



**Meeting of the Board of Directors
June 22nd, 2020 at 3:00 pm
Saratoga City Center – Upstairs
522 Broadway, Saratoga Springs, NY 12866**

Board Members Present:

Chairman Kevin Hedley, Vice-Chair Penny Hill, Treasurer Rocco Ferraro, Secretary Todd Kusnierz, Brendan Chudy, Eric Connolly, Darren O'Connor, Josh Spain, David Wood, and Benny Zlotnick

Board Members Absent: Steve Bulger, Scott Solomon, and Charles Wait

Saratoga Partnership Staff Present: Shelby Schneider, President; Jennifer Kelley, Economic Development Assistant; Mary Estelle Ryckman, Advisor for Business Retention, Expansion, and Global Markets, and Michele Battle, Executive Assistant

Guests: Justin Miller, Legal Counsel, Harris Beach

Chairman Kevin Hedley called the meeting to order at 3:04 pm.

ADOPTION OF MINUTES

Benny Zlotnick made a motion to accept the May 11, 2020 minutes, seconded by Rocco Ferraro. No further discussion was made.

Vote on the motion: AYES: 10 NOES: 0. The motion carried.

TREASURER'S REPORT – ROCCO FERRARO

Treasurer Rocco Ferraro presented the Treasurer's Report. He stated he has reviewed the list of bills to be paid. Furthermore, there is a process for review even though due to Covid-19 he is not meeting in person. He has accepted the bill payment list and the bills listed are to be paid.

Ferraro proceeded to review the Statement of Activity with the comparison between 2020 and 2019. He noted the revenue difference is due to the method by which Saratoga County is distributed quarterly payments of \$125K instead of one lump sum as was done in prior years. He added that this is where the discrepancy in year-to-date revenue comes from. He pointed out that the Saratoga Partnership has seen a significant decrease in expenditures this year compared to last year. Ferraro stated he is very comfortable with the Statement of Activity.

Todd Kusnierz made a motion to approve the Treasurer's Report, seconded by Zlotnick. There was no discussion.

Vote on the motion: AYES: 10 NOES: 0. The Motion carried.

OLD BUSINESS

Unity Committee Update

The Unity Committee met a week ago, and there has been some progress on getting the ball rolling towards merging SEDC and the Saratoga Partnership.

Chairman Hedley stated that he met that morning with John Munter, Chair of the SEDC Board, who updated him on an Executive Board Meeting that SEDC held after the Unity Committee meeting. The board's consensus is that they will back off their stance on being subject to the Public Authorities Accountability Act (PAAA) which is enforced by the Authorities Budget Office (ABO) and therefore are willing to move forward with the idea of

merging SEDC with the Saratoga Partnership. The conversation produced some ideas on how to merge, but there were no firm plans made.

It was stated that there are projects that the Saratoga Partnership can do that SEDC currently cannot since the Saratoga Partnership is a Local Development Corporation (LDC). For example, the Saratoga Partnership was able to help G&G lighting by participating in the StartUp NY program. This is a good collaboration that the Saratoga Partnership would want to continue with. However, SEDC brings a 40-year track record to the table that should not be lost as both organizations move forward.

One idea produced was that the two boards would merge, and the organizations would be doing business as SEDC to keep the name recognition, but some of the Saratoga Partnership's legal structure that allows for broader projects would remain. Additionally, SEDC's private membership would be maintained as part of the merger. Both SEDC and the Saratoga Partnership agree that a true public-private partnership is the way to go. Chairman Hedley called for Unity members to come together again to begin planning the merger.

Kusnierz commented that this is a huge milestone in continuing to move the unity process forward successfully. He gave kudos to everyone who has pushed towards unity.

Darren O'Connor wanted to clarify that SEDC is withdrawing all objections to filing with the ABO. Chairman Hedley stated that SEDC is willing to report to the ABO if this becomes a requirement. He added SEDC is ready to move forward. O'Connor stated that this is great news and he is happy to move forward with the merger. The Unity Committee will work out the details of how to report to the ABO.

Brendan Chudy asked who from SEDC's board shared their sentiment for merging. He asked if it was John Munter. Chairman Hedley confirmed that he had had a meeting with John Munter and that SEDC's board had met and unanimously agreed to a merger. Chudy also asked if Dennis Brobston was on board with this idea. Chairman Hedley answered, yes Brobston was, as well as SEDC's full board. Chairman Hedley commented that Charles Wait is very adamant about moving towards a merger.

NEW BUSINESS

Revised Budget

Ferraro reported that the Audit and Finance Committee met the week of June 8 and went over an in-depth proposal for a new budget for the remainder of the 2020 fiscal year. Ferraro stated that he thought the new budget was well done and asked for Ms. Schneider to go over the highlights to the board.

Ms. Schneider presented the budget spreadsheet which showed a comparison of the 2019 actual budget, 2019 approved budget, the previous 2020 approved budget, and the current proposed budget. Within the current budget proposal, Ms. Schneider also presented a conservative budget which assumes that we do not receive additional grant revenue. One item that needed to be noted was the 2020 approved budget was based on \$550,000 in revenue, however, the actual number is \$500,000.

Ms. Schneider began the presentation reminding the Saratoga Partnership Board that the organization has been operating on an austerity budget and will continue to closely monitor the funds.

In terms of grants, the Saratoga Partnership has applied for a USDA Grant. This year, the grant round was more competitive than last, with 28 applications, however, the Saratoga Partnership is hopeful. We had previously received a National Grid grant for \$6,900 that is being used to fund the Saratoga Partnership's database and information clearinghouse. We anticipate applying for more National Grid grants in the future. Ferraro also commented that our current 2020 budget is only showing one-third of the USDA Grant's total, due to the grant being administered through the 2021 fiscal year.

Ms. Schneider discussed that the Saratoga Partnership anticipates the room occupancy tax to be lower than previously expected due to the current COVID-19 pandemic.

To alleviate this, the Saratoga Partnership is planning to host more event webinars. Previously, the organization has not charged for webinars because they have been COVID-19 related and the organization does not want to burden the local small business community. However, there is the possibility to charge in the future or have the events sponsored by Community Partners.

Ms. Schneider discussed possibilities for fee-for-services. There is a potential \$10,000 from the Global Markets Program. Also, the Saratoga Partnership receives \$2,500 from G+G Lighting for administrative costs StartUp NY Program agreement. Additionally, the Saratoga Partnership has received a small fee-for-service from the Saratoga County IDA for making updates to their website and helping them with their ABO compliance requirements.

Ms. Schneider addressed expenses. She pointed out that there was previously an automobile allowance for \$500 per month, however, she is not taking this. The employee health budget is estimated at \$30,000. As of July 1, the Saratoga Partnership will be moving to a new health insurance plan which will have an annual savings of almost \$10,000 per year. The Saratoga Partnership has already spoken with the County and they have already approved the switch in health care plans. Another addition to the budget was a \$50 cell phone allowance for the Saratoga Partnership staff. Ms. Schneider also discussed that the Saratoga Partnership will need to recast job descriptions after comparing the staff's roles from last year to this year and where they have grown and added to their job duties.

Ferraro added that the approved budget compared to the modified draft budget shows the increase in legal and accounting fees. Chairman Hedley also mentioned to the board that the original budget did not include all of the memberships that Marty had subscribed to which was over \$10,000. Those expenditures have been resolved. Ms. Schneider stated, the Saratoga Partnership is being as conservative as possible with the budget, while continuing to provide the services of the marketing agreement with the County.

Kusnierz inquired about the USDA grant, asking since a third of the grant is represented in the 2020 budget does that mean the other two-thirds carry over into 2021. Ms. Schneider confirmed if the Saratoga Partnership was awarded the grant, the funds would be distributed in both 2020 and 2021.

Chudy asked how the Saratoga County hotel occupancy rate is trending. Ms. Schneider responded that she hasn't seen the exact numbers but keeps in contact with the County to stay abreast of the situation. She added the first-quarter numbers were not bad, but the second quarter is showing a significant decrease due to the NY on Pause Executive Order.

Attorney Miller stated that the Saratoga Partnership's contract with Saratoga County financially protects the organization this year with a guaranteed \$125,000 per quarter.

Ferraro made a motion to approve the modified draft budget, seconded by Dave Wood. There was no discussion.

Vote on the motion: AYES: 10 NOES: 0 . The Motion carried.

At this time Chairman Hedley wanted to take a moment to acknowledge and mention to the Saratoga Partnership Board that Shelby Schneider is being honored by Saratoga Today as one of the 2020 Women of Influence. Ms. Schneider stated they interviewed her and took photos for the publication available on July 17th. The Saratoga Partnership Board congratulated her on the accomplishment.

PRESIDENT'S REPORT

Ms. Schneider began her report by letting the Board know the Saratoga Partnership would be hosting a Paycheck Protection Program (PPP) Forgiveness Webinar on Wednesday, June 24th. The panel would consist of Saratoga Partnership Board Members Steve Bulger and Chairmen Kevin Hedley. Additionally, Michael O'Connell from the Adirondack Trust Company would be on the panel. The panel discussion will be about the current PPP Program and the recent changes that have been made to it.

The Saratoga Partnership is working with communities as they submit their applications for the Saratoga County Economic Development Fund. Ms. Schneider had given a presentation to the Saratoga County Economic Development Committee summarizing the different applications, which amounted to about \$66,000. She stated that those who have not yet applied for the \$7,1000 grant would be able to in Round 2.

Ms. Schneider gave an update on Project Victory. She stated that Larry Reagan is doing a brownfield core sampling and are currently looking for subcontractors. She added they might get their tax credits by the end of this year.

Ms. Schneider met with the new owner of the State Farm property in Malta. The developer is a large property developer out of Rochester who is looking to fill the property with a large employer and potentially work with a State Association. The developer had recommended that Malta change the name of the street from State Farm Place to accommodate to a larger clientele. Ms. Schneider said that SEDC would be brought in if it became a larger attraction project.

Mary Estelle Ryckman is continuing with business outreach and is reaching out to Saratoga County businesses. Ms. Ryckman stated the Canadian Consul General has contacted the Saratoga Partnership to be a part of their upcoming webinar. The webinar would be in July and the Canadians are interested in sharing new opportunities including medical device manufacturing in the region. She informed the board that Canada is New York's biggest trade partner.

Ms. Schneider stated the Saratoga Partnership is continuing its hands-on approach and assistance main street businesses with specific operating regulations and also following up with PPE kits that they and their partners have worked in the last few weeks.

Ms. Schneider was interviewed for a Star Radio segment which aired June 14 at 9:40 am. She explained the discussion was focused on the Saratoga County Economy and how the Saratoga Partnership can assist businesses through the COVID-19 Crisis.

Ms. Schneider also talked about her meeting with Brightside Up, the former Capital Region Childcare Council. The Capital Region has 60 percent fewer available childcare spots than were available in 2006. The issue is so important that companies such as Regeneron and NYRA have opened onsite childcare facilities. To get more people into the workforce, there is a need for childcare facilities to alleviate stay-at-home parents. Before the pandemic, there was record low unemployment in the Capital Region and record-high participation rates.

The Saratoga Partnership continues to work with organizations like New York Loves Nanotech and others to promote the Semiconductor Industry in Saratoga and surrounding counties. Ms. Schneider said that the Saratoga Partnership has issued a Request For Proposal (RFP) in partnership with SEDC and the Center for Economic Growth (CEG) to conduct a market analysis of the Luther Forest Technology Campus (LFTC) and surrounding areas, as well as current opportunities for semiconductor industry attraction. The chosen consultant will then conduct a site analysis of LFTC to determine what infrastructure is needed to accommodate new opportunities.

Chudy added that it is important for the Saratoga County IDA, the Saratoga Partnership, SEDC, and private investors to come together as one voice. He said one organized voice is better when moving forward to speak to the State and Federal government. He said that Globalfoundries has been involved in talks at the federal level and in Malta, the company has gotten an option for 67 acres in the STEP Park on Hermes Road.

The Saratoga Partnership is wrapping up the Next Wave Communities Ballston Spa economic development plan and is holding off on finalizing the other Next Wave Communities plans until the Saratoga Partnership receives news about the USDA grant funding.

The Saratoga Partnership along with Discover Saratoga, the Saratoga County Chamber, SPAC, Saratoga Arms Hotel, and Saratoga Casino and Hotel worked with Mind Genomics to determine the general population's interest in visiting Saratoga County in the absence of fans attending the Saratoga Race Course or SPAC being open. The results of the study will be shared at a later date.

The Saratoga Partnership is helping Assemblymember Carrie Woerner identify how to strengthen the manufacturing industry in the region and identify supply chain gaps. The Saratoga Partnership is also assisting the Capital District Regional Planning Commission on their resiliency study which aims to understand the gaps in the supply chain for certain products, materials, and infrastructure. Additionally, the Saratoga Partnership is working with Congresswoman Stefanik to connect her with small businesses to discuss business retention and growth obstacles they face and different policy issues she can advocate for in Washington D.C. on their behalf.

ADJOURNMENT

Ferraro made a motion to adjourn the meeting, seconded by Kusnierz. No further discussion was made.

Vote on the motion: AYES: 10 NOES: 0 . The Motion was carried.

The meeting adjourned at 4:16 pm.

Recording Secretary



A handwritten signature in black ink, appearing to read "John M. Kelly", is written over a horizontal line. The signature is cursive and includes a large, stylized flourish at the end.