

## **2016 ANNUAL MEETING SUMMARY**

The Annual Meeting of the Wyoming County Industrial Development Agency (WCIDA) and the Wyoming County Business Assistance Corporation (WCBAC) Board of Directors is a chance to pause and reflect back on the year that has past and recognize and celebrate in the accomplishments.

This year we find ourselves in our new home at the Wyoming County Agriculture and Business Center located at 36 Center Street with twelve other agencies that are all working to advance and assist agricultural and businesses throughout Wyoming County. The revitalized Brown Textile Mill is great state of the art space and new collaboration with neighboring entities is taking place. Thanks go out to the IDA Board for their support of this showcase project in the heart of Warsaw.

New for this year is the implementation of the Grow our Agricultural Business Now (GAIN) loan fund, a low interest program for agricultural and food production projects that looks to encourage diversification and growth. The Wyoming County IDA played an integral part in the development of this regional program that received funding from the state's Consolidated Funding Application program. One project is already in the pipeline for this project.

The Wyoming County Rail Initiative project after a few years of delays related to the state's reauthorization of the funding because a new site was selected. Thanks to some great support and push from Senator Gallivan and Chairman Berwanger the original grant funds were reinstated. The project is now underway this time targeting a Gainesville site in collaboration with Marquarts. Much of the engineering and surveying is complete. The project is scheduled to begin construction next year.

In addition this year, the IDA's Wyoming County Business Assistance Corporation is playing an important role in the implementation and administration of the Wyoming County Rural Arts Initiative that anticipates enhancing Wyoming County's art community, creating new artisan businesses and increasing tourism destination visits.

The WCIDA from a financial standpoint is on solid footing with healthy reserves that positions the agency to undertake new economic development initiatives such as acquiring and preparing land for development. A 28 acre site in Arcade was acquired and a 2.65 acre site in Perry is under contract. Recognizing the importance of controlling land and buildings for economic development projects the WCIDA is actively searching out other areas in the county that are well suited for development.

Once again this year I have to commend WCIDA's Jennifer Tyczka, Program Manager and Robin Marschilok, Director of Operations and Bill Daly Special Project Coordinator for the excellent work they do. Jennifer and Robin's accuracy with the accounting of Wyoming County IDA, Business Assistance Corporation and Business Center resulted once again with an outstanding audit and NYS compliance results. Their work is vital to all three entities and to the success of economic development in Wyoming County.

The following pages contain a summary of a number of projects and other WCIDA activity. It is compiled in an outline format for brevity; however complete project files are available for review upon request.

Respectively,

James Pierce, Executive Director



## **FINANCIAL ACCOMPLISHMENTS**

The financial position of the WCIDA stayed strong as it received the 4<sup>th</sup> of 5 installments for the Stony Creek Wind Farm in Orangeville. The funds received from the wind projects since 2008 have allowed the WCIDA to provide supplemental financing to many business projects throughout the County. As well, the WCIDA has realized the need for diversity in order to see growth in economic development in the county. The investment in properties; the administration of a grant program for artists, management of a loan program for farmers, and the continued investment in the marketing of Wyoming County to attract new businesses all contribute to the vitality of our economic environment. The availability of these funds has enabled the WCIDA to implement its mission to encourage and increase private investment that creates new job opportunities, retains and stabilizes the existing employment base, and generates added tax revenues through increased economic activity in Wyoming County.

Currently the WCBAC Loan Portfolio reflects 31 loans with a balance of \$2,536,057.98.

Significant financial projects in the past year include:

- ❖ The WCBAC closed on a financing request from Silver Lake Brewing Project, LLC for \$115,000. With matching bank financing it will allow the business to purchase and install equipment for their micro brewing plant. The Brewery will make high quality craft beer and bring a destination business to downtown Perry. The Project is expected to be complete before the end of the year.
- ❖ The WCBAC provided the financing for 90 Washington LLC to acquire the former A & A Metals site in Perry after it was environmentally remediated by the Wyoming County Business Center. LVM Materials has been renting the property for approximately a year while the final paperwork was processed and the business owner was able to purchase the site from the Wyoming County Business Center.



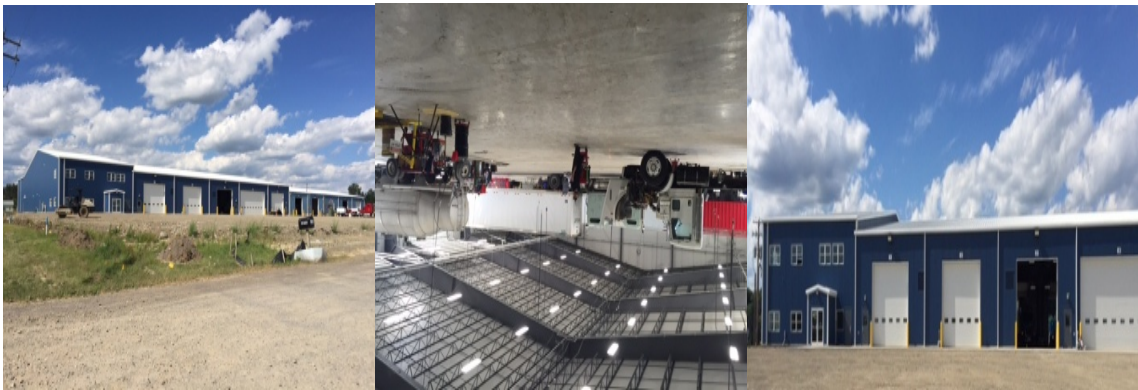
A & A Metals site in Perry, NY before remediation.

- ❖ The WCIDA, through the WCBAC will administer the Wyoming County Rural Arts Initiative Grant (WCRAI). The County of Wyoming was awarded a \$200,000 Community Development Block Grant (CDBG) from the New York State Office of Community Renewal (NYSOCR), for the purpose of financing the Rural Arts Initiative Micro Enterprise Program in December of 2015. The WCBAC was appointed subrecipient by the Wyoming County Board of Supervisors in January 2016. Along with the grant funds the WCBAC has agreed to provide \$141,000 in repaid HUD program funds to the Rural Arts Program. The WCBAC has contracted H. Sicherman and Company to manage the Grant Program and assigned a review committee to score applicants for the program. After the first round of applications there are currently 6 applicants working through the grant process and about \$60,000 promised to applicants for art equipment, supplies and work space. The WCRAI Grant will expire in December of 2017.
- ❖ The WCIDA, through the WCBAC will administer the recently awarded Growing the Agricultural Industry Now! (GAIN) revolving loan fund. This program is originating from the Genesee/Finger Lakes Regional Planning Council ("G/FLRPC") which has received a \$3,000,000 grant from the New York State Urban Development Corporation d/b/a Empire State Development ("ESD"). The proceeds of which are to be used to fund to provide loans to agricultural and food processing businesses; a portion of the ESD Grant in an approximate amount up to \$595,319.00 has been allocated to provide funding for loans in Wyoming County. A brochure created by the WCBAC explaining the program is attached.

## **SUCCESS STORIES**

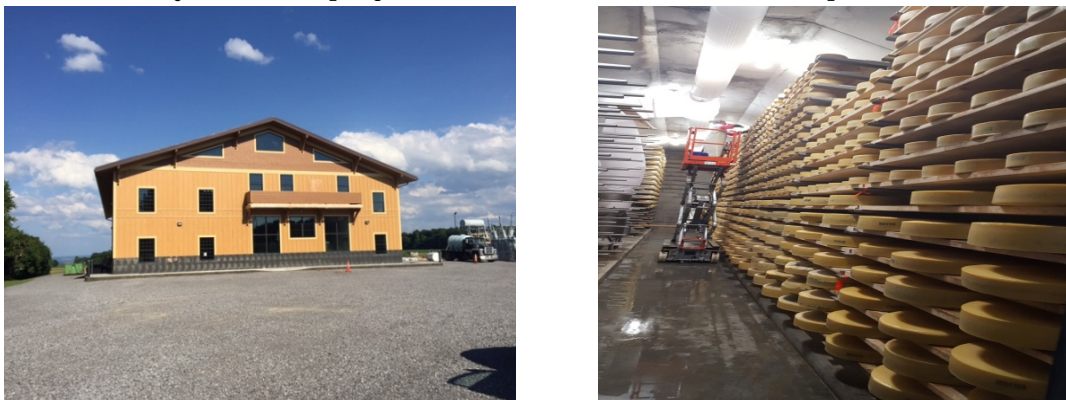
The WCIDA approved financial incentives through tax abatements for 6 projects in 2016. Highlights of assisted projects in 2016 include the following:

- ❖ T.J. Marquart & Sons, Inc. continues the construction of a 30,375 sq. ft. steel building to house the expansion to its existing truck repair facility. Many Wyoming County businesses and Municipalities have to travel outside of the area to buy the parts, equipment and service that T.J. Marquart can offer. The expansion will also allow for customers outside of the county to come there for service which will create the need for new employees. The business had 40 employees at this location and expects to create 40 additional fulltime jobs in the county over the next 3 years.



T. J. Marquart & Sons, Gainesville, New York

- ❖ Gary and Betty Burly, co-owners of East Hill Creamery, built a 136 x 83 (11,288 sq. ft.) cheese manufacturing plant in a 2 story Swiss style chalet and 50 x70 (3,500 sq. ft.) of caves for aging the cheese. The project included the construction of the plant and caves, acquiring and installing cheese manufacturing equipment, HVAC equipment, construction of a retail area and educational area set up for teaching the public about cheese making. The creamery produces cheese and a value added product produced from grass fed cow's milk. The business expects to create 7 fulltime jobs in the county over the next 3 years. The project started in 2015 and was completed in 2016.



East Hill Creamery, Route 39, Perry, N.Y.



- ❖ Marquart Bros, LLC constructed a 36,400 sq. ft. steel building expansion to its existing Potato washing and storage facility. The increased space made room for 2 climate controlled storage bins. The expansion and new business will require an added workforce both year round and seasonally.



Marquart Bros., LLC. Route 19, Gainesville, N. Y.

- ❖ Center Street Business Center, LLC was approved for WCIDA incentives in 2014 to reconstruct 28,000 sq. ft. of space available in a vacant textile Mill on Center Street in Warsaw. This building now complete, houses Wyoming County's Agriculture and Business Center enabling the County to co-locate Agriculture and Economic Development services in one building. This has enhanced inter-agency efficiencies and synergies stimulating the expansion of the Dairy Industry; provides a one stop shop for the agriculture community and promotes regional leadership within Wyoming County. The completed project houses 13 agencies. This project required an investment of more than \$4.5 million.



Agriculture and Business Center, LLC, 36 Center Street, Warsaw, N. Y.

- ❖ Arcade REHC 1, LLC was approved for incentives for its expansion project. The Company is constructing an 18,000 sq. ft. addition to its existing facility to allow for the expansion of its existing tenants, Base Technology. The total capital investment is expected to be \$1,425,000. In 2008 Krog formed the limited liability company, Arcade

REHC 1, LLC, and purchased the Arcade Business Park from the WCIDA. Krog built a 16,000 sq. ft. building on the property and leased approximately half of the space to Base Technology. Last year Base Technology out grew the space it was in and leased the additional building space available to accommodate its growth.



Arcade REHC 1, Base Tech, Rte 98 North, Arcade, NY

- ❖ Calamar (Grandview Senior Apartments) - The business proposes to build a 120 unit apartment complex designed to serve middle income seniors ages 55 years and older, in the Town of Warsaw. The structure will be a three story approx. 111,450 square foot fully sprinkled building. The anticipated cost is \$11,590,000. The IDA Board approved the Company's request for abatement of sales tax on construction materials and non-production equipment, a PILOT agreement for temporary abatement of property tax and abatement of Mortgage recording tax. This project is the first Planned Unit Development (PUD) project in Warsaw since the Town approved the PUD Zoning. The developer hopes to break ground this fall and complete the project mid-summer of 2017.



Concept of Proposed Housing Project for Warsaw NY

## **ADMINISTRATIVE ACCOMPLISHMENTS**

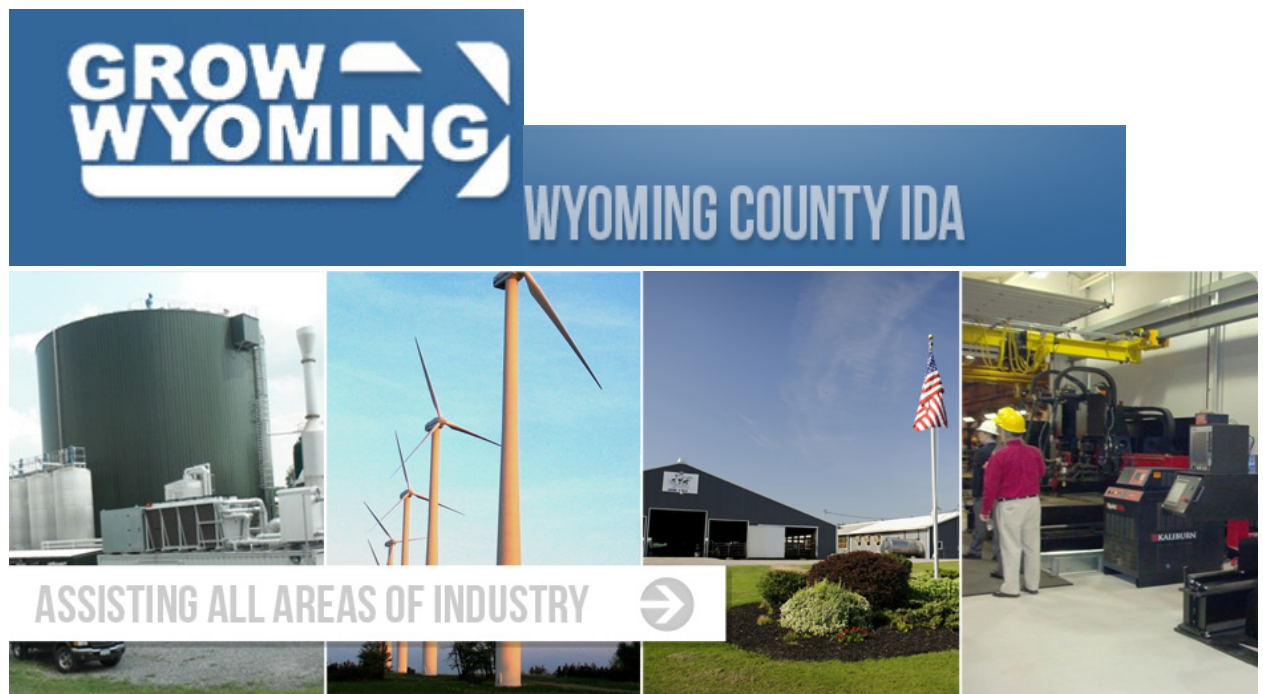
The NYS General Municipal Law Section 18A, (IDA LAW) is constantly changing and it is the responsibility of the WCIDA Board and staff to stay updated and follow any new legislation mandated into law. The WCIDA staff continues to work diligently to keep the WCIDA and WCBAC organizations in compliance with the Public Authority Law and Authority Budget Office, (ABO), regulations. The WCIDA Staff oversees the complete operations of three economic development entities and also provides the administration of other grant and loan fund programs relating to agri-business and rural arts within the County.

- ❖ In September of 2015 the Board amended and adopted changes to Agency Policies and Procedures attached to the Agency By-Laws Article V in order to comply with NYS General Municipal Law Section 18A, Public Authorities Accountability Act and all Local Laws duly established by the County of Wyoming. Policies amended included Travel and Discretionary Funds Policy, Disposition of Real Property Guidelines, and the Procurement Policy. The Agency also amended its Uniform Tax Exemption Policy (UTEP) to include a breakdown of specific types of projects, definitions of terms, possible deviations, and a recapture of benefits clause.
- ❖ As new State legislation amendments pertaining to General Municipal Law and Public Authorities Law are imposed and new record keeping requirements regarding the monitoring of projects by IDA's are put in place, the WCIDA staff works diligently to comply with the sometimes arduous requirements.
- ❖ The WCIDA administers the Wyoming County Business Assistance Corporation or "Loan Corp", prepares and submits PARIS reporting as mandated by the New York State ABO and State Comptroller's Office, and coordinates annual reports from businesses for the Empire Zone which sunset in 2010.
- ❖ The WCIDA staff provides the administration of the Wyoming County Business Center (WCBC) functions. These include administering the Micro-loan portfolio, the FastTrac New Venture Entrepreneurship program, the business attraction marketing plan website maintenance for the WCBC, PARIS reporting, Board Meeting preparation, bookkeeping, and general daily office duties.
- ❖ The WCBC was awarded "Best in Class" at the NYSIDA Section Conference in January for its manufacturing marketing video, micro-site landing page, industry white sheets. A new agri-business video has been added to the site that can be found at [wyomingcountyny.org](http://wyomingcountyny.org).
- ❖ The WCIDA staff continues to strive to meet the goals of the two (2) year Strategic Plan. The plan indicated that the focus of the IDA in the next two (2) years would be



on investing in commercial building sites, attracting new business and developers, and developing tourism destinations and complementary businesses. In 2016 the WCIDA purchased a 28+ acre site, zoned industrial, in Arcade. At the same time the WCIDA is in the process of purchasing a 2+ acre parcel in Perry, with the intentions of attracting a hotel developer to that area. These two parcels added to the 4.28 acre parcel previously owned by the WCIDA in Arcade increase the total real property inventory to three sites.

- ❖ The WCIDA maintains and updates the website, [www.wycoida.org](http://www.wycoida.org). The website serves many purposes including business attraction marketing, complying with the posting of reports for public viewing and explaining the services of the WCIDA.



## **LOOKING FORWARD.....**

- ❖ The WCIDA has been working with Norfolk Southern Railroad, NYSDOT, Clark Patterson Lee and the owners of the new site location for the completion of the second half of the Wyoming County Rail Initiative. Last year the WCIDA worked with Senator Gallivan's office and NYSDOT to retain the grant funds while the WCIDA Board and staff investigated alternative locations and a new site location was identified. The process for the completion and approval of engineering plans for the project is currently underway with the hopes of using the remaining \$616,000 in grant funds from NYSDOT for a rail project that will benefit Wyoming County Businesses.
- ❖ The WCIDA will continue its due diligence to acquire real estate that can be marketed for business growth or to new businesses coming into the Wyoming County.
- ❖ The WCIDA will continue to provide tax incentives to encourage capital investments. Looking ahead the IDA will search out new ways to invest resources and continue to improve the economic climate in our County.
- ❖ The WCBAC will continue to work diligently to provide gap financing to complete the financing needs and work in collaboration with local financial institutions serving our local businesses.
- ❖ The WCIDA will continue its administration of the Wyoming County Business Center and the implementation of the approved marketing plan.

## **CONCLUSION**

The WCIDA remains an important part of Wyoming County's Economic Development growth. While enduring changes to policies, and compliance issues as well as changes in legislature, the WCIDA has proven time and again its strength and belief in the service we provide to our County's economic future. The WCIDA will continue to do its part to encourage the growth and investment in our local businesses. Our mission after all is to:

*"encourage and increase private investment that creates new job opportunities, retains and stabilizes the existing employment base, and generates added tax revenues through increased economic activity in Wyoming County."*