

City of Oswego

Economic Investment Strategy: Prepared for the Central New York Regional Economic Development Council's Application to the Upstate Revitalization Initiative



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URI/CNY Upstate Revitalization Initiative

Oswego, New York

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Oswego, New York – Economic Investment Strategy



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Executive Summary

The City of Oswego has prepared this strategy document to respond to the CNY REDC's application for Upstate Revitalization Initiative (URI) funding. The City and a large group of stakeholders have recently completed an ambitious public outreach process to determine how the needs of Oswego align with the goals of the URI. Fortunately, the URI is emphasizing economic development and growth in urban areas with existing infrastructure and an engaged base of residents. This strategy is also in alignment with one the three strategic goals of the CNY REDC's Strategic Plan - revitalizing the region's urban cores, main streets and neighborhoods.

Oswego has a wealth of natural beauty, history, and infrastructure, as well as, a committed volunteer base/business community that is poised to help bring about big change. The community's unique strengths include its waterfront, historic downtown and neighborhoods, SUNY Oswego, the Port of Oswego, Oswego Health, Novelis, the energy sector, and its spirited small business base. Growth in the City has been significant over the past several years as we have seen investment in the Port, Novelis, homes and neighborhoods, parks, mixed use property redevelopment, government capacity, and volunteer efforts. The community is poised and ready to build greater momentum with this URI opportunity.

With some targeted funding and guiding principles as introduced herein, Oswego could be a very different city in ten years – a world class community. The projects proposed could result in a vibrant place that attracts new residents and visitors to the southeastern shore of Lake Ontario to take advantage of the job opportunities, scenery and richness of life that awaits. This document identifies the needs and priorities of the community followed by a monetized list of projects that could help transform the City from one whose peak days are behind it into one whose bright future lies ahead. The City's hope in providing this document to the CNY REDC is to help set priorities within our region's proposal while providing guidance about how Oswego officials and residents would allocate a portion of the \$500 million if our region is among the top three selected.

The Challenge and Need for Strategic Economic Investment

The narrative surrounding Oswego's challenges is a common one: the once-prosperous city suffers from loss of industry and the shift from the industrial to post-industrial service economy. The repercussions include economic and social decline, disinvestment, abandonment, and blight. Oswego (and to varying degrees, Oswego County and the Central New York (CNY) Region) have struggled to compete with the newer, more modern suburbs, and new locations of economic production, across the country and abroad. Oswego's struggle to attract and retain wealth, to build a middle class is a different kind of problem than the need to "create and maintain high-paying permanent private sector jobs and to lure private sector investments in amounts that are significant to the region" (URI, 2015: 2). In fact, the city has been successful at retaining, attracting, growing many high-quality, permanent private (and public) sector and talent oriented jobs. Despite the perception that Oswego's "big problem" is a lack of jobs, the fact is that hundreds of available jobs exist in

Oswego at large and small companies alike. Oswego's goal, therefore, is to successfully implement strategies that will help them to compete and attract its share of wealth in the form of new middle-class households, a culture of tourism and hospitality and a workforce whose skills suit the needs of local employers.

This document will guide Oswego through an outcome-based economic investment strategy designed to leverage assets, grow from strengths, and build market demand to attract wealth, workforce, residents, and investment. Oswego's economic investment will target the amenities of place and lifestyle to improve and provide a quality of life that can attract and retain a workforce, residents, and visitors. This strategy recognizes that businesses, workforce, residents, and visitors with financial means have choices and can choose almost anywhere to live, work, and spend their leisure time. It recognizes that jobs and the availability of jobs are not enough for Oswego to compete. A "sense of place," amenities of place, and quality of life are also important and influences where businesses, workforce, and residents choose to locate, work, live, and invest. In this regard Oswego is fortunate, as it has many great assets that can be leveraged to reposition Oswego to compete.

Oswego's natural and built assets include the waterfront, a compact and walkable downtown, historic neighborhoods, and many significant historical, heritage, and cultural sites. Most notable are Oswego's waterfront (including the Lake, the Oswego Lighthouse, Fort Ontario, and Safe Haven) and Oswego's downtown. Few communities in the world rival the scenic beauty, historically significant sites, recreational opportunities, and small-town urban setting of Oswego's waterfront and downtown. The views of Lake Ontario are almost beyond description in their beauty. Together, the waterfront and downtown, with the latter's potential for revitalization, provide the perfect platform for creating a sense of place, providing the amenities, and offering the lifestyle sought by the creative-creative class. Unfortunately, Oswego today is far from ready to compete—to be workforce, resident, and visitor ready to attract and retain the creative-class. Its downtown and neighborhoods are tarnished. Oswego does not present well. For Oswego to compete for a competitive workforce, middle-class residents, and visitors seeking quality experience, it must not only leverage its assets, but must invest in its waterfront and downtown intentionally and strategically.

Oswego will utilize this economic investment strategy as a framework for economic development and improvement with or without URI funding. However, URI would provide Oswego and CNY an opportunity to do in five years what Oswego would struggle to do on its own in 20 years. The URI initiative provides an unprecedented opportunity to jumpstart Oswego's revitalization and prosper again. *A stronger Oswego will give rise to a stronger region.*

This is a comprehensive and holistic approach to jobs creation and investment. It focuses on addressing wealth, workforce, resident, and visitor retention and attraction through strategic investments in Oswego's waterfront, downtown, core neighborhoods, and tourism industry, while strengthening and building capacity for implementation and sustainable improvement. The short-term outcome is: to hinder decline, disinvestment, and deteriorating conditions by making strategic investments in high-visibility locations. The long-term outcomes are to retain, attract, and create wealth and investment. The following are the specific strategic investments that Oswego seeks to make as part of the Central New York region's participation in New York State's Upstate Revitalization Initiative (URI) to jumpstart its economic

revitalization. Oswego's strategy and request not only meets and exceeds the URI and CNY requirements for job creation, leveraged investment, smart growth and the overall framework, Oswego's innovative approach provides a real opportunity for improvement that will be measured by increased economic activity, greater vibrancy, and the return of prosperity to the community. Some of the proposed elements of this strategy are capital improvements or maintenance while others are competitions or initiatives that reflect Governor Cuomo's CFA and URI programs in that they require innovation and leveraging of private and/or public funding.

Strategy One – Waterfront and Tourism Enhancements

The Lake Ontario waterfront is Oswego's greatest asset and greatest opportunity for economic improvement as a part of robust tourism industry. However, as a working port and waterfront, public access to the three miles of waterfront within the city is limited. To maximize the waterfront's potential to retain and attract residents and visitors, significantly better access is needed and required. Improved aesthetic conditions are also critical to maximizing the waterfront's potential to drive tourism—visitation, recreation, leisure time, and economic spillover into the adjacent downtown blocks. The strategy proposes major upgrades to Fort Ontario, the Oswego Lighthouse and a new open space on City Pier, three projects that will provide feasible and exceptional opportunities for access, improved aesthetics and ultimately, creation of a destination that supports tourism growth and aligns with Governor Cuomo's initiatives for bolstering tourism statewide. The strategy also introduces a Historic and Heritage Investment Competition that would award grants to facilities and assets with innovative operational and funding proposals.

Strategy Two – Downtown and Neighborhood Investment

Downtown Oswego and the neighboring residential blocks are a great asset to Oswego and need to be a focus of any strategy to improve Oswego. The form, density, street-grid, and Victorian architecture of downtown and the surrounding neighborhoods provide Oswego with good bones, a well-designed skeleton to build upon. However, for improvement to occur, for investment to flow into the downtown and surrounding neighborhoods, Oswego must be intentional in its efforts eliminate conditions that negatively impact these areas while creating a culture of investment. It must target investment to reduce and eliminate properties that reflect the weak-market conditions. These conditions have resulted in a struggle to retain and attract middle-class households who as a result are investing in other places. The strategy proposes four projects designed as strategic investments in Oswego's downtown and surrounding neighborhood: streetscape improvements (to dovetail with the City's NYSERDA Cleaner, Greener Grant for a Complete Street on Route 104), a Building Façade Improvement program, a Downtown Housing program and a Neighborhood Housing program. This strategy will complement efforts to improve the waterfront, create a more robust tourism industry, and attract visitors and residents into Oswego's Downtown.

Strategy Three – Three Redevelopment Sites

Three key sites that are best positioned for redevelopment have been identified based on their locations and potential for redevelopment. Two sites, the Cahill Property and the Flexo-Wire Property, are owned by the City of Oswego and located on the northern end of West First Street adjacent to the Oswego River. West First Street is the spine of downtown and functions as a gateway to the

western waterfront, specifically the Coast Guard Station, the city marina, public boat launch, the city pier and yacht club, the H. Lee White Marine Museum, and Breitbeck Park. The blighted conditions and underutilization of these properties negatively impact downtown, the waterfront, and the gateway to the waterfront. Their redevelopment will therefore provide much needed infill development in an area of downtown suffering from vacancy while enhancing the aesthetics and appeal of this waterfront gateway. The third redevelopment site, the Sutton Midtown Plaza property, would be a mixed-use project at the prominent intersections that are the gateways to the City from the south via Rt 481 and the Port of Oswego. This redevelopment site also provides an opportunity to address traffic circulation issues associated with trucks entering and exiting the Port of Oswego. All three sites require gap financing, establishing the need for public funding to leverage private investment.

Strategy Four – Capacity Building

For any economic investment strategy to be successful, the community *must* have the capacity to implement and execute the strategy effectively and independently. Capacity is not simply about staffing and governance, it is also about having the systems in place that provide a solid foundation for the strategy to be executed on and create the greatest opportunity for the strategy to succeed. All strategies and interventions, unless they are simply construction projects, can directly create jobs or leverage private investment. Oswego will need to invest in capacity *building* if it is to realize the full potential of this strategy. The following seven key strategies will result in Oswego possessing ample capacity for economic investment and improvement. Without these strategies, much of the overall strategy will not be fully realized.

- Hospitality Workforce Attraction and Retention Program
- Zoning Regulations Update and Amendments – Create a 21st Century Code
- Vision, Identity and Branding
- Economic Development Training
- Establishment of a Downtown Business Association
- Hospitality Training
- Establishment of a Lighthouse Association

Strategy Five – Infrastructure and Remediation

The strategy provides two opportunities to address infrastructure and environmental remediation needs. The widening of East 2nd Street and the Flexo-Wire Site remediation would directly support Strategy Three and allow the redevelopment of two of the three sites proposed for mixed-use infill projects.

In Closing: Leverage

The Oswego economic investment strategy is targeting the conditions that harm Oswego’s ability to attract and retain wealth, workforce, residents, and investment. The private investment generated by the URI funding will only account for a portion of the actual leverage, the value generated by the URI funds and Oswego strategy, however, are far greater. Please note the tables included in this document that provide a summary of leverage calculated for this strategy. The Oswego strategy has a URI leverage ratio of 1:2.8 and an ‘effective’ leverage ratio of 1:6.1.

Budget Summary

Budget - Oswego Economic Investment Strategy	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Strategy 1.0 - Waterfront and Tourism	\$550,000	\$1,150,000	\$1,600,000	\$1,450,000	\$3,800,000	\$8,550,000
Strategy 2.0 Downtown and Neighborhoods Investment	\$800,000	\$1,000,000	\$1,200,000	\$800,000	\$700,000	\$4,500,000
Strategy 3.0 - Redevelopment Sites (Appraisal Gap Financing)	\$2,750,000	\$1,750,000	\$1,250,000	\$1,000,000	\$1,000,000	\$7,750,000
Strategy 4.0 Capacity Building	\$175,000	\$150,000	\$140,000	\$120,000	\$120,000	\$805,000
Strategy 5.0 Infrastructure and Remediation	---	\$250,000	---	\$650,000	---	\$900,000
Total =	\$4,375,000	\$4,300,000	\$4,190,000	\$4,020,000	\$5,620,000	\$22,505,000

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August 6, 2015

Section I. Introduction

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Oswego has a wealth of natural beauty, history, and infrastructure, as well as, a committed volunteer base/business community that is poised to help bring about big change. The community's unique strengths include its waterfront, historic downtown and neighborhoods, SUNY Oswego, the Port of Oswego, Oswego Health, Novelis, the energy sector, and its spirited small business base. Growth in the City has been significant over the past several years as investment has been made in the Port, Novelis, homes and neighborhoods, parks, mixed use property redevelopment, government capacity, and through volunteer efforts. The community is poised and ready to build greater momentum with this URI opportunity.

With some targeted funding and guiding principles as introduced herein, Oswego could be a very different city in ten years – a world class community. The projects proposed could result in a vibrant place that attracts new residents and visitors to the southeastern shore of Lake Ontario to take advantage of the job opportunities, scenery and richness of life that awaits. This document identifies the needs and priorities of the community followed by a monetized list of projects that could help transform the City from one whose peak days are behind it into one whose bright future lies ahead. The City's hope in providing this document to the CNY REDC is to help set priorities within our region's proposal while providing guidance about how Oswego officials and residents would allocate a portion of the \$500 million if our region is among the top three selected.

One of the goals of the URI program will be to make strategic investments in *transformative* projects; therefore, this document identifies the needs and priorities of the community followed by a monetized list of projects that could help transform the City from one whose peak days are behind it into one whose bright future lies ahead. The City's hope in providing this document to CNY REDC is to help set priorities within our region's proposal while providing guidance about how Oswego officials and residents would allocate a portion of the \$500 million if our region is among the top three selected.

This document is organized with a statement about Oswego's challenges up front, with a narrative that is not uncommon in Upstate NY cities but then veers toward a differentiation between Oswego and others and a description of how those differences (waterfront, jobs, historic and intact downtown) could be leveraged with URI funding. A section describing Oswego's Economic Investment Strategy follows, with an overview of each of the five proposed strategies (Waterfront and Tourism, Downtown and Neighborhoods, Specific Redevelopment Sites, Capacity Building and Infrastructure and Remediation) followed by a conceptual plan and specific outcomes. The report also contains a draft budget for the implementation of each strategy and sub-strategy.

Thank you for the opportunity to provide the City of Oswego with this strategy and list of priorities. We look forward to an ongoing dialogue about our plan, the CNY proposal and hopefully an eventual allocation of URI funding over the next five years.

Section II. Oswego – The Challenge and Need for Strategic Economic Investment

Metropolitan regions, cities, downtowns, and neighborhoods—communities and economies—are not static. They are living, changing, complex systems and environments—urban-ecosystems—that evolve over time. Each city and area of a city developed at specific moments in time to meet the specific needs of industries, technologies, transportation systems, market demands, and consumer preferences at those moments in time. Unfortunately, industries, technologies, transportation systems, market demands, and consumer preferences change, and in some cases, once vibrant and prosperous communities and economies now struggle to compete in the ever-changing urban-economic landscape. This is Oswego’s experience. This once prosperous city has suffered from loss of industry and the shift from the industrial to post-industrial service economy. The well-known and all too common results of this shift, as seen in many of our upstate cities== economic and social decline, disinvestment, abandonment, and blight. Oswego (and to varying degrees, Oswego County and Central New York (CNY) Region) have struggled to compete with the newer, more modern suburbs, and new locations of economic production, across the country and abroad. In addition, Oswego struggles to compete regionally, as communities such as Baldwinsville, Liverpool, Radisson, and North Syracuse successfully attract the majority of the region’s wealth.

Oswego’s struggle to attract and retain wealth, to build a middle or creative class (Florida, 2000) demographic—is a different kind of problem than the need to “create and maintain high-paying permanent private sector jobs and to lure private sector investments in amounts that are significant to the region” (URI, 2015: 2). In fact, Oswego has been successful at retaining, attracting, growing many high-quality, permanent private (and public) sector and talent oriented jobs in manufacturing (Novelis), transportation (the Port of Oswego), health care (Oswego Health), energy (NRG) and higher education (SUNY Oswego). Oswego has also been successful at luring private (and public) sector investments in the same industry sectors. If jobs and investment were the only measures for economic success, Oswego over the past few years would appear to be an economically competitive community and possibly a leader in the CNY Region. However, it would be obvious to anyone driving around Oswego that this is not the case. Oswego is a poor (27.5% at or below poverty rate) and struggling weak-market community that has suffered for decades from socio-economic decline. Therefore, job creation—high-paying or other—and investment (private or public) are only part of Oswego’s economic challenge.

The greater part of Oswego’s economic challenge is the loss of wealth coupled with the loss of a different kind of investment. Oswego has many high-paying jobs for a talented workforce. What Oswego does not have is a resident population employed in those high-paying jobs [see Appendix I.]. Oswego has also experienced large and meaningful investment at the plants and facilities of its largest employment sectors. What Oswego does *not* have is a population whose skill sets are aligned with the available job opportunities, a government with the means to successfully promote the City, and small business sector with the means to invest in their property and the

community. For example, neighborhoods and housing have suffered from disinvestment for decades (czblc, 2014). The same is true for the downtown and commercial properties. This decades-long disinvestment has resulted in declining property values (czblc, 2014) that in turn have resulted in declining tax revenue and a financially-strapped local government that struggles valiantly to maintain and improve its infrastructure and facilities (Focus Groups and Interviews, 2015). The overall result of this cycle of decline and disinvestment is a weak-market community, one that struggles to attract and retain wealth and a middle- and creative-class resident population. Potential residents, members of the workforce at the various institutions and companies listed above, and many businesses with financial means move away or never come to Oswego in the first place. Anecdotally, the tier of workers who would comprise Oswego's middle – and creative-class residents typically opt for wealthier, vibrant, and prosperous communities (i.e. Baldwinsville, Liverpool, Radisson, and North Syracuse) and commute. Those who remain in Oswego are those with lesser financial means and fewer options generally [See Appendix I.]. To say it another way, those with choices can and do live elsewhere while those with few or no choices remain in Oswego. A similar circumstance is also true for Oswego's large employers and robust economic sectors. Many if not most of Oswego's large employers are anchored in place by the nature of their businesses, their historical and situational location, and/or large facilities and investments in those facilities. The Port of Oswego, Oswego Health (the hospital), NRG, and SUNY Oswego have little to no option but to remain in Oswego.

Creating jobs and luring investment are important to Oswego's economic vitality, prosperity, and future. However, creating jobs and luring investment are not the most significant challenge facing Oswego's large companies and large employers. In fact, our research (Large Employer Focus Group, 2015) revealed that three large employers in the City and County currently have *295 unfilled positions* ranging from high-paying talent-oriented positions to lower-paying skilled and unskilled positions. One large employer explained that for their highest-skilled talent-oriented positions requiring post-graduate degrees they have to pay \$50,000 more than the going rate Downstate to attract qualified applicants. Even at this rate they still struggle to fill positions. For other talent-oriented positions, they offer education and training reimbursements up to \$21,000 and are now offering \$3,000 signing bonuses for some positions. Small business owners explained similar challenges in filling positions for lower-paying skilled and unskilled positions (Small Business Focus Group, 2015; Business Owner Interview, 2015). The owner of a hospitality establishment explained that despite her desire to attract more business into the establishment, she is unable to grow because she is unable to maintain an adequate level of competent staff. Despite the perception that Oswego's "big problem" is a lack of jobs, the fact is that hundreds of available jobs exist in Oswego at large and small companies alike. In addition, there is unrealized potential for economic growth—job growth—that is thwarted by Oswego's struggle to compete in the *livability* or quality of life realm. Oswego (including the County and possibly the CNY region as a whole) does not suffer a "jobs creation problem" (although job growth is stagnant and greater growth is needed). Oswego suffers from a "workforce attraction and retention problem." If higher pay, career advancing incentives, and signing bonuses are not enough to attract a workforce, then the problem is far greater than simply workforce development. Solving the real problem, Oswego's workforce attraction and retention problem, is a far greater challenge than solving a job creation problem.

Real Solutions for the Real Problem.

What good is a job created if there is no person in the workforce to fill the position? What good is a job created if you cannot attract a qualified person—with higher pay, incentives, and signing bonuses—to fill the position? What good is a job created and filled if you can't retain the person who filled the position? If Oswego is to be successful in creating jobs and luring investment, then Oswego (including the County and the CNY region) has to solve its workforce attraction and retention problem. To make matters worse, the challenge of workforce attraction and retention will most likely increase as the region's population ages and retires and as the younger populations, especially college-educated residents, depart for larger, more vibrant, "green," prosperous places. The loss of young persons and talent point to a root cause of the workforce attraction and retention problem. The CNY region, especially Oswego County and the City of Oswego, struggle to compete with places that are more economically robust, have greater job growth, offer more lifestyle amenities, a range of quality housing options, and a higher quality of life.

The workforce attraction and retention problem is even more complex and challenging for Oswego. While workforce attraction and retention may be challenging for the entire region, when a business in the region (especially a business in Oswego) successfully attracts and retains talent by filling a newly created or vacant job—the new hire most often chooses to live in places other than Oswego, such as Baldwinsville. We heard time and time again that Oswego struggles to compete in the greater market to attract and retain the talent-oriented workforce that is employed locally. When the employees of Oswego's business community choose to live outside the city (and even the County), Oswego loses wealth and potential investment. Ironically, when an Oswego company creates new jobs or fills vacant jobs, Oswego creates wealth for other communities, such as the popular northern suburbs. While this circumstance may appear to have a neutral or positive outcome for the region as whole, it in fact has a *negative* impact on the region. As wealth and investment leave Oswego, demand for government assistance and social services increase. The poorer and more disinvested Oswego becomes, the greater a liability it becomes for the region. Oswego pulls the region down.

Oswego has lost its ability to compete for wealth, workforce, residents, and investment. As stated above, the problem to be solved is not simply to create jobs and private investment. The problem to solve is Oswego's inability to compete—attract and retain—for wealth, workforce, residents, and investment. Oswego lacks a meaningful middle class with the means to buy homes, shop in stores, dine in restaurants, hire an accountant, go to the movie theater, dock a boat in the marina, recreate on the lake, and take pride their community, investing their time and energy in civic institutions. Lacking this demographic with financial means, Oswego then loses thousands of dollars in mortgages, home improvements, business expansions, and consumer spending every day, because it cannot attract and retain the workforce that is already locally employed. More important, the 295 unfilled positions above total more than \$12,000,000 per year in wealth that is not being generated in Oswego, the County, and the CNY Region. In other words, the region could generate over *\$12,000,000 in economic activity* without creating a single job, simply by attracting and retaining a workforce to fill those 295 unfilled jobs.

How has Oswego's inability to compete physically manifested itself? Decades of disinvestment has resulted in deteriorating housing stock, commercial buildings, public infrastructure and buildings, and public space. Simply put, the overall aesthetic of Oswego has become

undesirable. If no one in Oswego has been investing in Oswego for decades, one cannot expect new arrival to invest—not only money, but time and energy as well—in Oswego. It would be unreasonable to expect someone who has the means to live in any prosperous community in New York State or America to pick the job offer in Oswego over the job offer in New York City, Saratoga Springs, Ithaca, or Boulder, Colorado. *This* is why there are 295 unfilled jobs in Oswego.

To make matters even more challenging, the cycle of decline, disinvestment, and deteriorating conditions has resulted in depreciating property values and declining tax revenues, making it more difficult for government to make the investments and provide the services beyond the most basic, simply to *maintain* (not even improve) the community and support the ever-increasing and more needy resident population. In addition, the City has had no choice but to raise the tax rate to make up for revenues lost from its declining industrial tax base, specifically, energy generation facilities. The unfortunate result is that Oswego now suffers from tax capitalization, the high cost of taxes being capitalized in the value of real property—residential, commercial, and industrial properties—driving property value down further. This is another aspect of the problem to solve in Oswego; however, it cannot be solved through job creation and investment alone. *More* is needed to solve Oswego’s challenge. Oswego requires a different kind of economic development strategy. An innovative strategy that does not seek only to create jobs and lure private investment, but a strategy that also seeks to create wealth, attract and retain workforce and resident, and creates investment—all while breaking the cycle of decline. A comprehensive strategy with a vision of sustainability, livability and targeted investment and leveraging of private funding.

The way for Oswego to arrest decline, disinvestment, and deterioration is to intentionally and strategically invest in the community in way that will create pride in place, build confidence, and reestablish a culture of investment. A comprehensive economic investment strategy will recognize that cities, the region, and economies are an urban-economic-ecosystem—a complex adaptive systems (Alberti, 2009). In this system, disparate activities, functions, and practices that appear separate and unrelated, are in fact, part of the same urban-economic ecological system that creates symbiotic functional relationships between jobs and housing, residents and businesses, government, market, and investment behaviors. More simply, activities and functions such as industrial production, commercial service, jobs, consumer spending, and housing are not unrelated and cannot be targeted in a vacuum that isolates the work of economic development from the work of housing, community development, and neighborhood and downtown reinvestment. Housing is where jobs go at night. Unfortunately for Oswego, many of its jobs go home to Baldwinsville at night.

To accomplish this, Oswego has developed an outcome-based economic investment strategy that is designed to leverage assets, grow from strengths, and build market demand to attract wealth, workforce, residents, and investment. Oswego will need to work with private and public stakeholders and expertly navigate NYS opportunities such as Global NY, START-UP NY and Veterans’ workforce and training programs to be successful. Oswego’s economic investment will target the amenities of place and lifestyle to improve and provide a quality of life that can attract and retain a workforce, residents, and visitors. This strategy recognizes that businesses, workforce, residents, and visitors with financial means have choices and can choose almost anywhere to live, work, and spend their leisure time. It recognizes that jobs and the availability of jobs are not enough for Oswego to compete. A “sense of place,” amenities of place, and quality of life are

also important and influences where businesses, workforce, and residents choose to locate, work, live, and invest. In this regard Oswego is fortunate, as it has many great assets that can be leveraged to reposition Oswego to compete.

Oswego's natural and built assets include the waterfront, a compact and walkable downtown, historic neighborhoods, and many significant historic, heritage, and cultural sites. Most notable are Oswego's waterfront (including the Lake, the Oswego Lighthouse, Fort Ontario, and Safe Haven) and Oswego's downtown. No other community in the Central New York region can rival the scenic beauty, historically significant sites, recreational opportunities, and small-town urban setting of Oswego's waterfront and downtown. The views of Lake Ontario are almost beyond description in their beauty. Together, the waterfront and downtown, with the latter's potential for revitalization, provide the perfect platform for creating a sense of place, providing the amenities, and offering the lifestyle sought by the creative class (i.e. picturesque beauty, historic structures and neighborhoods, urban form, medium density, walkable streets, recreation, hospitality, and cultural resources). Unfortunately, Oswego today is far from ready to compete—to be workforce, resident, and visitor ready to attract and retain the creative-class. Its downtown and neighborhoods are tarnished. Oswego does not present well. With missing teeth (vacant lots and buildings), soiled and tattered clothes (chipped paint, stained facades, rotted wood), worn shoes (cracked sidewalks, rusted lamp posts), and no make-up (little green space, vegetation, and flowers), Oswego is not ready to host the dance, let alone to be asked to dance with the creative class. For Oswego to host the dance, to compete for a competitive workforce, middle-class residents, and visitors seeking quality experience, Oswego must not only leverage its assets, it must invest in its waterfront and downtown intentionally and strategically. The strategic investment must aim to arrest deteriorated conditions, improve the quality of property maintenance, increase property values, and to create a waterfront that is clean, safe, and aesthetically pleasing. Oswego needs to improve, to polish and to shine.

Oswego's waterfront is its greatest asset. Oswego's site and situation on Lake Ontario and the Oswego River provides the City with a competitive advantage over its inland neighbors. No community in the CNY region has Oswego's waterfront and the waterfront's aesthetic beauty, transportation and shipping, natural resources, recreation, and tourism sites. The waterfront and the Port of Oswego provide access to natural resources, prime shipping lanes, recreation, and connect Oswego to the greater region and much of New York State via the canal system. Oswego is truly a gateway to New York. Oswego's waterfront is further enhanced by Fort Oswego, currently a State Park and working towards designations as a National Park and World Heritage Site. Oswego's waterfront is an asset not only for Oswego, but for the entire CNY region. It must be leveraged, shared and treated as the asset it is to benefit Oswego and the region.

Although the waterfront is Oswego's greatest asset and greatest opportunity to attract new economic investment, the waterfront as it is today poses many challenges that need to be addressed if the waterfront is to be leveraged as a local and regional asset and economic driver. The waterfront, while scenic, is a working port. Having a working waterfront is a tremendous asset, as is having a scenic waterfront. The challenge for Oswego is to find the right balance between the working and the scenic. To accomplish this, Oswego needs to accentuate the "non-port-related" areas of the waterfront in order to realize and maximize the waterfront's full potential. This proposal includes strategies to assist Oswego in overcoming the aesthetic dominance of the working port by activating and enhancing the waterfront's aesthetic beauty and realizing the recreation and tourism potential there.

Oswego's second greatest asset, in the context of lifestyle amenities, quality of life, and the desires of a talent-oriented workforce, residents, and visitors, is the compact urban form of downtown and its surrounding neighborhoods (Jacobs, 1961). The downtown and surrounding neighborhoods are a perfectly designed platform to attract the lifestyle performance of the creative-class. It is a natural stage for the performance of walkability, hospitality, tourism, shopping, and leisure experiences. However, Oswego's downtown stage needs to be set, ornamented, and polished if it is to attract and retain a talented workforce, a middle class, and visitors seeking high quality tourism experiences. To leverage the waterfront's potential, Oswego's downtown must be workforce, resident, and visitor ready. In other words, downtown must be clean, safe, and aesthetically pleasing to attract investment and to become a vibrant and prosperous space. Unfortunately, this is easier said than done. This transformation, the implementation of this strategy, will require large investments, hard work, and many years of continued effort to overcome the decades of decline, disinvestment, and deterioration that dominate Oswego's downtown and waterfront. The target demographic can and will opt for places that are more aesthetically pleasing than Oswego, from New York City to the Hudson Valley, the Capital District or even Rochester and Buffalo, both of which are experiencing urban recoveries of their own. Therefore, if Oswego is to retain their target population of middle-class households, then the City has to improve the aesthetic appeal of its downtown and waterfront.

Oswego is fortunate in that the qualities of place, amenities of urban space, and quality of life that are required to attract and retain a talented workforce (the workforce required to fill the 295 plus unfilled positions) and resident population are the same as those required to attract tourists. The time is right to implement the economic investment strategy outlined in the following section that will target all three groups and reposition Oswego as a community of choice where people want to invest, live, work, and recreate. Where businesses want to locate, remain, and grow. Oswego can be a vibrant and prosperous community of choice so long as it is willing to work hard—intentionally, strategically, and continuously—to leverage its assets and reposition itself to compete in the new economy.

Oswego can utilize this economic investment strategy as a framework for economic development and improvement with or without URI funding. However, the URI funding would provide Oswego and CNY an opportunity to do in five years what Oswego would struggle to do on its own in 20 years. The URI initiative provides an unprecedented opportunity to jumpstart Oswego's revitalization and create the best opportunity to prosper again.

Most importantly, a stronger Oswego will give rise to a stronger region.

Section III. Oswego's Economic Investment Strategy

This economic investment strategy can be best understood as a comprehensive and holistic approach to jobs creation and investment. It focuses on addressing wealth, workforce, resident, and visitor retention and attraction through strategic investments in Oswego's waterfront, downtown, core neighborhoods, and tourism industry, while strengthening and building capacity for implementation and sustainable improvement.

The short-term outcome is: to hinder decline, disinvestment, and deteriorating conditions by making strategic investments in high-visibility locations. These investments in downtown, waterfront gateways, the waterfront, and tourist sites would signal confidence in the socio-economic health of the community—creating pride in place and establishing a *culture of investment*. In addition to arresting decline and targeting high-visibility locations, these investments would seek to raise the quality of product (i.e. commercial buildings, homes, public spaces, infrastructure, and historic sites), property maintenance, and investment on display to create an aesthetically pleasing environment required to appeal to the target demographic. Leveraging the waterfront and its many historic assets creates an opportunity to strengthen and build a robust tourism industry. In doing so, Oswego will further diversify its economy—adding tourism to the already robust economic sectors of education, manufacturing, transportation, health care, and energy. This will not only provide jobs, but make Oswego more economically resilient to disturbance and change in any economic sectors (Walker and Salt, 2009, 2012).

The long-term outcomes are to retain, attract, and create wealth and investment. These outcomes will be achieved through both the short-term improvements and outcome above, and by providing products (i.e. housing, hospitality, recreation, walkability, commercial activity, lifestyle, and quality of life) that the middle- and creative-class desire and seek. This is Oswego's best chance to overcome the challenges of retaining and attracting workforce, residents, visitors, and wealth. Arresting decline, increasing investment, improving standards of property maintenance, creating aesthetically pleasing public and private spaces, and providing a housing stock that is upgraded, modernized, and more diverse will help to reposition Oswego to better compete for wealth and investment. Repositioning Oswego to appeal to a wider range of businesses and consumers is how we build Oswego's market and grow demand. By growing demand, property values will rise, creating wealth, more opportunities for investment, and returning more tax revenue—all of which will contribute to a stronger and more prosperous Oswego.

The following are the specific strategic investments that Oswego seeks to make as part of the Central New York region's participation in New York State's Upstate Revitalization Initiative (URI) to jumpstart its economic revitalization. Oswego's strategy and request not only meets and exceeds the URI and CNY requirements for job creation, leveraged investment, smart growth and the overall framework, Oswego's innovative approach provides a real opportunity for improvement that will be measured by increased economic activity, greater vibrancy, and the return of prosperity to the community.

Economic Investment Strategy Areas



1.0 Strategy – Waterfront and Tourism Enhancements:

The Lake Ontario waterfront is Oswego's greatest asset and greatest opportunity for economic improvement as a part of robust tourism industry. However, as a working port and waterfront, public access to the three miles of waterfront within the city is limited. To maximize the waterfront's potential to retain and attract residents and visitors, significantly better access is needed and required. Improved aesthetic conditions are also critical to maximizing the waterfront's potential to drive tourism—visitation, recreation, leisure time, and economic spillover into the adjacent downtown blocks. While access and aesthetics need to be ongoing and long-term objectives and outcomes—possibly including the creation of a beach at Breitbeck Park—the following two projects provide feasible and exceptional opportunities for access, improved aesthetics and ultimately, creation of a destination that supports tourism growth and aligns with Governor Cuomo's initiatives for bolstering tourism statewide.

Oswego's Waterfront



1.1 – Fort Ontario: Fort Ontario, a New York State park, is Oswego’s greatest historic heritage and tourism asset. Perched on a hilltop, the star-shaped Fort is a prominent waterfront feature. The Fort is the fourth fortification on this site with prior fortifications dating to the French and Indian War, Revolutionary War, and War of 1812. The Fort today dates to the early 1840's with 1863 to 1872 improvements. One of the most significant aspects of its history is that from 1944 to 1946 the fort served as the only refugee camp in the United States for mostly Jewish victims of the Nazi Holocaust under an Executive Order from President Franklin D. Roosevelt. Fort Ontario has started the application process to be designated as a National Landmark and, with strong public and government support, has started the process to become a National Park. Even more notable are the efforts to have the Fort designated as a UNESCO World Heritage Site, the most prestigious international designation for historic sites. Considering these three designations on the horizon, the time to invest in Fort Ontario and to build a tourism industry in Oswego is now. The number of visitors could double, if not triple, with these prestigious designations; therefore Oswego, the County and CNY should capitalize on this potential and be visitor ready. Visitor ready means that infrastructure, capacity, and aesthetics should be in place to capture tourists and tourism spending. Therefore, tourism must be viewed, understood, and approached holistically, as a tourism ecosystem and complete experience. *Tourism as an ecosystem* is the recognition of a collective tourism environment in which the waterfront and strategic sites are leveraged to benefit each other and the community as a whole—especially downtown businesses. *Tourism as a complete experience* means that from the moment a visitor arrives in Oswego, regardless of the specific sites they plan to visit or end up visiting, that everything about the place, the community, and the sites provide a complete and positive experience. Oswego must be welcoming, clean, safe, and aesthetically pleasing. The tourists that Oswego needs to attract want the complete experience.

Conceptual Plan: The plan for Fort Ontario includes six projects to better connect Fort Ontario to downtown physically and visibly and to enhance the visitor experience at the Fort and in Oswego. The first project is to complete a master plan for the Fort and National Historic District that will facilitate growth, improve facilities and the visitor experience, and facilitate the National Park and World Heritage Site designations. The second project is to construct a walking trail and ramp behind the Border Patrol station that will better connect the Fort to the Port, marina, and hotels on East First Street. This will require access easements with the Port of Oswego and the design and construction of the trail and switchback ramp to transition the change in elevation. The third project is to reconstruct a historically accurate 110' tall ships mast-style flagpole on the ramparts where it originally stood, including lighting and large flag similar to the one at Fort McHenry in Baltimore. This will highlight the Fort on the hilltop, draw attention to the Fort and become an iconic image on Oswego’s waterfront. The fourth project is to construct a new walking trail around the fort with park benches and dwarf trees. This project, designed to enhance the visitor experience at the Fort, will mimic the 1903-05 road system utilizing some of the concepts from the 1999 VanEiderstyn Plan and includes interpretive panels with photographs, maps, and script in the approximate locations of the historic activities that occurred there. The fifth project will design and install an energy efficient heating system for the Fort’s two officer’s quarters to promote sustainability and energy savings. The sixth project will create and fund an annual military

history conference in Oswego, uniting SUNY Oswego History-Anthropology Departments with Fort Ontario and the City of Oswego as host.

Outcomes: The improvements to Fort Oswego would increase its visibility, better connect the Fort to downtown Oswego and visitors, improve the visitor experience and elevate public awareness and appreciation for the Fort and military history. In terms of the overall vision for Oswego, these projects would improve the waterfront aesthetics, provide better public access to the Fort, drive increased tourism and maximize the potential of Oswego's tourism industry.

Job Creation and Leverage: This series of Fort Ontario projects will directly create construction jobs. In addition, as the anchor to tourism in Oswego, any investment in the Fort that improves the connection to downtown and the visitor experience, has potential to increase economic activity.

1.2 – The Oswego Lighthouse: The Oswego Harbor West Pierhead Lighthouse (“the lighthouse”) stands as a sentinel on Lake Ontario. It is an icon of Oswego's historical port and one of its greatest waterfront assets. Once a manned lighthouse, public access to this now-automated icon has been restricted for nearly a century. The lighthouse has weathered countless storms over the years, been a victim of deferred maintenance and is now in need of major rehabilitation (recent volunteer efforts have made great progress, but much more is needed). The structure's shell plating is rusting, exterior paint is chipping, and the interior has extensive needs. At the very least, the lighthouse should be restored to maximize its aesthetic impact on the waterfront. At most, it should be made accessible to the public as a tourist site. Along the Atlantic coast, lighthouses are remarkable tourist draws. Oswego's lighthouse could be one as well. Access could be provided via boat, activating an opportunity not only for ferry service to the lighthouse, but as part of a burgeoning harbor boat tour operation.

Conceptual Plan: The plan for the lighthouse is conceptualized in three phases. The first phase would be to restore the exterior and interior of the lighthouse and provide dockside access. This phase would include an updated mechanical system and an onsite generator for electricity. Phase two would include the purchase of a dedicated ferry/tour boat and operation of ferry service to the lighthouse with an ancillary harbor tour. The ferry service to the lighthouse and harbor tours would depart from new City Pier Park, strategically combining the two new (proposed) facilities that will activate the waterfront. Phase three would be the implementation of a sunset dining experience at the lighthouse. The Oswego waterfront provides stunning and majestic views of sunsets on the western horizon of Lake Ontario. The light house would provide one of the best locations for these renowned sunset views. The sunset dinner concept is conceptualized in its early stages as a “picnic basket experience” where ferry access to the lighthouse would be combined with a dinner basket filled with food, wine, and dessert provided by local shops and restaurants. To accomplish this, funds will be needed to restore the lighthouse, provide public access (including the purchase of the dedicated boat) and to create a governance structure in the form of a lighthouse

association to oversee the structure and manage tours and programming. Additional phases could be added in the future to include river and lock tours and access to Leto Island.

Outcomes: The restoration and activation of the lighthouse would result in improved waterfront aesthetics, public access, increased tourism and maximizing the potential of Oswego's waterfront for economic development.

Job Creation and Leverage: This series of lighthouse projects will directly create construction jobs and also create new full- and part-time jobs through the new lighthouse association that will manage operations and programming. Leverage will be achieved through visitor/user fees for access to the lighthouse, harbor tours, and events.

1.3 – A new public open space on City Pier: The City owns a pier in the middle of West Side Marina at the north terminus of West First Street that is suffering from disinvestment in the form of deferred maintenance and underutilization. While nearby Breitbeck Park provides public access to the coastline, the City Pier has the potential to draw residents and visitors into the middle of harbor, offering stunning harbor, lighthouse, lake and coastline views. Combined with the lighthouse project discussed above, the creation of public park and dock for ferry access to the lighthouse creates a great opportunity to activate the waterfront as a destination.

Conceptual Plan: The plan for the City Pier would create a 30,000 square foot park at end of the Pier (north of the Yacht Club). This manicured public space would feature walkways, trees, native landscaping, benches, and a dock for the lighthouse ferry service and harbor tours. Improvements would also include landscaping along the full length of pier's west side and paving of the driveway and parking areas. Future opportunities could include the addition of food trucks to the pier, potential for the construction of more formal dining facilities such as a dockside restaurant and the utilization of the open space for more formal events.

Outcomes: The creation of City Pier Park, dock, and related improvements would result in improved waterfront aesthetics, public access, increased tourism, and maximizing the potential of Oswego's waterfront for economic development.

Job Creation and Leverage: The creation of the City Pier Park will create construction jobs and increase the opportunities for economic activities on the pier and waterfront. Leverage will be achieved through increased visitors (and dollars they spend) and new opportunities for economic activity via spillover into the downtown.

1.4 – Historic and Heritage Investment Competition: Oswego has many historic and heritage sites and facilities—*assets*—that relate to tourism recreation, and heritage and have the potential to attract visitors and their ancillary economic benefits to the region and city. Major sites include Oswego's three hockey rinks (all within two miles of downtown), Safe Haven Museum, the Maritime Museum, the Frances Marion Brown Theater, the Arts Association of Oswego and the proposed Children's Museum of Oswego to name a few. These sites are home to events that draw tourists from around the state, including Harborfest, Pumpkinfest and the

annual Lax by the Lake Lacrosse festival. Many, if not all of the physical facilities are in need of investment, modernization, and capital projects. Therefore, if Oswego is to be active and nurture a nascent tourism industry, all of its tourism and heritage sites and opportunities require thoughtful investment.

Conceptual Plan: The Historic and Heritage Investment Competition would be an investment strategy designed to provide a competitive grant program seeking proposals from the many historic, recreational, and heritage site and facilities and organizers that want to invest in their facilities. The competitive grants would provide funding each year for five years and would require the grant applicants to leverage grants received with other funding sources to complete improvements that improve the facilities, aesthetics, and the visitor experience.

Outcomes: The primary outcome of this program is to increase investment in Oswego's tourism assets. Additional outcomes include greater investment through a leverage requirement, improved aesthetics, and enhanced visitor experience.

Job Creation and Leverage: This competitive grant program would create construction jobs as part of the grant awards and projects completed. Leverage will be achieved through individual projects funded by grant program.

2.0 Strategy – Downtown and Neighborhood Investment:

Downtown Oswego and the neighboring residential blocks are a great asset to Oswego and need to be a focus of any strategy to improve Oswego. The form, density, street-grid, and architecture of downtown and the surrounding neighborhood provide Oswego with good bones, a well-designed skeleton to build upon. However, for improvement to occur, for investment to flow into the downtown and surrounding neighborhoods, Oswego must be intentional in its efforts to eliminate conditions that negatively impact these areas while creating a culture of investment. That means Oswego must target investment to reduce and eliminate properties that reflect the weak-market (and in some cases, distressed market) conditions. These conditions have resulted in a struggle to retain and attract middle-class households who as a result are investing in other places. The following four projects are designed as strategic investments in Oswego's downtown and surrounding neighborhood aimed at retaining and attracting a workforce and residents while improving the overall aesthetics of the urban core. The strategy will complement efforts to improve the waterfront, create a more robust tourism industry, and attract visitors and residents into Oswego's Downtown.

2.1 – Streetscape Improvements: West First Street between West Bridge Street and West Oneida Street is the most vibrant and economically prosperous block in Oswego's downtown. A key component to the economic vitality of this block is its well-designed and maintained streetscape featuring wide sidewalks, decorative pavers, historic street lights, a mature tree canopy, decorative planters and flowers, benches, and well-maintained building facades. These basic and simple design elements collectively create an

ornamental environment that is appealing and inviting—the quintessential Main Street. Such an environment is critical to attracting investment, residents, and visitors. Therefore, if Oswego is to maximize the potential of the good bones—the *exceptional platform*—that downtown provides and maximize the potential to compete for visitors and residents (including the retention and attraction of a workforce), then the city must physically upgrade the core blocks of downtown to equal the aesthetically pleasing environment of its best block.

Conceptual Plan: A comprehensive streetscape program will improve and transform the aesthetic feel and appeal of the downtown. This five year plan will address the 10- to 15-block area comprising the west side downtown core from the gateway to the waterfront along West First Street, north of West Bridge Street. The streetscape improvements may include widening sidewalks where possible, sidewalk pavers or stamped concrete, standardized decorative street lighting, street trees, and standardized street planters and street furniture. The streetscape improvements are not simply about physical improvements, but also the creation of an identity and brand for downtown that displays a high quality of care and investment. This plan will dovetail with the NYSEDA Cleaner, Greener Communities Phase II (Cycle 2) grant for a *Complete Streets Study of Route 104* that the City Planning Department will commence in 2015. The study will likely include streetscape improvements for Route 104/Bridge Street as part of its implementation plan.

Outcomes: The streetscape improvements will result in improved aesthetic appeal, an improved gateway to waterfront, creation of an appealing environment for visitors and potential new residents and public investment to leverage private investment.

Job Creation and Leverage: The streetscape improvement plan will directly create construction jobs. More importantly, the public investment in the streetscape investment will signal confidence and leverage private investment, resulting in quantifiable increases in visitation, consumer spending, sales tax revenue, property values, and property tax revenue (see Goodwin Williams Group, 2014; New York Times, 2013).

2.2 – Building Façade Improvement Program: The vibrancy and prosperity of West First Street between West Bridge Street and West Oneida Street is due in part to the investment and maintenance of buildings on the street, in particular their front facades. Just as the streetscape (or public environment) must be clean, well-maintained, and aesthetically pleasing, the private spaces, especially the building facades that interact with the public spaces, must also be clean, well-maintained, and aesthetically pleasing. To ensure and maximize the leverage of public investment in the downtown streetscape, a façade improvement program is part of this strategy to incentivize investment in private property in downtown Oswego.

Conceptual Plan: The plan will be to develop and fund a façade improvement program downtown Oswego with the goal of improving five or more building facades per year for a five year period (and beyond). This action would result in continued

private investment and the improvement of at least 25 building facades in Oswego's downtown, similar to the impact that the New York Main Street program has had in other historic upstate communities.

Outcomes: The façade improvement program will result in increased private investment, improved aesthetics and appeal, an improved gateway to the waterfront, creation of an appealing environment for visitors and potential new residents and public investment to leverage private investment.

Job Creation and Leverage: The facade improvement program will directly create construction jobs through the rehabilitation work. In addition, it will leverage private investment in private property, ultimately resulting in increased property values that in turn will result in increased property tax revenue.

2.3 – Downtown Housing, Apartments: Another requirement for a vibrant and prosperous downtown Oswego will be a residential population that creates a truly 24-7 neighborhood. A resident constituency (in addition to businesses) would provide for 'feet-on-the-streets' and translate into social and economic vibrancy (see Jacobs, 1961; Johnson, 2010). Recent conversions of upper floor space in downtown from commercial to residential apartments have demonstrated that a niche market exists for new, modern, and market-rate apartments in downtown. The demand for these units is demonstrated by their relatively high rents of \$1,400 per month, a good return in Oswego's weak housing market. Oswego should incentivize the creation of more housing in the form of additional downtown apartments—with due consideration for limited demand of 6-10 units per year.

Conceptual Plan: The strategy recommends development and implementation of an appraisal gap financing program to incentivize the construction of 6 to 10 market-rate residential apartments per year downtown. These apartment units could be upper floor conversions, infill mixed-use on vacant lots, or townhouses on vacant lots. The strategy is aligned with New York State's smart growth policy as well as nationwide best practices that encourage development in areas with existing infrastructure (utility lines, road network, etc.)

Outcomes: The residential appraisal gap financing program and resultant units will help to provide a modern apartment housing stock that can compete in the overall market to retain and attract middle class households and enhance the social and economic vibrancy of downtown. In addition, such residential units can improve aesthetics, increase property values, and return greater tax revenue to government.

Job Creation and Leverage: The residential appraisal gap financing program and resultant units will directly create construction jobs. In addition, the appraisal gap financing program and resultant units will leverage private investment, ultimately resulting in increased property values that in turn will result in increased property tax revenue.

2.4 – Neighborhood Housing: As discussed above, the primary challenge facing Oswego is not simply job creation, but the retention and attraction of a talented workforce. More specifically, while this is also a challenge for the County and CNY, Oswego is struggling

to compete with the overall region and other areas of Upstate NY for middle-class households despite its many available high-quality jobs. Oswego's primary challenge of retention and attraction of residents and workforce is the weak housing market and weak-market neighborhoods that due to their quality, lack of amenities and schools are unable to compete with other regional communities, housing markets, and neighborhoods. Housing and neighborhood improvements are integral to the success of Oswego's economic investment and development strategy. The greatest challenge in regard to improving neighborhoods and creating investment near downtown Oswego is the first impression. Many distressed properties on these central blocks scare off investors and steal equity from other well-maintained properties on residential blocks that can compete for residents and investment in the greater housing market.

Conceptual Plan: The strategy proposes the development and implementation of a 'problem property' program that targets the acquisition, rehabilitation, and when needed, demolition of problem properties that harm blocks and neighborhoods surrounding downtown. The objective is to provide funding to the Oswego Renaissance Association (ORA), a not-for-profit, working to do just this type of work in the city's older neighborhoods. The program would incentivize the acquisition of problem properties by private developers in the ORA's target neighborhoods near downtown. The incentives (funding) would be available to a developer who acquired a problem property for renovations to the property provided the property were to be sold to a homeowner and not maintained as rental.

Outcomes: The 'problem property' program will result in improved aesthetics, property maintenance, and creating neighborhoods that can compete for investment and residents (including a talented workforce). In addition, such strategic and targeted investments will increase property values and return greater tax revenue to government.

Job Creation and Leverage: The 'problem properties' program will directly create construction jobs through the rehabilitation of these problem properties. In addition, the funding will leverage private investment in the form of property acquisition and rehabilitation. However, the greatest outcome and leverage will be in value added (more accurately, returned) to the other properties on the block where these distressed problem properties are destroying value and stealing equity—up to 20% of property value is lost to problem properties (czbllc, 2014) and can be restored through this program.

3.0 - Strategy – Redevelopment Sites:

Three key sites that are best positioned for redevelopment have been identified based on their locations and potential for redevelopment. Two sites, the Cahill Property and the Flexo-Wire Property, are owned by the City of Oswego and located on the northern end of West First Street adjacent to the Oswego River. West First Street is the spine of downtown and functions as a gateway to the western waterfront, specifically the Coast Guard Station, the city marina, public boat launch, the city pier and yacht club, the H. Lee White

Marine Museum, and Breitbeck Park. The blighted conditions of the Cahill Property and the underutilization of the Flexo-Wire Property negatively impact the downtown, the waterfront, and the gateway to the waterfront. Their redevelopment will therefore provide much needed infill development in an area of downtown suffering from vacancy while enhancing the aesthetics and appeal of this waterfront gateway. The projects would also provide medium- to high-density development that will enhance the downtown and waterfront while creating new opportunities and potential for tourism, hospitality, and new residential units.

The third redevelopment site, the Sutton Midtown Plaza property, is located on the east side of downtown between East First and East Second Streets on Route 104/Bridge St. It is privately owned by a regional development firm who is seeking to redevelop the site for a mix of commercial and residential uses. Due to weak-market conditions, however, the cost of new construction would exceed the developer's return on investment, meaning that redevelopment is only feasible with a public-private partnership. The property is located at the intersections that are the gateways to the City from the south via Rt 481 and the Port of Oswego the intersections that are the gateway to the Port of Oswego. This redevelopment site also provides an opportunity to address traffic circulation issues associated with trucks entering and exiting the Port of Oswego.

All three sites require gap financing, establishing the need for public funding to leverage private investment.

Redevelopment Sites



3.1 – The Cahill Property: The Cahill Property consists of two city-owned parcels totaling approximately 30,000 square feet and a historic yet blighted 10,000 square-foot building. The parcels front on both West First Street and West Seneca Street and the building is adjacent to the Oswego River and riverfront linear park. This property is highly visible, with views from downtown, the waterfront gateway, the Oswego River, the two hotels across the river, and the Oswego Port. Its current condition provides a negative image of downtown and Oswego as a whole and harms the values of nearby properties.

Conceptual Plan: With 10,000 square feet of building space on a 30,000 square-foot lot, this property provides an exceptional opportunity for small-scale mixed-use development. Uses may include a riverfront hotel, restaurant, residential, and/or office space. The site is further enhanced by its riverfront location which could include docks for water access. The city would implement a competitive bid process for development proposals. Appraisal Gap Financing is needed to incentivize the redevelopment of this site, as rehabilitation costs will exceed market value/return-on-investment.

Outcomes: The project would result in the elimination of a blighted property in a highly visible location, with the added benefits of historic preservation, mixed-use infill development in downtown core, and the potential for hospitality uses/amenities that would support the retention and attraction of a talented workforce, residents, and visitors.

Job Creation and Leverage: The redevelopment of this site will create construction jobs and permanent jobs depending on the resulting mix of uses. Utilizing the requested funding for an Appraisal Gap Financing program to support the redevelopment of this site, along with the two other sites, the gap funding will leverage the private investment in the property.

3.2 – The Flexo-Wire Property: The Flexo-Wire Property consists of four city-owned parcels totaling approximately 80,000 square feet. The site includes two industrial buildings totaling approximately 21,000 square feet. The site is presently used by the Oswego Public Works Department as maintenance facility and work yard. This property is a brownfield site and has been identified as a redevelopment site by the City. In addition, the site was identified as a potential brownfield site in the Oswego Canal Corridor Brownfield Opportunity Area (BOA) but not selected as a strategic site as it was the subject of a development proposal at the time (2013). The Flexo-Wire parcel occupies an entire city block between West 1st Street and West 2nd Street and is the last block before the waterfront along the West 1st Street gateway to the waterfront.

Conceptual Plan: The Flexo-Wire Property would be a prime location for a new visitor center for Oswego and the waterfront. In addition, the National Oceanic and Atmospheric Administration (NOAA) will be accepting nominations for new marine sanctuaries in the near future. Oswego County, along with three neighboring counties, may submit a proposal for the Great Lake Ontario National Marine Sanctuary. If the new marine sanctuary is designated, the waters off of Oswego would be elevated in status to other areas such as the Florida Keys. The proposed visitor center could also be a gateway to this

significant tourism asset. The redevelopment of the site is conceptualized in three phases. The first phase includes the relocation of Public Works from the site, demolition of the existing structures, and environmental remediation. The second phase would include a feasibility study for the Marine Sanctuary Visitor Center, followed by its development in the third phase. Were the Sanctuary not to move forward, the alternative would be a mix of residential and commercial uses including an Oswego Visitors Center. The funding request for this site would cover phases one and two including demolition, environmental remediation, and Marine Sanctuary Visitor Center feasibility funding. This redevelopment site and preparation of the site for redevelopment is a critical first step in the creation of the Marine Sanctuary that would be an economic catalyst for tourism in Oswego. The request also includes gap funding for the Marine Sanctuary Visitor Center or the alternative.

Outcomes: The project would redevelop a highly-visible, blighted property, potentially into the Marine Sanctuary Visitor Center and/or an Oswego Visitor Center. In addition, preparing the site for redevelopment will be an important first step to moving the Marine Sanctuary forward and creating a second anchor (Fort Ontario being the first anchor) to a robust and growing tourism industry.

Job Creation and Leverage: This redevelopment project has the potential as a catalyst for future job growth. It will create construction jobs and later result in permanent jobs related to the Marine Sanctuary. Utilizing the requested funding will leverage future funding for the Marine Sanctuary, a multi-million dollar project.

3.3 – The Sutton Midtown Plaza Property: The Sutton Midtown Plaza Property consists of two parcels that occupy nearly the entire block (less a 5,000 square foot parcel at the southwest corner) bounded by East 1st Street, East Bridge Street / NYS Route 104, East 2nd Street, and East Cayuga Street. The two parcels total approximately 87,000 square feet and the north parcel along East Cayuga Street contains a 71,000 square foot building. The south parcel was previously occupied by a city-owned parking garage (also identified as a development site in the BOA) that was recently demolished. This redevelopment site is a prime site at the gateway to the Port of Oswego as trucks enter and exit the Port via both East 1st Street and East 2nd Street. The narrowness and inadequacy of East 2nd Street to accommodate Port traffic in both directions creates an unfavorable traffic pattern with negative implications in the form of a large number of trucks past one of Oswego's key hotel sites. With a cooperative owner/developer in place, the redevelopment of this site as a higher density mixed-use development also provides an opportunity to solve this unfavorable and detrimental traffic pattern, providing better ingress and egress for the Port of Oswego.

Conceptual Plan: The plan for this site is an urban-style mixed-use redevelopment that would include approximately 52,000 square feet of space, including ground floor commercial (with three tenants already secured), 36 residential units, and 30 onsite parking spaces. The potential exists for additional residential units in a later phase if feasible. Although the project is shovel-ready within a year, weak-market conditions and low rents negatively impact the economics of this proposed development. Incentives in the form of gap financing would be required to begin this redevelopment.

Outcomes: The project would maximize the development potential of a prime site in a highly-visible location at the gateway to the Port of Oswego. Appropriate-scale, urban-style mixed-use development with sidewalk-oriented storefronts and much-needed new apartment stock would help to attract and retain a talented workforce and residents. In addition to the redevelopment of the site, this project will allow for the widening of East 2nd Street, solving the unfavorable traffic circulation problem (an ancillary benefit for the waterfront hotels currently grappling with truck traffic) and providing better access to and from the Port of Oswego.

Job Creation and Leverage: This redevelopment will directly create construction jobs and retain permanent jobs. Construction jobs will include both the redevelopment of the site and the reconstruction of East 2nd Street. Approximately 60 permanent jobs will be retained on the site with the three existing tenants that will remain. Retention of the businesses is unlikely without the creation of modern space to accommodate their needs. Utilizing the requested funding for an Appraisal Gap Financing program to support the redevelopment of this site, along with the Cahill Site discussed above, the gap funding will leverage the private investment in the property.

4.0 Strategy – Capacity Building: Developing an economic investment strategy, while not easy, is a rather straightforward process. For example, the process is to identify the challenges or issues, set the desired outcomes, create the strategy (programs and projects), estimate and set the budget, and secure the funding. However, the most important and most challenging aspect of any plan or strategy is the implementation. For any economic investment strategy to be successful, the community *must* have the capacity to implement and execute the strategy effectively and independently. Moreover, capacity is not simply about staffing and governance, it is also about having the systems in place that provide a solid foundation for the strategy to be executed on and create the greatest opportunity for the strategy to succeed. All strategies and interventions, unless they are simply construction projects, can directly create jobs or leverage private investment. Oswego, unfortunately is capacity-challenged; meaning, it will need to invest in capacity *building* if it is to realize the full potential of this strategy. The following seven key strategies will result in Oswego possessing ample capacity for economic investment and improvement. Without these strategies, much of the overall strategy will not be fully realized.

4.1 – Hospitality Workforce Attraction and Retention Program: Oswego’s small business owners, specifically restaurant owners, expressed great concern over their challenges to retain and attract a hospitality workforce. For example, attracting and retaining talented kitchen staff—cooks and chefs—is difficult. Although Oswego lacks a culture of hospitality, there is a movement to make improvements in this regard. Business owners deal with continual loss to other cities such as Syracuse and Rochester where more competitive salaries are offered. New York State has many great culinary institutions, but Oswego struggles to tap and attract their talent and cannot compete with larger cities that provide greater opportunities and more competitive salaries. The hospitality sector is critical to creating a robust tourism sector and to attracting and retaining the creative class; therefore, Oswego’s hospitality establishment *must* be able to compete, to retain and attract hospitality talent.

Conceptual Plan: This strategy takes a direct and innovative approach to addressing the hospitality attraction and retention problem. The strategy is to develop a program that will provide funds to hospitality establishments through a competitive grant program. To qualify, restaurants must demonstrate a plan for business growth and demonstrate a need (that they have an attraction and retention problem) for assistance. The fund will award grants in amounts up to \$3.00 per hour (based on 35 hour full-time equivalent) for up to two positions (one position targeted for retention and one targeted for attraction). The hourly rate grant salary provided must be in addition to the base hourly rate of position. The idea is to provide an incentive for growth in existing hospitality sector while providing an opportunity to compete at talent attraction and retention during the five year period that this overall strategy seeks to grow the tourism sector.

Outcomes: The results would be to grow business, jobs, and wealth, while attracting and retaining talent that will benefit the growth of a robust tourism sector.

4.2 – Zoning Regulations Updates and Amendments: Oswego’s zoning codes are outdated and limited in their ability to allow the style of development (investment) conceptualized above. In short, the zoning regulations need to be modernized to allow smart growth and traditional downtown-style development.

Conceptual Plan: This strategy is to update, modernize, and amend the Oswego Zoning Code and development standards to allow for smart growth and traditional downtown-style development (using the recommendations of LEED for Neighborhood Development, New Urbanism, etc. as guidelines). This would include reorganizing the regulations, updating existing standards to modern best practices, adding traditional neighborhood design standards that allow for high quality mixed use development, improving and adding site design standards that best encourage compact and infill development (where appropriate), green infrastructure, sustainability, low-impact design and design standards. In addition, zoning permitting and approval processes need to be streamlined to better encourage investment.

Outcomes: The Zoning Code update would address the outcomes of making Oswego investment and development ready, improving the overall quality and aesthetics of investment and development.

4.3 – Vision, Identity, and Branding: It was evident throughout the focus groups that Oswego—collectively as a community—struggles with its past, present, and future identity. To say it another way, Oswego is lost, unsure of where it is, where it is going, and where it could arrive in the future. Therefore, Oswego needs to engage in a visioning process to establish its identity, create a vision for its future, and develop a brand that it can market and sell to investors—businesses, workforce, residents, and visitors.

Conceptual Plan: This strategy is for Oswego to contract for visioning and branding services. This is conceptualized as a resident and stakeholder engagement process to work through and develop an Oswego identity, vision, and brand. It will include public meetings, community surveys, stakeholder focus groups, and development of vision and branding document.

Outcomes: The visioning and branding strategy will create a community image, pride, and confidence and will provide Oswego with a clear vision and marketable brand for investment.

4.4 – Economic Development Training: The work of economic development is not only about creating of an economic development strategy; it is also about incorporating the work of economic development in all aspects of government and governance. Oswego does not only need an economic investment strategy, as provided here, it needs to embrace and incorporate economic development into the everyday practices of government. Said another way, Oswego needs to create a culture of investment and economic development.

Conceptual Plan: This strategy is conceptualized as an Economic Development (training program) for Public Officials (EDPO). EDPO is a comprehensive education program for all government employees, elected officials, and appointed officials. The program works to not only educate but assist Oswego at incorporating economic development into every aspect of government—to create a government culture of economic development.

Outcomes: The EDPO strategy will address community image through the creation of a culture of investment and economic development within government.

4.5 – Downtown Business Association: Government is not the only entity responsible for governance and the systems and structures that shape place, space, and economic development. Oswego’s downtown business community is also responsible for the future and economic investment and development of Oswego’s downtown. While informal organizations—governance structures—exist in downtown, a more formal governance structure is needed in the form of an Oswego Downtown Business Association.

Conceptual Plan: This strategy is to provide start-up funding for the establishment, incorporation, and initial operation of a Downtown Business Association. Funding will cover the first year of starting the association that will then be funded by memberships, donations, and other sources.

Outcomes: The business association will address governance capacity, building a stronger governance structure for Oswego and its stakeholders.

4.6 – Hospitality Training: If Oswego is to build a tourism sector and compete for tourist and tourist spending, then Oswego needs to be tourism ready. That means all businesses and organizations involved in hospitality and tourism need to be tourism-ready and provide the highest quality of customer service. Therefore, Oswego needs to provide training to the hospitality and tourism sector to ensure that visitors have a positive and high-quality experience when visiting Oswego.

Conceptual Plan: This strategy is conceptualized as a two-part training program to provide visitor and customer service training to both the employees and owners/managers (train-the-trainer) in the hospitality and tourism sector. This program

is not meant to train the sector on how to do their jobs, but to educate them on their role in the greater tourism experience—how they fit in and how they can influence and enhance the visitor experience in Oswego.

Outcomes: The hospitality and tourism training will address community image and visitor experience.

4.7 – Lighthouse Association: As an icon of Oswego, an asset to the community and an important element of this economic investment strategy, the Lighthouse would benefit greatly from having its own stewards and governance structure. Therefore, the City should form a Lighthouse Association, possibly named “Friends of the Oswego Lighthouse.” This group would manage the lighthouse, oversee day-to-day operations, restoration, fundraising, etc.

Conceptual Plan: This strategy is to provide start-up funding for the establishment, incorporation, and initial operation of a Lighthouse Association. Funding will cover the first year of operations and memberships, donations, and other sources will fund ongoing operations.

Outcomes: The Lighthouse Association will address governance capacity, building a stronger governance structure for Oswego and its stakeholders, and ensuring ongoing support of the lighthouse and its iconic role in the waterfront and tourism.

5.0 Strategy – Infrastructure and Remediation: The overall economic investment strategy provides two opportunities to address infrastructure and environmental remediation needs. In addition, these two projects directly support the redevelopment of two of the three sites proposed for mixed-use infill projects.

5.1 – East 2nd Street Widening: If the Appraisal Gap Financing for the Sutton Midtown Plaza site and the redevelopment of the site moves forward, then funding will be required to widen East 2nd Street, thereby addressing the traffic circulation issues and enhancing the East 2nd Street gateway to the Port of Oswego.

Conceptual Plan: This project would provide a necessary improvement that will both address an infrastructure and safety need and compliment the redevelopment of both the Midtown Plaza site and Port of Oswego.

Outcomes: The widening of East 2nd Street will result in improved aesthetics, access, and visitor experience. In addition, it will improve commercial transportation and leverage private investment in the surrounding area.

Job Creation and Leverage: This infrastructure project will directly create construction jobs. Please see the Jobs and Leverage Matrix on page 00 for the jobs estimate and leverage ratio and amount.

5.2 – Flexo-Wire Site Remediation: For the Flexo-Wire site to be redeveloped, the existing building must first be demolished and the site cleaned of environmental contamination. Demolition and remediation cost in a weak real estate market further undermine the economic viability of the redevelopment. Therefore, the existing conditions of this site must be addressed.

Conceptual Plan: This project will result in environmental remediation that will address a need and allow for a feasible redevelopment of the Flexo-Wire site while enhancing the gateway to the waterfront.

Outcomes: The demolition and remediation of this site will create opportunities for redevelopment and improve the aesthetics of the highly visible gateway to the waterfront.

Job Creation and Leverage: This demolition and remediation project will directly create construction jobs. This remediation has the potential to be a catalyst for future job growth and redevelopment.

Oswego, New York – Economic Investment Strategy

Section IV. Budget

Budget - Oswego Economic Investment Strategy		Year 1	Year 2	Year 3	Year 4	Year 5	Total
Strategy 1.0 - Waterfront and Tourism							
1.1	Fort Ontario (and National Park)	\$200,000	\$400,000	\$400,000	\$900,000	\$2,000,000	\$3,900,000
1.2	Safe Haven (and National Park)	---	\$50,000	\$100,000	\$100,000	\$500,000	\$750,000
1.3	Oswego Lighthouse	\$100,000	\$200,000	\$300,000	---	---	\$600,000
1.4	City Pier Park, Dock, and Landscape	\$50,000	\$200,000	\$500,000	\$150,000	---	\$900,000
1.5	Historic and Heritage Investment Competition	\$200,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,400,000
1.6	Marine Sanctuary	---	---	---	---	\$1,000,000	\$1,000,000
Strategy 1.0 - Sub-Total =		\$550,000	\$1,150,000	\$1,600,000	\$1,450,000	\$3,800,000	\$8,550,000
Strategy 2.0 Downtown and Neighborhoods Investment							
2.1	Downtown Streetscape Improvements	\$300,000	\$300,000	\$400,000	---	---	\$1,000,000
2.2	Downtown Building Façade Improvement Program	\$100,000	\$200,000	\$300,000	\$200,000	\$200,000	\$1,000,000
2.3	Downtown Housing, Apartments (Appraisal Gap Financing)	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
2.4	Neighborhood Housing, Acquisition, Renovation, and Sale	\$100,000	\$200,000	\$200,000	\$300,000	\$200,000	\$1,000,000
Strategy 2.0 - Sub-Total =		\$800,000	\$1,000,000	\$1,200,000	\$800,000	\$700,000	\$4,500,000
Strategy 3.0 - Redevelopment Sites (Appraisal Gap Financing)							
3.1	Cahill Site	\$750,000	---	\$1,250,000	---	---	\$2,000,000
3.2	Flexo-Wire Site	---	---	---	\$1,000,000	\$1,000,000	\$2,000,000
3.3	Sutton Midtown Plaza Site	\$2,000,000	\$1,750,000	---	---	---	\$3,750,000
Strategy 3.0 - Sub-Total =		\$2,750,000	\$1,750,000	\$1,250,000	\$1,000,000	\$1,000,000	\$7,750,000
Strategy 4.0 Capacity Building							
4.1	Hospitality Workforce Development Program	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
4.2	Zoning Code Modernization, Updates and Amendments	\$25,000	\$25,000	---	---	---	\$50,000
4.3	Visioning, Identity, and Branding	\$50,000	---	---	---	---	\$50,000
4.4	Economic Development Training	---	\$25,000	\$10,000	\$10,000	\$10,000	\$55,000
4.5	Downtown Business Association	\$50,000	---	---	---	---	\$50,000
4.6	Tourism and Hospitality Training	---	---	30,000	\$10,000	\$10,000	\$50,000
4.7	Lighthouse Association	\$50,000	---	---	---	---	\$50,000
Strategy 4.0 - Sub-Total =		\$275,000	\$150,000	\$140,000	\$120,000	\$120,000	\$805,000
Strategy 5.0 Infrastructure and Remediation							
5.1	East 2 nd Street Widening	---	\$250,000	---	---	---	\$250,000
5.2	Flexo-Wire Site – Demolition & Environmental Remediation	---	---	---	\$650,000	---	\$650,000
Strategy 5.0 - Sub-Total =		---	\$250,000	---	\$650,000	---	\$900,000
Total =		\$4,375,000	\$4,300,000	\$4,190,000	\$4,020,000	\$5,620,000	\$22,505,000

Section V. Outcome Matrix

Oswego Economic Development Strategy Components	Improved aesthetic appeal	Reverse decline and disinvestment	Preservation of Historic Site	Improved gateway to Waterfront	Investment in Waterfront	Investment in downtown	Attract and retain residents and/or	Public investment to leverage private	Promote Tourism	Property Maintenance	Increased tax revenues	Sustainability and smart growth	Construction Jobs	Non-Construction Jobs
STRATEGY 1														
1. Waterfront and Tourism Enhancements														
1.1 Fort Ontario														
1.1a Fort Ontario Master Plan	x		x	x	x			x	x					x
1.1b Walking Trail and Ramp	x	x	x	x	x		x	x	x				x	
1.1c Mast-Style Flagpole	x		x	x					x				x	
1.1d Walking Trail around Perimeter	x		x		x		x	x	x	x			x	
1.1e Energy-efficient HVAC		x	x						x	x		x	x	
1.1f Annual military history conference			x		x		x		x		x			x
1.2 Oswego Lighthouse														
1.2a Restoration	x	x	x	x	x		x	x	x	x	x		x	
1.2b Boat	x			x	x		x	x	x		x			x
1.2c Sunset Dining Experience				x	x		x	x	x		x			x
1.3 City Pier Park														
1.3a Creation of Open Space	x	x		x	x		x	x	x			x	x	x
1.4 Investment Competition														
1.4a Competitive Grant Program	x	x	x		x	x		x	x				x	

Waterfront and tourism enhancements through the development of Fort Ontario as a premier historic and academic site, restoration and access to the Oswego Lighthouse, and the creation of City Pier Park enable Oswego to grow its wealth, workforce, resident population, and investments. Thoughtful investments guided by a Historic and Heritage Investment competition would provide a competitive grant program seeking proposals from the many historic, recreation, and heritage site and facilities and organizers that want to invest in their facilities. The cumulative effect of these strategies is to improve aesthetic appeal, reverse the decline and disinvestment, preserve historic sites, and create a culture of investment that would bring a new vibrancy to Oswego.

**Oswego Economic Development Strategy
Components**

	Improved aesthetic appeal	Reverse decline and disinvestment	Preservation of Historic Site	Improved gateway to Waterfront	Investment in Waterfront	Investment in downtown	Attract and retain residents and/or talent	Public investment to leverage private investment	Promote Tourism	Property Maintenance	Increased tax revenues	Sustainability and smart growth	Construction Jobs	Non-Construction Jobs
STRATEGY 2														
2. Downtown and Neighborhood Investment														
2.1 Streetscape Improvements														
2.1a Comprehensive Streetscape Program	x	x		x		x	x	x	x	x	x	x	x	x
2.2 Building Façade Improvement Program														
2.2a Façade Improvement Program	x	x		x		x	x	x		x	x	x	x	x
2.3 Downtown Housing, Apartments														
2.3a Gap Financing Program	x	x	x	x		x	x	x		x	x	x	x	
2.4 Neighborhood Housing														
2.4a Problem Property Program	x	x	x		x	x	x	x		x	x	x	x	x

Downtown and Neighborhood Investment programs will retain and attract a workforce and residents while improving the overall aesthetics of the urban core develop wealth, workforce, residents and investments in Oswego. The strategy will complement efforts to improve the waterfront, create a more robust tourism industry, and attract visitors and residents into Oswego's Downtown through streetscape and façade improvement, and construction of downtown housing and improvements in nearby neighborhoods.

Oswego Economic Development Strategy Components

	Improved aesthetic appeal	Reverse decline and disinvestment	Preservation of Historic Site	Improved gateway to Waterfront	Investment in Waterfront	Investment in downtown	Attract and retain residents and/or talent	Public investment to leverage private investment	Promote Tourism	Property Maintenance	Increased tax revenues	Sustainability and smart growth	Construction Jobs	Non-Construction Jobs
STRATEGY 3														
3. Three Development Sites														
3.1 Cahill Property														
3.1a Redevelopment of Cahill Property	x	x		x	x	x	x	x		x	x	x	x	x
3.2 Flexo-Wire Property														
3.2a Relocation, Demolition, Remediation	x	x		x		x						x	x	
3.2b Feasibility Study									x					x
3.2c Development of Visitor Center	x	x		x	x	x	x		x	x	x		x	x
3.3 Sutton Midtown Plaza Property														
3.3a Redevelopment of Sutton MP Property	x	x		x	x	x	x	x	x	x	x		x	x
3.3b East 2nd Street Widening	x	x		x	x				x				x	x

The Cahill Property, Flexo-Wire Property, and Sutton Midtown Plaza Property are best positioned for redevelopment based on their locations and potential catalysts for future job growth. These strategies will improve Oswego's aesthetic appeal, reverse decline and disinvestment of property, improve gateways to the waterfront, leverage private investment, and create construction and non-construction jobs.

Oswego Economic Development Strategy Components

	Improved aesthetic appeal Reverse decline and disinvestment	Preservation of Historic Site Improved gateway to Waterfront	Investment in Waterfront	Investment in downtown	Attract and retain residents and/or talent	Public investment to leverage private investment	Promote Tourism	Property Maintenance	Increased tax revenues	Sustainability and smart growth	Construction Jobs	Non-Construction Jobs
STRATEGY 4												
4. Capacity Building												
4.1 Hospitality Program												
4.1a Workforce Attraction and Retention					x	x	x		x			x
4.2 Zoning Update												
4.2a Zoning Diagnostic Report					x	x		x	x	x		x
4.3 Vision, Identity, Branding												
4.3a Vision and Branding Services	x		x	x	x	x	x					x
4.4 Economic Development Training												
4.4a EDPO Program	x	x			x				x			x
4.5 Downtown Business Association												
4.5a Formation of DBA	x	x			x	x		x	x			x
4.6 Hospitality Training												
4.6a Two-part Hospitality Training Program	x			x	x	x		x	x			x
4.7 Lighthouse Association												
4.7a Formation of Lighthouse Association	x	x	x	x	x	x	x	x	x			x

These seven projects within this strategy will result in Oswego possessing ample capacity for economic investment and improvement by growing businesses, jobs, and wealth, while attracting and retaining talent that will benefit the growth of a robust tourism sector.

Oswego Economic Development Strategy Components

	Improved aesthetic appeal	Reverse decline and disinvestment	Preservation of Historic Site	Improved gateway to Waterfront	Investment in Waterfront	Investment in downtown	Attract and retain residents and/or talent	Public investment to leverage private investment	Promote Tourism	Property Maintenance	Increased tax revenues	Sustainability and smart growth	Construction Jobs	Non-Construction Jobs
STRATEGY 5														
5. Infrastructure and Remediation														
5.1 East 2nd Street Widening														
5.1a Widen E. 2nd St., Enhance Gateway	x	x		x	x	x		x	x		x		x	
5.2 Flexo-Wire Site Remediation														
5.2a Demolition and Remediation	x	x		x	x	x	x	x	x	x	x	x	x	

Infrastructure and remediation improvements through the East 2nd Street widening and Flexo-Wire site remediation will directly support redevelopment, leading to improved aesthetics, access, and visitor experiences. In addition, it will improve commercial transportation and leverage private investment in the surrounding area. These strategies will help to reverse decline and disinvestment and create construction jobs.

Section VI. Jobs Matrix

A primary goal of URI is to create jobs. Although Oswego’s strategy focuses workforce attraction and retention, the strategy still works toward job creation, specifically creating a robust tourism industry that has the potential to create hundreds, possibly thousands of new jobs if it is fully realized. Therefore, the following table provides estimates for job creation as the result of Oswego’s strategy and the investment of URI/CNY funds. Job growth is presented in three categories: Construction Jobs, Permanent Jobs, and Potential Jobs. The potential jobs are conservative estimates for jobs resulting from economic growth in Oswego. Jobs are calculated based on full-time equivalent employment using the CNY 2013 average wage of \$41,844. Oswego’s strategy results in job creation equaling a total of 474.9 new jobs, 273.9 construction, 68 permanent, and 133 potential new jobs.

Job Creation - Oswego Economic Investment Strategy		Construction Jobs	Permanent Jobs	Potential Jobs	Total
Strategy 1.0 - Waterfront and Tourism		113.10	21.0	72.0	206.1
1.1	Fort Ontario (National Park)	47.8	5.0	20.0	62.8
1.2	Safe Haven (National Park)	3.6	2.0	8.0	13.6
1.3	Oswego Lighthouse	2.9	2.0	8.0	12.9
1.4	City Pier Park, Dock, and Landscape	4.3	1.0	3.0	8.3
1.5	Historic and Heritage Investment Competition	6.7	3.0	3.0	12.7
1.6	Marine Sanctuary	47.8	8.0	30.0	85.8
Strategy 2.0 Downtown and Neighborhoods Investment		42.6	6.0	14.0	62.6
2.1	Downtown Streetscape Improvements	9.4	0.0	4.0	13.4
2.2	Downtown Building Façade Improvement Program	9.4	0.0	2.0	11.4
2.3	Downtown Housing, Apartments (Appraisal Gap Financing)	14.4	4.0	2.0	20.1
2.4	Neighborhood Housing, Acquisition, Renovation, and Sale	9.4	2.0	6.0	17.4
Strategy 3.0 - Redevelopment Sites (Appraisal Gap Financing)		107.9	28.0	24.0	159.9
3.1	Cahill Site	36.4	8.0	16.0	60.4
3.2	Flexo-Wire Site	47.7	5.0	5.0	57.7
3.3	Sutton Midtown Plaza Site	23.8	15.0	3.0	41.8
Strategy 4.0 Capacity Building		6.0	13.0	23.0	42.0
4.1	Hospitality Workforce Development Program	0.0	10.0	20.0	30.0
4.2	Zoning Code Modernization, Updates and Amendments	1.0	0.0	0.0	1.0
4.3	Visioning, Identity, and Branding	1.0	0.0	0.0	1.0
4.4	Economic Development Training	1.0	1.0	0.0	2.0
4.5	Downtown Business Association	1.0	1.0	1.0	3.0
4.6	Tourism and Hospitality Training	1.0	0.0	0.0	1.0
4.7	Lighthouse Association	1.0	1.0	2.0	4.0
Strategy 5.0 Infrastructure and Remediation		4.3	0.0	0.0	4.3
5.1	East 2 nd Street Widening	1.2	0.0	0	1.2
5.2	Flexo-Wire Site – Demolition & Environmental Remediation	3.1	0.0	0	3.1

Section VII. Calculating Leverage

The Oswego economic investment strategy is targeting the conditions that harm Oswego's ability to attract and retain wealth, workforce, residents, and investment., The direct private investment generated by the URI funding, will only account for a portion of the actual leverage, (thought missing) the value generated by the URI funds and Oswego strategy.

For example, Strategy 2.4 (Neighborhood Housing) will utilize URI funds to create incentives for the acquisition of distressed properties in neighborhoods adjacent to downtown as a means of arresting decline and restoring value that is lost to neighboring properties as a result of the distressed property. The czb 2014 housing report for the Oswego Renaissance Association (ORA) details that a distressed property on a mostly healthy block depreciates the value of other properties on the block by 20%. Therefore, the homes valued at \$80,000 on the block with a distressed property would be valued at \$96,000 or 20% more (\$16,000) if that distressed property were not distressed. Therefore, a block with 10 houses valued at \$80,000 could realize as much \$160,000 in real value once the distressed property is addressed.

The way the neighborhood housing funds would be used, the ORA would offer a \$40,000 incentive (grant) to a developer to purchase a distressed property and rehabilitate the property. For example, let's say the developer purchases the distressed property for \$70,000 and invests \$50,000 in rehabbing the property that can sell for \$96,000. The ORA would provide \$30,000 to the developer to offset the gap between costs and return. In this scenario the URI/ORA \$30,000 would generate private investment of \$90,000 or a leverage ratio of 1:3, less than the target of a 1:5 ratio. However, the leverage ratio calculation does not account for the 'Value Added' in equity (20%), real value (\$16,000), to the other properties (10 properties x \$16,000 = \$160,000) on this block as a result of this strategic investment. Adding the \$160,000 in equity value to the developer's investment of \$90,000 equals a total leveraged value of \$250,000 or an effective leverage ratio of approximately 1:8.

Therefore, the Total Value column provides the combined total of the Direct Value and Value Added amounts and the E-Total column provides the Effective Ratio for leverage with the 'value added' on the strategic investment included. Similar assumptions and calculations are made for other investments, such as, streetscape improvements, façade improvements, and the redevelopment sites based on existing research and studies. The table on the following page provides a summary of leverage calculated for the Oswego economic investment strategy. The Oswego strategy has a URI leverage ratio 1:2.8 and an 'effective' leverage ratio of 1:6.1. The table is followed by notes that explain the assumptions related to direct value and value added estimates.

Section VIII. Leverage Matrix

Leverage - Oswego Economic Investment Strategy		URI Funds	Ratio	Direct Value	Value Added	Total Value	E-Ratio
Strategy 1.0 - Waterfront and Tourism							
1.1	Fort Ontario (and National Park)	\$3,900,000	1:9.2	\$7,500,000	\$16,125,000	\$23,625,000	1:6
1.2	Safe Haven (and National Park)	\$750,000	1:3.3	\$2,500,000	\$16,125,000	\$18,625,000	1:24
1.3	Oswego Lighthouse	\$600,000	1:0	\$000	\$1,300,000	\$1,300,000	1:2
1.4	City Pier Park, Dock, and Landscape	\$900,000	1:0	\$000	\$2,700,000	\$2,700,000	1:3
1.5	Historic and Heritage Investment Competition	\$1,400,000	1:3	\$4,200,000	\$1,290,000	\$5,490,000	1:3.9
1.6	Marine Sanctuary	\$1,000,000	1:10	\$10,000,000	\$10,000,000	\$20,000,000	1:20
Strategy 1.0 – Waterfront and Tourism – Total =		\$8,550,000	1:2.8	\$24,200,000	\$47,540,000	\$71,940,000	1:8.4
Strategy 2.0 Downtown and Neighborhoods Investment							
2.1	Downtown Streetscape Improvements	\$1,000,000	1:0	\$000	\$6,000,000	\$6,000,000	1:6
2.2	Downtown Building Façade Improvement Program	\$1,000,000	1:3	\$3,000,000	\$3,560,000	\$6,560,000	1:6.6
2.3	Downtown Housing, Apartments (Appraisal Gap Financing)	\$1,500,000	1:3	\$4,500,000	\$6,000,000	\$10,500,000	1:7
2.4	Neighborhood Housing, Acquisition, Renovation, and Sale	\$1,000,000	1:3	\$3,000,000	\$4,000,000	\$7,000,000	1:7
Strategy 2.0 Workforce Retention and Attraction – Investment – Total =		\$4,500,000	1:2.3	10,500,000	\$19,560,000	\$30,060,000	1:6.7
Strategy 3.0 – Redevelopment Sites (Appraisal Gap Financing)							
3.1	Cahill Site	\$2,000,000	1:3	\$6,000,000	\$2,500,000	\$8,500,000	1:4.3
3.2	Flexo-Wire Site	\$2,000,000	1:4	\$8,000,000	\$750,000	\$8,750,000	1:4.4
3.3	Sutton Midtown Plaza Site	\$3,750,000	1:3	\$12,250,000	\$1,500,000	\$11,500,000	1:2.3
Strategy 3.0 – Redevelopment Sites (Appraisal Gap Financing) – Total =		\$7,750,000	1:3.9	\$26,250,000	\$4,750,000	\$31,000,000	1:4
Strategy 4.0 Capacity Building							
4.1	Hospitality Workforce Development Program	\$500,000	1:4	\$2,000,000	\$1,000,000	\$5,000,000	1:5
4.2	Zoning Code Modernization, Updates and Amendments	\$50,000	1:0	\$000	\$250,000	\$100,000	1:2
4.3	Visioning, Identity, and Branding	\$50,000	1:0	\$000	\$100,000	\$100,000	1:2
4.4	Economic Development Training	\$55,000	1:0	\$000	\$100,000	\$100,000	1:2
4.5	Downtown Business Association	\$50,000	1:0	\$000	\$100,000	\$100,000	1:2
4.6	Tourism and Hospitality Training	\$50,000	1:0	\$000	\$100,000	\$100,000	1:2
4.7	Lighthouse Association	\$50,000	1:0	\$000	\$375,000	\$375,000	1:5
Strategy 4.0 Capacity Building – Total =		\$805,00	2.48	\$2,000,000	\$2,025,000	\$4,025,000	1:5
Strategy 5.0 Infrastructure and Remediation							
5.1	East 2 nd Street Widening	\$250,000	1:0	\$000	\$000	\$000	1:0
5.2	Flexo-Wire Site – Demolition and Environmental Remediation	\$650,000	1:0	\$000	\$000	\$000	1:0
Strategy 5.0 Infrastructure and Remediation – Total =		\$900,000	1.0	\$000	\$000	\$000	1:0
Total =		\$22,505,000	1:2.80	\$62,950,000	\$73,875,000	\$137,025,000	1:6.1

Leveraged Investment Notes:

Strategy 1.1 and 1.2 (Fort Ontario, Safe Haven, and National Park Designation): The combined URI investments into these two sites and strategies total \$3,900,000. A total of \$1,400,000 is being invested into the facilities to improve conditions, make them visitor ready, enhance the visitor experience, better connect the sites to downtown Oswego, and to ultimately increase the number of visitors per year. The balance, \$2,500,000 is allocated to incentivize federal government investment in a National Park. The federal government investments are assumed to be valued at a minimum of \$10,000,000 and in the form of a visitor center and other improvements. The value added assumes 50,000 visitors per year (combined for both sites) once designated as a National Park and utilizes the IRS per diem rate for traveler spending of \$129.00.

Strategy 1.3 (Oswego Lighthouse): The URI investment for the Lighthouse is \$650,000. It is hard to calculate value added on this investment since the site is in the middle of the harbor. However, not all value can be calculated in dollar value, especially value of increased sense and pride of place. The renovations of the Lighthouse and public access to the Lighthouse via tours will have tremendous positive impact on the Oswego community and visitors. In addition, the Lighthouse and Lighthouse Tours will generate tourism, visitors and spending. Therefore, value added in the first five years is estimated at double the value of investment.

Strategy 1.4 (City Pier Park): The URI investment for the City Pier Park is \$900,000. The same assumptions are made for the Park as the Lighthouse above. However, the creation of a public park (a well-designed and aesthetically pleasing) that provides access to the waterfront and improves the overall aesthetics of City Pier will add value to the Marina and should increase visitation, utilization, and slip rentals. Therefore, value added is assumed at three times the investment in the first five years.

Strategy 1.5 (Historic and Heritage investment Competition): The URI investment for this program and strategy is \$1,400,000. As explain above, this will be a competitive grant program to historic, heritage, and cultural institutions making investments in their sites, facilities, and visitor experiences. It is intended to be a 1 to 3 grant and therefore has a direct value (leverage) of three times the investments. However, the investment in these sites will help to improve tourism and visitation to Oswego. Therefore, a total of 10,000 new visitors is assumed over the first five years for value added and calculated at the IRS per diem rate.

Strategy 1.6 (Marine Sanctuary): The URI investment for this project is \$1,000,000 and is intended to incentivize a federal investment estimated at \$10,000,000 in the Sanctuary. In addition, based on economic impact studies on marine sanctuaries in Michigan, Florida, and California, an additional value added economic impact is assumed in the first five years.

Strategy 2.1 (Downtown Streetscape Improvements): The URI investment for this project is \$1,000,000. While direct value, private investment, is not available for such a strategy and investment, value added is significant. A report and economic impact study issued by the Lakeview East Chamber of Commerce quantified the value added from comprehensive streetscape investments locally and around the country. While value added varied from place to place, the studies showed positive impacts on the number of businesses, total sales (sales tax returns), private investment, and increased property values (increased property tax returns). Therefore, a conservative value added figure was estimated for the first five years.

Strategy 2.2 (Downtown Building Façade Improvement Program): The URI investment for this strategy and program is \$1,000,000. The program is designed to incentivize and leverage façade improvements by property owners and will provide grants for 25% of the owner improvements. Value added is based on the elimination of deteriorating conditions and improving property values over the first five years, also resulting in increased property tax revenue.

Strategy 2.3 (Downtown Housing, Apartments – Gap Financing): The URI investment for this strategy and program is \$1,000,000. The program is designed to incentivize private investment and development of apartments in downtown by providing appraisal gap financing to fund the gap between development costs and return on investment. Therefore, this program creates direct leverage by providing approximately 25% of the costs, leveraging 60% private investment. Value added is assumed on new taxable, increased property values, and increased tax revenues over the first five years.

Strategy 2.4 (Neighborhood Housing): The URI investment for this strategy and program is \$1,000,000. The program is designed to incentivize acquisition and rehabilitation of distressed properties on residential blocks near downtown. This strategy was explained and discussed in the introduction above. The strategy will provide both direct investment and value added. Value added is based on the elimination of deteriorating conditions and improving property values over the first five years, also resulting in increased property tax revenue.

Strategy 3.1, 3.2, and 3.3 (Redevelopment Sites – Appraisal Gap Financing): The URI investment for this strategy and program is \$7,500,000. The program is designed to incentivize the redevelopment of three strategic sites in downtown primarily for mixed-use development. Of the \$7,750,000, \$7,000,000 is allocated for gap financing, and \$750,000 for property stabilization of the Cahill site. Therefore, this strategy provides both direct investment and value added. Value added is based on the elimination of deteriorating conditions, improved property values of nearby properties, and increased tax revenue over the first five years.

Strategy 4.1 – 4-7 (Capacity Building): The URI investment for this strategy and programs is only \$805,000. These tactics are designed to build capacity for the implementation of the overall strategy and to provide greater capacity to continue economic investment in the future. They are foundational to the overall strategy, but do not allow for leverage. Therefore they need to be absorbed into the overall strategy and leverage calculations.

Strategy 5.1 and 5.2 (Infrastructure): The URI investment for this strategy is only \$900,000. These two projects are designed to support other projects in the strategy above, allowing for economic investment now and in the future. They are foundational to the overall strategy, but do not allow for leverage. Therefore they need to be absorbed into the overall strategy and leverage calculations.

Appendix



Oswego Economic Investment Strategy

Appendix I: Demographic and Socio-Economic Data

Population	Oswego	Baldwinsville	Oswego County	New York
Population 2014	18,126	7,464	120,913	19,746,227
Population 2010	18,142	7,378	122,109	19,378,102
Persons under 5 years	6.1%	5.3%	5.6%	6.0%
Persons under 18 years	20.7%	23.4%	21.9%	21.6%
Persons 65 years and over	15.1%	17.7%	14.0%	14.4%
Female persons	51.7%	52.7%	50.1%	51.5%

Race	Oswego	Baldwinsville	Oswego County	New York
White alone 2013	94.8%	95.9%	96.5%	70.9%
Black or African American alone 2013	1.3%	0.9%	1.0%	17.5%
Hispanic or Latino 2013	4.4%	1.8%	2.3%	18.4%
White alone, not Hispanic or Latino 2013	91.7%	94.8%	94.6%	57.2%

Education	Oswego	Baldwinsville	Oswego County	New York
High school graduate or higher, age 25+ 2009-2013	86.8%	91.2%	86.4%	85.2%
Bachelor's degree or higher, age 25+ 2009-2013	25.0%	31.3%	17.2%	33.2%

Housing, Households, and Income	Oswego	Baldwinsville	Oswego County	New York
Housing units 2013	8,068	3,274	53,442	8,126,026
Homeownership rate 2009-2013	51.9%	63.2%	72.4%	54.2%
Housing units in multi-unit structures 2009-2013	34.8%	40.2%	16.6%	50.6%
Median value of owner-occupied housing units 2009-2013	\$84,400	\$115,800	\$93,000	\$288,200
Households 2009-2013	7,476	3,115	45,325	7,234,743
Persons per household 2009-2013	2.3	2.32	2.57	2.61
Per capita income 2009-2013	\$23,230	\$25,872	\$23,126	\$32,382
Median household income 2009-2013	\$40,140	\$51,577	\$48,051	\$58,003
Persons below poverty level 2009-2013	27.5%	11.4%	17.4%	15.3%
Unemployment 2015	7.6%	5.20%	6.9%	5.3%

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Population by Occupation	Oswego	Baldwinsville
Management, business, finance	8.41%	14.74%
Engineering, computers, science	2.38%	4.18%
Community, social services	3.23%	2.56%
Legal	0.97%	1.53%
Education, library	10.79%	9.09%
Arts, design, media, sports, entertainment	2.19%	0.34%
Healthcare practitioners and technology	6.68%	3.97%
Healthcare support	3.26%	3.36%
Firefighters, law enforcement	2.12%	3.81%
Food preparation, serving	12.01%	4.73%
Building maintenance	4.35%	1.37%
Personal care	3.16%	4.39%
Sales, office, administrative support	19.19%	31.70%
Farming, fishing, forestry	0.00%	0.28%
Construction, extraction, maintenance/repair	9.74%	6.71%
Production, transportation, material moving	11.53%	7.26%

Household Income	Oswego	Baldwinsville
Income Less Than 15K	21.47%	15.53%
Income between 15K and 20K	6.40%	6.18%
Income between 20K and 30K	12.11%	10.31%
Income between 30K and 40K	8.36%	11.18%
Income between 40K and 50K	10.56%	6.34%
Income between 50K and 60K	8.56%	9.80%
Income between 60K and 75K	9.92%	10.76%
Income between 75K and 100K	10.63%	12.46%
Income between 100K and 150K	8.75%	13.22%
Income between 150K and 200K	1.92%	2.47%
Income greater than 200K	1.32%	1.76%

Appendix II: Methodology

To develop this strategy and proposal, the City of Oswego engaged in an intensive data-driven analysis of the local, county, and regional economy. This analysis included demographic, economic, labor, housing, tourism, and consumer data produced by federal, regional, county, and local government sources and independent reports and commercial market research products. Therefore, the strategy is based on sound research and theory, including an extensive literature review of academic research in the areas of smart growth, economic development, urban ecology, urban theory, complexity theory, creativity, and innovation.

Oswego also engaged in an intensive public engagement processes. This process included the facilitation of five stakeholder focus groups—small businesses, large employers, residents, tourism (including hospitality, arts, and culture), and government officials (local and county)—that were conducted over a two day period. In addition, the draft of the economic investment strategy was presented to a final stakeholder group of 15 persons that was made up of representatives of the five-focus groups. This was to allow for feedback on the strategy and to ensure support for the strategy.

As part of the overall research, in order to fill out the empirical research, a dozen site visits, including a walking tour and boat tours were conducted. In addition, a dozen informal interviews and discussions were conducted with local business owners, a bank president, non-profit executive directors, and the Oswego Port Director.

Appendix III: Oswego's Progress and Momentum

Over the last five years Oswego have experienced some positive signs of improvement and investment. In addition, there have many efforts by government, businesses, institutions, and residents to build upon these improvements and improvement. The URI funding would go long way to continue and build on this progress and momentum. The following is a sample of what has occurred in Oswego over the past 5 years and is currently ongoing:

- Stevedore Lofts Mixed Use Rehabilitation of an historic structure
- Seaway Lofts Housing Rehabilitation of an historic structure
- Lake Ontario Conference Center and Alex's on the Water Restaurant
- Oswego Renaissance Association - investment in strategic neighborhoods, over 200 homes, by end of 2015 \$750-\$1M in leveraged investment into housing and parks
- Novelis - donated \$65K in 2013 and 2014 to the ORA for a variety of community projects including a Tree Canopy Project that planted 72 trees on Bridge Street, the Montcalm Park Bench Restoration, and the Washington Park Playground Renovation
- City of Oswego - Development of Zoning Code Enforcement Officer position
- City of Oswego - Development of professionally staffed Planning Department combined with existing Zoning Department
- City of Oswego - more professional standards for Building Code Enforcement
- The Richard S. Shineman Foundation was founded to provide grant money to local not-for-profit partners and whose vision is to be a transformative "Catalyst for Change" to create a vibrant community life for the Oswego County Region.
- Hands on Oswego - A volunteer group dedicated to the clean up and restoration of Oswego's public spaces.
- Main Street Façade Improvements in Historic Downtown Area.
- Port of Oswego - \$40M from State for rail lines and yards that will help connect the Port with the Port of NY/NJ. \$18.9M from Army Corps of Engineers to restore breakwall.
- SUNY Oswego - continued investments. \$800M in investments over the past 15 years.
- Novelis - \$120M to install a 3rd line for automotive aluminum sheet finishing and 90 new jobs
- Additional Events beyond Harborfest - Paddlefest, Octoberfest, etc.

Appendix IV: Focus Group Attendance and Representation

Session #1 - Small Business	July 16, 2015
Name	Organization
Amy Lear	Man in the Moon Candies
Anne Backer	Taste the World Coffee
Linda Tyrrell	Harbor Towne Gifts
Greg Mills	Chamber of Commerce
John Fitzgibbons	Fitzgibbons Insurance and Realty
John Spaulding	Palladium Times Newspaper
Michael Leszczynski	Dynamic Audio
Lisa Shaw	Oswego Tea Company
Austin Wheelock	Operation Oswego County
Bob Bateman	Cakes Galore & More
Shane Stepien	Step One Creative
Nick Canale	Canale's Italian Restaurant
Bob Ruggio	Energetics
Jim Bell	Jim Bell Construction
Heathe Jones	cre8 Studios
Chris Jones	cre8 Studios
Amy Birdsall	City of Oswego - Planning and Zoning Director
Don Poland	Connecticut Planning and Consulting
Nicolette Barber	Hunt Engineers, Architects, and Surveyors

Session #2 - Large Business	July 16, 2015
Name	Organization
Dan Phillips	Pathfinder Bank
Carla DeShaw's representative	Cayuga Community College
Jeff Coakley	Oswego Health
Pete Cullinan	Entergy
Diane Cooper Currier	OCO
Mike Treadwell	Operation Oswego County
Jeff Grimshaw	SUNY Oswego Office of Business and Community Relations
Louis Fournier	Sutton Real Estate/Midtown Plaza
Barb Bateman	NBT Bank
Austin Wheelock	Operation Oswego County
Amy Birdsall	City of Oswego - Planning and Zoning Director
Don Poland	Connecticut Planning and Consulting
Nicolette Barber	Hunt Engineers, Architects, and Surveyors

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Session #3 - Public Session	July 16, 2015
Name	Organization
John Enwright	Resident
Pat McLaughlin	City of Oswego - Councilor
David Granoff	Resident
Amy Birdsall	City of Oswego - Planning and Zoning Director
Don Poland	Connecticut Planning and Consulting
Nicolette Barber	Hunt Engineers, Architects, and Surveyors

Session #4 - Tourism, Arts, Culture	July 17, 2015
Name	Organization
Paul Lear	Fort Ontario
John Enwright	Yacht club
Chris Jones	cre8 Studios
Heathe Jones	cre8 Studios
Laurie Kester	Arts Association of Oswego
Ric Sivers	Oswego Players
Jon Shaver	Children's Museum of Oswego
Jill Shaver	Children's Museum of Oswego
Victoria Usherwood	I heart Oswego
Chena Tucker	Harborfest/ SUNY Oswego OCBR
Michelle Southgate	Lakeside Artisans
John Shaffer	Artswego / SUNY Oswego
Laurie O'Brien	Port City Café / Red Sun Roasting Company
Kevin Davis	Catch the Drift Charters
Debbie Bond	Oswego Speedway
Austin Wheelock	Operation Oswego County
Ted Panayotoff	Maritime Museum / Lighthouse
Jo Panayotoff	Maritime Museum / Lighthouse
Mercedes Niess	Maritime Museum
Mary Ellen Barbeau	Oswego County Tourism / Safe Haven
Tom Kells	City of Oswego - Waterfront Director
Amy Birdsall	City of Oswego - Planning and Zoning Director
Don Poland	Connecticut Planning and Consulting
Nicolette Barber	Hunt Engineers, Architects, and Surveyors

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Session #5 - Government Officials	
July 17, 2015	
Name	Organization
Tom Gillen	City of Oswego – Mayor
Amy Tresidder	Oswego County - Legislator
Justin Rudgick	City of Oswego - Com Development Director
Phil Church	Oswego County – Administrator
Lt. Zac Misztal	City of Oswego - Police Dept.
Mike Smith	City of Oswego - DPW Commissioner
Robert Johnson	City of Oswego - Engineering Dept
Amy Birdsall	City of Oswego - Planning and Zoning Director
Don Poland	Connecticut Planning and Consulting

Session #6 - Strategy Presentation	
July 31, 2015	
Name	Organization
Dan Phillips	Pathfinder Bank
Deborah Stanley	SUNY Oswego - President
Mike Treadwell	Operation Oswego County
Austin Wheelock	Operation Oswego County
Phil Church	Oswego County - Administrator
Chris Jones	cre8 Studios
Heathe Jones	cre8 Studios
Laurie O'Brien	Port City Café / Red Sun Roasting Company
Mayor Gillen	City of Oswego - Mayor
Anne Backer	Taste of the World Coffee
Pat McLaughlin	City of Oswego - Councilor
Fran Enwright	City of Oswego - Councilor
Amy Tressidder	Oswego County - Legislator
Amy Birdsall	City of Oswego - Planning and Zoning Director
Don Poland	Connecticut Planning and Consulting

Appendix V: Focus Group Notes

Session #1 – Small Business	
<p>Middle class, young professionals – social and housing needs unmet Workers of major employers – SUNY, Novelis, Oswego Health typically don't reside in Oswego, but in suburbs like Baldwinsville/Radisson Substandard housing stock doesn't allow Oswego to compete in the marketplace Oswego has been a blue collar town that hasn't embraced tourism – it hasn't developed a new identity We don't know who we are or want to be Oswego does a poor job of marketing itself</p> <p><u>Challenges:</u> High Taxes – mostly on the backs of the homeowners City processes – clear path to development, the process requires too many hoops and is too time consuming *** Canale's experience in Liverpool – hurdles to development 2x as high We have a perception that we are poor, that we have a high poverty rate</p> <p><u>Czar for a Day – One Improvement:</u> Beach Big Investors to invest in waterfront Maximize waterfront, quality of life and tourism Make Oswego a destination place Comprehensively plan our travel – roads, biking, walking trails, everything is fragmented Make it more attractive Change people's perception of downtown shopping district Embrace a downtown marketing campaign – via web Build a strong team – planning, strategy, etc.</p>	<p><u>Strengths:</u> Water People/family values SUNY Downtown</p> <p><u>Weaknesses:</u> Landlocked We don't attract / retain young professionals No branding or marketing Waterfront inaccessible</p> <p><u>Solutions:</u> Capitalize on waterfront Change the culture at City Hall – see the community as customer Port Authority – take property back – put in public domain for recreation Develop a strategic plan Develop dntwn districts / arts district Roll up sleeves and get involved to make city a better place – support leaders and system Make Oswego a destination – a place where there is something for wives (women) to do Tourism Encourage jobs that provide a living wage / tourism jobs are low paying jobs SUNY – students vs available jobs Hospital created collaboration with Cayuga Community College – more partnerships Develop proper workforce alignment with available jobs</p>

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Session #2 – Large Business	
<p><u>What's positive?</u></p> <p>ORA</p> <p>Community collaboration – everyone pulls together even with limited resources</p> <p>Cost of living is less - \$ goes further</p> <p>Undervalued stock – get in now</p> <p>Novelis – 1000 employees</p> <p>SUNY Oswego – has built an engineering program</p> <p>Champlain Valley – apple processing – 200 employees</p> <p>SUNY and Cayuga Community College have refocused programming to help develop workforce</p> <p><u>What's challenging?</u></p> <p>Manufacturing losses have been significant over the past 30 years</p> <p>We don't have any commercial buildings ready to sell or lease to companies</p> <p>Brownfield sites – clean up or have developer clean up?</p> <p>Employer - \$170K (vs \$120K) for high-skill position/ higher cost to attract.</p> <p>Poverty a burden on the health care system/ training has become challenging, there is no immediate feeder</p> <p>Lifestyle options – 18-24 year olds</p> <p>Lack of diversity</p> <p>Major turnover as baby boomers retire in 5 years+/ institutional knowledge lost</p> <p>Identity and lack of pride</p> <p>Willingness of people to work at low level positions</p> <p>Negative signals to investors – gateways and corridors</p> <p>Construction cost vs. Property Value/ROI</p> <p>Inferiority Complex</p>	<p><u>Opportunities</u></p> <p>Marketing of winter activities</p> <p>Connect needs of workforce to learning and courses</p> <p>Increase lifestyle and recreational choices</p> <p>Dr.'s say that we are better than other small rust belt towns they have looked at</p> <p>We have a great mix of businesses</p>

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Session #3 – Public Session	
<p><u>Challenges:</u></p> <p>Leftovers from manufacturing</p> <p>Power plants at reduced capacity</p> <p>Stronger economy brings in support professionals</p> <p>There are a lot of people struggling, getting jobs here is #1.</p> <p>We have lost our self-esteem that we had growing up. We've lost that identity.</p> <p>Positive things going on. Taking on projects. Civic Pride. Good momentum. Nice to keep going.</p> <p>Raising taxes has had a negative impact on morale.</p> <p>City deserves to see investment downtown. Hopefully we can win some money.</p> <p>We have untapped potential. Citizens deserve it.</p> <p>City suffers from a lack of planning.</p> <p>Quick buck vs. thoughtful planning</p> <p><u>Assets:</u></p> <p>Waterfront #1</p> <p>Sportsman - hunting and fishing</p> <p>Boat owners - oswego residents / Syracuse area 50/50</p> <p>Marina competition - east side - they offer services the west side doesn't. Other Marina's – Fair Haven and Sackett's Harbor. They have a beach and a large bay with summer homes on it. It is a tourist destination and a place for summer home owners to enjoy small town life. Quaint. Sackett's Harbor is to the north about 45 miles. Larger, more expensive boats, very quaint small town with historical roots. They have reinvented themselves in the last 10-15 years. The money flows down from the 1000 islands area to about Sackett's Harbor – lots of islands and quaint places to visit via boat.</p> <p>Tourism - visitoswegony.org - hasn't been backed</p> <p>Oswego County business mag – good promotion of City</p> <p>Harborfest – major summer festival</p> <p>Waterways - canal / lake</p>	<p><u>Opportunities - If you could change 1 thing?</u></p> <p>Marketing</p> <p>Promotion</p> <p>competing and developing awareness</p> <p>jobs</p> <p>tax revenue from jobs</p>

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Session #4 – Tourism, Arts, and Culture	
<p><u>Challenges:</u></p> <p>Tourism as a business isn't valued</p> <p>Getting people to stop and stay</p> <p>If the location isn't visually accessible or obvious, lost opportunity</p> <p>Outsider's perception is that there isn't a whole lot to do</p> <p>No beach or waterfront access</p> <p>McCrobie bldg. is underutilized (This building is adjacent to Breitbeck park and the overlook. Former yacht club)</p> <p>Lack of focus</p> <p>Government doesn't take lead in getting project completed</p> <p>Inconsistency in vision and implementation</p> <p>A lack of professional staff</p> <p>20 years – 4 plans, little results, no follow through</p> <p>Arts are not valued by politicians</p> <p>Lack of parking – signage, connections</p> <p>Fractured groups – confusing and frustrating</p> <p>Municipal website is terrible</p> <p><u>Strengths:</u></p> <p>Port</p> <p>Breitbeck Park / Marina</p> <p>Fort Ontario - Cultural heritage</p> <p>Yacht Club / Pier</p> <p>Victorian Homes / Structures</p> <p>Educated Workforce</p> <p>College Town</p> <p>Talented Musicians</p> <p>Conference Center</p> <p>People – dedicated and hardworking</p> <p>Façade Improvements Dntwn</p> <p>Good Restaurants</p>	<p><u>What is the difference between Mystic / Saratoga and Oswego?</u></p> <p>Poverty</p> <p>Our own attitude</p> <p>Aesthetics - Not polished</p> <p><u>In order to have tourism, what has to change?</u></p> <p>We have to be welcoming and customer friendly</p> <p>Disney is the ultimate in customer experience</p> <p>Vegetation – softness / City of beautiful flowers – 40's and 50's</p> <p><u>How do we fund tourism?</u></p> <p>Parking – paid parking</p> <p>Capacity to reinvest in tourism and our own infrastructure</p> <p><u>Fort Ontario</u></p> <p>Visitor's Center – needs upgrades</p> <p>Players / Art Assoc – needs upgrades</p> <p>Safe Haven – needs upgrades</p> <p>Hockey</p> <p>Pool</p> <p>Little League Fields</p> <p>There are no connections to the community / signage wayfinding / attractive gateway</p>

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Session #5 – Government Officials	
<p><u>Challenges:</u></p> <p>Negativity – the best times are behind us/ why would anyone come here</p> <p>We don't need jobs / we need housing</p> <p>How can we attract babyboomers and millennials</p> <p># of residents on welfare</p> <p>Housing stock deteriorating</p> <p>Taxes – non-taxable property from large assets</p> <p>Taxed out homeowners</p> <p>Quality of life issues</p> <p>Marketing issues</p> <p>Deregulation during the 2000's created the loss of the middle class</p> <p>Nuclear construction boosted the economy during the 60's-80's / that boom ended</p> <p>Hard to move past old ways of thinking</p> <p>How do we survive after the nuclear plants are decommissioned – 10 yrs?</p> <p>Infrastructure – 200 yrs old</p> <p>Truck Traffic related to impacts of Port and Novelis expansion</p> <p>Old boys club – big fish little pond want to protect themselves</p> <p>Code Enforcement and Zoning Issues</p> <p><u>Opportunities:</u></p> <p>Marine Sanctuary – fishing, diving, education, marine tech businesses</p> <p>Waterfront – Port</p> <p>Water Plant Development – Municipal Revenue Source?</p> <p>Energy Generation plant – Municipal Revenue Source?</p> <p>What is our value added?</p> <p>Winter weather sports – ice skating, ice carnival</p> <p><u>Police Department:</u></p> <p>Low income crimes – theft, drugs, alcohol</p>	<p><u>Strengths:</u></p> <p>Historical and cultural assets</p> <p>Fort / Safe Haven</p> <p>Lighthouse</p> <p>Underground Railroads</p> <p>Shipwrecks</p> <p>Agriculture</p> <p>Tourism</p> <p>Fishing</p> <p>Snowmobiling</p> <p>Decide what we have and build on our strengths</p> <p>60 mile fiber optic loop</p> <p>SUNY / City relations</p> <p><u>Tourism – why is it lagging behind?</u></p> <p>Hotels</p> <p>Blue Collar Past</p> <p>Having disposable income is relatively new concept</p> <p>We are growing into it</p> <p>Access – how to get here</p> <p>We need to round out shopping, retail, arts</p> <p>Resistance to the low income jobs of tourism</p> <p>We don't do a good job of selling Oswego</p> <p>We have struggled to retain and attract</p> <p>We need activities and support systems that women would enjoy</p> <p>Clean Safe Aesthetically Pleasing</p>

Appendix VI: A Strategic Framework for Economic Development

Introduction

Oswego's greatest impediments to economic prosperity are in fact its lack of economic prosperity. To say it another way, Oswego lack of wealth and investment is in fact why Oswego is not economically prosperous. Therefore, if Oswego is to prosper, Oswego must create wealth and investment. The work of economic development is the work of creating and attracting wealth and investment. A good definition of economic development is *the process of creating wealth and attracting investment through the mobilization of human, financial, social, physical and natural resources to generate marketable goods and services*.

Understanding the work of economic development is important. The focus and attention in regard to the work of economic development is most often on jobs and the creation of jobs through business attraction, retention, and expansion. While jobs are important and very much a part of the work of economic development, jobs are not and should not be the sole objective of economic development. In fact, the definition of economic development above does not even mention jobs.

Oswego has jobs. In fact, Oswego has five robust industry sectors: education, transportation, healthcare, manufacturing, and energy, that translate into many high-quality and well-paying jobs. Unfortunately, the majority of persons employed in those jobs do not live in Oswego, nor do they shop, dine, and recreate in Oswego. The work of economic development is about creating wealth and investment, the two things that Oswego lacks the most. Therefore, the work of economic development is to strategically intervene in the market to reposition Oswego to compete. Oswego will be competing when it can attract and retain wealth and investment. However, the challenge is how? How can and will Oswego compete for wealth and investment?

That is the aim of this Strategic Framework for Economic Development—to provide Oswego with a means of thinking strategically about the work of economic development and how to reposition itself to compete. To accomplish this, the following pages will walk the community through a strategic framework for understanding markets, investor behavior, and the process for strategic intervention aimed at repositioning Oswego. In doing so, this framework assumes the same challenges and issues as those learned in the URI/CNY assessment and process. In addition, the framework assumes that the economic investment strategy designed for the URI/CNY initiative provide a foundation and first step to a larger and ongoing program of economic development and intervention.

Understanding Markets

Markets exist and function at multiple spatial and temporal scales. Therefore, to analyze and understand the real estate market and to plan for change, we must begin by understanding how the market is organized and functions. That is, how do the multiple sub-markets organize and function at the metropolitan scale? In metropolitan regions, sub-markets generally exist at the sub-regional, municipal, neighborhood, and block scale. All of these sub-markets compete for wealth and investment. All of the markets and sub-markets will display strength characteristics of being strong or soft (having varying degrees of demand), while others will be weak or distressed (having little or no demand). Market strength, the degree of demand is critical to understand when developing strategies to intervene in the market. Strategies that work in strong markets typically will not be the same as strategies that work in weak or distressed markets.

While many factors influence the strength of market and how demand is organized at the multiple scales of markets and sub-markets, it is important to understand demand and what typically drives demand. The following table provides a summary of demand drivers:

Understanding Demand Drivers

Jobs and Employment:	Growth in employment drives demand including the other demand drivers below. Job growth directly influences commercial office and industrial space. In addition, population growth that typically follows job growth results in household formations that create demand in housing.
Population:	Growth in population drives demand for housing through household formations. In addition, growth in population and the resulting growth in housing and households drives demand for retail/service space.
Household Formations:	Growth in the number of households, new household formations, drives growth for housing and results in demand for retail/service space.
Immigration:	Growth in immigrant populations, often the result employment opportunities (jobs growth) adds to population growth.
Income (Wealth):	Growth in household (and per capita) income drives disposable income and capacity for consumer spending, which in turn drives demand for specific kinds or qualities of consumer spending, resulting in demand for retail/service space and specific types of housing.

Jobs are the primary demand driver. For example, places that are growing jobs will also experience growth in population, household formations, and wealth. Places that are shedding jobs will typically experience a decline in population, household formations, and wealth. However, that does not mean that jobs are or should be the sole focus of economic development. Location, site, situation, qualities of place and qualities of life influence and affect jobs and job growth. Therefore, the work of economic development must be holistic, recognizing the symbiotic relationship between demographic, socio-economic, and place-based factors.

Review and analysis of Oswego’s demand drivers reveal little or no growth and mostly stagnant demand drivers. This is not surprising since we are well aware that Oswego is a weak-market city with isolated areas that are distressed. Oswego is characterized by stagnant and weak socio-economic indicators—population, jobs, unemployment, poverty, education attainment, income, and housing value. In fact, our analysis revealed nothing that everyone already didn’t know about Oswego, the county, the metro area, and the Central New York Region. To say it another way, the demand drivers—jobs, population, household formations, and income—for growth in Oswego County (including Oswego) are generally stagnant and weak. Therefore, Oswego struggles to compete for wealth and investment.

To better understand how markets and sub-markets compete, that is, how people, businesses, and investors behave in markets and make market investment decisions, we need to understand and consider choice, competition, confidence, and predictability. The following table provides a summary of these market considerations:

Understanding Market Considerations

Choice:	Understanding that people (residents, businesses, and investors) make choices about where to buy, what to buy, when to invest, and how much to invest. For a property or sub-market to compete, to attract investment, it must appeal to those making choices to invest. The greater the number of those who will choose to invest here, the greater demand that will be realized.
Competition:	From other properties and sub-markets. It is not enough for a property or sub-market to be a good place to live, work, or play; it must be able to attract investment (time, effort, and money) even as its competitors continually change.
Confidence:	Investors (individuals, business, homeowners, and even renters) need to feel confident in their investment, today and also tomorrow. Therefore, the property and the sub-markets must convey a message and feeling of confidence. Unfortunately, older properties and sub-markets often portray a confusing mixture of conditions that challenge investor confidence. Confidence is the currency that real estate markets trade in.
Predictability:	Investors want predictability. Predictability is the foundation that confidence is built on. If the market is not stable and future value is unpredictable, then confidence in market and investment will not occur. A market is predictable when the existing and new investors notice and abide by the prevailing and improving norms.

Choice, competition, confidence, and predictability provide context and understanding, a foundation to thinking critically about how communities compete for wealth and investment. More important, they highlight the challenge of competing for wealth and investment. Metropolitan markets are complex adaptive systems, urban-economic ecosystems that are constantly shifting and changing. Slight changes in technologies, innovations in transportation, cultural shifts in place of work, and changes in consumer preferences impact how markets are organized. Yesterday’s trendy neighborhoods could be tomorrow’s neighborhoods in decline. A prosperous industrial building from the not too distant past, today sits vacant and deteriorating. Complex adaptive systems, metropolitan markets, function in both space and time and neither is constant.

To further understand the complexity of markets, we also needed to understand human behavior, specifically, investment behavior and the investment decision-making process. In addition, it is critical to understand the importance of predictability and confidence, discussed above, and how they factor into investment decisions. The following table explains the investment decision-making process:

Market-Based Economic Development - Investment Decision-Making Process

This is what people (residents, visitors, workforce), businesses, and investors like and want:	<p>A market-based economic development strategy begins with understanding the investor's decision-making process for investment:</p> <ul style="list-style-type: none">• Predictability.• From predictability they are willing to invest; that is, to take a calculated risk that their investment will be worthwhile and profitable.• They determine the extent of how predictable a place is by reading certain signs.• The signs are always right. That's a key insight.• Then they act.
Important Investment Factors:	<ul style="list-style-type: none">• Once they find what "fits" with their risk appetite, they invest not just their money but their time and energy, and more importantly• They then seek to protect those investments; that is, to maintain predictability• They will pay attention to "clues" that those investment assumptions have changed—and change upsets predictability (confidence).• Risk appetite and how risk is determined and managed is the key to understanding settlement• Neither use, form, density nor complexity impact predictability, however all of these elements contribute to risk appetite, risk signal definition, and risk management. Therefore, 'ingredients' of space that reflect and reward what makes people 'feel good' attract investment.

The signs and signals that a market conveys are the qualities of a space or place and how we translate those qualities into an understanding of market conditions—predictability. A simple way to think about this is to ask, “are the signs and signals of this place conveying a message of place that is clean, safe, and aesthetically pleasing?” While everyone has different degrees of risk appetite and tolerances to conditions they deem acceptable, the degrees of difference are small in the context of space and place in regard to mainstream society—the middle class. The fact is, most of society wants and seeks out spaces and places that are clean, safe, and aesthetically pleasing. This is part of the reason why Disney is so popular and prosperous. Disney World provides a place that is clean, safe, and aesthetically pleasing to the masses. In addition, it provides a quality experience that is further enhanced by the qualities of the places. For communities to compete for wealth and investment, they must be predictable and provide confidence. This is the challenge of economic development in Oswego. Oswego, unfortunately, as the result of decade-long decline does not signal to the market that it is predictable and as a result, undermines confidence and therefore does not compete.

To strategically intervene in a market with the aim of repositioning a community to compete for wealth and investment, knowing all we have learned above, we must work within the context of what are known as the Levers of Change. The levers of change—image, market,

conditions, connections, and capacity—provide a framework for influencing change. They allow us to intentionally target strategies, tactics, and investments in a way that arrests decline, builds from strengths, leverages assets, and moves the market toward our desired outcomes. The following table provides a summary of the levers of change:

Levers of Change

Image	Sending what signals: Image are the signals a place sends. They can be positive or negative. Every property is a billboard for image. They inform us about predictability and confidence. Image is also a feedback loop on market (above) as the image continually informs us about the market and what the market is.
Market	Who is there and what is there: Who and what is there explains the market for a given place at that moment in time. We can read market through image and the signals. For example, who is there in terms of income, ethnicity, and educational attainment? We can read market through socio-economic and demographic analysis and through observation.
Condition	The way things look and feel to us and to others: Condition is the product on display. This is not simply the aesthetics of a place, but also the quality and intensity of investment. Is the place well maintained? Clean? Free of litter and graffiti. Are the sidewalks clean? Street free of pot holes? Are homes and buildings well maintained? Are people, businesses, and government investing?
Connections	The connectivity of space and place: How people and businesses connect to the space or place—sense of place. How people and businesses connect to one another in the space or place. How the space or place is connected to other spaces or places—its site, situation, and transportation connections.
Capacity	With what capabilities and behaviors: Capacity is the formal and informal governance structures (capabilities and behaviors) that manage market. Capabilities may be organizations, government, management, or regulations. Behaviors may be relationships, practices, or leadership. How do these capabilities and behaviors inform us about a community's capacity to manage change, implementation, and improvement?

Now that we understand the levers of change, we can begin to think about all we have learned above collectively as a framework for the work of economic development—creating wealth and investment in our community. Specifically, we will look at creating wealth and investment in Oswego to reposition Oswego in the greater market to compete. Today, Oswego's wealth and investment is benefiting communities other than Oswego. Wealth generated in Oswego's economic sectors is leaving for and investing in Baldwinsville and other communities. The reason for this is simple. Oswego, as it appears today—the signs and signals Oswego conveys to the market—do not satisfy the risk appetites of investors. Oswego is not predictable and does provide confidence to investors.

So how do we strategically intervene in the market to reposition a community, Oswego, to compete for wealth investment? Utilizing the framework presented above, we can systematically approach the work of economic development with the aim of growing market share and growing demand for our community. The following table provides an eight step approach to intervene in and move a market:

A Strategic Approach to Reposition and Move a Market

Strategy Steps	Practice and Process
Step 1. Read Market	Read and analyze market to determine what’s working and what’s not working in terms of people’s decisions to invest or not and why. (What is working and what is not working as related to image, market, condition, connections, and capacity?)
Step 2. Set Outcomes	Set outcomes for improvement—improving market. (What are the desired outcomes for an improving and improved market? related to improvement? How the Levers of Change will have changed?)
Step 3. Strategy and Tactics	Identify and choose the strategies and tactics that will best achieve the desired outcomes—move the community toward the outcomes.
Step 4. Establish Measures	Establish measures for improvement. How will we measure movement toward outcomes?
Step 5. Capacity Building	Assess and strengthen capacity to deliver revitalization strategies. (i.e. governance structure, organization, partners, products, services, etc.).
Step 6. Implement Strategy	Strategy implementation.
Step 7. Measurement	Measure progress toward outcomes, not activities. Is the community improving? Are more property owners investing? Is the quality of property maintenance improving? Is downtown more vibrant? Is wealth being created? Not, how much money did we spend or how many building facades have been improved?
Step 8. Adjustment	Adjust strategies and tactics as needed. Develop new approaches when old ones are obsolete based on changes in the market.

Oswego – Strategic Assessment

The following is a summary of the assessment performed to develop Oswego’s Economic Investment Strategy for the URI/CNY funding. It follows and utilizes the approach and framework outlined and discussed above.

A Strategic Approach to Reposition and Move a Market

Strategy Steps	Practice and Process - Assessment
<p>Step 1. Read Market:</p> <p>Read and analyze market to determine what’s working and what’s not working in terms of people’s decisions to invest or not and why.</p> <p>(What is working and what is not working as related to image, market, condition, connections, and capacity?)</p>	<p>What is working:</p> <ul style="list-style-type: none"> • Great bones—strong urban fabric in the downtown. Compact downtown and urban street grid, medium density, historic architecture, walkable scale, good tenant mix on First Street. • Outstanding Waterfront—natural and picturesque setting—is Oswego’s greatest asset. • Very strong sense of community and value of family and friends. • Strong work ethic and strong volunteerism. • Fort Ontario and Safe Haven—tremendous assets to be leveraged. Many historic, heritage, and cultural sites and resources. • Combined, the downtown, waterfront, and historic sites have the makings of a viable tourism industry. • Investment behaviors are mixed. More marginal investments than quality. Isolated examples of quality investment. <p>What is not working:</p> <ul style="list-style-type: none"> • Socio-economic data reveals a very poor (27.5% poverty rate, 7.6% unemployment, and low educational attainment) community and weak property markets. • Property value (residential, commercial, and industrial) is weak. Rents are also weak. Return on investment for rehabilitation and maintenance is also weak. New construction costs exceed return on investment, and gaps as high as 40% are not uncommon. Property tax capitalization has set in. High cost of taxes negatively impacts property value. • Demand drivers—jobs, population, households, and income are stagnant. • Oswego does not show well—excessive signs of decline, disinvestment, and deterioration. Standards of property maintenance, both yard and building, are low. • Public infrastructure (streets and sidewalks), public spaces (parking lots and parks), and public facilities (buildings and structures) show signs of deferred maintenance and deterioration. • Poor image and identity. General consensus that Oswego is not a nice place to live, work, or play. Community pride is low. Residents, business owners, and stakeholders have little confidence in the future. • A total of 295 unfilled jobs were identified, indicating that Oswego struggles to compete for wealth and investment—struggles to attract and retain workforce, residents, and visitors.

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<p>Step 2. Set Outcomes:</p> <p>Set outcomes for improvement—improving market. (What are the desired outcomes for an improving and improved market? related to improvement? How the Levers of Change will have changed?)</p>	<p>Outcomes:</p> <ul style="list-style-type: none"> • Increased wealth in the form of a middle-class (the creative-class). • Higher and improving higher standards of site and building design. • Improving standards of property maintenance (public, private, and institutional). • Rising property values (including rents) as the result of increased investment and higher standards of design and maintenance. • A more vibrant and prosperous downtown—increased business openings, fewer vacancies, and more feet on the streets. • Improved image, self-image and external perception. • Improved pride, confidence, and predictability. • Oswego, when healthy, vibrant, and prosperous, will be perceived as a place that is clean, safe, and aesthetically pleasing.
<p>Step 3. Strategy and Tactics:</p> <p>Identify and choose the strategies and tactics that will best achieve the desired outcomes—move the community toward the outcomes.</p>	<p>Summary (see Oswego’s Economic Investment Strategy for specific tactics):</p> <ul style="list-style-type: none"> • Waterfront and Tourism – Investment in the aesthetics, access, and experience. • Downtown and Neighborhoods – Investment in public infrastructure, commercial properties, and housing. • Redevelopment Sites – Investment in vacant, distressed, and underutilized properties (gateways to waterfront). • Capacity Building – Create capacity to implement and manage strategy implementation and long-term improvement. • Infrastructure – Create needed improvements to support strategy investment and future investment.
<p>Step 4. Establish Measures:</p> <p>Establish measures for improvement. How will we measure movement toward outcomes?</p>	<p>Measure for Improvement:</p> <ul style="list-style-type: none"> • Fewer unfilled jobs and businesses compete for workforce and talent. • Increasing home-ownership and a more robust middle-class (the creative-class). • Improving quality of buildings on display—higher quality design and property maintenance. • A competitive and improving property market. Increased residential property values, few days-on-market for residential sales, higher commercial rents, fewer commercial vacancies, and increased investment in property appearance. • Increased retail sales (increased sales tax returns), more people on the streets, new business openings, and increased demand for parking. • Residents, business owners, workforce, and visitors speak positively about Oswego and their experience in Oswego. • Residents, business owners, workforce, and visitors are proud to be a part of Oswego and want to invest in Oswego today and tomorrow. • Oswego will be clean, safe, and aesthetically pleasing.
<p>Step 5. Capacity Building:</p>	<p>Capacity Assessment:</p>

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Assess and strengthen capacity to deliver revitalization strategies. (i.e. governance structure, organization, partners, products, services, etc.).	<ul style="list-style-type: none"> • Identity crisis. No one knows who they (Oswego) are. Need to address identity issue through visioning and branding. • Weak governance structures. Government and business community need more formal organization entities and organization structures to manage implementation, the challenges of everyday, and to manage changes. • Outdated plans and regulations. Need to invest in the future through updating and modernization. • Customer service and consumer experience expectations are low. Economic Development and Tourism—high-quality customer service and consumer experience—need to be part of Oswego’s culture of business. Economic development and tourism industry training is needed.
Step 6. Implement Strategy: Strategy implementation.	Need URI/CNY funding to implement Economic Investment Strategies.
Step 7. Measurement: Measure progress toward outcomes, not activities. Is the community improving? Are more property owners investing? Is the quality of property maintenance improving? Is downtown more vibrant? Is wealth being created? Not, how much money did we spend or how many building facades have been improved?	Measure once implementation begins. Continual measurement. <ul style="list-style-type: none"> • Recommend on-going meetings, once every six months, with the focus groups to monitor change and improvement.
Step 8. Adjustment: Adjust strategies and tactics as needed. Develop new approaches when old ones are obsolete based on changes in the market.	Implementation is not enough. Needed to manage, continually adjust strategies and tactics as market improves. Don’t be afraid to adjust or even terminate tactics if they are not working, not moving Oswego toward its outcomes.

Constancy of Purpose:

The work of economic development, community development, and the work of improvement and moving markets is hard and long-term. Oswego did not decline over night and it will not recover or improve overnight. More important, there are no quick fixes, nor is there a guarantee of improvement. The only guarantee is that doing nothing or maintaining the status-quo, which is not working, is not an option. Oswego must adopt a new philosophy, a philosophy of improvement. Oswego needs to adopt this philosophy of improvement as a constancy of purpose. Improvement needs to be part of everything Oswego—as a government, a business community, and as residents—does. The days of “good enough” are gone. If Oswego wants to compete, Oswego must improve. Oswego must strive to be the best small city in the Central New York region.

To accomplish this, improvement must become a part of the culture of living, working, doing business, and investing in Oswego. Therefore, improvement must be considered as part of what Oswego does. For example, when the City Council adopts a new budget or

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approves a zoning code, it must ask, “does this work toward our desired outcomes; does this improve Oswego?” The same is true for the business community and residents (especially homeowners). The two sets of pictures of below show the difference in a community that has been focused on improvement for 25 years. They demonstrate the transition from status-quo and good enough to the attention to quality and detail. This is how Oswego needs to think about everything it does and every investment it makes, if it wants to improve and to become economically and socially viable, vibrant, and prosperous.

Good Enough 1990



A New Philosophy 2012



The work of economic development, attracting and growing wealth and investment in Oswego, is not easy and will not be easy for Oswego. The key is to not give up. Utilize the framework provided above, always remain focused on the outcomes and working toward improvement, invest strategically, and continually measure and adjust strategies and tactics. If you do this, Oswego will improve, and will compete more than it is now. How much Oswego will improve, how strong the market will become, and how competitive Oswego

ultimately becomes will remain unknown and is in fact, unimportant. Improvement is what's important. Oswego's goal must be to remain in a perpetual state of improvement.

There is no prescribed way for what Oswego must do or how it must go about doing it. The economic investment strategy is a sound start and the framework for economic development provides structure to thinking carefully about economic development. Altogether, this document allows Oswego to chart a course for improvement, to reposition Oswego to compete. Last and most important, repositioning a community to compete is more about management than it is about planning, economic, and community development. Managing complex-adaptive systems—urban-economic ecosystems—is challenging, but possible. However, management of complex-adaptive systems is also different from managing simple-systems or firmly structured organizations. So what would a management approach to urban planning, economic development and urban governance look like for Oswego—a complex-adaptive system?

Such an approach, first, would start with *embracing change* and the *simple notion that things change*. Second, it would recognize that urban space is *always shifting* and that change is *neither continuous and gradual nor consistently chaotic*, but *episodic*. Third, the approach would not *presume sufficient knowledge, but the recognition of our ignorance*. Fourth, it would *keep options open*, fostering *novelty* and *experimentation*, while embracing, not trying to resist or constrain *change*. Fifth, such an approach would not *assume that future events are expected, but that they will be unexpected*. Sixth, the approach would *embrace diversity*. Seventh, it would recognize the importance of and pay close attention to micro-practices and the *slow variables of change*. Eighth, governance structures would embrace and encourage *redundancies*, *overlapping responsibilities*, and incorporate both *top-down* and *bottom-up structures*. Ninth, analysis, strategy development, and implementation would recognize the *regional context* and be scaled to fit the ecosystem. Finally, such an approach to planning, economic development, and urban governance would not focus on *capacities to predict or preordain the future*, but on the *capacity to devise systems that can absorb and accommodate future events in whatever unexpected form they may take*.

Appendix VII: Source Material and References

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