

ECONOMIC DEVELOPMENT COMMITTEE MEETING

May 5, 2009 – 3:30 p.m.

PRESENT: Chairman Daly; Supervisors Jenkins, Richardson, Sausville, Veitch, Wright; Spencer Hellwig, Mgmt. Analyst; Jason Kemper, Planning; Dennis Brobston, Jim Angus, Shelby Schneider, SEDC; LWV Rep.; Press

Chairman Daly called the meeting to order.

Mr. Sausville moved to approve the minutes of the April 7th meeting. Mr. Veitch seconded. Unanimous.

Chairman Daly said we have been working diligently on the Zim Smith Trail construction. She stated Mr. Kemper had a lot of obstacles out there to deal with. He had kept the design intent of the project in mind, and he has an update for us today. Mr. Kemper reported the Zim Smith Trail is constructed up to Underpass Road across from Curtis Lumber. We have an issue with the easement with the railroad at the end of Oak Street, he said. He stated we have a tentative agreement with the railroad and use agreement for that parcel. He said he received a call from NYS DOT asking how shovel ready the northern portion of that trail was. They told me if something was in place within a week, there is a possibility we could get \$100,000 of stimulus money to get this project done, he stated. We are working towards this, he said. He stated if all the ducks are in a row tomorrow or Thursday, he will be at the Law & Finance Committee meeting to ask to accept this stimulus money from DOT. That will be a huge win for the County, he stated.

Chairman Daly said she has just received a copy of the terms and conditions, but they have not been reviewed by our legal department. She said what we plan for this site will be a huge improvement, and she said she applauds CP Rail for partnering with us. Mr. Kemper said we thought that this piece was owned by Saratoga County. It was in the deed research when it was realized this one piece of the County trunk line was retained by CP Rail. This is the last piece we need to make happen, and there are serious ramifications if we cannot do this piece of trail, he said. He mentioned from Underpass Road to Oak Street is 2 ½ miles. We are doing everything we can to make this a done deal, he stated. Mr. Kemper said his goal is to tell Law & Finance we have an engineer's estimate that DOT agrees with. Chairman Daly said we will keep our fingers crossed.

Mr. Sausville said he hopes the County can do more long term planning regarding the trails. We have had the Green Infrastructure Plan in place, and yet the steps needed to go beyond our expectations seem to be missing. How do we get to Saratoga Springs and Mechanicville? If this stimulus money becomes available, we should have the elements ready, he said. Mr. Kemper said once we get this one piece in order, we can start looking where we want to go. We

have been unable to do anything because we have had our hands tied, he said. We can do other parts quickly when we get this part taken care of, he added. He said his goal is total federal stimulus money and fixing the signage and getting from Oak Street to Coon's Crossing. He said the County DPW put in a parking lot at the parcel by the Wilton Mall and bulldozed the trail.

Mr. Brobston said Mrs. Schneider has been concerned about limitations brought to the Empire Zone project with the State budget. Mrs. Schneider said yesterday, SEDC was asked to participate with a group from Empire State College who was hosting a Chinese delegation. She said 13 people came to the U.S. to learn how our government and business community all work together and how we partner to help create a strong business community. We brought in someone from Empire State Development, HVCC and NYSERDA, and we gave an overview of what we do in Saratoga County, our track record, and how we help businesses, she said. She stated Mike Relyea gave a quick overview of LFTC. She said one question was what kind of incentives are offered and how can we assist them. She stated that they do not have a lot of answers right now, and we cannot offer a lot of predictability. We have concerns because New York State is not the easiest and least expensive place to do business. She distributed copies of a letter from the New York State Economic Development Council to our State legislators expressing their concern over changes made to the Empire Zones program in the State budget. In summary, New York is really at a competitive disadvantage right now, she said. She mentioned businesses certified right now have to be tested to make sure their investment is what they said it was. They want to get rid of businesses that changed corporate structure. For businesses that already filed a 2008 tax return, their return will be held until they find out if they will qualify for a retention certificate. If they do not qualify, they will have to be decertified and pay a penalty, she stated. She said at this point, we do not know what their new program will be. She said they are asking the Board for its support for the program. It was critical in attracting GlobalFoundries, she said. She stated the Zone Administrative Board has been proactive and very responsible with the program.

Mr. Jenkins said most states have similar programs to our Empire Zones, and it will put us at a disadvantage if we lose that. Chairman Daly stated part of our Legislative agenda was to recommend changes being put forth are not included, and we expressed our desire to have something that will benefit Saratoga County and other counties. She asked if we have any idea on a timetable. Mrs. Schneider stated Brian McMahan, of the NYS Economic Development Council, is our lobbyist. We need to hear how this will impact the businesses, she said. As businesses get retention certificates or decertifications, we will be learning from them, she added. Mr. Jenkins said this will pretty much eliminate small businesses. Mr. Brobston said this program was put into tax law. They didn't know the cost when things slowed down and costs started coming up, and that is when the Legislature said they have to do something. If you follow the tax code, I do not know how this would be abused, he said. We have kept things on the

level, he stated. He said it is supposed to be competitive with other places, and this will hurt us, he added.

Mr. Angus distributed copies of the Hoyt bill, A03659, as it relates to the function of industrial development agencies. He said this is the first time it has been introduced in the Senate. He said IDAs are appointed by local government and put in place to encourage economic development. Now, they will be required to have membership to include organized labor and environmental organizations; will require IDAs to provide assistance to projects less than \$100,000; requires the payment of prevailing wages for any construction or building renovation work – He said there is an application before the Clifton Park IDA, and the cost of construction is \$5 ½ million. He said prevailing wage would add \$830,000 to that. He said after construction, all employees will be paid no less than median wage, \$16.80/hr., and the IDA will be responsible for making sure that happens.

Mr. Angus stated the Assembly Bill is still in Local Governments Committee, and the Senate Bill is in the Senate Finance Committee. Your assistance would be very much appreciated by talking to your legislators and telling them about what this will do to all of us locally, he stated. Mr. Brobston said we have our own economic development because the locals felt they had more control. At this point, the State will make it much more difficult to do anything, he said. He said it all boils around the cost of doing business in New York. We would appreciate your support, and we need to start talking to our legislators, he said. Chairman Daly said she would rather do a resolution at the right time, and she trusts that Mr. Brobston and his staff will let us know of a critical time. We can send messages to our legislators, but sometimes, I feel it falls on deaf ears, she said. Those most effective are done at the right time and the right place, she said. She stated Saratoga County will remain focused on positive economic development growth for our residents and our job creation. We have a quality of life here, and that is no secret, she said.

Mr. Sausville said the DEC tree nursery in Saratoga Springs is proposed by the Governor for closure. He said it is one of the few environmental programs that actually pays for itself. This is one of the last remaining nurseries in the State, and it would be a great loss to our County if it closes, he said. The County ought to be proactive in making a statement to have this remain open, he stated. We should consider a resolution asking the legislature to save the tree nursery. Chairman Daly said she would be happy to look into the number of jobs that are there. I want to make sure we are advocating for the right thing, she said. She said she has a level of ignorance on the number of jobs that are there and what its purpose is. Mr. Sausville said it is a business that can be run to at least break even. We will want to reforest our fields in a productive way, and we will need these kinds of resources, he said. Chairman Daly said we will see about garnering information and making it available to the Committee. I do know it is in competition with businesses, she stated. Mr. Hellwig said there has to be a basis for the decision. There is an expectation by this Board and counties that if they

ask us to tighten our belts, they have to do the same. We need to know the decision making process with this, he said. Chairman Daly said she will provide information for next month.

Mr. Sausville said we should be thinking about a Thruway connector for Saratoga County. Going west of Saratoga, people travel Route 67 through Malta, Ballston Spa and the City of Amsterdam. With economic stimulus money, it seems like we should be prepared to build the pieces of a Thruway connector that could connect the Northway through Saratoga County over to Amsterdam, and we would need to take baby steps to do this, he said. Chairman Daly said inasmuch as we are building entities, water projects, etc., all of the growth and development would be left to each community to make decisions about. This will be a sensitive issue and will need time to incorporate opinions of some of our neighboring communities that have gone to great lengths to make plans for their farmlands. She said she understands this vision, but we need to talk to other communities in order to move forward with this. It is something to put on the action list for the future, she said. It all comes down to what each community wants, she added.

On a motion by Mr. Richardson, seconded by Mr. Veitch, the meeting was adjourned.

Respectfully submitted,

Elaine M. Sodemann