

/// A YEAR OF MOMENTUM ///

2015 ANNUAL
REPORT

COUNTY OF OTSEGO
INDUSTRIAL DEVELOPMENT AGENCY

OTSEGO COUNTY
CAPITAL RESOURCE CORPORATION

OTSEGO NOW
REGIONAL WORKFORCE
TRAINING CENTER



OTSEGO **now**



MESSAGE FROM THE CHAIRMAN

BOB HANFT

Great progress was achieved in 2015 to build the kind of momentum needed to initiate true, transformational economic development in Otsego County.

Throughout this past year, the Otsego Now economic development team has been hard at work creating, developing, and facilitating positive and progressive projects aimed at energizing and expanding economic growth in Otsego County. We've been working on multiple projects, on multiple fronts, seeking to generate momentum from our successes.

Moving beyond our transitional year in 2014, we've been gratified to see our initial economic development efforts begin to gain traction. We've helped existing businesses expand, while also achieving the County's first shovel-ready site, a prime location with abundant infrastructure and great access for an incoming business. We launched our regional Center for Workforce Development, working to enhance our County's human assets, while continuing to aggressively pursue opportunities to enhance our technological assets through broadband connectivity. We achieved unprecedented success in Governor Cuomo's CFA process and spearheaded the development of comprehensive plans for Richfield Springs, Oneonta, and Cooperstown. We also set in motion two critical initiatives for the revitalization of the County: re-development of the historic Oneonta Rail Yards and a feasibility study concerning a food innovation district for our region. To top it all off, we closed out 2015 by creating the organization's first-ever strategic plan.

As someone who's spent a lifetime working in the nimble private sector, I've learned the hard way that economic development is a slow, deliberate process and that projects can take years to bear fruit. Last year, in these pages, I compared economic development to a marathon and I'm somewhat disappointed to have been proven right in that assessment. Still, despite our lack of headline-making achievements as of yet, the momentum that our Board and staff feel building behind our efforts is unmistakable and invigorating.

Our mission is more pressing and more critical than ever. In 2016, we will see significant progress in redeveloping the Rail Yards in partnership with their new owner, Norfolk Southern. We will be assessing the functionality and breadth of a food & beverage "innovation district" in our County. And also bringing, we believe, the beginnings of a major fiber and wireless-based County-wide broadband build-out to the region.

In addition, our three largest population centers will use their completed comprehensive plans to map their futures, to propel smart growth, and to encourage private investment. On behalf of our Board and our team, thank you for your continued support of our efforts. In the months and years ahead your partnership in pursuit of prosperity for Otsego County, its residents and businesses, is our greatest asset.

Robert Hanft

MESSAGE FROM THE CEO SANDY MATHES



Great progress was achieved in 2015 to build the kind of momentum needed to initiate true, transformational development in Otsego County!

First, I must acknowledge the tremendous support that we at Otsego Now have received from both the IDA and CRC Boards of Directors. Without their leadership and commitment to making economic development happen in Otsego County, we would not be successful. A special thank you to Chairmen Hanft and Bernier for their trust, confidence, and generous time spent helping to keep our work on track and focused on our strategic end-game.

In addition, our staff have been working tirelessly toward our mission of implementing our vision and initiating projects to create jobs. Making Otsego County prosper and providing economic opportunities is our driving agenda. We are fortunate to have attracted this level of talent to our organization.

We have several critical projects underway that advanced our 2015 agenda, all bound to produce results and economic activity in 2016 and for years to come. Provided below is a sampling of projects that -- with important NYS Funding and partnership support -- have made great progress and represent hope for our economic revival and future job growth:

- Oneonta Rail Yards Re-development
- Market Street Craft Food and Beverage Innovation District
- Cooperstown Development Plan
- Richfield and Richfield Springs Comprehensive Plan
- Oneonta Business Park "Shovel Ready" Designation
- Workforce Center Implementation
- Cooperstown Beverage Exchange

Future projects with their roots in 2015 include a destination hotel/indoor waterpark, solar renewable generation projects in the Towns of Oneonta and Richfield, continued preparation to secure NYS funding for significant advancement in broadband throughout the County, support of the craft beverage industry through enhanced production of hops, barley, and grain in Otsego and the greater region, enhancement of the Oneonta Airport as an economic hub of activity, and attraction of new jobs to the now vacant IDA-owned building in the Oneonta Business Park.

In conclusion, I must highlight the tremendous commitment and work of the Board of Directors, Audit Committee, and our COO Elizabeth Horvath. Their commitment to financial transparency, oversight, management, and regulatory compliance has enabled us, for the third year in a row, full reporting compliance of the NYS Comptroller's Office and the NYS ABO requirements. Bravo!

Alexander "Sandy" Mathes, Jr.

A handwritten signature in black ink that reads "Alex Mathes, Jr." in a cursive style.

BOARD OF DIRECTORS

ROBERT HANFT,
CHAIR

JAMES JORDAN,
VICE CHAIR

JOSEPH BERNIER,
SECRETARY

HUGH HENDERSON,
ASSISTANT SECRETARY

JEFFREY LORD,
TREASURER

JAMES SALISBURY

LEONARD MARSH

CRAIG GELBSMAN

DEVIN MORGAN

AGENCY COUNSEL

A. JOSEPH SCOTT, ESQ.,
HODGSON RUSS, ALBANY, NY

KURT SCHULTE, ESQ.,
ONEONTA, NY

AGENCY STAFF

ALEXANDER "SANDY" MATHES, JR.
CHIEF EXECUTIVE OFFICER

ELIZABETH HORVATH,
CHIEF OPERATING OFFICER

DAWN RIVERS,
DIRECTOR

JOSEPH HUGHES,
ADMINISTRATIVE DIRECTOR

BOARD OF DIRECTORS



ROBERT HANFT | CHAIR



JAMES JORDAN | VICE CHAIR



JOSEPH BERNIER | SECRETARY



HUGH HENDERSON | ASST. SEC.



JEFFREY LORD | TREASURER



JAMES SALISBURY



LEONARD MARSH



CRAIG GELBSMAN



DEVIN MORGAN

AGENCY STAFF



ALEXANDER "SANDY" MATHES, JR.



ELIZABETH HORVATH



DAWN RIVERS



JOSEPH HUGHES



OTSEGO NOW SUMMARY

- “Otsego Now” is the D/B/A designation of the three economic development arms of Otsego County: The Otsego IDA, The Otsego County Capital Resource Corporation (CRC), and The Center for Workforce Development.
- A nine-member board appointed by the Otsego County Board of Representatives governs the IDA and the CRC.
- An independent certified public accounting firm performs the annual financial audits of the IDA and CRC. The Reports are available annually, after March 31st of the following year, at www.otsegonow.com.
- Otsego Now’s auditors are Mostert, Manzanero and Scott, of Oneonta, New York.
- Otsego Now’s counsels are Mr. A. Joseph Scott of Hodgson Russ, Albany, New York, and Mr. Kurt Schulte, Oneonta, New York.
- Operating funds are derived solely from fees paid by applicants seeking assistance, administrative fees, rental income, and return on investments. Taxpayer dollars do not support Otsego Now’s operations.

PROGRAMS AND INCENTIVES

The Otsego IDA provides business support and operates incentive programs consistent with its powers and mission statement in the following areas:

- **Tax Incentives:** Exemptions from mortgage recording, sales and use taxes, and abatement of real property taxes through payment-in-lieu of tax agreements.
- **Asset development:** Development of property and facilities for investment.
- **Workforce Development:** Company- and sector-specific and general workforce readiness training.
- **Business Support:** Financial support and contract management services specific to New York State grants for private businesses.

The IDA’s prime objective is to provide assistance to existing businesses, expansions and business attraction with professional assistance, tax incentives, project coordination, preparation of “shovel-ready” sites, educational programs, and access to capital for the purposes of creating jobs and economic development activity within Otsego County.

The Otsego County CRC provides **tax-exempt bond financing** to not-for-profit entities (e.g., hospitals and universities) in support of their expansion and success.



OUR FIRST SHOVEL-READY SITE

ONEONTA BUSINESS PARK

One of Otsego Now's most exciting developments this past year involved the preparation for development of the former Pony Farms industrial park. In 2015, as a result of months of work by the agency's CEO, working closely with State Senator James Seward, the NYS DOT Regional Office in Binghamton, and the Town of Oneonta Supervisor and Planning Board, COIDA's **40-plus developable acres** at Pony Farms achieved shovel-ready status. This exceptional site is now being aggressively marketed through New York State and site-selector channels. This exciting project stands ready to make a positive and powerful economic impact on Otsego County and the outlying region. Congratulations to everyone involved and thank you for all your hard work and commitment!



SITE #5



SITE #7



SITE #8



Aerial view of Oneonta Business Park

BUILDINGS, LAND and INFRASTRUCTURE

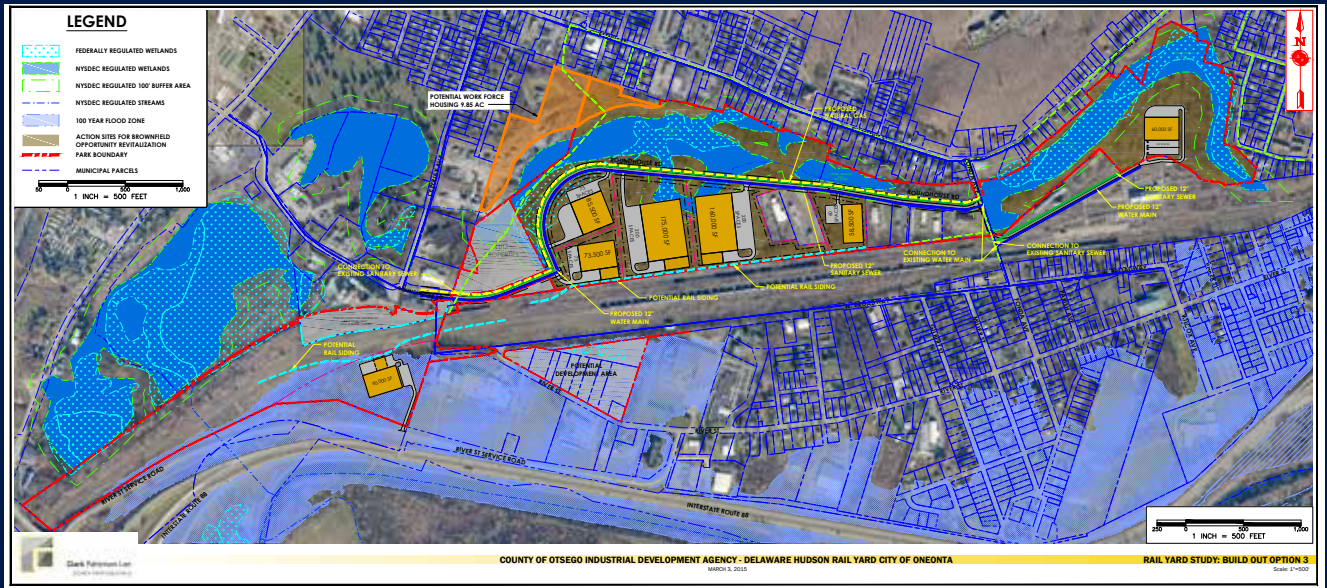
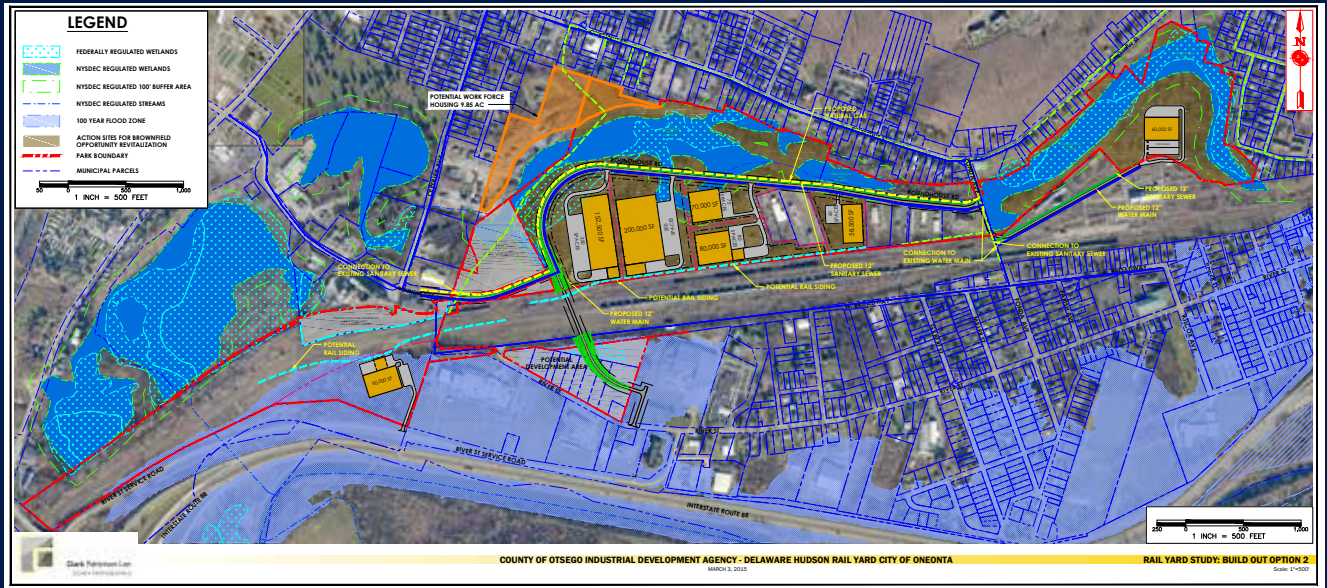
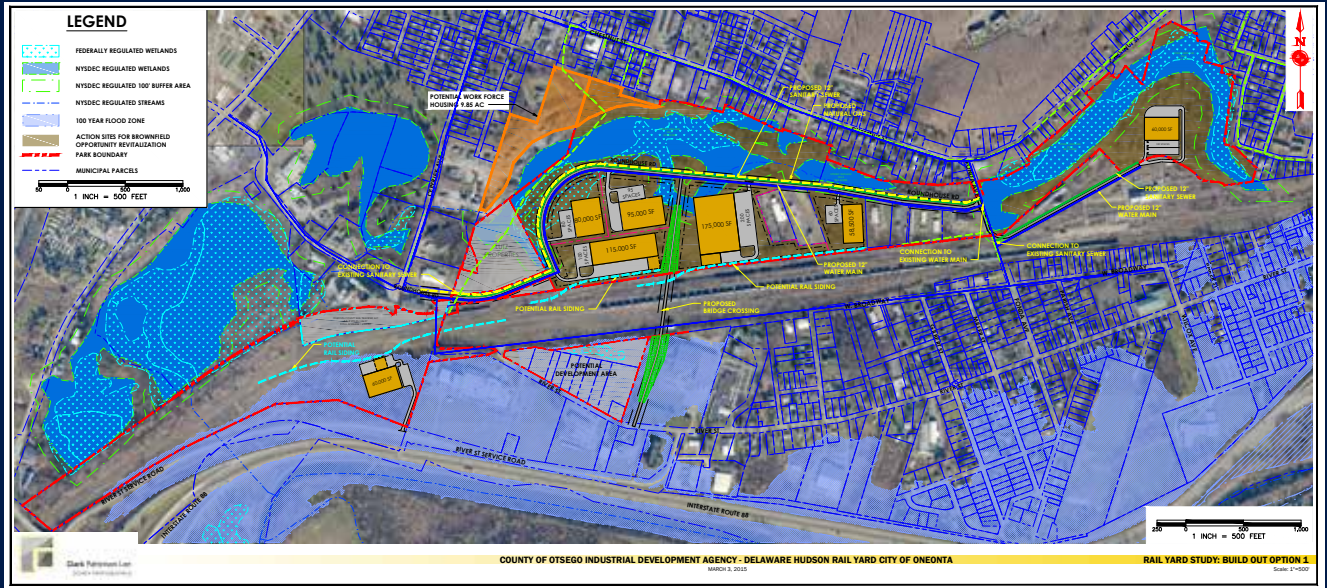
ONEONTA RAIL YARDS

In 2015, the Canadian Pacific Rail Yards were purchased by **Norfolk Southern**, a company genuinely invested in development. COIDA, benefitting from a \$47,500 CDBG grant, hired **Clark Patterson Lee** to conduct a development plan and study to identify re-development potential in the rail yards, and to complete initial environmental and engineering reviews related to traffic, infrastructure, brownfields and building scale. COIDA began taking steps to obtain control of approximately **80 acres** of private land at the rail yards with a goal of creating multi-modal shovel-ready sites available to market in 2017-2018. COIDA was successful with an Empire State grant at the end of 2015 that will further support rail yards re-development, including further engineering, SEQR, draft GEIS preparation, an updated City of Oneonta Comprehensive Plan, and local City approvals.

With the successful redevelopment of the Rail Yards, the potential economic boon to Oneonta and to the County as a whole cannot be overstated. This dynamic site, perfect for logistics, multimodal transport, food processing, and also advanced manufacturing in need of extensive infrastructure capacity, will be one of Otsego Now's most critical initiatives for many months to come.



ONEONTA RAIL YARD STUDY: BUILD OUT OPTIONS



139 COMMERCE ROAD

Siemens Medical, a 20-year tenant at 139 Commerce Road, decided to close its Oneonta operations in early 2015, much to the disappointment of the community. This IDA-owned 20,000 square foot building with **excellent sewer, water, electric and natural gas services**, plus proximity to Interstate 88 and the Oneonta Rail Yards, is a terrific asset for which we've been trying to find the right partner. Otsego Now spent much of 2015 in discussions with regional players in the craft beverage arena and we hope those discussions will come to fruition in 2016, further enhancing our County's leadership in food and beverage innovation projects.

Photo by Gerry Raymonda

BROADBAND DEVELOPMENT

COIDA has created a partnership between **Otsego Electric Cooperative, Middleburgh Telephone (Mid-Tel), Otsego County** and itself to expand broadband services to under and unserved areas in Otsego County, and stands ready to competitively seek grants and other sources of financing for county-wide broadband build out. The agency has been frustrated by the many delays in launching grant-funding opportunities for this important initiative, but feels confident that its private sector driven build-out plan, coupled with its experienced partners, will help garner success in obtaining grant financing in 2016.



WORKFORCE DEVELOPMENT

The Otsego Now Workforce Training Center grew from concept to working program during an exciting and eventful 2015.

With the indispensable help of **Senator James Seward**, Otsego Now obtained significant grant funding to outfit its Workforce Training Center with 20 laptop computers, audio-visual equipment and smart boards, as well as desks, tables, furniture and fixtures for classroom and small-group use. Located on the mezzanine level of Otsego Now's fifth floor offices, the Center includes an informal study area for trainees and a formal classroom area that seats twelve.

The Center and other Otsego Now meeting spaces were also outfitted with advanced technology that allows a user to make a standard PowerPoint presentation, to share any other multimedia content from a laptop hard drive, or to go online and access any resources available there, including streaming online multimedia content. In the **early Fall of 2015**, we launched the Otsego Now Regional Workforce Training Center and held our first classes.

To address the need for soft skills training identified during our industry roundtables last year, we have adopted a malleable soft skills curriculum, thanks in large part to the **Office of Community Renewal** and its CDBG funding. In 2016, we plan to enhance the basic curriculum with additional instructional segments such as industrial, clerical/administrative, and warehousing/distribution focused courses.

Partnerships have been instrumental in two of our sector curricula. For the agriculture and agribusiness training, for example, we have partnered with **CADE** to deliver training for entry-level employees in agribusiness. The entry-level health-care sector training has grown into a very specific training course for Direct Support Professionals, with curriculum recommended by our partner **Pathfinder Village**.

We look forward to pursuing all opportunities we find to partner with existing and new businesses to enhance the local labor pool to fill market needs. We'll continue to work directly with targeted sectors for attraction to identify workforce development needs, and to create curricula and enhanced skills to address them.

Employers Welcome: Job Training Offered

Otsego Now Opens Job-Training Center

By LIBBY CUDMORE

To Jeff Burnham, a Navy veteran living in Oneonta, the first day of school at the new Workforce Development Center was something to be celebrated.

"As soon I heard about this class, I was very excited," he said. "I've been trying to find a program that focuses on soft skills, communication and that helps me focus, and after the first day, I was ecstatic!"

Burnham's class, Employability Skills, is the first offered at the new Regional Workforce Development Center in the Otsego Now offices



Photo by Gerry Raymond

TRAINING/ From A1

of Otsego Now, at 189 Main St. "Our hope is that these trainings provide skills and experience to help people get good jobs," said Elizabeth Horvath, COO.

The class will teach students about everything from proper appearance to punctuality, time management and business etiquette. "These are the sorts of skills employers look favorably on," said Dawn Rivers, director of the training center.

With a \$47,000 grant from Empire State Development and a \$100,000 leg-



HOMETOWN ONEONTA
Senator Seward announced a \$100,000 grant at the training center opening.

the training center was outfitted with wireless internet, 55-inch monitors with HDMI capability for PowerPoint and internet access, dry erase boards, and LCD projectors.

"This is so much more than computers and tables," said Seward. "This is our future. I know the people who live in this area, and they are hardworking and dependable. In order to meet the challenges of today's workforce, they need to be trained and ready."

And the companies are as excited as the students. "The two fastest growing industries in New

and personal health aides," said Paul Landers, Pathfinder Village president/CEO. "We're getting old, folks, and we're going to need help, and right now, there are no academic programs where a person can get boots on the ground, 'ticket to work' transferrable training."

Landers worked with Rivers to develop a Direct Support Professional Training, based on the courses offered by the College of Direct Support. The online training, a combination of in-class and at-home coursework, will offer a certification that can be marketed to any of Otsego County's care facilities, including Focus, Springbrook, Arc Otsego and Pathfinder Village.

"If you graduate from this program and get hired at Pathfinder Village, we will provide a 20

percent higher starting he said. "You're making investment in your education so we'll pay for it."

The class runs 1-4 Mondays-Thursdays, Nov. 19, and offers tuition and childcare subsidies.

At Burt Rigid Box Company of Oneonta, operations manager Greg Ward said the program is a way to find the best people for his company.

"We'll be able to give tours, and people will be able to decide if manufacturing is for them," he said. "I've saved thousands of dollars in training, and we'll be able to invest that back into our company, to grow, and we'll need more employees."

And Robert Hanft, the county IDA, hopes other employers will be encouraged to use the center. "This space is owned by the community," he said.

ACTIVITIES

BOARD AND COMPLIANCE

COIDA's Board, Audit & Finance Committee, and Project Committee all continued to meet on a monthly basis to address the Agency's governance, projects, and its financials. Staff prepared and submitted the agency's Procurement, Investment and Annual Report on time to the ABO, and adopted a new practice of reviewing drafts of the 2016 budget (also submitted on time) via smartboard so that Board members could go deeper into line items where desired. The Board's membership remained unchanged in 2015. In March of 2015, the agency received a clean certified financial audit from its auditing firm.

STRATEGIC PLAN

Under the guidance of Peter Fairweather of Fairweather Consulting, the agency's board convened at two half-day offsite retreats for the purpose of formulating and stress-testing a strategic and tactical plan for 2016 and beyond. COIDA anticipates adoption by the Board of Directors of the completed plan in early 2016 and also anticipates its use going forward to not only help identify opportunities, but also to provide a central focus across the myriad different directions the agency has available.

UPSTATE REVITALIZATION INITIATIVE

Though the Mohawk Valley was ultimately unsuccessful in its bid to win one of three \$500 million URI prizes from the State, the agency's CEO and COO joined their economic development colleagues from across the region for dozens of meetings and several months' worth of work on the Mohawk Valley's plan. This valued process set forth by Governor Andrew Cuomo enabled the region to map out its future collectively, to grow closer, and to form significant partnerships. Going forward, these relationships are now the foundation for the development and implementation of future regional initiatives.

ONGOING WORK

In 2015, dozens of small businesses made inquiries into economic development services. Many of the businesses were directed to the Small Business Development Center, now located in Otsego Now's offices, for assistance with creating business plans, or to Otsego County for assistance with loans and grants.

As 2015 came to a close, Otsego Now's goals remain in alignment with Governor Cuomo's Regional Economic Development Councils and the commitment to streamline economic development agencies and programs, develop regional strategic plans, and build a pipeline for targeted economic development initiatives.

EDUCATION

Staff continued to attend NYS EDC continuing-education conferences. The Director of Workforce Development completed the IEDC's Basic Economic Development course, and the COO successfully completed both the Real Estate Development and Reuse course and the Economic Development Credit Analysis course necessary for CEDC certification.

COMPREHENSIVE and ECONOMIC DEVELOPMENT PLANS

COOPERSTOWN REVITALIZATION

Following a fruitful Phase One, Otsego Now furthered the development of a strategic and **downtown revitalization plan for Cooperstown**, in order to identify development nodes, attract new business, and revitalize the Main Street and greater community. The comprehensive plan, expected to be adopted by the Village in mid-2016, will identify opportunities to bring private investment to Cooperstown and will serve as the framework of economic development opportunities for the Village.

The **first phase** of the project, completed in early 2015, was designed to gain a better understanding of the community's strengths, weaknesses, and areas in need of improvement. Outreach activities included a multi-day design charrette, stakeholder and focus group interviews, attendance at various community events, surveying residents and visitors throughout the downtown, and the development of a project website.

Phase Two of the project, which began in April 2015, builds on the information collected during the first phase and includes the development of a Comprehensive Plan and Downtown Revitalization Strategy. The goals of this project are to identify desired future land use patterns throughout the Village, to identify realistic opportunities for business investment, and to support retail and business recruitment. The Plan will also identify potential projects stemming from the recent **Main Street** improvements, as well as selected areas including the **Railroad Avenue District**, Doubleday Field and parking lot.

Visit CoopPlan.wordpress.com for more information.

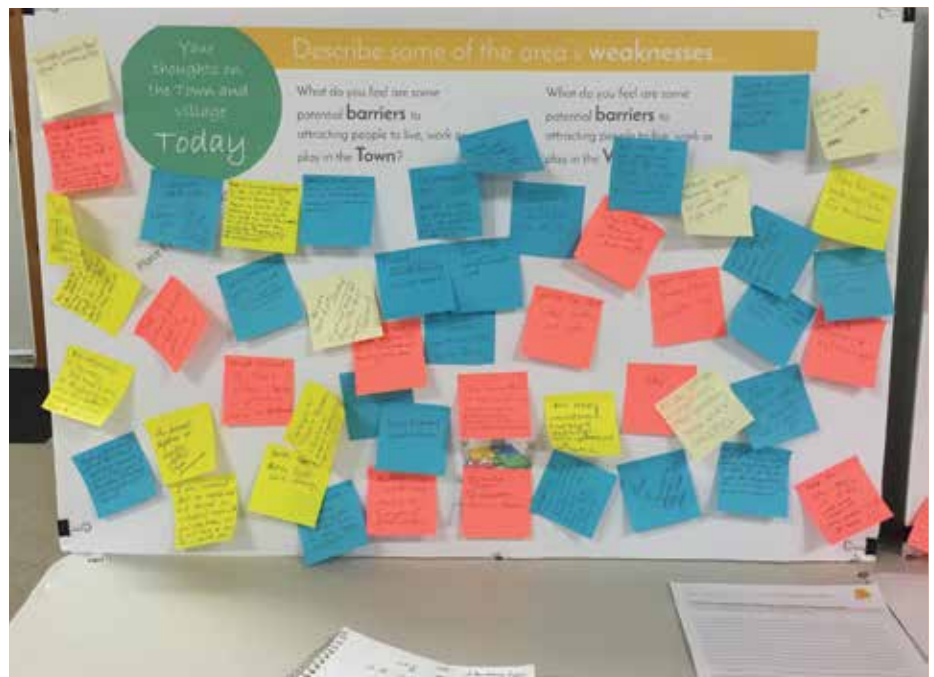
RICHFIELD SPRINGS COMPREHENSIVE PLAN

In partnership with **Empire State Development**, Otsego Now is funding and spearheading a joint Town-Village Comprehensive Plan in Richfield, with the goal of engaging the entire community in a 12-month exercise that will culminate in a citizen-driven plan and implementation matrix addressing everything from a GEIS for a business park, updated zoning, capability to form required water and sewer districts, to a vision for the next 20 years. Most importantly, it will bring the community together to plan and define their future going forward.

The project, which began in the summer of 2015, is projected to be completed mid-2016. The **Joint Steering Committee**, composed of Town and Village residents nominated by their elected officials, as well as planners from Elan Planning, has:

- Established the scope and schedule of the plan,
- Conducted an early SWOT analysis of the community,
- Conducted stakeholder interviews,
- Held focus groups in key sectors such as agriculture, economic development, historic resources and recreation, and
- Held a day-long open house for the community.

All the while, on a parallel track, the team has prepared a series of maps concerning **land use** and zoning, infrastructure, etc, and begun drafting the comprehensive plan policy with a focus on economic development. Once complete, the future land use map will be the basis for a zoning map that will serve as a guide for the potential location of a business park and also the overall development of areas throughout the town and village.



AGRICULTURE

FOOD AND CRAFT BEVERAGE INNOVATION

Two years ago, the staff at Otsego Now began working with the late Mayor Dick Miller on the idea of an agricultural center in downtown Oneonta that would be a central feature of a revitalized **Market Street**.

This project, which could include a commercial kitchen, research and testing lab, a packaging center for canning and bottling and also workforce development space is intended to bring to fruition a critical new role for Otsego County as a craft food and beverage leader.

The key question that led to this bolder and broader vision for Otsego County was:

How can we connect Market Street to Main Street, to the greater region, and then to all of upstate NY?

From that question the vision of incorporating the craft beverage industry expansively and aggressively into our area began to take form.

The project could include agricultural components such as supporting hops, grain, and barley as drivers of the industry. Just as exciting, the project could also include the feasibility of using the Market Street site as a viable location for private sector development to incorporate a boutique hotel, a craft food and beverage culinary institute of some form, and an overall center for all things craft food and beverage.

The team chosen to conduct the feasibility study consists of four outstanding service providers: **Karen Karp & Partners**, Elan Planning, Delaware Engineering and Hugh A. Boyd, architect. Between them, these professionals have over a century of experience in design and planning. Otsego Now could not ask for a better, more experienced team to help us launch the initial stage of the **Oneonta Food Hub** project.

The early phase of the project will involve analyzing the feasibility of a food hub on Market Street and determining the best functions and services that such a food hub could provide for the region. Our team will begin by defining the specifics required by the concept, analyzing what is already in place, determining infrastructure needs (such as property, transportation access, utilities, equipment, capital needs, etc.) and also assessing probable product output and resulting job creation.

The team will follow those initial assessments with a much more detailed site analysis and a refined market analysis. We expect a final draft of the study to be completed by **early summer 2016**. The process should net an idea of what kind of food hub would be most viable and sustainable, as well as where such a food hub would best be located. We expect the end product to be a centrally located facility with a business management structure that will facilitate the aggregation, storage, processing, distribution, and marketing of locally and regionally produced foods and beverages, including retail craft food and beer establishments, and research and development connected to valued-added food production.

AGRICULTURE MICROENTERPRISE GRANTS

Otsego Now received from the Office of Community Renewal a pool of \$200,000 in **agricultural microenterprise grant funds**, and following an exhaustive process evaluating more than 20 applications (through a committee comprised of a local bank president, two senior local ag lenders, a local farmer and an intellectual property attorney), decided to award grant money to nine small agribusinesses to help them acquire equipment that will help them expand their operations and create or retain jobs.

SALE/LEASEBACK PROJECTS

NORTHERN EAGLE BEVERAGES, INC.

In 2014, COIDA's Board approved a PILOT agreement for Northern Eagle. In 2015, the PILOT closed. By May of 2016 phase one of **Northern Eagle's expansion** on Browne Street will be complete, with office, warehouse, and distribution space to accommodate the company's ever-growing beverage distribution business.

Founded by Lou Hager, Jr., in 1986, Northern Eagle Beverages began life as a wholesale beverage distributor based in Oneonta and serving Otsego, Chenango, and Delaware Counties; in the past two years however, the company's vision has expanded dramatically and includes all of the following:

- Processing, drying, and pelletizing local farmers' **hops**, including those from a sister company, Hager Hops, and buying their finished product.
- Through their purchase of **Cooperstown Brewing Company** in 2014, reviving original beer recipes, rebranding the brewery, making and selling four flagship ales, and offering tours and tastings at the company's original location in Milford.
- Importing hops and grain from Europe and packaging and selling to brewers all over the United States.
- Exploration of collaboration with **Generations Malting**.
- By 2018, expansion of their Browne Street campus to include an onsite brewery, retail sales and a tasting room, as well as onsite hops processing.



PROFILE: COOPERSTOWN DISTILLERY

Otsego Now has worked with the owners of Cooperstown Distillery since its inception, providing support in 2013 that enabled the purchase of its first still. Offering a “**field to flask**” experience, this small-batch farm micro-distillery uses almost exclusively New York State ingredients to craft its spirits. Their early success has been incredible; in less than three years of business, the Distillery’s employment has tripled and its production quadrupled.

In 2015, Gene Marra and partners opened the **Cooperstown Beverage Exchange** on Main Street, Cooperstown, in the historic Augur’s Books building. With help from Otsego County and Otsego Now, Marra and his partners transformed the space into a unique combination of attractive retail space and tasting room, with a zinc bar at which patrons can sample New York State craft beverages and snack on hand-crafted sliders, local cheese plates, and more. 2016 promises further innovation at the Exchange, as the team seeks to add prestige NYS spirit producers, serious NYS cider-makers, and the best NYS vineyards from the Finger Lakes and beyond to its product lines.

If launching a new retail business wasn’t enough for one year, in the fall of 2015 the Distillery team approached Otsego Now for advice on **exporting**. Otsego Now identified experts at the Central New York International Business Alliance to conduct initial meetings with the team, who then spent the balance of 2015 attending a four-month intensive export training class, **ExportNY**, led by Syracuse University and the CNYIBA. This course, which Mr. Marra called “vastly informative,” led directly to the Distillery exporting its first pallets of spirits to Japan in early 2016.





The Tasting Room at the Cooperstown Beverage Exchange, Main Street, Cooperstown
Photo by Paperkite Creative

NEW YORK STATE GRANT AWARDS

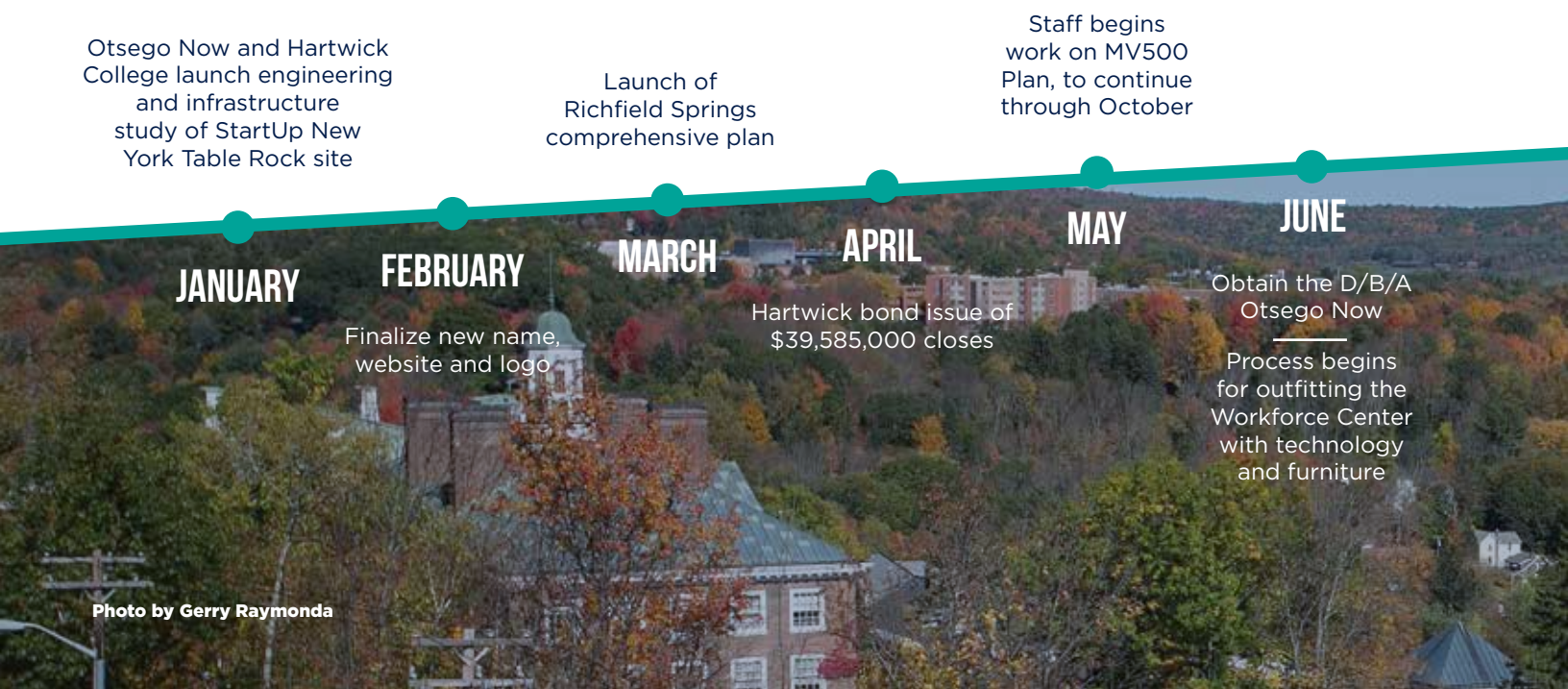
In the summer of 2015, Otsego Now applied for several grants through Governor Cuomo's Consolidated Funding Application process. At the end of 2015 our region, the Mohawk Valley, learned that it had achieved **unprecedented success** in obtaining grant funds. Highlights of that success include:

OTSEGO NOW INITIATIVES

- Building on a 2014 grant awarded for the purposes of completing a comprehensive study concerning the rehabilitation of **Oneonta's Rail Yards**, Otsego Now will receive \$571,000 (as well as the potential for additional resources) in grant funding to move the project forward with further engineering, SEQR, draft GEIS preparation, capital improvements, and local City of Oneonta approvals.
- As the craft food & beverage innovation district feasibility study draws to a close in the summer of 2016, Otsego Now will use the \$700,000 pledged by New York State toward the capital costs associated with creating a **regional ag center** and **food & beverage innovation hub**.
- With \$50,000 in grant funds, Otsego Now will initiate a feasibility study pertaining to possible business development around the **Oneonta Airport**.
- \$30,000 in State money will fund an examination of the **Route 205 corridor** in Oneonta in order to identify and remediate traffic-related issues that impede economic development and job creation.
- Otsego Now will use \$20,000 in grant funds to undertake a study concerning possible workforce and tourism **rail connections** between Cooperstown and Milford.

BUSINESS-BASED INITIATIVES

- \$400,000 in Public Facilities money for **The ARC Otsego**, the not-for-profit organization that serves individuals with intellectual and developmental disabilities through career, family, and residential services; the funds will be used to renovate residential properties.
- \$250,000 for **Generations Malting** to purchase equipment to create a state-of-the-art facility for malting NYS grains for use in craft beer and spirits.
- \$110,000 for **B&B Ranch** in Fly Creek to expand their farm-to-table operations with light manufacturing.



TAX-EXEMPT BONDS

HARTWICK COLLEGE

In April of 2015, OCCRC served as the conduit for a tax-exempt bond issue of \$39,585,000 for Hartwick College for the purposes of:

- **Renovating existing buildings** on the college's campus;
- Constructing new facilities, including but not limited to a 72-bed townhouse **residence hall**;
- Demolishing a portion of existing facilities to further the construction of a new **main campus gateway**;
- Obtaining additional equipment; and
- Refunding the college's 2012 bonds.

MARY IMOGENE BASSETT HOSPITAL

In August of 2015, OCCRC served as the conduit for a tax-exempt bond issue of \$23,600,00 for the Mary Imogene Bassett Hospital for the purposes of:

- Acquiring and installing an **electronic medical records system**, including replacing and installing computer equipment and software, and
- Refunding the hospital's 1998 bonds.



Entrance to Bassett Hospital, Cooperstown
Photo by Paperkite Creative

Bassett bond issue of \$23,600,000 closes

Clark Patterson Lee chosen to conduct Rail Yards study

Pinnacle HR hired for HR audit and creation of employee handbook, performance review system

Mohawk Valley a top performer in Round V CFAs
Karen Karp & Partners hired to create food hub feasibility study

JULY

Workforce Center hires instructor, publicizes first training courses

IDA board authorizes expenditure to study destination hotel outside Cooperstown

AUGUST

IDA Board approves strategic planning consultant and budget

SEPTEMBER

OCTOBER

IDA board authorizes hiring of Joe Hughes as Administrative Director

Otsego Now strategic planning process begins

NOVEMBER

DECEMBER

YEAR IN REVIEW

PARTNER OF THE YEAR



Photo by Gerry Raymonda

Across 2015, Hartwick College and its leadership team proved to be tremendous advocates and partners in driving economic growth in Oneonta and Otsego County. Their hard work, dedication and partnership with Otsego Now and the community can't be overstated. While we could easily fill dozens of pages describing the intersection between Hartwick, Otsego Now, and economic development, we've distilled the major activities and initiatives here:

- Hartwick won designation as a **StartUp New York campus**, with its spectacular Table Rock site identified for development. The college is simultaneously assessing investment necessary to make the site "shovel-ready" (in partnership with Otsego Now) and working to attract start-up businesses – and their high-quality jobs – to Oneonta.
- The summer of 2015 launched the **Hartwick College Center for Craft Food and Beverage**, the only laboratory of its kind in the state providing quality testing for beer and brewing raw materials such as

barley, malt, and hops, thus making Hartwick a critical partner for Otsego Now as we explore food & beverage innovation and an important piece of **Governor Cuomo's** initiative to boost farm breweries using NYS ingredients. The Center's clients are typically small craft breweries that cannot afford to build and operate a fully equipped quality control laboratory.



Director, Aaron MacLeod doing an experiment

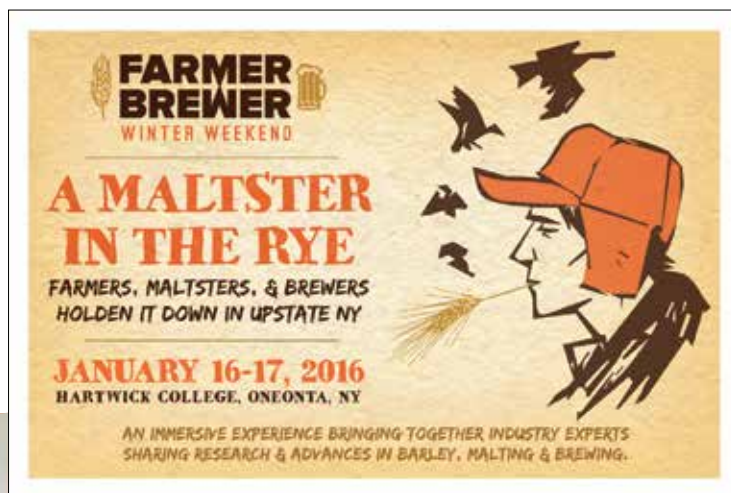
Photo by
Gerry Raymonda

- Not only does the Center offer analytics and training, but also business services to help **agribusiness entrepreneurs** grow and be successful through business plan development, market analysis, and the like.
- Faculty and staff at Hartwick have contributed significantly to a number of **economic development initiatives** in the County, including
 - MV500
 - Hops industry analysis
 - Barley malting
 - Grant-writing

- Hartwick leveraged its relationship with the OCCRC to raise funds through a **bond issue**, part of those monies are being used to upgrade the Johnstone Science Center and to completely renovate the greenhouse, activities that will continue to build the pipeline of STEM-educated workers in our County.

Through its commitment to innovation, education, economic development and the community, we could not ask for a better partner than **Hartwick College**.

STARTUP NY



“There is tremendous benefit to both Hartwick and the region when we leverage our intellectual capacity in ways that encourage and enable economic development,” Drugovich said.

WRIGHT NATIONAL SOCCER CAMPUS

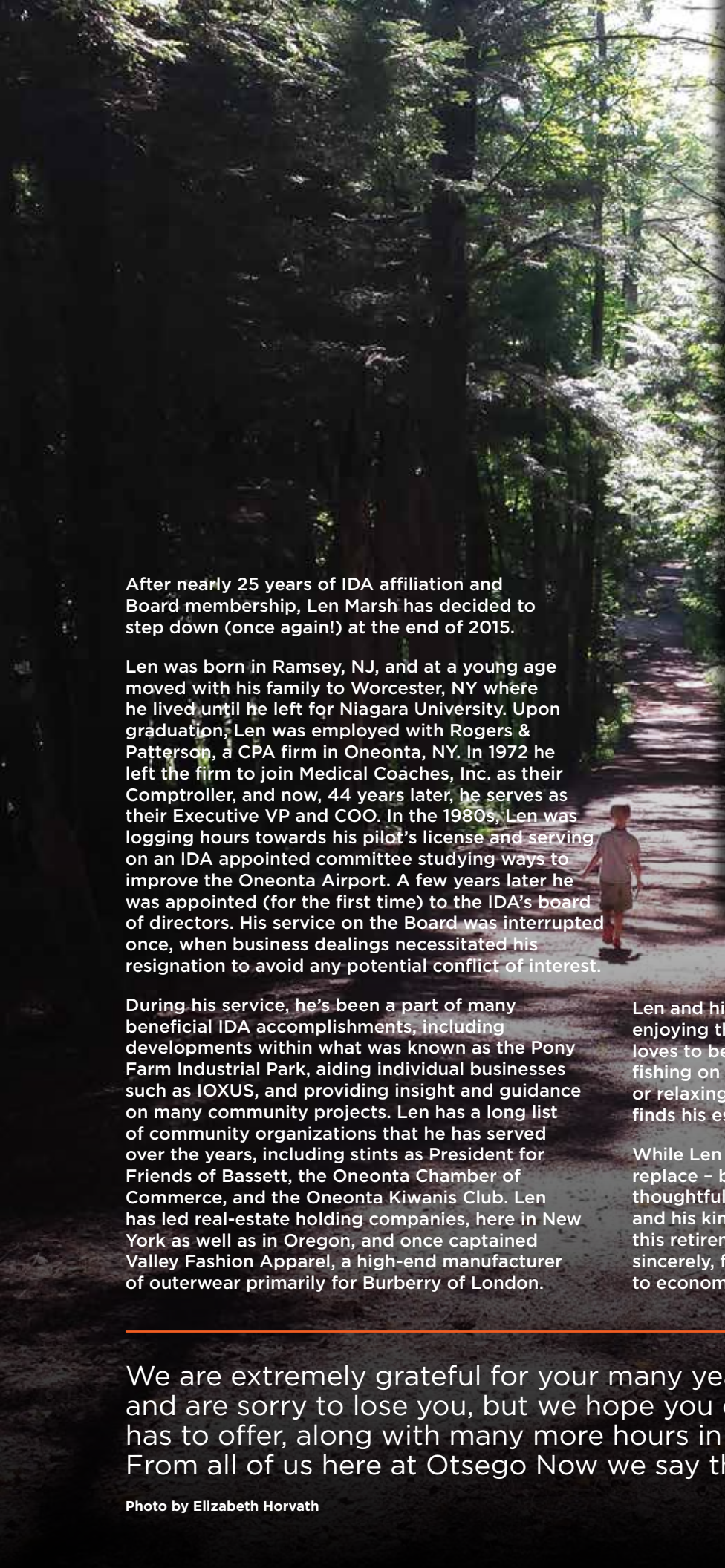
This property, now owned by the Otsego IDA for a little over a year, continues to blend a number of activities and opportunities. **IOXUS**, the high-tech ultracapacitor manufacturer, continues to lease the former Soccer Hall of Fame building for their operations and manufacturing, and the company expects to grow sales by 50% in 2016.

Otsego Now has a contract in place for 2016 with the **Oneonta Youth Soccer Association**, in which OYSA agrees to maintain the fields, bleachers, scoreboards, etc. in exchange for use of the fields for games and tournaments (thus making use of the fields available to teams throughout New York State).

In 2015, the group entertained over **40,000 visitors** at The Wright National Soccer Campus including their 1000 recreational players, 250 travel soccer players, 60 out of town teams participating in our I-88 challenge soccer tournament, the Oneonta Mayor's Cup (Oneonta State & Hartwick), two Challenger Summer soccer camps, and much more.

Otsego Now continues to identify strategies to expand the use of these facilities in the shoulder and winter seasons, possibly through the addition of a soccer dome.





**A TRIBUTE TO:
LEN MARSH**

After nearly 25 years of IDA affiliation and Board membership, Len Marsh has decided to step down (once again!) at the end of 2015.

Len was born in Ramsey, NJ, and at a young age moved with his family to Worcester, NY where he lived until he left for Niagara University. Upon graduation, Len was employed with Rogers & Patterson, a CPA firm in Oneonta, NY. In 1972 he left the firm to join Medical Coaches, Inc. as their Comptroller, and now, 44 years later, he serves as their Executive VP and COO. In the 1980s, Len was logging hours towards his pilot's license and serving on an IDA appointed committee studying ways to improve the Oneonta Airport. A few years later he was appointed (for the first time) to the IDA's board of directors. His service on the Board was interrupted once, when business dealings necessitated his resignation to avoid any potential conflict of interest.

During his service, he's been a part of many beneficial IDA accomplishments, including developments within what was known as the Pony Farm Industrial Park, aiding individual businesses such as IOXUS, and providing insight and guidance on many community projects. Len has a long list of community organizations that he has served over the years, including stints as President for Friends of Bassett, the Oneonta Chamber of Commerce, and the Oneonta Kiwanis Club. Len has led real-estate holding companies, here in New York as well as in Oregon, and once captained Valley Fashion Apparel, a high-end manufacturer of outerwear primarily for Burberry of London.

Len and his wife raised three children and are enjoying their two grandsons. In his spare time, Len loves to be outdoors. Whether it be up at his camp fishing on the lake, riding ATVs and snowmobiles, or relaxing in the solitude of the woods, Len finds his escape in the beautiful Adirondacks.

While Len will be incredibly difficult to replace - between his financial acumen, his thoughtful leadership, his sense of humor, and his kindness - he has more than earned this retirement. Thank you, Mr. Marsh, most sincerely, for your many years of contribution to economic development in Otsego County!

We are extremely grateful for your many years of contribution and are sorry to lose you, but we hope you enjoy what retirement has to offer, along with many more hours in the great outdoors! From all of us here at Otsego Now we say thank you, Len!

BUDGET FY 2015

FOR THE YEAR ENDED DECEMBER 31

OCCRC

REVENUE AND FINANCIAL SOURCES	2016	2015
OPERATING REVENUES		
Charges for services	\$22,115	\$200,000
NON-OPERATING REVENUES		
Investment earnings	\$150	\$150
Total revenues and financing services	\$22,265	\$200,150
EXPENDITURES		
OPERATING EXPENDITURES		
Professional services contracts	\$362,500	\$2,420
Supplies and materials	200	---
Other operating expenditures	38,591	1,600
Total expenditures	\$401,291	\$4,020
Excess (deficiency) of revenues and capital contributions over expenditures	---	---
	\$(379,026)	\$196,130

COIDA

REVENUE AND FINANCIAL SOURCES	2016	2015
OPERATING REVENUES		
Charges for services	\$115, 018	\$194, 435
Rental and Financing	62,493	205,431
NON-OPERATING REVENUES		
Investment earnings	\$1,231	935
State grants	\$403,000	0
Total revenues and financing services	\$581,742	\$400,801
EXPENDITURES		
OPERATING EXPENDITURES		
Salaries and wages	\$155,354	\$138,437
Other employee benefits	38,288	29,216
Professional services contracts	468,363	144,455
Supplies and materials	22,086	27,751
Other operating expenditures	275,238	140,066
NON-OPERATING EXPENDITURES		
Capital Asset Outlay	0	0
Grants, donations, interest, other	10,000	10,000
Total expenditures	\$959,329	\$489,925
Excess (deficiency) of revenues and capital contributions over expenditures	\$(377,587)	\$(89,124)

OCCRC

	2015	2014
Current assets	\$655,416	\$507,474
Prepaid Insurance	-----	1,205
Total assets	655,416	508,679
Current liabilities	-----	2,000
Net position	\$655,416	\$506,679
CHANGES IN NET POSITION		
Operating revenues	\$633,350	-----
Operating expenses	484,760	3,646
Operating income (loss)	148,590	(3,646)
NON-OPERATING INCOME (EXPENSES)		
Interest income	147	102
Net income (loss)	148,737	(3,544)
Net assets, beginning of year	506,679	510,223
Net assets, end of year	\$655,416	\$506,679

In order to better understand the data, the reader is encouraged to read the entire audited financial reports at www.OtsegoNow.com.

FINANCIALS

FOR THE YEAR ENDED
DECEMBER 31

2015

COIDA

	2015	2014
Current assets	\$2,024,263	\$1,682,009
Non-current assets	4,338,487	4,511,829
Total assets	6,362,750	6,193,838
Total liabilities	456,087	36,224
Net position	\$5,906,663	\$6,157,614

CHANGES IN NET POSITION

Operating revenues	\$391,915	\$346,706
Operating expenses	766,651	(1,118,293)
Operating income (loss)	(374,736)	(771,587)

NON-OPERATING INCOME (EXPENSES)

Contribution of land and building	-----	2,164,764
Grant income (net)	122,844	-----
Loss on sale of property	(1,121)	-----
Payment in lieu of taxes	-----	(9,050)
Interest income - other	2,062	5,347
Change in net assets	(250,951)	1,389,474
Net assets, beginning of year	6,157,614	4,768,140
Net assets, end of year	\$5,906,663	\$6,157,614



189 Main Street, Suite 500 | Oneonta, New York 13820
(607) 267-4010 | OtsegoNow.com

**Alexander “Sandy” Mathes, Jr.,
Chief Executive Officer**
mathes@otsegonow.com

**Elizabeth Horvath,
Chief Operating Officer**
horvath@otsegonow.com

**Dawn Rivers, Director,
Workforce Development**
rivers@otsegonow.com

**Joe Hughes,
Administrative Director**
hughes@otsegonow.com