

St. Lawrence County Industrial Development Agency

Human Services Center

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Raymond H. Fountain

Chief Executive Officer

BENCHMARK

Project: Upstate Niagara Cooperative, Inc. (North Country Dairy)

Address: 22 County Route 52
North Lawrence, NY 12967

Start Date: June 2011 (Loan Closed 12/05/2011)

Overview: Upstate Niagara Cooperative, Inc. is seeking funding in the amount of \$800,000 for the acquisition of the North Lawrence Dairy facility in North Lawrence, NY. Upstate Niagara is a food and beverage cooperative owned by 375 family-owned dairy farms in the Western New York State area that has made high quality dairy products since 1965. They operate milk processing and distribution centers in Buffalo and Rochester, a cultured products plant in West Seneca, distribution Centers in Syracuse and Watertown, and a membership division in Batavia, NY. They market a wide variety of innovative products including milk, dip, ice cream mix, yogurt, and flavored milk-based beverages under the Upstate Farms, Wendt's, Bison and Intense Brands.

Yogurt is the leading growth segment in the cultured foods category of the dairy industry, and Upstate is seeking the North Lawrence facility to continue their growth. This project will ultimately strengthen their position in the marketplace and benefit New York dairy farmers.

The funding is part of an \$11,000,000 project to restart operations at the facility.

Actions Taken:

IDA Local Development Corporation.....	\$400,000
St. Lawrence River Valley Redevelopment Agency.....	\$400,000
NYPA Preservation Power allocation of 3MW	
IDA Mortgage Recording Tax Exemption.....	~\$ 15,000

Economic Indicators:

- Jobs Maintained and Generated – This project will create 54 direct jobs over a 3-year period and will assist in stabilizing and supporting numerous agricultural production and support jobs in the region and State.
- Other Financing Leveraged:
 - Bank Financing \$9,100,000
 - Cash/Equity..... \$1,100,000
- Tax Base and Revitalized Properties – This project will directly help maintain the tax base. The building contents, if not for this project, were scheduled to be turned over to a liquidator, which would have significantly decreased the value and marketing potential.
- Plant Investment – The plant will undergo and modernization and upgrade.
- Improve Corporate Performance – This project will enable Upstate Niagara to continue its growth in the yogurt segment of the cultured products category of the dairy industry which will ultimately strengthen their position in the marketplace.