



Herkimer County Food Processing Study

Public Participation Session

June 2, 2022



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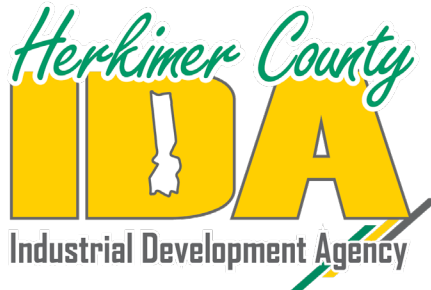
Stacey Holleran, Chief
Financial Officer



Victoria Adams, Administration &
Grant Coordinator



Ryan Palmiotto, Marketing &
Communications Specialist



Herkimer County Industrial Development Agency MISSION STATEMENT

The Herkimer County Industrial Development Agency delivers economic incentives to business and industry to diversify and strengthen Herkimer County's tax base and enhance community vitality by supporting job creation, business and industrial development, and community revitalization. We strive to develop the local economy in an organized, sustainable and environmentally beneficial manner.

ABOUT KK&P

KK&P is a leader in developing initiatives, enterprises, and programs for food, agriculture, and related sectors.



THIRTY YEARS • 1990-2020

ABOUT THE PROJECT

Overview

Project Goal

To understand and leverage opportunities for expanded food manufacturing and processing in Herkimer County in order to generate meaningful economic benefit to county residents, businesses, and farmers

Project Overview

This study draws together Herkimer County's assets and assesses the needs of food processing businesses in order to identify promising opportunities for expanding Herkimer County's food manufacturing sector, and to develop and refine business recruitment strategies and messaging

Project Outcomes

Business-facing marketing material positioning Herkimer County as a prime location for food manufacturing businesses, and recommendations to HCIDA regarding the attraction of food manufacturers to the County and region

ABOUT THE PROJECT

Project Phasing and Methodology

Phase 1. Baseline and Background Research: Getting to Know HC and the MVR

Phase 2. Assessing the Needs of Food Manufacturers: Interviewing the Experts

Phase 3. Assessing Herkimer County's Assets: Making Connections

Phase 4. Deliverable Preparation: Making the Pitch

ABOUT THE PROJECT

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Interviews Conducted

- Chobani
- Cornell Cooperative Extension of Herkimer County
- Cornell Cooperative Extension of Oneida County
- Empire State Development
- Greiner Group
- JBF Stainless
- Jones Family Farm
- Herkimer College
- Mohawk Valley Community College
- Mohawk Valley Economic Development District
- Mohawk Valley EDGE
- Original Herkimer Cheese
- Salsabil Meat Processing
- Sovena USA
- Windecker Farm
- Working Solutions for Herkimer County

WHY FOOD MANUFACTURING?

WHY FOOD MANUFACTURING?

Food manufacturing is a dynamic and growing sector.

10.3% employment growth
2011-2020 in the U.S.,
outpacing total job growth



BYRNE
SINCE 1933


Beech-Nut®


FAGE®

BFY
BETTER FOR YOU BRANDS

 **DANONE**
ONE PLANET. ONE HEALTH

Chobani®


Hood®

sovena
USA

Amy's®

WHY FOOD MANUFACTURING?

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Food manufacturing is a marker of resilient economies.

“Unlike many other industries, food manufacturing is not highly sensitive to economic conditions.”

Supply chain challenges have renewed interest in re-localizing food supply chains



Three Small Cities That Are Thriving Despite the Pandemic

Growth remains a bigger worry than unemployment in at least a few cities. They're scattered around the country, but their economies have a few qualities in common that have made them pandemic-proof.

ALAN GREENBLATT, SENIOR STAFF WRITER | AUGUST 19, 2020 | ANALYSIS

WHY FOOD MANUFACTURING?

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Food manufacturing generates local economic benefits.

Sourcing of local farm products

A labor-intensive sector leads to greater impacts

for every

\$1

industry
output

>>

up to

\$1.35

additional
economic impact

1 job

in the industry

>>

1-3 jobs

additionally created

WHY FOOD MANUFACTURING?

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New York State incentivizes institutional purchasing of locally produced food.

**Nourish
New York**

**\$50
million**

Annual allocation for
NY-sourced
products

**Hunger Prevention
& Nutrition
Assistance
Program**

**\$57
million**

63% increase in
2022, with
requirements for NY-
source products

**New York State
School Food**

+315%

Per meal
reimbursement
increase when 30%
of ingredients come
from New York
(\$0.06 >>> \$.25)

**Good Food
Purchasing
Programs**

Active programs to
encourage NY-
sourced products in
NYC and Buffalo

WHY FOOD MANUFACTURING?

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Food manufacturing was identified as an opportunity sector for Herkimer County.

Herkimer County Community Development Strategic Plan

identified Food Manufacturing as 1 of 13 opportunity industries, due to its strength in the Mohawk Valley and untapped potential in the County

Mohawk Valley Regional Economic Development Council

identified Agribusiness (including food manufacturing) as 1 of 3 economic development strategy areas

“The relevance of this sector to our regional economy is dramatically increasing. Our industrial base has kept pace with dairy processing expansion and innovation, churning out products for local, downstate and global markets. We are well positioned to serve a burgeoning demand for sustainably produced craft foods and beverages to domestic and international markets. Our region’s proximity to major global consumer markets heralds a remarkable expansion that will grow jobs and enhance wealth in our communities.”

-MVREDC strategy

WHY FOOD MANUFACTURING?

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Other states, counties, and regions are actively recruiting the sector.



WHY INVEST IN DUTCHESS COUNTY, NY

TALENT

Along with a steady pipeline of 1,400 annual graduates from the Culinary Institute of America in Hyde Park, Dutchess County is also home to more than 8,300 professionals in the manufacturing services industry

FAST FACTS



A FAST-GROWING INDUSTRY: Dutchess County beverage manufacturing establishments increased 125%, and employment increased 100%, from 2014 to 2016



15+ BREWERIES: A leader in New York's \$3.5 billion craft beverage industry, Dutchess County-based breweries generated \$92 million in economic output in 2017



Genesee Valley Agri-Business Park (Ag Park)

250-Acre Business Park in Batavia, Genesee County, NY
Site, Transportation, Utility, and Workforce Readiness



FOOD & BEVERAGE PROCESSING IN VIRGINIA

More than 150 food and beverage processing companies chose to locate or expand in Virginia over the last decade. They were attracted to Virginia by its unique combination of advantages and resources for food and beverage processing.

THEMES & FINDINGS FROM OUR RESEARCH

FINDINGS FROM OUR RESEARCH

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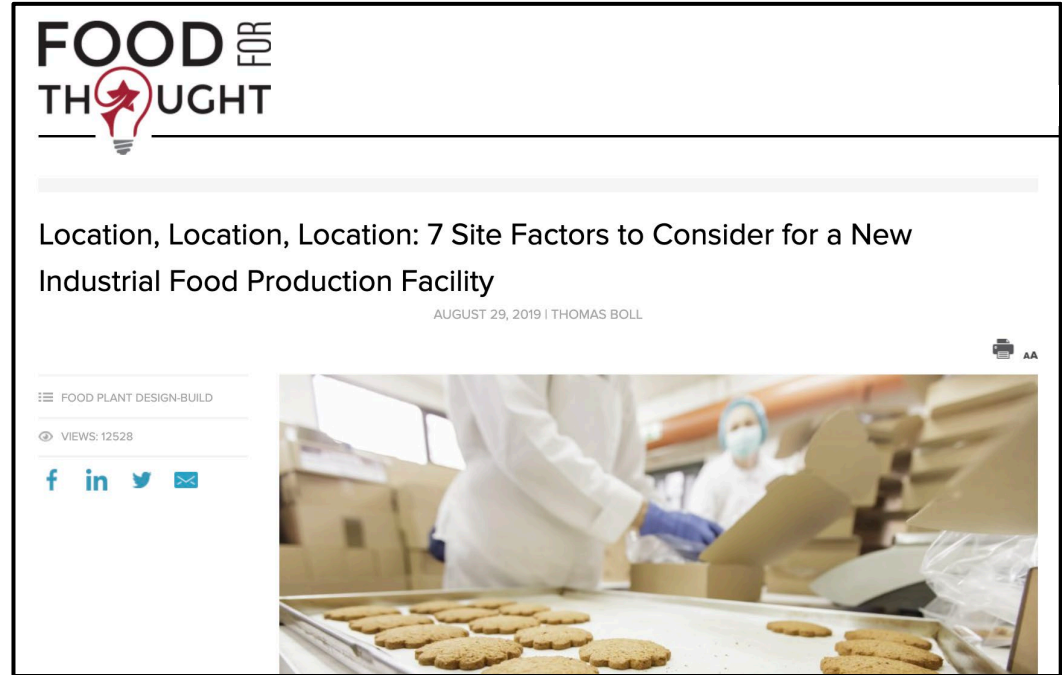
Location and siting are primary considerations for food manufacturers.

Proximity to markets and ease of transportation is key

Local topography, drainage, weather, and likelihood of natural disasters also factors

Sites must be safe and suitable for food production

“Shovel readiness” of sites is key



FINDINGS FROM OUR RESEARCH

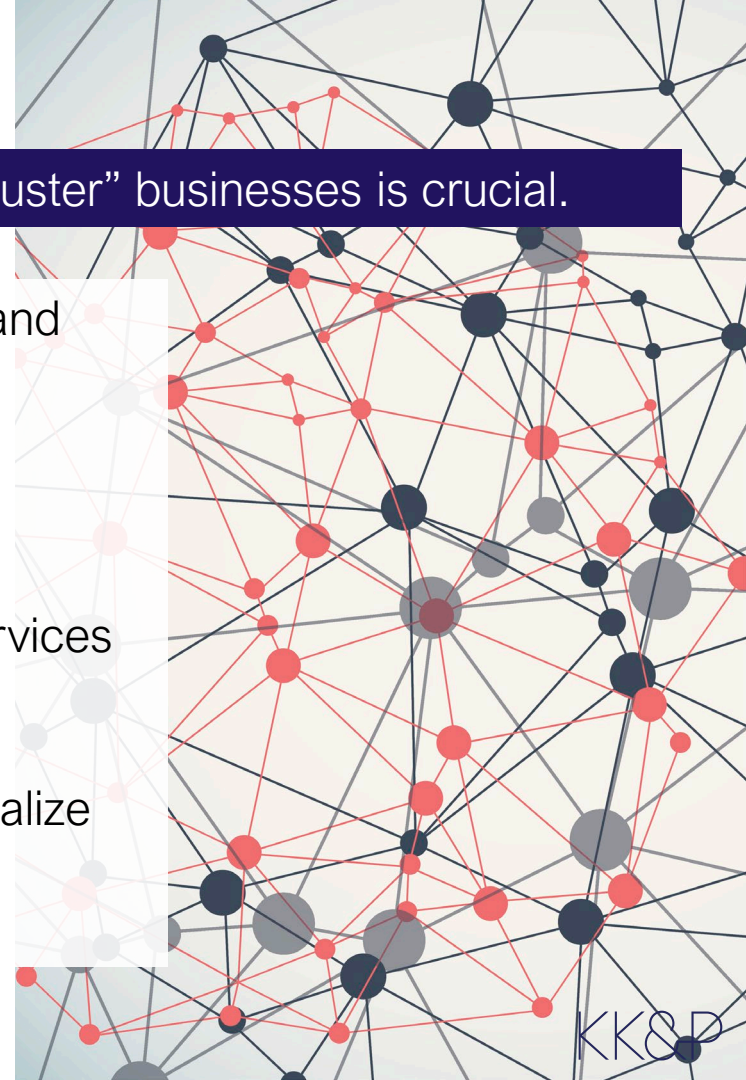
Proximity to local and regional “food manufacturing cluster” businesses is crucial.

Food manufacturers want to be close to key primary and secondary inputs and services

Examples include:

- Packaging and printing services
- Logistics and shipping providers
- Equipment fabrication, repair and maintenance services
- Workforce training and recruitment partners

COVID has reinforced the need to localize and regionalize these relationships



FINDINGS FROM OUR RESEARCH

Food manufacturers need abundant, affordable utilities.

Water

Sewer

Electricity

Gas

Broadband



FINDINGS FROM OUR RESEARCH

Food manufacturers depend on a robust workforce.

Food manufacturers need skilled workers, and often rely on local support to recruit, train, and retain employees



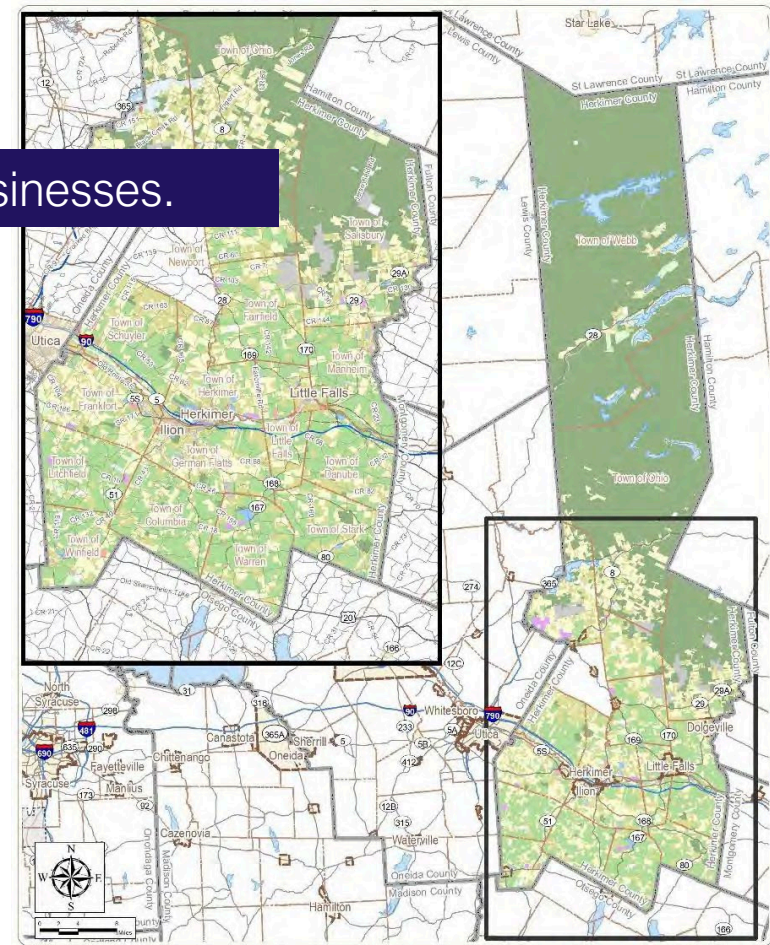
FINDINGS FROM OUR RESEARCH

Welcoming, business-ready regions attract food businesses.

Businesses look for localities that make them “feel welcome”

Types of support which signal this include:

- Technical assistance
- Zoning and real estate expertise and accommodation
- Regulatory and tax incentives
- Proactive public engagement



20049 Herkimer County Community Development Strategic Plan

Herkimer County, New York

Land Use

Notes: 1. Basemap: ESRI StreetMap North America, 2008. 2. This map was generated in ArcMap on April 22, 2020. 3. This is a color graphic. Reproduction in grayscale may misrepresent the data. 4. Data source: Parcel data and boundaries based on 2019 Herkimer County Tax Roll obtained from Oneida-Herkimer County Planning Department.

Agricultural	Public Services	Vacant Land
Commercial	Recreation & Entertainment	Wild, Forested, Conservation Lands, & Public Parks
Community Services	Residential	
Industrial	Unclassified	

FINDINGS FROM OUR RESEARCH

Businesses seek locations with high quality of life.

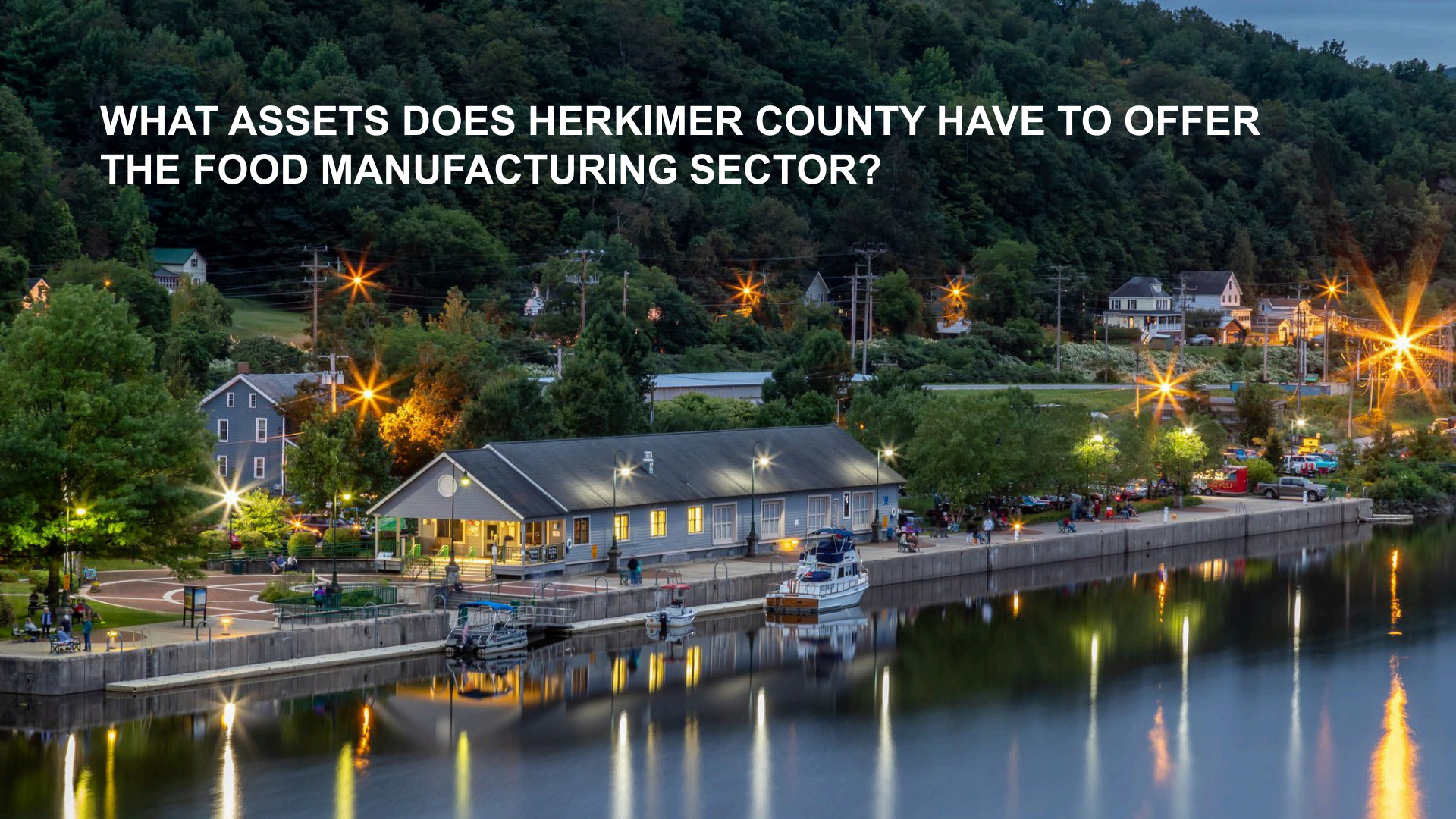
Assessments for this include looking at local amenities for workers and staff such as:

- General recreational and family activities
- Cultural institutions and events
- Quality of local schools
- Local restaurants, bars and entertainment options

These considerations are particularly important for international companies and domestic firms from outside of the region looking to relocate



WHAT ASSETS DOES HERKIMER COUNTY HAVE TO OFFER THE FOOD MANUFACTURING SECTOR?



FINDINGS FROM OUR RESEARCH

Herkimer County is an ideal location.

25% of the population of the US and Canada live within 200 miles

“The proximity of Herkimer County to a variety of high population markets has allowed us to position ourselves for efficient support of our B2B food manufacturers serving those areas.”

– VP of Operations, JBF Stainless, LLC



FINDINGS FROM OUR RESEARCH

The county's infrastructure and utilities are well suited to the needs of food manufacturing firms, with capacity to grow.

In addition to its ideal location and robust transportation infrastructure, Herkimer County has key resources food manufacturers depend on:

- Abundant water and sewer capacity
- Existing natural gas hook-ups with room for expansion
- Affordable electricity with ample capacity
- Widespread broadband/fiber coverage
- Utility providers capable of affordably meeting the needs of food manufacturers at a variety of scales

FINDINGS FROM OUR RESEARCH

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Herkimer County's food manufacturing cluster is diverse & dynamic.

nearly

300

food & beverage
manufacturing,
distribution and related
businesses in the county
and surrounding region

4.6%

projected growth in
Mohawk Valley's food
manufacturing sector
from 2018 to 2028

**Food
Manufacturing**
is the Mohawk Valley's
3rd largest
manufacturing sector

Food manufacturing business operators point to the region's availability of key support industries—including agricultural producers, processors, equipment fabricators, packaging manufacturers, maintenance technicians, and distributors—as a major asset to Herkimer County businesses.

FINDINGS FROM OUR RESEARCH

Herkimer county's workforce is job-ready and well qualified.

over

5,000

people already work in
food & beverage
manufacturing in
Herkimer County and its
10 surrounding counties

1 in 7

Mohawk Valley
manufacturing workers
are employed by food
businesses

FINDINGS FROM OUR RESEARCH

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Local colleges and workforce orgs enthusiastically support local businesses.

“When we started our journey to hire and staff this team, we were thrilled with the turnout. A lot of the applicants had experience at distribution centers or in manufacturing—they came to us with the foundation that we needed to make this successful. Working Solutions has been an excellent resource for us, to make sure we can hire and maintain the staff we that need to support the growing business.”

- General Manager, Tractor Supply Company



Herkimer
THE STATE UNIVERSITY OF NEW YORK

FINDINGS FROM OUR RESEARCH

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The atmosphere of collaboration is unique in the region and the state.

“Herkimer County IDA has been absolutely terrific to work with. In my travels around New York State, Herkimer County has been an outstanding partner...”

Agricultural Economic
Program Director for Cornell
Cooperative Extension,
Oneida County

“The IDA continuously makes us aware of available grants and funding programs to help lower business costs. The IDA is also a great resource for any type of business need – they referred us to MVCC AIM ...to improve our maintenance program and create plans for business continuity.”

Marketing Director, Original
Herkimer Cheese

“The IDA and Herkimer County workforce development partners are accessible and willing to help, with aligned goals to grow and maintain local manufacturing. They are community individuals, invested in making thriving local businesses...”

Vice President of Operations, JBF
Stainless LLC

OVERVIEW OF CURRENT SITES IN THE COUNTY



INVENTORY OF CURRENT IDA DEVELOPMENT SITES

MANHEIM BUSINESS PARK – DOLGEVILLE

DUOFOLD AND SPERRY UNIVAC COMPLEX – ILION

SCHUYLER BUSINESS PARK – SCHUYLER

”RUSSELL FARM” – FRANKFORT

**FORMER WESTON FOODS COLD STORAGE FACILITY –
FRANKFORT**

MANHEIM BUSINESS PARK

1059 Barker Road, Dolgeville, NY 13329

Acreage/Size & Existing Buildings: 30 Acres, No Existing Buildings Available for Retrofit

Distance to Interstate: 6 mi to NY-5, 8.7 mi to I-90

Water: Underway 2022

Gas: 15K cu ft/hr base with ability to expand – needs connection to main

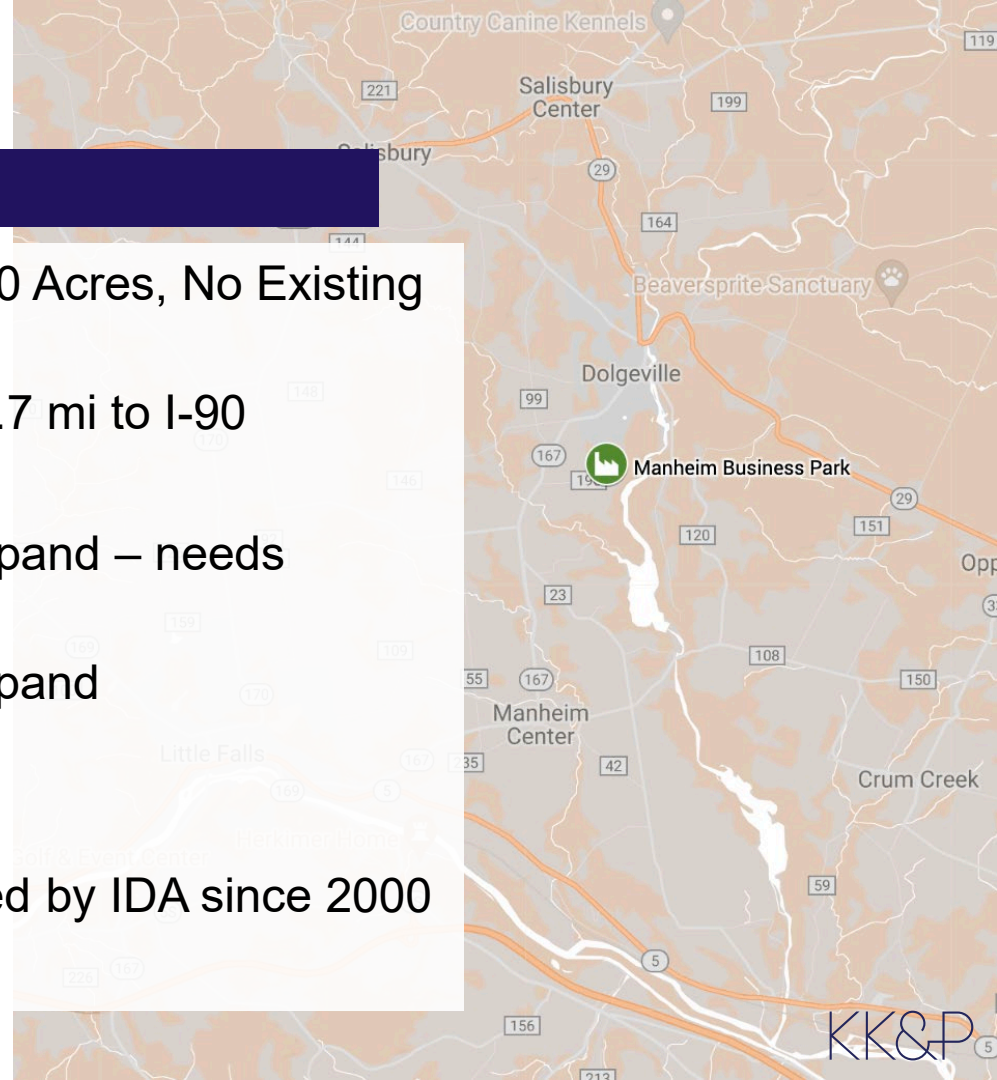
Electric: 600kVA base with ability to expand

Sewer: Underway 2022

Broadband: Ready to accept

Past Use History & Ownership: Owned by IDA since 2000

Zoning: Permitted for Food Processing



DUOFOLD AND SPERRY UNIVAC COMPLEX

7 Spruce Street, Ilion, NY 13357

Acreage/Size & Existing Buildings: 11.7 Acres, 169K SF of Existing Buildings Ready for Retrofit

Distance to Interstate: 0 mi to NY-5S, .25 mi to NY-5, 2.5 mi to I-90, Adjacent to Mohawk River/Erie Canal & Empire State Trail

Water & Sewer: On-site Public

Gas: On-site

Electric: Low-Cost Municipal Power

Broadband: Redundant High-Speed Fiber

Past Use History & Ownership: Brownfield Site Owned by Ilion, Some Remediation Underway, Tax Credits Available

Zoning: Planned Development



SCHUYLER BUSINESS PARK

Drive-In road, Schuyler, NY 13340

Acreage/Size & Existing Buildings: 188 Acres total, 55 Remaining, No Existing Buildings Available for Retrofit

Distance to Highway: 0 mi to NY-5, 9 mi to I-90 East & West

Water: Via Mohawk Valley Water Authority

Gas: Via National Grid – New Lines Upon Construction

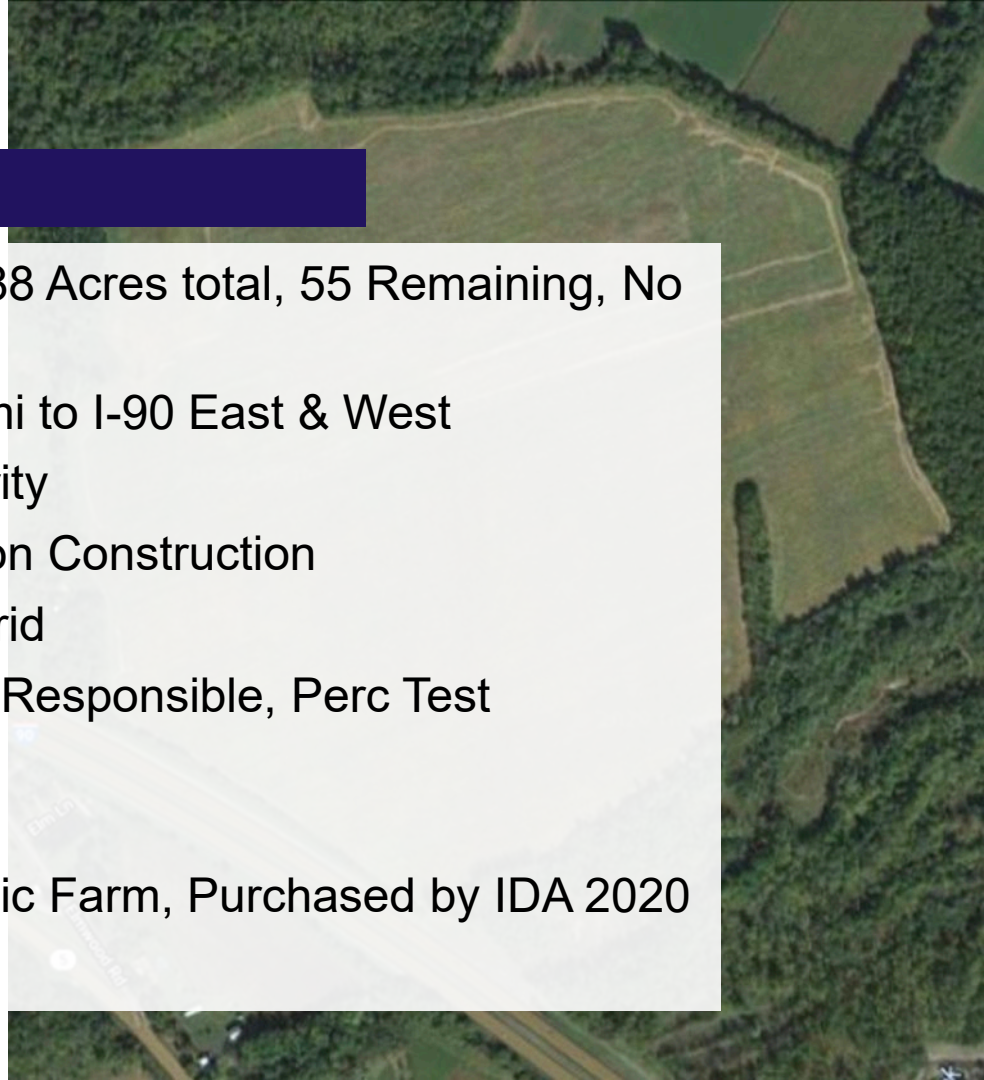
Electric: 3-Phase Power via National Grid

Sewer: No Sewer In Place – Developer Responsible, Perc Test Complete

Broadband: Ready to accept

Past Use History & Ownership: Organic Farm, Purchased by IDA 2020

Zoning: Planned Development



“RUSSELL FARM”

2571 Higby Road, Frankfort, NY 13340

Acreage/Size & Existing Buildings: 25.5 Acres, Farm-House and Silo On-site

Distance to Highway: 0 mi to NY-5, 12 mi to I-90

Water: In Process 2022

Gas: Via National Grid

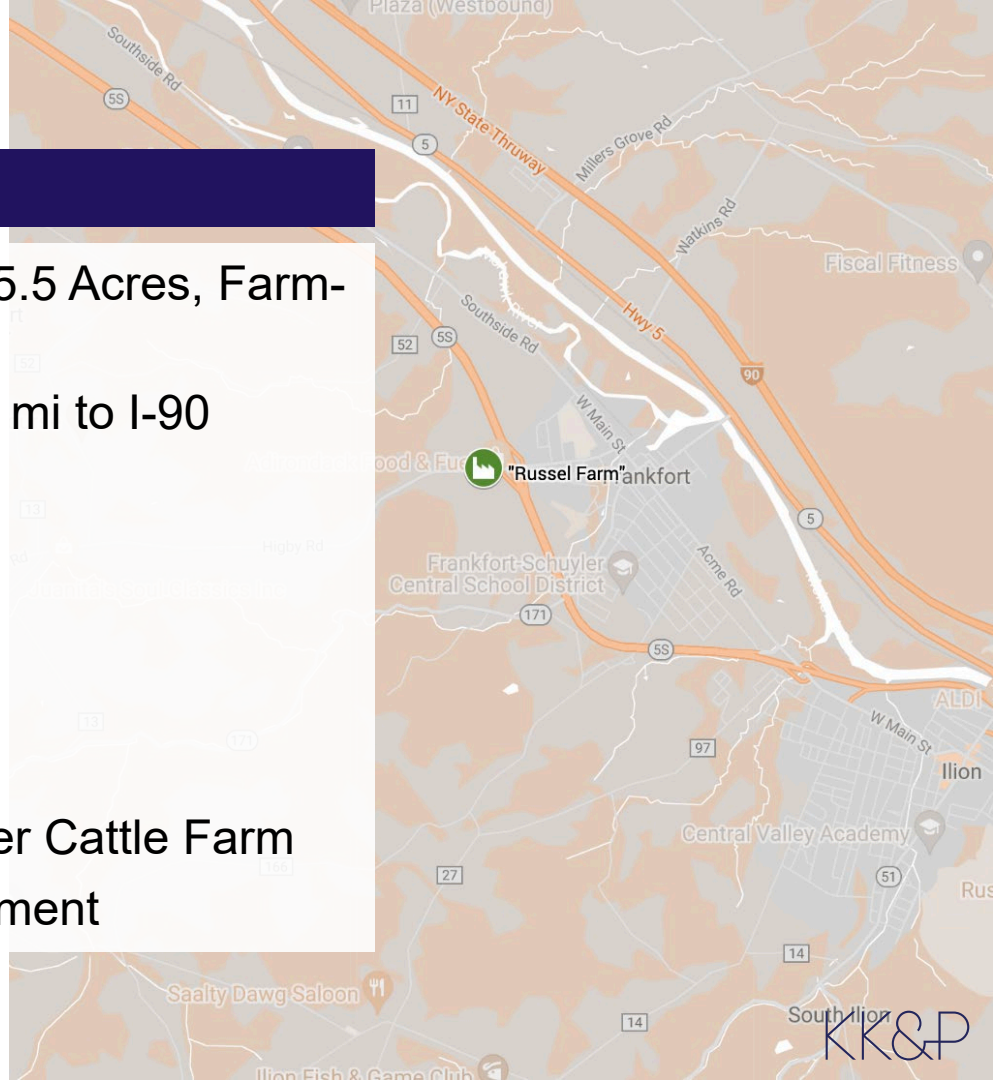
Electric: Via National Grid

Sewer: In Process 2022

Broadband: On-site

Past Use History & Ownership: Former Cattle Farm

Zoning: Commercial, Planned Development



FORMER WESTON FOODS COLD STORAGE FACILITY

178 Industrial Park Drive, Frankfort, NY 13340

Acreage/Size & Existing Buildings: 14.6 Acres, 145K+ SF of Existing Buildings for Occupancy or Retrofit

Distance to Highway: 1mi to NY-5S, 2.2 mi to NY-5 & I-90

Water: On-site

Gas: 6" into Building via National Grid

Electric: 46KV, 3 Phase via National Grid

Sewer: 6" Main into Building, Community/Public

Broadband: On-site

Past Use History & Ownership: Former Donut Manufacturing Facility, For Sale

Zoning: Planned Development



NEXT STEPS

NEXT STEPS

A preview of what we're creating



Harvest Herkimer: Building a Thriving Food Manufacturing Sector in Herkimer County

A Dynamic, Diverse, and Growing Food Manufacturing Cluster

When businesses choose to locate themselves in Herkimer County, they're joining a vigorous ecosystem of food manufacturers and essential suppliers operating locally and across the region. With firms servicing every leg of the supply chain, the region's food manufacturing cluster offers a breadth of business operations options unrivaled in such close proximity to the East Coast's biggest markets, and others around the globe.

Nearly 300 food & beverage manufacturing, distribution, and related businesses are located in Herkimer County and its surrounding region.

Food manufacturing is the Mohawk Valley's **third largest manufacturing sector**, with **4.6% growth** projected from 2018 to 2028.

Herkimer County boasts a concentration of food & beverage manufacturing jobs **nearly double the national average.**

NEXT STEPS

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A preview of what we're creating



Harvest Herkimer: Building a Thriving Food Manufacturing Sector in Herkimer County

The People Your Business Needs Now, and Into the Future

Herkimer County's workforce is job-ready, available, and has the experience needed to help businesses grow. The region's robust network of educational institutions and workforce development organizations enthusiastically support local businesses' efforts to recruit, train, and retain the people needed to meet and exceed their business goals.

Herkimer College & MVCC partner with businesses

to create employer-specific training programs for onboarding and upskilling employees.

more than
5,000
people employed in food
& beverage manufacturing
in Herkimer County's
11-county region

\$35,613
Mohawk Valley median
wage for all production
occupations

NEXT STEPS

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How residents can support this work

NEXT STEPS

40

Hearing from you

Where do you see yourself in this project?

as a potential employee of a new business?

a landowner of a site well-suited to manufacturing development?

an owner/operator of a food manufacturing company or adjacent industry?

a farmer who could supply product to new businesses?

a resident who benefits from a more vibrant Herkimer County economy?

NEXT STEPS

Hearing from you

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What questions do you have for us?

NEXT STEPS

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Hearing from you

*What do you appreciate most about
Herkimer County?*

*What do you hope a stronger food manufacturing
sector could bring to Herkimer County?*

THANK YOU!