



ULSTER COUNTY DEVELOPMENT CORPORATION

BOARD OF DIRECTORS

MINUTES

February 25, 2014

A meeting of the Board of Directors of the Ulster County Development Corporation was held at 4:00 p.m., Tuesday, February 25, 2014, Karen Binder Library, 6th Floor, Ulster County Office Building, 244 Fair Street, Kingston, NY.

The following members were present:

Thomas J. Briggs	
Anthony Campagiorni	Chair
Kenneth Crannell	
Burton Gulnick, Jr.	Treasurer
James Maloney	
Robert Sudlow	
Ward Todd	Secretary

The following member(s) were absent:

None.

Additional Attendees:

Elliott Auerbach	Ulster County Comptroller
Whitney Bowers	Focus Media
Linda Clark	Office of Business Services
Suzanne Holt	Office of Business Services
Clinton Johnson	Office of the Ulster County Attorney
Christopher Rioux	Ulster County Finance
Josh Sommers	Focus Media
Geddy Sveikauskas	Ulster Publishing

The meeting of the Board of Directors was called to order at 4:00 p.m.

MINUTES

Motion: Robert Sudlow, seconded by Burton Gulnick, moved to approve the Minutes of the January 21, 2014 Meeting. A copy of said Minutes is on file.

Vote: The motion was adopted.

FINANCIALS

Motion: Kenneth Crannell, seconded by James Maloney, moved to approve the financials for the period ending December 31, 2013. A copy of said financials is on file.

Vote: The motion was adopted.

SWOT DISCUSSION – FOCUS MEDIA

Ms. Suzanne Holt addressed the members of the Board of Directors as follows:

- Focus Media does the marketing and communications for the Ulster County Department of Tourism
- They are a great local business and it is a great way to leverage what they are already doing for Ulster County for our business community as well

Mr. Josh Sommers of Focus Media offered the following:

- He thanked the members of the Board of Directors for the opportunity to work with them. They are no strangers to Ulster. They are very active here. Working for Ulster County Tourism is one of the coolest things that they are working on. Oftentimes when working with a client, they have to polish up the produce to sell it. In the case of Ulster County, there are a lot of very appealing and positive attributes.
- They feel that economic development marketing and tourism are your two forms of external marketing. There are a lot of possible synergies that can be found there.
- One of the ways they want to kick-off the relationship is some discovery. Discovery for them as well as UCDC, although he felt that there are some great people within the room that will not only give them good insight, but the right leadership and direction.
- The first thing they are planning on doing is to meet with some stakeholders in the business community. When they have these meetings, SWOT sessions, they would welcome members of UCDC to participate in those. We are going to set those dates in the next week or so. We would very much like as many UCDC members to participate.
- It was thought that it would be great to speak to the members of the business community, including the non-profit community, to really understand some of what they perceive as the strengths and weaknesses, opportunities and threats that face Ulster County. The outcome of that will provide them with some due diligence opportunities to understand the points of difference of Ulster County, develop what the top tier messages are and descriptors of Ulster County and once again to come back to UCDC with some priority opportunities with a timeline of their work. These are the initial steps that they feel would be prudent to take.
- By way of background he knew that some board members were involved in the RFI and the interview process. Focus Media does marketing for Hudson Valley Economic Development Corporation. They have a diverse body of work. They thought that one of the more interesting things that might apply to

Ulster County is to choose New York Hudson Valley assets that have been developed. It is basically assets for external marketing that serves as a resource for various counties. If you go to choose New York Hudson Valley.com or some other variation of that website, you will see a video of every sector that is in the Hudson Valley, along with specific information from the Hudson Valley, etc.

- One of the things that they are going to be asking a lot of questions on, as it relates to UCDC, is should it be focused on attraction, expansion, retention or all three or is there a top tier priority that UCDC might be best leveraged for. Are there other partners ... for instance the Chamber that might have more resources to focus on expansion, etc? These are the types of things that they are going to ask and that he was sure that they would receive guidance on. It is also going to be very helpful to talk to stakeholders in the business community to understand what feedback that they might provide to help them in the process.
- They are very excited to partner on this with UCDC. It is a great time to be a part of Ulster County.

Chair Campagiorni requested that Mr. Sommers take him through the timeline. There are going to be sessions on SWOT starting when?

Ms. Holt replied starting next week or so.

Chair Campagiorni asked and how many sessions.

Mr. Sommers responded two or three with the stakeholders within the community.

Chair Campagiorni stated then after the SWOT analysis is done, then how long before a product is developed so we can go out to market.

Mr. Sommers replied that he thought that by April they would be coming to the Board with a report of their observations and recommendations. He thought that besides the fact that members of UCDC will participate, he thought that collaboratively as a Board you will probably want to weigh in on the recommendations that were made. Certainly asset developments, making sure you have the right website, brochures and collateral. That may take up a lot of their time in 2014; so as far as timing to market that is tough to say. Obviously, we all want to see results; tuning in that message development and making sure we are prioritizing dollars.

Chair Campagiorni asked if we are going to be inviting people/businesses to this.

Ms. Holt responded yes; she has a list. She would love suggestions of business persons to include in these meetings.

Mr. Sommers asked if there was anything from the Board that they would like to share with us; anything to do with their process or any questions/feedback that they wish to provide.

Chair Campagiorni asked if Mr. Sommers was going to act as the facilitator of the SWOT? What is the format?

Mr. Sommers responded that when they do the SWOT sessions, that he would be facilitating that and he would ask Ms. Holt to be there and hopefully Chairman Campagiorni could be at least attend one of them. He thought that it would be helpful if all the board members could make at least one session.

Mr. Ward Todd asked you want business leaders, non-for-profit leaders, education?

Mr. Sommers responded yes and he thought representatives of the sectors that are in Ulster County.

Mr. Todd asked a dozen, two dozen? What do you want?

Mr. Sommers responded eight to twelve in each one would be helpful. He thought that fifteen becomes unwieldy.

Chair Campagiorni asked if prior to those sessions will the board need to provide you with any guidance or do you think you have what you need.

Mr. Sommers replied that he thought that he had what he needed. He runs a SWOT at least twice a month and they know economic development really well. He thought that a collaborative process, once they do due diligence, will be very helpful with your board. One of the things that they are going to do is to perform a competitive analysis of what like counties, not necessarily in New York, but other similar sized counties are doing. A lot of times you can pull some great strategies and tactics and you don't have to reinvent the wheel. Ulster County is very unique but we will be looking at other economic development agencies and some of their best practices and how it might apply to Ulster County.

Ms. Holt stated that we will get some dates and get them out.

OLD BUSINESS

HUDSON VALLEY ECONOMIC DEVELOPMENT CORPORATION

Ms. Holt reported that UCDC has received a bill from HVEDC in the amount of \$20,000. She has recently learned that other counties are paying less; Dutchess and Rockland are paying \$10,000. She did have a long conversation with Larry Gottlieb about this and he feels very strongly that they do a lot for Ulster County. They brought the SUNY 3-D Printing initiative to Ulster County and they spent a lot of time and resources in Ulster County. She was putting this to the board to see what they feel is the appropriate way to proceed.

Mr. Kenneth Crannell stated that HVEDC is a great organization, but then as a membership organization where counties across the region participate, it seemed strange that some of these much larger counties within the consortium would be paying less than Ulster County. It doesn't make sense.

Ms. Holt proposed to pay \$10,000, like the other counties and if HVEDC comes back next year and says that the other counties are paying ... there is an attempt to get to other counties to pay more. If the other counties are paying the same, perhaps we can revisit it then.

Mr. Crannell responded that perhaps Mr. Gottlieb should have a meeting with his Board of Directors.

Chair Campagiorni asked if Ms. Holt was a part of the Board.

Ms. Holt replied yes she is; she represents UCDC.

Mr. Robert Sudlow asked if there was a reason we are paying more and they are paying less. It doesn't equate.

Chair Campagiorni asked if this discussion has taken place at the Board level at HVEDC?

Ms. Holt responded no; she did not think that they make it public what people are paying. She just happened to have a conversation at a conference.

Chair Campagiorni asked have you talked about the value you are getting from it.

Mr. Crannell stated that he had attended some of the meetings on behalf of the County Executive and he found them to be valuable. He thought that they were a great tool for, not only for people involved in counties through economic development, but also businesses and really understanding the various sectors and how to attract those businesses to the area. There has been a lot of excellent organization, but certainly he was surprised to learn that some of the other counties have not been paying their full membership dues. He would certainly make a motion to pay \$10,000 like the other counties and then ask the HVEDC Board to have a full discussion about the dues.

Ms. Holt replied that she will bring this information to the UCIDA as well. Traditionally, they have paid half.

Mr. James Maloney stated that perhaps there is a formula that they have relative to population or geographic area or something as to how they arrive at their number.

Chair Campagiorni stated that he sits on the Dutchess Board and he knows that they pay \$10,000. Central Hudson is the founder and big supporter. The CEO is the Chair of HVEDC and as we tell all organizations that they belong to, they certainly support HVEDC, but each board needs to get the value out of it. He certainly thought that they have been doing a lot in Ulster and throughout a lot of the counties. He encouraged them to bring it up at the board level for discussion.

Mr. Maloney stated that we have authorized \$10,000, but we would like to understand the process on how they got to that number when Dutchess County is only paying \$10,000.

Mr. Crannell remarked that he did not want to cast any shadows. It is an excellent organization and they do a great job. We have good interactions with them. He was just surprised that other counties are not finding as much value as we have with the organization. He would like to understand why.

Chair Campagiorni stated that this has come up in past board meetings. Mike Oates, a past president of HVEDC did come and make a presentation to the board. Perhaps Mr. Gottlieb would be willing to come and make a presentation.

Ms. Holt responded that he did come to the UCIDA recently. She will invite Mr. Gottlieb to address the members of the Board of Directors at a future date.

Motion: Kenneth Crannell, seconded by Robert Sudlow, moved to pay Hudson Valley Economic Development Corporation \$10,000 for membership dues for 2014.

Vote: The motion was adopted.

AUDITORS

Mr. Rioux reported that he has met with the new auditors and they are beginning field work on Tuesday.

NEW BUSINESS

START-UP NEW YORK

Chair Campagiorni asked what we were doing with Start-Up New York. The only reason he asks is that when you watch NBC or CBS he sees one hundred commercials on it. It is the biggest initiative that the State of New York has had since the Empire Zone and the Tax-Free Zones. He was just wondering what was going on. He was not hearing a lot about it on the ground and he just wanted to know if there was a strategy ... are we involved are we engaged with SUNY New Paltz – SUNY Ulster?

Mr. Holt responded yes. Basically both colleges have presented their plans to SUNY Central and they are both waiting for approval. They are both meeting with businesses in the meantime. She has been involved in some of those meetings and trying to attract new business to Ulster County. Both SUNY Ulster and SUNY New Paltz have location issues. Definitely SUNY New Paltz is trying to get a waiver to have a broader range and she thought that SUNY Ulster has more leeway because they have the building at the BRC. Basically the way Start-Up New York works, they can either put new businesses on campus or within a mile range. SUNY New Paltz does not really have any room on campus and within a mile is very tight. They have applied for a waiver to go further out. SUNY Ulster because they have the BRC has more leeway. We are at the point now that she is meeting with businesses and waiting to see if their plans get approved.

Mr. Sudlow asked if SUNY Ulster goes from the Kingston campus and the Stone Ridge campus; or just one.

Ms. Holt responded yes – both.

Mr. Crannell stated that he has met with the SUNY president and others and they have some exciting ideas. Having a satellite campus in Kingston is a real opportunity for us and it really opens up a lot of our properties.

Chair Campagiorni stated that SUNY Ulster has a course at 721 Media, can they use that as a home base too.

Ms. Holt responded that she thought that they could, if it is within a mile of the BRC.

Mr. Crannell responded that the thought that the BRC was the established satellite. For the initial phase, that is the initial satellite. It covers a very nice swathe of opportunity in the Town of Ulster and the City of Kingston. With the expansion of the Sophie Finn project, these are discussions down the road.

Ms. Holt responded that SUNY New Paltz is meeting with businesses that do post production for film, 3-D printing and other exciting technologies.

Chair Campagiorni stated that he was just surprised that they didn't hear more about it.

Ms. Holt replied that she thought that they were still waiting for their plans to be approved and once that takes off... The way it works they go to the college first; the college vests them first. Then it goes to ESD and ESD, she believed, has thirty days to either to say no or if they don't say anything, it is a go. They are really trying to promote it.

Mr. Maloney asked just so he understood it, say he was just across the street from the SUNY campus, does the business have to compliment the campus for education.

Ms. Holt responded yes. It has to go with their mission and it has to be a new business or an expanding business. The Governor is looking for the synergies with the students and good jobs. If a business can take advantage of this it is tax free for ten years, unless they are leasing. If they are renting the landlord pays the property tax; but if they bought a new building, it is property tax free and income tax and all tax free.

Mr. Maloney asked on the existing ... lets say he walks in and purchases an existing building, retro'd it to him, is it on the improvement or the entire building.

Ms. Holt replied that she thought that it was the entire building.

Mr. Crannell remarked that state economic development policies come and go. We have seen various variations over the past twenty years. This is the current opportunity; just as the regional councils' CFA process is an

opportunity. He thought that it was always in our best interests to put our best foot forward and capitalize on those opportunities. He congratulated Ms. Holt and her team; we did very well with the CFAs the last round. We did better than any other county within our region, including Westchester. When you look at the opportunities on a regional basis, looking at emerging technologies, like the 3-D printing, a lot of the green infrastructure projects, we are putting our best foot forward. We are well positioned with Start-Up New York to really take advantage and maximize the effort for our residents and our taxpayers within the county.

Ms. Holt stated that it will also be a tool for entrepreneurs; we don't have a lot of tools for entrepreneurs. With the new media and digital technologies and what not, this is something that they don't need a lot of space. They may take a few interns and hire a few people and bring higher paying jobs to the state. This could be exciting.

TRAINING

Mr. Crannell stated that the Office of the County Executive has spent a lot of time working with the Office of Employment and Training and he recently announced a new on-the-job training initiative that we have rolled out. Normally, we provide on the job training, this is for new hires from chronically unemployed areas of the county. We provide 50% of the cost to train these new employees. Because of the way we have positioned ourselves, if you recall with the federal shutdown that happened earlier this year, we immediately re-thought our programming so that we would not put the county at risk if the federal dollars did not continue. That has created some additional funds that we have been able to apply. Currently, we have just put in place a Pilot Program where we are going to reimburse 90% of the wages employees that are trained through this program. This would be anyone that takes a new hire from the chronically unemployed/low income individual. The Office of Employment and Training will reimburse 90% during the training period. He believed it was up to \$75,000 max per business; \$15,000 per employee. We are hoping some of our employers look at that. This will allow them to take advantage of this new programming and make that hire earlier in this year and move their plans forward. Who wouldn't want to take advantage of a program that really pays someone's wages during that training period? In that way you can evaluate somebody; we are using these dollars to fund the training with the goal of someone becoming a permanent hire and really gain employment. We are excited about it. We have set this so that the Pilot would be effective between now and June. Any contract done during that period would be reimbursed at this 90% level.

Adjournment

Motion: Burton Gulnick, seconded by Robert Sudlow, moved to adjourn the meeting.

Vote: The motion was adopted.

The meeting was adjourned at 4:30 p.m.

Respectfully submitted,
Ward Todd, Secretary