

# St. Lawrence County Industrial Development Agency

## Mission Statement

*(Reviewed and Reaffirmed in Public Session on March 25, 2016)*

*The mission of the St. Lawrence County Industrial Development Agency is to promote, encourage, attract and develop job opportunities and economically sound commerce and industry in St. Lawrence County. To accomplish its mission, the IDA constructs and owns industrial sites and buildings, administers loan packaging and industrial revenue bond financing and provides a variety of tax-reduction incentives.*

## 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 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 a liaison with 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 Agency assets*

## 2016 Performance Review (January 2016 – December 2016)

*In 2016, the St. Lawrence County Industrial Development Agency (“SLCIDA”) and its affiliated agencies and development partners (the SLCIDA Local Development Corporation, the SLCIDA Civic Development Corporation, the St. Lawrence River Valley Redevelopment Agency, the Greater Massena Economic Development Fund and the St. Lawrence County Local Development Corporation) provided assistance to a number of employers, communities and stakeholders throughout St. Lawrence County.*

- *Staff made over 1,800 contacts with nearly 450 existing and prospective firms and organizations. This includes site visits to business customer locations as part of our annual reporting process to New York State, as well as our general business outreach efforts and ongoing stakeholder discussions.*
- *The SLCIDA was actively involved in assisting Star Mountain Resources, Inc. as the company sought financing to move forward with plans to reopen the St. Lawrence Zinc mine. Interim*

*financing of \$500,000 was provided to the company by the North Country Economic Development Fund to assist with ongoing mill maintenance and carrying cost. [The facility was sold the first week of 2017 and the loan was repaid. The IDA continues to work with the new owner, Titan Mining (US) Corporation, on project development and financing plans.]*

- *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.*

*Other referrals or connections made by the SLCIDA to the Workforce Development Institute that resulted in projects undertaken by the companies and the WDI included Riverside Iron (crane project), Fockler Industries (tooling and welding equipment), North Country Dairy LLC (ammonia refrigeration training), Potters Industries (equipment for new shredder) and Kingston Pharma (filling machine).*

- *The SLCIDA is assisting Potters Industries as they evaluate the possibility of converting the heat from their production process to generate enough electricity to power their entire plant off the grid. SLCIDA staff connected Potter's Management with Clough Harbor Associates to determine if NYSERDA incentives might be available for the potential project. Analysis is still in progress.*
- *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.*
- *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.*
- *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.*
- *With assistance from Clarkson University, the SLCIDA sponsored an application for Woodcrest Dairy for a Renewable Energy Grant from National Grid. The grant, if awarded, will provide funding to help offset up to \$750,000 in costs associated with the construction of the farm's on-site anaerobic digester, an input optimization study to maximize the energy output of the digester, and funding toward a year-round greenhouse operation as a user of the excess heat and energy generated by the digester. The project would also help to identify methods for treating solids created by the digester to be used as animal bedding. The application is awaiting approval from National Grid.*

- *Representatives from the SLCIDA and CITEC are working with Dunn Paper in Natural Dam to discuss various cost savings opportunities in energy reduction, water clarification, sludge reuse, and productivity improvements. The IDA connected the company with representatives from the Pollution Prevention Institute (P2I) to assist with sludge recovery or reuse. The company was also introduced to a faculty member from Clarkson University's Center of Advanced Materials Processing (CAMP) to work with P2I to improve water clarification through filtration processes.*

*Additionally, a NYSERDA-certified energy consulting firm was brought in to meet with company officials to determine potential funding for energy conservation through productivity improvements. An energy analysis was conducted by Clough Harbor Associates (CHA) and with funding from NYSERDA, the company expects to see an unspecified annual savings and a potential reduction in water usage.*

- *The SLCIDA has worked closely with Tri-Town packing since June 2014 to help the company resolve its disputes with the USDA's Food Safety Inspection Service. An allocation of \$7,500 from the Economic Enhancement Training program (which was originally funded with an allocation of Tribal Compact Funds) was utilized to help offset Tri-Town's costs to hire an experienced consultant who worked with the company to negotiate the deal with the FSIS that enabled Tri-Town to recommence USDA inspected work. As a result, Tri-Town started USDA-inspected processing again in January 2016.*
- *The SLCIDA, in an effort to assist in retaining Alcoa jobs in Massena, attended a public hearing in May and provided comments regarding its ongoing support for the Direct Sale Contract of NYPA hydropower to Alcoa, Inc. Similar supporting comments were provided to the Empire State Development Corporation in May regarding ESD's efforts to assist Alcoa.*
- *The SLCIDA has been working with Alcoa on early stage activities relating to the eventual marketing, reuse and redevelopment of the former Alcoa East plant site. Local and corporate Alcoa real estate management staff are meeting with the IDA on a monthly basis to coordinate efforts to ensure that the site and facilities are best positioned to be used as assets for job creation and economic growth in Massena.*
- *Fockler Industries renewed its lease on the back half of the Lot 19 building in the Massena Industrial Park for three more years. Trade Warehouse and Purine Pharma continue to lease space in the front of the Lot 19 building on a month-to-month basis and Jim Besaw, a small auto detailer, is also leasing space on a month-to-month basis in the Lot 18 garage. Corbet & Corbet, a Canadian material handling equipment supplier, began leasing office space in the front of Lot 17 building in the Park.*
- *St. Lawrence Soyway Company, LLC received authorization from the IDA for the issuance of Industrial Development Revenue Bonds to assist with constructing a 500 ton per day mechanical soybean crush plant at the former DPW site, adjacent to the Massena Industrial Park. The plant will produce premium priced dairy feed (High Bypass Soymeal-HBPSM) and Feed Grade Crude Oil. These products are targeted to dairy, poultry, and hog nutrition in New York, New England and Southeastern Canada. A power allocation will be part of this project. The company is expected to create 30 new jobs.*
- *From The Heart Cabinetry, a cabinet making company, is leasing 500 sq. ft. of space in the Potsdam Commerce Park building. The company is using the space as a staging area where they are storing*

hardwoods, with the anticipation of growing and requiring long-term space. Also, Delta TM, an affiliate of Clark Scientific, a protein database monitoring and testing company in the medical field, is leasing space on a month-to-month basis. In addition to these two (2) new tenants, National Coffee and LC Drives continue to rent space in the building.

- *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.*
- *2016 marked a significant year of milestones for years in business for a number of operations in the County. ACCO (70 years), the Clifton-Fine Hospital (65 years) and Corning (50 years) each had events celebrating their historical achievements in the County.*
- *Phase 2 of the Newton Falls Rail Rehabilitation Project is underway, connecting rail service from Newton Falls to the CSX rail line in Carthage. The SLCIDA issued an RFP for construction services and received five (5) proposals. After analysis of the bid results and due diligence of qualifications by Erdman Anthony Engineering Services and the SLCIDA project team, which includes engineers from DANC, it was recommended the contract (for approximately \$6.8 million) be awarded to Rhinehart Railroad Construction. Furthermore, the IDA received an award in the amount of \$234,000 from the Northern Border Regional Commission for crossings on the Newton Falls Railroad.*
- *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.*
- *In conjunction with the County, the Town of Clifton, and the Clifton-Fine Economic Development Corporation, the SLCIDA signed an agreement which explains the roles of each of the parties involved in the remediation and redevelopment of the former J&L property.*

*The SLCIDA received approval for up to \$147,000 in grant funds through the National Grid Brownfield Redevelopment Assistance Program for the J&L site remediation. Funds will be used as part of a \$600,000 funding package for the J&L Abatement and Demolition Project. The SLCIDA had previously received a grant totaling \$87,500 from Empire State Development to work toward tearing down the buildings on the J&L property.*

*Also, the SLCIDA applied for and received grant and loan funds through the Development Authority of the North Country's North Country Redevelopment Fund Grant and Loan Program totaling \$250,000 for the J&L Site Remediation Project. Total demolition at the J&L site is estimated to cost approximately \$2.2 million and will be undertaken in phases. Staff will continue to work with its partners on the project to seek out additional funding options for the project.*

- *In an effort to educate entrepreneurs on how to start a business, the Adirondack Economic Development Corporation has partnered with the SLCIDA to host a Small Business Development Course at the offices of the SLCIDA on Tuesday evenings. The sixteen-week course, which began November 1<sup>st</sup>, drew interest from 17 individuals who recently opened a small business or have expressed interest in doing so in the future.*
- *The SLCIDA took some of the information from the New York Power Authority St. Lawrence County Economic Development Study and other local and regional planning and development documents and developed a working plan for the Comprehensive Economic Development Strategy (“CEDS”) which was scheduled for an update, as part of a five (5) year update for the CEDS. Working sessions to review the draft CEDS were held in October and November and included members of the NYPA Advisory Council and the County’s Economic Developers.*
- *As part of the St. Lawrence County Economic Development Study’s initiatives, the SLCIDA has been actively involved with participation in the agriculture, materials and entrepreneur working groups which include various stakeholders throughout the County.*

*The Entrepreneur subcommittee held four small business focus group meetings with 17 business owners and is planning an event in 2017 to work to bring business owners together to network and share project development stories in an effort to build communications and to assist other would-be entrepreneurs to understand the programs and service providers available to help them.*

*Staff also met with a group of materials companies operating in the County (Alcoa, Corning, Hoosier Magnetics, and Potters Industries) as well as with Clarkson University to discuss the advanced materials initiative recommended by the study.*

- *SLCIDA staff continue to actively participate in the Regional Economic Development Council (REDC) process, as evidenced by membership roles in the REDC’s Global North Country Committee and in the Opportunity Agenda Working Group, the Priority Project Implementation Committee, the Workforce Committee, the Small Business/Community Development Committee, and the Advanced Manufacturing & Leadership Group.*

*As part of the REDC process, SLCIDA staff assisted with the completion of Consolidated Funding Applications for a number of existing and proposed businesses in the County. Awards were ultimately received by Jeffords Steel and Specialty Company, Inc. (\$300,000), Confluent Energies, LLC (\$1,220,000), and Hemo Medica, LLC (\$1,555,000).*

- *The SLCIDA assisted with hosting an event in Massena on May 16<sup>th</sup> with Senator Gillibrand’s office to discuss how federal resources can assist with strengthening the region’s economy. Approximately 50 businesses and economic developers attended the event.*
- *The SLCIDA applied for and was awarded a grant in the amount of \$48,200 through the Alcoa Foundation for the purchase of Customer Relationship Management Software.*
- *A lease agreement was signed with Kent Family Growers for the use of temporary space to distribute locally grown vegetables a total of nine-times during the off-season.*
- *The Seaway Private Equity Corporation (“SPEC”), on which the SLCIDA Deputy Chief Executive Officer is a board member, made a third installment to the Agbotics investment and a loan was approved to Delta TM Technologies.*

- *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'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).*
- *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.*
- *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 on our website at [www.SLCIDA.com](http://www.SLCIDA.com).*
- *The SLCIDA also continued aggressive marketing efforts, as follows:*
  - *Outreach to select Canadian businesses in Ontario and Quebec to generate interest and possible expansion into St. Lawrence County through trade shows, events, and advertising. This includes a continuation of the digital marketing campaign with Northern New York Newspapers to allow for a broader range of advertising throughout Canada.*
  - *Coordination with local colleges to outreach alumni to encourage them to visit our booth at trade shows and consider a business location in St. Lawrence County. A "Come Back Home" advertising piece was placed in the 2016 spring edition of the St. Lawrence University alumni magazine and informational brochures were distributed at a StartUp NY informational session that was held during alumni weekend at SUNY Potsdam's 200<sup>th</sup> anniversary celebration. Ads were broadcasted on the streaming networks during the Clarkson and St. Lawrence University hockey games, with an emphasis on reaching alumni doing business in the New England area and other areas of the Country where business operating expenses are higher.*
  - *Staff continue to work with representatives from SUNY Potsdam to develop a plan for outreaching businesses in the Music Industry to inform them of opportunities available for a business startup or expansion in St. Lawrence County.*
  - *Continued promotion of low-cost power available through the NYPA Preservation Power and St. Lawrence County Economic Development Power programs through a series of advertisements, trade show displays, site visits and other outreach activities, including a redesign of the [www.USMarketNow.com](http://www.USMarketNow.com) website.*
  - *Facilitated three countywide Economic Developers meetings to ensure coordination of marketing efforts, strategic objectives and general operating activities of the local, county and regional developers.*

- *Maintained memberships in Canadian trade organizations to facilitate access to events and to maintain key contacts with Canadian companies and multiplier organizations.*
- *Advertising and media promotion pieces created and utilized, including placements in North Country This Week, Watertown Daily Times, and St. Lawrence County Newspapers.*
- *As part of the Adirondack Business Recruitment Working Group, SLCIDA staff are working with the five counties in the region and the Adirondack Park Association to develop a series of business recruitment events and activities.*
- *SLCIDA agreed to extend its commitment through 2016 with an annual \$5,000 payment to the regional marketing initiative entitled Drum Country Business. Since 2007, SLCIDA has partnered with the Fort Drum Regional Liaison Organization, DANC, Jefferson County LDC and Lewis County Economic Development to assist with economic development efforts in our region.*

*In March 2015, Drum Country Business engaged Gruber Phillips to make direct calls to businesses within the target industries of the region. The targeted industries are back office operations, renewable energy, food processors, general manufacturers and defense contractors. In 2016 energy-intensive users were added to the target list in an effort to promote the significant block of low-cost hydropower made available by Alcoa's decision not to modernize the former Alcoa East plant. Drum Country Business has shared information with company executives on locations within the region, and has facilitated approximately 40 conversations with prospects and economic development representatives from the region.*

- *Sponsorship, coordination and/or attendance at trade shows/events, including:*
  - *Select USA (Washington, DC)*
  - *EpTech (Montreal & Ottawa)*
  - *Adirondack Day (Albany)*
  - *Women's Business Bootcamp (SUNY Canton)*
  - *North Country Symposium (SLU)*
  - *Buy Local Matchmaker (SUNY Canton)*
  - *PackEx (Montreal)*
  - *CANSEC (Ottawa)*
  - *Montreal Manufacturing Technology show (Montreal)*
  - *Economic Fusion (SUNY Potsdam)*
  - *Home, Garden and Business Expo (Potsdam)*
  - *Senator Ritchie's Job Fair (Ogdensburg)*
  - *Advanced Manufacturing Canada (Toronto)*
  - *Select USA-Canada (Toronto)*

## St. Lawrence County Industrial Development Agency

### 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 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.