from several foreign countries.
² Recent significant agricultural investments—including \$4.2 million by a single large farm over the past five years in Le Roy—demonstrate that these Communities are continuously making plans for their own sustainability and competitiveness.

seniors, a unique public-private partnership to save a community pool that welcomes residents from the surrounding towns, and plans for improving public access to the geologically significant Bergen Swamp. The Le Royan Inn and Conference Center is another example of forward momentum leveraging historical assets: Municipal officials worked collaboratively and swiftly earlier this year to approve investment plans to turn this former monastery and Woodward (Jell-O) family estate into a hotel and conference center. Realizing that the towns lacked a well-known visual identifier, the Le Roy Historical Society and the Genesee County Chamber of Commerce seized the opportunity of Le Roy's bicentennial in 2012 to start a network of barn quilt trails; barn quilts are now a common sight throughout the area, and the self-guided tours celebrate its agricultural history and beauty.



A stop on the Le Roy barn quilt trail, established in 2012 (the Town of Le Roy's bicentennial) to celebrate the area's agricultural history and landscapes.

that took agricultural products from Bergen to other markets. Today, it means Liberty Pumps' ability to double its manufacturing space at Apple Tree Acres for the third time in 15 years. It means Bonduelle's ability to purchase the output of several area vegetable farms and process and freeze it using affordable power and free water from the aquifer under the site it occupies in Bergen. This theme of the relationship among the farms, manufacturing, and infrastructure holds the key to the Communities' future as well. At this juncture, infrastructure will again be the key determinant of their economic future, and the Communities are mobilizing to ensure that the right infrastructure is in place.

The Communities are known for their high-quality schools and have taken steps in recent years to ensure that its young people leave the education system prepared for success in their lives and careers. The Byron-Bergen school district is host to a regional early college high school, made possible by both public and private investments, that gives students the opportunity to earn an associate's degree at no cost and be first in line for a job with participating agribusiness and advanced manufacturing companies upon graduation.

An ongoing theme of Le Roy and Bergen's story is the concept of continual renewal, reinvention, and repurposing. This ethic has facilitated the Communities' adaptation through adverse macroeconomic shifts. Their resilience should also be attributed to a combination of strategic location and the infrastructure necessary to support successful industries. In past eras, this meant the railroad

"Our history should be a guidepost—not a hitching post."

– Refrain of the Le Roy & Bergen ABC Committee in developing this Community Revitalization Plan.

Economic Analysis Findings

For the full economic base analysis and demographic and socioeconomic profile of Le Roy and Bergen, please see Appendices 2 and 3. Notably, the Study Area saw modest manufacturing job gains over the past decade at a time when the manufacturing industry nationwide was shedding jobs. This phenomenon, which was explored further in interviews, reflects the assertive economic development efforts of Genesee County (“the County”) and the Towns in accommodating business growth and retention.

It is clear from traveling throughout the Study Area and speaking with its economic development stakeholders that agriculture is a critical component of the local economy, both historically and currently. However, it only employs 1,500 people, and given the industry’s maturity locally and space constraints on future growth, it should not be looked to as a source of job or tax base growth. Agriculture’s larger impact on the local and regional economy instead occurs through its upstream and downstream supply chains, and it is by capitalizing on associated industry opportunities, e.g. food processing and storage or logistics, that the Study Area has an opportunity to leverage the agricultural sector for new investments and economic activity. This has already occurred elsewhere in the County, which dairy product manufacturing has seen substantial growth, and it is clearly recognized by the stakeholders in Le Roy and Bergen, as evidenced by their goal of establishing a shovel-ready business park targeting the food processing industry.



The data therefore supports the idea that by proactively accommodating projected growth in food processing through the establishment of shovel-ready sites, Le Roy and Bergen can make it possible for firms in that industry—as well as ancillary and support businesses, for example logistics industry firms—to locate in the Study Area.

Target Industry Analysis Findings

Le Roy and Bergen’s farming and food manufacturing sectors warranted further economic analysis to understand the nature of opportunities presented by the area’s agricultural and industrial strengths. For the full target industry analysis, please see Appendix 4.

Miller's Millworks, started in 1996 by a local entrepreneur, has been a manufacturing success story for Bergen, despite having to rebuild after a 2007 fire. The original building was a grain mill operated by previous generations of the founder's family.

Le Roy and Bergen’s agricultural industry is characterized by large, multi-family agribusinesses.³ This is in contrast to agricultural regions that are dominated by industrial-scale corporate farming (e.g. the Midwest) or by small-scale, entrepreneurial, niche farming (e.g. Vermont). Agriculture occupies an integral place in the Communities’ identity, as is visible to anyone who drives through the two towns and sees farms side-by-side with residential and commercial developments, even near village centers.

³ Stein Farms and M-B Farms are examples.

Genesee County, where the towns are located, is one of New York State's top counties by market value of agricultural products sold. In the course of studying Le Roy and Bergen's economy, Camoin Associates learned that Western New York has continually been an early adopter of leading-edge agricultural technologies. Some of these technologies are labor-saving, and some allow for more limited and strategic application of costly inputs like pesticides through high-tech monitoring of growing conditions. Still others represent significant investments that allow farm owners to earn revenue outside the Study Area, for example M-B Farms' use of their harvesting equipment to serve vegetable and corn growers throughout Upstate New York. This continuous and forward-



Bergen high school students drive their tractors to school on Agricultural Appreciation Day.

leaning investment is a theme of Le Roy and Bergen's agricultural sector, with significant infrastructure, equipment, and land acquisition, and other capital investments evident over the past few years on the part of the Towns' multi-family agribusinesses.

Le Roy and Bergen economic development and agricultural stakeholders are aware that vigilance in maintaining farmable acreage is necessary to preserve agriculture's role as the Communities' economic cornerstone. This is particularly critical at a time of rising land costs, which has increased development pressures and made it difficult for farms to expand through acquisition of new land.

Genesee County clearly has a strong food processing and food manufacturing cluster that complements its significant agricultural base and that has brought investment and job growth in recent years. The County has been host to some of the fastest food processing industry growth in the nation. However, the composition of this cluster in the County is concentrated in some industries that are projected to experience employment losses in the coming decade. For example, in order to maintain Dairy Product Manufacturing employment levels in the face of projected employment declines in Cheese Manufacturing and Dry, Condensed, & Evaporated Dairy Project Manufacturing, the County must realize corresponding projected increases in Fluid Milk Manufacturing employment. On the positive side, the food processing industry as a whole is relatively inelastic: even during economic downturns, demand for food products remains largely stable.

Genesee County clearly has a strong food processing and food manufacturing cluster that complements its significant

Camoin Associates therefore recommended that the Study Area and the County seek to attract new employers in the food processing industry to mitigate the effect of these projections and to support diversification. The preparation of a new industrial park, and the extension and upgrades of affordable infrastructure to this and other key sites, are fundamental first steps in this strategy. Other tactics should include promotion of the area's high quality workforce, promotion of its agricultural strengths, and the targeting of foreign investment prospects in addition to domestic ones.

Le Roy and Bergen are geographically positioned to absorb a portion of the growing presence of food processors in Genesee County, along with complementary activities like food warehousing and storage. In terms of specific food processing industries that the Study Area is suited to target for growth and attraction, Frozen Fruit, Juice, and Vegetable Manufacturing is a natural candidate, as is Fluid Milk Manufacturing, the County-wide growth of which has not yet resulted in investments in Le Roy or Bergen. Additionally or alternatively, the community could seek to capitalize on growth opportunities in other promising food processing industries that are not currently represented there. Examples include the Frozen Specialty Food Manufacturing industry, the Beverage Manufacturing industry (specifically Breweries, Wineries, and Distilleries), and the Pet Food Manufacturing industry.

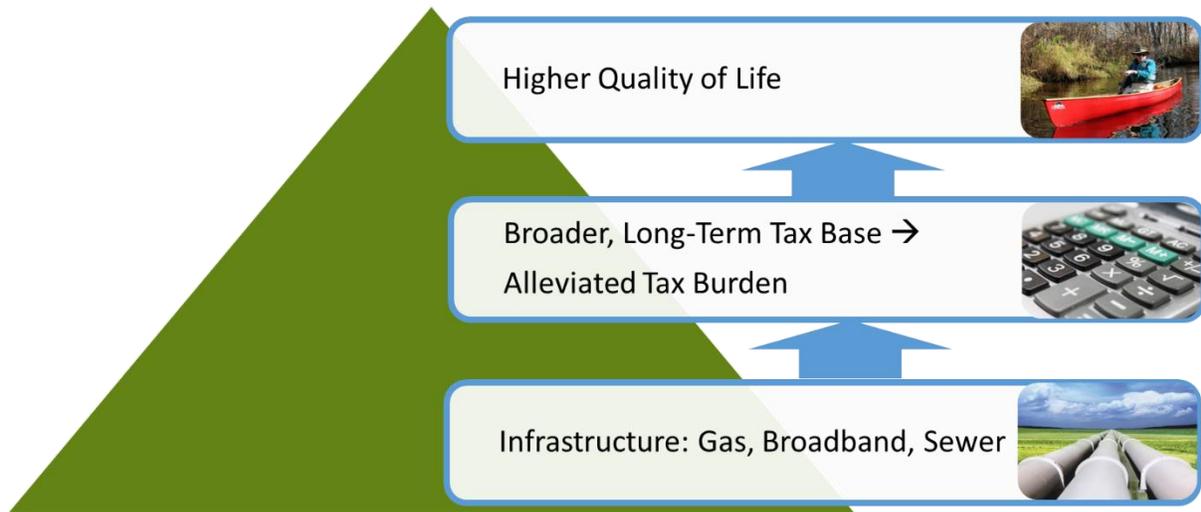
In part because the County's agricultural strengths are the cornerstone of its attractiveness to food manufacturers, Camoin Associates and the Communities concluded that the overall revitalization strategy must prioritize the protection of farmland by limiting development to commercial/industrial nodes and existing residential areas.

Additionally, Le Roy and Bergen may consider tactics to reinforce residents' understanding of the economic value of its agricultural sector.

The County has a relatively low concentration of workers in the younger age brackets. As older workers begin to retire, younger workers with skills and industry experience will be needed to fill those job openings. This presents a challenge for the industry and opportunities for younger job seekers. Although the industry largely employs low-skill occupations, ongoing adoption of new technologies and automation mean that more of the available jobs will require higher skill levels and have higher average earnings (e.g. machinery operators). Genesee County is home to a number of workforce development programs, including in the mechanical trades, whose success and utilization are important to the industry's future growth and residents' ability to benefit from that growth.

Strategies, Actions, and Implementation

As noted previously, Le Roy and Bergen are committed to a sustainable approach to economic development—one in which investment in economic development fundamentals generates the growth of the industrial and tax base, which in turn will provide for an alleviated tax burden, investment in community assets, and a higher quality of life. This is illustrated in the figure below. It is an approach that is sound in terms of economic development best practices, and that is informed by the region’s economic history, in which vitality is achieved by leveraging the combination of agricultural assets, strategic location, and appropriate infrastructure.



The core of this community revitalization plan is the Action Plan Matrix contained in Appendix 6. The version here outlines the goals, objectives, and strategies but excludes key implementation information available in the appendix. Strategies are directly derived from the SWOT analysis and opportunities uncovered in the various analyses and information gathering conducted during this study.

Investment in infrastructure—particularly to serve a planned shovel-ready site in Le Roy⁴ and to boost capacity at the Apple Tree Acres industrial site in Bergen—receives the highest priority in this plan. This reflects the fact that Le Roy and Bergen’s agricultural and food processing sector remains a strong economic asset that can be better leveraged through the addition of capacity to accommodate firms in the food manufacturing and ancillary industries. As calculated in the economic impact analysis (Appendix 5), the investments that this infrastructure would facilitate could generate upward of 468 jobs, \$26 million in annual earnings, and \$240 million in annual sales, directly and indirectly, throughout the Genesee County economy.

⁴ Plans for the new Le Roy Food & Technology Park have received strong regional support, as Genesee County’s capacity to seize further growth in the food processing industry are constrained by the lack of additional contiguous parcels of 75 acres or greater. It is also supported as an extension of the county’s “edge development strategy” in which shovel ready sites on the edge of communities drive investments whose success then generates infill business growth in the downtowns. But these plans are currently stymied by the prohibitively high cost of bringing natural gas to the site. Readers may know that New York State has banned the practice of hydraulic fracturing (“fracking”) that has made natural gas plentiful in states like Pennsylvania. Furthermore, despite shale gas being present in the area, geology of the new shovel-ready park area precludes the ability to drill and operate a private gas well at the site.

Goal: Develop a Broader Tax Base to Support a Higher Quality of Life

Objective 1: Accommodate Expansion of the Commercial and Industrial Base

# 1	Strategy/Action
1.1	Develop the Le Roy Food & Technology Park and the supporting infrastructure(gas-broadband-sewer) for this site (Le Roy) and Apple Tree Acres (Bergen).
1.2	Market the Le Roy Food & Technology Park and Apple Tree Acres to target industries (nationally and globally). Target foreign direct investment in the food processing industry through the advancement of industry relationships and through continued participation in trade shows and other channels.
1.3	Review all infrastructure for necessary improvements and upgrades.
1.4	Upgrade the capacity of affordable infrastructure to key sites (e.g. Apple Tree Acres).
1.5	Prepare for future commercial development at the I-90 interchange in terms of zoning and infrastructure (especially sewer). Study other communities' interchanges to ensure it is developed as an attractive gateway to Le Roy and Bergen.
1.6	Promote the region's quality work ethic and skills derived from its agricultural employment history. Collect and disseminate employer testimonials.
1.7	Boost the pipeline of workers skilled in mechanical trades.
1.8	Explore the feasibility of a retail/craft manufacturing incubator to support home-based entrepreneurs.

Objective 2: Support the Continued Vitality of the Local Agricultural Economy

# 2	Strategy/Action
2.1	Protect farmland by limiting development to sites that are not ideal for agricultural use and can support greater density. Continue implementation of the Le Roy farmland protection plan, including exploration of easement programs, resolution of drainage issues in the town, farmer participation on local government boards, consideration of zoning revisions, participation in any future county Purchase of Development Rights Program, etc. Implement strategies in the forthcoming Bergen Comprehensive Plan regarding maintenance of the rural and agricultural character of the town. Implement the Genesee County Agricultural and Farmland Protection Plan (currently undergoing update).
2.2	Explore the potential for a commercial food hub or a commercial agricultural facility at the Le Roy Machine Building.

Goal: Ensure that Le Roy & Bergen are Attractive Communities to Live, Work, and Play

Objective 3: Enhance the Vibrancy of the Downtowns

# 3	Strategy/Action
3.1	Seek state and other funding to develop a downtown housing/commercial space improvement fund. Consider creative incentives like using the fund to provide a 25% match to the first Main Street building owner to renovate and rent second-story apartments.
3.2	Review zoning and ordinances for changes needed to support economic development.
3.3	Coordinate a community marketing dialogue targeting tourism, evaluating tactics like package deals among hospitality and recreational offerings (e.g. the Le Royan, downtown restaurants, and the Bergen disc golf course) with the goal of attracting more visitors who will boost local business and municipal revenues. Contend with regional marketing identity question.
3.4	Develop additional residential spaces in downtown Bergen and Le Roy. In Bergen, host developers on an educational walking tour followed by disc golf or Bergen Swamp visit, and provide them with market analysis.
3.5	Further beautification efforts in downtown Le Roy (e.g. lighting).
3.6	Consider implementation of Oatka river walk plans or supporting river-facing renovation plans.



Appendix 1: Review of Prior Materials

Public Survey, July 2015

Members of the public surveyed at the July 15-16, 2015 Oatka Festival were asked “What is Le Roy’s best?” in the categories of agricultural assets, commercial assets, retail assets, and tourism assets. This summarizes responses that appeared in multiple response forms, beginning with those that received the most mention:

- **Agricultural assets:** Farmers markets, established family farms (crop and dairy), orchards (McPherson’s Orchard), large amount of available fertile farmland, Stein Farms, Pully’s Farm Market
- **Commercial assets:** Small/local businesses that have evolved and reinvented themselves over time, LAPP, Orcon, medical facilities, the Eagle
- **Retail assets:** Crocker’s Ace Hardware, Divine Tree (new), Walgreens, dual access to larger stores (Tops, Wegmans) and to small and family-owned businesses, small specialty shops along Main Street, restaurants
- **Tourism assets:** Jell-O Museum, Oatka Creek, Oatka Festival, small town charm, Le Roy House, barn quilt trail, Le Roy Historical Society, golf course, scenic views and Finger Lakes access

Comprehensive Plans

Both towns are currently undergoing comprehensive plan updates.

Town of Le Roy Comprehensive Planning Process

Le Roy is building on its 2001 comprehensive plan, and the new plan will cover a 12-year horizon beginning in 2015. A draft interim PowerPoint presentation was made available to Camoin Associates in July 2015.

Le Roy states the Town vision as follows:

“Our community vision is to be an attractive place to live, work and play. It will be a place known for its safe and attractive living areas; quality educational institutions; healthy agricultural businesses; quality community resources; diverse leisure and cultural assets; scenic natural resources; and cooperative spirit. The community will strive to achieve this vision while maintaining our rural character and small town charm.”

The current planning process for Le Roy has included the development of the following SWOT analysis:

Strengths	Weaknesses
Strong educational program	Lack of tax base
County water project completion & water district formation	Lack of interest or apathy of local residents in community affairs
Strong sense of community	Loss of jobs / commercial base
Good agricultural base	Urban sprawl
Great people	High cost of living
Beautiful natural resources	Aging infrastructure
Large amounts of open space contributes to rural character	Lack of retail business
Good quality of life	Rising costs of municipal services

Opportunities	Threats
Tourism development marketing “small town” appeal Expand access to technology Better development practices Streamline permitting process Learn from other successful communities Consolidate Town and Village government / services	Deflating residential property values Loss of the division between the Village and the countryside Youth departure Excessive taxes Loss of rural character Increasing state regulations Poor development practices Over-extension of government control Lack of senior oriented services

The planners have highlighted the following current conditions:

- A declining population (especially within the Village), most significant over the past decade.
- Housing vacancy rate of 7+% (8.5% within Village)
- Declining values for residential property within the Village and increasing values for open/agricultural properties within the entire Town.
- “Urban sprawl” (population decrease but increased housing construction) is ongoing within the County.
- Residential land uses require more expenditures for services (and even more for rental property) than commercial or agricultural (or open space) land uses, therefore placing a burden on the tax base.
- Communities with higher assessments and lower tax rates tend to thrive more than communities with lower assessments and higher tax rates.

Based on the above conditions, the planners intend to focus on the following questions in the comprehensive plan process:

- Should Town / Village prioritize (strongly) attracting commercial interests to appropriate commercial areas (i.e. not in areas that might further devalue residential property)?
- Should Town / Village modify its existing code to incentivize attracting such commercial ventures?
- Should Town/Village modify its existing code and/or permit fees to incentivize improvements to existing residential property and to disincentivize new residential construction (particularly multi-family rental units)?
- Should Town / Village modify its existing code and/or enforcement process to become more “restrictive” as a means to increase assessment values in order to correspondingly decrease tax rates?
- Should ZBA severely limit exceptions (variances) to existing zoning code to discourage lowering property values?

The planning to date has generated broad land use guidelines as well as general policy recommendations for residential living/land use, agriculture, local commerce, community resources, leisure and culture, natural resources, and regional cooperation.

The “regional cooperation” policy area is particularly pertinent to the strategy areas that the joint Le Roy-Bergen Community Revitalization Plan is likely to focus on. The Plan will expand on the suggestion in this presentation that Le Roy “pursue strategies that advance regional cooperation to attract new businesses to the region,” and that it “increase awareness of regional heritage and cultural resources.” It is already the policy of the Town of Le Roy to have inter-municipal relationships that strengthen the regional economy, preserve local character, support the County’s growth plans, and enhance the quality of life for residents. This presentation also suggests that the Town pursue state, federal,

and other funding opportunities in cooperation with neighboring municipalities; the ABC competition is an example of that.

Other key takeaways include the planners' recommendations to:

- Shift the residential focus to renovation of existing homes in community centers and extensions of those neighborhoods, rather than new developments
- Ensure that commercial development does not compete directly with existing businesses and that the village remains the center for retail and service related businesses
- Limit development on prime agricultural soils outside designated growth areas
- Create commercial/industrial nodes in lieu of strip development
- Incorporate the agricultural community in economic planning
- Tap into the tourism potential of the area by capitalizing on the presence of Oatka Creek and the community's history
- Ensure agriculture remains a viable and profitable industry by identifying niche farming opportunities, promoting agri-tourism opportunities, protecting the Town's rural character and prime soils, supporting new farmers, and providing similar considerations to agriculture as those provided to other industries. This recommendation is supplemented by several actionable implementation items.
- Expand and promote recreational opportunities, especially those associated with Oatka Creek and those targeted to youth and seniors

ABC Competition Prior Round Application

This narrative discusses Le Roy and Bergen's trajectory from historical manufacturing leaders to communities facing decline and the loss of small businesses and vibrant atmospheres in their downtowns. It also makes the compelling case that the agricultural and food processing sector remains a strong economic asset that can be better leveraged through the addition of key infrastructure and a new business park. This new business park—plans for which are currently stymied by the prohibitively high cost of bringing natural gas to the site—would help the communities regain manufacturing establishments and jobs.

The narrative demonstrates Le Roy and Bergen's current revitalization momentum, including through examples such as the communities' use of new public-private partnerships to secure internet, electrical, and other utility upgrades; the conversion of a former monastery into an inn and conference center; new medical facilities and regional hospital associations; and a prosperous past two years for the farm economy and associated re-investments in that sector. The communities are home to an array of public celebrations (Oatka Festival), outdoor recreation opportunities (Bergen Swamp, Oatka Creek), tourism/heritage assets (Jell-O Gallery), and other elements that contribute to its quality of place.

An ongoing theme of Le Roy and Bergen's story is the concept of continual renewal, reinvention, and repurposing. This ethic has facilitated the communities' adaptation through adverse macroeconomic shifts. The applicants feel that they are at "the very tipping point in our rebirth to becoming one of America's Very Best Communities."

The applicants listed the following as their top ten future initiatives needed from an economic development perspective:

1. Proceed with a shovel-ready commercial park in Le Roy, particularly by overcoming the gas service obstacle
2. High speed internet connectivity for rural businesses
3. Oatka Creek bank restoration
4. National Historic Landmark designations for key tourism assets including the Bergen Swamp
5. Addition of more recreational opportunities on Oatka Creek
6. Engage in regional and local walking trail initiatives
7. Invest in community-led/owned property rehabilitation (e.g. LeRoyNY LLC)
8. Enhancements of Main Street lighting projects
9. Support for a Business Education Alliance

The narrative contains a vision taken from one of the communities' comprehensive plans:

“Our community vision is to be an attractive place to live, work and play. It will be a place known for its safe and attractive living areas; strong local economy; quality educational institutions; healthy agricultural businesses; quality community resources; diverse leisure and cultural assets; scenic natural beauty; and cooperative spirit. The community will strive to achieve this vision while maintaining our rural character and small town charm.”

Evident in the narrative is a spirit of passion, collaboration, and dedication to working collaboratively to help Le Roy and Bergen continue and advance their adaptation and economic renewal in the coming decades.

The reviewers' feedback on this application included the following themes:

- Agreement that the “birthplace of Jell-O” tagline makes the community unique and is worth capitalizing on
- Curiosity as to the ability of the communities to tap into shale gas to service the new business park, or whether the state's new fracking ban precludes that
- The applicants articulate well the infrastructure, human capital, resources, and relationships needed to make their vision a reality

Le Roy Agricultural and Farmland Protection Plan, 2010

A New York State municipal planning grant funded the development of this plan. The process grew out of local concern for the need to protect large, contiguous blocks of farmland. The report is organized around four recommendations:

1. Encourage the business of farming with agricultural planning and farmland protection tools: Maintain at least 98% of the current total of farmer-owned farmland in the town over the next ten years. Maintain at least 95% of the current total of non-farmer-owned farmland in the town over the next ten years.
2. Identify and adopt land use regulations that protect farmland and create a supportive environment for agricultural businesses
3. Continue to build the established partnership between the town and village to strengthen land use planning efforts
4. Promote the benefits of a viable agricultural and food industry to the Town

The plan includes a “land ranking tool” for use by the Town in future agricultural land planning decisions.

Other key takeaways from this plan include:

- Genesee County is consistently ranked as one of the top counties in the state for value of agricultural products sold
- Various indicators point to the strong health of Genesee County's agricultural industry
- The new Genesee Valley Agri-Business Park in Batavia is an asset to Le Roy's farming community
- The Town has about 25 active farms; most are dairy and processing vegetable farms, with smaller numbers of horse, fruit, fresh market vegetable, livestock, and Christmas tree farms. This is considered to represent a desirable diversity and balance.
- “Farms in LeRoy employ an estimated 320 full time, and 58 part time and seasonal workers, and have an economic multiplier effect of 2 to 3 times in the local economy”
- There is a strong consensus that the public needs to be educated about the economic value of agriculture as an industry in the community
- Residential building pressures are a threat to farmland (i.e. new construction on agricultural land)
- Drainage issues are another area of concern that require Town action
- Farmland protection efforts are most urgent for rental farmland
- While many farmers support zoning changes to assist with farmland protection, a significant number are more concerned with retaining individual property rights

Letters of Support for ABC Competition

Several public, private, and community entities provided written support to Le Roy and Bergen’s ABC competition application, most detailing how their economic development efforts dovetail with the objectives of this planning process.

- New York State Assemblyman Steve Hawley (139th District)
- Genesee County Legislature
- Genesee County Economic Development Center
- Genesee County Department of Planning
- Genesee County Chamber of Commerce
- Le Roy Business Council
- Rotary Club of Le Roy
- The Le Roy Historical Society
- Le Roy Central School District
- Town of Le Roy
- Village of Le Roy
- Town of Bergen

America’s Best Communities Toolkit

The Camoin Associates phase of this project spans Steps 2 (Research) and 3 (Strategic Planning) of the community and economic development process outlined in this toolkit. The toolkit discusses the following guiding principles and best practices for the community revitalization plan, advising contestants to consider which to incorporate into their plans:

- Place-based strategy
- Locally-driven
- Sustainability (not compromising the needs of future generations)
- Inclusivity to process
- Inclusivity to opportunity (strategies to improve the lives of everyone)
- Creativity and innovation (creative economy; openness to change)
- Entrepreneurship
- Youth engagement
- Community leadership development (governance of implementation; training existing and new leaders)
- Collaboration
- Community buy-in and engagement
- Markets beyond borders (using the internet to help businesses in rural communities thrive)
- Multiple forms of capital (focusing not just on generating financial capital but also individual capital; social capital; intellectual capital; natural capital; built capital; political capital; and cultural capital throughout a community)
- Market demand (data to connect consumers to the area’s products in a coordinated way; to precede any investment in a perceived market opportunity)
- Community marketing and branding

The toolkit differentiates between these four strategy types, all of which the contestants are encouraged to consider:

- Business retention and expansion (BR&E)
- Economic gardening
- Sector strategies
- Downtown development – Main Street approach

Area Websites

Town of Bergen (www.bergenny.org/businesses)

The business landing page at the Town of Bergen website advertises the Apple Tree Acres industrial park and lists 38 businesses within the Town.

Bergen Swamp Preservation Society (www.bergenswamp.org)

The 3,000 acres owned by the Bergen Swamp Preservation Society contain unique natural areas that are habitats for many rare plants and a number of rare and endangered species of animals. Two BSPS properties, Bergen Swamp and Zurich Bog, are designated by the National Park Service as National Natural Landmarks. The group's goals are to preserve and manage these areas in a way that makes them more accessible to study groups and the general public, including by acquiring more land to protect the integrity of the resource.

ABC Competition Quarter-Finalist July Webinar

This monthly check-in included guidance from the competition hosts regarding tactics for “telling your [community’s] story” through social media, press releases and other traditional media engagement, and other community engagement.

ABC Competition Quarter-Finalist August Webinar

This episode was primarily focused on contestants’ August reporting requirements and best practices for social media and other community outreach tactics.

Appendix 2: Demographic and Socioeconomic Profile

Executive Summary

As part of the Le Roy-Bergen Community Revitalization Plan, one of the primary steps was to gather and analyze data related to historic and current demographic and socioeconomic trends. This document is intended to provide background data on the Towns of Le Roy and Bergen (the “Study Area”) and compare that information to Genesee County and to Upstate New York.¹ This data, along with other research and information gathering, will be used to inform the development of specific strategies for the Le Roy-Bergen economy. The following is a summary of the major findings of the analysis. The full report follows.

- The populations of the Towns of Le Roy and Bergen have held steady over the past five years, and are projected to experience a very slight population loss in the next five years from the current total of 10,821 residents.
- There are about 4,397 households in the Study Area.
- The median household income is \$54,455. A higher percentage of Study Area households fall into the income brackets above \$50,000, as compared to the County and Upstate New York.
- The median age of the Study Area is 42.9, slightly higher than that of Genesee County and Upstate New York. The area’s largest age group is the cohorts aged 50-59.
- The Study Area is 95% white, less diverse than the County and Upstate New York.
- Ninety-three percent (93%) of the Study Area’s residents aged 25 and older have at least a high school diploma or equivalency, compared to a slightly lower 91% for Genesee County and 90% for Upstate New York. Twenty-eight percent (28%) hold a bachelor’s or advanced degree, a portion notably higher than the County rate of 22% but somewhat less than the Upstate New York rate of 32%.
- Genesee County’s unemployment rate is 4.7%, having fallen in recent years to approach pre-recession levels.
- Both Le Roy and Bergen are net exporters of labor, with 84% and 93% of residents commuting outside of their home town for work, respectively. In general, workers commuting outside of the Towns are commuting to larger towns and cities for higher paying jobs.

These findings indicate that the Study Area, with its higher household income relative to the County, may be able to benefit from more local spending by residents and a lower need for certain social services. A lack of working-age population growth in the larger region may present general challenges to industry growth and attraction, however new or growing industries in the Study Area would potentially be able to utilize a portion of the many residents who are currently commuting outside the Towns for work. This would be especially true for industries considering Genesee County for location/expansion and requiring a labor pool with a relatively higher proportion of bachelor’s or advanced degree holders.

¹ For purposes of this study, Upstate New York includes all New York State counties not on Long Island or comprising New York City.

Introduction

As part of the initial research for the Le Roy-Bergen Community Revitalization Plan, Camoin Associates gathered data to fully understand the existing conditions in the two Towns in terms of demographics. This information is used to inform the subsequent steps of the analysis. The following report includes a demographic and socioeconomic characterization of the Study Area in comparison to the larger County and to Upstate New York.

Data Sources

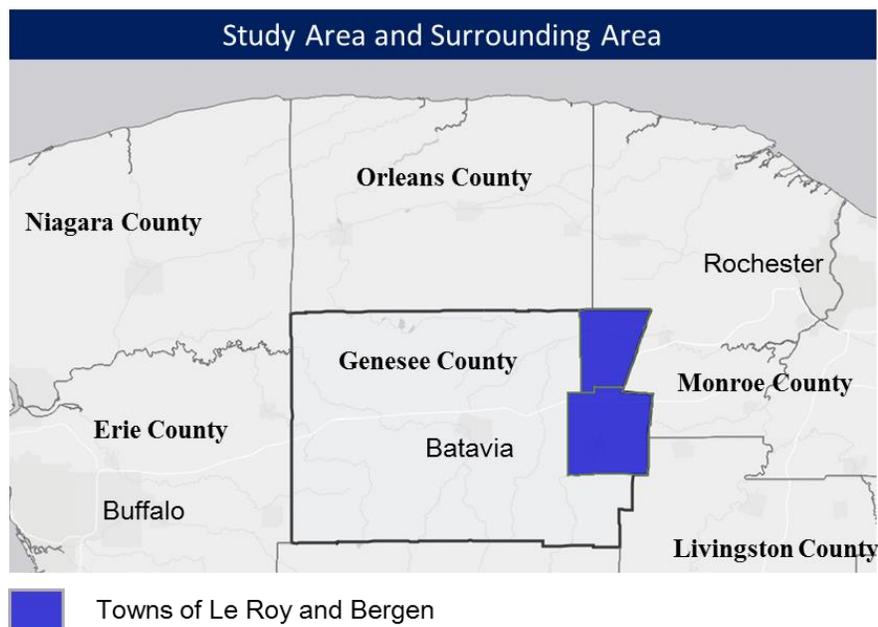
Much of the data in this report were purchased from ESRI Business Analyst Online (ESRI) and Economic Modeling Specialists Intl. (EMSI). ESRI's base data are the 2000 and 2010 Census. It uses proprietary statistical models and updated data from the U.S. Census Bureau, the U.S. Postal Service, and various other sources to project current statistics and future trends. ESRI data are often used for economic development, marketing, site selection, and strategic decision making. For more information, visit www.esri.com.

EMSI's data are compiled from nearly 90 sources, including the U.S. Census Bureau and U.S. Departments of Commerce, Health, and Labor, using specialized proprietary processes and models to estimate current statistics and predict future trends. Visit www.economicmodeling.com for additional information.

Other sources include the American Community Survey for demographic and socioeconomic data and the US Census On-the-Map data source.

Geographies Studied

This data analysis was conducted to understand the demographic and socioeconomic composition of Le Roy and Bergen (the Study Area) in comparison to the larger County and to Upstate New York more broadly. Data was therefore collected for all three of these geographies. For purposes of this study, Upstate New York includes all New York State counties not on Long Island or comprising New York City.



Basic Demographics

The population of the Study Area was approximately 10,821 in 2015. There were about 4,397 households. The Study Area’s population has been fairly stagnant since 2010, increasing by less than 100 people—or about 0.6%—since that year. That rate of growth is nearly identical to that of Upstate New York, and higher than Genesee County’s, where population declined slightly (-1%).

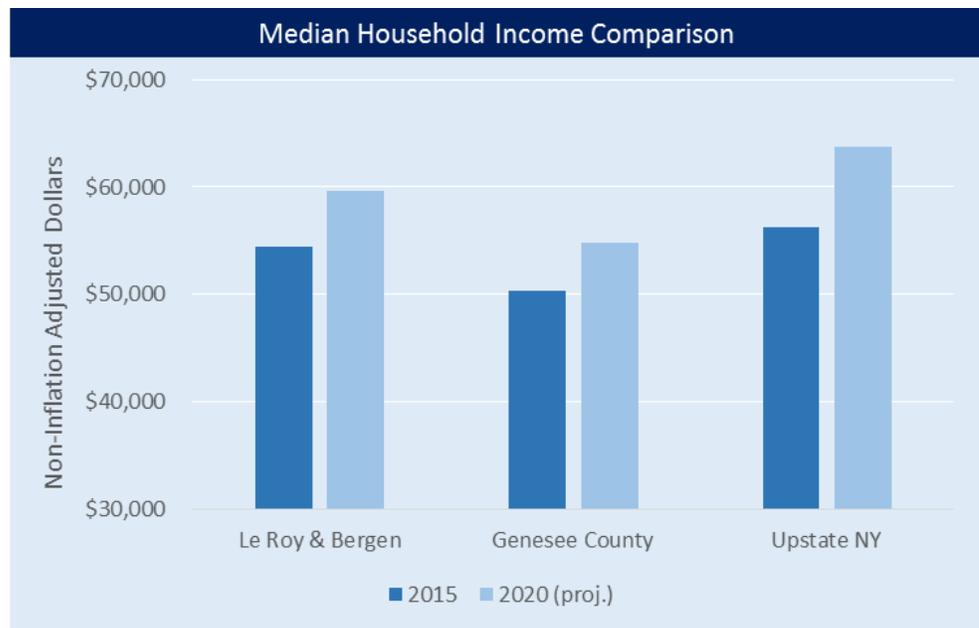
Population Change		
	2010-2015	2015-2020
Towns of Le Roy & Bergen	0.6%	-0.9%
Genesee County	-1.0%	-1.6%
Upstate New York	0.6%	0.9%

Source: ESRI

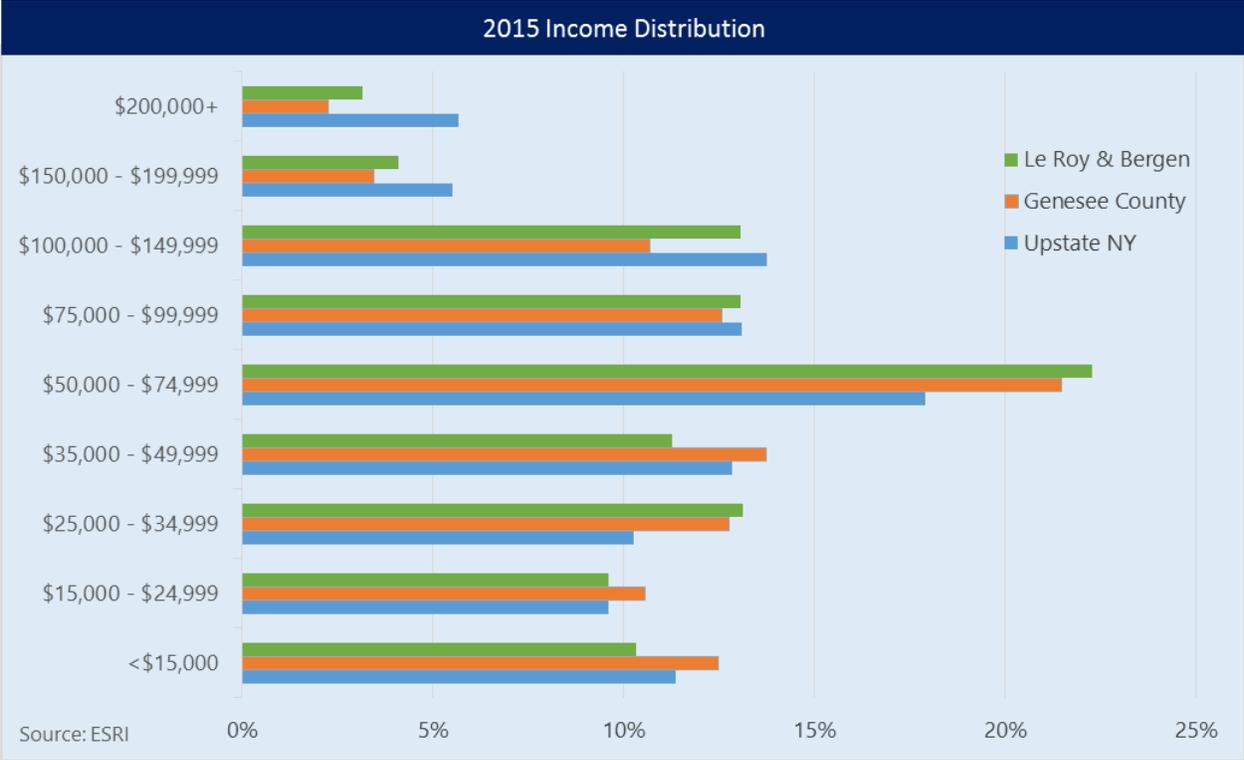
As shown in the table below, population growth across Genesee County and in the Study Area is expected to be slightly negative over the next five years, with the Towns of Le Roy and Bergen expected to lose about 92 people by 2020. Upstate New York is projected to experience a 1% population gain over that same period.

Income

Median household income in the Study Area was \$54,455 in 2015, compared to \$50,348 in Genesee County and \$56,221 in Upstate New York. The Study Area is projected to see a 1.9% annual increase in median household income between 2015 and 2020 due primarily to inflation; this rate is slightly lower than the Upstate New York annual growth rate of 2.5%.



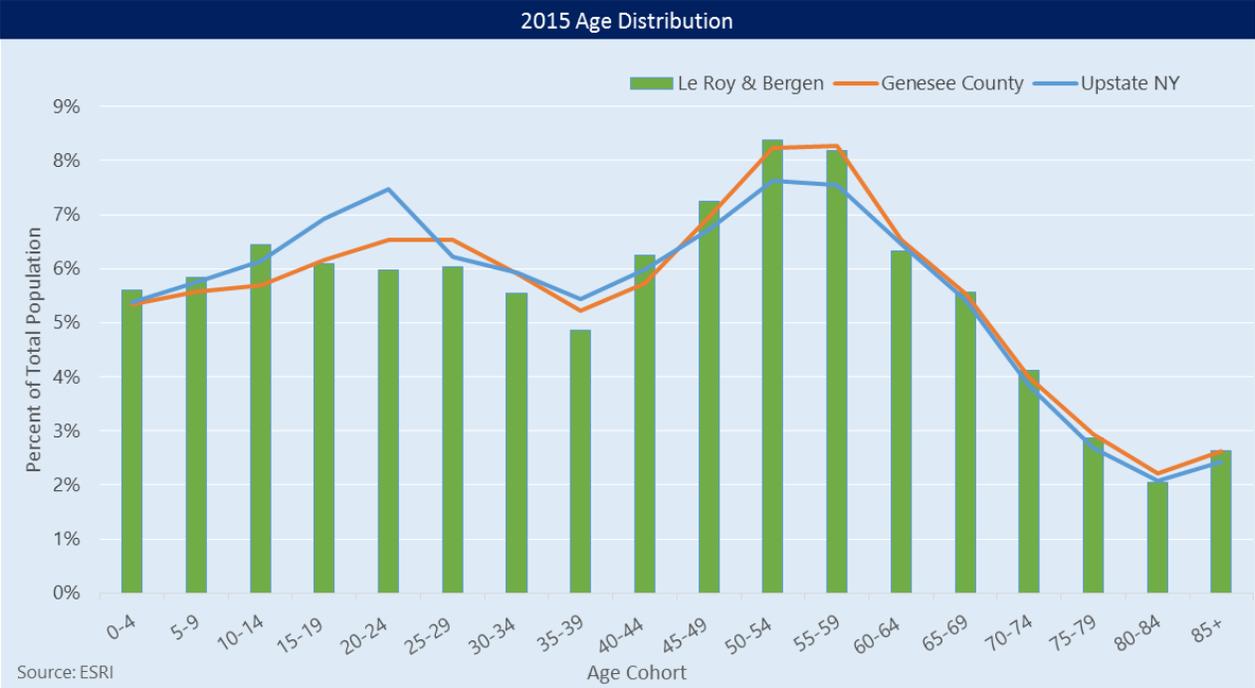
The chart on the following page illustrates income distribution in the Study Area as compared to Genesee County and Upstate New York. The largest income cohort is the \$50,000 to \$74,999 range, which includes 22% of households. Approximately 20% of households have incomes of \$100,000 and above, while another 20% have incomes below \$25,000. A higher percentage of Study Area households fall into the income brackets above \$50,000, as compared to the County and Upstate New York. Correspondingly, proportionally less of its households are below the \$25,000 threshold.



Age

Median age in the Study Area was 42.9 in 2015, slightly higher than that of Genesee County (42.6) and of Upstate New York (40.6). Median age is expected to rise across each of these geographies by slightly less than ½ year by 2020.

The chart on the following page shows the age distribution of the Study Area’s population in 2015. The Study Area’s largest age group is the cohorts aged 50-59, which together account for about 17% of the total population. The chart reveals that the distribution largely mirrors that of the County and of Upstate New York. The Study Area does have a smaller percentage of its population in the cohorts aged 15-39, in comparison to Upstate New York in particular; the gap is most significant (but still small) for the group aged 15-24, likely reflecting the departure of young people for higher education opportunities outside the Towns and/or the County. In comparison to the County, the Study Area’s population includes a higher concentration of children under the age of 14.



When breaking down the data by working-age population versus non-working-age population, we find that 65% of the Study Area is aged 15-64, the age range considered to be potentially economically active. This proportion is nearly identical to the County, Upstate NY, and national² rate of 66%. The Study Area’s expected population loss in this category is very slight (two percentage points from 2010 to 2020), however it may present a challenge to the growth prospects of the area’s existing industries.

Working Age Population as Percentage of Total			
	Le Roy & Bergen	Genesee County	Upstate NY
2010	66%	67%	67%
2015	65%	66%	66%
2020	64%	64%	65%

Source: ESRI

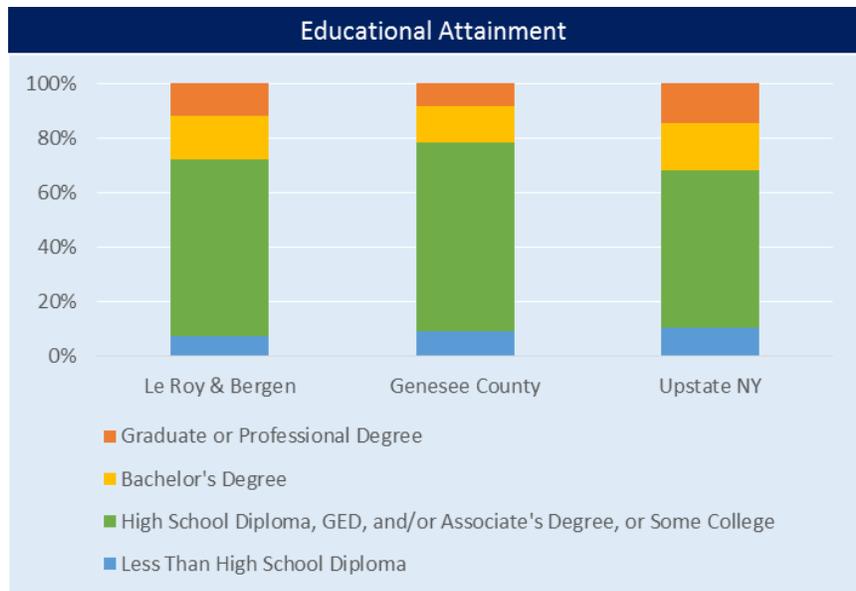
Race

The Towns of Le Roy and Bergen are not racially diverse, with whites accounting for 95% of the Study Area population. This is appreciably less diverse than Upstate New York (82% white), though only slightly less diverse than the County (92% white). The remainder of the Study Area population is identified as black/African American (2%), two or more races (2%), Asian (1%) or other (1%). The Study Area’s 237 Hispanics are distributed among all those categories, and over half of them are Hispanic whites.

² World Bank Databank, “Population ages 15-64 (% of total),” 2014.

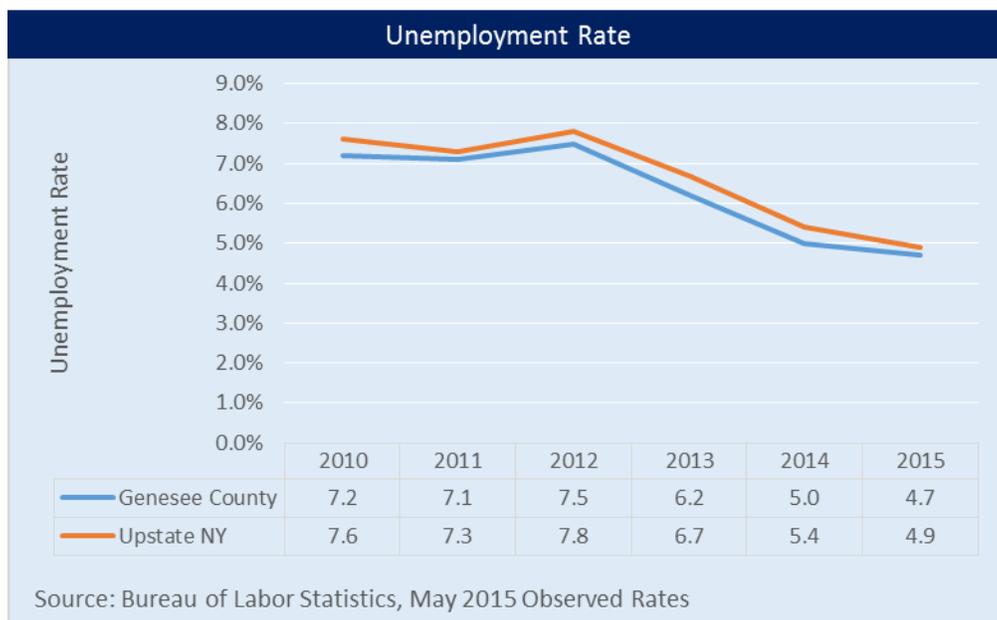
Education

Ninety-three percent (93%) of the Study Area’s residents aged 25 and older have at least a high school diploma or equivalency, compared to a slightly lower 91% for Genesee County and 90% for Upstate New York. Twenty-eight percent (28%) hold a bachelor’s or advanced degree, a portion notably higher than the County rate of 22% but somewhat less than the Upstate New York rate of 32%.



Unemployment

Genesee County has an unemployment rate of 4.7%, that is, 1,428 unemployed residents out of a labor force of 30,637 people. This is in comparison to an Upstate New York³ unemployment rate of 4.9%. In recent years, unemployment in Genesee County has declined, and is now near its May 2005 (pre-recession) level of 4.4%.



³ This unemployment figure is for New York State excluding New York City, but not excluding Long Island.

Commuter Trends – Le Roy

The Town of Le Roy is a net exporter of labor. While over 3,500 workers⁴ reside in Le Roy, the Town is home to only 2,276 jobs, meaning there are over 1,250 more workers living in Le Roy than there are jobs for these residents. Of the 3,500 workers living in the Town, about 2,900 commute to another city or town for their primary work while 1,639 commute into the Town for work. Nearly 640 workers both live and work in Le Roy.

Outflow

In 2013, Le Roy residents held 3,532 primary jobs,⁵ however, most of those primary jobs were not located in the Town. Just 18% of Le Roy residents remain in the Town for work, with the remaining 82% commuting to cities and towns across the region. Of the nearly 2,900 residents of Le Roy commuting outside of the Town for work, 400 commuted to Rochester, 366 to Batavia, and 206 to Henrietta.

Inflow

2,276 people worked in the Town of Le Roy in 2013. Of those workers, 28% were also Town residents. Of the 1,639 people commuting to the Town for work, 147 came from the Town of Stafford, 107 from Batavia, and 81 from Rochester.

Job Characteristics

In terms of age demographics, workers commuting to and from Le Roy are very similar. However, of the Le Roy residents who remain in the Town for work, 29% are in the 55 and older age cohort, compared to 21% of out-commuters and in-commuters. Of the workers leaving the town for work, 43% have jobs that pay at least \$3,333 per month, while 35% of the workers commuting to the Town are in that earnings bracket. Of Town residents remaining in Le Roy for work, only 27% earn at least \$3,333 per month. About 58% of workers commuting to other areas for work have jobs in the “All Other Services” industry group while 51% of those commuting to the Town work in that industry group.

⁴ Worker in this section refers to people with jobs – it does not include unemployed individuals

⁵ Primary jobs data from Longitudinal Employer-Household Dynamics (LEHD) from the U.S. Census Bureau. A primary job is the highest-paying job held by a worker. Using primary jobs ensures that each worker is only counted once. 2013 is the most recent year for which data is available.

Job Characteristics, Town of Le Roy			
	Out-Commuters	In-Commuters	Remain in Town
Job Characteristic	% of workers	% of workers	% of workers
Age			
29 or younger	23%	25%	25%
30 to 54	56%	54%	47%
55 or older	21%	21%	29%
Earnings			
\$1,250 per month or less	19%	28%	31%
\$1,251 to \$3,333 per month	38%	37%	42%
More than \$3,333 per month	43%	35%	27%
Industry			
"Goods Producing" Industry	22%	24%	23%
"Trade, Transportation, and Utilities" Industry	20%	25%	13%
"All Other Services" Industry	58%	51%	64%
Total:	2,895	1,639	637

Source: U.S. Census, LEHD OnTheMap

Commuter Trends – Bergen

The Town of Bergen is also an exporter of labor. While 1,462 workers reside in the Town, Bergen is home to 669 primary jobs, a deficit of 793 jobs. Of the 1,462 workers living in the Town, about 1,366 commute to another city or town for their primary work while 573 commute into the Town for work. 96 workers both live and work in Bergen.

Outflow

In 2013, Bergen residents held 1,462 primary jobs.⁵ 7% of these residents worked in the Town while 93% of the residents worked elsewhere. Of the 1,366 residents of Bergen commuting outside of the Town for work, 233 commuted to Rochester, 106 to Batavia, and 68 to Henrietta.

Inflow

669 people worked in the Town of Bergen in 2013. Of those workers, 14% were also Town residents. Of the 573 people commuting to the Town for work, 64 came from the Town of Byron, 35 from Le Roy, and 31 from Batavia.

Job Characteristics

The age demographics of in-commuters, out-commuters, and residents remaining in the Town for work are very similar. In all three groups, most workers are in the 30-54 age cohort.

Of the workers leaving the Town for work, 43% have jobs that pay at least \$3,333 per month, while that earnings bracket accounts for only 32% of the workers commuting to the Town. 21% of residents remaining in the Town for work earn \$3,333 or more per month. About 59% of workers commuting to other areas for work have jobs in the “All Other Services” industry group while only 20% of those

commuting to the Town work in that industry group. 43% of workers commuting to Bergen work in a “Goods Producing” industry, generally manufacturing-related businesses.

Job Characteristics, Town of Bergen			
Job Characteristic	Out-Commuters % of workers	In-Commuters % of workers	Remain in Town % of workers
Age			
29 or younger	24%	21%	23%
30 to 54	54%	54%	53%
55 or older	22%	24%	24%
Earnings			
\$1,250 per month or less	23%	18%	39%
\$1,251 to \$3,333 per month	34%	51%	41%
More than \$3,333 per month	43%	32%	21%
Industry			
"Goods Producing" Industry	21%	43%	40%
"Trade, Transportation, and Utilities" Industry	20%	37%	16%
"All Other Services" Industry	59%	20%	45%
Total:	1,366	573	96

Source: U.S. Census, LEHD OnTheMap

Appendix 3: Economic Base Analysis

About the data

To analyze the economic base of Le Roy and Bergen, industry data organized by the North American Industrial Classification System (NAICS) are assessed. Camoin Associates subscribes to Economic Modeling Specialists Intl. (EMSI), a proprietary data provider that aggregates economic data from approximately 90 sources. EMSI industry data, in our experience, is more complete than most or perhaps all local data sources.¹ Local data sources typically miss significant employment counts by industry because data on sole proprietorships and contractual employment (i.e. 1099 contractor positions) are not included, and because certain employment counts are suppressed from BLS/BEA figures for confidentiality reasons when too few establishments exist within a single NAICS code.

NAICS codes are maintained by the U.S. Census Bureau and are the standard used by federal statistical agencies in classifying business establishments. 2-digit codes are the highest aggregate NAICS code level and represent broad categories such as “retail,” whereas 4-digit industry codes present a finer level of detail such as “grocery stores.”

The agricultural portion of the local economy is discussed in the last sub-section of this analysis, as information related to farm establishments and agricultural employment is better sourced from separate data sources, in particular the USDA Agriculture Census.

Geographies Studied

In order to identify economic development opportunities for the Study Area, it is necessary to analyze local, regional, and national economic trends. Analyzing trends at these scales allows us to understand the role of the Study Area in the regional economy and the role of the regional economy in state and national economies. Therefore, data was collected for four geographies: the Study Area, Genesee County, Upstate New York, and the United States. As in the demographic analysis, Upstate New York is considered to include all counties in New York excluding the five boroughs of New York City and Long Island.

For the purposes of the economic base analysis, the “Study Area” is the zip codes 14416 (Bergen) and 14482 (Le Roy). This is due to the methods by which EMSI’s data sources collect information on businesses. The zip codes cover the entirety of the two Towns, plus some area falling outside of the Town boundaries, as illustrated below. Through independent research and in consultation with the Towns’ leadership, it was determined that those additional areas are primarily agricultural and do not contain significant residential developments or non-agricultural facilities. However, it is noted that the Genesee Country Village and Museum falls into that additional territory. Additionally, this territory contains properties that are being promoted by Monroe County as industrial sites. Finally, Waste Management generates power from the methane gas produced by a landfill that is within the Bergen zip code but not located in the Town.

¹ Visit www.economicmodeling.com for more information.

However, it only employs 1,500 people—down somewhat from 2007—and should not be looked to as a source of job growth. Agriculture’s larger impact on the local and regional economy instead occurs through its upstream and downstream supply chains, and it is by capitalizing on the industry opportunities downstream of agricultural production, e.g. food processing, that the Study Area has an opportunity to leverage the agricultural sector for new jobs and economic activity. This has already occurred elsewhere in the County, which shows strong job growth in dairy product manufacturing, and it is clearly recognized by the stakeholders in Le Roy and Bergen, as evidenced by their goal of establishing a shovel-ready business park targeting the food processing industry.

The data therefore supports the idea that by proactively accommodating projected growth in the food processing industry through the establishment of shovel-ready sites, Le Roy and Bergen can make it possible for firms in that industry to locate in the Study Area rather than elsewhere in Genesee County or Upstate New York.

Economy Overview

In the following table, employment,² unemployment rates, and earnings in the Study Area are compared to Genesee County, Upstate New York, and the United States.

Key Findings:

- While employment in the US economy grew between 2005 and 2015, employment in the Study Area, County, and Upstate New York declined over the same period. The decline in employment was most steep in the Study Area, where employment contracted by 13%, shedding over 500 jobs. The largest job losses in the Study Area were in the accounting, tax preparation, bookkeeping, and payroll services industry; the employment services industry; and grocery stores.
- Of the geographies studied, employment in the US economy recovered from the recent recession at the fastest rate. As of 2015, employment in the Study Area, County, and Upstate New York had not recovered to their pre-recession peaks. In the Study Area, employment began declining prior to the onset of the recession.
- Although employment is expected to increase in all geographies studied, the rate of increase is projected to be lowest in the Study Area.
- Average earnings are over 20% lower in the Study Area than in Upstate New York and nearly 25% lower than in the US.

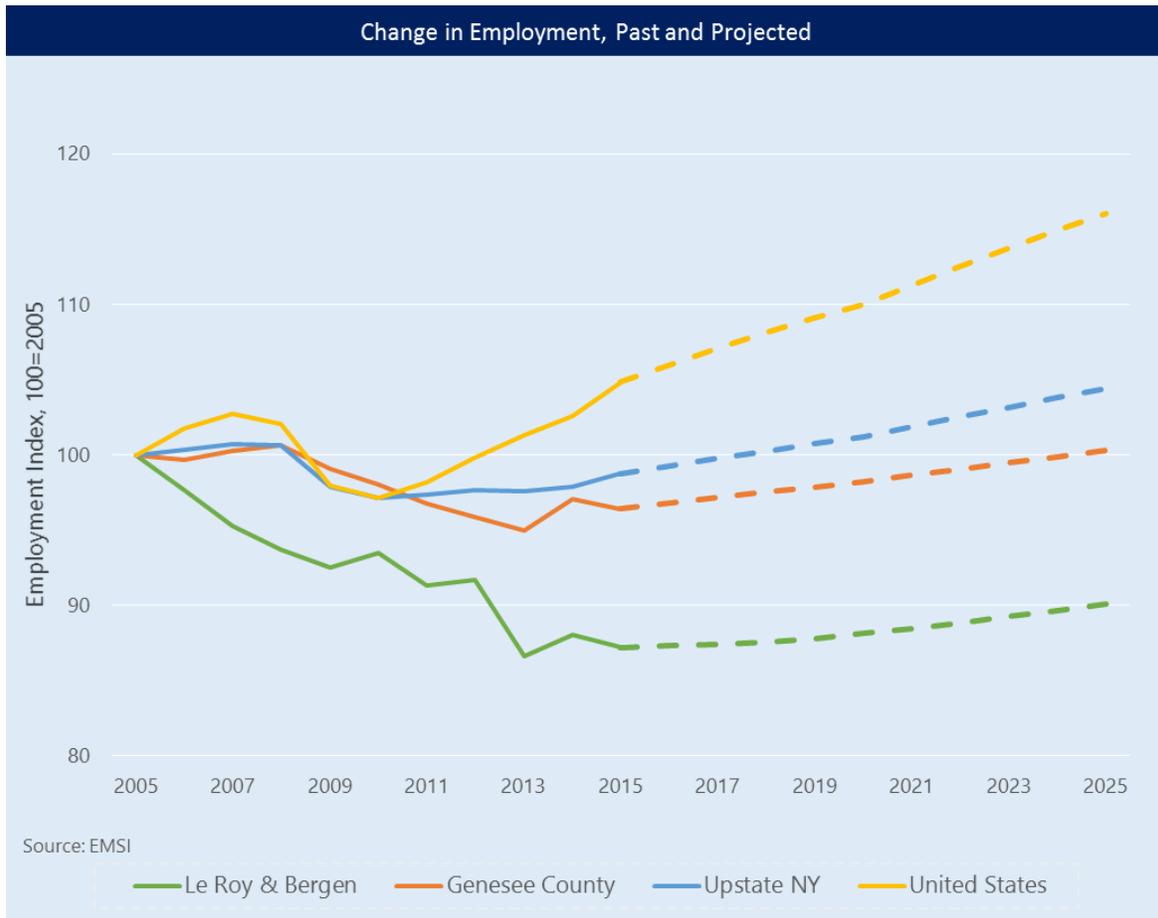
² Note that although employment counts are the basis of EMSI data and this economic base analysis, the approach of this Community Revitalization Plan is one of facilitating industry growth and attraction thereby broadening the tax base in a sustainable manner. Employment-based data and analysis in these appendices is a proxy for understanding industry investment conditions, trends, and projections.

Economy Overview				
	2015 Employment	2005-2015 % Change	2015 Unemployment	Avg. Earnings
Towns of Le Roy & Bergen	3,628	(13%)	N/A	\$47,703
Genesee County	25,346	(4%)	4.7%	\$47,206
Upstate New York	3,858,046	(1%)	4.9%	\$58,188
United States	155,858,595	5%	6.4%	\$59,240

Source: EMSI



The following graph shows past and projected job growth for the selected geographies, indexed to their respective 2005 job counts.



Largest Industries

2-digit NAICS

The following table summarizes 2015 employment at the 2-digit NAICS level for Study Area, Genesee County, Upstate New York, and the United States. Rows highlighted indicate the top five largest sectors by 2015 employment for each geography. The following observations about employment across the four regions can be made from this data.

- The Manufacturing industry accounts for over 18% of employment in the Study Area, but only accounts for 12% of jobs in the County, and 8% of jobs in Upstate New York and the US. This indicates that Manufacturing jobs are more highly concentrated in the Study Area as compared to the other geographies, and that an additional portion of the Study Area’s residents are employed in manufacturing beyond the Towns’ boundaries.
- The Construction and Wholesale Trade industries are also more highly concentrated in the Study Area than in the other geographies analyzed.

- The County and Study Area are less concentrated in “knowledge-based” industries such as Information, Finance and Insurance, Educational Services, and Professional, Scientific, and Technical Services than Upstate New York and the US.
- The Administrative and Support and Waste Management and Remediation Services industry, which accounts for nearly 5% of employment in the Study Area, is a broad category comprising industries ranging from waste treatment and disposal to office administrative services. In the Study Area, the employment services sub-sector of this industry, which provides temporary workers to businesses, has the highest employment count.

Top Employment Sectors, 2-digit NAICS												
NAICS	Description	Le Roy & Bergen		Genesee County			Upstate NY			United States		
		2015 Jobs	% of All Jobs	2015 Jobs	% of All Jobs	# of Est.	2015 Jobs	% of All Jobs	# of Est.	2015 Jobs	% of All Jobs	# of Est.
11	Crop and Animal Production	14	0.4%	1,476	5.8%	61	36,785	1.0%	2,180	1,895,207	1.2%	99,837
21	Mining, Quarrying, and Oil and Gas Extraction	30	0.8%	63	0.2%	8	4,313	0.1%	309	863,575	0.6%	35,702
22	Utilities	5	0.1%	95	0.4%	5	17,232	0.4%	397	556,594	0.4%	17,410
23	Construction	290	8.0%	1,211	4.8%	161	176,964	4.6%	21,711	8,369,403	5.4%	750,083
31	Manufacturing	684	18.8%	3,035	12.0%	87	308,570	8.0%	7,957	12,521,843	8.0%	337,310
42	Wholesale Trade	232	6.4%	1,003	4.0%	95	116,945	3.0%	10,099	6,060,311	3.9%	621,723
44	Retail Trade	364	10.0%	2,761	10.9%	206	447,229	11.6%	29,668	16,223,007	10.4%	1,040,110
48	Transportation and Warehousing	127	3.5%	624	2.5%	40	100,135	2.6%	4,591	5,124,478	3.3%	229,302
51	Information	13	0.4%	187	0.7%	13	59,170	1.5%	2,932	2,918,730	1.9%	149,139
52	Finance and Insurance	44	1.2%	414	1.6%	54	133,511	3.5%	11,021	6,224,228	4.0%	471,187
53	Real Estate and Rental and Leasing	24	0.7%	208	0.8%	31	54,606	1.4%	8,769	2,574,067	1.7%	358,421
54	Professional, Scientific, and Technical Services	122	3.4%	490	1.9%	76	197,680	5.1%	20,757	9,856,327	6.3%	1,107,246
55	Management of Companies and Enterprises	5	0.1%	104	0.4%	8	54,665	1.4%	1,451	2,183,267	1.4%	59,753
56	Administrative and Support and Waste Management and Remediation Services	173	4.8%	894	3.5%	63	172,679	4.5%	12,403	9,794,517	6.3%	496,769
61	Educational Services	37	1.0%	186	0.7%	14	167,148	4.3%	2,946	3,898,999	2.5%	106,969
62	Health Care and Social Assistance	377	10.4%	2,732	10.8%	126	562,903	14.6%	22,075	19,348,013	12.4%	1,375,886
71	Arts, Entertainment, and Recreation	94	2.6%	854	3.4%	24	67,125	1.7%	4,201	2,574,412	1.7%	131,690
72	Accommodation and Food Services	245	6.8%	2,048	8.1%	127	295,549	7.7%	20,194	13,102,353	8.4%	658,996
81	Other Services (except Public Administration)	178	4.9%	1,096	4.3%	150	169,157	4.4%	23,766	7,431,839	4.8%	806,048
90	Government	569	15.7%	5,851	23.1%	92	708,435	18.4%	9,094	24,135,944	15.5%	292,448
99	Unclassified Industry	5	0.1%	12	0.0%	34	7,247	0.2%	9,508	201,480	0.1%	188,893
Total (all jobs):		3,628	100.0%	25,346	100.0%	1,473	3,858,046	100.0%	226,027	155,858,595	100.0%	9,334,919

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

**Establishments only available at the county and region levels, not available by zip code

designates largest industries

**** Please note that crop and animal production figures from EMSI are artificially low. While EMSI is the best source for data relating to other industries, the USDA Agriculture Census is the best source for data on agricultural employment. This topic is therefore treated separately in a later sub-section of this economic base analysis.***

4-digit NAICS

The top industries in the Study Area, County, and Upstate New York are assessed in this section at the 4-digit NAICS code level of industry classification. At this level of classification, the employment composition of each geography can be analyzed at a finer level and the specific sectors driving employment changes can be identified.

Key Findings:

- Overall, the Study Area is much more concentrated in its 25 largest industry sectors, which account for over 65% of employment, than the County or Upstate New York. This lack of diversity could make the Study Area's economy more sensitive to contractions in one or more of its top employment sectors.
- At this level of analysis, the specific industries that comprise the Manufacturing industry in the Study Area can be assessed. The largest Manufacturing sector in the Study Area is Clay Product and Refractory Manufacturing, which accounts for over 6% of employment overall and about a third of Manufacturing employment. After this sector, the top Manufacturing sectors are related to food processing, machinery, and paper products.
- Frozen vegetable production (e.g. Bonduelle) does rank in the top 25 industries in the Study Area by employment. However, dairy product manufacturing currently does not appear in the top 25, despite being the 10th largest source of employment within the larger County.
- The top industries in the County and Upstate New York geographies include more healthcare-related industry sectors, such as General and Medical Surgical Hospitals and Offices of Physicians, than the Study Area. The top sectors in Upstate New York also include higher education, military, and finance-related industry sectors, which are not among the top sectors in the Study Area or County.

Top 25 Employment Sectors, 4-digit NAICS			
NAICS	Description	Le Roy & Bergen	
		2015 Jobs	% of All Jobs
9036	Education and Hospitals (Local Government)	268	7.4%
7225	Restaurants and Other Eating Places	235	6.5%
3271	Clay Product and Refractory Manufacturing	222	6.1%
6231	Nursing Care Facilities (Skilled Nursing Facilities)	171	4.7%
9011	Federal Government, Civilian	116	3.2%
9039	Local Government, Excluding Education and Hospitals	114	3.2%
3339	Other General Purpose Machinery Manufacturing	109	3.0%
4248	Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers	101	2.8%
4451	Grocery Stores	97	2.7%
2382	Building Equipment Contractors	96	2.6%
7139	Other Amusement and Recreation Industries	88	2.4%
3114	Fruit and Vegetable Preserving and Specialty Food Manufacturing	80	2.2%
5613	Employment Services	79	2.2%
4411	Automobile Dealers	58	1.6%
5412	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	55	1.5%
4471	Gasoline Stations	54	1.5%
3336	Engine, Turbine, and Power Transmission Equipment Manufacturing	53	1.5%
8111	Automotive Repair and Maintenance	52	1.4%
4842	Specialized Freight Trucking	50	1.4%
4853	Taxi and Limousine Service	49	1.4%
6233	Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly	49	1.4%
3222	Converted Paper Product Manufacturing	46	1.3%
6241	Individual and Family Services	42	1.2%
2383	Building Finishing Contractors	42	1.1%
2361	Residential Building Construction	40	1.1%
Total (Top 25 Sectors):		2,365	65.2%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

Top 25 Employment Sectors, 4-digit NAICS				
NAICS	Description	Genesee County		
		2015 Jobs	% of All Jobs	# of Est.
9036	Education and Hospitals (Local Government)	2,507	9.9%	14
9039	Local Government, Excluding Education and Hospitals	1,913	7.5%	30
7225	Restaurants and Other Eating Places	1,545	6.1%	93
1120	Animal Production and Aquaculture	848	3.3%	35
9029	State Government, Excluding Education and Hospitals	597	2.4%	21
9011	Federal Government, Civilian	593	2.3%	25
1110	Crop Production	545	2.2%	24
6221	General Medical and Surgical Hospitals	545	2.2%	1
7131	Amusement Parks and Arcades	490	1.9%	2
3115	Dairy Product Manufacturing	456	1.8%	3
3339	Other General Purpose Machinery Manufacturing	423	1.7%	4
4529	Other General Merchandise Stores	413	1.6%	9
6243	Vocational Rehabilitation Services	397	1.6%	3
6231	Nursing Care Facilities (Skilled Nursing Facilities)	344	1.4%	2
4451	Grocery Stores	329	1.3%	17
2382	Building Equipment Contractors	292	1.2%	38
7139	Other Amusement and Recreation Industries	287	1.1%	18
3324	Boiler, Tank, and Shipping Container Manufacturing	286	1.1%	1
4471	Gasoline Stations	277	1.1%	28
4521	Department Stores	275	1.1%	4
8131	Religious Organizations	269	1.1%	35
2362	Nonresidential Building Construction	265	1.0%	8
6211	Offices of Physicians	261	1.0%	39
5616	Investigation and Security Services	257	1.0%	3
4238	Machinery, Equipment, and Supplies Merchant Wholesalers	253	1.0%	20
Total (Top 25 Sectors):		14,670	57.9%	478

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

overlap with Top 25 sectors in Study Area

Top 25 Employment Sectors, 4-digit NAICS

NAICS	Description	Upstate NY		
		2015 Jobs	% of All Jobs	# of Est.
9036	Education and Hospitals (Local Government)	266,077	6.9%	2,343
7225	Restaurants and Other Eating Places	223,923	5.8%	15,240
9039	Local Government, Excluding Education and Hospitals	178,874	4.6%	2,648
6221	General Medical and Surgical Hospitals	132,806	3.4%	132
9029	State Government, Excluding Education and Hospitals	119,218	3.1%	1,939
6113	Colleges, Universities, and Professional Schools	107,077	2.8%	137
4451	Grocery Stores	89,469	2.3%	3,131
6211	Offices of Physicians	70,426	1.8%	5,591
6231	Nursing Care Facilities (Skilled Nursing Facilities)	62,529	1.6%	379
6241	Individual and Family Services	58,259	1.5%	1,941
9026	Education and Hospitals (State Government)	55,941	1.4%	155
5511	Management of Companies and Enterprises	54,665	1.4%	1,451
2382	Building Equipment Contractors	50,606	1.3%	5,105
5617	Services to Buildings and Dwellings	50,442	1.3%	6,320
9011	Federal Government, Civilian	48,998	1.3%	2,011
5613	Employment Services	47,539	1.2%	1,213
4529	Other General Merchandise Stores	40,383	1.0%	1,195
9012	Federal Government, Military	39,327	1.0%	-
5221	Depository Credit Intermediation	39,075	1.0%	3,369
6232	Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	37,577	1.0%	2,009
7139	Other Amusement and Recreation Industries	37,202	1.0%	2,575
4521	Department Stores	37,057	1.0%	378
5241	Insurance Carriers	36,587	0.9%	798
8131	Religious Organizations	36,227	0.9%	3,606
4411	Automobile Dealers	35,887	0.9%	1,438
Total (Top 25 Sectors):		1,956,170	50.7%	65,100

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers overlap with Top 25 sectors in Study Area

Historic Growth

The following table summarizes changes in employment at the 2-digit NAICS level for Study Area, Genesee County, Upstate New York, and the United States since 2005. Rows highlighted indicate industries that added the most jobs and shed the most jobs since 2005 for each geography. The following observations about employment across the four regions can be made from this data.

2-digit NAICS

- Of the geographies analyzed, employment in the Study Area declined at the highest rate since 2005, shedding over 500 jobs, or 13% of employment. This compares to a 4% decline in Genesee County and 1% decline in Upstate New York. Over the same period, employment in the US grew by 5%.
- The largest decline in employment in the Study Area occurred in the Professional, Scientific, and Technical Services industry, which lost nearly 200 jobs. Over the same period, this industry has increased in both Upstate New York and the US.
- Retail Trade also declined at a high rate, shedding 115 jobs in the Study Area. Although this industry also declined in Upstate New York and the US, it contracted at a much lower rate in those geographies.
- Although Upstate New York and the US shed jobs in the Manufacturing industry from 2005-2015, the Study Area and County were able to retain employment and grow modestly, increasing employment by 2%.
- Since 2005, the Transportation and Warehousing industry grew across the four geographies analyzed. The fastest rate of growth for this industry occurred in the County, which increased employment by 26%, and the Study Area, where employment increased by 18%. In the Study Area, this increase appears mostly attributable to growth in taxi and limousine services, although this could be due to the reclassification of an existing business.
- The Study Area trailed the County, Upstate New York, and US in growth in the Accommodation and Food Services industry. In the Study Area, this industry grew by 4%, compared to 10% in the County, and 18% in both Upstate New York and the US.

Change in Employment, 2005-2015, 2-digit NAICS

NAICS	Description	Le Roy & Bergen				Genesee County		Upstate NY		United States	
		2005 Jobs	2015 Jobs	# Change	% Change	# Change	% Change	# Change	% Change	# Change	% Change
11	Crop and Animal Production	39	14	(25)	(65%)	(355)	(19%)	(656)	(2%)	(47,478)	(2%)
21	Mining, Quarrying, and Oil and Gas Extraction	39	30	(9)	(24%)	(9)	(12%)	(477)	(10%)	287,230	50%
22	Utilities	25	5	(20)	(80%)	(124)	(57%)	(2,651)	(13%)	6,001	1%
23	Construction	248	290	42	17%	61	5%	(15,481)	(8%)	(1,257,278)	(13%)
31	Manufacturing	667	684	16	2%	49	2%	(75,713)	(20%)	(1,942,823)	(13%)
42	Wholesale Trade	229	232	3	1%	(32)	(3%)	(11,269)	(9%)	108,224	2%
44	Retail Trade	479	364	(115)	(24%)	(38)	(1%)	(4,024)	(1%)	182,797	1%
48	Transportation and Warehousing	108	127	20	18%	129	26%	596	1%	388,521	8%
51	Information	14	13	(1)	(8%)	(91)	(33%)	(19,997)	(25%)	(291,958)	(9%)
52	Finance and Insurance	49	44	(5)	(10%)	9	2%	(12,406)	(9%)	(158,827)	(2%)
53	Real Estate and Rental and Leasing	31	24	(7)	(23%)	(55)	(21%)	(3,825)	(7%)	(175,420)	(6%)
54	Professional, Scientific, and Technical Services	317	122	(195)	(61%)	(151)	(24%)	12,016	6%	1,507,183	18%
55	Management of Companies and Enterprises	5	5	0	0%	37	56%	7,038	15%	440,053	25%
56	Administrative and Support and Waste Management and Remediation Services	294	173	(121)	(41%)	214	32%	794	0%	836,095	9%
61	Educational Services	54	37	(17)	(31%)	(20)	(10%)	14,352	9%	736,911	23%
62	Health Care and Social Assistance	318	377	59	19%	251	10%	53,346	10%	3,898,132	25%
71	Arts, Entertainment, and Recreation	146	94	(52)	(36%)	(218)	(20%)	5,527	9%	296,988	13%
72	Accommodation and Food Services	236	245	10	4%	183	10%	45,887	18%	1,989,856	18%
81	Other Services (except Public Administration)	220	178	(42)	(19%)	(401)	(27%)	(12)	(0%)	150,220	2%
90	Government	634	569	(66)	(10%)	(353)	(6%)	(38,844)	(5%)	305,534	1%
99	Unclassified Industry	5	5	0	0%	(28)	(69%)	(1,937)	(21%)	(60,396)	(23%)
Total (all jobs):		4,160	3,628	(532)	(13%)	(939)	(4%)	(47,736)	(1%)	7,199,563	5%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

- designates industries that added the most jobs
- designates industries that lost the most jobs

4-digit NAICS

The industries that added the most jobs in the Study Area, County, and Upstate New York are assessed in this section at the 4-digit NAICS code level of industry classification. At this level of classification, the employment composition of each geography can be analyzed at a finer level and the specific sectors driving employment changes can be identified. The following observations about employment across the four regions can be made from this data.

- Several industries in the Study Area have experienced triple digit growth since 2005, growing from a relatively small number of jobs. The top two growth industries were both in the Manufacturing industry and added a combined 110 jobs. Of the top ten growth industries, four were Manufacturing sectors. This is in contrast to Upstate New York more broadly, where the top 25 growth industries only included one in the Manufacturing sector.
- Sectors that added the most jobs since 2005 in Upstate New York were related to healthcare, including Home Health Services, Offices of Physicians, General Medical and Surgical Hospitals, and Outpatient Care Centers. These industries were not represented among the highest growth sectors in the Study Area.

Change in Employment, 2005-2015, 4-digit NAICS

NAICS	Description	Le Roy & Bergen			
		2005 Jobs	2015 Jobs	# Change	% Change
3271	Clay Product and Refractory Manufacturing	163	222	59	36%
3336	Engine, Turbine, and Power Transmission Equipment Manufacturing	0	53	53	N/A
4853	Taxi and Limousine Service	5	49	44	886%
2382	Building Equipment Contractors	60	96	36	60%
5614	Business Support Services	5	35	30	608%
4248	Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers	74	101	27	37%
3329	Other Fabricated Metal Product Manufacturing	5	32	27	539%
3339	Other General Purpose Machinery Manufacturing	87	109	22	25%
6241	Individual and Family Services	20	42	22	108%
6231	Nursing Care Facilities (Skilled Nursing Facilities)	150	171	20	13%
4238	Machinery, Equipment, and Supplies Merchant Wholesalers	18	33	16	88%
2361	Residential Building Construction	24	40	16	64%
4231	Motor Vehicle and Motor Vehicle Parts and Supplies Merchant Wholesalers	5	20	15	296%
4232	Furniture and Home Furnishing Merchant Wholesalers	0	14	14	N/A
9039	Local Government, Excluding Education and Hospitals	101	114	14	14%
3333	Commercial and Service Industry Machinery Manufacturing	5	19	14	273%
9029	State Government, Excluding Education and Hospitals	23	36	12	53%
7225	Restaurants and Other Eating Places	224	235	12	5%
6219	Other Ambulatory Health Care Services	5	16	11	220%
2362	Nonresidential Building Construction	24	34	11	45%
5622	Waste Treatment and Disposal	5	15	10	195%
4461	Health and Personal Care Stores	31	40	9	29%
3327	Machine Shops; Turned Product; and Screw, Nut, and Bolt Manufacturing	5	13	8	155%
5171	Wired Telecommunications Carriers	5	13	8	152%
6232	Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	25	32	7	29%
Total (All Jobs):		4,160	3,628	(532)	(13%)

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

Change in Employment, 2005-2015, 4-digit NAICS

NAICS	Description	Genesee County			
		2005 Jobs	2015 Jobs	# Change	% Change
4529	Other General Merchandise Stores	116	413	297	257%
6243	Vocational Rehabilitation Services	113	397	284	250%
5616	Investigation and Security Services	5	257	252	5049%
9039	Local Government, Excluding Education and Hospitals	1,684	1,913	229	14%
9029	State Government, Excluding Education and Hospitals	390	597	207	53%
5614	Business Support Services	15	207	192	1270%
3115	Dairy Product Manufacturing	311	456	145	47%
3339	Other General Purpose Machinery Manufacturing	308	423	116	38%
2382	Building Equipment Contractors	182	292	110	61%
4511	Sporting Goods, Hobby, and Musical Instrument Stores	41	144	103	252%
6219	Other Ambulatory Health Care Services	21	115	94	448%
4921	Couriers and Express Delivery Services	5	98	93	1855%
2362	Nonresidential Building Construction	180	265	85	47%
7223	Special Food Services	120	196	76	64%
5171	Wired Telecommunications Carriers	31	106	75	244%
4231	Motor Vehicle and Motor Vehicle Parts and Supplies Merchant Wholesalers	49	121	73	149%
4931	Warehousing and Storage	0	72	72	N/A
4238	Machinery, Equipment, and Supplies Merchant Wholesalers	183	253	70	38%
4442	Lawn and Garden Equipment and Supplies Stores	36	104	68	190%
7225	Restaurants and Other Eating Places	1,484	1,545	61	4%
3271	Clay Product and Refractory Manufacturing	163	222	59	36%
7211	Traveler Accommodation	183	240	57	31%
3324	Boiler, Tank, and Shipping Container Manufacturing	232	286	53	23%
3336	Engine, Turbine, and Power Transmission Equipment Manufacturing	0	53	53	N/A
6216	Home Health Care Services	90	142	52	58%
Total (All Jobs):		26,285	25,346	(939)	(4%)

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

overlap with Top 25 sectors in Study Area

Change in Employment, 2005-2015, 4-digit NAICS

NAICS	Description	Upstate NY			
		2005 Jobs	2015 Jobs	# Change	% Change
7225	Restaurants and Other Eating Places	184,243	223,923	39,680	22%
4529	Other General Merchandise Stores	25,420	40,383	14,964	59%
6241	Individual and Family Services	45,838	58,259	12,421	27%
6216	Home Health Care Services	23,527	33,265	9,738	41%
5614	Business Support Services	18,911	26,390	7,479	40%
5511	Management of Companies and Enterprises	47,627	54,665	7,038	15%
6211	Offices of Physicians	63,402	70,426	7,024	11%
5415	Computer Systems Design and Related Services	22,164	28,664	6,500	29%
6221	General Medical and Surgical Hospitals	126,335	132,806	6,471	5%
6214	Outpatient Care Centers	12,068	18,396	6,328	52%
6232	Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	31,545	37,577	6,032	19%
6113	Colleges, Universities, and Professional Schools	102,272	107,077	4,805	5%
6116	Other Schools and Instruction	11,194	15,328	4,134	37%
5416	Management, Scientific, and Technical Consulting Services	17,784	21,726	3,941	22%
5617	Services to Buildings and Dwellings	46,861	50,442	3,581	8%
6213	Offices of Other Health Practitioners	17,935	21,414	3,479	19%
5313	Activities Related to Real Estate	11,319	14,768	3,449	30%
5242	Agencies, Brokerages, and Other Insurance Related Activities	29,497	32,844	3,347	11%
2382	Building Equipment Contractors	47,429	50,606	3,178	7%
9012	Federal Government, Military	36,431	39,327	2,896	8%
3339	Other General Purpose Machinery Manufacturing	10,275	12,971	2,695	26%
4931	Warehousing and Storage	12,391	15,033	2,642	21%
7211	Traveler Accommodation	31,087	33,695	2,608	8%
7132	Gambling Industries	283	2,638	2,354	830%
4461	Health and Personal Care Stores	28,306	30,571	2,265	8%
Total (All Jobs):		3,905,782	3,858,046	(47,736)	(1%)

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

overlap with Top 25 sectors in Study Area

Projected Growth

The following table summarizes projected changes in employment at the 2-digit NAICS level for the Study Area, Genesee County, Upstate New York, and the United States. Rows highlighted indicate the industries that are projected to add the most jobs and shed the most jobs by 2025. The following observations about employment across the four regions can be made from this data.

2-digit NAICS

- Over the next 10 years, employment in the Study Area is projected to increase by 3%, adding over 120 jobs. This growth is slightly lower than the growth projected in Upstate New York and the US.
- Although the Manufacturing industry grew modestly over the past 10 years in the Study Area, it is projected to decline in employment by 2025, decreasing from 680 jobs to just over 600 jobs. This mirrors a contraction across all of the geographies analyzed. However, the Study Area bucked the regional and national trend of manufacturing job losses over the past decade, and may be able to continue to buck these projections with assertive economic development strategies.
- The Health Care and Social Assistance industry is projected to add the most jobs over the next 10 years, increasing employment by 29%. This outpaces growth in the County, Upstate New York and the US.
- The Construction industry is also expected to grow at a fast rate by 2025, increasing by 36%. This compares favorably to growth in Upstate New York and US, where the industry is projected to grow by 8% and 13% respectively.

Projected Change in Employment, 2015-2025, 2-digit NAICS

NAICS	Description	Le Roy & Bergen				Genesee County		Upstate NY		United States	
		2015 Jobs	2025 Jobs	# Change	% Change	# Change	% Change	# Change	% Change	# Change	% Change
11	Crop and Animal Production	14	13	(1)	(5%)	(374)	(25%)	(4,506)	(12%)	(34,960)	(2%)
21	Mining, Quarrying, and Oil and Gas Extraction	30	20	(10)	(33%)	(9)	(14%)	228	5%	174,365	20%
22	Utilities	5	0	(5)	(100%)	(7)	(8%)	(737)	(4%)	(1,760)	(0%)
23	Construction	290	395	105	36%	301	25%	13,592	8%	1,105,593	13%
31	Manufacturing	684	603	(81)	(12%)	(200)	(7%)	(22,470)	(7%)	(28,133)	(0%)
42	Wholesale Trade	232	275	43	19%	143	14%	5,895	5%	597,051	10%
44	Retail Trade	364	320	(45)	(12%)	89	3%	15,049	3%	1,212,378	7%
48	Transportation and Warehousing	127	137	10	8%	144	23%	6,257	6%	514,492	10%
51	Information	13	21	8	60%	15	8%	(6,166)	(10%)	75,550	3%
52	Finance and Insurance	44	41	(3)	(7%)	(5)	(1%)	(2,838)	(2%)	535,465	9%
53	Real Estate and Rental and Leasing	24	22	(1)	(5%)	3	1%	1,253	2%	160,087	6%
54	Professional, Scientific, and Technical Services	122	116	(6)	(5%)	76	16%	21,679	11%	1,885,034	19%
55	Management of Companies and Enterprises	5	11	6	128%	24	23%	4,301	8%	202,468	9%
56	Administrative and Support and Waste Management and Remediation Services	173	156	(17)	(10%)	364	41%	23,240	13%	1,712,002	17%
61	Educational Services	37	27	(10)	(28%)	1	0%	22,727	14%	721,562	19%
62	Health Care and Social Assistance	377	486	109	29%	420	15%	96,168	17%	4,125,892	21%
71	Arts, Entertainment, and Recreation	94	109	15	16%	32	4%	11,229	17%	314,513	12%
72	Accommodation and Food Services	245	253	8	3%	180	9%	23,721	8%	1,494,797	11%
81	Other Services (except Public Administration)	178	184	6	4%	(102)	(9%)	19,680	12%	735,276	10%
90	Government	569	560	(9)	(2%)	(67)	(1%)	(7,754)	(1%)	1,119,245	5%
99	Unclassified Industry	5	0	(5)	(100%)	(7)	(59%)	(855)	(12%)	(20,722)	(10%)
Total (all jobs):		3,628	3,749	121	3%	1,016	4%	219,694	6%	16,600,193	11%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

- designates industries that added the most jobs
- designates industries that lost the most jobs

4-digit NAICS

The industries that are projected to add the most jobs in the Study Area, County, and Upstate New York are assessed in this section at the 4-digit NAICS code level of industry classification. At this level of classification, the employment composition of each geography can be analyzed at a finer level and the specific sectors driving employment changes can be identified.

- Although some Manufacturing sectors are projected to shed jobs over the next 10 years, some sectors are projected to grow – including Other General Purpose Machinery, Other Fabricated Metal Products, and Commercial and Service Industry Machinery. By comparison, in Upstate New York, no Manufacturing sectors are expected to be among the top growth industries over the next 10 years.
- Within the Construction sector, industries expected to add the most jobs over the next 10 years include Building Equipment Contractors and Foundation, Structure, and Building Exterior Contractors.
- Compared to Upstate New York, the Study Area has very few healthcare-related sectors among the top 25 growth sectors.
- Knowledge-based sectors—including Computer Systems and Design Related Services; Management, Scientific, and Technical Consulting; Scientific Research and Development Services; and higher education-related sectors—are expected to be major drivers of growth in Upstate New York. These sectors are projected to grow only modestly or decline in the Study Area and County.
- Industries that are projected to experience strong job gains in the County—not in the Study Area but potentially accessible to Study Area residents via a commute—include Vocational and Rehabilitation Services and Investigation and Security Services. Establishments in the Vocational and Rehabilitation Services industry provide services like job counseling, job training, and work experience to unemployed persons, persons with disabilities, and other hard-to-place workers. In the “Investigation and Security Services” industry, all the job gains in the County were in the category of Security Guards and Patrol Services—an industry that had no jobs in Genesee County in 2005 and now provides 242 jobs.

Top 25 Sectors by Projected Employment Growth, 2015-2025, 4-digit NAICS

NAICS	Description	Le Roy & Bergen			
		2015 Jobs	2025 Jobs	# Change	% Change
6231	Nursing Care Facilities (Skilled Nursing Facilities)	171	227	56	33%
3339	Other General Purpose Machinery Manufacturing	109	150	41	37%
2382	Building Equipment Contractors	96	134	38	40%
6241	Individual and Family Services	42	76	34	81%
4248	Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers	101	135	33	33%
2381	Foundation, Structure, and Building Exterior Contractors	39	68	29	73%
5614	Business Support Services	35	64	28	80%
3329	Other Fabricated Metal Product Manufacturing	32	54	22	70%
2361	Residential Building Construction	40	59	19	48%
3333	Commercial and Service Industry Machinery Manufacturing	19	37	18	99%
7139	Other Amusement and Recreation Industries	88	105	17	19%
4853	Taxi and Limousine Service	49	66	17	34%
4238	Machinery, Equipment, and Supplies Merchant Wholesalers	33	50	16	48%
2383	Building Finishing Contractors	42	56	14	34%
6232	Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	32	46	14	43%
6219	Other Ambulatory Health Care Services	16	25	9	59%
4411	Automobile Dealers	58	67	9	16%
7225	Restaurants and Other Eating Places	235	244	9	4%
4232	Furniture and Home Furnishing Merchant Wholesalers	14	23	9	65%
8111	Automotive Repair and Maintenance	52	60	9	17%
4461	Health and Personal Care Stores	40	48	8	21%
5171	Wired Telecommunications Carriers	13	21	8	64%
4442	Lawn and Garden Equipment and Supplies Stores	5	13	8	157%
5413	Architectural, Engineering, and Related Services	15	22	8	54%
2362	Nonresidential Building Construction	34	42	8	23%
Total (All Jobs):		3,628	3,749	121	3%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

Top 25 Sectors by Projected Employment Growth, 2015-2025, 4-digit NAICS

NAICS	Description	Genesee County			
		2015 Jobs	2025 Jobs	# Change	% Change
6243	Vocational Rehabilitation Services	397	616	219	55%
5616	Investigation and Security Services	257	448	191	74%
5614	Business Support Services	207	364	157	76%
2382	Building Equipment Contractors	292	410	118	40%
6231	Nursing Care Facilities (Skilled Nursing Facilities)	344	457	114	33%
4529	Other General Merchandise Stores	413	520	107	26%
3339	Other General Purpose Machinery Manufacturing	423	527	103	24%
7225	Restaurants and Other Eating Places	1,545	1,631	86	6%
3115	Dairy Product Manufacturing	456	538	82	18%
4238	Machinery, Equipment, and Supplies Merchant Wholesalers	253	324	71	28%
2361	Residential Building Construction	174	243	70	40%
4511	Sporting Goods, Hobby, and Musical Instrument Stores	144	212	68	48%
6219	Other Ambulatory Health Care Services	115	183	68	59%
5171	Wired Telecommunications Carriers	106	173	68	64%
6232	Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	199	265	66	33%
7211	Traveler Accommodation	240	304	64	27%
6216	Home Health Care Services	142	206	64	45%
4931	Warehousing and Storage	72	133	62	86%
2362	Nonresidential Building Construction	265	325	60	23%
4231	Motor Vehicle and Motor Vehicle Parts and Supplies Merchant Wholesalers	121	178	56	46%
4921	Couriers and Express Delivery Services	98	152	54	56%
7139	Other Amusement and Recreation Industries	287	339	51	18%
4442	Lawn and Garden Equipment and Supplies Stores	104	149	45	43%
5617	Services to Buildings and Dwellings	233	276	43	19%
2381	Foundation, Structure, and Building Exterior Contractors	155	198	43	28%
Total (All Jobs):		25,346	26,362	1,016	4%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

overlap with Top 25 sectors in Study Area

Top 25 Sectors by Projected Employment Growth, 2015-2025, 4-digit NAICS

NAICS	Description	Upstate NY			
		2015 Jobs	2025 Jobs	# Change	% Change
7225	Restaurants and Other Eating Places	223,923	243,717	19,794	9%
6113	Colleges, Universities, and Professional Schools	107,077	123,323	16,247	15%
6241	Individual and Family Services	58,259	72,625	14,367	25%
6216	Home Health Care Services	33,265	44,808	11,543	35%
6211	Offices of Physicians	70,426	81,945	11,520	16%
6231	Nursing Care Facilities (Skilled Nursing Facilities)	62,529	72,803	10,273	16%
6232	Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	37,577	47,750	10,173	27%
5617	Services to Buildings and Dwellings	50,442	58,813	8,372	17%
5614	Business Support Services	26,390	34,457	8,068	31%
4529	Other General Merchandise Stores	40,383	47,790	7,407	18%
7139	Other Amusement and Recreation Industries	37,202	44,357	7,155	19%
6214	Outpatient Care Centers	18,396	25,485	7,089	39%
2382	Building Equipment Contractors	50,606	57,087	6,480	13%
6221	General Medical and Surgical Hospitals	132,806	139,119	6,313	5%
2361	Residential Building Construction	30,033	35,609	5,576	19%
6244	Child Day Care Services	34,288	39,360	5,072	15%
5415	Computer Systems Design and Related Services	28,664	33,574	4,910	17%
5416	Management, Scientific, and Technical Consulting Services	21,726	26,513	4,787	22%
6213	Offices of Other Health Practitioners	21,414	26,139	4,726	22%
8131	Religious Organizations	36,227	40,898	4,671	13%
5511	Management of Companies and Enterprises	54,665	58,965	4,301	8%
6233	Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly	17,784	21,863	4,079	23%
8111	Automotive Repair and Maintenance	28,195	31,783	3,588	13%
5413	Architectural, Engineering, and Related Services	29,649	33,218	3,569	12%
5417	Scientific Research and Development Services	27,236	30,696	3,459	13%
Total (All Jobs):		3,858,046	4,077,740	219,694	6%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

overlap with Top 25 sectors in Study Area

Concentrated Industries Location Quotient Analysis

Location Quotient (LQ) analysis compares a specific geographic region to a larger reference area by quantifying how concentrated a particular industry, demographic group, or other variable is as compared to the larger geography. In this section, employment by industry in the Study Area is compared to the nation to identify which industries are more highly concentrated in the region than at the national level.

LQ is calculated by dividing the percent of jobs within each industry locally by the percent of jobs in the same industry at the national level. For example, if the finance and insurance industry accounts for 2% of jobs in a community and at the national level this industry has 1% of the total jobs, the community has a LQ of 2.0 ($0.02 \div 0.01 = 2$). In this example, the local community employs twice as many individuals in the industry as expected based on national employment patterns. Typically, only values above 1.20 or below 0.80 are considered “significant” findings in LQ analysis. Industries with a high LQ and high employment numbers are assumed to produce more than what is needed locally (i.e. a surplus) and sell their products and services to buyers outside the community boundaries.

The tables below show employment by 2-digit NAICS and then 4-digit NAICS for the Study Area, Genesee County, and Upstate New York. A high location quotient indicates a higher than average concentration of jobs in a certain industry relative to the nation.

2-digit NAICS

Key Findings:

- In the Study Area, the industry with the highest concentration is Manufacturing, which is over two times more concentrated in the Study Area than in the US. This industry is also highly concentrated in Genesee County.
- The Wholesale Trade industry is 60% more concentrated in the Study Area than in the US overall. In Genesee County, this industry accounts for the same proportion of employment as the US while in Upstate New York, the industry is slightly less concentrated than in the US.
- The least concentrated industries in the Study Area include Information; Finance and Insurance; and Management of Companies and Enterprises.
- Although Educational Services is 70% more concentrated in Upstate New York than in the US, this industry is 60% less concentrated in the Study Area than the U.S.
- Despite recent growth in the Health Care and Social Assistance industry, the industry is still 20% less concentrated in the Study Area than in the US overall. In Upstate New York, this industry is slightly more concentrated than in the US.

Employment Concentration, 2015, 2-digit NAICS										
NAICS	Description	Le Roy and Bergen			Genesee County			Upstate NY		
		2015 Jobs	% of All Jobs	National LQ	2015 Jobs	% of All Jobs	National LQ	2015 Jobs	% of All Jobs	National LQ
11	Crop and Animal Production	14	0.4%	0.3	1,476	5.8%	4.8	36,785	1.0%	0.8
21	Mining, Quarrying, and Oil and Gas Extraction	30	0.8%	1.5	63	0.2%	0.4	4,313	0.1%	0.2
22	Utilities	5	0.1%	0.0	95	0.4%	1.1	17,232	0.4%	1.3
23	Construction	290	8.0%	1.5	1,211	4.8%	0.9	176,964	4.6%	0.9
31	Manufacturing	684	18.8%	2.3	3,035	12.0%	1.5	308,570	8.0%	1.0
42	Wholesale Trade	232	6.4%	1.6	1,003	4.0%	1.0	116,945	3.0%	0.8
44	Retail Trade	364	10.0%	1.0	2,761	10.9%	1.0	447,229	11.6%	1.1
48	Transportation and Warehousing	127	3.5%	1.1	624	2.5%	0.7	100,135	2.6%	0.8
51	Information	13	0.4%	0.2	187	0.7%	0.4	59,170	1.5%	0.8
52	Finance and Insurance	44	1.2%	0.3	414	1.6%	0.4	133,511	3.5%	0.9
53	Real Estate and Rental and Leasing	24	0.7%	0.4	208	0.8%	0.5	54,606	1.4%	0.9
54	Professional, Scientific, and Technical Services	122	3.4%	0.5	490	1.9%	0.3	197,680	5.1%	0.8
55	Management of Companies and Enterprises	5	0.1%	0.2	104	0.4%	0.3	54,665	1.4%	1.0
56	Administrative and Support and Waste Management and Remediation Services	173	4.8%	0.8	894	3.5%	0.6	172,679	4.5%	0.7
61	Educational Services	37	1.0%	0.4	186	0.7%	0.3	167,148	4.3%	1.7
62	Health Care and Social Assistance	377	10.4%	0.8	2,732	10.8%	0.9	562,903	14.6%	1.2
71	Arts, Entertainment, and Recreation	94	2.6%	1.6	854	3.4%	2.0	67,125	1.7%	1.1
72	Accommodation and Food Services	245	6.8%	0.8	2,048	8.1%	1.0	295,549	7.7%	0.9
81	Other Services (except Public Administration)	178	4.9%	1.0	1,096	4.3%	0.9	169,157	4.4%	0.9
90	Government	569	15.7%	1.0	5,851	23.1%	1.5	708,435	18.4%	1.2
99	Unclassified Industry	5	0.1%	0.5	12	0.0%	0.4	7,247	0.2%	1.5
Total (all jobs):		3,628	100.0%		25,346	100.0%		3,858,046	100.0%	

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

designates industries with LQ greater than 1.5

4-digit NAICS

At the 4-digit NAICS codes, the most highly concentrated industries in the Study Area, Genesee County, and Upstate New York can be analyzed in finer detail. In the Study Area and Genesee County, high location quotients can be attributed in part to their relatively small employment numbers. Even a small presence of an industry sector can result in a high LQ as the industry makes up a higher percentage of the area's employment than the same sector in the US economy overall. In larger geographies, industries are more easily absorbed in the overall employment numbers.

Key Findings

- In Upstate New York, the County and the Study Area, many of the industries with the highest location quotients are in the Manufacturing sector, including Clay Product and Refractory; Engine, Turbine, and Power Transmission Equipment; and Fruit and Vegetable Preserving and Specialty Food Manufacturing.
- In addition to Manufacturing, industry sectors related to Wholesale Trade have high location quotients in the Study Area, specifically Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers, Furniture and Home Furnishing Merchant Wholesalers, and Chemical and Allied Products Merchant Wholesalers. Excluding Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers, these Wholesale Trade-related sectors have relatively low levels of employment in the Study Area.
- While at the 2-digit NAICS code level, the Study Area was less concentrated in the Health Care and Social Assistance industry, it is highly concentrated in the industry sub-sectors related to nursing homes and elder care.

Top 25 Sectors by Employment Concentration, 2015, 4-digit NAICS

NAICS	Description	Le Roy and Bergen		
		2015 Jobs	% of All Jobs	National LQ
3271	Clay Product and Refractory Manufacturing	222	6.1%	217.2
3274	Lime and Gypsum Product Manufacturing	11	0.3%	31.7
4248	Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers	101	2.8%	22.7
3336	Engine, Turbine, and Power Transmission Equipment Manufacturing	53	1.5%	21.4
3114	Fruit and Vegetable Preserving and Specialty Food Manufacturing	80	2.2%	20.2
3339	Other General Purpose Machinery Manufacturing	109	3.0%	17.2
2123	Nonmetallic Mineral Mining and Quarrying	30	0.8%	13.9
4853	Taxi and Limousine Service	49	1.4%	13.8
3115	Dairy Product Manufacturing	37	1.0%	12.0
3333	Commercial and Service Industry Machinery Manufacturing	19	0.5%	9.1
3222	Converted Paper Product Manufacturing	46	1.3%	7.5
5622	Waste Treatment and Disposal	15	0.4%	6.5
4232	Furniture and Home Furnishing Merchant Wholesalers	14	0.4%	5.6
3329	Other Fabricated Metal Product Manufacturing	32	0.9%	4.9
4842	Specialized Freight Trucking	50	1.4%	4.6
6231	Nursing Care Facilities (Skilled Nursing Facilities)	171	4.7%	4.4
7212	RV (Recreational Vehicle) Parks and Recreational Camps	5	0.1%	3.2
7139	Other Amusement and Recreation Industries	88	2.4%	2.9
8113	Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	16	0.4%	2.8
2379	Other Heavy and Civil Engineering Construction	5	0.1%	2.7
4246	Chemical and Allied Products Merchant Wholesalers	5	0.1%	2.7
4532	Office Supplies, Stationery, and Gift Stores	19	0.5%	2.6
4471	Gasoline Stations	54	1.5%	2.6
4531	Florists	5	0.1%	2.5
6233	Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly	49	1.4%	2.4
Total (Top 25 Sectors):		1,284	35.4%	

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

Top 25 Sectors by Employment Concentration, 2015, 4-digit NAICS

NAICS	Description	Genesee County		
		2015 Jobs	% of All Jobs	National LQ
3162	Footwear Manufacturing	65	0.3%	31.2
3271	Clay Product and Refractory Manufacturing	222	0.9%	31.1
3274	Lime and Gypsum Product Manufacturing	61	0.2%	25.7
3115	Dairy Product Manufacturing	456	1.8%	21.1
3324	Boiler, Tank, and Shipping Container Manufacturing	286	1.1%	17.7
7131	Amusement Parks and Arcades	490	1.9%	15.6
1120	Animal Production and Aquaculture	848	3.3%	12.4
3339	Other General Purpose Machinery Manufacturing	423	1.7%	9.5
6243	Vocational Rehabilitation Services	397	1.6%	7.0
3328	Coating, Engraving, Heat Treating, and Allied Activities	135	0.5%	5.9
4248	Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers	130	0.5%	4.2
1110	Crop Production	545	2.2%	4.1
3241	Petroleum and Coal Products Manufacturing	69	0.3%	3.9
2123	Nonmetallic Mineral Mining and Quarrying	59	0.2%	3.9
4442	Lawn and Garden Equipment and Supplies Stores	104	0.4%	3.9
3331	Agriculture, Construction, and Mining Machinery Manufacturing	148	0.6%	3.5
3273	Cement and Concrete Product Manufacturing	91	0.4%	3.1
3336	Engine, Turbine, and Power Transmission Equipment Manufacturing	53	0.2%	3.1
3114	Fruit and Vegetable Preserving and Specialty Food Manufacturing	80	0.3%	2.9
4842	Specialized Freight Trucking	217	0.9%	2.8
3335	Metalworking Machinery Manufacturing	80	0.3%	2.7
3321	Forging and Stamping	44	0.2%	2.6
3111	Animal Food Manufacturing	24	0.1%	2.6
3222	Converted Paper Product Manufacturing	110	0.4%	2.6
7212	RV (Recreational Vehicle) Parks and Recreational Camps	28	0.1%	2.5
Total (Top 25 Sectors):		5,166	20.4%	

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

Top 25 Sectors by Employment Concentration, 2015, 4-digit NAICS

NAICS	Description	Upstate NY		
		2015 Jobs	% of All Jobs	National LQ
3161	Leather and Hide Tanning and Finishing	577	0.0%	5.2
5251	Insurance and Employee Benefit Funds	158	0.0%	3.1
3365	Railroad Rolling Stock Manufacturing	2,190	0.1%	3.1
4852	Interurban and Rural Bus Transportation	1,311	0.0%	2.8
4854	School and Employee Bus Transportation	13,769	0.4%	2.8
3333	Commercial and Service Industry Machinery Manufacturing	6,020	0.2%	2.8
3271	Clay Product and Refractory Manufacturing	2,934	0.1%	2.7
7212	RV (Recreational Vehicle) Parks and Recreational Camps	4,695	0.1%	2.7
3115	Dairy Product Manufacturing	8,666	0.2%	2.6
3159	Apparel Accessories and Other Apparel Manufacturing	771	0.0%	2.6
3314	Nonferrous Metal (except Aluminum) Production and Processing	3,986	0.1%	2.6
6239	Other Residential Care Facilities	10,022	0.3%	2.6
6112	Junior Colleges	4,712	0.1%	2.5
6232	Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities	37,577	1.0%	2.4
6113	Colleges, Universities, and Professional Schools	107,077	2.8%	2.3
3336	Engine, Turbine, and Power Transmission Equipment Manufacturing	5,734	0.1%	2.2
9029	State Government, Excluding Education and Hospitals	119,218	3.1%	2.1
6243	Vocational Rehabilitation Services	16,860	0.4%	2.0
3339	Other General Purpose Machinery Manufacturing	12,971	0.3%	1.9
3342	Communications Equipment Manufacturing	4,030	0.1%	1.8
4543	Direct Selling Establishments	9,477	0.2%	1.8
3221	Pulp, Paper, and Paperboard Mills	4,357	0.1%	1.7
1152	Support Activities for Animal Production	1,710	0.0%	1.7
3259	Other Chemical Product and Preparation Manufacturing	3,594	0.1%	1.7
4542	Vending Machine Operators	1,976	0.1%	1.7
Total (Top 25 Sectors):		384,388	10.0%	

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

Competitive Industries: Shift Share Analysis

Shift Share Analysis distinguishes an industry's employment growth in a specific area that is attributable to local competitive advantages or disadvantages from growth which is attributable to overall national employment trends or national employment trends in that industry. The shift share analysis helps to answer the question of *"Why is employment growing or declining in this industry?"* To do this, shift share analysis splits regional job growth into three components: the national change effect, industrial mix effect, and regional competitiveness effect.

The following table shows whether the Study Area, County, or Upstate New York have a particular competitive advantage in a given industry as compared to the region and the nation. A shift share analysis is based on four factors:

- **The Industrial Mix Effect** – The industrial mix effect represents the share of regional industry growth explained by the growth of the specific industry at the national level. To arrive at this number, the national growth rate of the total economy is subtracted from the national growth rate of the specific industry, and this growth percentage is applied to the regional jobs in that industry.
- **The National Growth Effect** – The national growth effect explains how much of the regional industry's growth is explained by the overall growth of the national economy: if the nation's whole economy is growing, you would generally expect to see some positive change in each industry in your local region (the "rising tide that lifts all boats" analogy).
- **The Expected Change** – This is simply the rate of growth of the particular industry at the national level. The expected change is the sum of the industrial mix and the national growth effects.
- **The Regional Competitive Effect** – The regional competitive effect is the most vital in the shift share analysis. It explains how much of the change in a given industry is due to some unique competitive advantage that the region possesses, because the growth cannot be explained by national trends in that industry or the economy as whole. This effect is calculated by taking the total regional growth of the given industry and subtracting the expected change for that same industry. Note that this effect can be positive even as regional employment in the industry declines. This would indicate that regional decline is less than the national decline.

Key Findings:

- Despite industry-wide decline in employment, the Manufacturing sector in the Study Area grew modestly over the past 10 years. This occurred in the industries of Clay Product and Refractory Manufacturing; Engine, Turbine, and Power Transmission Equipment Manufacturing; and Other General Purpose Machinery Manufacturing. This phenomenon will be explored further in interviews, but is estimated to reflect the County's and Towns' assertive economic development and business retention strategies.
- Based on national and industry trends, the Professional, Scientific, and Technical Services industry would have been expected to grow modestly over the past 10 years in the Study Area. Despite this, the industry actually contracted by over 60%. This loss occurred almost entirely in the category of Accounting, Tax Preparation, Bookkeeping, and Payroll Services (a loss of 207 jobs), and will be explored further in interviews.
- The Construction industry was expected to decline over the past 10 years, based on national and industry trends. However, in the County and Study Area, the industry grew. In Upstate New

York, where the Construction industry contracted by 8%, it still retained more employment than would have been expected. This phenomenon will be explored further in interviews.

- The Accommodation and Food Services industry grew in the Study Area, County, and Upstate New York. Based on national and industry trends, the growth in the Study Area and County trailed what would have been expected. In Upstate New York, however, growth in this industry exceeded expectations.

Shift Share Analysis, 2005-2015, 2-digit NAICS

NAICS	Description	Le Roy & Bergen					Genesee County			Upstate NY		
		# Change	Ind. Mix Effect	Nat'l Growth Effect	Expected Change	Competitive Effect	# Change	Expected Change	Competitive Effect	# Change	Expected Change	Competitive Effect
11	Crop and Animal Production	(25)	(3)	2	(1)	(24)	(355)	(44)	(310)	(656)	(915)	259
21	Mining, Quarrying, and Oil and Gas Extraction	(9)	18	2	20	(29)	(9)	35	(45)	(477)	2,387	(2,864)
22	Utilities	(20)	(1)	1	0	(25)	(124)	3	(126)	(2,651)	217	(2,868)
23	Construction	42	(44)	12	(32)	74	61	(150)	211	(15,481)	(25,134)	9,653
31	Manufacturing	16	(122)	32	(90)	106	49	(401)	450	(75,713)	(51,615)	(24,098)
42	Wholesale Trade	3	(7)	11	4	(1)	(32)	19	(51)	(11,269)	2,331	(13,600)
44	Retail Trade	(115)	(18)	23	5	(120)	(38)	32	(70)	(4,024)	5,142	(9,166)
48	Transportation and Warehousing	20	4	5	9	11	129	41	89	596	8,166	(7,569)
51	Information	(1)	(2)	1	(1)	0	(91)	(26)	(65)	(19,997)	(7,199)	(12,798)
52	Finance and Insurance	(5)	(4)	2	(2)	(4)	9	(10)	19	(12,406)	(3,631)	(8,775)
53	Real Estate and Rental and Leasing	(7)	(3)	1	(2)	(5)	(55)	(16)	(38)	(3,825)	(3,728)	(98)
54	Professional, Scientific, and Technical Services	(195)	42	15	57	(252)	(151)	116	(267)	12,016	33,516	(21,500)
55	Management of Companies and Enterprises	0	1	0	1	2	37	17	20	7,038	12,023	(4,985)
56	Administrative and Support and Waste Management and Remediation Services	(121)	13	14	27	(149)	214	64	151	794	16,042	(15,248)
61	Educational Services	(17)	10	3	13	(29)	(20)	48	(68)	14,352	35,609	(21,256)
62	Health Care and Social Assistance	59	65	15	80	(21)	251	626	(375)	53,346	128,565	(75,219)
71	Arts, Entertainment, and Recreation	(52)	12	7	19	(71)	(218)	140	(358)	5,527	8,032	(2,506)
72	Accommodation and Food Services	10	31	11	42	(32)	183	334	(151)	45,887	44,706	1,181
81	Other Services (except Public Administration)	(42)	(6)	11	5	(47)	(401)	30	(431)	(12)	3,490	(3,502)
90	Government	(66)	(23)	31	8	(74)	(353)	79	(433)	(38,844)	9,581	(48,425)
99	Unclassified Industry	0	(2)	0	(2)	(3)	(28)	(9)	(19)	(1,937)	(2,118)	181
Total (all jobs):		(532)	(40)	201	161	(694)	(939)	927	(1,867)	(47,736)	215,467	(263,204)

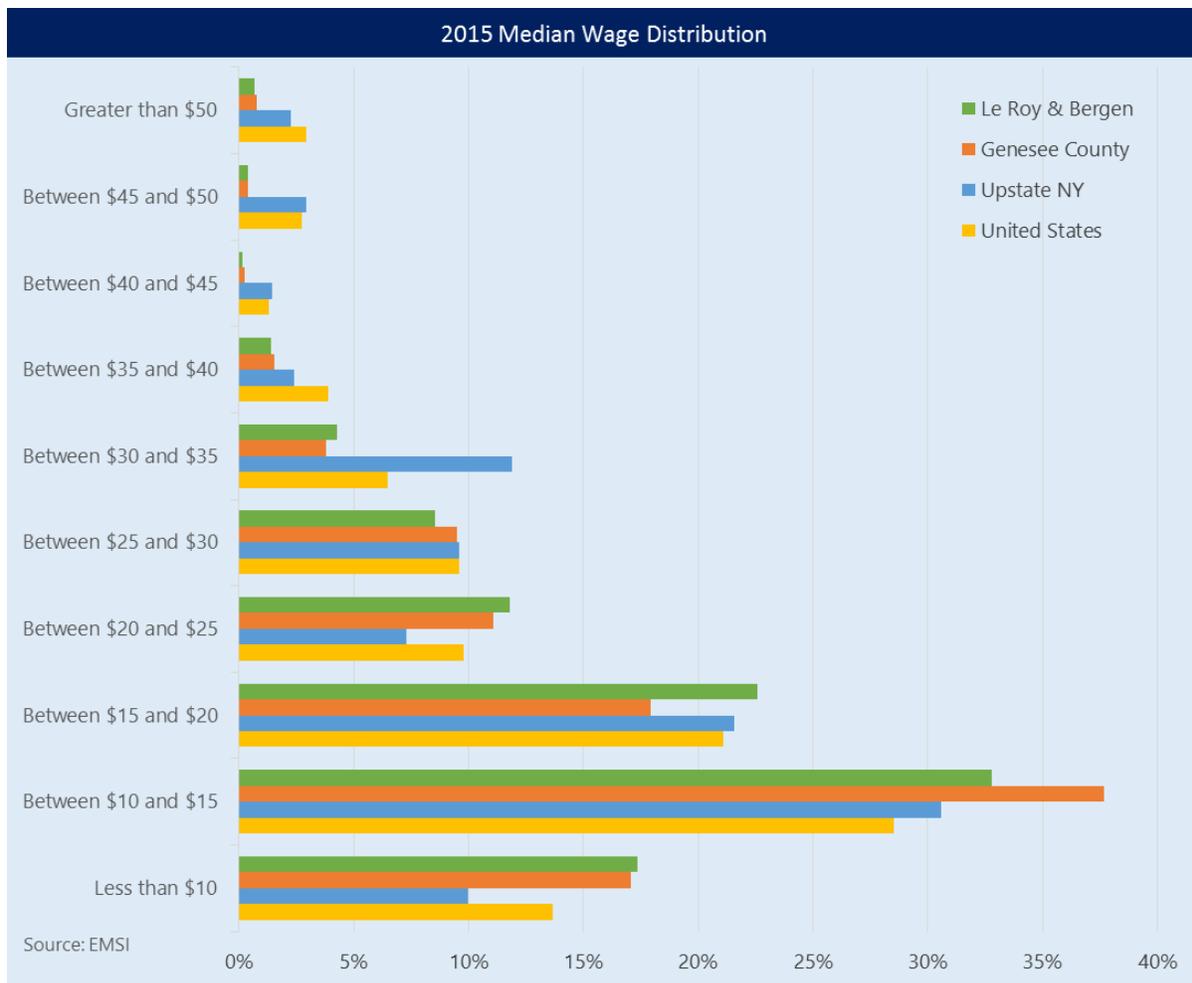
Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

Employment by Median Wages

Employment in the Study Area and County is concentrated in low wage occupations. Jobs in occupational groups with a median hourly wage of \$15 or less account for 50% of employment in the Study Area and 55% of employment in the County. By contrast, jobs in these wage brackets account for only 41% of employment in Upstate New York and 42% in the US. About 3% of jobs in the Study Area and Genesee County are in occupations with a median hourly wage over \$35 compared to 9% and 11% of Upstate New York and the US, respectively.

According to the Massachusetts Institute of Technology (MIT) Living Wage Calculator, the living wage in Genesee County is \$19.49.³ Using this standard, the Study Area has nearly 1,050 jobs in occupations with a median wage at or above \$19.49, about 29% of overall employment. Most occupations with a living wage in the Study Area are related to the manufacturing, business services, healthcare, education, or construction.



³ Living wage for a 2 adult, 1 child household with 1 working adult. Source: <http://livingwage.mit.edu/>

Agricultural Employment

Agriculture remains an important part of the economies of the Study Area, Genesee County, and Upstate New York. To supplement the employment data provided in the previous sections, the most recent USDA Agriculture Census was reviewed as it relates to agriculture and related employment in Genesee County.

In the following table, employment on farms in 2012 in Genesee County is compared to employment in 2007. Key findings from this analysis are below:

- Between 2007 and 2012, the number of workers hired to work on farms decreased from over 1,680 to about 1,500, a decline of 11%. This mirrors an overall decline in the number of farms hiring workers (“Operations with Workers”), which decreased from 152 farms to 141. In contrast the number of hired farm laborers in New York State and the US both increased somewhat over that time period (from 59,683 to 60,944 workers, and from 2,636,509 to 2,736,417 workers).
- Although the overall number of farm workers hired decreased between 2007 and 2012, the number of workers who worked for 150 days or more increased by 127 workers over this period, while the number of workers hired to work fewer than 150 days decreased by over 300 workers.

Agriculture-Related Employment (Genesee County)				
	2007	2012	# Change	% Change
Number of Workers Hired	1,683	1,502	(181)	(11%)
Hired Workers Working 150 Days or More	703	830	127	18%
Hired Workers Working Fewer Than 150 Days	980	672	(308)	(31%)
Operations with Workers	152	141	(11)	(7%)

Source: USDA Agriculture Census

Farms in Genesee County sold nearly \$237 million worth of agricultural-related products in 2012. Milk from cows accounts for over 50% of these sales in the County, followed by corn, which accounted for about 11% of sales. More detail can be found in the following table.

Market Value of Agricultural Products Sold (Genesee County, 2012)		
Commodity or Commodity Group	Farms	Value of Sales (\$1,000)
Crops, including nursery and greenhouse	322	85,189
Grains, oilseeds, dry beans, dry peas	190	41,326
Corn	173	24,983
Wheat	73	3,804
Soybeans	87	7,121
Sorghum	5	30
Barley	5	50
Rice	-	-
Other	41	838
Tobacco	-	-
Cotton and cottonseed	-	-
Vegetables, melons, potatoes, sweet potatoes	60	3,157
Fruits, tree nuts, berries	13	(D)
Fruits and tree nut	3	16
Berries	(NA)	(NA)
Nursery, Greenhouse, floriculture, and sod	16	1,372
Cut Christmas trees and short-rotation woody crops	12	(D)
Cut Christmas trees	(NA)	(NA)
Short rotation woody crops	(NA)	(NA)
Other crops and hay	187	7,189
Maple syrup	(NA)	(NA)
Livestock, poultry, and their products	257	151,763
Poultry and eggs	45	799
Cattle and calves	152	13,302
Milk from cows	65	121,347
Hogs and pigs	23	(D)
Sheep, goats, wool, mohair, and milk	33	365
Horses, ponies, mules, burros, and donkeys	27	(D)
Aquaculture	-	-
Other animals and their products	18	960

Source: 2012 U.S. Agricultural Census

(D) Withheld to avoid disclosing data for individual farms

(NA) Not available

- Represents zero

Appendix 4: Target Industry Analysis – Food Processing & Manufacturing

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Food Processing & Manufacturing Industry

Executive Summary

Industry Overview

The Food Processing and Manufacturing industry transforms livestock and agricultural products into products for intermediate or final consumption.¹ The industry is generally considered mature, with revenue expected to grow at a low rate over the coming years. While overall, the industry is experiencing low growth, certain niche sectors are growing rapidly by manufacturing innovative products that meet new consumer demand for healthy, convenient, and natural products. Examples of these high growth areas of the industry include “Greek” yogurt, organic frozen meals, and luxury pet foods.

The Food Processing and Manufacturing industry generally locates facilities proximate to its agricultural inputs and major consumer markets. For these reasons, the industry is a major employer in Upstate New York. Historically, the industry has also been important to the Genesee County economy. This importance has grown recently, as the industry has expanded employment by 19% between 2005 and 2015 and now accounts for over 2% of employment.² As of 2015, employment in the Food Processing and Manufacturing industry is twice as concentrated in the County as employment in the United States. In 2015, Genesee County was ranked seventh in the nation for growth of jobs in the food processing industry, among mid-sized municipalities.

This recent growth was almost entirely due to dairy manufacturers locating or expanding in the County, with the Genesee Valley Agri-Business Park as a focal point. Alpina Foods, a Colombia-based company, and Muller Quaker Dairy, a joint venture between PepsiCo and a foreign investor, have announced investments totaling over \$200 million in the park to build yogurt production facilities in recent years. These projects emphasize the importance of foreign investment in the growth of food processing enterprises in the United States. As of the time of this writing, several value-added dairy industry businesses and food processors in Genesee County were undertaking physical and market share expansions. For example, O-AT-KA, a Batavia-based dairy cooperative and subsidiary of Upstate Niagara Cooperative and Dairy Farmers of America, has announced a \$21 million expansion of its existing facility in Batavia to capitalize on growth in the Greek yogurt industry.

The County is also especially competitive in the Frozen Fruit, Juice, and Vegetable manufacturing sector. Although growth in this industry has not been as dramatic as dairy-related employment growth, the sector has grown slightly while employment contracted substantially in Upstate New York and the United States. The industry is 16 times more concentrated in the County than it is nationwide.

The Frozen Fruit, Juice, and Vegetable manufacturing sector has also benefitted from recent investment by an international company. In 2012, Bonduelle, a French food processing company, acquired several frozen vegetable processing facilities from Allen Foods, including two facilities in Genesee County (one

¹ US Department of Commerce. (2010). *Industry Outlook: Food Manufacturing NAICS 311*. US Department of Commerce.

² Note that although employment counts are the basis of EMSI data use for the food processing portion of this analysis, the approach of this Community Revitalization Plan is one of facilitating industry growth and attraction thereby broadening the tax base in a sustainable manner. Employment-based data and analysis in these appendices is a proxy for understanding industry investment conditions, trends, and projections.

of which is in Bergen). Since the purchase, Bonduelle has invested \$3.5 million in the Genesee County plants, making upgrades to equipment and improving training. The company cited the region's high quality agricultural products, proximity to major markets, and quality workforce as reasons for investing in the Genesee facilities.

Although the Food Processing and Manufacturing industry has seen an employment boon over recent years, the future of the industry in Genesee and Upstate New York, as well as throughout the nation, remains susceptible to contractions, shifting consumer trends, or layoffs or plant closures due to mergers and acquisitions.

Industry Challenges

Nationally, Food Processing and Manufacturing businesses are facing shrinking margins and increasing competition. Additionally, changes to food safety regulations, changes in consumer preferences, energy costs, and impact of the businesses on the environment are challenging the industry.³ Commodity prices having been falling in the period leading up to this study, but past jumps in commodity prices have negatively impacted small producers in particular. To address these challenges, as well as control costs, secure national contracts, increase market share, and expand product offerings, Food Processing and Manufacturing firms have focused on merging and acquiring new companies. The industry has also been investing heavily in technology to reduce its reliance on low-skill workers.⁴⁵

In Genesee County, businesses face a unique set of challenges. The industry lacks diversity, with nearly 80% of employment concentrated in the Dairy Product Manufacturing industry. This industry, specifically the Fluid Dairy Manufacturing sector, which includes yogurt production, was also responsible for nearly all of the employment growth in the industry since 2005. If employment in that industry contracts substantially, the County would face a major loss in employment. However, local industry has shown capacity for resilience and adaptation, for example in O-AT-KA's current shift of production capacity away from Fluid Dairy Manufacturing toward the manufacturing of butter at a time when butter demand and prices are particularly high.

Key Findings and Recommendations

Camoin Associates' broad findings and recommendations from the target industry analysis can be summarized as follows.

- Genesee County clearly has a strong food processing and food manufacturing cluster that complements its significant agricultural base and that has brought job growth in recent years. However, the composition of this cluster in the County is concentrated in some industries that are projected to experience employment losses in the coming decade. For example, in order to maintain Dairy Product Manufacturing employment levels in the face of projected employment declines in Cheese Manufacturing and Dry, Condensed, & Evaporated Dairy Product Manufacturing, the County must realize corresponding projected increases in Fluid Milk Manufacturing employment.
- Camoin Associates therefore recommends that the Study Area and the County seek to attract new employers in the food processing industry to mitigate the effect of these projections and to

³ US Department of Commerce. (2010). *Industry Outlook: Food Manufacturing NAICS 311*. US Department of Commerce.

⁴ IBISWorld Industry Report 31141. Frozen Food Production in the US.

⁵ IBISWorld Industry Report 31151. Dairy Product Production in the US.

support diversification. The preparation of a new industrial park, and the extension and upgrades of affordable infrastructure to key sites, are fundamental first steps in this strategy. Other tactics should include promotion of the area’s high quality workforce, promotion of its agricultural strengths, and the targeting of foreign investment prospects in addition to domestic ones.

- Le Roy and Bergen are geographically positioned to absorb a portion of the growing presence of food processors in Genesee County, along with complementary activities like food warehousing and storage. In terms of specific food processing industries that the Study Area is suited to target for growth and attraction, Frozen Fruit, Juice, and Vegetable Manufacturing is a natural candidate, as is Fluid Milk Manufacturing,⁶ the County-wide growth of which has not yet resulted in jobs in Le Roy or Bergen. Additionally or alternatively, the community could seek to capitalize on growth opportunities in other promising food processing industries that are not currently represented there. Examples include the Frozen Specialty Food Manufacturing industry, the Beverage Manufacturing industry (specifically Breweries, Wineries, and Distilleries), and the Pet Food Manufacturing industry.
- The County has a relatively low concentration of workers in the younger age brackets. As older workers begin to retire, younger workers with skills and industry experience will be needed to fill those job openings. This presents a challenge for the industry and opportunities for younger job seekers. Although the industry largely employs low-skill occupations, ongoing adoption of new technologies and automation mean that more of the available jobs will require higher skill levels and have higher average earnings (e.g. machinery operators). Genesee County is home to a number of workforce development programs, including in the mechanical trades, whose success and utilization are important to the industry’s future growth and residents’ ability to benefit from that growth.
- The County’s agricultural strengths are the cornerstone of its attractiveness to food manufacturers. As part of the overall community revitalization strategy, we therefore recommended sustained efforts to protect farmland by limiting development to commercial/industrial nodes and existing residential areas. Additionally, Le Roy and Bergen may consider tactics to reinforce the broader community’s understanding of the economic value of its agricultural sector.

⁶ It should be noted that although Upstate New York’s high levels of dairy production have served as an attraction factor for the Fluid Milk Manufacturing establishments, siting such a manufacturing facility in the Study Area will not necessarily directly benefit local dairy farmers, whose prices are determined in national markets and whose transportation costs are determined by Federal Milk Marketing Orders rather than proximity to dairy manufacturing facilities. Nonetheless the area is competitive for this industry and has the potential to capture a portion of projected job growth—and tax base growth—associated with the Fluid Milk Manufacturing industry.

Industry Overview: National Background & Trends

The Food Processing and Manufacturing industry employs over 1.7 million people in United States, accounting for slightly over 1% of U.S. employment. Employment growth in the industry has been slow and is projected to continue to be slow, in part due to investment in technology that is reducing the industry's reliance on unskilled labor. To control costs, major players in this industry have invested in technology to automate processes, enabling firms to reduce the size of their workforce while continuing to increase revenues. In 2015, major food processing companies, such as Coca-Cola, General Mills, and Kraft-Heinz, announced layoffs and plant closures in order to cut costs, streamline processes, and adapt to changes in demand.^{7,8}

The Food Processing and Manufacturing industry (NAICS 311) transforms livestock and agricultural products into products for intermediate or final consumption. Subsectors in this category include animal food manufacturing (NAICS 3111), grain and oilseed milling (NAICS 3112), sugar and confectionary product manufacturing (NAICS 3113), fruit and vegetable preserving and specialty food manufacturing (NAICS 3114), dairy product manufacturing (NAICS 3115), meat product manufacturing (NAICS 3116), seafood product preparation and packaging (NAICS 3117), bakeries and tortilla manufacturing (NAICS 3118), and other food manufacturing (NAICS 3119).

Source: US Department of Commerce

Although the industry overall is experiencing low growth, niche sectors within the industry are experiencing robust growth, especially foods that meet rising consumer demand for healthy and nutritious packaged foods, represented by brands such as Annie's and Kashi. Efforts by major brands, such as General Mills and Kellogg's, to capitalize on growth in these niche markets has led them to acquire these smaller brands.⁹

In addition to acquiring new companies, food processing companies have been endeavoring to eliminate ingredients perceived negatively by consumers to accommodate growing consumer demand for healthy, natural foods. For example, in 2015, both General Mills and Nestle announced that artificial ingredients and colors would be removed from their products over the coming years and that the amount of sodium in some products would be reduced.¹⁰

The industry has also seen increasing firm consolidation for the purposes of increasing market share, expanding the geographic reach of products, acquiring new technology, and controlling or cutting costs. Recently, Kraft and Heinz merged, forming one of the largest food processing companies in the world. As the two companies have begun consolidating operations, redundant jobs are being eliminated.¹¹ Similar mergers have led to an industry largely dominated by large, multinational corporations, which account for about 36% of industry employment.¹²

⁷ Fusaro, David. "Closings, Layoffs for Cargill, Coca-Cola, General Mills." *Food Processing*. Food Processing (Industry Website), 02 Feb. 2015. Web. 24 Sept. 2015.

⁸ Ibid.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

¹² US Department of Commerce. (2010). *Industry Outlook: Food Manufacturing NAICS 311*. US Department of Commerce.

While major U.S. firms are consolidating and acquiring new companies, foreign investment in food processing plants is also growing, according to *Area Development* magazine. This is driven in part by the rise of middle class populations in Asia desiring diets higher in meat content, and the desire of foreign companies to achieve higher yield management and meat quality standards through access to technology and supply that exists in the U.S. As of 2014, expansions were in the works for many food processors in the United States and Canada, as firms sought to position themselves closer to their clients and realize reduced transportation costs.¹³

As the industry becomes increasingly competitive and margins continue to shrink, food processors are also facing a number of other challenges, including changes to food safety regulations, changes in consumer preferences, energy costs, and impact of the businesses on the environment, specifically as it is perceived by consumers. Food processing plants are also prioritizing the incorporation of automation and new technology into manufacturing processes. The current trend of falling commodity prices should be improving food processors' margins, but the risk of rising or volatile commodity prices in the future is a factor that must be managed by industry participants.

Industry Overview: Local and Regional Background & Trends

The Food Processing and Manufacturing industry includes a range of industries related to processing agricultural products to produce value-added products. Due to New York's strong agricultural base and proximity to major markets, the Food Processing and Manufacturing industry has historically been a significant employer in the state. In 2010, the state ranked second in the country in terms of the number of Food Processing and Manufacturing establishments, trailing only California.¹⁴ In Genesee County and the surrounding region, growth in this industry has been driven by recent investments by yogurt producers and international food processors.

In the County, the Food Processing and Manufacturing industry has grown considerably, expanding employment by 19% since 2005. This outpaced growth in Upstate New York and the U.S., where employment increased by 5% and 2%, respectively. After this period of strong growth, the industry now accounts for 2.3% of employment in the County, an increase from 1.9% in 2005 and twice as concentrated as industry employment in Upstate New York and the U.S. The County also enjoys higher average earnings¹⁵ for this industry than do Upstate New York and the country, due primarily to the dominance of the Dairy Products Manufacturing sector, which generally pays higher wages and enjoys higher profits than other food processing sectors.

¹³ "Market Report: Food Processing Companies Grow at a Steady Pace," Clare Goldsberry, *Area Development Online*, Q2 2014.

¹⁴ "Food and beverage manufacturing," USDA Economic Research Service, October 27, 2014, <http://www.ers.usda.gov/topics/food-markets-prices/processing-marketing/manufacturing.aspx>.

¹⁵ The total industry earnings for a region divided by number of jobs. Includes wages, salaries, supplements (additional employee benefits), and proprietor income.

Food Processing & Manufacturing Industry Overview					
	2015 Employment	2005-2015 % Change	2015-2025 % Proj. Change	% of Total Employment	Avg. Earnings
Genesee County	585	19%	-3%	2.3%	\$67,543
Upstate New York	37,259	5%	4%	1.0%	\$60,135
United States	1,727,303	2%	4%	1.1%	\$55,632

Source: EMSI

Although the County’s Food Processing and Manufacturing industry has enjoyed strong growth over the past ten years, this growth masks contractions and shifts in employment within the industry. Growth in the Fluid Milk Manufacturing industry sector (which includes yogurt production) has buoyed employment in the industry overall. As the Fluid Milk Manufacturing sector has grown quickly in the County, employment in other food processing-related sectors has stagnated or declined. A more detailed assessment of employment changes in the various subsectors making up this industry can be found later in the report.

Although the Food Processing and Manufacturing industry accounts for 2.3% of employment, it accounts for 4.1% of the Gross Regional Product (GRP)¹⁶ of the County, further emphasizing this industry’s value to the local economy. The largest contributor to GRP in the Food Processing and Manufacturing industry is the Dry, Condensed, and Evaporated Dairy Product Manufacturing sector, which is also the County’s largest employer in the industry. This sector accounts for about 43% of the value of the industry’s output and about 1.8% of the value of Genesee County’s overall GRP. This sector is followed by Fluid Milk Manufacturing, which accounts for about \$25 million of GRP, about 29% of the total for this industry. In Upstate New York and the U.S., the industry accounts for 1.5% and 1.4% of GRP, respectively.

Food Processing & Manufacturing Gross Regional Product		
	Gross Regional Product (GRP)	% of Total GRP
Genesee County	\$89,386,526	4.1%
Upstate New York	\$6,258,164,913	1.5%
United States	\$236,110,066,279	1.4%

Source: EMSI

Past Change in Employment

The following table analyzes changes in employment in the Food Processing and Manufacturing Industry. The analysis was conducted at the 4-digit NAICS code level. At this level of analysis, employment trends in similar industries can be assessed. The analysis at the 4-digit level was used to identify specific opportunity areas within the Food Processing and Manufacturing industry to be assessed in more detail at the 6-digit NAICS code level. Changes in employment in the Food Processing and Manufacturing industry at the County level are compared to changes in Upstate New York and the U.S.

Key Findings:

¹⁶ Measures the final market value of all goods and services produced in a region during one year.

- Employment in the Food Processing and Manufacturing industry has grown substantially in the County, outpacing growth in Upstate New York and the U.S. However, this dramatic growth has been driven almost exclusively by new employment in the Dairy Product Manufacturing industry sector, namely the Fluid Milk Manufacturing sector. Other Food Processing related sectors have declined or grown only modestly over the past ten years.
- While the Dairy Product Manufacturing industry grew substantially in Upstate New York and the County, it only added 333 jobs nationwide, due to employment contractions in other states. The shifting of employment within this industry sector is a reflection of changing consumer preferences related to dairy products. Consumption of fluid milk has been declining steadily for decades in the U.S. while consumption of other dairy-based products, such as cheese and yogurt, has been growing.¹⁷ New York's and Genesee County's success in nurturing and attracting yogurt producers has allowed it to capture new employment in this industry even as employment in Dairy Product Manufacturing has declined in other areas.
- The County's modest growth in the Fruit and Vegetable Preserving and Specialty Food Manufacturing industry occurred in spite of significant declines across Upstate New York and a more slight drop-off nationally.
- Upstate New York and the U.S. experienced substantial growth in the Beverage Manufacturing industry, which is not represented in Genesee County. This strong growth occurred despite 20% employment contraction in the Soft Drink Manufacturing sector in Upstate New York and an 8% contraction in the U.S. overall. In Upstate New York, employment growth was driven by new employment in the Breweries, Wineries, and Distilleries sectors, which added 610, 601, and 731 jobs, respectively. The Distilleries sector grew at an especially high rate, increasing from 12 jobs to 743 jobs between 2005 and 2015. Growth is projected to continue over the next ten years, but at a lower rate.
- Upstate New York also experienced strong growth in the Other Foods Manufacturing industry, which added 687 jobs between 2005 and 2015, growing by 23%. Growth was driven by employment gains in the Roasted Nuts and Peanut Butter, Spice and Extract, Flavor Syrup and Concentrate, and Other Snack Food¹⁸ Manufacturing sectors. These industry sectors are projected to continue to grow over the next ten years, but at a lower rate. The Other Foods Manufacturing industry is not represented in Genesee County.
- The Animal Food Manufacturing industry declined by 61% between 2005 and 2015 in Genesee County, shedding 37 jobs. Over the same period, employment in this industry grew in both Upstate New York and the U.S. The conflicting employment prospects of this industry in the geographies studied is due to the sectors that comprise the industry. In Genesee, this sector only includes the Other Animal Food Manufacturing sector, which produces feed for farm animals, while in the Upstate New York and the U.S., the industry includes both Other Animal Food Manufacturing and the Pet Food Manufacturing sectors. The Pet Food Manufacturing sector has enjoyed employment growth nationally while the Other Animal Food Manufacturing sector has seen employment decline or stagnate.

¹⁷ IBISWorld Industry Report 31151. Dairy Product Production in the US.

¹⁸ Companies in this industry make snack foods such as corn chips, popcorn, potato chips, pretzels, etc. Does not include nuts, peanut butter, cookies, or crackers

Change in Employment, 2005-2015, Food Processing & Manufacturing, 4-digit NAICS

NAICS	Description	Genesee County				Upstate NY		United States	
		2005 Jobs	2015 Jobs	# Change	% Change	# Change	% Change	# Change	% Change
3111	Animal Food Manufacturing	61	24	(37)	(61%)	73	5%	6,843	14%
3112	Grain and Oilseed Milling	0	0	0	0%	(21)	(2%)	(2,025)	(3%)
3113	Sugar and Confectionery Product Manufacturing	37	18	(19)	(52%)	(26)	(2%)	(5,999)	(8%)
3114	Fruit and Vegetable Preserving and Specialty Food Manufacturing	77	80	3	4%	(2,119)	(35%)	(6,752)	(4%)
3115	Dairy Product Manufacturing	311	456	145	47%	1,779	26%	333	0%
3116	Animal Slaughtering and Processing	0	0	0	0%	(897)	(32%)	(24,169)	(5%)
3117	Seafood Product Preparation and Packaging	0	0	0	0%	10	30%	(5,185)	(12%)
3118	Bakeries and Tortilla Manufacturing	5	5	0	0%	570	8%	17,705	6%
3119	Other Food Manufacturing	0	0	0	0%	687	23%	29,543	19%
3121	Beverage Manufacturing	0	0	0	0%	1,582	30%	33,825	20%
3122	Tobacco Manufacturing	0	0	0	0%	99	78%	(12,063)	(47%)
Total:		492	585	93	19%	1,738	5%	32,057	2%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

- designates industries that added the most jobs
- designates industries that lost the most jobs

Projected Change in Employment

The following table analyzes projected changes in employment in the Food Processing and Manufacturing industry. The analysis was conducted at the 4-digit NAICS code level. At this level of analysis, projected employment trends in similar industries can be assessed. The analysis at the 4-digit level was used to identify specific opportunity areas within the Food Processing and Manufacturing industry to be assessed in more detail at the 6-digit NAICS code level. Projected changes in employment in the Food Processing and Manufacturing industry at the County level are compared to changes in Upstate New York and the U.S.

Key Findings:

- Genesee County employment in the Food Processing and Manufacturing industry is projected to decline by 3% between 2015 and 2025, despite projections for sustained growth in the Dairy Product Manufacturing industry. The industry is expected to grow by less than 1% over the same period in Upstate New York. Industry employment in the U.S. is expected to grow modestly, by 4%.
- Within that projected contraction for Genesee County, the Fruit and Vegetable Preserving and Specialty Food Manufacturing industry is the largest contributor to the expected decline in employment. Projections show a shedding of 63 jobs, or 79% of employment, between 2015 and 2025. However, Camoin Associates concludes from our on-the-ground research that these projections are over-determined by the past decline of this sector in the Upstate New York geography. In the past, Genesee County has retained employment in this industry while it declined in Upstate overall. Furthermore, in Genesee, this industry is solely represented by the Frozen Fruit, Juice, and Vegetable Manufacturing sector; in the towns of Le Roy and Bergen, Bonduelle is the primary participant in that sub-sector, and our interviews revealed expectations for sustained strong performance of that facility and ongoing investments in it. Camoin therefore concludes that this EMSI projection is too heavily influenced by the dramatic decline in this industry seen in Upstate New York over the past ten years and does not account for local resiliency of this sector.
- While overall, the Fruit and Vegetable Preserving and Specialty Food Manufacturing industry is losing jobs across all geographies, one sector within this industry, Frozen Specialty Food Manufacturing, has grown steadily over the past ten years at the national level and is projected to add jobs at an even higher rate over the next ten years. Growth in this sector is an opportunity that the Towns of Le Roy and Bergen could seek to capitalize on.
- Growth in the Other Foods Manufacturing industry, discussed in the previous section, is projected to continue over the next ten years in Upstate New York, as the industry increases employment by an additional 7%. The Roasted Nuts and Peanut Butter, Perishable Prepared Food, Spice and Extract, Flavor Syrup and Concentrate, and Other Snack Food¹⁹ Manufacturing sectors are expected to grow at the highest rates. This industry is also expected to grow at a high rate in the U.S.

¹⁹ Companies in this industry make snack foods such as corn chips, popcorn, potato chips, pretzels, etc. Does not include nuts, peanut butter, cookies, or crackers

- In Upstate New York, the Beverage Manufacturing industry is expected to decline slightly by 2025, contracting by 1%. While Breweries, Wineries, and Distilleries are expected to continue to add jobs over this period, the Soft Drink, Bottled Water, and Ice Manufacturing sectors are expected to shed more jobs. At the national level, the Beverage Manufacturing industry is projected to continue to grow, increasing employment by 8%.
- Over the next ten years, the Dairy Product Manufacturing industry is expected to continue to grow in the County, adding 82 jobs. This growth is due to new jobs in the Fluid Milk Manufacturing industry, which is projected to add 175 jobs. Over the same period, the Dry, Condensed, and Evaporated Dairy Product Manufacturing sector is expected to contract by 36%.

Change in Employment, 2015-2025, Food Processing & Manufacturing, 4-digit NAICS

NAICS	Description	Genesee County				Upstate NY		United States	
		2015 Jobs	2025 Jobs	# Change	% Change	# Change	% Change	# Change	% Change
3111	Animal Food Manufacturing	24	5	(19)	(79%)	(183)	(12%)	798	1%
3112	Grain and Oilseed Milling	0	0	0	0%	43	5%	(179)	(0%)
3113	Sugar and Confectionery Product Manufacturing	18	5	(13)	(72%)	(397)	(30%)	(6,188)	(9%)
3114	Fruit and Vegetable Preserving and Specialty Food Manufacturing	80	17	(63)	(79%)	(1,428)	(36%)	(5,088)	(3%)
3115	Dairy Product Manufacturing	456	538	82	18%	1,792	21%	4,241	3%
3116	Animal Slaughtering and Processing	0	0	0	0%	(238)	(12%)	33,175	7%
3117	Seafood Product Preparation and Packaging	0	0	0	0%	5	12%	(1,567)	(4%)
3118	Bakeries and Tortilla Manufacturing	5	5	0	0%	161	2%	7,937	3%
3119	Other Food Manufacturing	0	0	0	0%	245	7%	19,367	10%
3121	Beverage Manufacturing	0	0	0	0%	(46)	(1%)	17,268	8%
3122	Tobacco Manufacturing	0	0	0	0%	228	101%	(2,563)	(19%)
Total:		585	570	(15)	(3%)	181	0%	67,201	4%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

- designates industries that added the most jobs
- designates industries that lost the most jobs

Industry Concentration: Location Quotient Analysis

Location Quotient (LQ) analysis compares a specific geographic region to a larger reference area by quantifying how concentrated a particular industry, demographic group, or other variable is as compared to the larger geography. In this section, employment by industry in the Study Area is compared to the nation to identify which industries are more highly concentrated in the region than at the national level.

LQ is calculated by dividing the percent of jobs within each industry locally by the percent of jobs in the same industry at the national level. For example, if the finance and insurance industry accounts for 2% of jobs in a community and at the national level this industry has 1% of the total jobs, the community has a LQ of 2.0 ($0.02 \div 0.01 = 2$). In this example, the local community employs twice as many individuals in the industry as expected based on national employment patterns. Typically, only values above 1.20 or below 0.80 are considered “significant” findings in LQ analysis. Industries with a high LQ and high employment numbers are generally assumed to produce more than what is needed locally (i.e. a surplus) and sell their products and services to buyers outside the community boundaries.

The table on the following page below shows employment by 6-digit NAICS for Genesee County and Upstate New York. A high location quotient indicates a higher concentration of employment in a certain industry relative to national employment in that industry.

Key Findings:

- The County’s largest sector in the Food Processing and Manufacturing industry—Dry, Condensed, and Evaporated Dairy Product Manufacturing—is also the most highly concentrated relative to the nation. The sector accounts for 36% of employment in the industry and is 85 times more concentrated in the County than in the U.S. This sector is projected to lose jobs over the next ten years.
- The second most concentrated Food Processing and Manufacturing industry sector in the County is Fluid Milk Manufacturing, which accounts for 32% of jobs and is nearly 23 times more concentrated in the County than in the U.S. This sector is also highly concentrated in Upstate New York, where it has a location quotient of 3.9. This sector is projected to add jobs in the County and Upstate New York.
- The Frozen Fruit, Juice, and Vegetable Manufacturing sector is also highly concentrated in the County, with a location quotient of 16. Notably, in Upstate New York, this sector is less concentrated than the U.S., with a location quotient of just 0.3.
- Other highly concentrated sectors in Genesee County include Cheese Manufacturing, Other Animal Food Manufacturing, and Confectionery Manufacturing from Purchased Chocolate.
- Other highly concentrated Food Processing and Manufacturing industries in Upstate New York include Distilleries, Flour Milling, Cheese Manufacturing, Cane Sugar Manufacturing, and Flavoring Syrup and Concentrate Manufacturing.

Top 25 Sectors by Employment Concentration, 2015, Food Processing & Manufacturing, 6-digit NAICS

NAICS	Description	Genesee County			Upstate NY		
		2015 Jobs	% of Industry Jobs	National LQ	2015 Jobs	% of Industry Jobs	National LQ
311511	Fluid Milk Manufacturing	188	32%	22.7	4,946	13.3%	3.9
312140	Distilleries	0	0%	0.0	743	2.0%	2.7
311211	Flour Milling	0	0%	0.0	769	2.1%	2.3
311513	Cheese Manufacturing	58	10%	8.2	2,507	6.7%	2.3
311314	Cane Sugar Manufacturing	0	0%	0.0	272	0.7%	2.0
311930	Flavoring Syrup and Concentrate Manufacturing	0	0%	0.0	490	1.3%	2.0
311813	Frozen Cakes, Pies, and Other Pastries Manufacturing	0	0%	0.0	609	1.6%	1.9
312120	Breweries	0	0%	0.0	2,038	5.5%	1.9
311520	Ice Cream and Frozen Dessert Manufacturing	0	0%	0.0	821	2.2%	1.6
312130	Wineries	0	0%	0.0	2,196	5.9%	1.6
311811	Retail Bakeries	5	1%	0.5	3,495	9.4%	1.5
311421	Fruit and Vegetable Canning	0	0%	0.0	2,211	5.9%	1.5
311111	Dog and Cat Food Manufacturing	0	0%	0.0	800	2.1%	1.4
312113	Ice Manufacturing	0	0%	0.0	219	0.6%	1.2
311225	Fats and Oils Refining and Blending	0	0%	0.0	176	0.5%	1.1
312112	Bottled Water Manufacturing	0	0%	0.0	378	1.0%	1.1
311812	Commercial Bakeries	0	0%	0.0	3,490	9.4%	1.1
311514	Dry, Condensed, and Evaporated Dairy Product Manufacturing	210	36%	85.1	391	1.0%	1.0
311919	Other Snack Food Manufacturing	0	0%	0.0	947	2.5%	1.0
311119	Other Animal Food Manufacturing	24	4%	4.6	711	1.9%	0.9
311942	Spice and Extract Manufacturing	0	0%	0.0	498	1.3%	0.9
311999	All Other Miscellaneous Food Manufacturing	0	0%	0.0	653	1.8%	0.9
311352	Confectionery Manufacturing from Purchased Chocolate	18	3%	3.4	685	1.8%	0.9
311941	Mayonnaise, Dressing, and Other Prepared Sauce Manufacturing	0	0%	0.0	302	0.8%	0.8
311412	Frozen Specialty Food Manufacturing	0	0%	0.0	1,165	3.1%	0.8
311411	Frozen Fruit, Juice, and Vegetable Manufacturing†	80	14%	16.0	251	0.7%	0.3
Total (All Food Processing & Manufacturing Jobs):		585	100%	2.1	37,259	100.0%	0.9

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

†While not among the Top 25 sectors in Upstate NY, this sector was added to the table as it is highly concentrated in Genesee County.

designates industries with LQ greater than 1.5

Industry Competitiveness: Shift Share Analysis

Shift Share Analysis distinguishes an industry's employment growth in a specific area that is attributable to local competitive advantages or disadvantages from growth which is attributable to overall national employment trends or national employment trends in that industry. The shift share analysis helps to answer the question *"Why is employment growing or declining in this industry?"* To do this, shift share analysis splits regional job growth into three components: the national change effect, industrial mix effect, and regional competitiveness effect.

A shift share analysis is based on four factors:

- **The Industrial Mix Effect** – The industrial mix effect represents the share of regional industry growth explained by the growth of the specific industry at the national level. To arrive at this number, the national growth rate of the total economy is subtracted from the national growth rate of the specific industry, and this growth percentage is applied to the regional jobs in that industry.
- **The National Growth Effect** – The national growth effect explains how much of the regional industry's growth is explained by the overall growth of the national economy: if the nation's whole economy is growing, you would generally expect to see some positive change in each industry in your local region (the "rising tide that lifts all boats" analogy).
- **The Expected Change** – This is simply the rate of growth of the particular industry at the national level. The expected change is the sum of the industrial mix and the national growth effects.
- **The Regional Competitive Effect** – The regional competitive effect is the most important data point in the shift share analysis for our purposes. It explains how much of the change in a given industry is due to some unique competitive advantage that the region possesses, because the growth cannot be explained by national trends in that industry or the economy as whole. This effect is calculated by taking the total regional growth of the given industry and subtracting the expected change for that same industry. Note that this effect can be positive even as regional employment in the industry declines. This would indicate that regional decline is less than the national decline.

The following table shows whether the Genesee County or Upstate New York have a particular competitive advantage in a given industry by comparing local employment trends to national and industry employment trends. The County demonstrates a positive competitive effect in the Dairy Product Manufacturing industry as well as in the Fruit and Vegetable Preserving and Specialty Food Manufacturing industry. A competitive disadvantage is apparent for the County in the areas of Animal Food Manufacturing and Sugar and Confectionary Product Manufacturing.

More specifically:

- The Fruit and Vegetable Preserving and Specialty Food Manufacturing industry grew slightly in Genesee County, even as the industry contracted nationally. Upstate New York, however, lost more employment in this sector than would have been expected, based on national and industry trends.
- While the Animal Food Manufacturing industry has grown nationally, it contracted in Genesee County. In Upstate New York, this industry added 73 jobs, however, based on national and industry trends, it would have been expected to add over 200 jobs.

- Upstate New York and the County have exhibited especially strong growth in Dairy Product Manufacturing, dramatically outpacing expected growth in this industry, based on national and industry trends.
- Upstate New York also has an especially high competitive effect in the Beverage Manufacturing industry, where the region added nearly 1,600 jobs between 2005 and 2015. Based on national and industry trends, Upstate New York would have been expected to add just 1,000 jobs, with the remaining jobs attributed to the competitiveness of the region.

Shift Share Analysis, 2005-2015, Food Processing & Manufacturing (4-digit NAICS)									
NAICS	Description	Genesee County					Upstate NY		
		2005-2015 Actual Change	Ind. Mix Effect	Nat'l Growth Effect	Expected Change	Competitive Effect	2005-2015 Actual Change	Expected Change	Competitive Effect
3111	Animal Food Manufacturing	(37)	6	3	9	(46)	73	201	(128)
3112	Grain and Oilseed Milling	0	0	0	0	0	(21)	(32)	11
3113	Sugar and Confectionery Product Manufacturing	(19)	(5)	2	(3)	(16)	(26)	(107)	80
3114	Fruit and Vegetable Preserving and Specialty Food Manufacturing	3	(7)	4	(3)	6	(2,119)	(231)	(1,887)
3115	Dairy Product Manufacturing	145	(14)	15	1	144	1,779	18	1,762
3116	Animal Slaughtering and Processing	0	0	0	0	0	(897)	(136)	(761)
3117	Seafood Product Preparation and Packaging	0	0	0	0	0	10	(4)	14
3118	Bakeries and Tortilla Manufacturing	0	0	0	0	0	570	453	117
3119	Other Food Manufacturing	0	0	0	0	0	687	559	128
3121	Beverage Manufacturing	0	0	0	0	0	1,582	1,037	545
3122	Tobacco Manufacturing	0	0	0	0	0	99	(60)	159
	Total:	93	(20)	24	4	89	1,738	1,697	41

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

Workforce Analysis

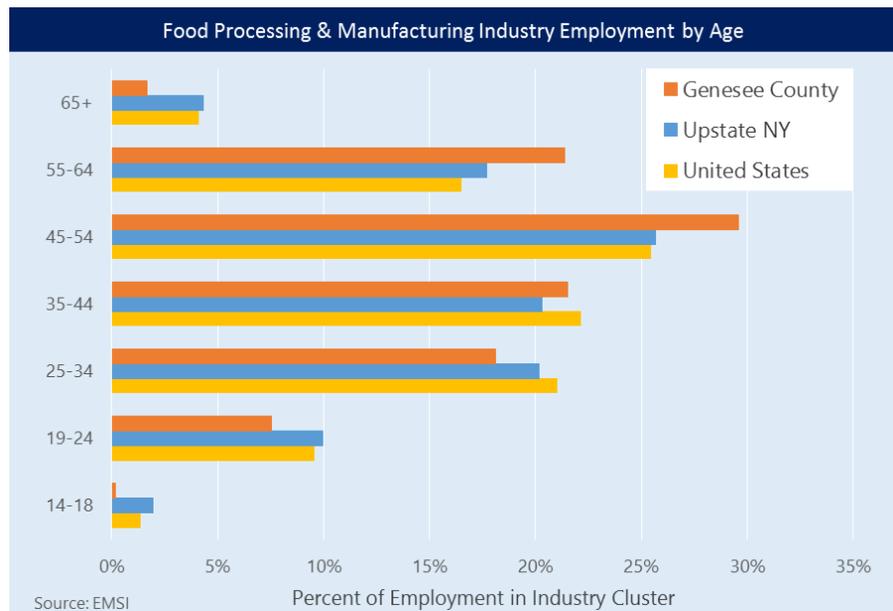
According to Area Development magazine, the availability of a skilled workforce and appropriate training programs are key factors that food processing companies consider when selecting a site to locate or expand operations. In this section, Genesee County’s current Food Processing and Manufacturing workforce is analyzed by comparing the age of workers and the educational requirements of employment in the County to Upstate New York and the U.S. In addition, employment trends in the Food Processing and Manufacturing industry are analyzed by past and projected growth in specific occupations.

Employment by Age of Worker

In addition to new job creation, the age of an industry’s workforce can also be a major driver of demand for new workers. Industries with an older workforce may be faced with the prospect of large cohorts of workers retiring, creating job openings that can be challenging to fill. As shown in the table below, over half of Genesee’s Food Processing and Manufacturing workforce is over the age of 45, so retirements could be a challenge for the County’s employers over the coming years as well as an opportunity for younger job-seekers. Our conversations with local stakeholders confirmed that the area’s food processing facilities are concerned about their future workforce pipeline.

Other key findings from this analysis are below:

- Compared to the other geographies studied, the County’s employment in the Food Processing and Manufacturing industry is more highly concentrated in upper-middle age brackets, specifically the 45-to-54 and 55-to-64 age brackets. The age of the County’s workforce in this industry can be a challenge for businesses over the next 10 to 15 years, as the workers that currently comprise over 50% of that workforce begin to retire.
- The County has a relatively low concentration of workers in the younger age brackets, specifically the 19-24 and 25-34 cohorts. As older workers begin to retire, younger workers with skills and industry experience will be needed to fill those job openings.
- In the County, employment is less concentrated in the 65+ age cohort. This cohort represents 2% of Genesee County employment in this industry, while this cohort represents 4% of employment in Upstate New York and the U.S.

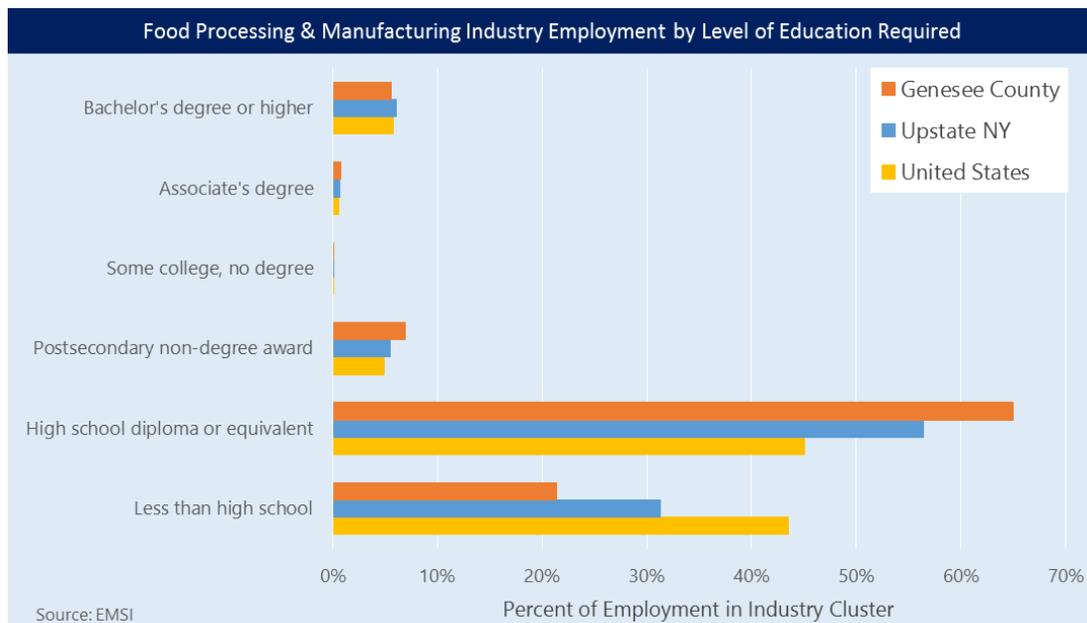


Employment by Level of Education Required

The Bureau of Labor Statistics categorizes every occupation by the typical level of education required of workers. To better understand the composition of employment opportunities in Food Processing and Manufacturing industry, the distribution of the jobs in Genesee County across various education requirements was analyzed and compared to Upstate New York and the U.S.

Key Findings:

- Most jobs in the Food Processing and Manufacturing industry do not require advanced levels of education. Across the three geographies analyzed, only about 6% of employment typically requires a Bachelor's degree or higher. Employment is concentrated in jobs that require a low level of educational attainment, with about 86% and 89% of industry employment across the three geographies requiring a high school diploma or less.
- In Genesee County, about 7% of industry jobs typically require a postsecondary non-degree award.²⁰ This is slightly higher than the percentage of jobs requiring this level of educational attainment in Upstate New York and the U.S.
- As with many other manufacturing industries, the Food Processing and Manufacturing industry is increasingly replacing or outsourcing unskilled positions with new technology and automation. This trend will allow the industry to increase revenue without adding new jobs. As low skilled jobs are being eliminated, they are being replaced by more highly skilled operators of machinery that typically earn higher wages but also require more advanced levels of education.



²⁰ The certificate is awarded by the educational institution and is the result of completing formal postsecondary schooling. Certification, issued by a professional organization or certifying body, is not included here.

Change in Employment: Past and Projected

Employment in every industry is composed of a variety of occupations, defined by the Bureau of Labor Statistics by the set of tasks a worker performs. Employment in the Food Processing and Manufacturing industry primarily includes occupations related to production and distribution tasks. As sectors within the Food Processing and Manufacturing industry grow and decline, the occupations that make up the industry will also change, as presented in the following table.

- Generally, the County’s largest occupational groups in Food Processing and Manufacturing industry overlap with the largest occupations in Upstate New York. However, employment in Genesee County is more concentrated in its largest two occupations, Packaging and Filling Machine Operators and Tenders and Food Batchmakers, which account for nearly 27% of employment, combined.
- Although employment has grown across all of the largest occupational groups since 2005, many are projected to decline over the next ten years, mirroring the projected decline in industry-wide employment.

Genesee County Change in Employment by Occupation, Food Processing & Manufacturing Industry, 5-digit SOC								
SOC	Description	2005	2015	2025	2005-2015		2015-2025	
		Jobs	Jobs	Jobs	# Change	% Change	# Change	% Change
51-9111	Packaging and Filling Machine Operators and Tenders	69	85	84	16	24%	(1)	(1%)
51-3092	Food Batchmakers	58	72	74	15	25%	2	2%
51-3093	Food Cooking Machine Operators and Tenders	29	35	26	6	21%	(9)	(25%)
51-1011	First-Line Supervisors of Production and Operating Workers	18	22	22	4	20%	0	1%
53-7062	Laborers and Freight, Stock, and Material Movers, Hand	17	19	20	3	15%	0	1%
49-9071	Maintenance and Repair Workers, General	15	19	18	3	21%	(0)	(2%)
53-3032	Heavy and Tractor-Trailer Truck Drivers	15	18	19	2	16%	1	6%
49-9041	Industrial Machinery Mechanics	11	15	17	4	36%	2	10%
53-7064	Packers and Packagers, Hand	12	13	12	1	10%	(0)	(3%)
51-2092	Team Assemblers	11	13	10	2	15%	(3)	(20%)
51-9061	Inspectors, Testers, Sorters, Samplers, and Weighers	10	13	11	2	23%	(1)	(11%)
53-7051	Industrial Truck and Tractor Operators	12	12	11	1	5%	(2)	(13%)
51-9012	Separating, Filtering, Clarifying, Precipitating, and Still Machine Setters, Operators, and Tenders	5	12	14	7	143%	2	14%
53-3031	Driver/Sales Workers	5	12	13	7	135%	2	15%
Total (All Food Processing & Manufacturing Jobs):		492	585	570	93	19%	(15)	(3%)

Source: EMSI

Table includes all occupations that account for 2% or more of 2015 industry employment

*For occupations with fewer than 10 employees, analyst assumes 5 workers

Opportunity Areas

Dairy Product Manufacturing

Industry Overview: National Background & Trends

The Dairy Product Manufacturing Industry includes businesses manufacturing a range of dairy products, including pasteurized milk, cream, butter, yogurt, cheese, and dry, condensed, and evaporated milk.²¹ The industry has undergone significant changes, as dairy consumption has shifted from fluid milk to other dairy-based products, especially Greek yogurt and specialty cheeses.^{Error! Bookmark not defined.} Other trends affecting the industry include offering products in single serve, grab-n-go packaging, by-products (whey and other protein concentrates), and powdered milk.^{Error! Bookmark not defined.}

Demand for dairy-based products has increased and is expected to increase, as the economy continues to improve. Dairy producers are also finding new markets for their goods abroad, especially in developing markets in Asia, where the growing middle class is increasingly demanding dairy-based products.^{Error! Bookmark not defined.} Between 2010 and 2015, exports of Dairy Products grew 13% annually. This growth is projected to continue over the next five years, increasing by 6.7% annually.²¹

In an effort by companies to control costs, the Dairy Product industry has become increasingly consolidated over the past five years. This trend is expected to continue, with the number of companies operating in this industry decreasing by 1.6% annually. Through consolidation, firms have been able to lower per unit costs, secure contracts with national grocery store chains, and invest in new technology, facilities, and infrastructure.²¹

Through capital investment and new technology, the Dairy Product Manufacturing industry increased revenue while employment remained stable. The ratio for wages to revenue has decreased over the past five years. While the automation of certain processes in this industry may affect total employment, the wages paid to the more highly skilled operators of new machinery will likely result in higher industry wages overall.²¹

Industry Overview: Local and Regional Background & Trends

The Dairy Product Manufacturing industry is a major employer in both Genesee County and Upstate New York. In the County, employment in the Dairy Product Manufacturing industry accounts for 78% of overall employment in the Food Processing and Manufacturing industry. In Upstate New York, it accounts for 23% of employment, while in the U.S., it accounts for about 8% of employment.

In Genesee County, the average earnings in this industry are just over \$70,000. These earnings are comparable to industry earnings in Upstate New York overall and about 2% higher than industry earnings in the U.S. At the County level, the Dairy Product Manufacturing industry offers earnings that are about 4% higher than overall earnings in the Food Processing and Manufacturing industry.

²¹ IBISWorld Industry Report 31151. Dairy Product Production in the US.

Dairy Product Manufacturing Industry Overview					
	2015 Employment	2005-2015 % Change	2015-2025 % Proj. Change	% of Industry Employment	Avg. Earnings
Genesee County	456	47%	18%	78.0%	\$70,036
Upstate New York	8,670	26%	21%	23.3%	\$70,093
United States	132,640	0%	3%	7.7%	\$68,504

Source: EMSI

The industry is a major contributor to the Gross Regional Product of Genesee County, accounting for over 80% of the County’s Food Processing and Manufacturing-related GRP and about 3% of the County’s overall GRP.

Dairy Product Manufacturing Gross Regional Product		
	Gross Regional Product (GRP)	% of Total Industry GRP
Genesee County	\$73,649,634	82.4%
Upstate New York	\$1,351,746,124	21.6%
United States	\$19,502,547,530	8.3%

Source: EMSI

In Genesee County, growth in this industry has benefitted from new employment related to the production of Greek yogurt. The Upstate New York region overall and the Genesee County area specifically have seen new investment by companies trying to meet growing consumer demand for Greek yogurt.

Yogurt Production Overview

The yogurt manufacturing industry has seen substantial growth across the U.S. over the past decade, due primarily to consumer demand for Greek yogurt. This growth is expected to continue, with yogurt sales expected to grow by over 5% annually over the coming years.²²

New York State was the nation’s fourth top dairy producing state in 2011 in terms of total production, and Genesee County in turn was the fifth top dairy producing county within New York, producing 565 million pounds. Although dairy has been a mainstay of the County’s economy historically, more recently the yogurt industry has received much attention as an increasing driver for New York’s dairy industry and for the Upstate economy. New York State was home to 29 yogurt-producing plants in 2012. Nine of those are considered “major plants” based on production volume—and four of those are yogurt-only plants, two of which are the well-known “Greek” yogurt producers Chobani and Fage. Chobani and Fage began their New York operations in 2005 and 2008 respectively.

The state’s yogurt production doubled between 2005 and 2011. Correspondingly, according to the state’s Department of Labor, “the amount of milk used to make yogurt in New York jumped almost eightfold—from 158 million lbs. to about 1.2 billion lbs.; much of this growth is due to Greek (strained)

²² Boynton, R. D., & Novakovic, A. M. (2013, October). *Industry Evaluations of the Status and Prospects for the Burgeoning New York Greek-style Yogurt Industry*. Retrieved from Program on Dairy Markets Policy: <http://dairymarkets.org/PubPod/Pubs/RP13-01.pdf>.

yogurt, which takes 3-4 times more milk than traditional yogurt.”²³ New York’s abundant milk supply, strong infrastructure, and proximity to Northeast population centers play a role in attracting yogurt makers to locate and expand in the state.

Genesee County is a beneficiary of this trend, which New York State’s leadership is focused on accelerating through the attraction of more yogurt companies. For example, Alpina Foods set up a yogurt plant in Batavia in 2012 at the new Genesee Valley Agri-Business Park, and in 2015 is in the process of investing nearly \$2.5 million in new equipment into the facility, which currently employs twenty full-time workers.²⁴ Muller Quaker Dairy, a joint venture involving PepsiCo and a foreign investor, opened a \$206 million yogurt manufacturing facility at that park in 2013. As of August 2015, O-AT-KA Milk Products was planning a \$21 million physical expansion of its Batavia facility and the addition of 21 jobs.

The economic impact of these new and expanding dairy processing facilities is substantial. A Cornell University study found that New York’s dairy processors have a jobs multiplier of 5.72. That is, that every new job at a dairy processing firm spurs the creation of an additional 4.72 jobs throughout the state economy.²⁵

Yogurt Production Siting

To meet new consumer demand for Greek yogurt, industry players are opening new production facilities, expanding current facilities, or converting facilities that previously manufactured other dairy products to yogurt production. The market is becoming increasingly competitive, with new players regularly entering the yogurt production field.

Yogurt producers generally consider a range for factors when siting a new facility. The primary drivers of location decisions are related to milk production, specifically the volume and density of milk production, past growth in production, and the number of plants competing for the region’s milk production. Other factors include:²⁶

- Proximity to large market or to markets that are not saturated with yogurt options
- Proximity to and favorable pricing of raw materials
- Favorable factors related to disposal or treatment of manufacturing by-products
- Tax incentives
- Shovel ready sites
- Supply of quality labor
- Availability of water and other infrastructure

The Western New York region and Genesee County, specifically, have successfully attracted investment from major national and international yogurt manufacturers.

²³ “Employment in New York State,” New York State Department of Labor, June 2012, <http://www.labor.ny.gov/stats/PDFs/enys0612.pdf>.

²⁴ “Alpina Foods investing \$2.5M in equipment at Batavia plant,” *Buffalo Business First*, June 26, 2015.

²⁵ “Employment in New York State,” New York State Department of Labor, June 2012, <http://www.labor.ny.gov/stats/PDFs/enys0612.pdf>.

²⁶ Boynton, R. D., & Novakovic, A. M. (2013, October). *Industry Evaluations of the Status and Prospects for the Burgeoning New York Greek-style Yogurt Industry*. Retrieved from Program on Dairy Markets Policy: <http://dairymarkets.org/PubPod/Pubs/RP13-01.pdf>

Past Change in Employment

The following table analyzes changes in employment in the Dairy Product Manufacturing industry at the 6-digit NAICS level between 2005 and 2015. At this level of analysis, the specific sectors driving growth or contractions in employment in the County, Upstate New York, and the U.S. can be assessed.

Key Findings:

- Since 2005, the County’s employment in the Dairy Product Manufacturing industry has grown by 47%, an increase of 145 jobs. Over the same period, employment has grown by 26% in Upstate New York while employment in this industry has remained stagnant in the U.S.
- Employment growth in the Dairy Product Manufacturing industry has been driven by the Fluid Milk Manufacturing sector, which includes yogurt production. This sector was not represented in the County in 2005. This sector also grew in Upstate New York, expanding employment by 50%. Over the same period, the national Fluid Milk Manufacturing sector contracted by 8%.
- While employment in the Dairy Product Manufacturing industry has grown overall, employment in the Cheese Manufacturing sector has contracted in the County, shedding 8 jobs, or 11% of employment. This sector exhibited strong growth in both Upstate New York and the U.S., growing by 24% and 15%, respectively.
- The largest Food Processing and Manufacturing industry sector in Genesee—Dry, Condensed, and Evaporated Dairy Product Manufacturing—has contracted by 14%. This sector also contracted in Upstate New York but at a lower rate, shedding 4% of jobs. In the U.S., the industry sector grew by 5%.

Change in Employment, 2005-2015, Dairy Product Manufacturing, 6-digit NAICS									
NAICS	Description	Genesee County				Upstate NY		United States	
		2005 Jobs	2015 Jobs	# Change	% Change	# Change	% Change	# Change	% Change
311511	Fluid Milk Manufacturing	0	188	188	N/A	1,640	50%	(4,162)	(8%)
311512	Creamery Butter Manufacturing	0	0	0	0%	5	N/A	362	17%
311513	Cheese Manufacturing	66	58	(8)	(11%)	483	24%	5,852	15%
311514	Dry, Condensed, & Evaporated Dairy Product Manufacturing	245	210	(35)	(14%)	(17)	(4%)	754	5%
311520	Ice Cream & Frozen Dessert Manufacturing	0	0	0	0%	(327)	(28%)	(2,473)	(11%)
Total:		311	456	145	47%	1,784	26%	333	0%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

designates industries that added the most jobs

designates industries that lost the most jobs

Projected Change in Employment

The following table analyzes projected changes in employment in the Dairy Product Manufacturing industry at the 6-digit NAICS level between 2015 and 2025. At this level of analysis, the specific sectors driving growth or contractions in employment in the County, Upstate New York, and the U.S. can be assessed.

Key Findings:

- The Dairy Product Manufacturing industry is projected to grow by an additional 18% over the next ten years. While strong growth is expected to continue in the Fluid Milk Manufacturing sector, job losses in the Cheese and Dry, Condensed, & Evaporated Dairy Product Manufacturing industry sectors will temper expected growth. Growth in the Dairy Product Manufacturing sector in Upstate New York is expected to grow at a slightly higher rate than the County, increasing employment by 21%.
- The Fluid Milk Manufacturing sector is expected to grow by 93% between 2015 and 2025 in the County, outpacing growth in Upstate New York, where the industry sector is expected to increase by 29%. Nationally, the Fluid Milk Manufacturing sector is expected to contract slightly, decreasing employment by 1%.
- While the Cheese Manufacturing sector in Genesee is expected to contract by 29% between 2015 and 2025, it is expected to grow substantially in Upstate New York and the U.S., increasing employment by 18% and 9%, respectively.
- The Dry, Condensed, and Evaporated Dairy Product Manufacturing sector is expected to contract in both the County and Upstate New York, however, employment is expected to decline at a higher rate in the County than Upstate New York. Over the same period, this sector is expected to grow by 6% nationally.

Change in Employment, 2015-2025, Dairy Product Manufacturing, 6-digit NAICS									
NAICS	Description	Genesee County				Upstate NY		United States	
		2015 Jobs	2025 Jobs	# Change	% Change	# Change	% Change	# Change	% Change
311511	Fluid Milk Manufacturing	188	362	175	93%	1,450	29%	(547)	(1%)
311512	Creamery Butter Manufacturing	0	0	0	0%	0	0%	346	14%
311513	Cheese Manufacturing	58	42	(17)	(29%)	452	18%	3,769	9%
311514	Dry, Condensed, & Evaporated Dairy Product Manufacturing	210	134	(76)	(36%)	(54)	(14%)	896	6%
311520	Ice Cream & Frozen Dessert Manufacturing	0	0	0	0%	(57)	(7%)	(223)	(1%)
Total:		456	538	82	18%	1,791	21%	4,241	3%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

- designates industries that added the most jobs
- designates industries that lost the most jobs

Frozen Food Production

Industry Overview: National Background & Trends

The Frozen Food Production industry includes businesses that produce frozen packaged food, including frozen fruits, vegetables, and juices and frozen packaged meals and side dishes. The industry is considered mature, with revenue growth of 0.5% annually projected over the next 5 years.²⁷ As income in the U.S. increases with the economic recovery, consumers may substitute frozen products with more expensive options, such as dining out and fresh produce, further depressing demand for frozen food products.²⁷

In addition to competition with substitute products, the industry faces competition from abroad. The value of frozen food imports has grown by 7.7% annually between 2010 and 2014 to \$3.2 billion, accounting for about 10% of domestic demand.²⁷ This growth is projected to continue at a lower rate over the next five years, increasing by 1.4% annually, almost three times the growth rate projected for the industry overall.²⁷

To more effectively compete in this crowded market, firms have increasingly turned to consolidation to increase market share, access new markets, and lower costs. The number of businesses operating in this industry has decreased by 0.2% annually over the past five years.²⁷ This decline is expected to continue over the next five years, with the number of businesses decreasing by 0.8% annually. There are many examples of companies merging or acquiring other companies.²⁷ Most notably, in 2015, Kraft and Heinz merged, forming one of the largest food processing companies in the world. Kellogg's and General Mills have been actively acquiring small, fast growing companies that cater to the health conscious consumers, such as Kashi, producer of nutritious cereals, energy bars, and frozen products, and Annie's, a manufacturer of natural and organic frozen meals and snacks.

In order to keep costs low and remain competitive with both domestic and international firms, businesses in this industry have been cutting employment. Players in the industry have made investments in technology to automate processes and reduce the number of workers required to produce their goods.²⁷ Even as revenue is projected to grow over the next five years, the number of workers in the industry is expected to decrease by 0.9% annually as low skilled workers are increasingly replaced by automation and a smaller number of more highly skilled workers. However, the average wages for workers are expected to increase due to the advanced skills and expertise required to operate new machinery.²⁷

Profits in the industry are shrinking, due in part to increasing competition with imports, competition with substitute goods, high costs of inputs, and high marketing costs associated with introducing new products and differentiating products from competitors.

While generally, the industry is facing the prospect of low growth, low profits, and growing competition, some markets in industry are expected to experience more substantial growth. As consumers demand healthier and more nutritious food, firms that cater to that need by offering natural, organic, and healthy frozen food options may experience more robust growth. Additionally, the export market has shown promising growth, as consumers, primarily in Asia, have begun demanding frozen food products. The export market has grown at an annual rate of 7% over the past five years to a value of \$2.1 billion.²⁷

²⁷ IBISWorld Industry Report 31141. Frozen Food Production in the US.

This growth is projected to continue at an annual rate of 1.9% over the next five years. Japan, Canada, and South Korea are the major drivers of growth in this market.²⁷

Industry Overview: Local and Regional Background & Trends

In Genesee County, the Frozen Food Production industry includes employment only in Frozen Fruit, Juice, and Vegetable Manufacturing industry. Upstate New York has more significant employment in the Frozen Specialty Food Manufacturing industry.

The Frozen Food Production industry accounts for nearly 14% of total employment in the Food Processing and Manufacturing industry in Genesee County. In Upstate New York and the U.S., this industry accounts for only 3.8% and 5.1% of overall industry employment, respectively. The industry has managed to retain employment and even grow slightly in the County over the past ten years, even as the same industry has declined in Upstate New York and the U.S.

Compared to Upstate New York and the U.S., Genesee County has relatively high average earnings of \$56,791 in the Frozen Food Production industry. These earnings are 4% higher than earnings in Upstate New York and 11% higher than earnings in the U.S. However, the earnings in this Frozen Food Production industry are 19% lower than earnings for the Food Processing and Manufacturing industry overall.

Frozen Food Production Industry Overview					
	2015 Employment	2005-2015 % Change	2015-2025 % Proj. Change	% of Industry Employment	Avg. Earnings
Genesee County	80	4%	(79%)	13.7%	\$56,791
Upstate New York	1,417	(43%)	(38%)	3.8%	\$54,387
United States	87,831	(2%)	0%	5.1%	\$51,339

Source: EMSI

The Frozen Food Production industry is a major contributor to the Food Processing and Manufacturing industry’s output, accounting for nearly 8% of the industry’s \$89 million GRP in Genesee County. In Upstate New York, the Frozen Food Production industry accounts for about 2% of industry output while in the U.S. it accounts for 2.6%.

Frozen Food Production Gross Regional Product		
	Gross Regional Product (GRP)	% of Total Industry GRP
Genesee County	\$6,885,971	7.7%
Upstate New York	\$117,410,916	1.9%
United States	\$6,201,573,482	2.6%

Source: EMSI

Recent Announcements

In Genesee County, the industry has seen recent investment by Bonduelle, a France-based producer of processed vegetables. In 2012, the company acquired several frozen vegetable processing facilities from Allen Foods, including two facilities in Genesee County. Since the purchase, Bonduelle has invested \$3.5 million in the Genesee County plants, making upgrades to equipment and improving training.

The company cited the high quality agricultural production in Upstate New York and the Genesee County facilities' proximity to major markets as reasons for purchasing Allen Foods. Since acquiring the new facilities, the company has ramped up production to meet the demand of customers, such as Wegman's, and expects continued growth at its facilities.

Past Change in Employment

The following table analyzes changes in employment in the Frozen Food Production industry at the 6-digit NAICS level between 2005 and 2015. At this level of analysis, the specific sectors driving growth or contractions in employment in the County, Upstate New York, and the U.S. can be assessed.

Key Findings:

- In Genesee County, Frozen Fruit, Juice, and Vegetable Manufacturing is the only sector in the Frozen Food Production industry. However, in both Upstate New York and the U.S., the Frozen Specialty Food Manufacturing sector is also a major employer in this industry. Overall, the Frozen Food Production industry contracted by 43% in Upstate New York and by 2% in the U.S. while it grew slightly in Genesee County.
- While the Frozen Fruit, Juice, and Vegetable Manufacturing sector declined substantially in Upstate New York between 2005 and 2015, losing 67% of jobs, the sector grew slightly in Genesee, increasing by 4%.
- Nationally, the Frozen Specialty Food Manufacturing sector grew by 1%. Over the same period, it contracted by 32% in Upstate New York. This sector is not represented in Genesee County.

Change in Employment, 2005-2015, Frozen Food Production, 6-digit NAICS									
NAICS	Description	Genesee County				Upstate NY		United States	
		2005 Jobs	2015 Jobs	# Change	% Change	# Change	% Change	# Change	% Change
311411	Frozen Fruit, Juice, & Vegetable Manufacturing	77	80	3	4%	(516)	(67%)	(1,949)	(6%)
311412	Frozen Specialty Food Manufacturing	0	0	0	0%	(536)	(32%)	600	1%
Total:		77	80	3	4%	(1,052)	(43%)	(1,349)	(2%)

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

 designates industries that added the most jobs

 designates industries that lost the most jobs

Projected Change in Employment

The following table analyzes changes in employment in the Frozen Food Production industry at the 6-digit NAICS level between 2015 and 2025. At this level of analysis, the specific sectors driving growth or contractions in employment in the County, Upstate New York, and the U.S. can be assessed.

Key Findings:

- Overall, employment in the Frozen Food Production industry is expected to contract by 79% in Genesee County, losing 63 jobs. Over the same period, the industry is expected to decline in Upstate New York by 38% and grow slightly in the U.S.

- The Frozen Fruit, Juice, and Vegetable Manufacturing sector is expected to contract in the County, mirroring a decline in this sector in Upstate New York. (Nationally, employment in this sector is expected to decline but at a lower rate, reducing employment by 6%.) However, as noted elsewhere, the projections for local employment losses are heavily influenced by the overall trends in Upstate New York, where this sector has declined significantly over the past decade. Given the investment and success of the Bonduelle frozen vegetable processing facility in Bergen, Camoin Associates heavily discounts this particular EMSI employment trend projection.
- Between 2015 and 2025, the Frozen Specialty Food Manufacturing sector is expected to decline in Upstate New York. However, over the same period, employment in this sector is expected to grow by 3% nationally, adding nearly 2,000 jobs. This sector is not represented in Genesee County.

Change in Employment, 2015-2025, Frozen Food Production, 6-digit NAICS									
NAICS	Description	Genesee County				Upstate NY		United States	
		2015 Jobs	2025 Jobs	# Change	% Change	# Change	% Change	# Change	% Change
311411	Frozen Fruit, Juice, & Vegetable Manufacturing	80	17	(63)	(79%)	(222)	(89%)	(1,753)	(6%)
311412	Frozen Specialty Food Manufacturing	0	0	0	0%	(320)	(27%)	1,995	3%
Total:		80	17	(63)	(79%)	(542)	(38%)	241	0%

Source: EMSI

*For industries with fewer than 10 employees, analyst assumes 5 workers

-  designates industries that added the most jobs
-  designates industries that lost the most jobs

Agricultural Base Information

Genesee County has consistently ranked as one of the top counties in the state for market value of agricultural products sold, and various indicators point to the strong health of the County's agricultural industry.²⁸ Le Roy and Bergen enjoy a strong concentration of USDA-designated prime farmland, and agriculture is an important component of the Towns' economies both historically and currently. The region has long benefited from its concentration of prime farmland, and persistent and recurrent drought and fire conditions in other important U.S. growing regions further highlights local agricultural advantages.²⁹

U.S. Census of Agriculture

Data on agricultural production and employment is drawn primarily from the U.S. Census of Agriculture, the most recent of which was conducted for 2012. Data from this Census is available on the county level. The following are findings of interest for Genesee County, which for purposes of this study are assumed to reflect the agricultural economy of Le Roy and Bergen proportionally.

Genesee County is home to 549 farms covering 187,317 acres. The distribution of those farms by their primary NAICS code is illustrated in the table that follows. In comparison to New York State, Genesee County is home to a relatively high concentration of oilseed and grain farms, reflecting the area's strength in corn, soybean, and bean production.

²⁸ Le Roy, New York Agriculture and Farmland Protection Plan, 2010.

²⁹ Weather patterns associated with proximity to the Great Lakes generally provide ample water supply for farming in the region.

Farms by Type, 2012

Type	NAICS Code	Genesee County		New York	
		Number of Farms	% of Total	Number of Farms	% of Total
Oilseed and Grain Farming	1111	109	20%	2,686	8%
Vegetable and Melon Farming	1112	24	4%	2,031	6%
Fruit and Tree Nut Farming	1113	4	1%	2,278	6%
Greenhouse, Nursery, & Floriculture Production	1114	25	5%	2,322	7%
Other Crop Farming	1119	136	25%	9,335	26%
Tobacco Farming	11191	-		-	
Cotton Farming	11192	-		-	
Sugarcane, Hay, and All Other	11193, 11104, 11199	136		9,335	
Beef Cattle Ranching and Farming	112111	66	12%	4,453	13%
Cattle Feedlots	112112	5	1%	143	0%
Dairy Cattle and Milk Production	11212	62	11%	4,694	13%
Hog and Pig Farming	1122	15	3%	422	1%
Poultry and Egg Production	1123	12	2%	882	2%
Sheep and Goat Farming	1124	17	3%	1,120	3%
Animal Aquaculture & Other Animal Production	1125, 1129	74	13%	5,171	15%
Total		549	100%	35,537	100%

Source: 2012 U.S. Census of Agriculture

The market value of Genesee County agricultural products sold in 2012 was \$237 million, with per-farm revenue averaging \$431,606. The table on the following page breaks down the County’s agricultural sales by product. Out of the value of all agricultural sales that year, \$85 million was crops, and \$152 million was livestock, poultry, and their products. Dairy farming was the most significant sub-category, at \$121 million. Cattle and calf sales were valued at \$13 million. Within crop farming, corn accounted for the highest sale value at \$25 million. Vegetable farming, which is an important part of a frozen food processing supply chain in the Study Area, earned \$3 million in revenue.

Camoin Associates learned that the corn grown in Le Roy and Bergen is for the most part sold for use outside of the local area, while much of the soybean crop is used as animal feed on the same farms on which it is grown. With respect to vegetable growing, the area is a significant source of the nation’s beet production.

Market Value of Agricultural Products Sold (Genesee County, 2012)	
Commodity or Commodity Group	Value of Sales (\$1,000)
Crops, including nursery and greenhouse	85,189
Grains, oilseeds, dry beans, dry peas	41,326
Corn	24,983
Wheat	3,804
Soybeans	7,121
Sorghum	30
Barley	50
Rice	-
Other	838
Tobacco	-
Cotton and cottonseed	-
Vegetables, melons, potatoes, sweet potatoes	3,157
Fruits, tree nuts, berries	(D)
Fruits and tree nut	16
Berries	(NA)
Nursery, Greenhouse, floriculture, and sod	1,372
Cut Christmas trees and short-rotation woody crops	(D)
Cut Christmas trees	(NA)
Short rotation woody crops	(NA)
Other crops and hay	7,189
Maple syrup	(NA)
Livestock, poultry, and their products	151,763
Poultry and eggs	799
Cattle and calves	13,302
Milk from cows	121,347
Hogs and pigs	(D)
Sheep, goats, wool, mohair, and milk	365
Horses, ponies, mules, burros, and donkeys	(D)
Aquaculture	-
Other animals and their products	960

Source: 2012 U.S. Agricultural Census

(D) Withheld to avoid disclosing data for individual farms

(NA) Not available

- Represents zero

It should be noted that in a comparison with the 2007 Census of Agriculture (see next table), the sales volume of the “grains, oilseeds, dry beans, and dry peas” (inclusive of corn and soybeans) more than doubled from about \$15 million to about \$41 million. Another significant increase occurred in “cattle and calves,” from about \$14 million to nearly \$26 million. The value of vegetable sales fell by 27% to about \$35 million.

Genesee County - Agricultural Products by 2012 Sales of Commodity Groups (2012 Dollars)

Product	2007 Sales (\$1,000)	2007 Sales † (\$1,000)	2012 Sales (\$1,000)	Change (\$1,000)	% Change
Milk from cows	\$95,895	\$106,185	\$121,347	\$15,162	14%
Grains, oilseeds, dry beans, and dry peas	\$14,021	\$15,525	\$41,326	\$25,801	166%
Vegetables, melons, potatoes, and sweet potatoes	\$43,630	\$48,311	\$35,157	-\$13,154	(27%)
Cattle and calves	\$13,302	\$14,729	\$25,777	\$11,048	75%
Other crops and hay	(D)	-	\$7,189	-	-
Nursery, greenhouse, floriculture, and sod	(D)	-	\$1,372	-	-
Other animals and other animal products	(D)	-	\$960	-	-
Poultry and eggs	\$637	\$705	\$799	\$94	13%
Sheep, goats, wool, mohair, and milk	\$420	\$465	\$365	-\$100	(22%)
Fruits, tree nuts, and berries	\$229	\$254	(D)	-	-
Cut Christmas trees and short rotation woody crops	\$178	\$197	(D)	-	-
Hogs and pigs	(D)	-	(D)	-	-
Horses, ponies, mules, burros, and donkeys	\$2,032	\$2,250	(D)	-	-
Tobacco	-	-	-	-	-
Cotton and cottonseed	-	-	-	-	-
Aquaculture	-	-	-	-	-
Total value of agricultural products sold*	\$177,810	\$196,889	\$236,952	\$40,063	20%

† Inflation-adjusted values. Reported in 2012 dollars

(D) Withheld to avoid disclosing data for individual farms

* Total value may not equal the value of items represented due to the information withheld from individual farms

A dash represents a zero value

Source: U.S. Census of Agriculture, Camoin Associates

The number of farms in Genesee County decreased by two between 2007 and 2012, a decrease of 0.4%. At the same time, the amount of total farm acreage in the County grew by about 2%, or 3,778 acres. The average farm size also experienced a slight increase, from 333 acres to 341 acres. This data likely indicates farm mergers.

Genesee County Farms			
	2007	2012	% Change
Total farms (number)	551	549	(0.4%)
Land in farms (acres)*	183,539	187,317	2%
Average farm size (acres)	333	341	2%

*Not equal to total agricultural land. Omits large acreages of woodland or wasteland held for non-agricultural purposes

Source: Census of Agriculture

In the context of the increase in the number of acres farmed, most of that expansion occurred in the 2,000+ acre category, with five more farms falling into this size bracket in 2012 as compared to 2007. The data show that this may be a result of mergers with farms in the 1,000-1,999 acre bracket, possibly in addition to the expansion of farms across the 2,000 acre threshold through acquisition of small plots of farmland (69 acres or less). In general, this data shows that Genesee County agriculture is characterized by large-scale farming, which in Le Roy and Bergen is known to be significantly comprised of large multi-family agribusinesses.

Genesee County Farms and Farmland Acreage, by Size of Farm						
Size of Farm	Number of Farms			Farmland Acreage		
	2007	2012	Change	2007	2012	Change
1 to 9 acres	40	38	(2)	214	186	(28)
10 to 49 acres	159	156	(3)	4,061	3,750	(311)
50 to 69 acres	69	52	(17)	4,029	3,107	(922)
70 to 99 acres	60	68	8	5,049	5,757	708
100 to 139 acres	38	49	11	4,611	5,856	1,245
140 to 179 acres	21	21	0	3,360	3,275	(85)
180 to 219 acres	30	24	(6)	5,876	4,824	(1,052)
220 to 259 acres	12	16	4	2,876	3,734	858
260 to 499 acres	53	59	6	18,453	20,845	2,392
500 to 999 acres	28	25	(3)	20,430	19,248	(1,182)
1,000 to 1,999 acres	26	21	(5)	34,350	26,570	(7,780)
2,000 acres or more	15	20	5	80,230	90,165	9,935
Total:	551	549	(2)	183,539	187,317	3,778

Source: Census of Agriculture

Between 2007 and 2012, the number of workers hired to work on farms decreased from over 1,680 to about 1,500, a decline of 11%. This mirrors an overall decline in the number of farms hiring workers (“Operations with Workers”), which decreased from 152 farms to 141. In contrast, the number of hired farm laborers in New York State and the US both increased somewhat over that time period (from 59,683 to 60,944 workers, and from 2,636,509 to 2,736,417 workers). Although the overall number of farm workers hired decreased between 2007 and 2012, the number of workers who worked for 150 days or more increased by 127 workers over this period, while the number of workers hired to work fewer than 150 days decreased by over 300 workers. Both of these phenomena are a likely reflection of the area’s strength in dairy farming, which is a year-round industry.

Agriculture-Related Employment (Genesee County)				
	2007	2012	# Change	% Change
Number of Workers Hired	1,683	1,502	(181)	(11%)
Hired Workers Working 150 Days or More	703	830	127	18%
Hired Workers Working Fewer Than 150 Days	980	672	(308)	(31%)
Operations with Workers	152	141	(11)	(7%)

Source: USDA Agriculture Census

Le Roy as a Snapshot

Camoin Associates did obtain town-specific agriculture information for Le Roy as a result of the town having developed an Agriculture and Farmland Protection Plan in 2010. The town has about 25 active farms; most are dairy and processing vegetable farms, with smaller numbers of horse, fruit, fresh market vegetable, livestock, and Christmas tree farms. This is considered to represent a desirable diversity and balance. Just over half the Town acreage of 13,000 acres was in active agricultural production. Farm consolidation was a trend observed from 2002-2007, both at the town (zip code) and County level. This may have slowed in the following five-year period, as the U.S. Agricultural Census shows only two fewer farms in the County in 2012 as compared to 2007. As of a 2010 report, farms in Le Roy employed an estimated 320 full time workers and 58 part time and seasonal workers, and were estimated to have “an economic multiplier effect of 2 to 3 in the local economy.”³⁰

Regional Trends and Issues

Le Roy and Bergen’s agricultural industry is characterized significantly by large, multi-family agribusinesses.³¹ This is in contrast to growing regions that are dominated by industrial-scale corporate farming (e.g. the Midwest) or by small-scale, entrepreneurial, niche farming (e.g. Vermont). Agriculture’s integral place in the communities’ identity is visible to anyone who drives through the two towns and sees farms side-by-side with residential and commercial developments, even near village centers.

In the course of studying Le Roy and Bergen’s economy, Camoin Associates learned that Western New York has continually been an early adopter of leading-edge agricultural technologies. Some of these technologies are labor-saving, and some allow for more limited and strategic application of expensive inputs like pesticides through high-tech monitoring of growing conditions. Still others represent significant investments that allow farm owners to earn revenue outside the Study Area, for example M-B Farms’ use of their harvesting equipment to serve vegetable and corn growers throughout Upstate New York.

This continuous and forward-leaning investment is a theme of Le Roy and Bergen’s agricultural sector, with significant infrastructure, equipment, and land acquisition, and other capital investments evident over the past few years on the part of the towns’ multi-family agribusinesses.

³⁰ Le Roy, New York Agriculture and Farmland Protection Plan, 2010.

³¹ Stein Farms and M-B Farms are examples.

Local stakeholders expect this pattern to continue. Local farmers also anticipate the possibility of more examples of vertical integration going forward, in which farms develop the capability to process their own products during the non-growing months. This could result in more year-round farm employment in the two towns. Additionally, there has been interest in Genesee County by prospective investors in developing large-scale indoor growing facilities.



Bergen students drive their tractors to school on Agricultural Appreciation Day

The health of the area's significant dairy farming industry is affected primarily by factors outside local or even regional control, particularly national price fluctuations, state environmental regulations, federal market and distribution rules, and immigration laws.³² For example, 2014 was a record year for milk, cheese, and butter prices, but they have been much lower in 2015. The new Genesee Valley Agri-Business Park in Batavia is considered to be an asset to Le Roy's farming community,³³ but the proximity of dairy manufacturing facilities is not a direct factor in the profitability and success of dairy farmers.



The one-year Agri-Business Academy has enrolled its first class of high school seniors

Like the dairy farmers, the prices crop farmers receive for their products are determined in national markets, and in typical years they do not face difficulty selling their entire production. For both dairy farmers and crop farmers, a significant portion—perhaps over 50%—of inputs are sourced from within the County. In another example of leveraging local supply chains, several vegetable producers in the area sell their entire crop to Bonduelle each year. This arrangement pre-dates the current ownership of the frozen vegetable processing facility in Bergen, but Bonduelle is seen as a particularly strong and reliable partner by those growers.

Le Roy and Bergen economic development and agricultural stakeholders are aware that vigilance in maintaining farmable acreage is necessary to preserve agriculture's role as the communities' economic cornerstone. This is particularly critical at a time of rising land costs, which has increased development pressures and made it difficult for farms to expand through acquisition of new land.

³² Immigrant labor makes up more than half the workforce on dairy farms nationwide, according to a 2015 study by Texas A&M University funded by the National Milk Producers Federation.

³³ Le Roy, New York Agriculture and Farmland Protection Plan, 2010.

Le Roy developed an Agriculture and Farmland Protection Plan in 2010 for the purpose of creating a supportive environment for agricultural businesses and ensuring that land use planning and regulations preserve farmland to the greatest extent possible. The largest threats to existing farmland stem from the rising real estate costs, for example residential building pressures, the rise in acreage rented to but not owned by farmers (which is at greater risk of development), and opposition to zoning changes that would make it more difficult to break up and sell off parcels of farmland for development. Camoin Associates notes with respect to economic development considerations that agricultural properties typically have positive fiscal impact on host communities because of their low dependence on infrastructure and services.

The Agriculture and Farmland Protection Plan indicates strong consensus that the public needs to be educated about the economic value of agriculture as an industry in the community. Camoin Associates notes, however, that the surveys collected at the Oatka Festival in 2015 indicated a high level of appreciation in the community of agriculture's local economic importance. That pride and appreciation is being passed onto the community's younger generations through innovative Agricultural Appreciation Days in the Byron-Bergen school district and a new Agri-Business Academy for high school seniors interested in investigating careers in agriculture.

Appendix 5: Economic Impact Analysis

As part of the Community Revitalization Plan for Le Roy and Bergen, the Genesee Gateway Local Development Corporation (GGLDC) commissioned Camoin Associates to conduct an economic impact analysis that details the impacts of potential new investment at the Le Roy Food & Technology Park and another industrial site in those two towns. The purpose of the analysis is to enumerate the impacts on Genesee County—in terms of jobs, earnings, and sales—that would occur as a result of the successful attraction of new food processing and other businesses to the park(s).

Assumptions

Stakeholders in Le Roy and Bergen (the “Study Area”) and Genesee County have identified the creation of a new shovel-ready industrial park and the expansion of needed infrastructure to that and other sites as key economic development strategies. Given the strength of the food and agriculture economic cluster in the County (see the Target Industry Analysis), these stakeholders are targeting food processing and related businesses as prospective tenants for the new site (the Le Roy Food & Technology Park) and for available parcels in the existing Apple Tree Acres.

According to the priority project form submitted to the Regional Economic Development Council concerning the Le Roy Food & Technology Park, the park is expected to host 228 new jobs by the five-year mark. For the purposes of the analysis, Camoin Associates assumes that these 228 jobs would be allocated proportionally among the three food processing industries with the largest existing presence in the County, according to current employment counts.

In addition to food processing businesses, two other industries were identified as logical fits for the sites, and we have included them in the analysis:

- Refrigerated Warehousing and Storage. This is an example of a transportation and logistics industry that could be attracted on the basis of Le Roy and Bergen’s proximity to the interstate and to major markets. Refrigerated warehousing capacity, which is complementary to food production activity, is currently limited in Western New York.
- Pump and Pump Equipment Manufacturing. Based on market research, local information gathering, and interviews, Camoin Associates supports the conclusion that the expansion of necessary infrastructure to the new site as well as existing sites will serve as positive factor in attracting new non-food manufacturers to the Study Area or accommodating the growth of existing non-food manufacturers. In the absence of an ability to forecast the specific 6-digit NAICS industry in which this growth might occur, we have used the industry code associated with Liberty Pumps.

In total, we use 278 jobs (as broken out in the following table) as direct inputs into the economic model.¹

Direct Job Inputs		
NAICS	Industry	Jobs
311411	Frozen Fruit, Juice, and Vegetable Mfg.	38
311511	Fluid Milk Mfg.	90
311514	Dry, Condensed, & Evaporated Dairy Product Mfg.	100
493120	Refrigerated Warehousing & Storage	25
333911	Pump & Pump Equipment Mfg.	25
	Total	278

Source: Camoin Associates, GGLDC

Economic Impact

The increase in economic activity associated with the investments in the Le Roy Food & Technology Park and Apple Tree Acres will have spillover effects throughout the Genesee County economy. In addition to the 278 new direct jobs gained in the food processing, transportation/logistics, and pump manufacturing industries, the County can expect further indirect employment increases as County firms add workers to meet increased demand for products and services generated by this new economic activity. In turn, these new direct and indirect jobs will increase the spending power of households in the County and result in additional economic gains in retail and other consumer goods sectors, which have additional County-wide ripple effects.

The table below shows the estimated total economic impact of these 278 new direct jobs on the County. In addition to these direct jobs, 190 new indirect jobs would be created, for a total of 468 jobs. Total earnings are estimated to amount to \$26 million annually, and total sales would equal \$239 million annually.

Total Economic Impact			
	Direct	Indirect	Total
Jobs	278	190	468
Earnings	\$ 18,310,042	\$ 7,690,218	\$ 26,000,260
Sales	\$ 197,254,184	\$ 41,773,844	\$ 239,028,028

Source: EMSI, Camoin Associates

Collectively, these 468 new jobs would represent a 1.8% increase in County employment.

Indirect Impacts

The following table details the 2-digit NAICS sectors within the County that are likely to experience the greatest job increases indirectly as a result of the new investments. Some of these industries are part of the food processing, transportation/logistics, or pump manufacturing supply chains, while others will be impacted due to decreases in consumer spending by the County's households.

¹ Economic Modeling Specialists, Intl. (EMSI) is the economic input–output model used for this analysis. EMSI allows the analyst to input the amount of new direct economic activity (jobs) occurring within the region to estimate the spillover effects that these new jobs have as more dollars circulate through the county economy. This is captured in the indirect impacts and is commonly referred to as the “multiplier effect.” See the addendum for more information on economic impact analysis.

New Indirect Jobs by Industry, 2-digit NAICS			
NAICS	Industry Description	Indirect Jobs	
11	Crop and Animal Production	50	
31	Manufacturing	23	
44	Retail Trade	20	
42	Wholesale Trade	16	
90	Government	13	
48	Transportation and Warehousing	12	
62	Health Care and Social Assistance	11	
81	Other Services (except Public Administration)	8	
72	Accommodation and Food Services	8	
54	Professional, Scientific, and Technical Services	7	
56	Administrative and Support and Waste Management	6	
23	Construction	6	
53	Real Estate and Rental and Leasing	3	
71	Arts, Entertainment, and Recreation	3	
52	Finance and Insurance	2	
61	Educational Services	2	
51	Information	1	
22	Utilities	0	
55	Management of Companies and Enterprises	0	
21	Mining, Quarrying, and Oil and Gas Extraction	0	
	Total	190	

Source: EMSI, Camoin Associates

Crop and Animal Production is the sector expected to experience the most significant employment gains, with an estimated 50 new jobs to be added. Manufacturing would gain an additional 23 jobs beyond those added directly, and Retail Trade is expected to add 20 jobs.

Addendum: What is economic impact analysis?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings and output in a given economy due to some initial “change in final demand”. To understand the meaning of “change in final demand”, consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells \$1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is \$1 million because dollars are flowing in from outside the United States and are therefore “new” dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property and pay its workers. This first round is commonly referred to as the “Direct Effects” of the change in final demand and is the basis of additional rounds of buying and selling described below.

To continue this example, the widget manufacturer’s vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e. sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will “leak out”. What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of industry-to-industry purchases. Finally, the widget manufacturer has employees who will naturally spend their wages. Again, those wages spent will either be for local goods and services or will “leak” out of the economy. The purchases of local goods and services will then stimulate other local economic activity. Together, these effects are referred to as the “Indirect Effects” of the change in final demand.

Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects. The ratio of Total Effects to Direct Effects is called the “multiplier effect” and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar (\$1) of change in final demand, an additional \$1.40 of indirect economic activity occurs for a total of \$2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e. how the “local economy” is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the \$1 million of widgets being purchased by Canadians is not causing total North American demand to increase by \$1 million. Presumably, those Canadian purchasers will have \$1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many “new” dollars the producer would be causing to occur domestically.

Appendix 6: Action Plan Matrix

Goal: Develop a Broader Tax Base to Support a Higher Quality of Life

Objective 1: Accommodate Expansion of the Commercial and Industrial Base

# 1	Strategy/Action	Key Implementers & Relationships	Priority Level	Timeframe	Costs	Resources	Barriers	Measures for Progress and Success
1.1	Develop the Le Roy Food & Technology Park and the supporting infrastructure (gas-broadband-sewer) for this site in Le Roy and Apple Tree Acres in Bergen.	GCEDC (lead convener)	High	Immediate	\$2.1 million	ESD Grant Funds / Upstate Revitalization Initiative award; ABC award	Prohibitive cost of gas line extension	Achievement of "shovel-ready" status for the Le Roy Food & Tech Park
1.2	Market the Le Roy Food & Technology Park and Apple Tree Acres to target industries (nationally and globally). Target foreign direct investment in the food processing industry through the advancement of industry relationships and through continued participation in trade shows and other channels.	GCEDC, growers, farming cooperatives	High	Medium-term	Shared with broader GCEDC marketing efforts	Market NY (ESD); NYS Dept. of Agriculture and Markets; SelectUSA; Global NY	Competition from sites outside the region	Occupancy; tax revenue attributable to occupancy
1.3	Review all infrastructure for necessary improvements and upgrades.	GCEDC (lead convener), IDA, Towns, Villages, Private Companies, Property Owners	High	Immediate	Staff time and potential consulting fees	In-kind and ABC award		Completion of review and prioritization
1.4	Upgrade the capacity of affordable infrastructure to key sites (e.g. Apple Tree Acres).	GCEDC (lead convener)	High	Immediate	\$10 million +	ESD Grant Funds, DEC/EFC Wastewater Infrastructure programs, utilities, local government revenue & financing options	Priorities of regional gas utility	Achievement of ability to accommodate another Liberty Pumps-sized manufacturing operation
1.5	Prepare for future commercial development at the I-90 interchange in terms of zoning and infrastructure (especially sewer). Study other communities' interchanges to ensure it is developed as an attractive gateway to Le Roy and Bergen.	Town of Le Roy; GCEDC; Green Genesee / Smart Genesee land use planning tool	High	Long-term	Several million for infrastructure; \$200,000 for study	ESD Grant Funds, DEC/EFC Wastewater Infrastructure programs, utilities, local government revenue & financing options	Distance to wastewater treatment facility	Achievement of ability to accommodate commercial, industrial, or hospitality development at interchange
1.6	Promote the region's quality work ethic and skills derived from its agricultural employment history. Collect and disseminate employer testimonials.	GCEDC	Medium	Near-term	Staff time for collection and dissemination / incorporation into marketing materials	N/A		Number of testimonials collected; dissemination metrics related to chosen channels; instances of business growth/attraction in which workforce quality is cited as a factor
1.7	Boost the pipeline of workers skilled in mechanical trades.	P-TECH, Business Education Alliance, GCEDC, Genesee County Community College, BOCES	Medium	Medium-term	Scaling up of existing programs as needed	Funding sources of lead implementers	Popular perception of trades careers	Matriculation from key BOCES and Genesee County Community College training programs; survey of area employers regarding trends in workforce readiness
1.8	Explore the feasibility of a retail or craft manufacturing incubator to support entrepreneurs working out of their homes.	GCEDC	Low	Long-term	\$100,000 annually	ESD Grant Funds, SBDC, regional incubator services	Small business loan funding	Number of participants; increased revenue of participating businesses

Appendix 6: Action Plan Matrix

Goal: Develop a Broader Tax Base to Support a Higher Quality of Life (continued)

Objective 2: Support the Continued Vitality of the Local Agricultural Economy

# 2	Strategy/Action	Key Implementers & Relationships	Priority Level	Timeframe	Costs	Resources	Barriers	Measures for Progress and Success
2.1	Protect farmland by limiting development to sites that are not ideal for agricultural use and can support greater density. Continue implementation of the Le Roy farmland protection plan, including exploration of easement programs, resolution of drainage issues in the town, farmer participation on local government boards, consideration of zoning revisions, participation in any future county Purchase of Development Rights Program, etc. Implement strategies in the forthcoming Bergen Comprehensive Plan regarding maintenance of the rural and agricultural character of the town. Implement the Genesee County Agricultural and Farmland Protection Plan (currently undergoing update).	Towns and villages of Le Roy & Bergen	High	Ongoing	Dependent on tactics employed	NYS Environmental Facilities Corporation; NYS Department of Environmental Conservation	Property rights concerns; cost of resolving drainage issues; NYS and federal regulations of farmland	Maintenance of at least 98% of current total of farmer-owned farmland over next 10 years; maintenance of at least 95% of current total of non-farmer-owned farmland over next ten years
2.2	Explore the potential for a commercial food hub or a commercial agricultural facility at the Le Roy Machine Building.	GCEDC, towns, large-scale farms	Low	Long-term	\$200,000 of public investment in larger partnership	ESD Grant Funds	To be learned in exploration	Establishment of food hub; annual value of transactions at the food hub

Goal: Ensure that Le Roy & Bergen are Attractive Communities to Live, Work, and Play

Objective 3: Enhance the Vibrancy of the Downtowns

# 3	Strategy/Action	Key Implementers & Relationships	Priority Level	Timeframe	Costs	Resources	Barriers	Measures for Progress and Success
3.1	Seek state and other funding to develop a downtown housing/commercial space improvement fund. Consider creative incentives like using the fund to provide a 25% match to the first Main Street building owner to renovate and rent second-story apartments.	Village of Le Roy; Le Roy Business Council	High	Medium-term	\$150,000	Batavia Micropolitan Redevelopment Loan Fund; NYS Office of Homes & Community Renewal; State Historic Preservation Office	Low Main Street real estate values	Square footage of renovated and re-occupied space on Main Street
3.2	Review zoning and ordinances for changes needed to support economic development.	Towns and villages of Le Roy and Bergen	High	Near-term	Staff time and potential consulting fees	N/A	Community concern over development outcomes	Completion of zoning revisions
3.3	Coordinate a community marketing dialogue targeting tourism, evaluating tactics like package deals among hospitality and recreational offerings (e.g. the Le Royan, downtown restaurants, and the Bergen disc golf course) with the goal of attracting more visitors who will boost local business and municipal revenues. Contend with regional marketing identity question (Finger Lakes? Western NY?).	LeRoy Historical Society (lead); villages and downtown business associations of Le Roy and Bergen; key venues and attractions	Medium	Near-term	Stakeholder time; costs associated with any marketing undertaken	Market NY (ESD); in-kind resources of businesses	Unclear regional identity / grouping; current tendency of visitors to make 1-2 hour visits as they travel across I-90	Visitor spending metrics
3.4	Develop additional residential spaces in downtown Bergen and Le Roy. In Bergen, host developers on an educational walking tour followed by disc golf or Bergen Swamp visit, and leave them with market analysis information.	Village of Bergen; Bergen Business & Civic Association	High	Near-term	Staff time	NY Main Street	Community concern over development outcomes; infrastructure constraints	Square footage or number of units of new or repurposed residential space
3.5	Further beautification efforts in downtown Le Roy (e.g. lighting).	Village of Le Roy, association of downtown business owners	Low	Medium-term	Dependent on tactics employed	Village revenue; funds raised by business association; NY Main Street		Main Street occupancy (quantitative and qualitative)
3.6	Consider implementation of Oatka river walk plans or supporting the Eagle's river-facing renovation plans.	Village of Le Roy	Low	Long-term	\$800,000	Local Waterfront Revitalization Program (NY Department of State)		Main Street occupancy (quantitative and qualitative)



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