

BUSINESS AND ECONOMIC DEVELOPMENT



GOALS

- Promote the more intensive business development along Route 104.
- Encourage the continuation and expansion businesses that utilize natural resources, including wood products and mining.
- Encourage new and expanded businesses that utilize locally grown agricultural products, provide needed services or supplies to farms, or transport farm products.
- Support the creation of home-based businesses (“cottage industries”).

EXISTING CONDITIONS

BUTLER BUSINESSES AND EMPLOYERS

The predominant industry in the Town of Butler is agriculture. Farms in Butler contribute to the \$168,963,000 in sales generated by farms in Wayne County, as reported by the most recent (2007) Census of Agriculture. Two sawmills are located in the Town – one at Butler Center and one in the northern part of the hamlet of South Butler. These businesses have been continually operating in the Town since it was settled. Marshall Pet Products and Marshall Farms are non-traditional farm operations that are major employers.

Several other businesses in the Town are involved with the extraction or processing of natural resources:

- A lumber yard is located on Westbury Cutoff Road
- A mining operation is located in the eastern portion of the town.
- A logging company – Smoothbore International - is located along NYS Route 370 in the northeastern portion of the Town.



A concentration of commercial businesses is located along Route 104 at Whiskey Hill Road, just south of the Village of Wolcott. Businesses in this location include a McDonald's franchise, a Fast Trac gas station and a Rite-Aid store. An automobile dealership located in this area has closed. This area has the greatest potential for additional business development, due to its location and the potential for extending sewer and water.



Other non-agricultural businesses in the Town include a market and fabric store located on Yates Road, equipment dealers and automotive repair shops. A private resort, Savannah Du, is located in the southwestern portion of the Town.

Public employers with facilities located in the Town include the Town of Butler, the Rose-Wolcott school system, and the Butler Correctional Facility.

The Butler Correctional Facility, located along Westbury Cut-off Road in the northeast part of the Town, consists of a minimum security compound for males age 16 and older as well as the medium security Butler Alcohol and Substance Abuse Correctional Treatment Center (ASACTC). Approximately 239 people are employed at these facilities, although the ASACTC is reportedly slated to be closed.



EMPLOYMENT

Based on data from the 2000 Census, more than one-quarter of the Town's employed population work in the Town of Butler and nearly one-half work elsewhere in Wayne County. (See Table 6: Place of Work.)

As summarized in Table 7, more than one-quarter (27%) of the employed population work in manufacturing industries; 17% in educational, health or social services; 13% in retail trade and 11.5% in agriculture.

As summarized in Table 8, approximately one-quarter of the employed residents are in production, transportation or material handling occupations; 24% are in sales; 20% are in managerial or professional occupations.15% in construction; 11% in service occupations

TABLE 6: Place of Work

Place of Work Employed Residents Age 16+, Town of Butler (outside Village)			
	Butler Town outside		Wayne
Worked in the Town of Butler	202	27.0%	NA
Worked elsewhere in Wayne County	361	48.3%	52.40%
Worked in Rochester	12	1.6%	12.20%
Worked elsewhere in the Rochester MSA (1)	58	7.8%	31.30%
Worked in Syracuse	28	3.7%	0.90%
Worked elsewhere in the Syracuse MSA (2)	62	8.3%	1.80%
Worked elsewhere	24	3.2%	4.10%
Total Employed Residents	747	100.0%	
(1) Includes Monroe, Livingston, Orleans, Ontario and Wayne Counties			
(2) Includes Onondaga, Oswego and Madison Counties			

Source: U.S. Census Bureau, 2000 Census

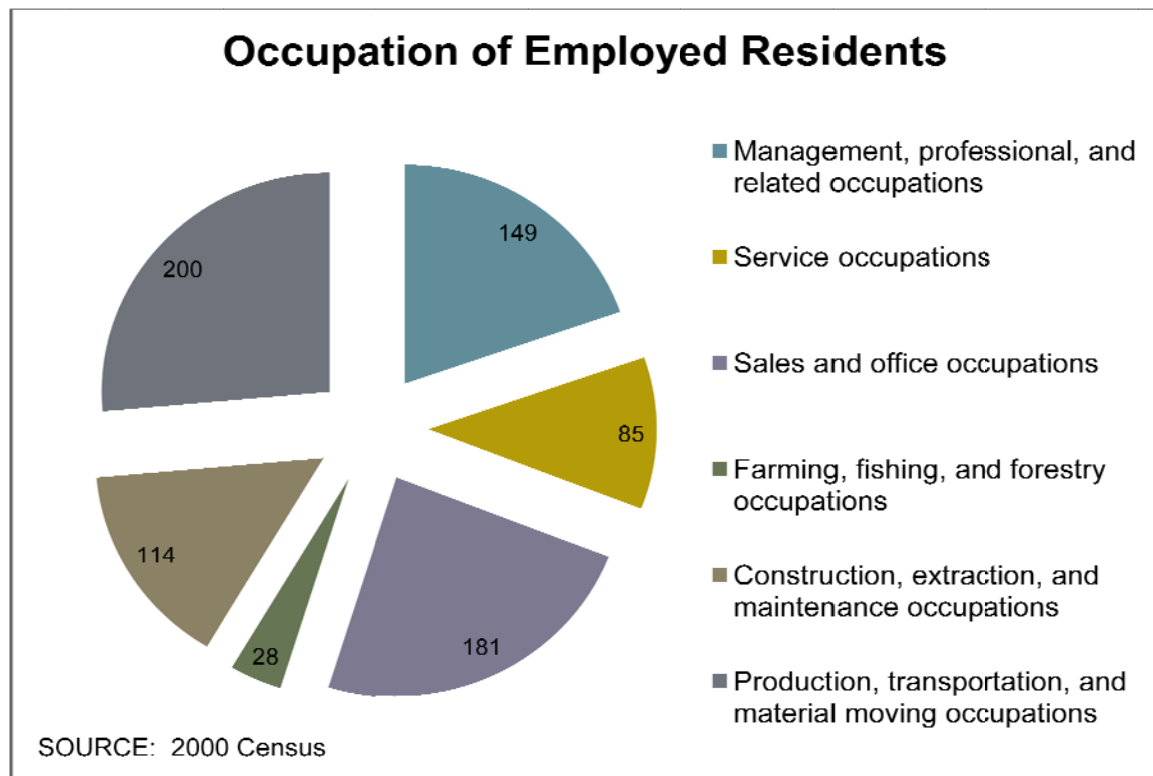
TABLE 7: Employment by Industry
Sex by Industry for the Employed Civilian Population

	Male	Female	Total	
Agriculture, forestry, fishing and hunting, and mining	67	20	87	11.5%
Agriculture, forestry, fishing and hunting	67	20	87	11.5%
Mining	0	0	0	0.0%
Construction	47	2	49	6.5%
Manufacturing	129	74	203	26.8%
Wholesale trade	15	7	22	2.9%
Retail trade	40	57	97	12.8%
Transportation and warehousing, and utilities	23	7	30	4.0%
Transportation and warehousing	21	7	28	3.7%
Utilities	2	0	2	0.3%
Information	4	2	6	0.8%
Finance, insurance, real estate and rental and leasing	5	11	16	2.1%
Finance and insurance	5	11	16	2.1%
Real estate and rental and leasing	0	0	0	0.0%
Professional, scientific, management, administrative, and waste management services	11	10	21	2.8%
Professional, scientific, and technical services	4	4	8	1.1%
Management of companies and enterprises	0	0	0	0.0%
Administrative and support and waste management services	7	6	13	1.7%
Educational, health and social services	16	114	130	17.2%
Educational services	10	53	63	8.3%
Health care and social assistance	6	61	67	8.9%
Arts, entertainment, recreation, accommodation and food services	11	11	22	2.9%
Arts, entertainment, and recreation	5	0	5	0.7%
Accommodation and food services	6	11	17	2.2%
Other services (except public administration)	24	14	38	5.0%
Public administration	16	20	36	4.8%
Total:	408	349	757	100.0%

TABLE 8: Employment by Occupation

Sex by Occupation for the Employed Civilian Population 16+ Year

	Male	Female	Total	
Management, professional, and related occupations	55	94	149	19.7%
Management, business, and financial operations occupations	32	24	56	7.4%
Management occupations, except farmers and farm managers	8	16	24	3.2%
Farmers and farm managers	22	5	27	3.6%
Business and financial operations occupations	2	3	5	0.7%
Business operations specialists	0	0	0	0.0%
Financial specialists	2	3	5	0.7%
Professional and related occupations	23	70	93	12.3%
Computer and mathematical occupations	2	2	4	0.5%
Architecture and engineering occupations	5	3	8	1.1%
Architects, surveyors, cartographers, and engineers	5	1	6	0.8%
Drafters, engineering, and mapping technicians	0	2	2	0.3%
Life, physical, and social science occupations	6	0	6	0.8%
Community and social services occupations	0	4	4	0.5%
Legal occupations	2	0	2	0.3%
Education, training, and library occupations	5	34	39	5.2%
Arts, design, entertainment, sports, and media occupations	3	2	5	0.7%
Healthcare practitioners and technical occupations	0	25	25	3.3%
Health diagnosing and treating practitioners and technical occupation	0	10	10	1.3%
Health technologists and technicians	0	15	15	2.0%
Service occupations	33	52	85	11.2%
Healthcare support occupations	2	13	15	2.0%
Protective service occupations	10	0	10	1.3%
Fire fighting, prevention, and law enforcement workers, including supervisors	10	0	10	1.3%
Other protective service workers, including supervisors	0	0	0	0.0%
Food preparation and serving related occupations	4	22	26	3.4%
Building and grounds cleaning and maintenance occupations	15	5	20	2.6%
Personal care and service occupations	2	12	14	1.8%
Sales and office occupations	51	130	181	23.9%
Sales and related occupations	37	38	75	9.9%
Office and administrative support occupations	14	92	106	14.0%
Farming, fishing, and forestry occupations	24	4	28	3.7%
Construction, extraction, and maintenance occupations	110	4	114	15.1%
Construction and extraction occupations	52	0	52	6.9%
Supervisor, construction and extraction workers	9	0	9	1.2%
Construction trades workers	43	0	43	5.7%
Extraction workers	0	0	0	0.0%
Installation, maintenance, and repair occupations	58	4	62	8.2%
Production, transportation, and material moving occupations	135	65	200	26.4%
Production occupations	88	57	145	19.2%
Transportation and material moving occupations	47	8	55	7.3%
Supervisors, transportation and material moving workers	0	0	0	0.0%
Aircraft and traffic control occupations	0	0	0	0.0%
Motor vehicle operators	21	2	23	3.0%
Rail, water and other transportation occupations	1	0	1	0.1%
Material moving worker	25	6	31	4.1%
Total	408	349	757	100.0%



TOOLS AND TECHNIQUES

REAL PROPERTY TAX INCENTIVES

Municipalities may provide property tax exemptions as incentives to encourage business development. Section 485-b of the NYS Real Property Tax Law provides municipalities with the authority to provide such an incentive. Business construction, expansion or renovations that equal or exceed \$10,000 are eligible for the exemption. Fifty percent of the assessed value of the property resulting from the construction or improvement is exempted during the first year following the project's completion. The exemption is phased out during the following nine years by 5% each year. The exemption applies to village, town, county and school district property taxes. Both the Town and Village of Sodus currently offer 485-b incentives.

EMPIRE ZONE

Wayne County was awarded an Empire Zone designation by New York State in 2002. Businesses within designated Empire Zones may take advantage of various financial incentives in exchange for creating new jobs. The incentives include: sale tax exemptions, income tax credits, real property tax abatements, wage tax credits, and reduced utility rates among others.

WAYNE COUNTY INDUSTRIAL SITE FUND

WCIDA will provide financial assistance to municipalities for the construction of public infrastructure improvements needed to serve manufacturing facilities. Eligible infrastructure includes watermains, sanitary sewers, roadways and lighting. WCIDA will provide 1/3 of the cost up to \$100,000. The balance of the funding is typically provided by the municipality and the manufacturer.

WCIDA REVOLVING LOAN FUND

Low interest loans up to \$300,000 are available to manufacturing, warehousing and research businesses. A condition of such loans is that the businesses are required to create at least one job for each \$10,000 of loan funds received. The revolving loan funds may be used for land acquisition, construction, renovation and for the purchase of machinery and equipment.

SALE/LEASEBACK TAX BENEFITS

This is a WCIDA program through which a manufacturing company conveys title to its property to the WCIDA which rents the property back to the manufacturing company through a lease. As WCIDA is a tax-exempt, public-benefit corporation, the savings that results from sales tax, mortgage tax and local property tax exemptions are passed through to the manufacturing firm. Sale/lease back arrangements are provided for up to ten-years. Although 100% of local property taxes are exempted for the first five years and 50% during the second five years, payment-in-lieu-of taxes (PILOT) agreements are usually negotiated so companies benefiting from the tax abatements make some financial contributions to local taxing authorities.

MICRO-BUSINESS REVOLVING LOAN FUND

Low interest loans of up to \$25,000 are available to existing and start-up business through this WCIDA revolving loan program. Only businesses with five or fewer employees inclusive of the owner(s) are eligible to participate in the program. Loan funds may be used for property acquisition, purchase of equipment and as working capital. The WCIDA also administers a micro-enterprise loan program targeted to agriculture and agribusinesses.

SMALL BUSINESS ADMINISTRATION (SBA) 504 LOAN PROGRAM

Businesses are able to finance up to 90% of the cost of purchasing fixed assets through this SBA program, a much larger percentage than is available through conventional banking financing. The SBA typically finances 40% of the purchase while conventional banks finance 50%. The business is required to utilize its own cash equity for the remaining 10% of the purchase cost. SBA 504 loans range from \$100,000 to \$1 million. Eligible businesses must agree to create one job for each \$35,000 of loan funds received as a condition for receiving the financing.

NYS INVESTMENT TAX CREDITS

Manufacturers that make significant investments in their business operations located in New York State may be eligible to receive tax credits from the State to reduce their income tax liabilities.

INDUSTRIAL PARKS

Industrial parks serve as a useful tool for recruiting new industrial businesses and retaining existing businesses needing room for expansion or relocation. Industrial parks may be privately owned and development or may be owned and developed by a local development corporation established for that purpose. Businesses are much more inclined to locate operations in communities that have industrial parks with shovel-ready sites available.

Service Corps of Retired Executives (SCORE)

SCORE is an educational program underwritten by the Small Business Administration. Through the SCORE program, retire business executives conduct training seminars and consult with persons interested in starting businesses. SCORE seminars and services are provided free of charge.

Workforce Development

Workforce Development is a collaborative program designed to assist job seekers and displaced adult workers obtain skills training and find employment as well as assist businesses to find people to employ who have appropriate skills or the aptitude to learn the appropriate skills. Members of the collaboration include: NYS Department of Labor, Workforce New York, the Finger Lakes Community College, the Wayne Economic Development Corporation, Wayne County Empire Zone, Wayne-Finger Lakes BOCES, VESID, the Pioneer Library System and Rural Opportunities, Inc.

Section 108 Business Development Loan Program

The Section 108 program is a program administered by the U.S. Department of Housing and Urban Development (HUD). The program enables municipalities to borrow funds to use to make loans for business development generally at below market interest rates. Loan recipients must agree to create one job for each \$35,000 of loan proceeds received and at least 51% of the jobs created must benefit low- and moderate- income persons.

Small Cities Community Development Block Grant Program

The Small Cities program is a federal program administered by the Governor's Office for Small Cities (GOSC). Grants between \$100,000 and \$650,000 are available to municipalities for use to construct publicly-owned infrastructure improvements or to lend to private businesses. Both types of projects must result in the creation and/or retention of private sector jobs that

principally benefit low and moderate income persons. At least one private sector job must be created for each \$35,000 of grant funds received and 75% of the funds must benefit low and moderate income persons.

ISSUES AND OPPORTUNITIES

LAND ALONG ROUTE 104 PRESENTS OPPORTUNITY FOR BUSINESS DEVELOPMENT

The Route 104 corridor is heavily traveled and offers excellent visibility to businesses who seek to attract customers. Existing businesses located at the corner of Route 104 and Whiskey Hill Road – McDonald’s and Fast Trac – take advantage of the location and visibility. A developer has inquired about the potential to develop land along Route 104 in the Town of Butler as a regional hotel.

Extension of water and sewer service is necessary to realize the full potential of business opportunities in this area of the Town.

BUSINESSES RELATED TO AGRICULTURE

The Town of Butler is predominantly agricultural. Businesses that process, distribute or add value to agricultural products may be successful in the Town.

BUSINESSES RELATED TO NATURAL RESOURCES

Businesses that process naturally occurring products have been successful in the Town since the area was first settled. These include sawmills and mining operations.

RECOMMENDED ACTIONS

1. Work with the Wayne County Water & Sewer Authority to extend public water and sewer services to additional areas along Route 104. (See also Transportation & Infrastructure section.)
2. Work with Wayne County Economic Development to recruit a hotel or other business to a location along Route 104.
3. Maintain a supportive environment for the creation of new agricultural and natural resources based businesses.