

Economic Development Committee Minutes  
February 3, 2021 – 3:00 p.m.

Present: Chairman Phil Barrett; Supervisors Tara Gaston, Joe Grasso, Jon Schopf, Kevin Tollisen, Tom Wood; Supervisors Ed Kinowski, Bill Peck, Benny Zlotnick; Chairman of the Board Todd Kusnierz; Steve Bulger, Matt Rose, Audra Hedden, County Administrator; Hugh Burke, County Attorney; Jason Kemper, Planning; Andrew Jarosh, Treasurer; Shelby Schneider, Rocco Ferraro, Saratoga County Prosperity Partnership; Dennis Brobston, Saratoga Economic Development Corporation.

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

**On a motion made by Mr. Tollisen, seconded by Mr. Barrett, the minutes of the December 9, 2020 meeting were approved. Mr. Grasso abstained from voting.**

Mr. Barrett announced the appointment of Mr. Schopf as committee Vice Chair.

**A motion was made by Mr. Grasso, seconded by Mr. Wood, to amend the boundaries of Consolidated Agriculture District #2. Unanimous.**

Mr. Kemper said that this is part of the annual review of our agricultural districts. That process starts usually the previous October. Two petitions were received in the Town of Galway and in the Town of Corinth. Both of those seeking to be included in the agricultural district for the production of garlic, and garlic products. The process is that they petition the County, then the County Agricultural Farmland Protection Board meets, approves or rejects those applications. It comes back to the Board of Supervisors for adoption. The County Agricultural Farmland Protection Board has met and approved applications. At last month's Law & Finance meeting, a public hearing was set for February 10<sup>th</sup> at 3:45pm. If there are no comments, Board approval is scheduled for the February Board meeting. Once approved by the Board, it goes on to the New York State Department of Ag and Markets. Once they approve, then the properties are formally included into the district. Part of this resolution will also be looking for a negative declaration under SEQRA, basically for the amendments to the Ag District.

**A motion was made by Mr. Grasso, seconded by Mr. Tollisen, to authorize a major contract extension with Cornell Cooperative Extension for the management of the Saratoga County MS4 Stormwater Program for \$188,737 during the 2021 calendar year. The motion passed. Mr. Schopf recused himself from voting.**

Mr. Kemper said that this is an annual item. We previously had a three year contract with Cornell Cooperative Extension, which expired on December 31, 2020. This provides technical assistance at the County through Cornell and the great work that Blue Neils does, to all those MS4 municipalities in the County for their Stormwater work. This dollar amount is used as a match for the larger DEC grant that also goes to Cornell Cooperative Extension. We had a three year agreement including an escalation clause that expired. Mr. Kemper said that Cornell Cooperative Extension approached the administration during the budget process, and asked that it be renewed

for just one year with a 2020 rate as they try to figure out their DEC grants. With the pandemic, they did not feel comfortable going for a longer term or an increased rate. This is just a contract extension for one additional year at the 2020 rate.

Mr. Barrett asked Mr. Kemper to get an update on the special grant program for people with septic systems within the Dwass Kill area. There's been quite a bit of interest in Clifton Park and other municipalities, as far as the availability of those grant monies. An update on where we are, the amount of people that have been helped and the amount of grant money that's been accessed by homeowners. It was grant money that was made available through DEC for people to eliminate their septic systems if they were within a certain distance of the Dwass Kill and tributaries.

Mr. Barrett introduced Mr. Brobston from the Saratoga Economic Development Corporation for an update.

Mr. Brobston said that they had an excellent 2020. Their 11 projects had been approved, \$121M worth of investment, 698 jobs retained, 447 jobs created, \$26.8 million in new payroll. Some of those projects included Quad Graphics expansion and new press they put in. There is a solar company that's looking to build a large facility in Stillwater. Coretech in Ballston also put up a new facility. They also have a couple of small ones, one in Halfmoon, ACA. Mr. Brobston said that they are very pleased to see that. A couple of the other ones have not quite started yet, but they've done their approvals moving forward. 2020 marked the end of their five year campaign, which was Advance Saratoga. During that time, they had total investment of just under \$229M, retained over 1,250 jobs, created almost 1,400, and new payroll was \$92.5M. Mr. Brobston said that 2020 was their best out of those five years. He would not have thought that at the time going in, but it worked out that way. The other piece that they were very pleased with, and will continue on in 2021, is foreign direct investment work with Irish companies. A link to a video was previously emailed to all Supervisors and can be viewed at <https://youtu.be/SgUZOAxisJE>. Mr. Brobston said that during COVID, they were unable to bring people to their July event, they had over 30 companies listed and ready to go until COVID hit. They decided to do a four step webinar, talking about the value of doing work in New York and Saratoga County. They had 90 companies participate, all those companies were vetted and financially feasible to grow in the United States. They had local speakers from Carrie Woerner to Chris Duffy at SUNY Adirondack to Dr. Ramsammy from Hudson Valley Community College, Joe Dragone from Capital Region BOCES. They all helped through the process. They also had quite a few people from Ireland, a representative from the USA Embassy in Ireland. Mr. Brobston said that they found many companies that are looking towards expanding into United States. They used to do a lot of business with the UK, but because of Brexit, it becomes very difficult for them, and much more costly to do that. Mr. Brobston said that they hope by the end of the year, they will have at least 30 companies come to visit, depending on the COVID situation. Mr. Brobston said that for 2021 they still have 50 active projects, those 50 projects could total as much as \$700M. Their target markets, when they think about small and large manufacturers, advanced manufacturing, 20 of those projects are in manufacturing, light or heavy from small companies from 5 employees to as many as 600. So it's a wide range. Some of those leads are through Empire State Development, others are just through marketing efforts and contacting through the email and things of that nature.

Lastly, Mr. Brobston said that they did not spend all of the funding received from the County in 2020 and presented a check in the amount of \$37,500, which was the last quarter payment. Mr.

Brobston said that they are returning this to the County as required by their contract. Mr. Brobston said that his board and staff continue to work hard for Saratoga County and they appreciate the support. Mr. Barrett thanked Mr. Brobston. Mr. Barrett said that he was surprised that out of the five year plan, 2020 was the best year, and asked how Mr. Brobston accounts for that. Mr. Brobston said that it's timing. Some of these projects wait for a lot of approvals for certain grants that come about. They have been working on some of those projects, probably the first six or seven, for at least a year and a half. Quad Graphics was a conversation that has been going on for five years. Mr. Brobston said the smallest year they had he believes was \$14M. It's important to keep marketing, keep getting the name out there. It's very important for people to know that they are still here. The other thing that happens, some of the partnerships that they work with regionally and in the state, when companies are going places and they're looking, SEDC may be second on the list, they grow somewhere else first. They get established, they come here, we see some of those things are going to happen mostly in the waste recycling age of different products, food processing things of that nature.

Mr. Barrett said that there is such a shortage of landfill space, and that that is going to get more acute in the next few years. It seems the companies that have landfill space, like it the way it is. But a lot of them don't have any landfill space, and they'd rather see less garbage go to a landfill. So how do we make that happen? Because it costs them a lot of money to dispose in a landfill since they don't own landfills. You've got basically two players in the garbage market, and that's the dynamic now. But innovation through the private sector will no doubt solve the problem that government can't, and that is either having suitable places to dispose of garbage, or otherwise turning garbage into something else that might be useful.

Mr. Brobston said that one thing they have seen this past year was a changing of more moderation with the incentive process through the State. For a few years, there was a more drawn out process, they were not as generous in certain things. Mr. Brobston said that retention is still a big piece of what they do. Quadratics was a perfect example of them going above and beyond what was expected. National Grid did that as well. The retention piece is very important, all of our IDA's have been a great partner doing that.

Mr. Barrett introduced Ms. Schneider from the Saratoga County Prosperity Partnership for an update. Ms. Schneider congratulated Mr. Barrett on his appointment to the Saratoga County Prosperity Partnership Board, Mr. Bulger for his appointment as County Administrator and Mr. Kusnierz for his appointment as Chairman of the Board. Mr. Bulger and Mr. Kusnierz are also Board members of the SSCP. Ms. Schneider previously provided a copy of their Annual Report, Financial Report and Compensation Package. They also provided a summary of what they worked on last year. These documents were included in the agenda packet for this meeting.

Ms. Schneider gave an overview of their annual report. Ms. Schneider said that prior to 2021 they came up with a division of responsibilities between the Saratoga Partnership and SEDC, so their focus would be primarily business retention and expansion, NextWave communities economic development, planning, implementation, as well as community marketing, look for and identify sources of funding for community initiatives in Saratoga County that do align with their funding. Ms. Schneider said that she knows there have been criticisms and challenges in the past that the County is the sole contributor to the budget of the Saratoga County Prosperity Partnership. Ms. Schneider said that they have gone to great lengths to identify other sources of funding to leverage taxpayer dollars to ensure that they are growing the pie. Bringing in other sources of funding, whether it's federal, state, regional, private sources, grants. Ms. Schneider said that workforce

development continues to be a high priority. COVID has challenged us with, especially women in the workforce, a lot of people are having to choose to leave the workforce because their kids are at home. Their homeschooling, daycare options have been limited. They have been limited since about 2008. Working on initiatives to ensure that we're making sure that we have the tools and resources that people can go to work is very important. Global markets, Ms. Schneider said that both SEDC and SCPP have a stake in this. The SCPP retained Mary Estelle Ryckman, who used to work for the US Trade Representative that was working with businesses, not only on business retention and expansion, but identifying opportunities for businesses to export their product as well as import, and clearing those hurdles. Ms. Schneider said that they did have one event in October with Canada, because Canada is our number one trading partner. It featured the Canadian Consul General, the Business Council of New York, Mainfreight, as well as Empire State Development's international trade arm called Global New York. Mary was also given a seat on the New York District Export Council. Upstate has primarily been neglected or left behind, having representation from Upstate New York, really having these conversations, how we can expand our trade opportunities has been important. Ms. Schneider said that they subscribe to services and work on collecting data, serving employers and keeping up to date information. Ms. Schneider said that businesses today make data driven decisions, they make market driven decisions based on hard data, and the more that we can provide to businesses to hopefully expand investment jobs, as well as additional funding sources.

For the semiconductor industry. Ms. Schneider said that midway through the year, they were working with their partners to do a study of the Luther Forest technology campus. A market study has not been done there since roughly 2000. Given the fact that COVID has provided a unique opportunity for not only Saratoga County, but in the United States, North America. Currently, we are only producing about 12% of all semiconductors in the world. It is not necessarily because all of our manufacturing is offshoring, as much as growth is happening and exploding in other markets, more specifically Asia. After COVID hit and they realized supply chains and manufacturing have flat footed. Ms. Schneider said that the federal government as of December 31, passed an initiative to the defense bill to plan to invest not only in semiconductor manufacturing, but research and development as well. This means important things for our companies such as Globalfoundries as well as our supply chain. Ms. Schneider said that they hosted a webinar with John Neuffer, who is the President of the Semiconductor Industry Association of America, who worked with the major manufacturers in the US, including Globalfoundries to talk about this initiative, what it means to the US, what it means to jobs here, and how it can help Luther Forest to continue to grow.

Ms. Schneider said that for their initiatives for this year, they would like to keep moving along the path, keep moving forward with initiatives with community economic development, continue to stand with businesses through COVID. Many businesses made it through the first round of payroll protection program and federal relief. The second round, some businesses did well. Others are hanging on, but they want to make sure that the ones that do qualify, go after not only federal funds, but state funds. The IDA's did a great thing by helping businesses offset the cost of the additional personal protection equipment and setup that they needed to do to protect themselves. But businesses are still operating on a very restricted capacity, which is going to pose a lot of challenges. Ms. Schneider said that business retention and expansion is going to continue to be their top priority. They want to get communities to really focus on creating local economic development plans. Through these plans, we get community input, we get buy ins from stakeholders, and we also use these plans to inventory, assets, and talk about strengths, weaknesses,

opportunities, threats, and use these plans to hopefully leverage additional investment. SPCP finished a plan in Ballston Spa this year. The Mayor was very aggressive about making sure this got done, regardless of COVID, regardless of how much public input and public meetings that had to be done. Ballston Spa uses this plan to go after additional grant sources including from the Capitol District Transportation Committee, they got a \$90,000 linkage study to develop a plan to improve pedestrian and bicycle access, create safe street crossings, calm traffic. Ballston Spa prides itself on being a walkable community, but it does have challenges with sidewalks and the fact that Routes 50/67 intersect here, and it's very heavily traveled. Ballston Spa is currently updating the comprehensive plan and zoning, and are working with Capital District Regional Planning Commission on a technical assistance study. They are also engaging in an income study, because if they are going to go after additional sources of funding, sometimes the US Census Bureau doesn't necessarily get a complete picture, and if they are able to assess, and potentially the lower the average median income within that community, it allows them to qualify for much more when it comes to infrastructure funding and other funding that can help. Ms. Schneider said that this is important, because hopefully, it takes the strain off of other resources, whether it's County, State, Federal. Ms. Schneider said we want these communities to plan to not only attract investment, attract the kind of job opportunities they want, be business friendly and have very predictable zoning and planning. Ms. Schneider said they are midway through plans working with the Towns of Malta and Galway, they started work with the Town of Moreau and are working on a community brochure with the Town of Halfmoon. They have a plan that was contracted out to Behan Communications looking at the northern towns of Saratoga County. Also working on an affordable housing project in Victory Mills revitalizing a former manufacturing facility to provide 186 workforce housing units.

Ms. Schneider said that they applied for an EPA Brownfield community wide assessment program with the assistance of HRP associates. That was submitted in November and should give us about \$300,000. It would be used over the course of a few years. They will understand whether or not the funds were awarded sometime in April. This would allow a committee to be appointed, most likely with the partnership of the Board of Supervisors, to identify sites in need of phase one, phase two, clean up, and give us the opportunity to put together a marketing plan for these sites to make sure that they are active on the tax rolls. From the education that has been provided about these assessment programs, is that they also put you in favor with the EPA for getting other Federal resources directed towards those sites or other another brownfield redevelopment planning initiatives. Mr. Barrett thanked Ms. Schneider

Mr. Barrett asked Mr. Jarosh to give an over view of the timing of bed tax revenue and the calendar it follows. Specifically at the end of December, when do we know the final tally. Mr. Jarosh said that on a rotating annual basis, December, January and February are considered the collection months, the activity months, for the first quarter of the year. Establishments then have until the third week of March, usually around March 24, to file, and then we process those payments and get them out a week or so later. That becomes the first quarters distribution, at the end of March. But the collection period is from December, January and February. Mr. Barrett said that this is an important distinction. Mr. Jarosh said that March, April, and May become the second quarter collection period in June, they file and we distribute, and then it keeps going around every three months thereafter. So the collection period includes the last month of the year in the first quarter of the next year's numbers. Additionally, Mr. Jarosh had two points on this. Mr. Jarosh said that this is on a cash basis. These are all the revenues that have been collected during this collection

period. That's what these numbers are, the distribution report. An establishment may pay taxes that they collected from a previous quarter, last quarter or a quarter before that. If the Treasurer collected in February, that counts as the first quarter of this year. Sometimes the numbers can get a little skewed, or be misrepresentative of actual activity, simply because we are collecting revenues that might have been generated by activity from quarters long past. Mr. Jarosh said that he is working on a system with the IT department to better track and sort those kind of numbers so that he can show, for instance, of the dollars collected this quarter, these work for activities for this quarter and the previous quarter. Additionally the Treasurer's office will often do corrections with some establishments, re-filings that generate additional revenues. Those revenues are accounted for in this quarter, even though literally correcting their filing from a previous quarter. Mr. Jarosh said that there are some reporting issues there that have been insignificant for many years, but now that we have more county operations and economic development here in the County reliant on these numbers, he is trying to make them a little more granular and transparent, and make sure that everybody who relies on these numbers understands how and why they are being generated.

**A motion was made by Mr. Tollisen, seconded by Mr. Grasso, to authorize first quarter 2021 payment to the Saratoga County Prosperity Partnership. Unanimous.**

Mr. Barrett said that per Resolution 276 of 2020, the Economic Development Committee first, and then the Board of Supervisors, is tasked to approve quarterly payments for SEDC and the Partnership. Based on that, and budget projections, the first quarterly payment for the Partnership would total \$112,500. Mr. Wood asked if the ultimate goal is that we will compensate each organization an equal amount as closely as we can come, knowing that the bed tax is a big variable that we have no idea at the end of the year what the grand total will be. Mr. Barrett said that he does not believe there is an intention to appropriate the same amount of funds for each organization. The Partnership per the law that was passed, and subsequent measures approved by the Board of Supervisors, would receive half the bed tax. SEDC's funding is set at \$150,000. They would both be paid quarterly. Based on the budget estimate that was part of all the discussions had during the budget process. There was half of that number, and now you appropriate that, or consider the appropriation quarterly. That's what this committee is tasked to do by the Board of Supervisors. That process starts here. If this Committee approves the payments quarterly, then that will go to the Board of Supervisors for additional approval. Mr. Grasso asked where the figure is generated from. Mr. Barrett said that it is half of the budget estimate related to bed tax. Mr. Tollisen cautioned that if the budget estimates become realistic, going into the third and fourth quarter could be a problem. Mr. Tollisen wanted to be clear on the record that the actual relates to actual numbers. Mr. Barrett said that if Mr. Jarosh can keep us more up to date and do what he needs to do with what he was just speaking about, that would be very helpful. Mr. Barrett said that he was one of the Supervisors that mentioned at the budget meetings, on more than one occasion, that the estimate was definitely rosy.

**A motion was made by Mr. Tollisen, seconded by Mr. Grasso, to authorize first quarter 2021 payment to the Saratoga Economic Development Corporation. Unanimous.**

Mr. Barrett asked Mr. Brobston if he is making the request for the quarterly payment of \$37,500 going into this year. Mr. Brobston said that they were expecting to request this in March. They had not prepared a request today, had not seen the contract. Mr. Brobston said that they would be happy to delay this until March. Mr. Tollisen said that if we approved the expenditure of 150,000, personally, he has no problem moving it forward subject to an approved contract, which is normal procedure. Mr. Barrett said subject all the information that is required, all necessary paperwork, backup information, everything that is requested. Mr. Barrett said that will not change year to year, as far as the contract is concerned, and Mr. Burke will have those contracts to both entities later today. Mr. Peck asked if the contracts were the same as last year or if they have changed in any way, if so, can the members of the Board get a copy in advance. Mr. Barrett said that we have a much more transparent process this year. Those contracts will go to the organizations and assuming they are okay with them, we will get their feedback. Certainly then any Board member can have a copy of it. One change to the Partnership contract would relate to Resolution 276, and how that resolution spelled out any differences in funding for 2021. Mr. Peck said that he would like copies of both contracts if they are available. Mr. Kinowski said that a lot of discussions took place back in December, and questioned if the ABO requirements are still part of this. Mr. Kinowski said that the last he knew was that SEDC had to comply and asked if that was part of the contract. Mr. Burke said that a reference to the ABO is not in the contract. Mr. Kinowski said that it may not specifically be in there, but it's indicated, and we were told that it was by the other verbiage that was in the contract. Mr. Kinowski asked if that would be reviewed because it's important to all of us. Mr. Barrett asked Mr. Kinowski to clarify what he meant by other language. Mr. Kinowski said that without the contract in front of him it is difficult to talk about it. He believed it was that it must meet all State regulatory requirements, and the last email that he saw out of the ABO office, which is a State agency, is that the SEDC had to comply, and he is wondering where it is at. Mr. Barrett said that whatever was in there last year is the same, referring to what they have to submit, or if they are a viable corporation, providing insurance and so on would stay the same. Mr. Tollisen said that he believes all of our contracts somewhat relate to, you have to comply with all laws. That they comply with whatever rules and regulations they need to follow. Mr. Barrett agreed.

Mr. Zlotnick submitted a letter from the Ballston Spa Businesses and Professional Association regarding a request for a possible cap on delivery fees. Since most of the village restaurants are actually in the Town of Milton, they have asked him to present the letter. Mr. Barrett said this was something that Chairman Kusnierz mentioned in his remarks on January 6<sup>th</sup>. Mr. Kusnierz said that County Attorney's office has already drafted a proposed local law, it is under final review before it will be presented to members of the Board. Mr. Kusnierz said that it is a priority for us moving forward, and appreciates any municipality's businesses that are supportive that action. Mr. Zlotnick said that Business and Professional Association from the Village of Ballston Spa is firmly behind that measure.

Mr. Barrett thanked everyone for participating today. He is looking forward to another successful year. Mr. Barrett requested updates for next month's meeting from the Saratoga County IDA and the Clifton Park IDA from Mr. Tollisen and Mr. Schopf. Updates regarding the programs that both entities had to help local small businesses with their COVID expenses.

**A motion was made by Mr. Grasso, seconded by Mr. Tollisen, the meeting was adjourned unanimously.**

Respectfully submitted,

Therese Connolly  
Deputy Clerk of the Board