

County of Oswego Industrial Development Agency



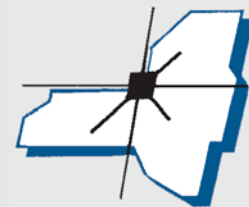
Oswego Public Library



Lower Falls Development



Northeast Biofuels



Annual Report
FY 8/1/05-7/31/06

Enabling Legislation

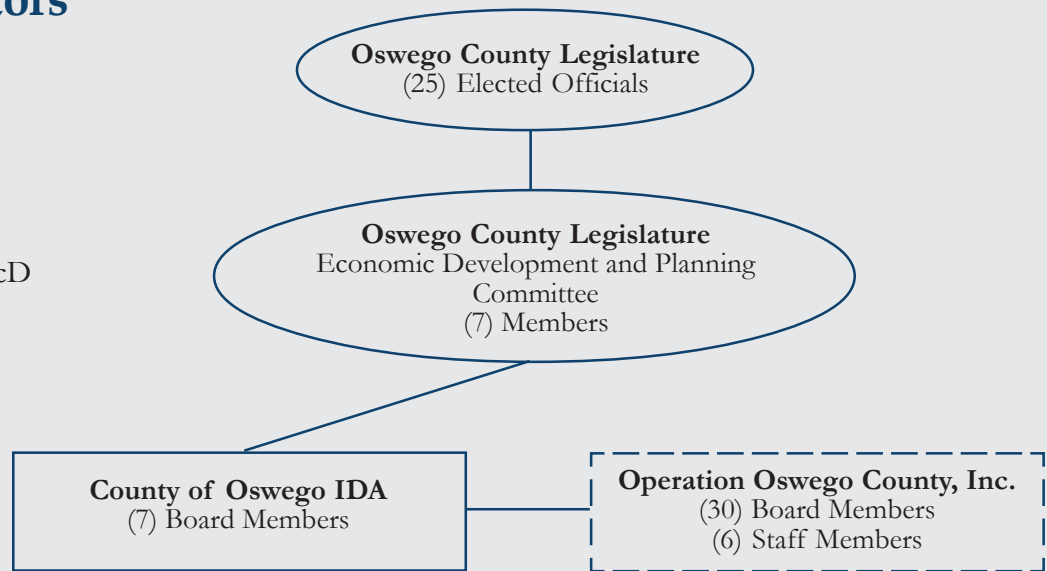
In accordance with New York State General Municipal Law article 18-A, the County of Oswego Industrial Development Agency was formed on April 25, 1973. Section 911-b constitutes the enabling legislation for the County of Oswego Industrial Development Agency.

Section 911-b: County of Oswego Industrial Development Agency

For the benefit of the County of Oswego and the inhabitants thereof, an industrial development agency, to be known as the COUNTY OF OSWEGO INDUSTRIAL DEVELOPMENT AGENCY, is hereby established for the accomplishment of any or all of the purposes specified in title one of article eighteen-A of this chapter. It shall constitute a body corporate and politic, and be perpetual in duration. It shall have the powers and duties now or hereafter conferred by title one of article eighteen-A of this chapter upon industrial development agencies and provided that the exercise of the powers by such agency with respect to the acquisition of real property whether by purchase, condemnation or otherwise, shall be limited to the corporate limits of the county of Oswego, and such agency shall take into consideration the local zoning and planning regulations as well as the regional and local comprehensive land use plans. It shall be organized in a manner prescribed by and be subject to the provisions of title one of article eighteen-A of this chapter. Its members shall be appointed by the governing body of the county of Oswego. The agency, its members, officers and employees and its operations and activities shall in all respects be governed by the provisions of title one of article eighteen-A of this chapter.

Board of Directors

- Carolyn A. Rush
Chair
- Gary T. Toth
Vice Chair
- L. Michael Treadwell, CEcD
Secretary/Treasurer
- Donald H. Kunzwiler
- Arthur W. Ospelt
- H. Leonard Schick
- Morris Sorbello



Mission Statement

The County of Oswego Industrial Development Agency’s mission is to establish and implement sound economic development strategies in order to enhance the economic vitality of Oswego County’s businesses, industries, communities, and citizens, leading to an overall better quality of life. Key to the Agency’s mission is the creation and retention of job opportunities, diversification and strengthening of Oswego County’s economic base, and developing the local economy in a planned, organized, and environmentally compatible manner.

Goals

- To create new employment opportunities through the attraction of or the creation of new businesses;
- To create new employment opportunities through the expansion of existing businesses;
- To retain existing employment opportunities;
- To enhance and encourage capital investment by new and expanding businesses;
- To increase the County's tax base;
- To help stabilize and diversify the County's local economy;
- To help facilitate the development of essential services or businesses generally lacking in the County;
- To target financial assistance to key industrial clusters critical to the County's economy, including manufacturing, health care, education, tourism, energy, and agribusiness;
- To leverage the greatest level of private and non-IDA financial assistance as possible;
- To work cooperatively with local governments and school districts to further economic development progress; and
- To improve the quality of life in Oswego County.

Objectives

- The issuance of Private Activity Bonds (tax-exempt or taxable bonds) to finance eligible manufacturing and commercial projects. The issuance of Civic Facility Revenue Bonds (tax-exempt or taxable bonds) to finance eligible not-for-profit 501(c)(3) organizations' projects.
- The issuance of tax-exempt bonds for pollution control facilities.
- The issuance of tax-exempt bonds for other projects that are eligible for financing in compliance with Federal and NYS legislation.
- Providing to eligible and qualified businesses exemptions from real property taxes, sales and use taxes, and mortgage recording taxes consistent with the County of Oswego IDA's Uniform Tax Exemption Policy.
- Providing financial assistance to micro-enterprise businesses utilizing the County of Oswego IDA's Micro-Enterprise Revolving Loan Fund.
- Providing financial assistance to eligible and qualified businesses utilizing the County of Oswego IDA's PILOT Revolving Loan Fund, HUD Revolving Loan Fund, and General Revolving Loan Fund.
- Serving as a conduit, as appropriate, to apply for and secure Federal and State government grants for economic development projects.
- Providing bridge financing for eligible and qualified businesses that will be receiving permanent financing through the SBA 504 loan program in cooperation with Operation Oswego County, Inc.
- Assisting in acquiring, constructing, and renovating necessary and appropriate real estate, working in cooperation with Operation Oswego County, Inc., to enhance and further economic development, including industrial park properties, incubator facilities, speculative buildings, and sites, etc.
- Collecting and distributing PILOT payments to taxing authorities in accordance with the General Municipal Law of the State of New York.
- Complying with the State Environmental Quality Review Act (SEQRA) on all projects assisted by the County of Oswego IDA.
- Working in partnership with government, education, labor, business and economic development agencies to maximize development potential and sustainability of the economy in Oswego County.

Meetings Held 8/1/05-7/31/06

8/3/05	1/24/06
8/26/05	2/7/06
9/20/05	3/17/06
10/17/05	4/13/06
11/9/05	5/15/06
12/1/05	6/14/06
12/20/05	7/14/06

Public Hearings Held 8/1/05-7/31/06

9/28/05	Lower Falls Development, LLC
9/30/05	Precision Wood Flooring Products, LLC
11/2/05	Arby's of Pulaski
11/23/05	Oswego City School District Public Library
12/22/05	Northland Filter International, LLC
2/15/06	Huhtamaki Consumer Packaging-Fulton, Inc.
2/15/06	The Club at Caughdenoy Creek
4/7/06	Oswego City School District Public Library
5/20/06	New York Bold, LLC
7/18/06	Hazen's Athletic Collegiate Connection

Compliance & Reporting/Other Activities

- The ESD Notification of Initial Allocation for the issuance of Private Activity Bonds for 2006 was \$3,301,000;
- IDA annual employment survey completed for 85 companies assisted by the IDA;
- Participated in the NYS Economic Development Council's 2005 IDA survey;
- Member of the Council of Development Finance Agencies;
- Efforts supporting Civic Facility funding resulted in state approving a one-year extension;
- Complied with procurement reporting to the NYS Temporary State Commission on Lobbying;
- Returned \$17,281 to HUD as required for earned interest in 2005;
- Annual financial report filed with the NYS Office of the State Comptroller, County of Oswego and ESD for FY ended 7/31/05;
- Participated in advanced bond financing training sponsored by the Council of Development Finance Agencies;
- Responded to Executive Order #137 to the NYS Commission on Public Authority Reform;
- Authorization approved to create an IDA website in order to comply with the Public Authorities Accountability Act of 2005;
- Sponsored a NYS DOT industrial access application for a Rail Track Turnaround Project associated with the Riverview Business Park/Northeast Biofuels project;
- Adopted a Cyber Security Citizens' Notification Policy to be in compliance with NYS technology law;
- Approved an administrative services agreement with Operation Oswego County, Inc.;
- Provided construction/repair staging area at Columbia Mills for repair work on Minetto Bridge;
- In cooperation with taxing authorities, initiated litigation relative to a default in 2005 PILOT agreement by Fulton Cogeneration Associates;
- Filed RP-412-a applications to all taxing authorities in accordance with Real Property Tax Law and General Municipal Law, Section 874, for the following projects: Northeast Biofuels, Schuyler Street Commons, Sure-Lock Industries and Erie Boulevard Hydropower (Orwell Hydros);
- Appointment of Project Operator or Agent (ST-60) filed with the NYS Department of Taxation and Finance for the following projects: Northeast Biofuels, Lighthouse Lanes, Oswego School District Public Library and Precision Wood Flooring Products; and
- UTEP deviation notification filed with all taxing authorities for the following projects: Precision Wood Flooring Products and Sure-Lock Industries.

Financial Assistance

Project	Location	Type	Projected Jobs		Financial Assistance		Total Project Cost \$	Status
			New	Ret.	Type	Amount \$		
Mark's Service Center	Hastings	Service	7	7	PILOT RLF	36,670	727,560	Funded
Harbor Lights Services of CNY	Mexico	Service	3	9	PILOT RLF	70,000	748,900	Approved
Lower Falls Development	Fulton C.	Retail/Service	21	0	PILOT RLF	100,000	620,000	Funded
Precision Wood Flooring Products	Volney	Mfg.	54	0	PILOT RLF	600,000	7,600,000	Funded
					S/L	N/A		Leased
Arby's of Pulaski	Richland	Retail	18	0	PILOT RLF	100,000	309,000	Funded
Sure-Lock Industries	Oswego C.	Mfg.	24	0	S/L	N/A	2,087,000	Leased
Patsy M. Iannolo, MD	Fulton C.	Service	17	0	Gen. RLF	90,000	298,020	Funded
Northland Filter	Oswego C.	Mfg.	15	0	Gen. RLF	100,000	230,000	Approved
NextGen Fuel	Volney	Mfg.	4	0	Gen. RLF	99,500	299,500	Approved
The Club at Caughdenoy Creek	Hastings	Service	8	6	PILOT RLF	123,730	1,300,110	Funded
Huhtamaki	Fulton C.	Mfg.	60	0	PILOT RLF	250,000	2,722,200	Funded
					S/L	N/A		Leased
Captain's Steak & Seafood	Oswego C.	Retail	11	0	PILOT RLF	50,000	150,000	Funded
New York Chocolate & Confections C	Fulton C.	Mfg.	0	75	Gen. RLF	40,000	40,000	Funded
Oswego Recycling	Oswego C.	Mfg.	18	0	PILOT RLF	50,000	720,000	Funded
Mahalaxmi Motels	Richland	Service	4	9	PILOT RLF	55,000	1,296,000	Approved
New York Bold	Volney	Mfg.	16	0	PILOT RLF	100,000	401,000	Approved
Oswego School District Public Library	Oswego C.	Service	2	0	CFRB	6,000,000	8,660,000	Funded
Hazen's Athletic Collegiate Connector	Hastings	Service	8	0	PILOT RLF	109,144	272,859	Approved
Zappala Farms	Oswego	Agri.	0	83	Gen. RLF	70,000	70,000	Funded
Old Man's Place	Granby	Retail	12	0	PILOT RLF	60,000	650,000	Funded
Northeast Biofuels	Volney	Mfg.	51	0	S/L	N/A	200,000,000	Leased
Total:			353	189		8,104,044	229,202,149	

Loan Program

Loans Paid in Full

Project	Location	Type	Original Loan Date	Loan Type	Amount \$
On-Site Mechanic	Schroepfel	Service	12/00	MEP RLF	15,000
Central Square Farm & Equine Supply	Hastings	Retail	2/05	PILOT RLF	15,000
Coleman's	Oswego C.	Retail	1/99	PILOT RLF	75,000
Ullman Sails	Richland	Mfg.	11/00	MEP RLF	15,000
Daddy Ed's	Mexico	Retail	9/00	HUD RLF	12,000
Eagle Beverage	Oswego	Dist.	12/95	PILOT RLF	90,000
Fulton Tool	Fulton C.	Mfg.	7/96	PILOT RLF	100,000
Grinstone Farm	Richland	Agri.	6/95	Gen. RLF	21,000
Mark's Service Center	Hastings	Service	10/03	PILOT RLF	202,186
New York Choc. & Conf.	Fulton C.	Mfg.	2/06	Gen. RLF	40,000
QMP Enterprises	Schroepfel	Mfg.	11/89	PILOT RLF	25,000
QMP Enterprises	Schroepfel	Mfg.	11/89	HUD RLF	20,000
Sandy Creek Storage Sheds	Sandy Creek	Mfg.	8/01	MEP RLF	15,000
S & B Sheaffer	Mexico	Service	10/03	PILOT RLF	25,000
Thunder Island	Granby	Service	5/98	Gen. RLF	68,000

Bad Debt Loans

Project	Location	Type	Original Loan Date	Loan Type	Amount \$	Bad Debt \$
U.S. Recreation Centers	Fulton C.	Service	9/99	Gen. RLF	50,000	21,707



Definitions for Types of Financial Assistance

- **MEP RLF**-- Micro Enterprise Program Revolving Loan Fund
- **PILOT RLF**-- Payment in Lieu of Taxes Revolving Loan Fund
- **General RLF**-- General Revolving Loan Fund
- **S/L**-- Straight Lease Transaction
- **HUD RLF**-- Housing and Urban Development Revolving Loan Fund
- **CFRB**-- Civic Facility Revenue Bonds

Distribution of 2006 PILOT Payments

	<u>Amount</u>	<u>%</u>
School Districts	\$5,119,609	59.2
City/Town/Village	\$1,170,320	13.5
County	\$2,164,574	25.0
County IDA*	<u>\$ 194,827</u>	<u>2.3</u>
<u>Total:</u>	\$8,649,330	<u>100.0</u>

*County's prorata share was split 90/10 with IDA to recapitalize the IDA's PILOT RLF in 2006

Statement of Revenues and Expenditures--FY Ended 7/31/06

Revenues	
Administration/application fees	\$ 548,795
Interest on savings	176,259
Interest on loans	247,443
Payments in lieu of taxes	194,827
Federal funds	0
Rent income	3,000
Federal funds--loan repayments	
Principal	150,927
Interest	25,498
Total revenues	\$ 1,346,749
Expenditures	
Administration fee	\$ 140,000
Dues	375
Legal/accounting	112,636
Meetings/misc.	1,357
Taxes--property	0
Provision for uncollectible loans	41,115
Company grants/costs	44,611
Federal funds loans	0
Federal funds administration	9,250
Total expenditures	\$ 349,344
Excess of revenues over expenditures	\$ 997,405