

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: ECONOMIC GROWTH & DEVELOPMENT

DATE: AUGUST 27, 2014

COMMITTEE MEMBERS PRESENT:

SUPERVISORS TAYLOR
MONROE
WOOD
BEATY

OTHERS PRESENT:

REPRESENTING ECONOMIC DEVELOPMENT CORPORATION:
ED BARTHOLOMEW, PRESIDENT
WAYNE LAMOTHE, COUNTY PLANNER
KEVIN B. GERAGHTY, CHAIRMAN OF THE BOARD
PAUL DUSEK, COUNTY ADMINISTRATOR
MARTIN AUFFREDOU, COUNTY ATTORNEY
JOAN SADY, CLERK OF THE BOARD
FRANK E. THOMAS, BUDGET OFFICER
SUPERVISORS McDEVITT
SEEBER
DON LEHMAN, *THE POST STAR*
SARAH MCLLENITHAN, SECRETARY TO THE CLERK OF THE BOARD

COMMITTEE MEMBER ABSENT:

SUPERVISOR STROUGH

Mr. Taylor called the meeting of the Economic Growth & Development Committee to order at 10:00 a.m.

Motion was made by Mr. Monroe, seconded by Ms. Wood and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Wayne LaMothe, County Planner, who distributed copies of the agenda to the Committee members; *a copy of the agenda is on file with the minutes.*

Commencing the agenda review, Mr. LaMothe advised the first pending item listed referred to a request for the EDC to develop an RFP (Request for Proposal) for the establishment of a Warren County Promotional YouTube Video. He explained that Paul Dusek, County Administrator, had brought forth the concept at the July 23rd Committee. He asked Ed Bartholomew, President, EDC (Economic Development Corporation) to elaborate on the topic.

Mr. Bartholomew apprised he felt a video could be assembled from footage compiled by the Warren County Tourism Department. He said the EDC would commence working on the details for the RFP within the next few weeks. Mr. Dusek interjected that he had already written the RFP; however, he stated, he would be more than willing to share the RFP with the EDC.

Mr. LaMothe stated the legislation had been approved that included the Schroon River as part of the Intercoastal Waterway System. He said Assemblyman Stec informed him the bill number was A.8704. He reminded the Committee upon the request of the Department of State, Resolution Nos. 88 of 2010 and 388 of 2012 authorized the Chairman of the Board to send letters to State representatives requesting they sponsor a bill supporting the Schroon River being included as part of the Intercoastal Waterway System. Mr. Monroe questioned whether the bill had been signed by the Governor yet and Mr. LaMothe replied affirmatively. He said he had not verified this with the State; however, he stated, according to Assemblyman Stec the Bill had been adopted.

Moving along to Action Items on the agenda, Mr. Lamothe presented the following requests:

- 1) Ratifying the actions of the Chairman of the Board in executing the extension of

- C007058, First Wilderness Hamlet Revitalization grant agreement to June 30, 2015;
- 2) Ratifying the actions of the Chairman of the Board in executing the extension of C006982, First Wilderness Building the Future grant agreement to December 31, 2014;
 - 3) Ratifying the actions of the Chairman of the Board in executing a sub-recipient agreement with HHHN (Hudson Headwaters Health Network) for the Warrensburg facility to allow for proving benefits to eligible clientele;
 - 4) Authorizing the extension of the grant agreement with the New York State Office of Homes and Community Renewal for award No. 1197PF42-12 commencing December 31, 2014 and terminating December 31, 2015 for the HHHN project; and
 - 5) Authorizing the required Public Hearing at a date and time to be determined by the Planning and Community Department as required under the NYS Consolidated Funding Application for the HHHN Project.

Mr. LaMothe advised the first two items stemmed from a request by the County Attorney to ratify the actions of the Chairman in signing the grant extensions.

Motion was made by Ms. Wood, seconded by Mr. Monroe and carried unanimously to approve the requests as presented and the necessary resolutions were authorized for the September 19, 2014 Board meeting. *Copies of the resolution request forms are on file with the minutes.*

Item 3, Mr. LaMothe stated, was brought forth because of a modification to the requirements for the grant award. He said the grant was originally submitted for funding under Economic Development for job creation; however, he apprised, the New York State Office of Homes and Community Renewal changed this to fund it under Benefit to Lower to Moderate Income Public Facility. He advised when this change was implemented it altered the process for proving eligibility for the funding. He explained the new eligibility requirements called for the HHHN facility in Warrensburg to provide services to about 21,000 low to moderate income clients to meet the threshold. He apprised the current agreement needed to be modified to state that HHHN would provide the necessary information to prove eligibility, as well as include wording that stated in the event they could not meet the threshold of serving 51% low to moderate income clients, HHHN would be responsible for reimbursing the County for any grant funding they were required to return.

Martin Auffredou, County Attorney, apprised the goal was for the Chairman to sign the modified agreement prior to the September 19, 2014 Board meeting. He stated once the Planning & Community Development Department was finished working with HHHN on the modifications they would be forwarded to his Office to incorporate into the agreement.

Mr. LaMothe interjected he would not release the check to HHHN until they had agreed to the new terms. He commented the goal was for the agreement to be drafted and signed by the Chairman of the Board sooner rather than later so he did not have to wait until the September 19th Board meeting to release the check to HHHN. Mr. Auffredou stated he felt it would be beneficial for all parties if this was taken care of as soon as possible. Mr. Monroe questioned the amount of the grant and Mr. LaMothe replied that it was for \$400,000. Mr. Monroe asked whether the entire \$400,000 would have to be paid back if the required threshold was not met and Mr. LaMothe replied affirmatively.

Motion was made by Ms. Wood, seconded by Mr. Monroe and carried unanimously to approve the request as presented and the necessary resolution was authorized for the September 19, 2014 Board meeting. *A copy of the resolution request form is on file with the minutes.*

Item 4, Mr. LaMothe advised, referred to a request to extend the grant agreement with the New York State Office of Homes and Community Renewal for Award No. 1197PF42-12 commencing December 31, 2014 and terminating December 31, 2015 for the HHHN project. He explained the New York State Office of Homes and Community Renewal had indicated the grant could not be closed out until the Benefit to Lower to Moderate Income Public Facility threshold had been met; therefore, he said, an extension was required. He stated he was optimistic the threshold would be met prior to the extension deadline of December 31, 2015; however, he apprised, if this were not the case another one year extension request could be submitted.

Motion was made by Ms. Wood, seconded by Mr. Monroe and carried unanimously to approve the request as presented and the necessary resolution was authorized for the September 15, 2014 Board meeting. *A copy of the resolution request form is on file with the minutes.*

Mr. LaMothe stated Item 5 was a request to authorize the required Public Hearing at a date and time to be determined by the Planning and Community Department as required under the NYS CFA (Consolidated Funding Application) for the HHHN Project. He said this grant required two Public Hearings to take place, the first of which was before the application was approved and the following was when the project was considered 75% complete by the Project Manager. He advised because he was unsure of when the project would be 75% complete, he would like to obtain approval for his Department to hold the Public Hearing at such time that the required threshold was met.

Mr. Dusek pointed out there was a new directive regarding Public Hearings. He said all notices of these types of Public Hearings would be displayed on the County website so that the public was fully informed. Mr. Auffredou stated the Department Head's forwarded the notices to him for discussion and review; from there they were forwarded to the Information Technology Department to post on the County website.

Motion was made by Mr. Monroe, seconded by Ms. Wood and carried unanimously to approve the request as presented and the necessary resolution was authorized for the September 19, 2014 Board meeting. *A copy of the resolution request form is on file with the minutes.*

Mr. LaMothe advised the following requests for transfer of funds were necessary to place the overtime funding that had been approved within the correct funding code:

1. Transfer of funds from Code A8021.110, Salaries-Regular, to Code A8021.120, Salaries-Overtime, in the amount of \$2,708 to place funds within the correct funding code; and
2. Transfer of funds from Code A8022.120, Salaries-Overtime, to Code A8022.130, Salaries-Part-Time, in the amount of \$3,000 to place funds within the correct funding code.

Motion was made by Mr. Monroe, seconded by Ms. Wood and carried unanimously to approve the requests as presented and forward copies of the same to the Finance Committee. *A copy of the requests are on file with the minutes.*

Mr. LaMothe requested to increase Capital Project No. H349.9550 280, First Wilderness 2013, in the amount of \$4,688.18 with the proposed method of financing for the increase to be transferred from Budget Code A.8029 470, Planning. Local Waterfront. He explained the County provided the remaining funds for activities that may not be eligible for funding under the grant program; however, he said, in order to count them as matching funds they had to be transferred into the Capital Project.

Motion was made by Mr. Monroe, seconded by Ms. Wood and carried unanimously to approve the

request and forward same to the Finance Committee. *A copy of the request is on file with the minutes.*

In reference to Project Updates, Mr. LaMothe apprised there were 27 active projects within the First Wilderness Program. He said a goal was to work with the EDC on future funding for Home Programs within HUD (Housing Urban Development) He mentioned his conversations with the Department of State regarding the two applications pending under the CFA had been somewhat encouraging, as they requested a priority list for the projects included on one of the applications in case they only provided partial funding. With regards to the CFA application submitted on behalf of Countryside Adult Home, he stated he had been notified if funding remained after the CFA applications relating to repairs resulting from the impact of Hurricane Sandy, the funds would be disbursed through the regular program. He noted he anticipated the funding awards would be announced by the end of September or early October.

The Planning and Community Development portion of the meeting concluded at 10:12 a.m.

Privilege of the floor was extended to Mr. Bartholomew, who advised the second annual Zoning and Planning Conference was scheduled for September 28, 2014 at the Fort William Henry Hotel and Conference Center. He stated he felt the Conference provided a good opportunity for the local Planning and Zoning Board members to obtain their credit for attendance and participation, as well as to acquire knowledge of land use updates. He said representatives from the Lake George Fund would be providing updates on the Jefferson Project taking place on Lake George.

Mr. Bartholomew stated details would be forthcoming about the Hospitality and Tourism Summit taking place in Lake George on Thursday, October 30, 2014. He said they were attempting to assemble all of the various historical groups such as Fort Ticonderoga, Fort William Henry and historical groups from Washington and Saratoga Counties. Another element, he apprised was bringing together the various hotels in the area, as well as the North Creek Railroad, the Sagamore Resort, Great Escape & Splashwater Kingdom with Warren County Tourism to pool resources and concepts to develop a web portal entrance into the region that was identifiable not only in this Country but also on an international level. He said this web portal would include all of the ancillary organizations, Towns and Municipalities who wished to promote tourism aspects. He advised instead of competing with one another they could compliment each other. He pointed out the walking, hiking and snowmobile trails would be included, as well as the artisan groups that were located throughout Warren County. He mentioned Hamilton County, the southern portion of Essex County, Washington and Saratoga Counties would be included, as well.

With regards to the CFA, Mr. Bartholomew apprised the EDC worked on an application for Finch Paper, LLC to assist them with their Modernization Project in the City of Glens Falls. He said this project had been deemed a priority project in seeking a certain level of funding. Another project that had been identified as a priority related to the Shirt Factory on Lawrence Street in the City of Glens Falls. He pointed out there was no elevator for the public available in the building. He advised since the building was located adjacent to the Warren County Bike Trail, the City of Glens Falls would be including it in the Arts Trail they were developing, which also included the Hyde Museum and the World Awareness Children's Museum. He added Elizabeth Miller had applied for CFA funding relative to her recent purchase of the former Park Street Theater in downtown Glens Falls. He noted the EDC submitted a CFA application on behalf of the City of Glens Falls for the continued development of South Street. He said the EDC was in preliminary discussions and concepts with SUNY Adirondack concerning the possibility of moving the Culinary Program to an area located in downtown Glens Falls to take advantage of the restaurants and technologies located in that area.

Mr. Bartholomew advised the EDC met with the North Creek Business Alliance to discuss issues with some of the projects going on in their area. He added they recently met with Kevin Geraghty, Chairman of the Board, and the Warrensburg Economic Committee regarding a few projects they were considering.

Mr. Bartholomew informed the Committee Mr. Monroe offered to host one of the EDC's Affordable Housing/Transportation Conferences in mid September. He said since representatives of HUD would be present, it provided an ideal opportunity for the advocate groups and the Planning and Community Development Department to bring forth requests for affordable housing, transportation connections, as well as cell phone and broadband coverage. He stated there would be other meetings through the Adirondack Gateway Council in the Hadley/Corinth vicinity, as well as in Washington County.

Mr. Bartholomew said from the EDC's perspective they believed in results, as they were not interested in a lot of public relations and communications. He continued, they believed the sale of the GFCC (Glens Falls Civic Center) was an economic development project. In furtherance of that, he stated, the EDC Office has regularly communicated with Mr. Geraghty to discuss the issues and concerns regarding the sale of the facility. He advised the EDC met on a regular basis with Ed Moore and Elizabeth Miller, who were members of the Coalition to Save Our Civic Center and others relative to the sale. He mentioned the New York State Empire Development Corporation and the Governor's Office were key components as to whether or not the sale would have any effect on the \$670,000 in grants awarded to the City of Glens Falls for improvements to the facility. He added the EDC also had discussions with Richard Schermerhorn and his legal counsel, Jonathon Lapper, Esq., as well as other developers including representatives from the Albany Economic Development organization. He played a video that was developed and available for viewing on the EDC website featuring various images of the Glens Falls Civic Center and the events held there to assist with promoting the sale. He pointed out in order to provide potential buyers an overview of the facility all of the pertinent documents including the City of Glens Falls bid package, the ticket contract, concession contract, and all of the pending contracts and commitments for the facility such as the Basketball Tournament, as well as the 2012 and 2013 financial statements were uploaded and available for viewing on the EDC website.

Mr. Bartholomew emphasized it was not a viable solution to have the County provide the financial means required to the GFCC rather than the City of Glens Falls. He said a collaboration between the private sector, as well as organizations such as the Coalition to Save Our Civic Center was required to provide the funding to sustain the facility. He apprised after a partnership such as the one he described was formed, if additional funds were required, he felt it would be appropriate to request some form of assistance from both the County and the City of Glens Falls. He reiterated if the GFCC was to be sustained as a regional asset with an entertainment/cultural forum, a partnership among all interested entities was required. He added, the EDC's goal was to work with those organizations to develop a fund-raising not-for-profit that would be eligible for tax deductions to provide the local share when the GFCC was looking for funding available through the State for capitalization to prevent bonding from being necessary.

Mr. Bartholomew reminded the Committee that in the 1980's when the GFCC was constructed there were no similar facilities available within the region, as the Times Union Center had not been erected yet, both Proctor's Theater and the Palace Theater had not been refurbished, and SPAC (Saratoga Performing Arts Center had not undergone all of their renovations. He continued, the contract at that time with the Adirondack Red Wings required them to manage the entire facility, including hockey, the concession stands and booking of events. He said during this time the City of Glens Falls was

able to make a profit from the operations of the facility and reduce the bonds.

Mr. Bartholomew advised subsequent to the original bonds on the facility expiring in 2005, the City of Glens Falls has provided additional financial assistance and improvements to the facility. He distributed copies of a handout to the Committee members which detailed the County's financial contributions to the City of Glens Falls for both sales tax and occupancy tax since 2009; a copy of which is on file with the minutes. He said the entire scope of the GFCC changed in the 1990's and various reports from 2003, 2007 and 2009 all discussed the possibility of bringing in the private sector as a partner, as well as raising some funds on a not-for-profit basis. He continued, the 2007 report from the National Development Corporation projected that the subsidy for the GFCC from 2007 onward would be in the range of \$750,000 on an annual basis, which has been consistent through this period of time. He noted statistics perceived the impact the GFCC had on the region from 2007 onward was in the range between \$9 million and \$16 million, with hockey accounting for nearly 1/3 of this. He commented because of the ongoing financial issues of the GFCC and the 2% tax cap impacting all municipalities, as well as the increasing pension costs and consent orders for dealing with wastewater and sewer, a new business model for the facility was necessary. He reiterated he felt a collaborative effort that the public would be agreeable to was required with all entities involved to develop a plan to move forward.

Mr. Bartholomew stated there were a few weeks left to increase interest in the GFCC facility. He pointed out the Coalition to Save Our GFCC had been successful thus far in their fund-raising activities; however, he said, if they acquired the building without a private business partner the focus would need to be on capital and a business plan. He apprised the annual utility costs for the facility were about \$225,000. He advised he was encouraged by the fact that members of the Coalition to Save Our GFCC were working on creating a business plan that both the City and County would be able to review. He stated a determination as to who would manage the facility was necessary.

Mr. Bartholomew advised the EDC was working on a multitude of other projects such as the model train project in Pottersville, New York. Referring back to the GFCC, he stated he felt a criteria needed to be developed for a business plan in order for the public sector to further consider funding. He commented a business plan would assist in demonstrating where the funds originated from to pay for the working capital. He pointed as exhibited by the footage included in the video, there were numerous exciting events that took place at the GFCC over the last few years.

Mr. Bartholomew mentioned in 1979 when he was the Mayor for the City of Glens Falls he had approached the Chairman of the Board at that time, Sterling Goodspeed, and requested funding in the amount of \$100,000 for the GFCC. He said because the Chairman recognized the GFCC as a regional asset the County contributed funding to the facility for a number of years. He stated he was pointing this out because he wanted the Committee to be aware there had been a history dating back to the opening of the GFCC of the County contributing funds. He reiterated the handout he distributed earlier depicted the amount of occupancy tax funds disbursed to the City for general use, as well as the funding received for specific projects at the facility. He pointed out the City of Glens Falls received 1.5% of the sales tax it collected from the State, as well as a 2% allocation from the County that originated from a 2002 agreement between the City and the County. He added as part of the statute the City received a certain percentage of the mortgage tax collected on mortgages occurring within the City.

Mr. Taylor advised the EDC was working with the Coalition to Save Our Civic Center regarding the need to reduce the GFCC's costs by reducing the number of entities that controlled the facility. He

explained the goal was to have one entity in place to manage all facets, such as concessions, ticket sales, bookings, etc. He said he felt the Coalition to Save Our Civic Center was going to make a strong case for being the successful bidder on the facility.

From a cost savings perspective, Mr. Bartholomew apprised, a State grant was awarded to the City of Glens Falls to perform upgrades on the facility. He explained one facet of the grant funding was for a utility company from Syracuse that was under contract with the American Hockey League, as well as the National Hockey League to retrofit their stadiums with upgraded utilities and lighting. He said this would assist with reducing the facilities annual utility costs of \$220,000; however, he stated, this was on hold pending the outcome of the sale of the facility. He advised other aspects of this grant related to upgrading the WIFI coverage in the facility, as well as funding the purchase of a marquee sign for the facility. He reiterated these changes, as well as putting into place one entity to manage all aspects of the GFCC would assist with reducing the costs of the facility.

There being no further business to come before the Economic Growth & Development Committee, on motion made by Mr. Monroe and seconded by Ms. Wood, Mr. Taylor adjourned the meeting at 10:39 a.m.

Respectfully submitted,
Sarah McLenithan, Secretary to the Clerk of the Board