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Outline of remarks for Rockefeller Institute Forum:

Economic Prospects for the North Country of New York and New England

Economic Snapshot

In the National Forest Center report, it notes that this region is in transition. That may be a risky understatement, particularly for the smaller communities in the Adirondack Park.

I would argue these communities are in economic crisis. Their very survival is at risk.

State policies – particularly in New York – are so skewed toward environmental protection that the future of many of our communities is in jeopardy.

In fact, the NFC report describes the economic climate we're trying to revitalize as having:

- High taxes
- High energy costs
- High transportation costs
- A shrinking population
- Fewer middle class residents
- Fewer young people
- A regulatory climate
- Scattered cell service
- Little broadband infrastructure
- Fewer good paying jobs.

That's a lot of challenges to overcome.

We've had decades now where there has been no genuine balanced effort to sustain this region's economy.

And I'll give you two examples in New York.

I checked with the Adirondack Park Agency, Empire State Development and even the Rockefeller Institute. The last analysis of the park's economic performance was in 1994.

A lot has changed since 1994.

My guess is that the APA can provide far more recent studies on environmental trends. If we know more about the environmental trends and next to nothing about the economic trends, that tells me our focus is skewed.

Second, I believe the APA has 65 employees. Just one is dedicated to economic development. I like Steve Erman and he does a great job of working with business and economic developers. But he's outnumbered 64 to 1.

To businesses, this sends a clear message that this is a regulatory environment first and foremost.

Because we have no modern economic data, it is hard to do more than talk about what we perceive is happening. Earlier this year, we had a meeting with Chambers from throughout the Adirondack Park. To a person they suggested that the perception is that the APA is anti-business.

But I'd like to be positive and talk about what we can do about this situation.

Creating an Economic Plan is not rocket science

As I read this report and with all due respect, I did question whether the goal was to launch a practical discussion or an ivory-tower debate.

You read the call for an environment of innovation and incubators – but the reality is this is an area with no broadband infrastructure.

You read about creating communities with a strong creative class – even while acknowledging that our young people and middle class are fleeing these areas.

So I'd suggest we talk about specific steps that are practical and would help those businesses and the working families they employ actually living in the Adirondacks and the Northern Forests.

Economic Planning versus reacting to plans

Our Chamber earlier this year suggested that if the APA were serious about balancing economic growth and environmental protection, they'd have a master plan for economic development.

To create a master plan for economic development, the first step would have to be to update our analysis of the current economic conditions and commit to annual reviews.

How many jobs were lost or created? How many new businesses were started? Is payroll increasing or decreasing? What's the unemployment rate?

We need a commitment by state leaders right now to do this and perhaps the Rockefeller Institute can help.

We need a proactive plan

Let's use cell phones as an example.

The need to have cell phone service today is crucial. Tourists expect to stay in touch with their families and work as they travel. Even if they don't want to stay in touch, they feel safer knowing that they can use their cell phone if their car goes off the road.

The APA has told us that they've approved every cell phone tower request when a completed application has been filed.

That may be true but approving projects is NOT a plan. Within the Northern Forest, let's use advanced GIS capabilities to map out where you'd need to put cell towers to provide service and develop a plan that pre-approves suitable sites.

This may help us with broadband service too. Chances are you've seen the commercials about wireless access cards. One guy is racing Michael Phelps on the Internet. Another woman tries to leave a coffee shop but is jailed only to be rescued by Verizon. Internet access through our cell phones and for our computers via these access cards is a standard service offering today.

A plan for cell phone access therefore is a step toward meeting the need for high speed Internet access.

Signage

A simple way to promote tourism is to put up signs that direct travelers on our existing road system to get to the local businesses that have survived.

While it might be fun to proclaim that a unique store or restaurant in a rural area is the "best-kept secret" in that community, chances are that this is not a good business plan.

But we're told that commercial directional signs are a blight and an eyesore.

I'd suggest the boarded up and empty storefront in a village is genuine blight. I'd suggest that the run down building that once housed a nice local restaurant or a motel is a real eyesore.

State leaders in New York and perhaps the other states need to work right now with the local chambers and business associations to specifically plan where these signs should go, what they should look like, who will build them, and who will install them and by when.

If we're serious about helping boost tourism, this should be a priority and the APA should assign someone on its staff to get this done.

Please note, I'm not suggesting we go through the regulatory process of changing sign rules. I'm saying get signs up before more businesses leave the region.

Renewable Energy

Once again, we need a plan. The Northern Forest Center report talks about wind power. We have a local company that wants to build a small wind farm on industrial property with existing roads and transmission lines. It may eventually take an act of Congress for this project to move forward.

Once again a plan for this type of economic activity makes the most sense. Determine through wind tests the ideal locations for such development. Proactively evaluate if such areas have existing roads, transmission lines and prior uses that appear compatible and designate them for such activities. Do the same with solar, woody biomass, water, etc.

Do this throughout the Northern Forest. That's your renewable energy initiative.

Placemaking

In New York City, there is an organization called the Project for Public Spaces. They've worked with communities across the world to turn places around. Earlier this year, we had them come and speak to community leaders in Warren and Washington County. They're ideas are designed to be inexpensive and easy to do for any group of "zealous nuts" as they call them who are interested in revitalizing their community.

In fact, it might be wise for the APA and leaders in all four states to perhaps make them available to those communities that wish to create successful public places. We're using their advice and ideas in Glens Falls and Granville right now.

The political challenge

But even if we develop a master plan for economic development and take the actions I've suggested, I must tell you that I'm not sure that will be enough.

The reason I say this is that it appears to me that there is a political challenge to the future of these communities that might supersede all such efforts. So I will return and conclude with the notion that public policy decisions have been skewed in one direction.

Why has public policy skewed toward environmental protection at the cost of our economy within the Northern Forest? I think I found the answer in the Northern Forest Center's report.

I had an "ah-ha!" moment on page 21, it talks about the fact that the entire region has seen a transition from large corporations as economic engines to smaller firms.

I'd be willing to bet that when these large corporations were dominant that they had the ear of the public policy makers. I'd bet that they had a certain amount of influence to get the public policy decisions at the local, state and national level that they needed. As these corporations left the forests, the voice of business became fragmented.

While the voice of business fragmented, we saw the rise of the environmental movement. This movement resulted in the creation of powerful, well funded, professionally run organizations pushing for environmental protection. It is these environmental organizations in the Northern Forests that now have the financial and professional capability to influence public policy.

Google any local news article about an APA decision recently and chances are you'll also see a comment from a paid communications director speaking on behalf of one of these organizations. They're usually applauding the APA, by the way.

No doubt that professionally organized, well funded, and politically active interest groups will inevitably dominate policy making.

That is part of our democracy – whether you like it or not.

This is especially true if there is no organized counterbalance. In the Northern Forest, the business lobby is fragmented. We're not in Washington, Albany, and at every APA meeting.

But the environmental lobby is at each of these tables influencing decisions. And they ask people to donate and join them with this specific mission in mind. They have websites organized to flood elected officials with letters of support, phone calls and faxes.

Part of me wants to congratulate them for this success. But they've won many battles at the expense of the viability of our communities.

It is this political challenge perhaps that supersedes all others as we look for ways to revitalize these at risk communities.