



FLREDC MEETING SUMMARY

Introductory Information:

Date and Time Meeting Commenced: February 1, 2017 at 3:00pm

Location: Monroe Community College, Flynn Campus Center
1000 E. Henrietta Road, Rochester, NY

Council Members Present: Matt Cole, Charlie Cook, Timothy Dennis, Bill Destler, Hilda Escher, Steve Griffin, Anne Kress, Steven Leroy, Theresa Mazzullo, Augustin Melendez, Joseph Morelle, Wade Norwood, Mark Peterson, Joseph Robach, Peter Robinson, Erin Tolefree, Jon Verkey, Danny Wegman, David Young

Council Members Substitutes: Bob Aronson for Robert Shipley, Bill Bacon for Eric Gott, Nicole Malec for Rob Sands, Carlos Carballada for Lovely Warren

State Agency/Local Government/ESD Staff: Lt. Governor Kathy Hochul, Vincent Esposito, Kiska Stevens, JaMone Turner, Steve Golding, Leonard Skrill, Chris Bauer, Kaleigh Benedict, Stefan Fleming, Joe Hamm, Conor McMahon, Ray Salaberrios, Shari Voorhees-Vincent, Carrie Baker-Scott

Time Adjourned: 4:40pm

Welcome and Remarks: Anne Kress and Danny Wegman (Co-Chairs) welcomed everyone to the FLREDC Meeting and stated Lt. Governor Hochul will also be presenting the Governor's proposed budget for this year.

Presentation of the Governor's Proposed NYS Budget: Lt. Governor Hochul thanked everyone as we enter our seventh year. She stated this is a homecoming as she is from this area and that she has gone to over a 130 events in the Finger Lakes region in the last two years. She warned the FLREDC not to take for granted the money for the Regional Council process as there are some people who want to revert to the old way of providing funding for projects. However, the Governor is committed to the REDCs and feels the Regional Councils are better able to decide what is best for their regions. She then gave a power point presentation on the Governor's proposed budget for this year.

Executive Director Update: Vincent Esposito apologized for the very late time change and thanked everyone for changing their schedules to attend this meeting. It was unavoidable as the Governor decided to come to the region to cut the ribbon at the new del Lago Casino. He gave a recap on the Round 6 Progress Report, SIAT Presentation and Top Performer Awards, of which we were one. He also presented events that have happened in our region over the last few months: The Sustainable Development Conference where the Governor announced the expansion of American Packaging Corporation; the announcement of the commitment to the first three projects that are directly related to our Poverty Reduction goal as embodied in the One Community Plan – Adult Mentoring through the Catholic Family Center; the Hillside Work-Scholarship Connection program expansion; and the New Forward Center at MCC; the NYS Photonics Board Meeting and the announcement of the location of the



new AIM Photonics R&D building at the Eastman Building Park; the County and Department of Labor Job Fair at Monroe Community College; the Executive Budget, the State of State Presentation and Excelsior Agenda which included the Photonics Venture Challenge, Datto Expansion, RIT REMADE Institute. He then gave a list of the projects that have been in the works and created momentum in the region.

Danny Wegman commented that there are a lot of other things that aren't noted as the State possibly didn't have anything to do with them, but we should be noting them as well.

New FLREDC Regional Dashboard: Vincent Esposito stated we are going to be concentrating on using the Dashboard more regularly and will be a standard part of the FLREDC meetings. He then gave a presentation on the new Dashboard and what information will be included on the Dashboard.

Hilda Rosario Escher stated she would like to see the demographics of the unemployed noted.

The second slide gives a summary of all the projects that have been funded through the annual CFA process. We have funded just under 600 projects with \$2.23B of private investment; retaining 10.6 thousand jobs; creating 3.5 thousand jobs; the vast majority of the projects are either complete or on schedule. This does not include URI projects or Excelsior projects. This is only a partial picture and we are working on improving this to include more.

Anne Kress stated that one thing to pull out of the slide is to articulate clearly that the State's investment to the CFA process through the Regional Councils is essentially 10% of the project costs shown. That is a remarkable return and that is often understated, and when you add together the jobs that have been retained or created that's over 14,000 jobs. Having those talking points noted for people to see the magnitude on the State's return investment on these projects is truly outstanding.

The third slide is a summary of the projects that have been committed to with URI funds. Things are moving along. The vast majority of them were included in the first year of the Finger Lakes Forward Initiative submitted in 2015 to win the URI. The money is being put towards things that were identified by you.

The last slide is a summary slide with highlights of what has been happening. Since June of 2010 there have been 22,000 net new private sector jobs created. Our unemployment rate is down from 8% in the same period. Within the last two weeks the US census bureau put out an update that the Rochester area has an 8.8% increase in growth of 20-30 year olds in the city, which is faster and higher than any other city in all of the North East. That is a nice indicator that shows the potential that we can keep the students that are graduating from our universities in our region and have them have jobs in the future.

We have won four out of the six CFA Competitions which we should be proud of and shows our hard work is paying off. Almost 600 projects were funded through that process with over \$200M private investment. In total there has been \$3.4B investment from the State in the last four years through economic development programs.



By putting poverty reduction as a primary goal in our economic development efforts, we are elevating the conversation in our community as to how to reduce the poverty rate. We have done tangible things like implementing a requirement asking all CFA applicants to submit how their project is impacting poverty and helping to reduce it.

Senator Joseph Robach questioned the \$3.4B, is that pledged projects or out the door? Vincent Esposito stated he believes it is pledged but he will get that information and report on it at the next meeting.

Danny Wegman commented that it is great to see the number of millennials coming back. Anne Kress stated she sat next to a member of the millennials at a recent breakfast and that they are excited for the region and that there is a beginning of a sense that something is happening here. Lt. Gov. Hochul stated that she never thought she'd see this happen in her lifetime, but is very happy it is happening.

Work Team Report – Agriculture and Food Production: Bill Strassburg gave a presentation on this Work Team. They have been having bi-weekly meetings and will now be meeting at locations that have received State funds so they can understand the projects and make connections with those companies. There are 48 projects that were awarded funding in our region which equals \$75M investment by the state but the investment of the ag and food production industry in the next five years totaled \$1.3B, so leverage is about 20:1 in that industry.

He noted that organic sales are increasing but there are no organic farmers on the Eastern Coast. We have been making inroads with this as there is one farmer who is converting 2,000 acres so they will be able to produce organic honey as you need 40 miles of organic acreage because bees can travel 3.2 miles.

One side note to ag and food production as there a lot of significant levels of employment with a lot of middle skills jobs becoming available.

Work Team Report – Pathways to Prosperity: Leonard Brock, Todd Oldham, Augustin Melendez and Marlene Bessette gave presentations for this Work Team.

Leonard Brock gave an overview of the Pathways to Prosperity work team and who is involved with it. He then presented the One Community Plan. Augustin Melendez presented on the Youth Mentoring portion and one way out of poverty is through education and Hillside Youth Mentoring/Hillside Work Scholarship can work to do this. Marlene Bessette presented on the Adult Mentoring portion, the Bridges to Success Program and the Family Independence Initiative. Todd Oldham presented on the Finger Lakes Region Workforce Development Center and plan to have 2,300 individuals trained over five years with a focus on the optics trades.

Anne Kress stated that we need to find synergies. They have partnered with ESL with their "Save for Success" program and there is a match of 8:1 for money that the students save in an account with ESL as well as a free banking account and financial counseling. Then they will partner with Hillside in order to be advised on how to save money for college, banking, and building collaborations that will make a difference.



Danny Wegman stated that we have unanimously supported these four projects, and it may seem slow, but we are taking a calculated approach and for every private dollar raised, the state will match that up to \$10M.

Vincent Esposito stated that the Anti-Poverty programs are being matched 1:1 and are going to enable these projects to go forward. And also stated we're going to try to have a couple of work team updates every Council meeting.

Bridge to Success MWBE Loan Program: Ray Salaberrios gave a presentation on the full suite of loan programs he oversees for ESD, including the JDA program, a craft beverage program and an ag loan program. He then presented the Bridge to Success MWBE Loan Program which is to help grow small businesses. There is a \$10M fund to help small agriculture businesses through PathStone and the FLREDC. This fund will help provide capital to MWBE contractors for working capital.

Introduction: Vincent Esposito introduced Stefan Fleming who is in charge of the statewide Craft Beverage industry for ESD's Strategic Business Division. He works a lot with Ray Sallaberrios to help the Craft Beverage Industry that the Ag & Food Work Team has identified as an opportunity for growth. He has the best job in the State.

Next Steps: Vincent Esposito stated as we go forward we will be getting work teams to help us formalize the process for identifying priority projects for the URI pipeline and continuing the effort for accountability and the Dashboards.

Closing Remarks:

Anne Kress thanked everyone for coming and adjusting their schedules.

Danny Wegman stated this was a great meeting and we now need to concentrate on the execution and where we are making progress, what barriers do we need to overcome, needed outreach and how to get out to the community to share, the need to connect the Chamber of Commerce's, the need to connect and the need to consolidate some things.

The meeting was adjourned.

Next Meeting: May 25, 2017, 10:00 am to Noon at MCC.

/kls