

FINGER LAKES REGIONAL COUNCIL MEETING MINUTES

February 22, 2012

Council Members Present: Lt. Governor Robert Duffy, Joel Seligman, Danny Wegman, A. D. Berwanger, Maggie Brooks, Bill Destler, Ted Fafinski, Taylor Fitch, Mary Pat Hancock, James Hoffman, Dr. Anne Kress, Tom Macinski, Theresa Mazzullo, Augustin Melendez, John Noble, Cynthia Oswald, Sandra Parker, Mark Peterson, Tyrone Reaves, Thomas Richards, Kirsten Werner, Christine Whitman. **Representatives for Council Members Present:** Mitch Rowe for Robert Hayssen, Patrick Rountree for James Merrick, James Whipple for David Callard, Jason Molino for Timothy Buckley, Steve Hyde for Charles Cook. **Members Absent:** Bob Brown, Dick Colacino, Steve Griffin, Pam Heald, Hilda Rosario Escher, Robert Sands.

Team Members Present: Robert McNary, Joe Hamm, Dave Seeley, Betsy Colon, Ed Downey, Laura Magee, Dick Petite, Kiska Stevens.

State Agency Members: Daniel Buyer, Victoria Daly, Paul D'Amato, Linda Hardie, Phil Giltner, Richard Parker, J. C. Smith, and Robert Traver.

Other Attendees: Senator Alesi, Kenneth Adams, Greg Albert, Laurie Chiumento, Josh Farrelman, Bret Garwood, Sean Hart, Andrew Kennedy, John Maggiore, Peter Robinson, Ellen Rosen, Judy Seil, Chris Weist, David Zorn, Bill Bastik, Leah George, Chris Geffrey, Zack Seward, Tom Tobin and Jeremy Moule.

Lt. Governor Duffy opened the meeting by welcoming everyone to the first meeting for 2012. He introduced and welcomed Senator Jim Alesi, Andrew Kennedy from the Department of Budget and Kenneth Adams, President and CEO of Empire State Development. He then announced the two new ex-officio members to the council: Timothy Buckley from the City of Batavia and Robert Hayssen, Chairman of Seneca County Board of Supervisors.

Lt. Governor Duffy commended the Regional Council on the outstanding Plan that was submitted, indicating that this year the Regional Councils will focus on implementation. He noted that the Governor delivered \$28MM in AIM aid that no other city received this year.

Mr. Wegman stated he has a card in his office at home that says, "God give me the patience to accept the things I cannot change, the courage to change the things I can, and the wisdom to know the difference." The first part of improving something is having a good relationship with people. The Finger Lakes Region is far ahead of where we were last year and the best is ahead of us. He went on to say that the Region received \$68.8MM in CFA assistance last year, an enormous victory. While the funding was important, the Plan demonstrated that the real accomplishment of our group is that we have created a clear vision, focus and ability to work together for the economic success of the Region. But now we are interested in hearing your comments about how we can improve this process.

Mr. Seligman agreed with Mr. Wegman, stating that we did not lose. On December 14th it was announced that we received \$68.8MM in CFA assistance and since then the City also received \$28MM in AIM aid that no other community has received. Additionally, the Governor announced a \$100MM commitment for the I-390 project, including \$26MM in this year's budget. There have been ongoing discussions led by Mr. Adams with respect to Eastman Business Park, as well as the implementation of the RIT Golisano Institute of Sustainability. Our plan is consistent with what we were asked to do and it is a good plan, one that will guide us as we move forward. He then asked the members to share their thoughts about the Plan and the process that was undertaken last year.

A number of members provided comments, as follows:

- The Greater Rochester Community is one of the most resilient communities in Upstate. It is good that the Council is having this opportunity to air the fact that our Region was not a winner. It is important for us to gain an accurate understanding of what we are competing for this year.
- Housing awards accounted for a sizeable number of projects and funding that we received. Many of these decisions seemed to be in place prior to the conclusion of the process.
- Understanding the parameters of the competition will be critical to a successful bid for funding this coming year.
- Affordable housing projects are important to the City of Rochester and also many of our other communities
- The CFA application process had serious technological flaws at various levels.
- Pitting one region against another as part of the competitive process is not a good way to foster economic development collaboration and successes across the State.
- We did win because we created a Strategic Plan for the Region, something we never had before.
- Middle skill development is critical for much of our workforce. By training these workers we will encourage companies to expand in the Region.
- Our next phase needs to include a heavy focus on implementing our goals effectively.
- We need to be supportive of the Governor and Lt. Governor in their efforts to stimulate economic development in the State.

Lt. Governor Duffy stated that he appreciated the comments from the members. He went on to thank the State employees that are in attendance today. They have assisted with the development of the Plan. The Regional Council process has promoted collaboration on economic development matters in the Region and between the agencies. He stated that in terms of going forward, he thinks our Plan is excellent and wouldn't change anything, rather just modify it a little bit and now focus on implementation. He emphasized that inter-regional cooperation will be very important in 2012. Projects that demonstrate this will be encouraged in the next round.

Mr. Adams noted the importance of the Regional Strategic Plans acting as blueprints to guide economic development work in the Region. He explained that the CFA System is being improved and that the State Agencies will be allocating funds to the new CFA Round, as well as assisting the Regional Councils with implementation measures for their plans. He also mentioned that, as ESD works with expanding companies, we will ask if their plans are consistent with the Regional Plan.

Ms. Brooks questioned how we get the projects that were partially funded in the first round across the finish line, as they may not be aligned with the funding streams in the second round. Mr. Adams stated that Legislature will be voting on a budget this year that hopefully will include funding to assist the 2011 CFA projects that still need funding, as well as new ones.

Mr. McNary stated that our Plan nominated 16 Transformational Priority Projects, including seven Excelsior Projects and nine larger capacity projects. Fourteen of these projects were funded, including all seven of the Excelsior industry projects (funded at the full amount requested) and seven of the

capacity driven projects. All of the Excelsior Projects have signed their incentive proposals with ESD and the capacity projects are being drafted or have been completed.

Mr. Kennedy stated that as we go forward, there is going to be a competition element in this round of funding, but it will be focused on plan implementation. The State is looking at available resources, talking to the agency teams and communicating with the councils to see what worked and what didn't. The state is looking at the CFA process, the programs and the plans to try and identify what agencies and funding streams are appropriate to further projects. We are looking at the CFA process and trying to make it more user-friendly. We are engaging our Regional Agency Team members to get out into the community to educate people on what programs and resources we have available, how to complete a CFA and how to put their best foot forward.

Ms. Hancock stated that there are nine elected officials and others representing the nine counties and they would be glad to play a more active role in the Council.

Mr. Seligman made the observation that there are issues we will not be able to address in this meeting but we should address them soon and articulated a way of going forward:

1. In our plan we talked a lot about implementation. We talked about first developing an approach for working with Finger Lakes governments, towns, villages, districts to achieve efficiencies and lower costs.
2. We talked about performance measures. There are a lot of dimensions to that – i.e. how to gather data that we promised, how do we strengthen the quality of life, how do we evaluate individual projects, who is going to be responsible for this, how do we coordinate with our Workgroups?
3. I think we can take advantage of the luxury of time this year and develop a calendar.
4. We were very focused on prioritization. We did a little less on policy and legislative recommendations. Candidly we did less on issues like poverty, school quality. We may want to take a more in depth look at some of the issues.

He suggested that the Executive Committee prepare a proposal for the Council with respect to the issues mentioned above, including suggestions on how to work to address coordination with governmental entities.

Ms. Parker agreed that having smaller Workgroups, then engaging the whole Council, is an excellent idea. She asked the Lt. Governor what is happening with the Chairman's Council Meeting, as it was her understanding that this group is supposed to be dealing with the policy, legislative and regulatory issues. The Lt. Governor stated the Chairman's group has not met yet, but this is also where Mr. Seligman and Mr. Wegman will be able to interact with the other Co-Chairs/state leaders and where a lot of the statewide discussions will take place.

Mr. Wegman stated we have some issues on how to execute the Plan and we need to figure it out. Additionally, there may be adjustments to the Plan. For example, we can establish a Workforce Workgroup, understand the housing issues better, etc. There is limited time to do this and meet the State's requirements for the next round of funding.

Ms. Brooks stated that there are things that we can incorporate in our Strategic Plan that don't require funding that could go a long way in dealing with some of the life issues like poverty. The public/private partnerships that we do in this community are things we could inject into the Plan that will underscore our ability to collaborate in the way other regions can't. She suggested that we empower some of the Workgroups to get together and tackle some of these non-financial issues. It would be helpful in making people feel a lot more engaged in the process.

Mr. Seligman stated that now is the time to revitalize the process. He agreed we need to work with the Workgroups to go forward and should take advantage of the available time to commit to what we said we were going to do in the Plan.

The Lt. Governor opened the meeting up to the public and welcomed them. He stated that earlier the Council provided feedback on how the Regional Council and CFA process can be improved. He stated that the Finger Lakes Regional Economic Development Council put forth an outstanding plan and must now move forward with its implementation. For the first year the process worked remarkably well, however, the Governor wants to improve it further. He then turned the meeting over to Mr. Wegman.

Mr. Wegman thanked the public for attending and stated that we are in this for the long haul. He indicated that he appreciates all of the comments to date. He commended Ms. Oswald and the Tourism Workgroup for the meetings they have conducted since the end of the year. This would never have happened previously. He stated that at our next meeting we will prioritize what we need to do to implement the Plan and then organize ourselves to accomplish it. The Workgroups will play an important role in this effort.

Mr. Seligman expressed his gratitude to Dr. Kress for hosting all of the Regional Council meetings to this point. He indicated there is a lot of enthusiasm for the Plan that we are all committed to. There have been a lot of successes since the Regional Council process started, including the following:

- the initial \$68.8MM in CFA assistance in December
- the \$28MM in AIM support which came to the City
- \$100MM commitment for the I-390 project
- ongoing discussions regarding the future of Eastman Business Park
- discussions with respect to RIT's Golisano Institute for Sustainability

We are a region that has continually reinvented itself and is as resilient as any region in the State. We are going to meet soon to focus on a number of issues regarding implementation of the Plan. We are also going to focus on how we coordinate with governments, towns, villages to address ways to achieve greater efficiencies.

Additionally, we are going to talk about performance measures to evaluate our implementation efforts and the role of the Workgroups. We will have more time to carry out these activities this year, however, we need to begin soon. The key for our Region will be to maintain our optimism and pursue the goals of our Plan.

The Lt. Governor thanked everyone for attending and closed the meeting.