

## Economic Potential

The economic foundations present status has been indicated for the overall economic region and the local economic community. It is now time to relate this analysis to the future and to indicate the potential for future growth for the Village of Herkimer.

### Potential for Industry

The potential growth of industry is perhaps the most important potential for the Village of Herkimer in that the entire local community was historically industrial oriented. Several factors must be considered in the evaluation of industrial potential, including the available labor supply, available services to support an industry including transportation and communications, available land for expansion of existing plants as well as new plants, and available public support and government support toward industry.

The available labor supply within the local community from which any new industrial activity can draw its work force is characterized by an unusually large proportion of skilled and semi-skilled workers. Present employment in the local community as well as the region is at a low level with a considerable labor surplus, including an adequate reserve of female labor. The potential for industrial growth is therefore not limited by any lack of labor, and the present surplus should be considered as a positive factor in the measure of potential for industrial growth.

Services, including water, sewerage, gas, electric power, transportation and communications also appear adequate for a number of small plants, though a single large industry might tax the water and sewer resources. Gas and electric power is available in nearly any reasonable quantity, and expansion of these services would require little effort on the part of the community. Transportation facilities are excellent, and consist of the railroad, thruway, highways, and the canal, all oriented generally of the State and consequently the major markets as well. The Thruway interchange at Herkimer is of particular

importance and raises the industrial potential considerably. Air transport facilities are considered to be below the level desired, primarily from the viewpoint of access and ground travel time. While the potential is reduced because of this, air transport is considered relatively minor as compared with other means of transportation.

The Mohawk Valley area is characterized by generally rough topography which severely limits the large flat land areas desired for the larger industrial plants. However, Herkimer does have a relatively flat terrain. It is desirable, from the standpoint of the industrial base of the local community, to encourage a variety of small plants rather than a few large ones, so that dependence upon any one industrial plant or type of industry is kept to a minimum. There are several areas presently covered with obsolete buildings. These are being removed to provide excellent new tax ratiabls. Therefore, there appears to be adequate land available for the size of plants desired and for those most likely to be seeking sites in the area.

Attitudes of the local population and government appear to be excellent. One example is the growth of organizations devoted to encouraging development throughout the valley. Citizen participation could probably be improved, given stimulation, but on the other hand there is no apparent negative attitude on the part of local citizens. Attitudes, therefore, are not considered to be limiting industrial potential.

All of the above factors indicate a high industrial potential particularly for smaller plants of a light industrial nature where skilled or semi-skilled workers are needed and where truck transport to the major centers of population is desired. The potential for large industrial plants is not considered high, however, as their requirements would be difficult to satisfy at the present time. The estimate of potential must be reduced considerably, however, due to the general level of economic activity throughout the region. Competition for any new industrial plants is high, and will likely continue at a high level for the years ahead. This continues to present a negative aspect and probable growth

of industry in the Village is correspondingly reduced unless a concerted effort is launched. Forceful activity on the part of the citizens of the community in the promotion of new plants and the expansion of existing industries could go far in balancing this competition and could produce a considerable improvement during this difficult period. Nonetheless, it will be difficult to realize fully the existing industrial potential until the Mohawk region as a whole improves its overall economic level. On the other hand, the potential exists for considerable improvement in the area, and an improvement in the level of economic activity in the nation should show an increase in local activity as well.

#### Potential for Wholesale and Retail Commerce

The potential of retail and wholesale trade is directly concerned with the development of the existing industrial base and potential industrial development simply because people must have income to support a retail function and the wholesale function is in turn dependent upon the retail function. Actually the increases noted in the retail sales for the overall are not as large as they seem because of the decreased value of the dollar in its purchasing power, and the increase in the cost of living, during the study period.

The relative change in sales volume of Herkimer compared with the other nearby communities is increasing but not correspondingly. This indicates a considerable loss to Herkimer, not because of an area-wide decline in retail sales, but because of particular local causes. One of these causes is probably the general trend toward larger and therefore fewer retail outlets. The trend towards shopping centers is detracting from the CBD. However, several other causes are also indicated. For example, parking is difficult during peak periods in the Central Business District. Further, it would seem that merchants have not reinvested in their physical plants to the extent required to keep them from becoming obsolete, particularly from the viewpoint of the public. When the public finds it as easy, and in some cases easier, to shop in other areas where parking is available and where stores are new or at least remodeled, making it

more pleasant to shop, the areas that have not kept pace will quite naturally lose out.

Wholesale trade potential is considered to be low, as wholesale trade is more a function of the central city of the economic region. The wholesale trade that does exist in Herkimer should increase to some extent, probably in nearly direct proportion to the increase of retail sales expected, but an increase above this level is highly unlikely.

From the preceding it would appear that there is considerable potential for improvement and future development in nearly all sectors of the economy, especially in commerce. It is also quite apparent that this potential will be difficult and perhaps impossible to realize fully unless all citizens of the Village of Herkimer work together and forcefully carry out actions to promote this development.

#### Potential for Tourism

One sector of the economy which does stand to change considerably during the years ahead, and to change in a much greater degree than any other sector, is recreation. Several trends point in this direction, from the coming three day weekend to higher standards of living for greater numbers of the population. As more and more people have the time and money to take vacation or weekend trips, the use of recreation areas further away from the population centers will increase rapidly. This will result in a considerable growth in those wholesale and retail trade and service functions supporting recreation areas, as well as the recreation areas themselves. The Mohawk Valley area, with its large areas in forest preserves and many other very attractive recreational features and facilities is an excellent position to realize a tremendous increase in its recreation based economy. The value of the Mohawk River and canal should not be overlooked in this regard as more and more people each year are taking to the nation's waterways for their vacations. As new facilities become available along the river and canal, these waterborne tourists and vacationists can

be expected to support an increasingly active, though seasonal, recreation economy.

Further development of ski centers and other winter sports and resort areas, complementing the summer activities, will also be seen, at least in the snow belt areas. Improvement in access to the existing resort areas, both winter and summer, would almost certainly mean a considerable increase in the use of present facilities and would provide the demand necessary for additional public or privately developed facilities.