

**Watertown Empire Zone
Administrative Board Meeting
November 2005**

The Watertown Empire Administrative Board meeting was held on Wednesday, November 30, 2005 in the City Council Chambers, City Municipal Building, 245 Washington Street, Watertown, New York.

Members Present: Chairman Peter Clough, Bruce Dempster, Joseph Butler, Jr., James Fitzpatrick, William Welbourn, Robert Lawlor, Phillip Gaffney and Peter Sovie

Also Present: Planning & Community Development Coordinator Kenneth A. Mix, City Manager Mary M. Corriveau, Michael N'dolo of Camoin Associates, Town of Watertown Supervisor Joel Bartlett, Douglas Schelleng of Empire State Development, Joseph Gerardi and Kevin McAuliffe

Chairman Clough opened the meeting at 4:30 p.m.

Minutes

Motion was made by Mr. Dempster to approve the September and October ZAB meeting minutes. Motion was seconded by Mr. Lawlor and carried with all voting in favor thereof.

Treasurer's Report

Mr. Sovie presented the financial statement to the board.

The board members reviewed Camoin Associates' invoice detail from August.

Mr. Butler asked what the total was through the month of October.

Mrs. Corriveau advised the board that to date, through October, the amount is \$16,537.86

Motion was made by Mr. Lawlor to approve the treasurer's report. Motion was seconded by Mr. Dempster and carried with all voting in favor thereof.

Mr. Sovie also advised the board that the \$100,000 certificate of deposit is now ready for renewal.

Motion was made by Mr. Sovie to approve renewing the certificate of deposit for the same period of time (90 days) and authorizing James Mills to check for the best interest rates available. Motion was seconded by Mr. Lawlor and carried with all voting in favor thereof.

Chairman Clough advised the board that City Council did renew the contract with Camoin for one year. He also advised that Camoin agreed to the clause which would assess no penalties if the board decided on another option during the year.

Chairman Clough asked about the budget as it pertains to the decrease of funding from the Town of Watertown.

Mr. N'dolo explained that the board still has enough to meet the match required by the state because of City funding and City in-kind services. He advised that the City of Watertown funds \$30,000 in cash and an additional \$10,000 in in-kind services; the Town of Watertown funds \$10,000 in cash and Jefferson County funds \$5,000 in cash. He also mentioned that there would probably be about \$3,500 in interest funds.

Mr. Gaffney arrived for the meeting.

Regionally Significant Projects

Mr. N'dolo explained that he felt that the board should have the opportunity to provide input on the "Other" category for these projects. He reviewed the criteria required under the manufacturing, high tech and financial/insurance categories. He invited Mr. Douglas Schelling, to speak to this issue.

Mr. Schelling explained that the FDRLO plans are to conduct a gap analysis. This would be used to identify the gap between what Fort Drum and the military demands and what the local economy delivers. What they don't deliver would become a targeted industry. A list could then be developed and marketed. Mr. Schelling explained that the "Other" category could be a different mix of a number of jobs and investment amounts required under the three known categories.

Mr. N'dolo advised the board that this is an opportunity for them to define what they want to put in this category now, instead of being reactive in the future. He also explained that, to be designated as a "regionally significant project," the board would have to show that the business in question could not go into the current zone. He explained that the zone board would decide if an application should be submitted for a regionally significant project and then the State Empire Zone Designation Board would make the final decision.

Mrs. Corriveau suggested that perhaps it is time for the board to meet with the boards in Ogdensburg and Lewis County to discuss these issues. She also mentioned that a major issue is the fact that transportation in this area is a challenge.

Mr. N'dolo commented that a distribution facility would probably make sense for this area, as well.

Chairman Clough remarked that the board has to keep in mind what is good for the Town of Watertown and the City of Watertown. He suggested inviting the Town Board and the City Council to the next zone board meeting for their input.

Boundary Revisions

Mr. Mix reviewed the map outlining the "blobs" and discussed the Brookline property which is located in the City of Watertown and the Town of Pamela, which is being proposed for housing development. He also explained that the property owned by General Signal has been taken out of the blob. The blobs incorporate the 1280 acres. Mr. Mix referred to an area on the southern part of the city, near Washington Street

which is in both the Town of Watertown and the City of Watertown. The properties, which could also be used for housing development, are owned by John DeMarco and KDM Alliance. If this area were to be included, it would be the 4th blob and would have to be requested by the board. Mr. Mix explained that these housing developments would be for multi-family housing units.

Chairman Clough commented that if the board is able to attract development for these housing areas, it would add to the tax base for both the Town and the City. He also commented that Supervisor Bartlett has indicated that if the board requests the 4th blob, he will go back to the Town to propose reinstating some of the decreased funding. Chairman Clough explained that it is incumbent upon the board to try to do whatever needs to be done to make sure that Ft. Drum stays viable.

Mr. Welbourn questioned why developers aren't coming in and buying these properties on their own. He remarked that the Empire Zone is a job program, not a tax base program.

Mrs. Corriveau explained that the Empire Zone started as a revitalization program to help cities in distress. The developers are asking for zone benefits because there is still a gap between what they can charge for rents and what it costs to build the units. She also explained that the owners of the Brookline property are working with a housing developer to develop that site.

Mr. Welbourn remarked that the housing that is being developed by Mr. Percy doesn't seem to need benefits.

Mr. Mix explained that this is because those home can sell for \$250,000. The housing being discussed for the zone is rental units and it is a completely different market.

Mrs. Corriveau discussed the home sale amounts in the Town as compared to the City and the fact, that the town has seen development in that area. However, the City has not.

Mr. Lawlor left the meeting.

Application for Certification

- ✓ Target Corporation

Motion was made to approve this application. Motion was seconded and carried with all voting in favor thereof.

Zone Administrative Funding

The following resolutions were adopted:

WHEREAS the Zone Administrative Board of the Watertown Empire Zone has previously designated the City of Watertown to be the Contracting Entity of the Watertown Empire Zone, and

WHEREAS the zone Administrative Board see fit to continue such arrangement,

NOW THEREFORE BE IT RESOLVED that the Zone Administrative Board of the Watertown Empire zone designates the City of Watertown to act as Contracting Entity for the Watertown Empire Zone until such time as that designation be given to another entity by resolution of the board.

MOTION WAS MADE BY MR. BUTLER AND SECONDED BY MR. GAFFNEY TO APPROVE THE FOREGOING RESOLUTION. AT THE CALL OF THE CHAIR VOTE WAS TAKEN AND CARRIED WITH ALL VOTING IN FAVOR THEREOF.

WHEREAS the Zone Administrative Board of the Watertown Empire Zone has previously engaged the services of Camoin Associates, Inc to perform certain administrative duties on behalf of the Watertown Empire Zone, and

WHEREAS the services of Camoin Associates, Inc. will be needed to continue to administer the program until such time as the Zone Administrative Board authorizes another entity to conduct said services, and

WHEREAS the City Council of the City of Watertown extended its Agreement with Camoin Associates, Inc. (hereafter "Agreement") to perform said services by resolution of the Council,

NOW THEREFORE BE IT RESOLVED that the Zone Administrative Board of the Watertown Empire Zone authorizes Camoin Associates, Inc. to perform the duties of Zone Coordinator of behalf of the Watertown Empire Zone until the termination of the Agreement.

MOTION WAS MADE BY MR. BUTLER AND SECONDED BY MR. GAFFNEY TO APPROVE THE FOREGOING RESOLUTION. AT THE CALL OF THE CHAIR VOTE WAS TAKEN AND CARRIED WITH ALL VOTING IN FAVOR THEREOF.

WHEREAS the Watertown Empire Zone has caused to be prepared a budget (hereafter "Budget") for its fiscal year of July 1, 2005 through June 30, 2006, and

WHEREAS the Budget has been drafted, a copy of which is attached and made part of this resolution,

NOW THEREFORE BE IT RESOLVED that the Zone Administrative Board of Watertown Empire Zone approves the Budget for fiscal year of July 1, 2005 through June 30, 2006.

MOTION WAS MADE BY MR. BUTLER AND SECONDED BY MR. GAFFNEY TO APPROVE THE FOREGOING RESOLUTION. AT THE CALL OF THE CHAIR VOTE WAS TAKEN AND CARRIED WITH ALL VOTING IN FAVOR THEREOF.

It is hereby resolved that the following related Zone Certified Businesses: Victory Promotions (Zone Certification Number 39-0289) is recommended as eligible to make application for up to \$58,750 in financing from the Statewide Zone Capital Corporation of New York (SZCC). The recommendation is based on the following and is contingent

upon final zone certification by Empire State Development and underwriting approval by Statewide Zone Capital Corporation, and a financial institution:

- _____ Increase tax base for the municipality
- X Employment retention
 (# of jobs retained = 1)
- X Employment creation
 (# of jobs to be created= 9)
- X Business expansion within the Zone

MOTION WAS MADE BY MR. BUTLER AND SECONDED BY MR. GAFFNEY TO APPROVE THE FOREGOING RESOLUTION. AT THE CALL OF THE CHAIR VOTE WAS TAKEN AND CARRIED WITH ALL VOTING IN FAVOR THEREOF.

I hereby certify that the foregoing is true and correct resolution presented to and adopted by the Zone Administrative Board of the Watertown Empire Zone at a meeting, duly called and held at Watertown, New York on the 30th day of November 2005, and that such resolution is duly recorded in the minutes of the Empire Zone.

MOTION WAS MADE BY MR. BUTLER AND SECONDED BY MR. GAFFNEY TO INCLUDE A 4TH "BLOB" IN THE 2006 BOUNDARIES THAT WOULD INCLUDE ACREAGE ON OUTER WASHINGTON STREET FOR RESIDENTIAL DEVELOPMENT. AT THE CALL OF THE CHAIR VOTE WAS TAKEN AND CARRIED WITH ALL VOTING IN FAVOR THEREOF.

Peter L. Clough
Chairman

Meeting adjourned at 6:30 p.m.