

Heritage grant funds.

Commencing the review of the agenda items requiring committee action, Mr. LaMothe presented a resolution to create Budget codes identified as CD 69 and to amend the County Budget to increase revenues and appropriations for funding received from the New York State Housing Trust Fund Corporation Small Cities Program in the amount of \$400,000 for activities in the Town of Lake Luzerne, specifically the renovation of the former bowling alley. Mr. LaMothe added that the request included authorization for a Memorandum of Understanding (MOU) should it become necessary.

Motion was made by Mr. Belden, seconded by Mr. Champagne and carried unanimously to approve the request to amend the County Budget as outlined above and refer same to the Finance Committee. The resolution authorizing a Memorandum of Understanding with the Town of Lake Luzerne for administration of the grant was authorized for the next Board meeting. *A copy of the resolution request form is on file with the minutes.*

Mr. Belden asked if the County would manage this fund and Mr. LaMothe answered affirmatively stating that this was a County award for which the Town of Lake Luzerne would return in-kind services. He added that the renovated building would house the Town Courts and Town Hall and a total of approximately \$9,000 would be contributed by the Town in services or materials. Mr. LaMothe stated that this was an impressive project and he encouraged the Committee members to visit the site.

Next, Mr. LaMothe presented a request for authorization to attend the American Planning Association Upstate New York Conference, October 8, 2008 through October 10, 2008 at the RIT Inn and Conference Center in Rochester, New York, at a cost of approximately \$400-\$450 for the room, meals and registration, with transportation costs to be paid by himself. He stated that the Planning Law and Planning Ethics segments of the program were required to maintain his certification.

Motion was made by Mr. Taylor, seconded by Mr. Stec and carried unanimously to approve the travel request as presented. *A copy of the Authorization to Attend Meeting or Convention is on file with the minutes.*

Mr. LaMothe addressed an item not on the Agenda whereby he apprised the Committee of a meeting to be held on September 4, 2008 at 6 p.m. at the Great Escape Lodge. He said that representatives of Creighton Manning Engineering would be in attendance, to discuss reconfiguration of the portion of State Route 9 stretching to Route 149 to create traffic management and concept plans to rework exits, curb cuts, and access roads in the outlet area. He noted that this would be the first update to the study performed ten years ago.

Mr. Champagne raised the issue of the Railroad Station Improvements Project and the \$90,000 Planning grant awarded for the Project. Mr. LaMothe apprised that he had recently met with the Department of State, which was the funding agency, to discuss the speed of the process. He said

he expected to receive a draft of the grant contract within the week and once the draft was approved, finalization of the work plan should move along without delay.

This concluded the Planning and Community Development portion of the Committee meeting.

Commencing with the Economic Development portion of the meeting, Mr. Sokol welcomed Leonard Fosbrook, President of the Economic Development Corporation (EDC), and Jennifer Switzer, Empire Zone Specialist and Financial Director of the EDC. Privilege of the floor was extended to Mr. Fosbrook, who distributed informational packets to the Committee members, a copy of which is on file with the minutes. He began with progress reports, and referred the Committee to the 2008 Project Priorities which were accepted by the Committee earlier in the year. The Priorities were in part initiated by the department and some were adopted through various entities throughout the County that expressed a desire to move economic development projects forward, he stated.

Messrs. Tessier and Thomas entered the meeting at 10:41 a.m.

Mr. Fosbrook referred to the second document in the packet, the 2007 & 2008 Year-To-Date Summary of Accomplishments. He began with review of the Queensbury Business Park where the National Guard Readiness Center was being constructed. Mr. Fosbrook stated that this \$1.3 million project would create an infrastructure for the Park, including eight sites, as well as a home for the Readiness Center, into which businesses could be recruited. He noted the infrastructure work was nearly complete and they were in the process of developing marketing literature aimed at target groups which included biomedical and nano-technology companies.

Regarding the Downtown Glens Falls Revitalization effort, Mr. Fosbrook asserted that there were many visible changes in the Downtown area. The private sector, he said, had been purchasing buildings for rehabilitation and these buildings were typically occupied by retail businesses on the first floor and office space or apartments on the upper levels. He stated that the EDC had been successful in working with developers to secure grants through National Grid and the EDC; he added that they had also sponsored the Civic Center study which had a positive outcome as evidenced by the hiring of a management firm.

Mr. Fosbrook stated that through the Empire Zone Program, the EDC provided up to \$125,000 worth of zone capital credits for projects to raise funds for institutions such as The World Awareness Children's Museum, Crandall Public Library, and The Glens Falls Hospital. He added that the EDC was the recipient of an additional \$50,000 in National Grid grants for individual developer projects in the City, and the EDC had also administered some additional Empire Zone credits.

Presenting a new item for 2008, Mr. Fosbrook apprised that the City of Glens Falls had asked the EDC to take the lead in a project to identify possible uses for the Armory on Warren Street. He said that while evaluating how that facility could best be used, the EDC had introduced the possibility of acquiring an adjacent property that would yield up to 35 parking spaces. He noted

that this would enhance their ability to attract a developer.

Mr. Fosbrook stated that the EDC had partnered with the Airport for some years, in an effort to reduce operational costs. He noted that the EDC had funded the study which had resulted in the concept of land leases that authorized partnerships between private and public sectors and subsequently allowed construction of the four jet hangars currently in use. He asserted that the funded study had proved valuable as it presented all options to the Committee for consideration, enabling an informed decision.

Continuing, Mr. Fosbrook conveyed that the EDC was currently considering funding a feasibility study to determine whether the property set aside in the Airport Master Plan could be developed into a technical park. Mr. Fosbrook stated that he anticipated positive results from the study and pending their receipt, the EDC would design a project for 2009 to present to the Committee for approval. However; he said, if the study did not yield the expected results, they would not move forward.

Mr. Merlino entered the meeting at 10:47 a.m.

Mr. Sokol asked if the Saratoga Race Course generated activity for the Warren County Airport and Mr. Fosbrook replied affirmatively adding that the Sagamore Resort also generated airport activity and it was common to see many corporate jets at the airport throughout the summer. He expounded that pilots usually sought the closest landing facility to their destination and Warren County Airport offered more amenities than Saratoga County Airport, such as instrument landing and longer runways. Mr. Tessier noted that a minimum runway length of 5,000 feet was required for landing an aircraft and he apprised that the Saratoga County Airport had only 4,700 feet, according to the Saratoga County Supervisors who had recently visited the Warren County Airport. Mr. Fosbrook apprised that the Economic Development Specialist from Albany International Airport was researching the light jet aviation market, as well as the construction of hangars and the extension of runways and had noted that the Warren County Airport was viewed as a competitor.

Mr. Belden stated that the future of the Airport could include small jets and Mr. Tessier pointed out that the Saratoga County Airport included 100 acres of property but was not able to expand.

Mr. Fosbrook contended that increased activity would typically cause an increase in revenues, especially if the EDC and the County continued to seek other ways to generate revenue for the Airport. Mr. Champagne asked if it was possible to move forward with the airport study and installation without first having a better idea of how the lots would sell. Mr. Fosbrook responded that the EDC had been involved with the Queensbury Business Park since 2001 and it was a long process. He said that in his opinion, it was reasonable to conduct studies in order to assess the cost to move forward, then apply for Economic Development Agency (EDA) grants and other funding. The final step, he said, would be a decision regarding the viability of the project based on the total cost and the current market.

Mr. Fosbrook stated that the studies were a good investment for the County and he apprised of two other completed studies that could lead to EDC projects, one being in Chestertown and the other in Queensbury, which coincided with the reconstruction of Main Street and involved an engineering study to determine the cost for sewer as the infrastructure lacked same. He said that interest from a tenant with a large employee base would position the EDC for grant applications. Mr. Champagne asked why the Engineer for the Town of Queensbury was not involved with the project and Mr. Fosbrook stated that the Engineer had been involved in the preliminary work. He added that there were funds set aside in the budget for engineering consultation and that the studies would be initiated after January 1, 2009.

Mr. Fosbrook reminded the Committee members of previous discussions regarding the possibility of combining the LDC (Local Development Corporation) with the EDC. He said that subsequent to analysis of the concept, the County had decided against merging the two agencies. Mr. Fosbrook expressed his support for the decision and noted that the EDC would have accepted the responsibility had a decision been made in favor of the merge.

Addressing the Exit 18 Development Zone, Mr. Fosbrook apprised there had been much activity in 2007 and 2008, including the extension of the sewer district to Media Drive to serve both the EMS (Emergency Medical Services) and Tribune Media Services (TMS) Buildings. He said that he and Supervisor Stec had worked diligently to bring TMS to their site of choice in order to keep jobs in Warren County. Mr. Fosbrook noted that the addition of the sewer saved approximately \$25,000 when compared to the cost to install a septic system. He said that the Exit 18 area was deemed a business industrial area and the EDC was optimistic that other undeveloped commercial land in that vicinity would be developed once road work was completed.

From a funding standpoint, Mr. Fosbrook stated that marketing and business attraction activities had increased significantly in 2008. Looking back at 2007, he stated, that a new website had been launched, and a commitment had been made with the Center for Economic Growth (CEG) to piggyback the EDC marketing program. He added that the EDC had represented the County at several national and international meetings in 2007 and 2008 and was in the process of developing literature for recruitment purposes on a County-wide basis, as well as for the Queensbury Business Park.

Mr. Fosbrook articulated that he had attended two medical device meetings during which a connection was made with a small medical device company seeking an investment opportunity to grow their company. He said that discussions were currently underway with respect to an agreement that had the potential to yield significant gains for Warren County.

Messrs. Geraghty and Monroe exited the meeting at 10:00 a.m.

Mr. Fosbrook stated that 2008 was the second year of the elevated spending for marketing and the EDC would continue these programs into the future. He apprised that three to four years of marketing would be necessary before the results could be fully assessed.

Mr. Fosbrook addressed the Luther Forest Complex and stated that an announcement was expected in the near future indicating that the complex was designed for larger projects; therefore, they were not in a position to offer sites to smaller businesses. This, he said, presented the opportunity for Warren County to attract the smaller businesses. Mr. Fosbrook apprised that Dr. John Kelly, Senior Vice President for Research and Development at IBM, would be a guest speaker at a luncheon Meeting on September 5, 2008 to address the nano-technology industry and there would be twenty other IBM executives in attendance. He noted that IBM had made a \$1.6 million investment in New York State and he urged the Committee members to attend the event as guests of the EDC.

Moving on to the Adirondack Regional Business Incubator (ARBI) Project, of which the EDC was a large supporter, Mr. Fosbrook stated that following an unsuccessful attempt to secure a building for the ARBI, they had shifted their focus to programming and had recently completed an internship program from which four local students had been placed with local businesses. He added that other businesses had been hosting internships and this could be the beginning of a central clearinghouse for internships moving forward.

Mr. Strainer entered the meeting at 10:04 a.m.

Mr. Fosbrook conveyed that Jeff Farley, Executive Director of the ARBI, had moved to office space on the Adirondack Community College (ACC) campus, subsequent to which Dr. Ronald Heacock, ACC President, had declared his interest and commitment to the program. Mr. Fosbrook added that Ms. Switzer served on the Board of Directors of the ARBI.

Mr. Fosbrook summarized that Mr. Farley would be available to assist small businesses to structure arrangements and to lend expertise as needed. Mr. Champagne asked about future funding and Ms. Switzer stated that the largest obstacle had been their failure to succeed in attaining a building for the ARBI. Mr. Fosbrook interjected that he anticipated keeping the program active for the remainder of 2008, which could yield significant financial gains. He said he recommended funding the program for one more year to be certain it was as worthwhile as he had predicted.

Mr. Sokol reiterated the September 5, 2008 date of the ARBI kick-off day at ACC for entrepreneurs which would include various speakers. Responding to an inquiry from Mr. Sokol, Ms. Switzer stated that the Leadership Program had just gotten underway last week and had solid attendance thus far.

In relation to the Rail Station Project, Mr. Fosbrook asserted that he continued to serve on various Committees, and had learned that funding existed for an upgrade to a section of rail at the Saratoga Rail Station which would enable higher speed travel. He conveyed that a fall foliage line was planned to run from the Town of North Creek to the Town of Corinth and another running from North Creek to the City of Saratoga Springs was projected for 2009.

Mr. Fosbrook addressed the North Creek Ski Bowl which he referred to as both an infrastructure

and a tourism project. He said the developers would complete the shell of the project in 2008 and there would be many changes on Gore Mountain which would include a new section of ski area to be called Burnt Ridge. Mr. Fosbrook apprised of a \$250 million public and private partnership project which had brought business to the Town of North Creek with many positives including the purchase and renovation of Main Street buildings that would be open for ski season. He stated that the EDC was currently completing paperwork to seek funding for North Creek to construct a ski lodge at the base of the Ski Bowl and he anticipated the notification of approval on the \$135,000 project in the near future.

Regarding the Empire Zone Project, Ms. Switzer stated that Mr. Sokol served as Chairman of the Empire Zone Administrative Board and the EDC as Local Administrator for the County. She explained that Empire Zone Capital Credits were credits available to personal and corporate taxpayers for donations made to not-for-profit community development projects in the area. Both former and current projects were listed, she said, and to date there had been over \$114 million invested with about \$1.4 million from local contributors.

Ms. Switzer stated that the other aspect of the Empire Zone project lended itself more to local businesses and she presented the summary of the 61 zone certified businesses in the area. She said there were 415 (net) new jobs created in 2006 and 881 new jobs created in 2007 and explained that 420 Finch Pruyn employees were counted as new employees and were included in this figure as a result of the buyout. Ms. Switzer stated that the gross wages and benefits of these companies exceeded \$157 million in 2006 and \$133 million in 2007; therefore, these businesses retained employees, good wages and benefits, and raised the infrastructure investment figures for these companies. The program had been run very efficiently at the local level, she added.

Ms. Switzer noted that the Finch Pruyn figure did not actually increase their employee base and also accounted for the increase in gross wages and benefits. According to Ms. Switzer, one of the problems with the program was that the method for reporting the data was inconsistent and Mr. Fosbrook apprised that the figures for several businesses had not yet been submitted.

A discussion ensued.

Ms. Switzer addressed the Summary of EDC Sponsored & Obtained Matching Grants, as of August 2008 and noted their success in securing grants from National Grid which included funding for projects such as the Downtown Glens Falls Revitalization Project, the Queensbury Business Park, and marketing purposes for both the Business Park and the County at large. She noted that elected officials had assisted with funding initiatives.

Mr. Fosbrook referred to the final documents included in the packets entitled "Measurement of Outcomes Data 2005-2008" and stated that the Board had requested such measure in reporting the outcomes. He highlighted the general upward trends reflected in the charts beginning with Total Real Property Full Market Value, Sales Tax Revenue, and Median Home Prices which were a good indicator of accumulation of wealth. Another positive, he noted, was the decreasing

unemployment rate which was lower than the national average and in line with most of New York State. According to the New York State Department of Labor, he stated, the Average Annual Wages had increased. This trend, he said, indicated accumulation of wealth that would generate investment. Mr. Champagne asked for contributing factors for the significant increase in annual wages over the reporting period and Mr. Fosbrook stated that this could be attributed to the medical device presence in our area, as well as the growth of Angiodynamics which would have effected that figure. Additionally, he said, the increase in general competitiveness of the marketplace would precipitate an increase in overall wages. He said the fact that Warren County was located in the trade corridor between Montreal and New York City separated the region from western New York whose figures may reflect much differently.

Mr. Fosbrook commented on a recent article in *The Post Star* which conveyed negative figures regarding the local economy as well as the rebuttal submitted by Glens Falls National Bank. He expounded that the article had reported a loss of nearly 800 jobs in Warren County from July 2007 to July 2008; however, he said, due to the fact that the reporting month was July, the figures did not account for the delayed staffing of summer hires in 2008 as explained by the New York State Department of Labor, thereby causing the appearance of a dramatic decrease. He further explained that seasonal employers, exercising caution in 2008, were not fully staffed until July. As a result of this incident, Mr. Fosbrook stressed the importance of fully understanding the basis of all reported numbers prior to making generalizations.

Mr. Fosbrook requested approval of the 2009 Budget which was unchanged from 2008 with \$350,000 allocated for the EDC and \$45,000 for the Empire Zone.

Motion was made by Mr. Belden, seconded by Mr. Tessier and carried unanimously to approve the Budget request as presented and the request was forwarded to the Budget Officer for consideration.

Ms. Switzer presented a resolution request to appoint Patricia Hamilton to serve as the resident member of the Empire Zone Administrative Board, to replace Dave Capron whose term had ended. Ms. Switzer stated that prior to her move to Warren County, Ms. Hamilton had served as the Regional Program Director for the Empire Zone Program with Empire State Development for nearly 25 years. She added that Ms. Hamilton was currently a resident of Pottersville and stated that she would be an asset to the Board.

Chairman Monroe re-entered the meeting at 10:30 a.m.

Ms. Switzer presented a resolution request to extend appreciation and thanks to David Capron for his service to the Empire Zone Administrative Board. She stated that Mr. Capron was consistently reliable and a positive contributor for this volunteer service as a Board member since 2002.

Motion was made by Mr. Stec, seconded by Mr. Belden and carried unanimously to approve both of the requests outlined above and the necessary resolutions were authorized for the September 19, 2008 Board meeting.

There being no further business to come before the Planning and Economic Development Committee (including EDC), on motion by Mr. Stec and seconded by Mr. Taylor, Mr. Sokol adjourned the meeting at 10:34 a.m.

Respectfully submitted,
Joanne Collins, Legislative Office Specialist