

**St. Lawrence County Industrial Development Agency
Local Development Corporation**

Mission Statement

Reviewed and Reaffirmed in Public Session on March 25, 2016

The mission of the St. Lawrence County IDA Local Development Corporation is to stimulate the growth of private sector employment in St. Lawrence County by providing financial assistance to new and expanding industries, and to certain retail/market-driven facilities.

The purpose of the Corporation shall be to relieve and reduce unemployment; promote and provide for additional and maximum employment; better and maintain job opportunities; instruct or train individuals to improve or develop their capabilities for jobs; carry on scientific research for the purpose of aiding the community of St. Lawrence County, New York by attracting industry to the community and by encouraging the development of, or retention of, an industry in the community; lessen the burdens of government and act in the public interest and administer the St. Lawrence County Revolving Loan Fund.

Performance Goals

- *To create new employment opportunities for St. Lawrence County citizens through the attraction of or the creation of new businesses*
- *To create new employment opportunities for St. Lawrence County citizens through the expansion of existing businesses*
- *To retain existing employment opportunities*
- *To invest in local companies through responsible lending assistance*
- *To leverage the greatest level of private investment in St. Lawrence County businesses*
- *To educate County businesses, elected officials and community representatives regarding available economic development resources*
- *Act as liaison between businesses and government to help coordinate economic development services and reduce bureaucracy*
- *Work cooperatively with area economic development agencies to market County assets and economic development resources to potential new or expanding businesses*
- *Ensure a transparent and accountable operation with responsibly-managed Corporation assets*
- *Responsibly administer the assets of the St. Lawrence County IDA Local Development Corporation Revolving Loan Fund, the Greater Massena Economic Development Fund and the St. Lawrence River Valley Redevelopment Agency*

2016 Performance Review (January 2016 – December 2016)

In 2016, the St. Lawrence County Industrial Development Agency Local Development Corporation (“SLCIDA-LDC”) and its affiliated agencies (the St. Lawrence River Valley Redevelopment Agency (the “RVRDA”) and the Greater Massena Economic Development Funds (the “GMEDF”) provided assistance to a number of employers, communities and stakeholders throughout St. Lawrence County.

- *A Line-of-Credit in the amount of up to \$1,500,000 was issued to Curran Renewable Energy, LLC through the St. Lawrence County Industrial Development Agency – Local Development Corporation and the St. Lawrence River Valley Redevelopment Agency to assist the company to increase inventory levels and to maintain production employment levels. The company also began leasing approximately 17,000 square feet of space in the Lot 18 building in the Massena Industrial Park on a month-to-month basis for product storage.*
- *In March, the SLCIDA and the Workforce Development Institute met with ACCO about a new capital project for which ACCO was seeking corporate capital investment approval. The company wanted to acquire a new state-of-the-art computerized saw to enhance white-board processing operations in Ogdensburg and was seeking local development agency assistance to strengthen their case. The WDI approved \$15,000 to support the equipment purchase and SLCIDA-LDC provided \$7,500 in training funds through the Economic Enhancement Training program. The project retains employment, brings new equipment to the plant and improves its logistics supply chain.*
- *The SLCIDA-LDC approved a loan with the St. Lawrence River Valley Redevelopment Agency (“RVRDA”) in the amount of \$30,000 to Swift Labs, LLC to assist in the company’s project to renovate the former Lincoln Mercury dealership property at 351 East Orvis Street in Massena. The proposed project will result in improvements to the mixed-use property, which includes commercial space, the Clarkson University Hot Spot Incubator in Massena, a small scale eyeglass lens manufacturing lab and apartment rental space.*
- *BlastBoss, Inc. will receive up to \$126,100 in loan financing from the SLCIDA-LDC through the St. Lawrence River Valley Redevelopment Agency to install new bagging equipment in an effort to increase inventory and efficiencies for their recycled glass distribution business. The project will improve underutilized commercial property in Ogdensburg (the former Corning warehouse facility on Ford Street in the City) and is expected to maintain 5.5 jobs and create 3 new full time equivalent jobs.*
- *The SLCIDA assembled a \$300,000 loan package including funds of the SLCIDA-LDC, North Country Alliance and North Country Economic Development Fund for the Great American Grocery Store in Star Lake. This enabled Great American to acquire the formerly closed (in April) Padgett’s IGA and reopen it, providing a full service grocery store to that part of the County and employing at least 6.5 full-time equivalent employees.*
- *Purine Pharma paid off its St. Lawrence County Industrial Development Agency – Local Development Corporation loan in November 2015 when it was acquired by another pharmaceutical firm, which subsequently closed its Massena operation.*

The former General Manager of Purine Pharma created a new company in Massena, Kingston Pharma, to do contract manufacturing of pharmaceutical products. In an effort to maintain

employment and expand operations in Massena, the SLCIDA-LDC approved an equipment lease through the St. Lawrence River Valley Redevelopment Agency in the amount of \$105,000 for the purchase of a Pasteurizer and Filler unit that will allow Kingston Pharma to produce pediatric electrolytes initially, and ultimately similar pharmaceutical products. The project is expected to retain 11 jobs and create 5 new full time equivalent jobs over the next three years. The company is also leasing space from the SLCIDA-LDC in the Lot 18 building in the Massena Industrial Park.

- *Atlantic Testing Laboratories in Canton received financing assistance from the SLCIDA-LDC and a sales and use tax exemption from the SLCIDA for the purchase of a Geoprobe Drilling Unit. The unit is anticipated to generate an additional \$300,000 to \$500,000 in revenue annually, while retaining 20 jobs and creating 2 new jobs in the company's Canton-based drilling division.*
- *Staff have been assisting Five Mile Farm in Lisbon relating to the farm's anticipated expansion to include utility upgrades, a new milking parlor and an additional cow herd. The staff connected the farm with economic development representatives from National Grid, through which the farm was awarded a free energy audit and is scheduled to receive funding in the amount of \$50,000 from National Grid's Agribusiness Productivity program to assist with the costs associated with the construction of a new milking parlor.*
- *As part of the Alcoa Vendor Diversification Initiative, Structural Wood Corporation, Fockler Industries, Northern Machining, and Triple A Lumber have engaged the services of CITEC to help broaden their customer bases. As part of the program, the St. Lawrence River Valley Redevelopment Agency and the Development Authority of the North Country have partnered to provide up to \$18,000 to companies as they work with CITEC to find new business development strategies and markets.*
- *Eggleston Trucking in Hermon was approved for a loan in the amount of \$150,000 through the SLCIDA-LDC to assist with improvements in their storage yard, replace an aging trailer, and provide working capital for business operations.*
- *The RVRDA authorized a line of credit in the amount of \$750,000 to the SLCIDA to be used in conjunction with the \$1.5 million line of credit the SLCIDA secured through DANC for the Newton Falls Rail Line Rehabilitation Project. The SLCIDA also solicited the local banks for proposals for an additional line of credit to meet the up-front funding requirements of the project. Term sheets from three different banks were received; the SLCIDA ultimately accepted an offer from NBT Bank to provide a line of credit for the project in an amount of up to \$3.5 million.*
- *With grant and loan assistance from the RVRDA's Community Development and Environmental Improvement Fund, the Business Development Corporation for a Greater Massena has completed its rail siding project in the Massena Industrial Park. The BDC has an agreement with the New York Power Authority to bring utility poles into Massena on the siding. The BDC is talking with several other potential users for the rail spur.*
- *Clarkson University was awarded \$93,000 from the St. Lawrence River Valley Redevelopment Agency's 2016 Community Development and Environmental Improvement Program to rehabilitate its Damon Hall facility to house an incubator site for start-up businesses with the University's Payton Hall at full capacity. The SLCIDA also authorized a resolution to collaborate with Clarkson by investing \$57,000 in the property. By participating in the Damon Hall Rehabilitation Project, this will not only allow for an opportunity to be actively involved in assisting new businesses to become profit-making and employment generating, but will also allow for a share in rental revenues from these businesses.*

- *An additional three (3) month moratorium of payments was authorized by the SLCIDA-LDC for St. Lawrence Brewing Company while they restructured their business plan and operations in an attempt to reach profitability. The efforts did not succeed and the company subsequently ceased operations. SLCIDA staff are currently obtaining names from individuals and companies that have expressed interest in resuming the operation or purchasing the equipment of the former brewery.*
- *At the SLCIDA-LDC's Annual Meeting, the following officers were elected to a one-year term: Brian W. Staples (Chair); Ernest J. LaBaff (Vice-Chair); Lynn Blevins (Secretary), Patrick J. Kelly (CEO) and Kimberly A. Gilbert (CFO).*
- *Board members approved a 2017 budget, copies of which were forwarded to the Legislative Chair, County Treasurer, County Clerk and Authorities Budget Office. The budget is also available electronically at www.SLCIDA.com*
- *During the year, the RVRDA/SLCIDA-LDC awarded a total of \$462,640 in funding through the RVRDA's Community Development and Environmental Improvement Program for the following projects:*

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|--|---|
| Business Development Corporation for a Greater Massena | Award: \$66,250. A continuation of the Massena Industrial Park Rail Access project, a loan to assist in expanding and paving the rail spur trans load pad with heavy duty concrete. Companies have expressed interest in utilizing the spur to its fullest if equipped with a stable, concrete platform. |
| Clarkson University | Award: \$93,000. An investment in facilities to transform currently unusable space into a premium manufacturing environment for start-up companies to drive employment and economic growth. |
| St. Lawrence County Chamber of Commerce | Award: \$34,390. A grant to launch an interactive, dynamic four-season trail mapping website, mobile app and marketing materials to promote the Adirondack/Seaway Trails. The marketing tools will provide descriptive information on trailheads, boat launches, facilities available and way-finding instruction so that residents and visitors can access, enjoy and respect the environment by remaining on the established trails. |
| Town of Louisville | Award: \$49,000. A grant to replace 30-35 year old playground equipment at the Community Center, which hosts many events throughout the year, attended by many local families and visitors. |
| Town of Waddington | Award: \$77,000. A grant to improve and enable adaptive reuse of the old town hall, whereby the community will ensure public access and maximize useful space in this historic downtown structure. |
| Village of Massena | Award: \$75,000. A grant to assist in establishing a downtown revitalization fund called Heart of the Community. The fund will be used to assist and incentivize the attraction, retention and expansion of businesses downtown. |
| Village of Potsdam | Award: \$45,000. A grant to assist in the rehabilitation of the Cross-Town Canal, a century-old component of the Village's storm water sewer system. |
| St. Lawrence County | Award: \$18,000. A grant to assist in the demolition and abatement at the former J&L Steel Mill processing site in the Town of Clifton. |

- *The RVRDA/SLCIDA-LDC also agreed to modify a 2015 award of \$75,000 to the North Country Children's Museum. The museum will buy and refurbish an old building in downtown Potsdam with bank, other grants and private financing and will use the RVRDA funds to purchase exhibits.*

- *As part of our Public Authority Law compliance program, we conduct annual policy reviews for Property Disposition, Investment of Funds, Whistleblower, Defense & Indemnification, Procurement, and Compensation, Reimbursement & Attendance. Revisions to the Code of Ethics and Conflicts of Interest were recommended by the Governance Committee and implemented upon approval by the boards in order to ensure even more clarity as outlined in the Authorities Budget Office model policy. Performance documents for 2015 were also reviewed. The Authorities Budget Office began a compliance review of the SLCIDA Local Development Corporation in April, which concluded the end of November.*
- *Board members approved the 2015 Independent Audit reports in March of 2016. The reports showed no findings. Legislators have been provided the reports electronically. In addition, the reports are available at www.SLCIDA.com.*
- *Since 2012 an IDALDC staff member has served – and continues to serve -- as the Executive Director of the SLC Workforce Development Board (WDB). The WDB is responsible for overseeing the management of the One-Stop Career Center in Canton and for the expenditures of about \$950,000 in federal Workforce Innovation and Opportunity funds in the County to help provide a trained workforce to County employers.*
- *The following loans were paid in full during the year:*

| <u>Business</u> | <u>Loan Fund</u> | <u>Issued</u> | <u>Amount</u> | <u>Date Paid</u> |
|------------------------|------------------|---------------|---------------|------------------|
| Maple Run Emporiums | Micro | 04/08/11 | \$ 20,000 | 04/25/16 |
| Massena, Town of | RVRDA | 04/24/14 | \$ 60,557 | 05/06/16 |
| New Horizons Wireless | Micro | 03/30/11 | \$ 20,000 | 05/02/16 |
| North Country Dairy | RVRDA/LDC | 12/02/11 | \$ 800,000 | 12/01/16 |
| Nicholville Telephone | RVRDA | 06/01/12 | \$ 388,926 | 08/08/16 |
| Slic Network Solutions | RVRDA | 06/01/12 | \$ 411,074 | 08/08/16 |
| Slic Network Solutions | IDALDC | 05/11/10 | \$ 120,000 | 08/08/16 |
| Slic (Bridge Loan) | IDALDC | 07/26/12 | \$ 300,000 | 08/08/16 |
| Tony's Canvas | Micro | 04/06/11 | \$ 5,000 | 02/29/16 |
| Valley Greenery | Micro | 06/30/09 | \$ 20,000 | 06/29/16 |

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Additional Questions

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

ANS: Yes – the Board members reviewed and approved (by formal resolution) the mission statement and performance measures of the board.

2. Who has the power to appoint the management of the public authority?

ANS: Management is appointed by the board members of the authority.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

ANS: The board of the St. Lawrence County Industrial Development Agency Local Development Corporation appoints its Chief Executive Officer and Chief Financial Officer. The Chief Executive Officer appoints management and staff.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

ANS: The Board, with assistance of management, works to develop the authority's mission, and evaluate the authority's goals and performance.

Management ensures that the Board's mission and goals are carried out in a manner which achieves the intended public purpose - a process involving program evaluation, reporting, feedback and recommendation.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

ANS: The Board acknowledges its understanding of this document by formally approving the document in public session.