

Economic Development Committee Minutes

February 23, 2010 – 3:30 p.m.

Present: Chairman Daly; Supervisors Grattidge, A. Johnson, Kinowski, Lawler, Richardson, Sausville, Southworth, Wood, Peck, Wormuth, Thompson, Collyer and Yepsen; David Wickerham, County Administrator; Dennis Brobston, Shelby Schneider, SEDC; Jim Angus, Clifton Park, Press.

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

Ms. Daly said there are a couple of time sensitive items that will not require Board action, but in the interest of keeping everyone informed of all of the movements that are being made in the area of economic development, she convened the committee to relay some information. This will require that a letter be sent to federal officials that supports two different companies and their initiatives for pursuing federal funding for their projects.

Ms. Daly said before sending a letter off, as chairman of the Economic Development Committee, she would like to share information and have the support of the committee in doing so. The first letter of support will go out to Pan Am Southern in support of their application that will go before the Army Corps of Engineers.

Mr. Angus said Pan Am Southern, who is a combination of Pan Am Railway out of Massachusetts and Norfolk Southern from Virginia, are getting ready to operate as the Capital District Inter-model and Automotive Facility in the Town of Halfmoon, formerly known as the Mechanicville railyard. They have applied to the Army Corps of Engineers for a wetlands permit, whereby, they will be disturbing approximately 1.2 acres of wetlands of the approximate 100 acre site, and mitigating both on site and lands owned by Luther Forest. They have an agreement with the Luther Forest Development Corporation to do some mitigation on their site. They are looking for a letter of support to the Army Corp of Engineers during this comment period on that application. The comment period began on February 10, 2010 and will expire on March 12, 2010. The process is moving along, but they need to disturb these wetlands both in moving the main CP Rail line and further developing the site, including access to Rt. 67.

Mr. Richardson said this will have a huge impact on the local area, certainly in the City of Mechanicville, and the towns of Halfmoon and Stillwater. This project has been moving forward for the last couple of years and it is going to be tremendous for the county.

A motion was made by Mr. Richardson, seconded by Mr. Grattidge to offer a letter of support to the Army Corp of Engineers to move forward with the Capital District Inter-modal and automotive Facility in the Town of Halfmoon. Unanimous.

Mr. Kinowski said he is for the project and Stillwater is for the project; however, Stillwater did not have an opportunity to present some information that would benefit Pan Am and Stillwater, which has to do with where they would put the bridge. We have development that is going to be occurring on and around Rt. 67, i.e. DA Collins and potential development of our own, with industry or businesses along Rt. 67. We are going to end up with a number of opposing entrances on Rt. 67 with heavy truck traffic, DA Collins being one and Intermodal being another further down. Stillwater thought it would be great if they could marry the bridge and/or interposing traffic 1,000 ft. either way where they propose the bridge.

Mr. Kinowski said he is going to write a letter to Pan Am and to the Army Corps of Engineers asking for their consideration after the facts have been presented. This would be no more than we would have done had some of the SECOR process occurred in Stillwater, which it did not.

Mr. Kinowski said he expected to have a letter out to Pan Am and the Army Corp of Engineers to consider the proposals.

Mr. Kinowski said he would be supportive of a letter to be sent supporting the Intermodal site, but he will be at the same time working to potentially seek another avenue to address the bridge on Rt. 67. We are not here to fight them; we are here to give them more information to possibility help everyone.

Ms. Daly said this is an opportunity that the county Economic Development Committee has in offering a letter of support on behalf of the project and encourage there to be as much effort put forth from both communities to come to a mutual understanding and agreement as to what can be done.

Ms. Daly said a letter of support has been requested by the C9 Corporation to solicit federal funds, where all funding requests are due by the end of February. The C9 Corporation is a specialty semi-conductor and materials company located in the STEP Park in Malta. The Empire Zone Board was fortunate last week to meet with the company where they received Empire Zone Certification.

Ms. Schneider gave a brief overview of the company as follows: C9 Corporation is the first semi-conductor manufacturing company around the Luther Forest Technology Campus. SEDC has been working with them for a number of years and they have received a significant amount of both State and Federal support allowing them to build out their factory location. They are currently building a clean room facility, where they manufacture a super lattice technology used for many military applications and also have been very aggressive in going after military contracts with the government. C9 Corporation is in the process of asking Congressman Murphy for an appropriation for a

project they are doing with a company called L3 Communications as well as the NYS Energy and Research Development Authority (NYSERDA). Congressman Murphy requires that all these appropriations come with local support.

Ms. Daly said C9 Corporation has not been built strictly on military contracts. They have recognized the need to diversify in the commercial industry as well. Not only is their revenue from military contracts, but it also comes from commercial contracts as well.

Mr. Sausville asked how many employees were with the company? Mrs. Schneider said there are currently two people full time and two people are subcontracted to help obtain funding. They anticipate adding an additional nine positions in the next couple of years.

Mr. Grattidge asked what they are applying for? Mr. Brobston said they are looking for development money to develop new products. They are trying out products that they are manufacturing and creating a testing opportunity for the military to look at. The funding is for Research and Development coming from the Federal Government.

Mrs. Schneider said the benefit to C9 Corporation to be a part of the empire zone is that they are going to be a big power user. Having the natural gas attached to National Grid by being Empire Zone certified is going to be very beneficial to this company. They are not creating a lot of jobs, but they are doing a significant amount of capital investment.

Mr. Sausville asked why C9 Corporation is locating in the STEP park as opposed to somewhere else. Mrs. Schneider said it is some of the energy components that come along with this super lattice technology they are developing. There are NYSERDA projects for companies that are developing materials that lead to energy conservation.

Ms. Daly said the Federal Government has money available for Research and Development for the type of work this company does. She is asking the committee to support a letter supporting their application for federal funds for R&D purposes, which are available at the federal level for companies such as this one.

A motion was made by Mr. Sausville, seconded by Mr. Grattidge to approve a letter of support for C9 Corporation to support their application for federal funds for R&D. Unanimous.

On a motion made by Mr. Sausville, seconded by Mr. Johnson the minutes of the February 3, 2010 minutes were approved unanimously.

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

Respectfully submitted,
Chris Sansom