



SULLIVAN COUNTY GOVERNMENT CENTER
100 NORTH STREET
P.O. BOX 5012
MONTICELLO, NEW YORK 12701

SULLIVAN COUNTY LEGISLATURE
Community and Economic Development Committee
August 4, 2016
11:30 A.M.

***Committee Members: Ira Steingart (Chair); Terri Ward (Vice Chair);
Joe Perrello; Catherine Owens; and Nadia Rajsz***

AGENDA

PRESENTATION: None

DISCUSSION ITEMS: None

RESOLUTIONS: None

DIVISION/PROGRAM UPDATE:

- Community & Economic Development – Freda Eisenberg
- IDA - Jen Flad
- Partnership for Economic Development – Marc Baez
- Visitors Association - Roberta Byron-Lockwood
- Workforce Development – Laura Quigley

PUBLIC COMMENTS:

ACTIVITY REPORT – JULY 2016
COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY, SULLIVAN COUNTY
FUNDING CORPORATION, THE SULLIVAN COUNTY INFRASTRUCTURE LOCAL
DEVELOPMENT CORPORATION

July 28, 2016

At its July 11th regular meeting, the IDA Board received updates from several ongoing projects. Veria Lifestyle Inc., RJ Baker Corp. and Beaverkill Studio, Inc., Center One Holdings LLC, and Catskill Distilling Company, Ltd. all informed the IDA that they are continuing to develop their projects and requested extensions of their sales tax abatement periods in accordance with their agreements with us.

During July IDA staff and counsel worked to finalize equipment lease agreements with three beneficiaries of 2015 Rural Business Development Grants: Prohibition Distillery LLC, Catskill Distilling Company Ltd. and Roscoe NY Beer Company. The equipment purchased by the IDA with the RBDG funds has now been delivered to the three companies, and the lease agreements will become effective in August.

During July the IDA closed with Metallized Carbon Corporation, which was approved by the Board in June. We look forward to the development of this new manufacturing business. On July 20th, several IDA representatives attended a ribbon cutting for the Metallized Carbon Corporation project at the Glen Wild Industrial Park in the Town of Fallsburg.

IDA staff conducted a site visit to Veria to monitor construction progress. Locally contracted companies and workers were recognized and acknowledged. IDA policy requires reconciliation of project expenditures and we emphasize the importance of buying local. The site visit confirmed Veria's commitment to regular reporting and compliance with IDA policies.

On July 14th IDA staff, counsel and Board members attended the Sullivan United Networking Mixer at the site of the Veria Wellness Center. The event was very well attended and highlighted not only the progress of this project, but the importance of collaboration among our local partners in fostering overall economic growth in Sullivan County.

The prospective board of directors of Southern Catskills Regional Food Hub, Inc. (in formation) met on July 12th. The group continues to refine the business model based on existing plans and documents as well as new research. The facility development committee conducted a site visit on July 20th to develop a plan for capital improvements to fit up the building for use. Through Hudson Valley Agribusiness Development Corporation, a project consultant will begin work in August to advise on various organizational, operational, and financial aspects of the project.

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Jen Flad and Julio Garaicoechea, CSIDA



Report to Legislature - August 2016

A. General Operations

1) **Activities**

- The 2016 Sullivan United Annual midsummer networking mixer was held at the site of Veria Lifestyle Management Z Living Resort on July 14 from 5:30PM to 8:00PM. Despite the rain storm and heat that followed that event was a success with nearly 200 attendees and positive press about Sullivan County. Since the event the company has begun place the building envelope up and expects to be fully closed in by winter, with an anticipated soft opening by end of 2017.
- The Metalized Carbon Aerospace Materials Division groundbreaking took place on July 20. The feedback has been great. AMD will be a pilot plant manufacturing specialty high lubrication components for the aerospace, food service and mining industries. If the pilot plant succeeds as expected, the firm indicates it may expand from 15,000 sqft to 65, 000 sqft and employ up to 100 employees with wages averaging \$40,000/yr. Special thank you to Chairman Alvarez, Chairman of the CED committee Ira Steingart and Legislator Joe Perrello for your support and agreeing to speak at the event.
- Save the date. The Partnership 22nd Annual Meeting and Celebration will be held on October 6 from 5:30 to 8:00 at the Ramada Inn at the Sullivan in Rock Hill.
- Unemployment continues to fall year to year. Note June of 2015 to June of 2016.

Unemployment Rate

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ann Avg
2016	5.8%	5.7%	5.4%	5.0%	4.3%	4.2%							5.0%
2015	7.2%	7.0%	6.4%	5.9%	5.6%	5.3%	5.3%	4.8%	5.3%	5.0%	5.1%	5.2%	5.6%
2014	8.5%	8.6%	7.9%	6.7%	6.5%	6.2%	6.0%	5.8%	5.9%	5.7%	6.1%	6.3%	6.7%
2013	10.3%	9.9%	9.1%	8.4%	8.0%	7.9%	7.5%	7.0%	7.6%	7.5%	7.6%	7.7%	8.2%

- 2) **Internal/External Marketing** – we have just initiated an electronic marketing campaign targeted to the retail industry sector as part of our ongoing relationship with the World Economic Development Alliance. The campaign presents Sullivan County as the next smart retail investment given the development activity taking place today and still slated in the

future. The campaign has been directed to 2,000 end users who encompass, site selectors, capital decision makers, CEOs, COOs and brokers in the retail development sector. Update: ongoing.

- 3) **Meetings:** New York State Economic Development Council, Assemblywoman Gunther special meeting on energy resources and delivery, Workforce Partners, Hudson Valley Economic development Corporation.

B. Project Updates

a. **Corporate Attraction**

- See Metcar above.
- We have formerly closed on financing for the Western Hotel in Callicoon. The Partnership approved a secured loan of \$50,000 through the Incubator without Walls Revolving Loan Fund. **Update:** The partnership further assisted this applicant by help secure an additional \$50,000 in private financing.

b. **Small Business/Entrepreneurial Development**

- IWW funds available \$27,183 There are currently 9 loans within this program:
- SI funds available \$ 66,280 There are currently 4 loans with this program:
- Seven loans have been fully paid in FY 2015.

c. **Business Expansion**

We have met with principals of Formaggio cheese with assistance from Empire State Development Corporation. The company has enjoyed recent expansion of existing offerings and the successful introduction of new products in to the market place. They will be seeking to expand their facility to handle increase demand and will need an additional 40+ employees. We are working with them either as a potential CFA application or a time sensitive ESD project at this time. Ongoing

We ship Express will be moving forward with plans to expand its specialty products distribution facility. The firm has outgrown its current building and will seek to add on to the existing 33,000sq. ft structure. Number of net new employees and cost of the expansion has not yet been determined as the project is in its preliminary stages. Ongoing

d. **Shovel Ready Sites**

- We will be meeting with a wood products manufacturer as previously reported in the spring. They will be considering a site at the Glenwild Industrial Park. The firm seeks to construct a 40,000 sqft facility and employ approximately 35 people.
- We met with Pat Pomeroy of the Hudson Valley Business Council to discuss funding in our continued effort to analyze and move forward shovel ready sites along the Old Route 17 corridor. The feasibility phase is essential to laying the foundation for further funding of anticipated approvals costs and infrastructure needs.

e. **Membership Education** –Informational session on solar projects hosted by SC Planning on August 3rd, 5:00 – 7:00 at the government center.

JULY 2016

SULLIVAN CATSKILLS

HIGHLIGHTS

- **SOCIAL & DIGITAL MEDIA:** The social media platforms continue to grow as the content to promote the Sullivan Catskills as a close destination to a large market sector. The national and international segment is growing as well.
- **TOURISM STATISTICS:** The latest Oxford study (2015) on tourism was released this month and shows the Sullivan Catskills with 4.4% increase in visitor spending totaling over \$388 million, employing 4,561 people with a labor income of \$155 million, generating \$25 million in local taxes. Were it not for tourism-generated state and local taxes, the average household in the Sullivan Catskills would have to pay an additional \$1,612 to maintain the same level of government revenue.
- **MEETINGS WITH INTERESTED DEVELOPERS:** SCVA met with several interested developers to discuss demographics and statistics on the future of the Sullivan Catskills
- **WEB SITE:** SCVA has changed the main domain for the site to www.sullivancatskills.com . The site is going through a major transition to create a better experience for visitors to the site.
- **PUBLIC RELATIONS:** SCVA is working with a NYC based PR firm, The Door. The Door will create attention and buzz to NY Metro and international writers. Working with both the Door and the NYS public relations firm, there have been several stories already generated highlighting the Sullivan Catskills assets. A writer from the UK will be touring the Catskills this week to do a story in several UK publications.
- **ESCAPE MAKER:** Recently a well-known celebrity toured the Catskills to do a pod cast on local beverages in the Catskills. From SCVA relationship with Escape Maker, stay and experience packages have been created and are being promoted digitally.

- **CATSKILL CHALLENGE & CATS DIGITAL PROMOTION:** With the Catskill Challenge over, the media awareness continues and the CATS Region is partnering with NYS in a digital campaign, TV advertising and Port Authority real estate. The CATS Region and several of the Sullivan Catskills assets are being promoted on Thrillist.
- **EV CHARGING STATIONS:** SCVA is working with SASD to support their CFA application to install several EV charging stations in the County. SCVA had worked with Barretto Bay, whom had submitted a grant to NYSERDA last year and was awarded substantial funds to place EV stations in Sullivan County. These two initiatives with our natural assets will put the Sullivan Catskills into a new marketing niche for the Green Traveler. SCVA and its partners are working with several car rental companies to not only supply EV vehicles but regular rentals at major hubs of public transportation. Zip Car and BMW are among the list.
- **EAT HEALTHY, EAT LOCAL:** This program is almost ready to launch. A partnership with SCVA, CRMC and SC Dept. of Health is soliciting restaurants to submit healthy locally grown options for their menus.
- **SCVA CFA INFORMATION CENTER:** SCVA submitted an application to proceed with an "Information Center" at Exit 106 to promote the Sullivan Catskills to the millions of visitors expected and already traveling the Rte. 17 (I-86) corridor.

Program Employment Data

Program	Covered Period	# of People Who Found Employment	# of Businesses	Examples of Businesses
Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker & Youth	5/23/16 – 7/25/16	41 people	31 businesses	Achieve Rehab/Nursing Any-Time Home Care Arrowhead Construction Catskill Mountainkeeper County of Sullivan Deb El Food Products Dunkin Donuts Empire Electric Fallsview Hotel FMN Management LLC Forestburgh Tavern Gaby's Café Corp Golden Corral Ideal Snacks

- ❖ Part of a regional workforce consortium for a federal USDOL Ready to Work grant. Westchester is the lead agency. Goal is to train long term unemployed individuals for jobs in the health care sector. Will be contracting with Westchester for grant funds to offset staff salaries for implementation in Sullivan County. Grant runs through mid-year 2018.
- ❖ Workforce Partners meeting was held July 12. This group which was formed to help assist the Montreign/Adalaar project is looking at the Hospitality industry as a whole. This meeting focused on an update on the the Labor Shed study. The presentation by the consultant Capacity Business Consulting reviewed the draft results from the surveys conducted by students from the the SUNY New Paltz Business Center. The final analysis will be completed as well as the study of the impact of large scale economic development on local businesses. Specifically looking at what sectors/occupations will be hardest hit. All this information will help inform BOCES and the college on needed training programs.

- ❖ The college received a SUNY workforce development to develop a program that introduces people to the Hospitality industry. The pilot program will be run in early August with participants recruited by CWD. Participants will provide feedback on each component. The goal is to expand the program and provide it on a continual basis.
- ❖ The WIOA Final Rules were issued on June 30. Work is underway on updating policies, procedures and partnerships. Impact of changes will be discussed in future meetings.
- ❖ Meeting Highlights:

7/19 – met with interns from Cornell University
 7/20 – attended ground breaking ceremony for MetCar
 7/20 - meeting of Healthy Sullivan group

Unemployment Rates

Month	2016 Sullivan County	2015 Sullivan County	2016 Hudson Valley	2016 New York State	2016 United States
January	5.8	7.2	4.5	5.4	5.3
February	5.7	6.9	4.4	5.4	5.2
March	5.4	6.4	4.2	5.2	5.1
April	5.0	5.7	4.0	4.6	4.7
May	4.3	5.6	3.8	4.2	4.5
June	4.2	5.3	4.0	4.5	5.1
July					
August					
September					
October					
November					
December					

Labor Market Profile

Resident Civilian Labor Force and Nonfarm Employment

SULLIVAN COUNTY

June 2016, May 2016, June 2015

Category	Jun 2016	May 2016	Jun 2015	Net Month	% Month	Net Year	% Year
Resident Civilian Labor Force	34,500	33,500	34,800	1,000	3.0%	-300	-0.9%
Employed	33,000	32,000	33,000	1,000	3.1%	0	0.0%
Unemployed	1,400	1,400	1,800	0	0.0%	-400	-22.2%
Sullivan County Unemployment Rate	4.2%	4.3%	5.3%	-0.1		-1.1	
NYS Unemployment Rate	4.5%	4.2%	5.2%	0.3		-0.7	
US Unemployment Rate	5.1%	4.5%	5.5%	0.6		-0.4	
Total Nonfarm							
Total Nonfarm	26,500	25,500	26,300	1,000	3.9%	200	0.8%
Total Private							
Total Private	20,400	19,400	20,200	1,000	5.2%	200	1.0%
Goods-Producing							
Goods-Producing	2,700	2,600	2,300	100	3.8%	400	17.4%
Natural Resources, Mining and Construction	1,200	1,000	1,000	200	20.0%	200	20.0%
Manufacturing	1,500	1,600	1,300	-100	-6.3%	200	15.4%
Service-Providing							
Service-Providing	23,800	22,900	24,000	900	3.9%	-200	-0.8%
Private Service-Providing							
Private Service-Providing	17,700	16,800	17,900	900	5.4%	-200	-1.1%
Trade, Transportation and Utilities	4,500	4,300	4,600	200	4.7%	-100	-2.2%
Information	200	200	200	0	0.0%	0	0.0%
Financial Activities	900	800	1,000	100	12.5%	-100	-10.0%
Professional and Business Services	1,600	1,600	1,500	0	0.0%	100	6.7%
Education and Health Services	6,200	6,100	6,300	100	1.6%	-100	-1.6%
Leisure and Hospitality	2,900	2,500	2,900	400	16.0%	0	0.0%
Other Services	1,400	1,300	1,400	100	7.7%	0	0.0%
Government							
Government	6,100	6,100	6,100	0	0.0%	0	0.0%

COUNTIES RANKED BY UNEMPLOYMENT RATE
JUNE 2016

RANK	COUNTY	RATE	RANK	COUNTY	RATE
1	Columbia County	3.2	31	Livingston County	4.4
2	Saratoga County	3.4	31	New York County	4.4
3	Hamilton County	3.5	31	Queens County	4.4
4	Nassau County	3.6	31	Wayne County	4.4
5	Putnam County	3.7	36	Chenango County	4.5
6	Genesee County	3.8	36	Herkimer County	4.5
6	Ontario County	3.8	36	Tioga County	4.5
6	Washington County	3.8	39	Madison County	4.6
9	Rockland County	3.9	39	Schuyler County	4.6
9	Suffolk County	3.9	41	Franklin County	4.8
9	Westchester County	3.9	41	Niagara County	4.8
9	Yates County	3.9	41	Schoharie County	4.8
13	Albany County	4.0	44	Cortland County	4.9
13	Dutchess County	4.0	44	Jefferson County	4.9
13	Orange County	4.0	44	Montgomery County	4.9
13	Rensselaer County	4.0	47	Cattaraugus County	5.0
13	Schenectady County	4.0	47	Clinton County	5.0
13	Seneca County	4.0	47	Delaware County	5.0
13	Tompkins County	4.0	47	Fulton County	5.0
13	Ulster County	4.0	47	Orleans County	5.0
13	Warren County	4.0	52	Broome County	5.1
22	Wyoming County	4.1	52	Chautauqua County	5.1
23	Cayuga County	4.2	52	Chemung County	5.1
23	Onondaga County	4.2	52	Richmond County	5.1
23	Sullivan County	4.2	56	Allegany County	5.2
26	Essex County	4.3	56	Kings County	5.2
26	Greene County	4.3	56	Steuben County	5.2
26	Monroe County	4.3	59	Lewis County	5.5
26	Oneida County	4.3	60	Oswego County	5.7
26	Otsego County	4.3	61	St. Lawrence County	5.8
31	Erie County	4.4	62	Bronx County	7.0