

## **2017 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.

When I look back on this year and the projects we assisted it struck me how diverse we were with our offerings, more so than any other year. This report illustrates the diversity of our economy and how our programs can serve that diversity no matter what type of business or industry it is. The range of projects that we served included manufacturing, agriculture, housing, equipment repair, lodging and the arts. A diverse economy is a strong economy and I am delighted that our WCIDA programs can serve so many needs. Our assistance positions our businesses to start up, grow, expand, encourage capital investments, increase the tax base and create jobs in Wyoming County.

Some notable accomplishments for the year include the Wyoming County Rail Initiative project; after many years of delays we have made great strides for the multi-modal rail facility to be located in Gainesville. Local approvals have been secured, a building permit has been issued. SEQRA has been satisfied, a wetland has been mitigated, contracts with Norfolk and Southern have been executed and agreements with our private partner, Marquart, has been authorized by the WCIDA Board. The next steps include the development of a Request for Proposal for the construction that must be reviewed and approved by NYS Department of Transportation, a winning bid will be selected and construction for the facility is planned for the Spring of 2018 and by fall the facility should be ready to receive rail shipments for any business in Wyoming County that is interested.

The WCIDA from a financial standpoint is on solid footing with healthy reserves that position the agency to undertake new economic development initiatives such as acquiring and preparing land for development. Another development site has been added in Perry, which brings us to a total of 3 sites in Wyoming County being marketed for new development. This falls in line with one of our strategic planning initiative that recognizes the importance of controlling land for economic development projects. The WCIDA is actively searching out other parcels 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 Marschlok, 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.

Sincerely,

James Pierce, Executive Director

## **FINANCIAL ACCOMPLISHMENTS**

The financial position of the WCIDA stayed strong as it received a project fee from the Grandview Senior Housing Project in Warsaw, one of the largest projects the WCIDA has been involved with. We also received the 5<sup>th</sup> and final installment 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 42 loans with a balance of \$2,983,295.

Significant financial projects in the past year include:

- ❖ The WCBAC closed on a financing request from River Spring Lodge, LLC for \$200,000. With matching bank financing it allowed the business to purchase and install furniture and equipment, develop a website and working capital at their all inclusive lodge and retreat in Bennington.



River Spring Lodge and Spa, Bennington, NY

- ❖ The WCIDA, through the WCBAC has administered the first 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 contracted H. Sicherman and Company to manage the Grant Program and assigned a review committee to score applicants for the program. The program really took off at the end of 2016 and there are currently 11 grant awardees that have completed the grant process and received funds for art equipment, supplies and work space. The WCRAI Grant which will expire in December of 2017 has been completely expended to local artists. A second grant is being applied for through the CFA Process with hope to solidify another \$200,000 to keep the momentum going and attract more art business into the County.



Wyoming County Rural Arts Center, Perry, NY

- ❖ The WCIDA, through the WCBAC administers the awarded Growing the Agricultural Industry Now (GAIN) revolving loan fund. This program originated from the Genesee/Finger Lakes Regional Planning Council ("G/FLRPC") which 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 were to be used to provide loans to agricultural and food processing businesses; a portion of the ESD Grant in an approximate amount up to \$595,319.00 was allocated to provide funding for loans in Wyoming County. We have furnished funds through the GAIN program for two projects; Table Rock Farm and Synergy Genetics have both received \$200,000 each for their Ag projects. Table Rock used the GAIN funds in conjunction with a NYS Grant to complete a manure separator and lagoon cover project. The project was a success and helps Table Rock Farms be good stewards of the environment on many levels. Synergy Genetics used the funds to complete the financing along with Steuben Trust for two 64 stall barns to house a calf breeding and raising facility. The business offers other farms the opportunity to control their herd quality through genetic profiling using embryo transplants. The project has been completed and is operating successfully.





Table Rock Farm – Manure Separator Project- cows enjoying clean bedding from solids.



Synergy Genetics LLC- Calf Barns- Linwood Road, Linwood, NY

## **SUCCESS STORIES**

The WCIDA approved financial incentives through tax abatements for 4 new projects in 2017. Highlights of assisted projects in 2017 and updates on continuing projects include the following:

- ❖ T.J. Marquart & Sons, Inc. completed 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.



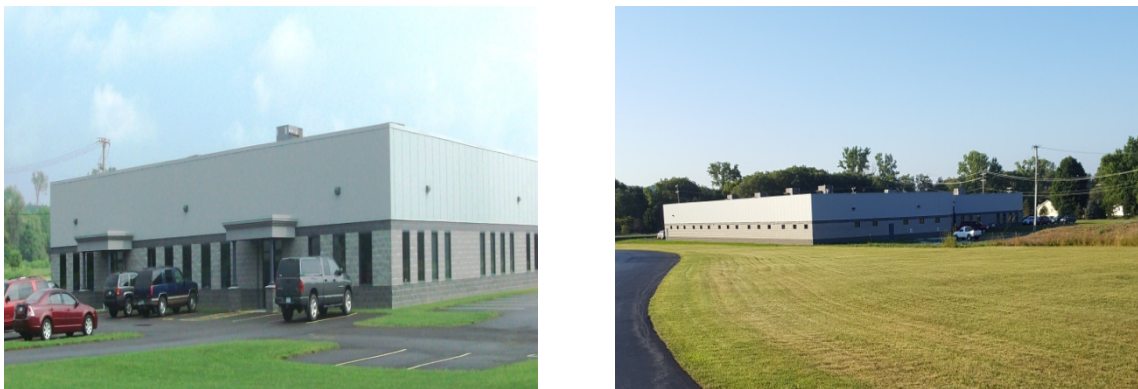
T. J. Marquart & Sons, Gainesville, New York

- ❖ 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 completed in 2017.



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

- ❖ Arcade REHC 1, LLC was approved for incentives for its expansion project in 2015. The Company completed the construction of 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 was \$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. 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. 127,536 square foot



fully sprinkled building. The anticipated cost is \$14,252,000. 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 broke ground in June 2017 and the project should be completed August of 2018. The facility has drawn much interest and Calamar has reported they have received deposits for apartments on 20% of capacity.



Ground Breaking for Grandview Terrace and a Concept of the Proposed Housing Project for Warsaw NY

- ❖ Fix Dansville, Inc. was approved for IDA incentives for the rehabilitation of a block of buildings in Perry that have been vacant for years and are deteriorating. The project will include renovation of the currently vacant buildings making available mixed use space with 12 apartments and 4 storefronts. The project cost is projected at \$660,000. There will be construction jobs created during the rehabilitation and with the space available it is expected that jobs will be created as businesses move into the open storefronts.
- ❖ Nutreco USA, Inc. has plans to construct a 2,500 sq. ft. addition to its existing facility to house the needed equipment to erect 2 grain bins, make improvements to the loading pit, and install a pellet mill. Expected total cost of the project will be \$4.4M. The Company requested abatement of sales tax on construction materials and non-production equipment, and a PILOT agreement for temporary abatement of property tax. Approximate value of these incentives is expected to be more than \$100,000; therefore a public hearing was held on August 3, 2017. The business currently has 61 employees in the county and expects to create 4 additional fulltime jobs over the next 3 years.



Nutreco USA, Inc. Strykersville, NY – Preps for expansion project

### **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 2017 the WCIDA continued to work to provide incentives for economic development projects in the County. Using the guideline of the WCIDA UTEP, which was updated in 2015 to include a more diverse schedule facilitating the need of different project types, the IDA Board has offered incentives to a project that will rehabilitate a group of old buildings using the schedule for abatement of adaptive reuse project. The IDA is also working with a Company with plans of bringing battery storage projects to the county and is working on an abatement schedule for commercial solar projects.
- ❖ 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 WCBAC has been working diligently to provide grant anticipation notes to the grant awardees in the Wyoming County Rural Arts Initiative program. By providing the upfront funds for the artist to use for art supplies, materials and to cover the costs of studio rents the artists have been successful in starting up or expanding their art businesses in Wyoming County.
- ❖ 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; now in its 10<sup>th</sup> year, the business attraction marketing plan website maintenance for the WCBC, PARIS reporting, Board Meeting preparation, bookkeeping, and general daily office duties.
- ❖ 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. In 2017 the WCIDA completed the purchase of a 2+ acre parcel in Perry, with the intentions of attracting a hotel developer to that area. These two parcels in addition to the 4.28 acre parcel in Arcade give the WCIDA options to share when contacted by site selectors and business prospects looking to expand or start their business in Wyoming County.
- ❖ 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. Currently the WCIDA is working to update the website and provide a more modern look and feel to coincide with the County of Wyoming's new website that will launch in December 2017.





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

- ❖ 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 WCIDA 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 economic development 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.”*