

Saratoga County Empire Zone Development Plan

May 23, 2007

- Section I Overview**
- Section II Goals and Strategies**
- Section III Target Areas/Infrastructure Development**
- Section IV Target Businesses**
- Section V Business Development Assistance**
- Section VI Human Resources Development/Training**
- Section VII Community Development**
- Section VIII Certification/Cost-Benefit Analysis**
- Section IX Program Performance Evaluation**

SECTION I OVERVIEW

The new Saratoga County Empire Zones Program (the "Program") emphasizes target areas and target businesses. This Saratoga County Empire Zones Development Plan (this "Plan") establishes strategies for identifying targeted business and targeted areas, as well as selection and designation criteria for the targeted areas. Target businesses will be identified based on criteria, such as projected economic impact, and target areas will be chosen in a context of distressed areas. This Plan will identify the process by which target areas are related to distressed areas throughout Saratoga County (the "County").

The Saratoga County Empire Zone Administrative Board (the "ZAB") considered the following local and regional plans in developing this Plan: (i) Village of Corinth Downtown Revitalization Plan; (ii) NYSERDA Three-Year Strategic Outlook 2004-2007; (iv) CEG-Strategic Initiatives (2004) Semiconductor and Microelectronics Strategic Mandate; (v) Impact Action Agenda; and (vi) Capital District Regional Planning Commission Comprehensive Economic Development Strategy for the Capital District, Volume 2: CEDS and Policy. These plans consider issues utilized by the ZAB to establish criteria for target areas and target businesses – such as strategies for identifying new high-potential nanotechnology and microelectronic company prospects while continuing to support and build on current prospect relationships.

A number of evaluations have been done by the County and its regional partners over the years. These evaluations have helped to identify particular strengths and weaknesses of the County – such weaknesses as the existing tax structure, and cost of utilities and such strengths as great quality of life and a highly educated workforce.

The knowledge gleaned from these evaluations was used by the County in developing this Plan for implementing the Program as a development tool. The County intends to use the Program in conjunction with other economic development tools, including its five (5) Industrial Development Agencies, employment training, and other resources offered at the state and local levels. As an economic tool, the Program will aid the County in its efforts to improve the overall economic condition of the County through the growth of targeted private sector employment in targeted areas within the County most in need of revitalization.

SECTION II GOALS AND STRATEGIES

The County is committed to building on the assets of our local and regional community by using the Empire Zones Program as an economic development tool to retain and attract new investment, quality jobs that provide good wages for our residents.

The County has identified two primary goals for strengthening the economy and supporting real growth as measured by job opportunities, capital investment, and net wealth, and will utilize the Empire Zones Program to encourage and support the businesses and projects that best assist the County in achieving these goals. To that end, the County analyzed the existing Empire Zones acreage within the County in conjunction with its primary goals and objectives for future growth and determined the actual designation of the Empire Zones acreage (discussed more fully in Section III) for use in continuing and future projects.

Goal No. 1 - Attract new manufacturing businesses to the County with an emphasis on the expansion of high technology industries such as semi-conductor manufacturing, renewable energy technology, and nano-electronics. To aid in achieving this goal, the County will seek to proceed as follows:

- Site ancillary goods and service providers that specialize in providing equipment and commercial service support for high technology industries.
- Deliver needed programs, training, and services to new businesses locating in the Empire Zones.

Achieving this goal will require the implementation of many strategies, including those that follow:

1. Positioning the Region as a High-Tech Hub

Saratoga County is part of the Saratoga/Capital Region (the "Region") comprised of Albany, Rensselaer, Saratoga, and Schenectady Counties. As a result of the planning and regional initiatives to make the Region known as "Tech Valley," our Region as a whole and Saratoga County, itself, is fast becoming a high-tech research and development hub. Not only is our Region known as a university and research center being home to such institutions as Rensselaer Polytechnic Institute and State University of New York at Albany, our Region is beginning to attract new investments in microelectronics, pharmaceuticals, energy, information technology, and biotechnology research.

Additional opportunities for existing businesses as well as a wide spectrum of employment opportunities in all fields of commerce throughout the Region are created by the expansion of new research investment, product development, and creation of new businesses by companies engaged in, among many other things, the manufacturing of advanced materials, pharmaceuticals, medical technology, medical devices, medical films and coatings, and computer software. By encouraging additional research and development investment in our Region through programs such as the Empire Zones Program, we are combining the successful, traditional economy that made our Region what it is today with the "new economy" of tomorrow.

2. Focus on Semiconductor Manufacturing and Renewable Energy Technology

Our Region is well positioned to attract additional investments related to the research, development, and manufacturing of semiconductors. Cutting-edge technologies are being developed at the State University of New York at Albany and Rensselaer Polytechnic Institute. The Region is already home to many of the industries that supply semiconductor manufacturers and it is part of a northeastern semiconductor industry "cluster." Our Region has all the elements employers look for when selecting a manufacturing location: a highly skilled workforce, top-notch higher education and skills training institutions, and a high quality of life.

Semiconductor manufacturing is a high-value industry that offers well-paying jobs at many skill levels. It is also rated as one of the best manufacturing industries in terms of workplace safety and environmental impacts.

To further these regional efforts, Saratoga County has developed the Luther Forest Technology Campus ("LFTC") in Malta. The LFTC project represents one of the largest economic development initiatives in the Region's history. The 1,350-acre campus is specifically zoned and designed for semiconductor manufacturing and may host up to 1,500 new jobs in its first phase. Once completed, LFTC is expected to host up to 10,000 jobs. The LFTC site is truly, "one of two places on the planet" suited for nanotechnology manufacturing. Competition to locate high-tech businesses, such as semiconductor manufacturing is intense. The Empire Zones program is an extremely important factor in attracting such a regionally significant project. The benefits obtained through the Empire Zones program level the playing field enough to allow the County to compete on a global scale for the chance to host such a high-value industry.

Contiguous to the Luther Forest Technology Campus is the Saratoga Technology and Energy Park ("STEP"). STEP is a joint initiative of the Saratoga Economic Development Corporation ("SEDC"), New York State Energy Research and Development Authority ("NYSERDA"), and the State University of New York at Albany ("SUNY"). STEP is located on a mostly undeveloped 280-acre site in Malta and is anchored by a 21,000 square foot facility built by NYSERDA in the mid-1970's. STEP was created in response to a growing interest and need for cleaner energy technologies that can address concerns over energy supply and reliability issues, as well as environmental impact concerns with energy production and consumption. The joint partnership provides: (i) burgeoning technology companies development and prototyping support through SUNY, (ii) funding to support technology development and commercialization through NYSERDA, and (iii) expanded economic opportunities through SEDC.

3. Create the Ideal Environment for Small to Mid-size Manufacturing Firms

The County plans to capitalize on our assets to create an ideal environment for small to mid-size manufacturing firms. The quality of our workforce, the intellectual infrastructure of the area, our unique and highly desirable quality of life, and our proximity to major markets put the County in a position to attract businesses to the area that might otherwise have located to another highly competitive area in the United States or abroad. The County plans to attract cluster businesses that fill product niches currently experiencing increased demand within the Region and beyond our borders.

Develop Industrial Parks

The areas chosen for re-designation reflect the County's desire to develop and strengthen its manufacturing base and to create meaningful jobs for its present and future workforce. The areas chosen have a high density of acreage zoned for manufacturing, research and development, and commercial business activity. In most instances, existing infrastructure is in place, and in other areas the County has active plans to build infrastructure on site.

Develop Flex/Spec Buildings

The County has a shortage of buildings constructed based on speculation of occupancy by tenants who may utilize the space for a variety of uses – such buildings being commonly referred to as Flex/Spec Buildings. The County intends to encourage local developers to invest in new Flex/Spec Building inventory constructed to accommodate the use needs of a myriad of different types of modern manufacturers. To aid in this process, the County targeted areas within the Empire Zones that are appropriately zoned for manufacturing and other industrial and business purposes. These targeted areas would allow for the construction of adequate space to house offices, production, research and development, and warehousing within the same facility in order to meet the needs of a typical modern manufacturing tenant.

Attract Venture Capital

While most venture capital is located in large urban markets like New York City, Boston, and other areas with clustered pockets of industry in places such as the Silicon Valley, the County, primarily through SEDC, intends to work to attract venture capital to help fund capital intensive industries requiring additional funds to help such industries bring emerging products to market. SEDC is working to expand its existing relationships with such venture capital partners as High Peaks Venture Partners, Summer Street, Capital Partners, and Stonehenge Capital Company, and through that expansion, SEDC expects more venture capital will be availability for the County. SEDC is also working to educate local investors about local opportunities within the business community with the expectation local investors will be desirous in investing in opportunities that will aid in the economic growth of the County.

Goals and Strategies at Targeted areas

Area 1: The Moreau/EPIC Site

Goal: Redevelop Site as a Business/Industrial Park

Strategies: Identify infrastructure needs; continue redevelopment efforts; market the site

Short term strategies (1-2 years): Work with the Saratoga County IDA to reactivate the Rail Spur leading into the park. Bring foreign trade zone status to the site. Site businesses.

Long term strategies (3-5 years): Site businesses

Performance Measurements: Work with developers toward completion of ongoing redevelopment efforts; feature the site on economic development websites; respond to inquiries concerning the site from targeted businesses; conduct site visits, announce attraction of targeted businesses to the site.

Area 2: The Corinth Site

Goal: Redevelop Site as a Business/Industrial Park

Strategies: Identify infrastructure needs; continue redevelopment efforts; market the site

Short term strategies (1-2 years): Site businesses

Long term strategies (3-5 years): Site businesses

Performance Measurements: Work with owners toward completion of ongoing redevelopment efforts; feature the site on economic development websites; respond to inquiries concerning the site from targeted businesses; conduct site visits, announce attraction of targeted businesses to the site.

Area 3: The Wilton Site

Goal: Redevelop Site as a Business/Industrial area

Strategies: Identify infrastructure needs; continue redevelopment efforts; market the site

Short term strategies (1-2 years): Site businesses

Long term strategies (3-5 years): Site businesses

Performance Measurements: Work with developers toward completion of ongoing redevelopment efforts including redeveloping Wilton Developmental Center and adjacent property and developing new flex/spec buildings; feature the site on economic development websites; respond to inquiries concerning the site from targeted businesses; conduct site visits, announce attraction of targeted businesses to the site.

Area 4: The LFTC/STEP Site

Goal: Redevelop Site as a Business/Industrial Park

Strategies: Identify infrastructure needs; continue redevelopment efforts; market the site

Short term strategies (1-2 years): Site businesses

Long term strategies (3-5 years): Site businesses

Performance Measurements: Continue to work with developers toward completion of ongoing development efforts; feature the sites in economic development publications and economic development websites; respond to inquiries concerning the site from targeted businesses; conduct site visits.

Area 5: The Halfmoon Site

Goal: Develop Site as a Business/Industrial Park

Strategies: Identify infrastructure needs; continue redevelopment efforts; market the site

Short term strategies (1-2 years): Site businesses

Long term strategies (3-5 years): Site businesses

Performance Measurements: Work with developers toward completion of ongoing redevelopment efforts; feature the site on economic development websites; respond to inquiries concerning the site from targeted businesses; conduct site visits.

4. Partnership with the SEDC to Develop Marketing Strategy for Regional Approach

The County, in partnership with SEDC, a non-profit local development corporation that, among other things, acts as the coordinator for the Saratoga County Empire Zones program, has an excellent record of success in improving the economic condition and human resources of the County. The County, together with SEDC, has made and continues to make real progress in its efforts to reinvigorate and expand its economic vitality.

Much of the County's successful progress to date is the result of the highly collaborative efforts and partnerships within the County, individually, and the Region as a whole, utilized to resolve issues and problems effectively and expeditiously as they arise. The collaboration among many different levels of government and private organizations to pool resources has resulted in successes far greater than those that would have been realized by the parties acting alone.

In recent years, the SEDC recognized that a micro-regional approach was an effective way to deliver economic development in the northern towns of Saratoga County and adjusted its strategy for bringing economic opportunities and improved human services to that area of the County. Currently, the SEDC is carefully assessing the issues and problems particular to the northern towns within the County in order to develop goals, objectives, and implementation measures that "fit" the needs of residents from these communities.

Marketing Strategy

The SEDC will work with its local and regional partners, Empire State Development, New York State Department of Economic Development, the Center for Economic Growth, the New York State Economic Development Council, National Grid, New York State Electric and Gas, The New York State Energy and Development Authority and Saratoga County's Five IDA's; Waterford, Clifton Park, Mechanicville/Stillwater, Corinth and Saratoga County; to encourage development in the targeted areas of the Empire Zones program within the County, through, among other things, the use of trade journal advertising and exhibits at industry and association trade shows. SEDC will also work with relocation executives, real estate brokers, and chief executive officers of prospective companies to come "walk the sites" and visit our communities.

Goal No. 2 – Strengthen existing businesses in non-captive industries through a focus on job retention, with a particular emphasis on those industries most at risk of relocating to other areas of the United States or abroad.

- Create a strong business environment and greater opportunities for small commercial, service and manufacturing businesses to grow and expand.
- Consider regionally significant project designation for businesses that can meet the requirements of growth and investment.

In an effort to defray costs and increase benefits to the greatest extent possible, Saratoga County intends to use the Empire Zones Program to retain our existing local industries by using the benefits of the Empire Zones Program in instances when a business experiences growth sufficient to qualify that

business as a regionally significant project under the new guidelines adopted in the General Municipal Law.

Marketing Strategy

The County, together with SEDC, will aggressively work to promote the benefits of the regionally significant project designation to afford existing companies considering major expansion, investment, and/or employment increases to consider a regionally significant project designation in order to obtain additional benefits that will allow them to further expand in the area. The County will promote its availability of resources including infrastructure, utilities, labor pool, and transportation to attract large developments.

SECTION III TARGET AREAS / INFRASTRUCTURE DEVELOPMENT

1. Consideration Criteria

In determining the target areas, the County considered: (i) regulatory requirements, (ii) its economic development goals, (iii) the physical characteristics of the properties, and (iv) the existing infrastructure on the site, both public and private.

To be considered for distinction as a target area, the property had to satisfy at least one (1) of the following criteria:

- Zoned properly to accommodate targeted businesses
- Existing Empire Zones designated acreage within the site
- Contains a site with high or unique redevelopment characteristics and the potential for ease of transition into other use opportunities
- Has considerable public and private infrastructure already in place
- Density of contiguous area available for development by targeted businesses

Each of the following properties was considered for inclusion in the Saratoga County Empire Zone as distinct and separate contiguous areas:

- Wood Road area in the Town of Clifton Park
- Corporate Commerce Zone off Route 146 in the Town of Clifton Park
- Pettis Road area in the Town of Northumberland
- Curtis Industrial Park in the Town of Ballston
- Schultz Industrial Park in the Town of Ballston
- 47.24 acres at and surrounding the former International Paper Mill in the Village of Corinth (the "Corinth Site")
- 167.55 acres at the intersection of Routes 146, 4, and 32, in the Town of Halfmoon (the "Halfmoon Site")
- 378.72 acres at and surrounding the Luther Forest Technology Campus ("LFTC") and Saratoga Technology and Energy Park ("STEP") in the Town of Malta (the "LFTC/STEP Site")
- 203.46 acres at and surrounding Moreau Industrial and EPIC Ventures in the Town of Moreau (the "Moreau/EPIC Site")
- 235.68 acres located at Exit 16 from Interstate 87, contiguous to the former Wilton Development Center, in the Town of Wilton (the "Wilton Site")

2. The Chosen Areas

Based on the criteria discussed in this Section III and elsewhere throughout the Plan, the County has chosen the following areas for inclusion in its re-designated Empire Zones Program:

- The Corinth Site
- The Halfmoon Site
- The LFTC/STEP Site
- The Moreau/EPIC Site
- The Wilton Site

3. Selection Criteria

Capture Existing Designated Acreage

At the end of 2005, the County had over 215 sub-zones in existence. Almost every town, village, and city within the County had at least one sub-zone created under the existing Empire Zones Program. This fact, together with, among other things, (i) the requirements of the new Empire Zones Program with regard to mapping requirements; (ii) the County's desire to utilize existing infrastructure whenever possible; (iii) the need to meet strategic economic development objectives of the County; and (iv) the accommodation of existing business expansions, made the inclusion of all existing acreage in the new Empire Zones Program an impossibility.

Of the existing areas considered for inclusion in the new Empire Zones Program only those having the proper zoning, best able to serve the residents of the geographical area, and surrounded by enough developable land to make the designation feasible were chosen as proposed distinct and separate areas. The total acreage of the five areas chosen (of the six permitted) as proposed distinct and separate areas for inclusion in the new Empire Zones Program is 1,032.65 acres, of which 221.76 acres are existing Empire Zones designated acres. Consequently, 17% of the acreage in the proposed distinct and separate areas is currently in the Empire Zones Program.

Designate New Areas Considered Strategic from an Economic Development Standpoint

The County chose the distinct areas to best fit the strategies for achieving Goal No. 1 in Section II of the Plan. All of the areas will be of benefit to the SEDC in marketing the Region and most are ideal for small to mid-size manufacturing firms. Additionally, the LFTC/STEP Site is one of only two sites in the world perfectly suited for nanotechnology manufacturing, making it an excellent fit for the high-tech hub and focus on semiconductor manufacturing and renewable energy technology strategies.

Foster New Development Patterns and Utilize Areas with Existing Infrastructure

Each of the chosen areas has at least some existing infrastructure in place. As part of the new development occurring at the LFTC/STEP Site, the existing infrastructure is being significantly expanded, with substantial completion anticipated in 2007. In addition to appropriate infrastructure already or soon to be in place, all of the chosen areas are appropriately zoned for the existing projects located on them or for the uses targeted for the areas.

The County recognizes the importance of green space within its boundaries and believes its designation of the chosen sites for certification will aid the County in maintaining its existing open and green spaces while still addressing its desire for increased economic development. Saratoga County has spearheaded a green infrastructure plan to help plan for preservation of open space within the county.

Accommodate Expected Business Expansion

Each of the areas was chosen with the expectation it would provide for substantial and expected business expansion within the area. Each of the areas has existing infrastructure in place. The LFTC/STEP Site plans to expand the existing infrastructure to support anticipated business expansion at the LFTC/STEP Site.

The Moreau/EPIC Site is home to an industrial incubator on the site of the former Chase Bag Facility. The site's designation as one of the separate and distinct areas will encourage further expansion of the industrial incubator and the site in general by encouraging targeted businesses to locate to the site.

Accommodate other Economic/Community Development Needs

One of the common reasons each of the chosen areas was selected was the expectation that the resulting growth in the selected areas will revitalize the previously underserved communities surrounding the new proposed Empire Zones areas.

Through the unique characteristics of the LFTC/STEP Site, the County finds itself in the enviable position of being home to one of only two areas in the world perfectly suited for nanotechnology manufacturing. However, the LFTC/STEP Site is not only ideal for nanotechnology manufacturing, its location and other attributes allow the County to pursue economic development within the LFTC/STEP Site while still maintaining much of the surrounding green space.

4. Areas Selected for Inclusion as Distinct and Separate Contiguous Areas

Each of the distinct and separate contiguous areas proposed for designation are likely to be developed as follows:

The Corinth Site

A. Types of Business – The Corinth Site is currently owned by a holding company, Philmet, Inc., in the process of redeveloping the site as a business/industrial park. The County will encourage target businesses in the industries of manufacturing, wood products, food processing, microelectronics and related services, pharmaceuticals, information technology, and biotechnology research to locate at the Corinth Site.

B. Growth Pattern – It is expected businesses in the above noted industries will locate at the Corinth Site resulting in redevelopment of the site and acting as a true economic engine helping the northern towns of the County to thrive.

C. Zoning – This site is zoned as an Industrial District.

D. Availability of Land – Presently, the land at the site is being redeveloped and, upon completion of redevelopment, all will be available for lease or possible sale.

E. Utilities – The area has an on-site water intake structure to the Hudson River, a waste-treatment facility, a New York State Part 360 Permitted Landfill, 115kV electrical service, a GE 25 MW single-extraction condensing turbine generator set, and telecommunications.

F. Affordability – The Corinth Site is available for lease and assistance may be provided through the Town of Corinth Industrial Development Agency ("IDA"). Additionally, other low interest loans and funding mechanisms through the Town of Corinth IDA revolving loan fund, Small Business Administration, and other sources may be available.

G. Publicly Owned Land – A portion of Pine Street runs through the site.

H. How designation will assist in revitalization – The County anticipates the new businesses at the site will create jobs for the previously underserved residents of the Town and Village of Corinth, as well as the contiguous northern towns of Hadley and Day.

The Halfmoon Site

A. Types of Business – The Halfmoon Site is currently vacant. Expected businesses include manufacturing, information technology, and businesses providing services to the surrounding industries.

B. Growth Pattern – It is expected the new businesses drawn to the Halfmoon Site will create quality job opportunities not only for the residents of Halfmoon, but also the residents of Mechanicville, Stillwater, and Waterford, as well as the other communities located along the eastern shoulder of the County.

C. Zoning – The Halfmoon Site is zoned industrial and commercial and is a Planned Development District.

D. Availability of Land – All the land within the Halfmoon site will be available for sale or lease.

- E. Utilities – The area has municipal water and sewer service, distribution-level voltage electric service, natural gas service, and telecommunications.
- F. Affordability – Saratoga County Industrial Development Agency may provide assistance toward the purchase of land within the Halfmoon Site and other low interest loans and funding mechanisms may be available through other sources.
- G. Publicly Owned Land – Portions of Route 146 run through the Halfmoon Site.
- H. How designation will assist in revitalization – The location of new businesses to this currently vacant site will result in the creation of quality jobs in manufacturing, information technology, and supportive service related jobs.

The LFTC/STEP Site

- A. Types of Business – Starfire Systems, Daystar Technology, and Advanced Energy Conversion currently conduct business in the industries of advanced materials research and development and manufacturing, photovoltaic solar cell manufacturer, and power electronics, motion control systems, and embedded controls, respectively. The County expects businesses in similar fields will locate to the LFTC/STEP Site.
- B. Growth Pattern – The development of LFTC will have regional impacts and will ultimately create up to ten thousand (10,000) new jobs on site at full build-out. Ancillary impacts may be four (4) times greater. STEP will also draw many businesses with a focus on clean energy technology.
- C. Zoning – The 280 acres comprising the STEP, pursuant to mandate due to its ownership by NYSERDA, may only be used by businesses developing clean energy technologies. The remaining acreage, comprising LFTC, is a Planned Development District zoned for nanotechnology manufacturing, support businesses, community uses, offices, and public or private utility companies.
- D. Availability of Land – Most of the land within the site remains available.
- E. Utilities – The area has existing water, natural gas, sewer, electric power, roadway access, and telecommunications, and these utilities are currently being further developed and expanded to accommodate the anticipated growth at the LFTC/STEP Site.
- F. Affordability – The property within the site is available for sale and assistance may be available through Saratoga County Industrial Development Agency as well as other low interest loan assistance.
- G. Publicly Owned Land – The 280 acres comprising the STEP portion of the site is publicly owned.
- H. How designation will assist in revitalization – As indicated above, the development of the LFTC/STEP site will have regional impacts and will ultimately create up to ten thousand (10,000) new jobs on site at full build out. Ancillary impacts may be four (4) times greater, drawing, among other businesses, those with a focus on clean energy technology.

The Moreau/EPIC Site

- A. Types of Business – The EPIC portion of the site has a 250,000 square foot industrial incubator, the former Chase Bag facility, located upon it from which a wide range of businesses, woodworking shops to medical device manufacturers, conduct business. The Moreau Industrial Park currently has one (1) tenant, Hexion Chemical, a manufacturer of formaldehyde. The County anticipates new businesses in the industries of microelectronics, pharmaceuticals, energy, information technology, and biotechnology research will locate in the Moreau/EPIC Site.
- B. Growth Pattern – The existing wide range of businesses and presence of the industrial incubator will attract other similar businesses to the Moreau/EPIC Site.
- C. Zoning – The site is zoned M1, manufacturing.
- D. Availability of Land – The land is owned by Moreau Park Inc., the Town of Moreau, and EPIC Holdings, LLC. The owners plan to develop the site as an industrial park.
- E. Utilities – The area has existing water, natural gas, sewer, electric power, roadway access, and telecommunications.
- F. Affordability – The land is available for sale and assistance may be provided through Saratoga County Industrial Development Agency. Additional financial support may be received through low interest loans and funding mechanisms through the Small Business Administration and other sources.

G. Publicly Owned Land – The Town of Moreau owns portions of the site available for purchase by businesses locating to the site. Additionally, Farnan Road and portions of Hudson River Road run through the site.

H. How designation will assist in revitalization – The County anticipates the new businesses locating in the Moreau/EPIC Site will create jobs for residents of the eastern shoulder towns of the County.

The Wilton Site

A. Types of Business – Presently, Ace Hardware maintains a distribution facility at the site. DA Collins Companies, a corporate family of construction companies, is redeveloping the former Wilton Development Center into a commercial/industrial park.

B. Growth Pattern – The growth pattern is expected to include commercial and industrial businesses

C. Zoning – The Wilton Site is zoned for commercial and industrial use.

D. Availability of Land – Most of the land within the site is available.

E. Utilities – The area has municipal water and sewer service, distribution-level voltage electric service, high-volume natural gas service, and telecommunications.

F. Affordability – The County expects the former Wilton Development Center property will be available for lease and the remaining land within the site will be available for sale. Assistance in acquiring land may be available through Saratoga County Industrial Development Agency, the Small Business Administration, and other sources.

G. Publicly Owned Land – Ballard Road and portions of North Road run through the Wilton Site and are public rights of way. The remainder of the land within the site is privately owned.

H. How designation will assist in revitalization – The County expects the Wilton Site, largely vacant, will infill with businesses bringing new jobs and investments to the area.

5. Previously Designated Acreage/Existing Zones

Previously Designated Areas not included within the Distinct and Separate Contiguous Areas

As discussed at the beginning of part "3" of this Section III, the following constraints impacted the County's ability to include all of the existing Zones Program acreage in the new Empire Zones Program: (i) almost every town, village, and city within the County had at least one sub-zone created under the existing Empire Zones Program; (ii) the requirements of the new Empire Zones Program with regard to mapping requirements; (iii) the County's desire to utilize existing infrastructure whenever possible; (iv) the need to meet strategic economic development objectives of the County; and (v) the accommodation of existing business expansions. The full impact of these constraints is a large number of existing Zones acreage will not be included in the new Empire Zones Program.

Impact on Previously Certified Businesses and Areas No Longer Within Certified Areas

A listing of all previously certified businesses that will retain their Empire Zones Program benefits appears in the appendix of this Plan as Schedule A.

Policies Regarding Existing Certified Businesses Outside the Proposed Distinct Areas

Areas formerly located within the Empire Zones Program that fall outside the proposed distinct and separate areas and do not have a certified business will be deleted from the Empire Zones Program.

Previously certified businesses located outside the proposed distinct and separate contiguous areas that have met the Empire Zones Program requirements and continue operating in form and substance as outlined in the application for business certification will remain in the Empire Zones Program. However, if such a business fails to make any investment and/or fails to create any jobs within two years of certification, such business may be dropped from the Empire Zones Program.

6. Regionally Significant Projects

"Regionally Significant Projects" shall be those projects meeting one of the following criteria: (i) a manufacturer projecting the creation of fifty (50) or more jobs; or (ii) an agri-business or high tech biotech business making a capital investment of ten million dollars (\$10,000,000) and creating twenty (20) or more jobs; or (iii) a financial or insurance services or distribution center creating three hundred (300) or more jobs. The local Zone Administrative Board and Commissioner shall make all final determinations regarding Regionally Significant Projects.

The County, through SEDC, shall market the Regionally Significant Project option to targeted businesses in anticipation of such businesses electing to locate in the County.

SECTION IV TARGET BUSINESSES

In its effort to target business with the most meaningful and lasting impact in terms of revitalizing distressed areas and influencing business location decisions, the County has chosen to support businesses that will bring five (5) to forty-nine (49) jobs to underserved areas of the County in the fields of manufacturing, research and development, traditional and light manufacturing, microelectronics, medical technology, pharmaceuticals, information technology, biotechnology research, technologies that will address energy needs and environmental conservation and corporate headquarters, while, of course, recognizing there may be an business outside of these areas that otherwise meets all of the County's criteria.

The Current Industrial Base

The current industrial base of the County is manufacturing, human services, distribution, and military installations. Of these, the manufacturing and military industries are declining, the human services industries are growing, and the distribution industries are steady.

Strength and Weaknesses of the County as a Place to do Business

The existing tax structure, cost of utilities, regulatory environment, and poor retention rate from local universities are some of the weaknesses the County works to overcome when attracting new businesses to locate and existing businesses to relocate within the County.

However, these challenges are often off-set by the strengths the County is able to offer: (i) great quality of life; (ii) strong local university system; (iii) highly educated workforce; (iv) superior public schools; (v) reduced crime rate; (vi) high quality, affordable healthcare; and (vii) the availability of workforce training.

Traded, or Net-Wealth Creating Businesses

The County plans to target businesses in the following industries: manufacturing – high-tech as well as traditional, microelectronics, pharmaceuticals, energy, information technology, and biotechnology. In addition, the County will target businesses that: (i) play a significant role in the existing economy, (ii) have a reputation as an employer of skilled employees, good supplier and customer support systems, and (iii) have a business plan involving new investment and/or expanded employment. Finally, the County will target businesses whose main purpose is to serve the operational components of the other targeted businesses, for example, those businesses primarily engaged in retail, service, or other consumer and end-user-oriented operations.

Businesses "At-Risk" of Leaving the Area or Location to another State

There is always competition from other states, as well as other countries, for the types of targeted businesses the County plans to use as its economic base. Manufacturing jobs in general are at a higher risk of moving to another domestic or international location. We are seeing this in industries that do not have a specific research and development or intellectual property protection component involved. When a product becomes more of a commodity item, the competition increases significantly and we have a difficult time competing due to high taxes, high utility and labor costs.

While not presently aware of any imminent threat to a specific business located in the County, the County believes its participation in the Empire Zones Program provides it with another tool to encourage businesses to remain in Saratoga County and continue or improve their contributions to the County community.

Strategic Industries

In addition to the identification of targeted businesses below, the Board also makes a distinction between targeted businesses and strategic industries. Pursuant to GML Section 957(q)(vi), the Saratoga County Empire Zone shall consider a business to be a strategic industry or supply chain business if such business meets the following criteria: Strategic Industries refers to "traded" businesses, wealth creating businesses, and/or "at risk" businesses within Saratoga County. For purposes of this plan, "traded" businesses include those where at least 60% of their product/service is sold, delivered or provided to customers/clients that are outside of the **Albany-Schenectady-Troy MSA**. "At risk" businesses are those that could locate or relocate outside New York State. The list of strategic industries does not include retail or local service operations that are captive to the local market.

Business Retention or Attraction in Economically Distressed Areas

The County chose the five (5) distinct and separate contiguous areas based in part because of the increased economic benefits that would occur in and around the areas as a result of the development of new and expanded businesses in the area.

It is the County's intention that each of the areas will help provide improved lifestyles in previously underserved areas of the County: (i) the Corinth Site will aid the northern towns; (ii) the Halfmoon Site will aid the communities along the eastern shoulder of the County; (iii) the LFTC/STEP Site will aid the County, in fact the region, as whole; (iv) the Moreau/EPIC Site will aid all the shoulder towns; and (v) the Wilton Site will aid the areas surrounding Exit 16 from Interstate 87.

Tourism (Retail) Destination

The County would be interested in a major retail destination project that would draw visitors to the County from distances beyond a fifty (50) mile radius. The ZAB would consider such a project for an appropriate area within the proposed distinct and separate contiguous areas or as a regionally significant project.

The Corinth Site

Types of Business – The Corinth Site is currently owned by a holding company, Philmet, Inc., in the process of redeveloping the site as a business/industrial park. The County will encourage target manufacturing businesses and related services, traditional wood products and information technology to locate at the Corinth Site.

The Halfmoon Site

Target Businesses – The Halfmoon Site is currently vacant. Expected businesses include manufacturing, research and development and information technology, and businesses providing services to the surrounding industries.

The LFTC/STEP Site

Target Businesses – The Luther Forest Technology Campus is being developed for nanotechnology, microelectronics, manufacturing and research and development. Targeted businesses would include but not be limited to semiconductor manufacturing, microelectronics, photovoltaic, STEP is a special destination site for research and development, clean-energy and environmental technology companies. NYSERDA, the property owner is also working to attract developers. It is essential that developers qualify for certification and gain access to benefits in order to provide a cost effective reason to develop property for potential tenants that may not have enough financial strength or ability to develop their own building. The County expects businesses in similar fields will locate to the LFTC/STEP Site.

The Moreau/EPIC Site

Types of Business – The EPIC portion of the site has a 250,000 square foot industrial incubator, the former Chase Bag facility, located upon it from which a wide range of businesses, woodworking shops to medical device manufacturers, conduct business. The Moreau Industrial Park currently has one (1) tenant, Hexion Chemical, a manufacturer of formaldehyde. The County anticipates new businesses in the industries of manufacturing and related services, microelectronics, information technology, medical technology and biotechnology research will locate in the Moreau/EPIC Site.

The Wilton Site

Types of Business – Presently, Ace Hardware maintains a distribution facility at the site. DA Collins Companies, a corporate family of construction companies, is redeveloping the former Wilton Development Center into a commercial/industrial park. Expected businesses include manufacturing and related services, information technology, and businesses providing services to the surrounding industries.

SECTION V

BUSINESS DEVELOPMENT ASSISTANCE AND ZONE ADMINISTRATION

The County will provide qualifying businesses with assistance through the following agencies and benefits:

Support from Saratoga Economic Development Corporation and Saratoga County Industrial Development Agency

Saratoga Economic Development Corporation

The Saratoga Economic Development Corporation ("SEDC") is a private sector, non-profit, consulting firm, established in 1978, that, in addition to its many other duties, acts as coordinator for the Saratoga County Empire Zones. Its mission is to create jobs and diversify and increase the tax base while improving the quality of life for the residents of Saratoga County through the retention of existing business, attraction of new industry, and the over-all improvement of Saratoga County.

With a Board of successful businessmen and a staff of experts that understand what it takes to go into business and stay in business, the SEDC brings to the marketplace a degree of experience that sets it apart from other non-profit economic development organizations. SEDC has successfully brought private businesses together with government in a powerful and effective partnership resulting in Saratoga County's economic growth.

SEDC has the following services available to businesses looking to expand or locate in Saratoga County:

- "World Class" proposals
- Building and Site Location Inventory
- Financial Services
- Empire Zones
- Small Business Assistance
- Community Economic Development
- Customized Training Programs
- Labor Market Analysis
- Geographic Information Systems

SEDC offers Small Business Assistance services including many programs for small businesses in Saratoga County providing solutions to many of the requirements that advance a company's growth from the start-up stage forward. These services include:

- Analysis of Entrepreneurial Opportunities
- Development of business plans, marketing plans, and strategic plans
- Identification, design, and placement of the required debt/equity capital, based on the firm's business plan, utilizing and integrating diverse sources of public and private sector financing programs and capital pools
- Assisting entrepreneurs in developing appropriate Harvesting/Exit strategies that facilitate the appropriate succession of the small business

SEDC's continued relationship with the Small Business Administration and New York Business Development Corporation provides 504 Program financing to small businesses. This program can provide financing for up to ninety percent (90%) of fixed assets.

Saratoga County Industrial Development Agency

The Saratoga County Industrial Development Agency ("SCIDA") provides financial assistance to private sector businesses to stimulate capital investment and job creation in the economy of the County. SCIDA

also works with existing Saratoga County businesses to maintain the present employment base by stimulating reinvestment in Saratoga County. The assistance provided by SCIDA may include the issuance of tax-exempt or taxable (non-recourse) bonds to cover one hundred percent (100%) of construction, rehabilitation, and equipping of a large variety commercial and/or industrial projects. SCIDA also offers a sale leaseback option to companies that prefer to self fund their projects. Additional available SCIDA benefits include sales and mortgage tax abatements, as well as real property tax abatements in the form of a payment in lieu of tax agreement, or PILOT agreement, between SCIDA and an assisted business.

Since 1979, SCIDA has assisted sixty (60) companies to locate and/or expand within Saratoga County resulting in the investment of more than \$700 million in new plants and facilities, the creation of 5,000 new jobs and the retention of an additional 3,000 jobs, representing an annual payroll of approximately \$200 million.

SCIDA financed projects range from a 5,000 square foot manufacturing facility to a million square foot regional distribution facility. SCIDA has assisted small start-up firms as well as national corporations. SCIDA's client companies include manufacturers of paper products, chemicals, cans, silicone products, industrial energy control systems, precision valves, windows and doors, as well as other products. SCIDA has sponsored a convention center, corporate offices, research and development, hydroelectric generating facilities, and most recently, independent and assisted-living communities for senior citizens.

The success of Saratoga County's economic development program is founded on a long standing partnership between county government and the private sector. In that vein, SCIDA works closely with the Saratoga County Economic Development Corporation.

SEDC also partners with it's four other Industrial Development Agencies including the Town of Waterford, Mechanicville/Stillwater, Corinth and Clifton Park Industrial Development Agency.

Local Tax Incentives Available Within the Zone

Within the Empire Zone, projects eligible for assistance through SCIDA may take advantage of exemptions from state and local sales tax, and New York State mortgage recording tax. Additionally, eligible projects may be exempt from real property taxes and a party to a payment in lieu of tax agreement, or PILOT agreement.

Expediting the Acquisition of Requisite Local Permits and/or Licenses

SEDC works closely with local governments to help clarify and expedite the permit/licensing process for new and existing businesses. SEDC also partners with the Governor's Office of Regulatory Reform to help expedite the permitting process at the New York State level.

Business Development Programs and Services Available to Stimulate the Creation of New Small Businesses, Including New Small and Minority and Women Owned Business Enterprises

SEDC and the Saratoga County Chamber of Commerce (the "Chamber") and the Chamber of Southern Saratoga County have an active program providing small business assistance and business plan preparation. Both Chambers are designated Small Business Resource Centers designed to better serve the needs of individuals interested in opening a business and current small business owners who want to more effectively handle their business. Both organizations assist small businesses in a number of ways, including the following:

- Providing Small Business Administration publications
- Chamber sponsored monthly seminars on Starting a Business
- Chamber hosted Small Business Development Center or Senior Corps of Retired Executives to provide business planning assistance and business plan analysis

- Providing information regarding demographics, zoning and planning, permits and licenses, sales tax, and availability of business loans
- Chamber sponsored seminars and roundtable discussions on various topics, such as collecting delinquent accounts, advertising, customer service, and marketing

SEDC's continued relationship with the Small Business Administration and New York Business Development Corporation allows the County to participate in the 504 Program, a program that provides financing for up to ninety percent (90%) of the fixed assets of a business. SEDC also has a revolving loan fund and the Saratoga Entrepreneurial Fund – providing up to \$55,000 of gap financing for a small business transaction. SEDC also works in partnership with the municipalities throughout the County to aid small businesses in obtaining funds from those municipalities' revolving loan funds programs.

The Activities Designed to Ensure the Meaningful Participation of Minority-Owned and Women Owned Business Enterprises in the Empire Zone Activities

SEDC works with the New York State Division of Minority and Women-Owned Business Development in assisting minority-owned and women-owned businesses to access all the services offered by Empire State Development including business certification, access to capital, and procurement assistance.

The Structure and Duties of the Local Zone Administrative Board

The Saratoga County Empire Zone Administrative Board (the "ZAB") is comprised of seven (7) members appointed by resolution of the Saratoga County Board of Supervisors. All board members must reside, or own a business, or be employed within the boundaries of the County. The chairperson of the ZAB also serves as the chairperson of the Economic Development Committee of the Saratoga Board of Supervisors. The remaining members of the ZAB are as follows: an owner of a local business; a member, active or retired, of organized labor; an employee or elected officer of a local educational institution; a member of a community organization active in one of the Empire Zones areas; and a representative of the residents residing within the Empire Zones areas.

The ZAB is responsible for developing policies and procedures for the administration of the Saratoga County Empire Zones Program that will promote the development of new business and the expansion of existing businesses within the Empire Zones. The ZAB must also:

- Carry out the responsibilities established by § 963(b) of the General Municipal law;
- Prepare an annual report in accordance with the requirements of § 963(b) of the General Municipal law;
- Assist local Empire Zones certification officers, when requested, in disseminating applications for certification of completeness, monitoring and evaluating the performance of Empire Zones certified businesses in complying with the representations made by such certified businesses in their certification applications with regard to investment and job creation;
- Explain Empire Zones benefits and incentives available to businesses should they become certified and, once certified, assist certified businesses in applying for the benefits and incentives;
- Assist local Empire Zones certification officer, when requested, in collecting business annual reports ("BAR") when due from certified businesses, assisting certified businesses in preparing their BAR and other Empire Zones Program reports and reviewing the reports for completeness
- Stimulate the creation and expansion within the Empire Zones areas of the County of new and existing minority-owned and women-owned business enterprises.

Statement from Regional Economic Development Council

See, statement in the appendix of this Plan.

Use of Empire Zone Designation to Coordinate Economic Development Programs and Providers at the Local Level to Service the Empire Zone

The Empire Zones Program provides one of many economic development tools used to help retain, attract, and strengthen the employment and manufacturing base in the County. The Empire Zones coordinator works with prospective businesses, local and state agencies, including Empire State Development, the County's five (5) industrial development agencies, and utilities to deliver a seamless economic development program to service the businesses within the Empire Zones of the County.

Description of How the Local Economic Development Entities will Integrate Services to Allow for the Best Possible Economic Development Services and to Implement Specified Business Community, and Human Resource Development Goals and Strategies

The Empire Zones coordinator works with municipal agencies at all levels of government, local businesses, and local organizations to coordinate human services and resource development programs with Saratoga County Department of Social Services and the Employment and Training and Workforce Investment Board. Additionally, together with the SEDC, the existing Industrial Development Agencies, the Chamber, and other organizations, the Empire Zones coordinator seeks to retain, expand, and attract businesses to the Empire Zones areas.

SECTION VI HUMAN RESOURCES DEVELOPMENT/TRAINING

The County has developed strategies to ensure the delivery of state and federal workforce development programs to County businesses, including those located within the Empire Zones areas. The key strategies are as follows:

- Support of high potential, mid-market companies
- Creating and attracting talent to work in knowledge-based, high growth businesses
- Encouraging the growth of an entrepreneurial culture and emerging businesses resulting from such
- Creating a critical mass of employment and career advancement opportunities by creating collaborative, workforce development strategies that expand targets and focus throughout the Region

Equally important are the strategies to implement policies to attend to the needs of underserved and/or displaced populations, such as the following:

- Provide avenues for dislocated workers to transition to new career directions as the region continues its long term shift to growth outside an industrial based economy
- Address business skills shortages and needs to compete and train workers (employed and unemployed) as business strategies to meet the growing demand to cut costs, update technologies, and advance global competitiveness
- Motivate and educate an emerging workforce that is deficient in basic competencies
- Address training needs of that portion of the population with barriers to employment (education, income, disability, etc.)

Some of the programs utilized by the County to implement its strategies are discussed below.

Workforce Investment Act of 1998 One-Stop Services Centers

Under the Federal Workforce Investment Act (the "WIA") nineteen (19) education and training programs at various levels of government work seamlessly to deliver services to businesses and job seekers.

The County, with its partners, currently refers and will continue to refer individuals and businesses to the local One-Stop Services Center for assistance in meeting their job related needs.

The One-Stop Services Center offers individuals, at a minimum, access to:

- Adult, dislocated worker, and youth programs
- The Employment Service
- Adult education and literacy programs
- Job Corps
- Migrant and seasonal farm-worker programs
- Native American programs
- Vocational education and rehabilitation programs
- Welfare-to-Work programs
- Senior community service employment programs
- Trade Adjustment Assistance/NAFTA
- Veterans programs
- Community Service Block Grant employment and training programs
- Housing and Urban Development employment and training programs
- Unemployment insurance

Business services available through the One-Stop Services Center may include:

- Posting of job openings
- Access to resumes posted by job applicants
- Use of on-site facilities for recruiting and interviewing job applicants
- Testing of job applicants skills and skill levels
- Conduct of background checks for job applicants
- Assistance with developing strategies for recruiting workers
- Assistance on how to interview job applicants effectively
- Assistance in analyzing and writing job descriptions
- Development of programs to train new workers for the business
- Reimbursement of training costs for qualified job candidates
- Information about unemployment insurance, taxes and eligibility rules
- Information about the legal requirements for hiring and firing workers and equal employment opportunity and Americans with Disabilities Act requirements;
- Information on the Work Opportunity Tax Credit and other hiring incentives;
- Information on employment, wage and salary trends
- Outplacement services for employees the business is laying off

Actions Taken to Facilitate the Listing of New Positions Created by Empire Zone Certified Business with the New York State Department of Labor

The County Empire Zones coordinator advises certified businesses of the requirement that all openings for jobs and training programs, exclusive of executive officer positions, must be listed with the local job service office of the New York State Department of Labor ("NYSDOL"). In lieu of such listing, a certified business must demonstrate, to the satisfaction of the Commissioner of Economic Development and Commissioner of Labor, what other comparable methods it will use to recruit targeted individuals for such openings.

Other Activities Designed to Promote Private Sector Business Investment and Job Development in the Empire Zones

Other programs available to promote private sector business investment and job development follow:

- **On-the-Job Training (OJT)** – Offered through the local Workforce Investment Board; provides up to a 50% wage reimbursement during specified training period
- **Customized Training** – Meets specific requirements of an employer with a commitment from the employer to hire trained individuals. Employer pays at least 50% of the training costs
- **Apprenticeship Training** – Combination of on-the-job and classroom instruction partially or totally funded by a sponsor (individual employer or consortia or organized labor)
- **Incumbent Worker Training Grants** - Addresses the training needs of an employer's existing workforce to upgrade skills and ensures continued global competitiveness
- **Job Fairs** - the County, in conjunction with New York State Department of Labor, provides customized recruitment for businesses in the form of job fairs

Additionally, the Zones Administrator, through NYSDOL Rapid Response Services, is able to link a business seeking employees to any available dislocated workers affected by plant closings or mass layoffs that meet the business's needs.

Special Programs to be Operated by Educational Institutions and Other Area Training Entities to Prepare and Train Individuals Residing within the Empire Zones Areas for Employment by Businesses Located Within and Outside the Empire Zones Areas

There are no residential properties of note within the distinct and separate contiguous areas.

SECTION VII COMMUNITY DEVELOPMENT

The ZAB placed an emphasis on supporting projects that will improve the overall economic and social climate of the County, with an even greater priority afforded to projects with wide reaching, micro-regional, benefits.

Community Development Projects

The ZAB allocated \$2,000,000 in Zone Capital Credits to community development projects located within the Empire Zones areas, with each qualifying project being eligible for up to \$500,000 in credits. The ZAB established basic requirements a projects must meet in order to qualify for these benefits. A project must be one of the following:

- A child care project serving the Empire Zones businesses; or
- A community development project in direct support of economic development and business revitalization activities, such as commercial revitalization projects; or
- A business development activity of a local development corporation

Further, a project must meet the following conditions:

- It must be located within one of the distinct and separate contiguous areas comprising the new Empire Zones areas
- It must advance this Plan by clearly demonstrating how it will promote the development of new business, and the expansion of existing business.
- Its sponsor must be a tax-exempt not-for-profit entity (as listed in the Internal Revenue Service Publication 78)
- Contributions must be in the form of money
- Funds raised with credits may not be used to replace existing debt
- In general, the funds received by the project must be used for non-recurring expenses, such as capital improvements
- Fundraising activities must take place before the sunset date

Additionally, individuals and corporation making contributions of \$5,000 or more to qualified projects ("Community Development Projects") will be eligible for New York State income tax credits.

Child Care

The YMCA of Saratoga, a current Community Development Project, is licensed by New York State Office of Children and Family Services to provide care for children ages six weeks through five years of age (the "YMCA Child Care Program"). The YMCA Child Care Program is open year round, 6:30 am to 6:00 pm daily. It is structured to fit the needs of the children according to their ages and individual progress using a thematic approach to reading readiness, language, science, math, art, music, social studies, multi-cultural activities, health and nutrition, fitness, and social-emotional growth.

In addition to the YMC Child Care Program, before and after school care programs are available at YMCAs and other private entities throughout the County, as well as various summer camp programs.

Displacement of Zone Residents

The areas defined as distinct and separate contiguous areas do not house any residential properties of note.

SECTION VIII CERTIFICATION / COST BENEFIT ANALYSIS

In order to qualify for Empire Zone Certification in the County, a business seeking certification must complete an application providing information necessary to determine if the business will be undertaking actions that are significant in terms of the capacity to add to the County economy as measured by positive economic impact. The Zone Administrative Board ("ZAB") will review each certification application and make a recommendation to the Saratoga County Empire Zone Certification Officer either in favor of or against certification of the applicant. Certification will be afforded to those business enterprises that are most likely to: (i) enhance the economic climate of the Saratoga County Empire Zones; (ii) leverage the most in terms of new jobs and investment, and (iii) achieve the goals of the Empire Zones Program.

1. Criteria for Successful Certification

Businesses to be certified must meet the criteria established in state law for certification:

- The business enterprise will create new jobs or prevent the loss of jobs.
- The business will not result in the transfer of employment from an existing business enterprise to similar employment with the business seeking certification.
- The business enterprise will enhance the economic climate of the zone by creating or retaining good paying, quality jobs or investments in its Empire Zone facilities.
- The business complies with all laws for the protection of workers.
- The business meets the requirements of a cost-benefit analysis as described below and is consistent with the Saratoga County Empire Zone Development Plan.

The business enterprise will create at least the minimum number of new jobs or prevent the loss of jobs for individuals working in the zone.

The minimum job creation threshold for new and existing businesses is ten (10) new jobs over three (3) years. Notwithstanding this, the minimum job creation threshold for a business locating within the industrial incubator space on the Moreau/EPIC Site shall be five (5) new jobs over three (3) years.

In its application, each business enterprise must indicate: (i) the number of new jobs it expects to create over the five (5) years immediately following certification; (ii) the number of existing jobs at risk of loss; (iii) the specific economic factors giving rise to such potential job loss that would otherwise be off-set by the applicant's receipt of Empire Zone benefits; and (iv) indicate the average hourly wage or annual salary associated with the newly created and/or retained jobs, excluding corporate officers.

The extent to which the certification will result in the transfer of employment from an existing business enterprise of the applicant to similar employment with the business seeking certification.

Each business enterprise shall provide a description of its expected sources of new employment setting forth its prior hiring experiences, methods of recruiting, and an estimate of the extent to which new positions will be filled from other business enterprises of the applicant.

The business enterprise shall enhance the economic climate of the Zone through the creation or retention of good paying, quality jobs or investments in its Empire Zone facilities.

The business enterprise shall provide for a minimum of \$100,000 in new capital investment within three (3) years immediately following certification.

However, if the business enterprise is a real estate developer involved in the construction of new Flex/Spec Buildings (as defined in Section II of this Plan), then such business enterprise shall be required to create one (1) new job and provide for a minimum of \$300,000 in new capital investment within three (3) years immediately following certification. The business will have (2) two years to build the building and find suitable tenants to occupy the property to maintain certification.

The applicant business must be in compliance with laws for the protection of workers.

Each business enterprise shall provide a certification confirming its compliance with all New York State Department of Labor laws. Each applicant will receive the corresponding references to the applicable laws in order to ensure an accurate certification, including the Department of Labor Application for Empire Certification Guidelines and the Compliance Guide Matrix.

The applicant business must meet the requirements of a cost-benefit analysis.

The general cost-benefit analysis shall be based on a benchmark of \$15 of general economic benefits for each \$1 of applicant tax benefits unless that business is a manufacturer. Manufacturers will need to meet the benchmark of \$10 of general economic benefits for each \$1 of applicant tax benefits.

The ratio shall be calculated using the calculator developed by Empire State Development to generate a benefit/cost ratio comparing the economic development benefits in the form of remuneration to employees plus capital investments with the estimated value of the tax credits. The values utilized in the calculation shall be estimates for the first five (5) years, commencing with the year a business is certified, of the following factors:

- The amount of state tax credits under the Empire Zone Program that may be claimed by the applicant for Empire Zone certification;
- The value of the wages and benefits paid to all existing and projected employees of the applicant at the location(s) in the Empire Zone for which such applicant is seeking certification; and
- The value of capital investments at such Zone location(s).

Use of Non-quantifiable factors in instances of projects with cost-benefit ratios below the benchmark ratio.

In instances where an otherwise qualified business fails to meet the benchmark cost-benefit ratio, the ZAB will consider non-quantifiable factors including the following:

- The business's positive impact on an area that has high commercial vacancy rates, and/or is characterized by blight and disinvestment;
- The business is part of a strategic industry cluster or supply chain;
- The business is anticipated to access Empire Zones Program capital credits.

The applicant business, and any related parties, must pay any outstanding state and local taxes prior to applying for certification.

Applicant businesses shall illustrate commitment to the subject Empire Zones site through proof of ownership document such as a leasehold agreement, purchase agreement, or other similar type document approved by the ZAB.

SECTION IX PROGRAM PERFORMANCE EVALUATION

The Saratoga County Empire Zones Administrative Board will regularly evaluate the success of any activities undertaken in the Empire Zones areas taking into consideration the selection factors for each area.

Method of Individual Business Evaluation

The method of evaluation will compare the actual performance of a business against:

- The requirements for job creation and investment for that type of business as set forth in Section VIII of the Plan
- The extent to which each business contributed to the achievement of the County's goals set forth in Section II of this Plan.

Evaluation of Empire Zones Program

The impact of the Program as a whole shall be analyzed by the extent to which the County, through use of the Program and other economic development tools, is able to achieve its goals (more specifically set forth in Section II of the Plan) of attracting new manufacturing businesses and strengthening existing businesses in non-captive industries. The analysis shall also consider, on a County-wide basis, as these items are reported on the County's Zone Annual Report:

- The effectiveness of the County's strategies in meeting its goals
- The number of jobs created
- The number of jobs retained
- The amount of private capital leveraged with public funds
- The number of businesses expanded or retained and new businesses created
- The type of businesses expanded or retained or created
- Consideration of the improvements in the physical infrastructure of the Empire Zones areas and whether such improvements matched the goals of this Plan, and if not, why not

In the event the analysis identifies factors requiring substantive changes to this Plan, be they changes in economic conditions or other, the County will make such changes and submit the revised plan for approval.