

STEBEN COUNTY AGRICULTURE, INDUSTRY AND PLANNING COMMITTEE

Wednesday, May 3, 2023

9:50 a.m.

*Legislative Chambers, 3rd Floor, Annex Building
Bath, New York*

****MINUTES****

COMMITTEE: Aaron I. Mullen, Chair Hilda T. Lando, Vice Chair Carol A. Ferratella
Paul E. Van Caesele

STAFF: Jack K. Wheeler Christopher Brewer Jennifer Prossick
Marie Myers Shearing

LEGISLATORS: Scott J. Van Etten Kelly H. Fitzpatrick Jeffrey P. Horton
Wendy Lozo John V. Malter Nicholas D. Pelham
Frederick G. Potter

ABSENT: James Kuhl

OTHERS: James Johnson, Executive Director, Steuben County Industrial Development Agency
Jill Staats, Deputy Director of Operations, Steuben County Industrial Development Agency
Tess McKinley, Executive Director, Cornell Cooperative Extension
Mary Perham

Secretary's Note: James Kuhl attended via Zoom, however, not under the Extraordinary Circumstance exemption.

I. CALL TO ORDER

Mr. Mullen called the meeting to order at 9:50 a.m.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE APRIL 5, 2023, AND APRIL 24, 2023, MEETINGS MADE BY MRS. FERRATELLA. SECONDED BY MR. VAN CAESELEE. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

III. DEPARTMENT REQUESTS

A. Planning

1. **Authorizing Public Hearing** – Ms. Myers Shearing requested authorization to hold a public hearing relative to land submitted for inclusion in certified agricultural districts during the 2023 annual thirty-day period. She noted they received two submissions into Agricultural District 6, which is located in Tuscarora.

MOTION: AUTHORIZING A PUBLIC HEARING RELATIVE TO LAND SUBMITTED FOR INCLUSION IN CERTIFIED AGRICULTURAL DISTRICTS DURING THE 2023 ANNUAL THIRTY-DAY PERIOD MADE BY MRS. LANDO. SECONDED BY MRS. FERRATELLA. ALL BEING IN FAVOR. MOTION CARRIES 4-0. Resolution Required.

IV. OUTSIDE AGENCIES

A. Steuben County Industrial Development Agency

1. **Activities Update** – Mr. Johnson stated they are in the process of wrapping up the 2022 reporting period. During 2022 they had 59 active projects which leveraged a record investment of \$740 million. This represented a single year increase of \$553 million. These projects generated over \$11 million in PILOT revenue.

He clarified that is new investment and new revenue generated. Our PILOTS only impact new investments and new revenue generated. This represents an increase of \$383,000 from the prior year. For the county, that equated to \$2.2 million in new revenue.

Mr. Johnson stated the active projects generated 6,901 jobs which is an increase of 200 over the previous year. This accounts for \$1 billion in pay which was \$119 million more than the prior year. With regard to employment numbers, companies are still trying to recover from COVID. There were 20 companies that failed to reach or maintain the employment levels. Three of those projects are still within the three year job creation window; Clarks, LP and Northside. We have three projects that consistently failed to reach or maintain employment numbers; two related to Legacy Photonics and the Corning C Building which has not been repopulated since COVID and equates to 1,978 jobs. Those three projects will be coming off the IDA benefits roll. When you take these three projects out, we were 544 jobs better than what we had originally projected.

Mr. Malter asked when you talk about rolling back benefits, what are those? Mr. Johnson replied primarily property tax. Those properties will go back on the tax roll. The Corning C Building also was sales tax on the renovation and those renovations are now complete. We are in the process of going through the remaining projects. The Corning C Building was down 10 employees, but they have 20 openings that they cannot fill. With the other businesses, Gunlocke's market has shifted and they don't have the same level of sales they previously had and their employment numbers are down.

Mrs. Lando asked what is the status of the plant in Campbell? Mr. Johnson replied they are now up to 225 employees and are doing very well. Mr. Horton commented they are also bringing two more lines back in. Mr. Johnson stated they are bringing the Poly-O cheese lines back.

Mr. Johnson stated we have had a lot of renewable energy projects and an increase in those projects. Solar interest has picked back up. They are asking for, and working on getting those projects approved. We try to make sure that what we do is in line with what the communities want. Mr. Potter asked is one of the problems with getting these applications approved because of the grid? Mr. Johnson replied that is an issue, but that is separate from what we are seeing. I think if we had grid capacity we would see the number of projects coming ballooning even more. The projects we are seeing have grid capacity. Most of what we have seen are 5 megawatt projects and we are also seeing smaller projects coming in now. This could be a trend or an anomaly. If the grid capacity increases we will see projects skyrocket.

Mr. Potter commented solar panels have a life expectancy of 20 years. That begs the question of how will those be recycled? Is there anything in place for addressing that? Mr. Johnson replied the companies are looking at the recycling of panels. Momentum is a local company that recycles solar panels. I think you will see more interest in that. We do require that there be a decommissioning bid on every project in the name of the community. There are a lot of questions about what will happen in 20 years.

Mrs. Ferratella stated in the past we have been concerned about the use of prime farmland. Is that still a concern? Mr. Johnson replied we will have to continue to look at that as an issue. We try to understand where the projects are located and how that will affect land use regulations. Our only mandate is that the companies go through the local community siting process. There are some larger projects that will go through the State process, which is completely different. He stated he does not know how the State is looking at farmland preservation. There has been a lot of discussion at the Farmland Protection Board meetings about this. Mr. Nichols commented one of the problems is that these companies are coming in and offering \$2,000 per acre and that grabs people's attention. That is an issue. He is hearing they are offering \$1,000 - \$2,000 per acre for 20 years. Mr. Johnson commented that helps people pay their taxes.

Mr. Van Etten commented with the State review process, I would think farmland is the least of their concerns. Mr. Mullen stated they want these projects to go through. Mr. Johnson stated under the Article 10 process, the State aligns themselves with the local land use regulation. He noted the Baron Winds Phase Two project has not

developed in Fremont and the State has not moved forward as Fremont has land use regulations relative to height restrictions. We do not know how that will evolve.

a. *Family Life Network* – Mr. Johnson commented we do not have an incentive with this project, but we are supporting them in their application. The Erwin Zoning Board gave approval of the last variance and now they can move through the site plan variance.

b. *Main Street, Wayland* – Mr. Johnson stated they have a meeting scheduled with the new owner of the four properties that were damaged by the fire. We hope to be able to advance a redevelopment plan.

c. *Railroad Infrastructure* – Mr. Johnson stated they put in their application for ARC funding in the amount of \$1.3 million for the railroad track on State Route 415 to the LP Solutions plant. That enhancement will include a new gate at the intersection of State Route 415 and a new track will be put in.

d. *Hammondsport Sewer Project* – Mr. Johnson reported the contractors will be on site within two weeks and the project is moving forward. They will primarily be working on the catchment area through the summer. The downtown work will start after Labor Day. He noted the Bath infrastructure project is also going well.

e. *Workforce Development* – Mr. Johnson stated workforce development is a critical issue. We are seeing companies pull back on spending and unemployment rates are historically down. We are not seeing the loss of jobs with this recession. He stated we need to do everything we can to promote and support workforce development activities in the community. Recently there was a Growing Skill Trades event in Big Flats and we were part of that event. That brought in 500 students from 17 schools districts within GST BOCES. This was a hands-on event that helped to generate interest in the skill trades. The trade unions were very involved in this and we are hoping this will be an annual event.

Mr. Johnson stated on May 22, 2023, they will be holding a pilot event that will bring companies in to do real actual job interviews. This will be an event for Corning-Painted Post School District seniors that will be graduating that do not have plans for the future. This will give them an opportunity to go to work. This may be something that could be expanded in the future.

f. *Renewable Energy* – Mr. Johnson stated when he attended a conference in February, they heard from the State and NYSEERDA talk about companies investing in renewable energy. We need to talk about where we fit as a county because of generation capacity. Since 2019 there have been 55 projects that have come through IDA's for benefits. Steuben County leads the State in the number of renewable energy projects. The question is how do we marry energy generation with traditional job development? The State's response is there are a lot of European investments that want to open with 100 percent renewable electric. We are starting a conversation with the State for how Steuben County can take advantage of this. We are trying to think beyond just the project and the generation.

Mr. Malter asked with the new renewable energy projects, how much are the State and Federal tax subsidies? Mr. Johnson replied he does not know what the subsidies from the State and Federal governments are. Mr. Malter stated it is important to figure out how much we are subsidizing and what the cost is for us to generate energy. Mr. Johnson stated sometimes that subsidy is hidden in the State contracts. Mr. Mullen commented it may also be in the income tax credit and higher electric rates. Our area is probably subsidizing the least. A lot of the money from the subsidies is coming into our communities. Mr. Johnson commented that is similar to us getting a State grant to build a rail line. We are getting the largest piece of that subsidy.

g. *Dana Lyons* – Mr. Johnson stated there will be an announcement imminently on the next round of funding.

h. *Philips* – Mr. Johnson stated Philips is getting reading to do the remaining work. They will be pulling the pad and cleaning up what is underneath. Word is that the cleanup will be done this year.

i. *Amazon* – Mr. Johnson stated Amazon is up and running and he has heard no complaints.

j. *Northside Place* – Mr. Johnson stated we have not heard any updates, but they have been constructing units. The construction is not going as well as they had anticipated.

Mr. Van Caesele asked has there been any fallout from the failing banks or any concerns about increasing rates and causing a recession? Mr. Johnson replied he doesn't think the Feds will necessarily allow that. We have a very strong regional banking system and they traditionally have been very conservative in their portfolios. The banks that are failing have large deposits of very wealthy, high risk types of businesses, etc.

Mrs. Lando stated with regard to "economic diversity", with the cannabis dispensaries in Corning, we are having major issues trying to figure out the State law versus the Local Law. Corning has tabled it and it is at a standstill. Mr. Johnson stated the State is not incentivizing any cannabis projects with economic development incentives. Those have been defined as a closed market. No State tax dollars will be used to support economic development in the cannabis industry. Mr. Malter commented the State is raising the tax on cigarettes by \$1.00 to bring the cost of a pack of cigarettes to over \$5.00, and yet we legalize Marijuana. Mr. Van Etten commented they did not restrict the sale of menthol or flavored cigarettes as that would impact disadvantaged groups. The State budget message did include additional regulations about black market cannabis.

V. **DEPARTMENT REQUESTS (Cont.)**

- A. County Manager
1. **Coffee Cart**

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS LAW, ARTICLE 7§ 105.1.F. THE MEDICAL, FINANCIAL, CREDIT OR EMPLOYMENT HISTORY OF A PARTICULAR PERSON OR CORPORATION, OR MATTERS LEADING TO THE APPOINTMENT, EMPLOYMENT, PROMOTION, DEMOTION, DISCIPLINE, SUSPENSION, DISMISSAL OR REMOVAL OF A PARTICULAR PERSON OR CORPORATION MADE BY MRS. FERRATELLA. SECONDED BY MR. VAN CAESELE. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MR. VAN CAESELE. SECONDED BY MRS. LANDO. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

MOTION: TO ADJOURN MADE BY MR. VAN CAESELE. SECONDED BY MRS. LANDO. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

Respectfully Submitted by Amanda L. Chapman, Deputy Clerk, Steuben County Legislature

****NEXT MEETING SCHEDULED FOR****

Wednesday, June 7, 2023

9:30 a.m.

Please send agenda items to the Clerk of the Legislature's Office

NO LATER THAN NOON

Wednesday, May 31, 2023