

MINUTES OF MEETING

NAME OF COMMITTEE: Special Committee to Study the Creation of an Economic Development Department

DATE: November 3, 2005

TIME: 6:00 PM

PLACE: Legislative Chambers

LEGISLATORS PRESENT: Chairman Roberti and Legislators Harris, Maloney, Berardi, Rodriguez, Zimet

LEGISLATORS EXCUSED: Legislator Felicello

OTHERS PRESENT: Chester Straub (President, UCDC)
Dennis Doyle (Director of Planning)
Jennifer Schwartz (Deputy Director of Planning)

Chairman Roberti called the meeting to order at 6:05 PM.

Chairman Roberti began by reiterating some items from the previous meeting. He said that it was agreed that this Committee should recommend the creation of a separate Legislative Committee solely dedicated to economic development in Ulster County.

Legislator Berardi suggested that in the future that similar types of meetings be held on the same day. For instance, schedule the Economic Development meeting on the same day as the IDA meeting. He feels there would be better attendance and would encourage people to commingle from both committees. Legislator Harris agreed that if the Economic Development committee were a separate entity, there would be more flexibility with scheduling.

Chairman Roberti repeated that at the last meeting he had recommended that a position be created in the Planning Department. Mr. Doyle recommended that we do a study as part of the comprehensive plan and, if necessary, create the position later on. Mr. Doyle added that when Planning made a presentation to this Committee, they had used the phrase "framework in decision making". He feels that a new position would not provide any better framework for decision making for the Legislature. He said that as they are working on this framework for decision making there may or may not be the need for this position. One will know this when the framework starts coming together. Mr. Doyle said that one of the major things that this Committee has found out is that the ability to take the time to listen and explore things is an important part of making decisions relating to economic development. The second thing is that this is not a good time to be considering another position in the Planning Department because of funding issues and space issues. Finally, there is not a sense at this point as to what this person would do. All of these issues would be addressed together as part of the framework of decision making. Ms Schwartz added that this will require policy research and advice. This would require some kind of position. You have to determine what the qualifications are before you go out and hire someone.

Chairman Roberti reviewed the following recommendation and asked for feedback:

- *Should the Committee designate the Planning Department as the lead economic development agency in Ulster County and give them a directive to implement a strategic economic development plan?*

Legislator Berardi felt that the Legislature should be the lead agency. The Legislature should be the ones who decide. Chairman Roberti said that the Legislature can, but a resolution can be passed authorizing Planning as the County's economic development lead agency and they would give the Legislature advice. The Legislature would charge them with coming up with a plan. Legislator Berardi felt that there is no true direction coming from the Legislature. He said there needs to be consensus from the Legislature as to which direction to go. Chairman Roberti said his vision was that the Legislature would give Planning the charge, and Planning would come up with recommendations and policies and filter it through the Legislative Committee. The Legislature would still be in the mix and would still work with Planning to figure out the direction. Legislator Berardi was concerned that with 33 Legislators, there could be 33 different directions. Each Legislator has his or her own idea on which direction to go.

Chairman Roberti said that initially Planning could be asked to come up with an economic development plan and help the Legislature resolve the fragmentation issue and to come up with a policy framework recommendation. Legislator Harris agreed that Legislator Berardi's suggestion was good but felt it would not be practical. He felt that the Legislature needs to be given some framework in order to move forward. The Legislature needs to be given a resolution that would involve only a Yes or No vote with amendments, if necessary. Legislator Berardi felt that a concrete target should be determined. Chairman Roberti said that the County needs someone to pull together a plan and recommend a policy so that the Legislature can break it into action items. He felt that the Planning Department is in the best position to do this. He said that the Legislature could even come up with a resolution to charge Planning with the task of developing a strategic plan, and that they want Shovel Ready, etc. Planning would then filter it back to the Legislature to take action.

Mr. Doyle added that when he said framework, he meant that the issue here is essentially that the Legislature needs to be able to make policy decisions in a fashion that looks at the expected outcome. He is not sure if an individual County department or person would be the best way to advise the Legislature. Economic development involves a lot of players and a lot of different definitions of what constitute economic development. What Chairman Roberti had asked them to do was to look at collaborative models that are out there that can be put in front of the Legislature with some consensus built up at a particular level. The handout that was given to this Committee mentioned the idea of a Council that is comprised of all the County's partners and put them together and let them advise the Legislature in terms of what action they would take. That way it is not filtered through an individual or a department, and the policy committee of the Legislature gets a sense of this being a group effort.

Ms Schwartz did a presentation on the different models that are out there for economic development. She said that there is no one county that has the same model. She gave three examples. A copy of the presentation is attached.

During the presentation, Legislator Harris asked if the Dutchess County Economic Development Corporation is similar to the Ulster County Development Corporation. Ms Schwartz said that from her understanding they are very similar but asked Mr. Straub to elaborate. Mr. Straub said that they are not similar. He said that the Dutchess County has many functions under the same roof. They have Tourism and EDC and within that they have their distinct external marketing which is self-funded. They also have a relationship with the IDA with their IDA being a little more independent from the EDC. They also have their own workforce development. They also administer the Empire

Zone. Legislator Rodriguez said that when he worked for the Empire Zone Program, his position was funded by the Legislature. It was almost like an in-house agency. There was more accountability. Ms Schwartz emphasized that the point here is to say that there is a strong sense of collaboration with the County government that is well defined. In Dutchess County it is defined not institutionalized. It is more defined by the budget and the County Executive. There would be a question as to whether or not you would want to build the personality factor into the model.

Mr. Doyle said that it would be the recommendation of the Planning Department to establish an Economic Development Council in Ulster County. One of the things it could do is to provide technical support and policy research for economic development decisions. The Council would start to look out at the various entities that are involved in economic development and share resources and determine any additional resources that may be needed in a collaborative fashion. It would also allow for a representative cross-section of expertise and priorities. What this would do is put the number of stake holders in situations where they are being represented but also allow for a level playing field. They are not reporting to a committee or sitting on anyone else's board. They are essentially providing their technical expertise and building a technical consensus within that expertise in terms of where they want to go. It then goes out to the various decision makers whether or not it should be implemented. This model also builds partnerships. It also puts everyone at the table with the ability to listen and they can build on each others' strengths. He said he has seen this in some instances in Ulster County with the success in the Transportation Council as well as in the Housing Consortium.

Ms Schwartz emphasized that the Planning Department is not saying that a position should not be created. However, it should be well defined first.

Legislator Rodriguez asked who Planning felt should be on the Economic Development Council. Ms Schwartz referenced the membership being used in Broome County.

Chairman Roberti said this Committee needs to start working on a draft. Legislator Berardi asked how the Council would interface with the Legislature and UCDC. Mr. Doyle said that technical people would be going for a consensus so that the consensus can be moved to a decision-making body which would be the Legislature in this case. He explained how the Transportation Council works. There is a technical committee that is allowed to participate in discussions on a broad range of topics. There are action items under there when then move to the policy body. Once the policy body acts, those action items become the direction for staff to act upon. The Council could give recommendations to a Committee which then would give recommendations to the Legislature.

Legislator Berardi asked how the private, not-for-profit, economic development arm that Ulster County has now would fit into the mix. Mr. Doyle said that all of the stakeholders have a role. Some of the roles are clearly defined in sub-sectors of economic development. It would definitely be a key player in the technical role. The Executive Director of this agency would sit on the board of the Council which was pretty much defined in all the models that were researched.

Mr. Doyle said this is not to be taken lightly. There is a great deal of time and effort involved for those who would be on the Council as well as everyone else involved. Ms Schwartz said that the tasks of the Committee would have to be very well defined.

Legislator Maloney asked how this new approach would get us closer to economic prosperity in Ulster County. Mr. Doyle said that he feels that the stake holders are currently sitting on boards that need to be pulled together or redefined.

Legislator Zimet expressed some concern that a good portion of the stake holders on the Council do not have the link to the Legislature that UCDC has. Therefore there is a different relationship with that group in that they are not equal with other groups because they are still dependent on what the Legislature thinks and feels. She said that the way the model is set up right now that it is UCDC's mission is to bring businesses into Ulster County. If they go out and bring in certain businesses that get labor upset or environmental groups upset, etc. that is not necessarily their problem because their mission is different than what the Legislature has to balance out. Mr. Doyle said that in any Council, the people come to the table as they are. It allows them to interact and come to a consensus with their counterparts and/or enemies. Hopefully there is a common interest which is quality of life and economic development. The decision of the Legislature to talk separately with any of those people sitting at the table and whether that entity wants to report directly to the committee or not is the decision of the Legislature. Having a Council should not affect any contractual relationships that are already established.

Legislator Berardi brought up another factor which could influence the County's approach to economic development which is that the size of the Legislature is going to decrease by the year 2011 from 33 to 23 Legislators. Ms Schwartz said that if the Charter form of government is enacted, this will happen sooner because this is also the recommendation of the Charter Commission. Legislator Berardi said that there will be 1/3 less people making economic development decisions. Mr. Doyle said that even in charter counties, they have collaborative models within them.

Legislator Maloney said that before some sort of draft gets written, there should be a discussion as to which sectors should be a part of a proposed Council. Legislator Zimet said she felt that creating a separate Council would add another layer. She thought it may be a better idea to redefine the composition of who is on the UCDC Board. Legislator Berardi reminded the Committee that UCDC is a separate entity and the Legislature does not control it. Legislator Maloney added that if the Legislature pulled their funding from UCDC, it could still do business. If you have the Council going in one direction and UCDC going in another, that does not help Ulster County. Mr. Straub said that currently UCDC's programs and services are designed around the current status quo. If the status quo changes the organization will scale back on one thing and emphasize something else. In that sense, UCDC will continue to do things but will do them in a different way. One thing that would change would be the size of the Board. There are currently 31 members on the Board which is about half public and half private. If the public funding is removed, there will no longer be public representation on the Board.

Mr. Straub also said that the Council defines policy and the Legislature is going to decide to accept it. There will still be an implementation issue. The models that were presented do not necessarily address that. If you decide to create a Council, you have to consider the implementation as well. He thought that what the Charter Commission has put forward is a set of recommendations that call for a clearly defined set of goals, objectives, scope of work, timeline, reporting responsibility, and performance measurements. From a UCDC perspective that is the correct way to go because it allows for policy development, allows for articulation of the specific activities, the action items that are

going to take place during a particular year and a set of deliverables that the organization would be measured against.

Discussion following regarding using two different approaches:

1. Add more members to the UCDC Board that would represent all the stake holders and have the Legislature address the Board with its concerns and suggestions. The one disadvantage of this approach is that the Board is subject to the bylaws of the UCDC.
2. Create a separate Council that would consist of all the stake holders which would formulate policy.

Mr. Doyle said that we have to get it together. Most of our resources are already in place. It is a redefinition and bringing them together. Not all of those resources talk to each other. Not all of those resources have to arrive at something called an action item or a plan. Give these stake holders a forum and give them a charge and they are willing to participate. At some point, you start seeing the conversation become more meaningful. The recognition of each others' problems becomes clearer. Sitting on another board, ones job is essentially to provide direction for that organization. The question from an economic development perspective is who is providing the direction back to the Legislature. The idea of a Council would be to give all of those organizations who are taking directions from their boards an opportunity to provide direction back to the Legislature.

Legislator Berardi suggested that this Committee meet with the UCDC Executive Committee. Prior to meeting with the UCDC Executive Board, the Committee agreed that everyone should prepare a list of ideas of which direction this Committee should go to talk about for the next meeting. Legislator Harris said that we should take a more informative approach when we meet with the UCDC Executive Board and bring forward to them discussions this Committee has had what it has come up with and how this would affect UCDC and what could they do. This would encourage them to join in the discussion.

Motion to adjourn was given by Legislator Harris and seconded by Legislator Maloney. Meeting was adjourned at 7:50 PM.

Respectfully submitted,

Joseph P. Roberti, Jr., Chairman
Special Committee to Study the Creation
of an Economic Development Department

JPR:klb