WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: **ECONOMIC DEVELOPMENT**

DATE: **March 27, 2006**

Committee Members Present:		**Others Present:**
Supervisors	Barody	Representing Warren County Economic Development Corporation:
	Monroe	Leonard Fosbrook, President
	Stec	Peter Wohl, Director, Adirondack Regional Incubator Business
	Champagne	William Lamy, Deputy Superintendent DPW
	F. Thomas	William Thomas, Chairman
	Kenny	Joan Parsons, Commissioner of Administrative and Fiscal Services
Committee Member Absent:		Supervisor Caimano
Supervisor	Mason	Supervisor Haskell
		Joan Sady, Clerk of the Board
		Debra L. Schreiber, Legislative Office Specialist

Mr. Barody called the meeting to order at 11:44 a.m.

Motion was made by Mr. Stec, seconded by Mr. Monroe, and carried unanimously to approve the minutes of the March 2, 2006 meeting, subject to correction by the Clerk.

Privilege of the floor was extended to Mr. Fosbrook, who distributed copies of his agenda packet to members of the committee, a copy of which is on file with the minutes.

Mr. Lamy indicated at the request of Mr. Fosbrook he would periodically update the committee on the Exit 18 Main Street Corridor. He noted the design of the underground utilities was almost complete and the next step was the completion of the easement maps depicting where the above ground equipment would be located. He said he anticipated receiving an easement map later in the day and would be sharing it with the DPW Committee tomorrow. He said it was imperative that the elected officials both at the County and Town level were satisfied, so R.K Hite could engage the public along the corridor.

Mr. Lamy remarked he had met with DOT and had also had discussions at the Town and he informed the committee there were various funding options available to make the necessary improvements on the corridor. Unfortunately, at this point he said he did not have the final figures but it appeared everything was falling into place. He said he would ask DOT to reauthorize and earmark those grants that Congressman Sweeney had been instrumental in procuring for this project.

Mr. Lamy stated while the design of the connector road had progressed nicely, the Town had been active in moving the EMS people to their new location. In conversations with DOT, he said the connector road would become a detour road during construction facilitating the movement of vehicles and they would like to see it built as soon as possible. Mr. Lamy advised there was a $1 million budget for the connector road, and with a $300,000 Transportation and Community System Preservation Grant and a contribution from the City of Glens Falls, it would leave approximately a $500,000 expense for the Town of Queensbury. In conversations with Supervisor Stec, he believed they anticipated completion this fall.

Mr. Haskell entered the meeting at 11:48 a.m.

Mr. Stec added that he was doubtful the road would be 100% complete this fall but a majority of the road behind the existing EMS building would be complete, and the rest of the road completed in the spring of 2007. He said he expected to close on the EMS property in early April as they were anxious to get going but since the EMS was a non-profit organization, the process had been delayed.

Mr. Barody thanked Mr. Stec for the leadership he had shown in moving the project along. Mr. Champagne inquired if there was a possibility of receiving funding for the connector road through the Greater Glens Falls Transportation Council and Mr. Lamy replied he thought that agency had applied and received the $300,000 federal appropriation.

Mr. Barody asked if Mr. Lamy could prepare a report for the Exit 18 project depicting the funding stream and anticipated time frames/limits. Mr. Lamy indicated at the present time he had insufficient information but expected to have it within the next couple of months.

Mr. Champagne inquired about a completion date relative to the underground utilities and Mr. Lamy responded he thought he would have that last month. He advised that Clough Harbour and Associates had put this in 3D to identify the conflict areas. He further explained how the pipe would be laid, the various utility companies involved, and the special requirements associated with the corridor project.

Mr. Lamy exited the meeting at 11:50 a.m.

Mr. Fosbrook introduced Peter Wohl, who was under contract to the Adirondack Regional Business Incubator to develop the incubator project.

Mr. Wohl distributed copies of the director's report that he noted he provided to his board on a monthly basis. The report encompasses the current milestones, activities and issues of the incubator project.

Mr. Wohl began with a review of the site preparation, which he said consisted of cleaning out the 4-story, 24,000 square foot building. Approximately two weeks ago he said they engaged a mover that cleared all equipment and supplies from the former ABC Restaurant Supply and Equipment Store and the ground field remediation work could commence. In addition, he mentioned, so the contract and work just received final approval from the Department of Environmental Conservation (DEC) with the exception of a few minor modifications. He said he anticipated within the next three weeks the remediation work would be getting underway. The expected time frame for this work was three or four months but a majority of the process was spent preparing and filing the necessary reports, Mr. Wohl advised.

Mr. Wohl apprised they were working on an agreement with an architect who was selected during a competitive bid process. Before commencing the design process, he noted the architect would like to tour the facility, which he expected to occur within the next couple of weeks.

Mr. Wohl reported the State Historic Preservation Office (SHPO) issued a letter a year ago to the LDC indicating this site met the criteria for inclusion into the National Historic Registry. He said he prepared a written response to SHPO requesting clarification and reconsideration of this determination and they were likely to schedule a meeting within the next couple weeks. Until the building was nominated, it did not become a historic site but if it became historic, there were certain hurdles that needed to be overcome, remarked Mr. Wohl. It appeared like SHPO would like to review the exterior facade/design and windows to make sure the integrity of the building was maintained, Mr. Wohl noted.

As a practical matter, Mr. Barody explained due to the lack of funds available, they were cleaning up the building and constructing a nice entryway. In response to an inquiry by Mr. Champagne relative to the large front windows, Mr. Barody replied the current windows needed to be replaced as they were not energy efficient but his biggest concern was having to keep the same size windows and window panes which could necessitate them being custom made.

Even if all determinations were in their favor, Mr. Wohl stated he was concerned about the time frames they were required to meet with respect to the grants that were funding the project.

Mr. Wohl indicated he had included in his packet the preliminary design considerations that he had discussed with the building committee.

With respect to engaging the architect, Mr. Wohl noted the Warren County Local Development Corp. (LDC) and Adirondack Regional Incubator Business (ARIB) had submitted comments back to the architect. He said the architect came back with work grounds for everything except professional liability insurance. He stated the current firm they had chosen did not carry professional liability insurance; however, he indicated they were exploring other options with the architect. If everything fell through, he said they would have to go out to bid again. In response to a question by Mr. Caimano, Mr. Wohl indicated Troy Architecture was the architect and they had previous experience with incubator buildings and SHPO.

Mr. Wohl reported they had executed the IDA promissory note and the agreement with Warren County. He further asked the committee to refer to the spreadsheet identifying the contributions towards construction and renovation as well as the projected shortfall they anticipated at this time. Due to the additional expenses incurred during the previous few months, he noted the projected shortfall was approximately $390,000. He apprised the committee of a grant opportunity through National Grid wherein they could apply and most likely receive two $50,000 grants for their Main Street revitalization project but it still left them with a shortfall. He recommended the need to continue to discuss this from both the fundraising and construction perspectives because there were design choices.

With respect to marketing, Mr. Wohl reported he was working on some strategies with the Regional Chamber of Commerce. For example, in May in an effort to reach out to local entrepreneurs, they were kicking off a "thinkubator", which is comprised of panels of individuals with different backgrounds and expertise. He said they could get a sense of whether they were potential incubator clients or if they directed them elsewhere to keep business within the County. While the idea was built around providing services for the incubator and providing services for its tenants, he said they wanted it to be a resource for the entire region. They were currently putting together a formal marketing plan to attract potential incubator tenants, attract anchor tenants that fit nicely within the theme of the building, as well as providing a source of security, remarked Mr. Wohl.

Mr. Champagne inquired whether anyone looked at the old Chase Bag Building in Hudson Falls. Mr. Fosbrook replied the Chase Bag building was purchased and divided up as tenants came in and occupied space. The incubator was designed to take start up companies with a common interest and house them where they could concentrate on their idea. From an operation stand point, Mr. Wohl stated, they had begun to collect and review policy contracts and agreements with other incubator candidates both inside and outside the region to identify best practices.

Mr. Wohl commented he was concerned about the commitment and participation of ACC with respect to this project. In the agreement that was executed, he stated ACC had committed certain funds and in-kind services but they had not been active to date. Recently he said he spoke with a representative from ACC asking for clarification of the commitment. He indicated there was a workforce development component of the incubator concept and he was hopeful the two would match. It would be a nice opportunity for ACC to have a presence at the facility, both in teaching classes as well as any workforce development pieces, remarked Mr. Wohl. In addition, he said ACC was instrumental in the grant funding opportunities and it was extremely vital that they have participation from an educational institution in the project.

Mr. Barody commented ACC initially paid $30,000 with another $125,000 in equity through in-kind services. Mr. Champagne advised he met with ACC and reviewed their one, five and ten year plan. In that one year plan, he said was unsure how soon this committee expected ACC to jump in with those kinds of funds for the "smart room". However, he stated, there were trustees that were anxious to see the success of this project. Mr. Caimano commented ACC was the home of the incubator project and it appeared that they had washed their hands of it.

Mrs. Parsons added they had looked at $3 million of future commitments that were prioritized by ACC and there was nothing in the five year plan relative to the incubator project. She said when she questioned the priorities, Dr. Bishop asked if they could meet again once he re-examined the commitments. As chairman of the committee for ACC, Mr. Champagne said he would make the necessary recommendations for them to be involved in the incubator project. Mr. W. Thomas informed the committee they were called by ACC to have a meeting with them last Friday. They were advised at the meeting the State had revenues they would share - if Warren County paid half the cost, they would pay the other half.

Mr. Barody said the County and LDC were the driving forces behind this project and they were verbally committed to stay with the project knowing there were funding gaps. He mentioned they had gotten this project to a good starter size for the community. Mr. W. Thomas complimented Mr. Wohl on the Activity Summary that was prepared. Mr. Wohl responded it was their intention to add an overview of the milestone which would include budget numbers and time frames.

Mrs. Parsons reported at the Executive Host Committee, with regard to security, there was a carry over to EDC and queried if Mr. Fosbrook was prepared to give the figures to the committee today. Mr. Fosbrook replied it would be April 1st before they would have the final figure.

Mr. Barody added he was impressed with the quality of the report prepared by Mr. Wohl and noted his presence as Director of the Incubator Project has helped move the project forward. He further added he has never felt more confident about this project.

Mr. Haskell exited the meeting at 12:25 p.m.

Privilege of the floor was extended to Leonard Fosbrook who reported the design of the Queensbury Industrial Park and road had been completed with the costs being paid for by EDC and currently they were working on Phase II of the archeological studies, as well as commencing a marketing program.

Relative to the road construction, Mr. Fosbrook stated there was a total cost of $1.1 million. By the time construction begins, EDC would have paid $108,000, he noted. He apprised he was meeting with the National Guard tomorrow but they had already committed $300,000 towards the infrastructure. He said it was his understanding the National Guard had applied for a $100,000 shovel-ready grant from National Grid and he anticipated them being successful in receiving the grant. In addition, upon completion of the archeological study, he said they should receive their shovel-ready status from New York State. In summarizing, Mr. Fosbrook explained there was a shortfall of approximately $600,000 for the road.

Mr. Fosbrook reminded the committee Warren County would receive eight approved shovel-ready lots in a subdivision that would be fully infrastructured. A business locating in Warren County would only have to apply for site plan review to obtain a building permit. He stated covenants had been put in place on this park to get the highest and best use. Mr. Fosbrook noted they continue to search for funding to fill this $600,000 shortfall. They decided to go to bid on the roadway to make sure the figures were correct and they expected to have the bid documents ready within the next week or two, he added.

Mr. Barody reminded the members they discussed this at the last meeting. Mr. Champagne recommended the Industrial Development Agency (IDA) grant a loan to EDC payable upon the sale of the lots and Mr. Caimano replied the IDA would want some kind of collateral. He said the IDA offered to buy the development and have EDC sell the lots and receive a commission. Relative to Mr. Barody's inquiry about the appraised value of the eight lots, Mr. Fosbrook responded the National Guard property had been appraised at $27,000 per acre. He further stated they were selling the lots at approximately $30,000 and there were 40 acres remaining. Mr. Caimano mentioned a local developer could not afford to purchase the lots at that price. If the park had the roads, water, sewer and utilities, Mr. Fosbrook said he thought $30,000 per acre seemed reasonable; however, they needed to be flexible.

Mr. Fosbrook stated when he commenced this project, he thought it was going to be relatively easy. However, he quickly learned the funding sources do not cooperate due to one government agency helping another. Mr. Fosbrook mentioned possibly utilizing the Economic Development Administration (EDA) grant they received for the Luzerne Road project but he needed to speak with John Marshall, regional representative for EDA, first.

Mr. W. Thomas queried of Mr. Fosbrook what assurances he would be giving to the National Guard. Mr. Fosbrook remarked most discussions centered around time frames. He said if he found out their time frame was not the spring of 2007, there was the possibility this could be put off for another year to locate adequate funding. Mr. Caimano asked what the construction cost would be for building the road and Mr. Fosbrook replied $900,000 including utilities, infrastructure and sewer. He further stated the road was 1,900 feet long and construction of the road alone was $415,000.

Mrs. Parsons indicated the property was left in the name of Warren County as opposed to transferring it to EDC so they had flexibility. She further stated if this became a spring of 2007 project, they could make this a budgeted item for DPW. Mr. W. Thomas explained this project was too important to lose and he emphasized the National Guard needed to understand Warren County was committed to this project and would be ready whenever they needed us. Mr. Fosbrook commented EDC and the National Guard have a good, honest working relationship.

With respect to the report, Mr. Caimano indicated it states the WCEDC was interested in selling lots and would offer a four percent brokerage fee. He commented that was not an incentive as that was the normal rate. Mr. Fosbrook responded EDC was not in the business of selling land but rather bringing business to Warren County. He added the incentive was offering shovel-ready Empire Zone certified land. He said they were going to engage the real estate community as well as EDC to attract the best businesses possible for the site.

Mr. Champagne stated this was the first time he had heard of upfront, total 100% payment outright for the sewer. He queried whether the County could bond it and the owner pay it back. Mr. Fosbrook stated the landowner would pay that cost when they purchased the land. He said it was their intent to make it as easy as possible for businesses.

Mr. Barody suggested discussing the EDC website at the next committee meeting. He said it appeared it needed updating.

There being no further business before the Committee, on motion by Mr. Stec and seconded by Mr. Champagne, Mr. Barody adjourned the meeting at 12:40 a.m.

Respectfully submitted,

Debra L. Schreiber
Legislative Office Specialist