

Economic Development Committee Minutes

March 3, 2010 – 3:30 p.m.

Present: Chairman Daly; Supervisors Grattidge, A. Johnson, Kinowski, Richardson, Sausville, Wood, Peck and Yepsen; Spencer Hellwig, Mgmt. Analyst; Jason Kemper, Planning; Shelby Schneider, Michael Dennis, Dennis Brobston, SEDC; Cynthia Sodher, League of Women Voters; Press.

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

Chairman Daly introduced SEDC President, Mike Dennis to all committee members.

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

Mr. Brobston distributed copies of the following Economic Development Climate Survey to all committee members.

Climate from Economic Developers Point of View

- Reduced prospect activity
- Renewed focus on retention and “economic gardening”
 - Economic Gardening is where the focus is on creating a nurturing environment for growing local entrepreneurs rather than “hunting: or recruiting businesses from elsewhere.
- Not enough Economic Development organizations are thinking, “this is our time to make a difference”.

Mr. Brobston said SEDC has always worked with the county Board of Supervisors to promote what is a great county. We have made a difference with sewer, water and opening up the county to other opportunities because we see the future and want to move forward. We have seen recently some areas that have struggled in making a difference for their workforce or their business.

Current Corporate Relocation Climate

- Many companies in survival mode or consolidation
- Merger and acquisition activity driving consolidation
- Companies are tremendously cost conscious

Mr. Brobston said that Saratoga County has consistently been a very cost conscience county, and a good example for businesses that are here.

- Some industries strong, bucking the trends
- Growth Constraint due to lack of debt financing - Mr. Brobston said they don't really see this breaking as yet. There are many companies that are still struggling to obtain financing, which has not eased at this point at all.
- Incentives are playing a bigger role

Site Selection Survey

- Industries with most activity expanding or relocating
 - Healthcare 22%
 - Alternative Energy 22%
 - Government 11%
 - Education 8%
 - Pharmaceuticals 6%
 - Manufacturing 3% - Mr. Brobston said manufacturing is the most sought after business because they are the most capital intensive, with investments and job creation and usually better paid positions.
- Events spurring expansion or relocation today
 - Economy 24%
 - Not a lot 12%
 - Trying on small scale 12%
 - M&A 12%
 - Stimulus 8%
 - Cost control efforts 8%
 - Consolidation of offshore 4%
 - Reorganizations 4%
 - Global audience is moving 4%
 - More competition 4%
 - Lease expirations 4%
- Top 5 Decision making criteria for clients in selecting location
 - Ability to recruit qualified workforce 18%
 - Cost of doing business 16%
 - Business incentives 13%
 - Access to transportation/infrastructure 11%
 - Quality of life 7%

Mr. Brobston said everything has to do with workforce development, that is one of the first things that was pegged at by the semi conductor industry, that Saratoga

County had good work force development and good opportunities in upstate new York.

Mr. Brobston said the cost of doing business in New York State is increasing. New York is now at the top of the list with regard to property taxes, and that does revert back to the cost of doing business.

- What has changed recently in site selection decisions?
 - ❑ Incentives matter more now
 - ❑ Considering moves to less expensive places now
 - ❑ Everything is more competitive now
 - ❑ Finances are at the head of the table
 - ❑ Green is less important now
 - ❑ Less about labor, more about dollars

- Advice to Economic Development Organizations
 - ❑ Stick to the basics
 - ❑ Economic Development is about networking, get out of the office
 - ❑ Focus on retention
 - ❑ Be experts in your targeted industries
 - ❑ Do something outrageous
 - ❑ Provide valuable incentives
 - ❑ Don't overstate the situation
 - ❑ Buy land and give it away

Mr. Brobston said SEDC has done a lot of networking and the Economic Development committee has helped with that.

- How else could an Economic Development Organization be useful?
 - ❑ Offer new buildings
 - ❑ Lower the businesses capital investment
 - ❑ 20% of incentives used 80% of time
 - ❑ Provide quick loading GIS data
 - ❑ Show me the money
 - ❑ Be the coordinator of the process

Mr. Brobston said most people in New York State would say, let's keep what we have and invest in what we have. Offering new buildings and showing people money becomes very difficult in a downed economy.

- Sources of information when learning about a community?
 - ❑ Site visits

- ❑ Community websites
- ❑ Existing relationships with ED Clients
- ❑ Past experiences
- ❑ National Conferences
- ❑ National Data services
- ❑ Community GIS Websites
- ❑ Word of Mouth
- ❑ Calls from Locals
- ❑ Newspaper articles
- ❑ Email campaigns/newsletters

Mr. Brobston said community websites are very important to make sure that the quality of life is shown well and shows the continuity of the message that you are trying to deliver.

- Critical Economic Development Actions
- Familiarization Tours (in person and virtually), Develop LinkedIn
 - Network, email and Public Relations
 - Relevant branding that gets you on the list
 - Creative development of identity
- Websites and search marketing that connects and educates
 - SEO
 - Pay per click
 - Regional Targeting
 - Industry Targeting
- Fully Integrated GIS
 - Largest employers
 - Industry Clusters
 - Property Search
 - Community Data search
 - GIS Analytical tools including radius and drive time
- Professional site visits and answering when called
- Engaging the business community
- Develop analytics to benchmark results

Mr. Brobston said SEDC will be hosting, this summer, a familiarization tour of Saratoga County and the region to prospective suppliers of Global Foundries, as well as suppliers of other industries so they can do business here.

Mr. Brobston said SEDC has approximately 450 LinkedIn members. LinkedIn works very well for business communication, where people can ask questions of you directly. This is another opportunity to get dialog going.

Ms. Schneider said she would recommend all supervisors visit the website www.linkedin.com and develop their own professional profile as the supervisor of their community.

Ms. Daly asked if there was an avenue for the committee as a whole to take part. Mr. Brobston said, yes, and SEDC would be able to help the committee set it up.

Ten Things Economic Developers should be doing today

- Building your LinkedIn Network
- Virtual Familiarization Tour
- Developing a positioning statement
- Search engine marketing
- World Class website
- Updating that website every other day, at least
- Online GIS integrated into website
- Benchmarking your success
- Marketing to workforce, on website and through other means
- Taking the mantle of “This is our time”

Mr. Brobston said benchmarking your success, for us, is contacts and from there to site, business, and location. SEDC benchmarks their success now in making sure that they keep their retention program in place and work with companies to stay in town. Marketing to the workforce on the website and through other means is something that SEDC is going to continue to work on.

Mr. Brobston said that Saratoga County has approximately 2 1/2 years before people begin training at the Global Foundries site. Production will begin in 2013.

Mr. Sausville asked, how could we get companies that are interested in locating in Saratoga County and Global Foundry to come here? Mr. Brobston said SEDC is doing three things; first is the talking that we are doing with the industry, reminding them that this is a Global Foundry and we looking to do business with them; second, going to shows to make sure that you get the suppliers; third and most important, is having Global Foundries inviting their suppliers here, the people that they want to do business with. SEDC is working diligently with them to be in that room when that happens. We are beginning to see an opportunity for that to happen. There will be opportunities at times for meet and greet from the community.

Ms Daly said in addition to being in the room with Global Foundries and the people they bring in, SEDC is carefully staying abreast of the types of skills and the types of products that are going to be needed by Global Foundries and matching them to companies that are actually here today. In places were we can't, SEDC is working with companies to retool how they currently perform their operations to give them a better opportunity to service Global Foundries.

Ms. Daly said today she was invited and attended a press event that was conducted by the Department of Labor in conjunction with the Center for Economic Growth, the State University System and Global Foundries. This was an event that was held to acknowledge the receipt of a \$25,000 grant to have the DEC and Department of Labor work together to develop a pipeline of skilled workers. There was another \$25,000 grant to go toward developing a regional work readiness credential, where the workforce development boards were also invited. There was another \$100,000 grant to help inform students, parents and educators. It was an announcement of \$150,000 in grant money that is going to be used specifically for workforce investment and also to begin an educational awareness campaign about the technical careers that are going to be evolving in this area.

Ms. Daly said she was honored to be given the opportunity to speak as a Saratoga County representative where she underscored her core message that here in Saratoga County, we are building the economy of tomorrow and investing in the future of our citizens. We know more than anyone that the success of all these workforce development initiatives is going to be totally dependent on the continued collaboration that we have fostered between public, partner, and academic organizations.

Ms. Daly said she looks forward to working with SEDC and the Workforce Investment Board in getting this initiative started, so that we will be able to supply the workforce needed for Global Foundries and every other opportunity that comes by way of that.

Mr. Kemper requested a resolution to amend the Zim Smith Capital Fund budget in the amount of \$1,686,589. The funds are all Federal funds, he said.

A motion was made by Mr. Johnson, seconded by Mr. Grattidge to approve amending the Zim Smith Capital Fund Budget in the amount of \$1,686,589. Unanimous.

Mr. Kemper said as part of federal stimulus funds you need a full time inspector on the ground all the time for the project. On the federal portion of the project it is approximately \$125,000 for a full time inspector. On the county portion it is approximately \$24,000 for a full time inspector when working on the railroad property.

A motion was made by Mr. Johnson, seconded by Mr. Grattidge to amend the contract with Greenman Pederson for the Zim Smith trail work for a total of \$150,000. Unanimous.

Mr. Kemper requested a resolution to authorize the Chairman to sign an agreement with Canadian Pacific Railroad.

A motion was made by Mr. Johnson, seconded by Mr. Grattidge to approve a resolution authorizing the Chairman to sign an agreement with Canadian Pacific Railroad. Unanimous.

Mr. Veitch said Supervisor Yepsen and he have been looking at the potential for high speed internet in the county. Google is trying to do a test project for ultra high speed internet infrastructure in various communities throughout the country. They are looking for communities to apply to them for a request for information. The application would include information such as demographics of the community to see if Saratoga County would be a candidate for high speed Internet. They are looking for communities of 50,000 to 500,000. Mr. Veitch is looking for committee support to authorize Mr. Kemper to make an application to request information. The deadline is March 26th. With Global Foundries coming, the chips that they will be manufacturing could be tested on this network, he said.

Ms. Yepsen said this fits right in with everything the county is currently doing with economic development. Saratoga County is not going to attract companies or even residents that are telecommuting to large companies if we are not up to speed. Having broadband access is number one.

Mr. Grattidge said a number of rural towns are still trying to get last mile wiring done for their towns. We have people on high-density roads that are still using dial up. When you have a single franchise company in your town it is very difficult to convince them that they need to run the wiring through the whole town, he said. He requested including last mile wiring throughout the county in the application.

Ms. Daly said the committee would support authorizing Mr. Kemper to make application for high speed Internet to the county upon review from the County Attorney.

Mr. Grattidge said he attended the first meeting to organize what is called "Sunday On The Farm". This event is scheduled for June 20th from 2 p.m. to 4 p.m., at the Arnold Haven Farm on Rt. 147 in Charlton.

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

Respectfully submitted,
Chris Sansom