

Economic Development Committee Minutes
April 5, 2015 - 4:00 p.m.

Present: Chairman Johnson; Supervisors Lunde, Richardson, Daly, Lewza, and Sausville; Ryan Moore, Deputy Administrator; Andrew Jarosh, Treasurer; Jason Kemper, Planning; Steve Dorsey, County Attorney; Rod Sutton, IDA; Todd Shimkus, Saratoga Springs Chamber of Commerce; Press.

Chairman Johnson called the meeting to order and welcomed all in attendance.

On a motion made by Mr. Lunde, seconded by Mr. Richardson the minutes of the February 4, 2015 meeting were approved unanimously.

Mr. Kemper said the 2015 logging program is on schedule for the Town of Corinth. He said work is halfway done on the first parcel.

Mr. Kemper said there was a request received by the Empire State Forest Products Association where they wanted to hold a training course for logging techniques on the county's forestland. He said there is a Use Policy for the Zim Smith Trail, and Mr. Dorsey may present to the committee a request for a Use Policy on county forest lands in the future.

Mr. Kemper said he has met with all the contractors and subcontractors with regard to the Zim Smith Trail, and the contract has been signed. Survey work should begin shortly.

Mr. Johnson asked what the cost would be to complete the final phase of the Zim Smith Trail. Mr. Kemper said between \$2.8 and \$3.1 million. He said there are significant funds left in the Zim Smith Capital account for the match for whatever funding that is applied for.

Mr. Moore said the county's legislative program called for the removal of the Governor's provisions concerning IDA's. The Governor initially wanted to require approval from the State Commissioner of Economic Development in order for local IDA's to grant or increase state sales tax exemptions, as well as some additional guidelines (regulations) that would have made awards the subject to potential claw back if regulations were not met. There was also the potential that IDA's would be suspended from providing state tax exemption benefits. All of this is out of the final budget, he said.

Mr. Moore said the Regional Economic Development Council has \$150 million to fund priority projects and an additional \$70 million in state tax credits which make up a fifth round of the REDC awards.

Mr. Moore said the upstate revitalization initiative was another piece of the legislative program and the county had expressed their disapproval of the concept of awarding \$1.5 billion in three \$500 million prizes and leaving the other regions with nothing. The Lt. Governor, during the

budget negotiations, clarified that they wanted to avoid making this a winner takes all and losers get nothing proposition. What they decided to do is do the awards in conjunction with the REDC awards.

Mr. Moore said the county called for the remainder of the financial settlement money to be used for local infrastructure projects. He said there are some good pieces in the budget to deal with local infrastructure such as \$500 million for broadband service in underserved areas, and some of that money will be able to be used to improve wireless cell phone access in the North Country towns.

There will be New York State Broadband mapping enhancements through the REDC's. In terms of roads, the CHIPS money and Marchiselli money will be at the same increased level of last year.

There is also a \$200 million capital program for water infrastructure; brownfield tax credit extension; superfund program extension, and in terms of agricultural issues a request has been made asking for more money to go into the fund for open space preservation.

Mr. Sutton spoke about the economic impacts that the Saratoga County Racecourse has on Saratoga County. He said in 2011 the IDA had a study done that captured the impact that racing had on the geographic area in the years 2006 to 2011, which included a nine county area from Albany to Warren County with the primary focus on Saratoga County. At that time the total economic impact was approximately \$214 million. He said this past year the New York Racing Association asked the IDA if they would review the study again as they were asked to look into privatization. Mr. Sutton said the IDA hired Camoin Associates, a local Data Research Company. The end result of the study reinforced the job creation that had taken place. In the current study in 2014 there were a total of 2,600 jobs that was a part of the impact and employment industry, in addition to approximately \$1.1 million in wages and earnings that was created in the two to three month period of the racing season. The total economic impact was approximately \$237 million in sales, contributing approximately \$6.8 million in local government revenues and \$7.4 million in revenues from the State of New York.

Mr. Sutton said the VLT revenue was an extremely important component of the study and in talking to the owners and breeders they thought it was extremely important that the stream of VLT money go back into the industry as it was critically important for not only the breeding industry, but for the agricultural business for Saratoga County.

Mr. Sutton said in summary the amount of in track handling and amount of gambling inside the NYS Racetracks increased 16% in 2010 while the industry itself was declining by 1%. Thoroughbred racing participation increased by 8% in 2010 and was measured by the number of licenses issued to race participants to operate in New York State. In 2013 New York State's thoroughbred foul crop was 400 horses larger than it would have been without the VLT investment. NY breed yearlings sold for just over twice as much at auction in 2013 compared to 2010, and the number of NY breed yearlings sold at auction increased by 39%.

Mr. Sutton said the attendance at the Saratoga Racecourse in 2006 was approximately 966,000 people. In 2014 there were approximately 945,000 people attending the Saratoga Racecourse.

Mr. Shimkus said the purses are up for New York Breeds and the foul crop is up both locally and across the state. The price at which New York Breeds are selling for at auctions is up significantly over prior years. He said the number of horse farm properties in Saratoga County from 2011 through 2014 grew by 14%.

Mr. Shimkus said the breeder awards have gone from an average of \$8,000 in 2008 to just over \$19,000 in 2014. Saratoga Racetrack is now number one of all the States in the country in terms of the average earnings per race. In the past year alone, the total sale in New York Breeds two year olds were up 84%, and for those horses that are valued at \$100,000 or more it is up over 100%.

On a motion made by Mr. Sausville, seconded by Mr. Lewza the meeting was adjourned unanimously.

Respectfully submitted,
Chris Sansom