St. Lawrence County Industrial Development Agency

2022 Annual Report

Mission Statement

(Reviewed and Reaffirmed in Public Session on March 29, 2022)

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.

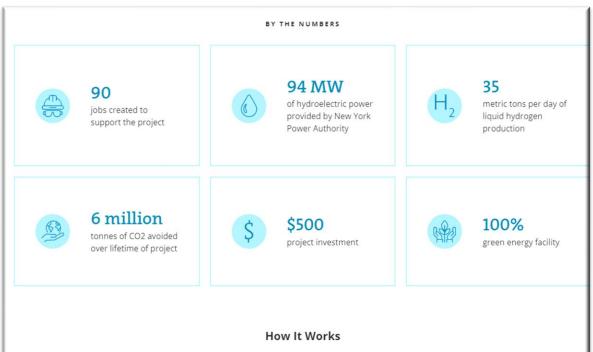


Performance Goals

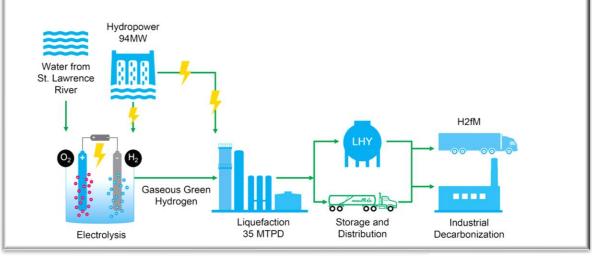
- To create new employment opportunities for St. Lawrence County citizens through the attraction of or the creation of new businesses
- To create new employment opportunities for St. Lawrence County citizens through the expansion of existing businesses
- To retain existing employment opportunities
- 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

2022Performance Review (January 2022 – December 2022)

• In July, Air Products announced plans to invest approximately \$400 million to build, own and operate a 35-metric-ton-per-day facility to produce green liquid hydrogen in Massena. The company will invest another \$100 million in liquid hydrogen distribution and dispensing operations throughout the state. Discussions between the company, the New York Power Authority, Empire State Development, and the IDA, which have been underway for over a year, continue with the commercial operation of this facility is targeted to begin in 2026-2027.



This project will use hydroelectric power from the St. Lawrence River to fuel production of carbon-free liquid hydrogen. The low-carbon intensity liquid hydrogen product from the facility is expected to be sold to the mobility market in New York State as well as other potential northeast industrial markets.



Graphic source: Airproducts.com



• St. Lawrence Suds has acquired the former McCarthy's Furniture Barn in the Village of Canton. The company will operate a microbrewery in building under the planned name of "Bent Beam Brewery." The Village of Canton has submitted a Restore NY application for the restaurant component of the project. IDA incentives and a \$50,000 loan by the IDA Local Development Corporation will assist in the equipping and rehabilitating of the building envelope and brewing section of the facility.



Construction underway at the future home of the Bent Beam Brewery in Canton

• The St. Lawrence County Property Development Corporation ("SLCPDC") authorized the lease of Real Property located at the former Newell Manufacturing Property at 100 Paterson Street, Ogdensburg to the SLCIDA, allowing the SLCIDA to manage the property, make necessary improvements, and negotiate lease and PILOT agreements with potential tenants or buyers. **Canexsys Networks, Inc.** is expanding their current Ogdensburg operation into the 100 Paterson Street building, initially occupying 8,000 square feet with an option to expand to 38,000 square feet of space. This project marks a significant milestone taking a vacant building and returning it to productive use.



100 Paterson Street facility – new location for expanded Canexsys Networks, Inc.

- The NYS Department of Transportation ("DOT") awarded two grants, one to the IDA and one to the IDA Local Development Corporation, through the Passenger and Freight Rail Assistance Program, that will enable upgrades to railroad lines at local manufacturing facilities. The IDA secured \$900,000 in program funds to assist Alcoa to replace ties, timbers, switches, rail anchors and signals at its operation in Massena.
- A private property developer has submitted a purchase offer for two acres of land in the Gouverneur Industrial Park to build a 10,000 square foot mental health services building.

Within the park, the IDA owns 24 acres of land, 16 of which is considered "developable." The property has been vacant for quite some time. After speaking with local officials, it appears there is support for the proposed project at this location and both the Gouverneur Mayor and Town Supervisor indicated that the service would be valuable to the area.



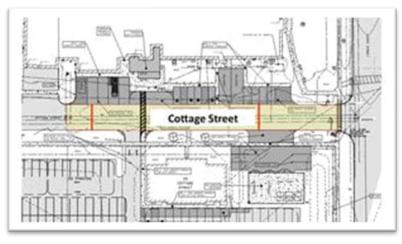
The prospective tenant for the building is not able to expand at their current location in Gouverneur. The option is for the outright sale of the property and does not include the provision of IDA incentives. The developer is responsible for getting zoning and planning approval for the project before the project can move forward.

Two-acre parcel proposed for Gouverneur Wellness Center

- As part of an Inducement Resolution passed by the IDA, LF Bioenergy LFI, LLC., a private, special purpose business entity, requested tax-exempt bond financing for a proposed anaerobic digester project that would take manure waste from Stauffer Farms in North Lawrence and turn it into renewable natural gas. A public hearing was held on March 24, 2022 and there were no comments made for or against the project. The company is currently assessing whether or not to use the bond financing structure for the project. The Massena Downtown Revitalization Initiative ("DRI") local planning committee, co-chaired by Massena Mayor Greg Paquin and IDA CEO Patrick Kelly, commenced a call for projects to potentially be included as part of the Strategic Investment Plan for the DRI.
- North American Forest Group ("NAFG") continues to work with the IDA to acquire wood materials processing equipment through funds provided to the IDA by the Northern Border Regional Council ("NBRC"). The new equipment at the sawmill, located at the former ACCO facility in the Town of Oswegatchie, will be more efficient and enhance the capabilities for improved production. The IDA received a grant for \$535,000 from the NBRC to purchase equipment for the facility, which will then be leased to the company.

• The St. Lawrence County IDA collaborated with Genesee and Monroe Counties on a multijurisdictional bond financing package for the benefit of St. Lawrence Health System (which is now affiliated with Rochester Regional Health Systems) as well as other communities and facilities within the Rochester Regional Health System. The Genesee County Funding Corporation was the lead entity and issued the bonds, with the other entities working collectively to allow for one overall bond issuance as opposed to multiple bonds for projects in each county.

The St. Lawrence County Board of Legislators approved the bond issuance in May. The bond funds will be used for the construction of a four-story bed tower containing approximately 96,189 square feet on the Canton-Potsdam Hospital Campus. The portion of the bond funds allocated for expansion of services in St. Lawrence County was nearly \$50 million.



Plans for the CPH expansion in Potsdam

The new facility will house an expansion of CPH's emergency department, 60 medical/surgical beds, as well as shell space for future growth. Financing was also provided through the new bond for the refinancing of existing outstanding debt of St. Lawrence Health System.

• The IDA proposed project at the former Massena School of Business will convert the dilapidated building into a transitional space and courtyard/corridor which will connect to the neighboring buildings. This will leave the front façade of the building and convert the back portion to an open corridor which will avoid an unsightly gap in the building and create ease of getting between the buildings to connect the main street business corridor with the proposed river walk space behind the buildings.



The former Massena School of Business

• The Ogdensburg Correctional Facility closed on March 10, 2022. The IDA is working with the County OCF Re-Use Task Force to find a productive reuse for the facility. The closure resulted in the loss of 270 jobs and a \$25 million payroll.

In light of the continued threat of prison closures in New York State, the IDA approved a resolution in support of the continued operation of the remaining two New York State correctional facilities, Gouverneur Correctional Facility and Riverview Correctional Facility, in St. Lawrence County.



The recently closed Ogdensburg Correctional Facility

- Eight community-scale solar development projects approved for PILOT assistance by the IDA were completed in 2022. These projects will add nearly 32 MW of renewable energy production capacity in the County and will provide an additional \$146,000 in new PILOT revenue for the County and local taxing jurisdictions in the first year of the PILOT agreements, a figure that will increase by 2% per year over the life of the PILOTs. There are now 22 active community solar projects in the County representing approximately 86 MW of renewable energy, representing an increase of \$409,000 in new PILOT revenue to the County and local taxing jurisdictions. There are several more projects in the development pipeline as well as a small number of larger, utility-scale projects which have been proposed.
- Business Connection: Spotlight on Resources, a subcommittee of the St. Lawrence County Workforce Pipeline Committee, of which the IDA is a member, held events in February, March, and April at each of the three BOCES Tech Centers in St. Lawrence County for local employers that included group tours with students and instructors to help spotlight the programs and services offered at the Tech Centers and to demonstrate how businesses can connect with students via internship and employment opportunities.





Business Connection: Spotlight on Resources BOCES Tech Center Tour Events

• With the on-set of the COVID pandemic, working families found it increasingly difficult to find access to quality childcare. The IDA began working with the St. Lawrence Child Care Council and the Workforce Development Board back in 2020 to find a way to create greater access to quality childcare in St. Lawrence County.

A training program which began in Lewis and Jefferson Counties during the pandemic caught the eye of these organizations and soon a committee was formed to investigate the potential for creating a similar program in St. Lawrence County. The program will allow individuals to enter (or re-enter) the workforce, encourage new business development, while increasing access to high quality childcare options.

The program, with assistance from County ARPA funds, includes entrepreneurship training provided by the Small Business Development Center and enrollment in a 3credit Early Childhood online course offered through SUNY Canton. The three-year program launched in July, with a goal of 10-15 licensed providers in the first year, creating 60-120 new licensed childcare slots.



Launch of the Family Child Care Training Program

Family Child Care Training Program 2022 Scope of Work and Timeline

- o February-June: Program details finalized; marketing developed
- o July-August: Promotion, publicity, and participant recruitment
- o September-January:
 - Guidance with the NYS FCC Application Process, Regulations and Licensing Assistance by the St. Lawrence Child Care Council
 - Personalized Business Counseling, Family Child Care Business Training by the Small Business Development Center
 - Enrollment in 3-credit Early Childhood online course, and mentoring in the SUNY Canton Early Childhood Program

Program Impacts: Year 1

Goal: New Providers	Avg Childcare Slots Per	Goal: New Childcare Slots Created	Actual: New Providers, as of 2/2023	New Childcare Slots Realized	Communities Represented
10-15	6-8	60-120	8	80	Canton, Colton, Gouverneur, Heuvelton, Lisbon, Ogdensburg, Russell

- In 2020, the SLCIDA obtained an award from the USDA Rural Business Development Grant "RDBG" program to assist with tuition costs for the Class-A Commercial Driver's License training program at SUNY Canton's CREST Center. Now that the grant is completed and funds have been expended, the SLCIDA was able to assist a total of 18 adults with RDBG funds, six more than what was planned. During 2021 there were 22 students enrolled in the CDL-A program, of which 16 successfully completed the program and passed their NYSDMV road test to obtain their license and 6 students remain active in the program. In 2022, the CDL-A Training Program had 18 students enroll, of which 16 successfully completed the program and passed their NYS DMV road test to obtain their NYS DMV road test to obtain their license. One student remains active in the program in the 2023 calendar year. This program is now being supported by ARPA funding allocated by the Board of Legislators being administered by the IDA.
- The St. Lawrence County Comprehensive Economic Development Strategy ("CEDS") was updated with assistance from various economic development partners providing detailed information for inclusion in the strategy. An evaluation matrix has been provided in the revised CEDS document and will be used as a basis for activity tracking. The CEDS was approved by the St. Lawrence County Board of Legislators on February 7th.
- The St. Lawrence County Center for Entrepreneurial Leadership ("CEL"), a program collaboration with the University of Buffalo School of Management Center for Entrepreneurial Leadership, the SLCIDA, and other member organizations of the St. Lawrence County Small Business Working Group saw 10 graduates complete the 2021-2022 program in April of this year.



2022 St. Lawrence County Center for Entrepreneurial Leadership Graduates and Program Leaders

• Manufacturing Day was held on October 14, 2022. IDA staff served as tour guide assistants at various manufacturing facilities around St. Lawrence County to help introduce local high school students to real –world occupations in the manufacturing industry.

• In an ongoing effort to connect the regional military population to local job opportunities, the IDA and St. Lawrence County Chamber have partnered at events on Fort Drum including job fairs, a North Country Expo, and other informational exchanges. Also, both the IDA and Chamber have participated in meetings with the U.S. Chamber of Commerce Foundation for Hiring Our Heroes Program and with the Fort Drum Chapter of Military Spouse Professional Network to establish the Tri County Region as a Military Spouse Economic Opportunity Zone (MSEEZ).

The goal of this effort is to help strengthen the connections between the region's employers and the Fort Drum related talent pool of military spouses and transitioning soldiers and help local employers in their quest for workforce talent. Similar initiatives are underway with the local schools, BOCES, and colleges and universities.

- The IDA continues to work in partnership with the Workforce Development Institute ("WDI") to address workforce challenges and opportunities. In 2022, eight projects in St. Lawrence County received assistance from WDI. A partnership with Cornell Cooperative Extension helped to establish an Agricultural Food Academy with a variety of training programs for small producers looking to find more markets and grow their business. WDI partnered with St. Lawrence University to provide OSHA 30 training for their facilities management and environmental health and safety teams. Riverside Iron was assisted with training for their new CNC Plasma Table. Additionally, the Potsdam Food Co-Op was assisted with strategic planning for their business in an effort to increase business and retain employees. Barkley's Safe and Lock was assisted with training to create standard work processes for their employees. A partnership with St. Lawrence Council for the Arts assisted them with management development essentials training. Potsdam Specialty Paper was assisted with financial and communication training for newly promoted employees. DeFelsko Corporation was assisted with leadership training for employees. These partnerships with WDI were estimated to directly impact 98 individuals by increasing their knowledge and skills base.
- In partnership with the Development Authority of the North Country, the IDA assisted with marketing the services offered by the Procurement Technical Assistance Center ("PTAC") which is currently housed out of the Greater North County Chamber of Commerce offices. PTAC provides assistance to local businesses helping them understand and navigate the process for procuring military and other federal, state, and local government contract work that will enable them to grow their client base. PTAC schedules office hours at the IDA offices once a month to meet with local businesses in-person.
- As part of a combined effort with the St. Lawrence County Chamber of Commerce, IDA staff contacted businesses to see if they were interested in obtaining COVID-19 Test Kits for their employees. St. Lawrence County received a shipment and our staff delivered over 1,000 test kits to area manufacturing businesses where there are typically larger numbers of employees working in proximity. This effort was well received by the businesses.

• The IDA worked with the St. Lawrence County Board of Legislators to develop a comprehensive plan for utilizing American Rescue Plan Act ("ARPA") Funds to assist with pandemic response and recovery in the County. At its August board meeting, the St. Lawrence County Board of Legislators allocated American Rescue Plan Act ("ARPA") funds to be administered by the St. Lawrence County Industrial Development Agency.



The Board of Legislators declared that <u>"economic development and tourism are</u> <u>essential to improving the services and activities available in St. Lawrence</u> <u>County</u>" and allocated \$2,900,000 in ARPA funds to be distributed through the IDA to organizations impacted by the COVID-19 pandemic through a number of program categories.

- The first round of ARPA funds totaling \$67,500 was awarded in September
- The second round of ARPA funds totaling \$196,728 was awarded in November
- The third round of ARPA funds totaling \$470,353 was awarded in December
- While the fourth round of ARPA applications was released in December, the deadline for those applications to be submitted was January 30, 2023.

2022 ARPA Award Summary:

- Small Business: \$50,000
- Facility and Infrastructure: \$198,312
- Workforce Training
 - Existing Worker Training: \$27,269
 - New Worker Training: \$65,000
 - CDL-A (SUNY Canton CREST Center): \$24,500 (5 participants served)
 - Tourism, Travel and Hospitality Capacity Building: \$280,000
 - Tourism, Travel and Hospitality Promotion: \$39,500
 - Business/Partner Marketing Opportunities (Airports): \$50,000

Total ARPA Funds Awarded in 2022: \$734,581

(see attached Appendix A for full 2022 ARPA Award Summary)

- The IDA sought input from several workforce stakeholders to help prepare a grant application that was submitted to the Economic Development Administration through the "Good Jobs Challenge." The IDA requested \$5.3 million to help build a more refined career ladder training system to support and develop our local workforce. While the application was not approved, efforts are ongoing to leverage the connections between economic and workforce development in the County in order to assist employers and job seekers.
- 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.
- Andrew McMahon was appointed to serve another three-year term on the IDA by the St. Lawrence County Board of Legislators.
- Board members approved the 2021 Independent Audit reports in March of 2022. 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 2021 were also reviewed.
- Board members participated in an Ethics refresher exercise. Continuing training exercises such as this will help to ensure board members are kept informed of Best Practices, regulatory and statutory changes.
- IDA CEO Patrick Kelly's two-year term as Chairman of the New York State Economic Development Council ("NYSEDC") in expired in May. The NYSEDC is the state's principal organization representing economic development professionals. The organization's 900 members includes Industrial Development Agencies, Local Development Corporations, commercial and investment banks, underwriters, law firms, utilities, chambers of commerce, higher education institutions, and private corporations.

The purpose of NYSEDC is to promote the economic development of the state and its communities, to encourage sound practices in the conduct of regional and statewide development programs, and to develop education programs that enhance the professional development skills of its members.

The SLCIDA also remains active with a number of local and regional organizations, including the North Country Alliance, Drum Country Business, the St. Lawrence County Chamber of Commerce, the North Country Chamber of Commerce, and numerous other committees and working groups focused on community, economic, and workforce development in the region.

- The IDA also continued aggressive marketing efforts to better inform local businesses of our resources, to attract outside businesses and investment to St. Lawrence County, and to seek out alumni and former residents of the area to return to the County. Some of these efforts include:
 - Streaming TV advertisements in Canada using the video created for the IDA website. While reviewing analytical data, response to the commercial appeared strong with a higher percentage than expected of people viewing the commercial in its entirety.
 - Attending the Select USA Investment Summit in Washington D.C., the highest profile event for promoting Foreign Direct Investment. Also, staff attended the Montreal Manufacturing Technology Show.
 - Distributing informational flyers with the "Come Back Home and Bring Your Business" theme and attending local alumni events, mega reunions, and festivals this summer to foster attraction efforts.
 - The creation and utilization of advertising and media promotion pieces, including placements in North Country This Week and Northern New York Newspapers.
 - Maintaining memberships in Canadian trade organizations to facilitate access to events and to maintain key contacts with Canadian companies and multiplier organizations.
 - Outreach to numerous businesses in the following industry sectors:
 - Food production
 - Glass manufacturing
 - Plastics and plastic manufacturing, molding, extrusion
 - Fiber, yarn, filament, thread manufacturing
 - Paper/packaging industries
 - Music industry
 - Businesses whose operations would benefit from the graduates, faculty, and facilities at the local universities
 - Collaborating with NYPA to enhance the value of the IDA's website and social media presence. We continue to promote business resources in St. Lawrence County and to position the County as a location for new investment and a destination from outside the area.

Since the start of the new year, there has been an increase in activity utilizing the website and social media platforms. Postings offer information pieces as well as general updates and promotional messaging.

Notable highlights to the website and related social media platforms include:

- Developing a campaign "Come Home to St Lawrence County" to encourage alumni and previous residents to come back to the county;
- Utilizing paid and organic posts for the alumni events and mega reunions;
- Continuing to develop social content highlighting prominent community events that benefit workforce development;
- Social posts have highlighted important stories from community members;
- Weekly posts have included information about key sectors in the local economy.

Website and social media analytics include:

- On average, there are about 900 people visiting the site per month and about 13% of them are returning visitors;
- Highest number of users per month in this period was in April, May and August 2022, which demonstrates that our social media efforts are working;
- Users spent an average of 2 minutes on the site.

The following Business Spotlight videos were created in 2022. We look forward to featuring more local businesses through video and other media platforms in 2023.

- Atlantic Testing Labs
- Russell Groomers
- Five Mile Farm

Social Media Analytics Key Takeaways in 2022:

Over the course of the year, we saw performance levels grow significantly across all platforms:

- There was a large increase in page and profile visits for Facebook at 55.3% for the year. This means more viewers are seeking the information that the page provides. We posted a minimum of 2 times per week on the SLC IDA Facebook page throughout the year
- A major change in followers on Instagram with a 450% increase
- The Engagement Rate on Twitter increased in 2022 with a high of 3.5%. This is the highest engagement we've seen on the platform to date



St. Lawrence County Industrial Development Agency

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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 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.

