## **St. Lawrence County Industrial Development Agency**

**Mission Statement** 

(Reviewed and Reaffirmed in Public Session on March 26, 2019)

The mission of the St. Lawrence County Industrial Development Agency ("IDA") 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

## 2019 Performance Review (January 2019 – June 2019)

- Staff have made approximately 980 contacts with approximately 280 existing and prospective firms and organizations. This includes site visits to business customer locations as well as our general business outreach and marketing efforts.
- From The Heart Cabinetry, a tenant in the IDA's Potsdam Commerce Park Building, has entered into a lease-purchase agreement with the IDA to acquire the building. The Company is now undertaking nearly \$100,000 in build outs to accommodate their need for additional manufacturing and office space. The company has received an award of \$95,000 toward the building acquisition and renovation from the New York Power Authority's Northern New York Economic Development Fund. After a public hearing was held in February, the IDA approved a PILOT agreement for the project. The project will create additional jobs in the area and will also help move the property onto the tax rolls. From the Heart Cabinetry currently employs 5 people and is planning to add another five as a result of the project.

Community Preservation Partners has requested financial assistance through the issuance of tax-exempt bond financing for the acquisition and renovation of the Lawrence Avenue Apartment complex in Potsdam. The project will consist of the acquisition of approximately 10.5 acres of land in Potsdam with six residential buildings containing 137 affordable multifamily housing units, and the renovation, equipping, and modernization of the buildings and reconstruction of eight apartment units made uninhabitable by fire damage. A public hearing was held regarding the project in April in Potsdam.

The Company is requesting the IDA issue up to \$18 million in Multi-Family Housing Revenue bonds for the project. The IDA's annual bond allocation from New York State is approximately \$3.8, so the IDA has applied to the State for an additional \$14.2 million in bond volume allocation for the project.

• The IDA approved a PILOT for AmTech Yarns, a subsidiary of a Canadian company that specializes in the production of nylon fibers/yarn, as part of the company's acquisition of the 20,000 square foot Lot 18 building at 21 Trade Road in the Massena Industrial Park. The Company is adding a 3,600 square foot addition to the building to accommodate equipment for the operation.

Additionally, AmTech Yarns received authorization for a \$200,000 loan from the IDA Local Development Corporation to assist with the Company's project. The project is expected to create 9 new jobs over three years.

- Following the public hearing held in April, the IDA approved a sales tax exemption and PILOT for the construction of an additional 16,000 square foot of Annealing/Mason Shop at the Corning, Inc. Canton Plant. This project is the second phase of a project started in 2018. Projects currently underway at the Corning, Inc facility will assist in the retention of approximately 260 jobs at the Canton Plant.
- Pro Sport Trailer Manufacturing, LLC, a locally owned start-up company, is seeking to manufacture and fabricate aluminum utility trailers in 8,800 square feet located in the Lot 19, 31 Trade Road facility owned by the St. Lawrence River Valley Redevelopment Agency ("RVRDA") and St. Lawrence County Industrial Development Agency Local Development Corporation ("IDA-LDC"). The company received assistance through a sales and use tax exemption and PILOT agreement for the start-up of business operations at the facility, along with loan financing provided by the RVRDA and IDA-LDC in the amount of \$90,000. An additional loan of \$90,000 for the project was packaged by the IDA from the North Country Economic Development Fund.
- In early 2019, the Empire State Mines facility in Balmat facility reached a peak of nearly 200 workers. However, the company underwent a restructuring of their operations and reduced their workforce to a total of 87 workers, with 67 residing in the County.

As part of the IDA orientation process for new County Legislators, a tour was held on April 26<sup>th</sup> at the mine. During the tour, the Company mentioned they anticipate spending approximately \$2 million on exploration this year. Even with the lower workforce numbers, the facility is still a major employer and contributor to the local economy and the IDA continues to stay in contact with the facility's management team.

- The St. Lawrence River Valley Redevelopment Agency approved a request from LC Drives Corp to provide up to \$50,000 for working capital. The River Valley Agency had provided \$100,000 for working capital in 2017, approximately \$50,000 of which had been paid back by the company. The company was seeking to 're-access' that \$50,000 for additional working capital. Additionally, the River Valley Agency and IDA-Local Development Corporation exercised an option to convert a \$150,000 note issued in 2018 to preferred stock in the company.
- North American Forest Group, Inc. ("NAFG"), an affiliated company of Curran Renewable Energy and Seaway Timber Harvesting, is moving forward with plans to update the former ACCO Manufacturing Facility in the Town of Oswegatchie. This 144,000 square foot facility had been vacant since ACCO consolidated their operations into their distribution center five years ago. The IDA has assisted with various financing packages for the \$2,000,000 project from a number of local and regional funding sources, including the IDA-LDC and the RVRDA.

Earlier this year, the IDA applied to the Northern Border Regional Council requesting \$800,000 to assist in the acquisition of \$1.2 million in equipment for NAFG's new Ogdensburg Facility. The grant is specifically designed for the forest industry and will help NAFG accelerate plans for the start-up and functionality of the sawmill operation. The project is expected to create 20 jobs over the next 3 years.

- The St. Lawrence River Valley Redevelopment Agency approved a \$50,000 loan (to be matched with \$50,000 from the IDALDC Loan Fund) for Parker Maple Farm, Inc. Parker Maple is seeking working capital to assist in the fulfillment of orders with a large new customer, Wal-Mart.
- In 2017, the IDA-LDC provided a \$400,000 loan to Potsdam Specialty Paper as part of a project to install a coating machine. In 2018, IDA-LDC modified this loan to enable the company to take advantage of a vendor financing program which will assist with the cash flow requirements necessary to service the new business created by the coating machine. In early 2019, the Company requested the loan be "recapitalized" to enable access to the repaid funds, amounting to approximately \$130,000, for working capital purposes. The company is completing trials for the new coating machine installed during the past year, however permitting approval has taken longer than expected. The access to this working capital will assist as the machine goes into full production.
- Fockler Industries extended its lease in the Lot 19 Building in the Massena Industrial Park for another 3 years. At this point the Lot 18 and 19 Buildings in the Massena Park, acquired with funds from the River Valley Redevelopment Agency, are both fully occupied. This represents approximately 40,000 square feet of space of formerly vacant buildings (with a combined assessed value of \$840,500) which will be returned to the tax roll through the course of IDA PILOT agreements on each facility.
- The Town of Brasher has provided funding to capitalize the Brasher Loan Fund to assist projects in the Town of Brasher. The IDA-LDC, administrator for the fund, authorized a loan through the Town of Brasher Loan Fund to Russell's Groom and Board, for the construction of an animal grooming and boarding business. The Company will create 1.5 FTE jobs as a result of the project.

Starting in June, 2018 the IDA, working with the Workforce Development Institute ("WDI"), the St. Lawrence County Workforce Development Board, NYPA, BOCES, and SUNY Canton hosted a series of meetings with County companies that focused on the difficulties they were experiencing in securing truck drivers who hold Commercial Drivers' Licenses. The companies made it clear that one of their major needs was a local training program to prepare individuals to take and pass the CLD-A drivers' tests. One of the reasons that so few qualified drivers are available in the County is that the training options currently available, all located outside the County, are both inconvenient and expensive.

To create a CDL training program in the County, at least four things had to happen: (1) an organizational "home" for the program had to be selected; (2) a qualified instructor had to be secured; (3) a curriculum had to be developed; and (4) a tractor and a trailer for behind the wheel training had to be secured.

SUNY Canton has agreed to house the program through its CREST Center. The College has hired a qualified and experienced trainer to do both the classroom and behind-the-wheel training. With the help of a WDI grant, the instructor developed a curriculum for the program. In addition, Pepsi Ogdensburg had agreed to donate a trailer to the program. Efforts are underway to secure a tractor so the program can begin this fall.

The IDA received approval from the Development Authority of the North Country for a \$750,000 loan to the IDA to ensure sufficient funds are available to manage the expenditures involving the upfront costs of the second phase of the J&L Demolition and Rehabilitation Project. The IDA also received a check in the amount of \$211,000 from the National Grid Brownfield grants program as reimbursement for the latest phase of the project.

This phase of the project, which is substantially complete, includes the removal of hazardous material and demolition of the buildings closest to Route 3. As a result, much of the landscape has changed and progress is being made on repurposing the property for future redevelopment.

- The IDA is working with the City of Ogdensburg to assist with renovations on the former Newell Manufacturing Building on Patterson Street in Ogdensburg. The IDA and City have initiated the renovation bidding process to rehabilitate the building. With the necessary engineering plans and design bid documents in place, the renovations needed for the roof and building shell should be completed by the end of the year.
- To assist local firms with their business development activities, we have partnered with the North Country Procurement Technical Assistance Center (PTAC). The PTAC is a federal program that works to expand the number of large and small businesses capable of participating in the government marketplace on the federal, state and local level. This program is a resource that connects businesses with opportunities through a Bid-Match service, conducts one-on-one counseling, assists with registrations, certifications and market research, facilitates connections, and offers networking and targeted training events. PTAC assistance is available free of charge to all businesses. Currently, North Country PTAC serves 71 St. Lawrence County businesses, 16 are new to the program since January 2019 when we began our partnership, 14 of the 71 businesses participate in the Bid-Match service and \$6.7M in government contracts and subcontracts has been secured YTD by PTAC's St. Lawrence County client base.

 During a St. Lawrence River Valley Redevelopment Agency meeting in June, a total of \$100,000 in funding through the RVRDA's Community Development and Environmental Improvement Program was awarded for the following projects:

Organization	Project Description	Award
Black Lake Chamber of Commerce	Promotion of Fishing Tourism in Black Lake through various advertising resources, including the filming for the television show <i>Rush Outdoors</i> .	\$5,000
Massena Arts & Theatre	Restorations to a theatre that has been dormant for 30 years. Phase one of the three phase project will include upgrades to the theater such as water service lines, restrooms that will be ADA compliant, and main lobby refurbishments.	\$10,000
SLC North Country Events	The BassMaster Elite 2019 Tournament is not only expected to attract thousands of visitors but will also serve as a platform for promoting the St. Lawrence River, which has become nationally known for its pristine natural resources and its fishery that is second to none.	\$20,000
St. Lawrence Power & Equipment Museum	Building a Historical Stockade Fort that will serve as a living tribute to St. Lawrence County residents who fought in the American Civil War. A memorial naming the County's recipients of the Medal of Honor will be on display, along with historical photos and memorabilia.	\$10,000
Town of Louisville	Installing high speed internet access to Louisville residents and businesses that will serve educational and occupational purposes.	\$20,000
Town of Massena	A 40-acre parcel of undeveloped land needing critical infrastructure improvements that will allow one of the nation's only municipally owned Sporting Dog Training Grounds to become fully operational and contribute to the region's tourism economy.	\$20,000
Town of Lisbon	Improvements to the Town Hall which is on the Historic Building Registry in New York State. The project improves the efficiency of heating the building and provides handicap access to the upper floor. The exterior restoration enhances the exterior appearance of the building while maintaining the historic value of the building.	\$15,000

- An announcement by the Governor in February that he would close three of the State's correctional facilities prompted the IDA to take proactive measures to pass a resolution in support of the continued operation of the three State correctional facilities in St. Lawrence County. Representatives from the IDA, the County, and both the Gouverneur and Ogdensburg areas met to coordinate support activities to advocate for the facilities and to prepare in case one of the local facilities was selected for closure. Fortunately, none of the local facilities in the County were placed on the closure list.
- In recent conversations with the communities along the river which have been affected by the high water levels in relation to the Lake Ontario Resiliency and Economic Development Initiative ("REDI"), staff have asked officials to submit any potential projects or infrastructure investment ideas to the SLC Planning Office to be forwarded to the State for vetting. Businesses are encouraged to submit their ideas for waterfront development and sustainability to their town supervisors to be included in the requests for funding as well. The Planning Office is forwarding the list of ideas and projects to the consultant the State has engaged to hopefully tailor the State's funds so they can be used to assist with the high-water issues now and to prepare for future issues. The REDI program is designed to help improve the resiliency of waterfront properties in light of the expected continued high water levels and to assist with economic development and growth in the area.

- In March, a manufacturing roundtable was held at ACCO in Ogdensburg, moderated by the IDA. Several manufacturing companies, including Hoosier Magnetics, ACCO Brands, Curran Renewable Energy, Potsdam Specialty Paper, Med-Eng, and Arconic participated, as did IDA Board Members Mr. Blevins and Mr. Reagen.
- A new law that went into effect last year requires every employer in New York State to adopt a sexual harassment prevention policy. The IDA hosted a sexual harassment training exercise at its facility in January that was open to all employers in the County. The session was administered by the SLC Chamber and conducted by Northern Insuring Agency Inc.
- IDA Building Occupancy continues to grow, with the following companies currently leasing or acquiring space in IDA developed or owned properties:
  - *Canton Industrial Building: Parker Maple Farm, Inc.*
  - Potsdam Commerce Park: From the Heart Cabinetry and APC Paper.
  - Massena Industrial Park: Fockler Industries, Op-Tech (NRC), New York Power Tools, Curran Renewable Energy, AmTech Yarns, and Pro Sport Trailer Mfg.
- At the IDA'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). The firm of Silver and Collins was reappointed as General Counsel.
- Board members approved the 2018 Independent Audit reports in March of 2019. The reports showed no findings. Legislators have been provided the reports electronically. In addition, the reports are available on our website at <u>www.SLCIDA.com</u>.
- As part of our Public Authority Law compliance program, annual policy reviews are conducted by the IDA and its affiliated organizations. In the first quarter the Property Disposition, Whistleblower, Code of Ethics, Defense & Indemnification, and Compensation, Reimbursement & Attendance policies were reviewed. Performance documents for 2018 were also reviewed.
- Appointments/Reappointments: James Reagen was appointed by the St. Lawrence County Board of Legislators in early February to serve on the IDA.
- The IDA also continued aggressive marketing efforts to better inform local businesses of our resources, to attract outside businesses to St. Lawrence County, and seek-out alumni and former residents of the area who manage businesses outside the area to bring their businesses to the County. Some of those efforts include:
  - Expand to the US Workshop, held in May at the Dobisky Center in Ogdensburg, saw 30 people from 20 different companies attending the day-long event. In partnership with the Ogdensburg Bridge and Port Authority and the US Embassy in Canada, the IDA hosted the business information and recruitment sessions for Canadian companies interested in expanding their business into the U.S. Staff have been in contact with each of the businesses as part of our follow up efforts for the event. In many cases, staff have visited their facilities in Canada and/or provided tours/ meetings in St. Lawrence County, as a way of familiarizing them with the County's available resources.

- Follow up with potential leads and participating in prospective company site visits generated by OCO Global as the New York Power Authority's funded "global search" campaign is wrapping up.
- An agreement was signed with NYPA to enhance the value of the IDA's website through a more modern platform. The new site will better assist the IDA to market to the outside world with technology that is state-of-the-art.
- Sponsorship, coordination and/or attendance at trade shows/events, including: Select USA Canada Manufacturing Forum -Toronto, Canadian Association of Defense and Security Industries Show ("CANSEC") Ottawa and Advanced Design and Manufacturing Expo-Toronto. Later this year, staff will attend the Canadian Manufacturing Technology Show ("CMTS") in Mississauga, Ontario and Electronics Products and Technology Show ("EpTech") in Ottawa. Local events include Adirondack Day in Albany, Women's Business Bootcamp at the SUNY Canton's Small Business Development Center, Business Expo at the St. Lawrence Centre Mall and Adirondack Park Local Government Conference in Lake Placid.
- The creation and utilization of advertising and media promotion pieces, including placements in North Country This Week and Northern New York Newspapers.
- The IDA took part in an internet streaming advertisement series during the Clarkson University hockey games. Ads were also posted on the Northern New York Newspapers websites and North Country Now to attract businesses from outside the area to St. Lawrence County. This is part of an effort to attract alumni living outside the County to come back here and expand their businesses into St. Lawrence County. Additionally, a brochure highlighting incentives for startup or business expansion was distributed to SUNY Canton alumni in June as part of the Alumni weekend informational packet.
- Continuing to outreach Canadian businesses in Ontario and Quebec to generate interest and possible expansion into St. Lawrence County through direct calls, trade shows, events, and advertising.
- Targeted placement of advertisements, including a continuation of the digital marketing campaign with Northern New York Newspapers to allow for a broader range of advertising throughout Canada.
- Maintaining memberships in Canadian trade organizations to facilitate access to events and to maintain key contacts with Canadian companies and multiplier organizations.

