

Economic Development Committee Minutes

July 7, 2010 – 3:30 p.m.

Present: Chairman Daly; Supervisors Grattidge, A. Johnson, Kinowski, Sausville, Wood and Southworth; Spencer Hellwig, Mgmt. Analyst; Jason Kemper, Planning; Bill Schwerd, Cornell Cooperative Ext.; Press.

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

On a motion made by Mr. Sausville, seconded by Mr. Grattidge the minutes of the June 6, 2010 meeting were approved unanimously.

A handout was distributed to all committee members, which consisted of an update on the Empire Zones and Excelsior Jobs Program. The following information was highlighted:

Empire Zone

Malta Technology Group LLC and SEPSA Albatros North America, Inc. received certification from the Empire Zone Administrative Board last week. Both companies are going to be locating in the STEP Park.

Malta Technology Group will be putting up a 60,000 to 80,000 spec building with approximately 50% of the building scheduled for occupancy. Malta Technology is a projected project of \$10.6 million, set to begin development and marketing in 2010. Construction is scheduled to be complete by 2011.

SEPSA Albatros North America Inc. is in partnership with NYSERDA and will be locating in the STEP Park, with the exact location yet to be determined. The primary focus of the company will be on clean technologies and passenger railcars in North America and technology to reduce energy consumption. SEPSA plans to create up to 30 new jobs and invest up to \$4.7 million on their new facility.

Mr. Sausville asked if both companies would be seeking IDA property tax relief? Mr. Johnson said Malta Technology has not officially applied, but they have met with the sub-committee. SEPSA has not as yet.

Mr. Sausville said Malta has some concerns with these companies locating in the STEP Park as opposed to the Luther Forest Technology Campus. NYSERDA is tax-exempt and doesn't pay property tax, or fire protection tax, and yet the towns of Malta and Stillwater are faced with various service charges, he said. The tax exemptions are troublesome and the breaks that NYSERDA gets on these projects are also troublesome for Malta.

Mr. Johnson said that if these companies do apply, and the IDA wants to create a pilot for them, it would be subject to a public hearing that would be held in Malta.

Excelsior Jobs Program

Ms. Daly said the Empire Zones program sunset date was June 30, 2010. The following is a list of the four components in the program that will support manufacturing and financial industries:

- Jobs tax credit – 42,500 to \$5,000 per job based on salary and benefit levels
- Investment tax credit – refundable, 2% of qualified investments. This credit cannot be taken with the standard IT credit under existing tax law or with the Brownfield Cleanup Program credit.
- Research and development tax credit = equal to 10% of the federal R&D credit
- Real property tax credit = to receive this credit, company must be located in an investment zone (Saratoga County is not an Investment Zone) or be classified a regionally significant project. This is a five-year credit, structured from 50% of eligible real property taxes in year 1 to 10% in year five. Section 15 of the NYS tax law sets eligibility. This credit only applies to the taxes paid in the year immediately prior to application and will not be affected by the additional value brought by the project.

Mr. Kemper requested a resolution to amend a contract with HMA Contracting for a total of \$110,000. When federal stimulus funds were applied for last June and July, DOT originally indicated that as a part of that the county would be giving up or relinquishing all federal funds that were not used as part of the original project. DOT has since stated that the federal government is not requiring that; therefore, there is still some additional funds in the amount of \$88,000 available for work on the Zim Smith Trail. It is an 80/20 match with \$88,000 federal and \$22,000 County. Due to the fact that HMA is on site there will be no additional bids required.

A motion was made by Mr. Sausville, seconded by Mr. Grattidge to approve an amendment to the contract with HMA Contracting for a total of \$110,000. Unanimous.

Mr. Kemper requested authorizing a contact with Fountains Spatial. This is grant money that is anticipated in the fall through the Office of Emergency Services. Due to some enhancements that are being done to the county web-viewer, planning was able to tie into some of the Homeland Security Grant monies. The project has already begun where planning has reached out to all the municipalities to take care of all their GPS needs. The total contract is for \$27,000.

A motion was made by Mr. Grattidge, seconded by Mr. Johnson to approve authorizing a contract with Fountains Spatial in the amount of \$27,000. Unanimous.

Mr. Schwerd distributed an outline explaining the re-appropriating of a Storm Water MS-4 Grant into the 2010 budget as follows:

Total Grant: \$258,000

1. The county received \$86,000 on 12/11/07, and CCE received the funds in March of 2008.
2. The county received \$71,311.25 on 3/15/2010, and CCE received the funds in February 2010.
3. \$44,981.39 request to DEC – adjusted the voucher and will be electronically crediting Saratoga County \$46,423.96, which should either be done or is expected to be done this week.
4. \$94,337.34 CCE has submitted a voucher for this amount to DEC \$140,761 – a total of 3&4 is in the state pipeline
5. A retainer of approximately \$30,000 will be requested with the submission of the final report.

The total monies coming from NYS DEC is \$170,761.30+/-based on DEC's adjustments to the vouchers – full funding is expected.

Saratoga County will receive three checks totaling \$170,761.30

A motion was made by Mr. Grattidge, seconded by Mr. Kinowski to approve appropriating back into the 2010 budget a total of \$170,761.30 for Cornell Cooperative Extension. Unanimous.

Mr. Sausville said the Wildlife Preserve is a very important ecological resource in the towns of Malta and Stillwater. Over the last four or five years the County, Saratoga PLAN, State Environmental Protection Fund and the Town of Malta have collected enough money to purchase the Preserve.

Mr. Sausville requested a letter of support in applying for a grant to help develop the Round Lake Wildlife Preserve. Ms. Daly drafted a letter from the Economic Development Committee in support of the preserve.

A motion was made by Mr. Johnson, seconded by Mr. Kinowski to support a letter signed by Ms. Daly, Chairman of the Economic Development Committee, in support of a Grant application to develop the Round Lake Preserve. Unanimous.

Mr. Sausville said that County Road 80 in the Town of Malta connects the Northway to the Town of Ballston. Approximately two miles of the roadway has been congested from commuter traffic and needs to be evaluated.

Mr. Grattidge said that when similar requests were made by other towns the County's position was that if the town had traffic mitigation fees built into their processes, this was one source of funding that the towns were requested to use.

Mr. Sausville said having the Northway and Rt. 9 running through the town of Malta and having three exists off the Northway, puts the town at a point whereby it is the development around the area that is affecting the roads. The town of Malta is not able to recover through mitigation fees the total expenses associated with that.

Ms. Daly said Clifton Park had the same issue with development that happened in Halfmoon, and the communities had to work jointly and are working jointly with a study as to how to improve that.

Ms. Daly said the Economic Development committee should hear from public works. It is understandable that there will be some issues involving transportation pertaining to Economic Development and is something to keep our vision open to as we look to see how we plan and go forward. Ms. Daly suggested that Mr. Sausville speak to the Public Works committee.

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

Respectfully submitted,
Chris Sansom