

Economic Development Committee Minutes
October 3, 2019 – 4:00 p.m.

Present: Chairman Phil Barrett; Committee Members Art Johnson, Todd Kusnierz, Jack Lawler, Matt Veitch; Supervisor Ed Kinowski; Spencer Hellwig, County Administrator; Steve Dorsey, County Attorney; Andrew Jarosh, Treasurer; Jenniffer McCloskey, Employment & Training; Todd Shimkus, Annamaria Bellantoni, Saratoga County Chamber of Commerce; Marty Vanags, Shelby Schneider, Saratoga County Prosperity Partnership; Dennis Brobston, Tori Riley, Saratoga Economic Development Corporation; Pete Bardunias, Southern Saratoga Chamber of Commerce; Steve Mittler.

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

On a motion made by Mr. Johnson, seconded by Mr. Veitch, the minutes of the August 8, 2019 meeting were approved unanimously.

Ms. Bellantoni distributed a handout and gave an overview of their tourism campaign. Occupancy tax statistics are up slightly or flat over last year. At a recent roundtable with local businesses, July was up and August was down or flat, some of this can be attributed to Airbnb. From Memorial day to Labor day 60K visitors stayed in Airbnb's in Saratoga County. Ms. Bellantoni said that July increase was due to additional Live Nation concerts and earlier track opening date. Ms. Bellantoni went over the data in the handout, which is attached to these minutes.

Mr. Shimkus said that over track season, in talking to the hotel owners, Mondays and Tuesdays were down. Wednesday to Saturday was up.

Ms. Bellantoni said that the Chamber has a shared calendar with 6-7 other entities. If anyone has an event they would like to promote, they can add to the calendar via the chamber website and it automatically updates on all of the seven other calendars such as Saratoga Springs City Center, Skidmore College, Downtown Business Association, Discover Saratoga etc.

A motion was made by Mr. Kusnierz, seconded by Mr. Veitch, to designate the Saratoga County Chamber of Commerce as the County's Tourism Promotion Agency and authorizing the Saratoga County Chamber of Commerce to apply for an "I Love New York" grant in 2020. Unanimous.

Mr. Shimkus said that this resolution authorizes the Chamber to apply for the grant funds. Ms. Bellantoni said that the total appropriation for the I Love New York grant is \$4.408M but the max grant that they are allowed to apply for is 5% or \$220,400. They do not anticipate getting this amount however.

Mr. Barrett said that regarding occupancy rates, based on what he was able to find out, there was little impact on the hotel stays in Clifton Park due to the change in the track schedule. Mr. Barrett said that he read recently that Saratoga Hospital will be taking up some property in the Wilton Mall. Mr. Barrett said that they have a large gym in the Clifton Park Mall and will soon have a trampoline park. They recently had a ribbon cutting for Albany Med in Clifton Park who are

investing a lot for both their emergent care and their bone and joint center. CDPHP broke ground on a new building on Route 9. The new Synergy Park on Route 9 has a multimillion dollar investment from U-Haul as their first tenant. Chase Bank have located their first branch location in the Capital Region in Clifton Park.

Mr. Vanags said that a newsletter is emailed to all Supervisors on the first Thursday of each month and a hard copy placed in their mailboxes. Mr. Vanags distributed a copy of the newsletter and gave an overview. The newsletter has been changed to reflect their change in mission according to the MOU with SEDC. A copy of the newsletter is attached to these minutes. Mr. Vanags said that all Supervisors are welcome to attend their open meetings monthly.

Mr. Vanags distributed a handout outlining their budget presentation and request for funding in 2020. The handout is attached to these minutes. The Saratoga County Prosperity Partnership request for funding in 2020 is \$130K. Mr. Vanags said that they have acquired several pieces of software that will give the opportunity to provide data and information to companies, organizations, non-profits and units of government. The information will be available via the website and will include demographics from census data, housing, real estate, etc. and the information is updated dynamically on a constant basis. Mr. Barrett requested that a demo. of the site be provided. Ms. Schneider said it is currently being built and will inform when it's complete. Mr. Barrett said that the next wave communities initiative is a good place for the partnership to show value and suggested to continue on that track.

Mr. Barrett said that workforce development seems to have different meanings to different people and he would like to see what each organization (SCPP, SEDC, Chambers) is doing under the umbrella of workforce development. This could identify where there could be more collaboration in the county.

Mr. Kusnierz asked Mr. Vanags for an explanation of what changes there are in the 2020 goals and objectives listed as a result to the MOU adopted by both organizations. Mr. Vanags said that they have been doing most of the goals and objectives, SEDC has been working on business attraction and working with the IDA, and both working on leading the branding and marketing of the County.

Mr. Brobston said that in August their mid-year report was distributed. This added up to approximately \$14.5M of new investment, 150 new jobs, 38 retained, payroll of approx. \$12M. The U-Haul - Synergy Park is an \$18M project between both. This brings approximately 180 acres of developable land. Another recent development is an addition to a site at exit 16. Mr. Parillo has purchased additional land which gives a much better opportunity for a warehouse distribution or companies looking for multiple buildings on one site. Mr. Brobston said that they are currently working on approximately 40 projects. They have noticed an increase need for infrastructure studies, and also the need for rail. Mr. Brobston said that Career Jam is being held in the Saratoga Springs City Center this year and they have booked up to almost 2K students, 8th & 9th graders. It will be held on October 22nd 8:30am – 1:30pm. Supervisors are welcome to attend.

Mr. Brobston distributed a budget request handout, which is attached to these minutes. The Saratoga Economic Development Corporation request for funding in 2020 is \$150K.

Mr. Brobston said that he and Ms. Riley are planning a trip to Ireland next week for a Foreign Direct Investment meeting. Meeting with 4 companies that need to come to the Northeast but to also discuss the ramifications of Brexit. It is hoped that a larger group will travel again next year.

Mr. Bardunias distributed the Community Development Program for 2020 and gave an overview of the handout. The handout is attached to these minutes. The Chamber of Southern Saratoga County request for funding in 2020 is \$40K. Mr. Bardunias said that there is potential affiliation with the Capital Region Chamber which will be voted upon by their members by October 10. There was also a vote by the Malta Business & Professional association to dissolve and merge with the Chamber of Southern Saratoga County effective January 1, 2020.

Mr. Barrett said that he recently read the opinion of Mr. Dorsey regarding the ABO and asked Mr. Dorsey to be present at the meeting today to discuss. Mr. Barrett said that one thing the ABO identified is that if an organization that receives funding through a public services contract shows where that portion of their revenue was spent, this would be a positive in their eyes. Mr. Dorsey said that the ABO representative indicated they might look at marketing services differently to economic development services, however this was in conversation and was not put in writing. Mr. Dorsey had asked the representative to put a letter together that could be forwarded to the Board of Supervisors. He did not receive a letter but did get an email, the contents of which were a lot less than what was discussed on the phone. Mr. Dorsey did take notes during the conversation and it was indicated that a straight up marketing services agreement could potentially be viewed as not requiring SEDC to be deemed a public or local authority. Mr. Barrett said that this summer he had asked about the several public service agreements the county has, and what makes the contract with SEDC any different than the other organizations. Mr. Dorsey said that for whatever reason, IDA's and Economic Development agencies are on the top of the list for ABO's focus. Mr. Lawler thanked Mr. Dorsey on his comprehensive, well documented memo. Mr. Lawler confirmed with Mr. Dorsey that there are two avenues, an organization must comply, or must apply for and receive a waiver from the ABO to allow non-compliance legally. Mr. Dorsey said that alternatively the ABO determines that an organization is not a local authority because A. they are providing just marketing services, or B. the amount funded to them by the government is insignificant. Mr. Lawler said that in conclusion from the Director, that if asked an opinion, the regulation would apply. Mr. Dorsey said that he advised the ABO that funding in the amount of \$150K was being considered and was told that SEDC fell off their radar because they were aware that the county stopped funding. However, if the county funded them at \$150K, they would deem them to be subject to Public Authorities Law. Mr. Dorsey said that this could change depending on how the services are defined and worded. Mr. Lawler said that when the resolution from this committee was originally passed requesting the opinion of the ABO, he believes that they requested an opinion from both the ABO and the County Attorney, and how do they get an opinion from the ABO? Mr. Dorsey said that he believes they have the ABO opinion, that this is as much as will be received from them, and that they prefaced everything with "we don't give legal advice". They stopped short of sending the letter they said they were going to send. Mr. Barrett said that the County should have the contract crafted in a way to satisfy all parties, have it in place and it's then up to the ABO or State to take action. Mr. Lawler expressed concern over drafting a contract, executing the contract, moving forward with \$150K disbursement and then finding out down the road that the ABO does require compliance from an agency that is saying they are not going to comply. Perhaps there should be a clause in the contract that if an organization is not in compliance, the funding should be returned to the County.

A motion was made by Mr. Johnson, seconded by Mr. Lawler, to authorize drafting a proposed contract with Saratoga Economic Development Corporation and submitting the

contract to the ABO for their advisory opinion of compliance. Motion passed by a 3 to 2 vote.

Mr. Dorsey said that when you read Director Pearlman's two emails, even though he said he is not writing an opinion, there is an opinion in there which is, if they are funded by Saratoga County, they need to comply. Mr. Dorsey said that Director Pearlman also said something on the phone that is not in the email, which is if this is a straight up marketing services agreement, they would potentially deal with that differently. Mr. Barrett said that he is not sure that the ABO will give the opinion. Mr. Barrett said that the language in all of the other contracts needs to be analyzed. SEDC was created by a private entity, other entities were created publicly. Mr. Lawler said that both the draft agreement with the scope of services as defined MOU should be sent to the ABO. Mr. Kusnierz said that if the ABO is charged to ensure there is proper oversight for the use of taxpayer dollars, how can the distinction be made regarding whether the services are marketing or economic development, whether this decision is statutory or a decision by the ABO. Mr. Barrett said that there is a lot more research that needs to be done, and believes they will not get an opinion until a contract is in place. Mr. Veitch said that he believes this should be done prior to the budget vote in December. He would be more comfortable at the budget vote having the knowledge at that time. Mr. Veitch confirmed that this resolution would pass through to Law & Finance and the full board.

Ms. McCloskey said that this month the Employment and Training office is doing a Veterans focused job fair at the Saratoga Public Library on Wednesday, October 30th. Ms. McCloskey will have brochures sent to all Supervisors and would like to get the word out about the event. It is targeted towards Veterans but all are welcome to attend.

A motion was made by Mr. Kusnierz, seconded by Mr. Veitch the meeting was adjourned unanimously.

Respectfully submitted,

Therese Connolly
Deputy Clerk of the Board