

**COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY
ANNUAL REPORT
JANUARY 1, 2013 – DECEMBER 31, 2013**

The following is a summary of the activities of the County of Otsego Industrial Development Agency for the period January 1, 2013 through December 31, 2013.

STAFF

Carolyn Lewis, Economic Developer, Executive Director, January through July
Douglas Gulotty, Interim CEO, July through December
Zondra Hart, Economic Development Specialist

BOARD MEMBER CHANGES

There were no Board Member changes during the year. Sharon Oberriter was elected Chair of the Board in 2013, replacing Joe Bernier, who continues to serve as Secretary of the Board.

LOANS APPROVED

Cooperstown Distillery (\$50,000)

In September 2013, COIDA made a \$50,000 loan to the Cooperstown Distillery to assist in their construction of a farm micro-distillery at 11 Railroad Avenue in Cooperstown. The company expects to create three full-time jobs in its first three years of operations.

CompDirectUSA (\$150,000)

In August 2013, the Agency made a \$150,000 loan to Mike Spagnola of CompDirectUSA in connection with the Otsego County wireless broadband project. At a cost of approximately \$800,000, the wireless infrastructure implemented by CompDirectUSA is projected to pass 28,000 households and 4,500 businesses; the number of jobs estimated to be created during the construction of the network is 25, with 8 to 12 employed after construction (help desk, operations, maintenance).

Brooks' Bottling Plant (\$150,000)

COIDA approved a loan of \$150,000 for the expansion of Brooks' sauce bottling operation and is awaiting execution of the loan.

CADE (\$20,000)

The Center for Agricultural Development and Entrepreneurship has partnered with COIDA and is drawing down incrementally a \$20,000 loan that is helping finance consulting work concerning the development of an Otsego County food hub.

Ongoing

The Project committee and Board continue to monitor the financial conditions and job-creation successes of all loan clients. There are 20 active clients in the loan portfolio.

PENDING PROJECTS

Otsego County Health Facilities Corporation

The Otsego County Board of Legislators took action to form the OCHFC in preparation for the sale of the Otsego Manor to a for-profit entity. In November 2013, COIDA held a public hearing regarding the financial assistance being contemplated by the Agency to OCHFC. The resolution to approve a PILOT agreement in advance of the completion of the sale (which PILOT is expected to help protect 17 full-time and 3 part-time jobs at the facility) was approved by the Board in January 2014.

Monticello Hills Wind Project PILOT

In 2012, COIDA received a PILOT application from Mr. Owen Grant of Ridgeline Energy on behalf of the Monticello Hills Wind Project proposed in the Town of Richfield Springs. The plan includes six wind turbines on parcels at the east edge of the county line. The total project cost is \$40 million and approximately 70% of the cost is turbine construction. The project will employ an estimated 70 construction workers from NYS and will have 3 FTE ongoing for operations and management. COIDA has provided preliminary approval of the PILOT pending local permitting and board approval.

SALE / LEASEBACK PROJECTS

Bresee's Redevelopment Project

The Agency approved a request from Klugo Oneonta, LLC for a PILOT agreement and sales tax abatement for the Bresee's Redevelopment Project, which is on schedule to accept residential and commercial tenants in mid-2014.

Hillside Commons

The Agency approved a sale/leaseback PILOT agreement for the Hillside Commons Oneonta Project, supported by the City of Oneonta, which will result in the building of upscale student housing – including a fitness center and computer lounge, among other amenities -- adjacent to the SUNY Oneonta campus. The project is expected to create 11 jobs within the first two years of operation, and to surpass \$16,500,000 in construction costs.

TECHNICAL / TRAINING ASSISTANCE

Senator Seward's Economic Summit

In the Fall of 2013, a broad community discussion of economic development – Senator Seward's second Economic Summit – was jointly sponsored by COIDA, OCDC, the Bank of Cooperstown and Community Bank. This Summit, spearheaded by the Senator and organized by Sandy Mathes, focused on the structure, goals and funding of economic development activities for the County going forward.

CORE

In 2012, the Agency provided CORE (Career Opportunities in Rural Education, Milford Central School) with \$5000 to provide a teacher from Milford with *Project Lead the Way* training; in 2013, the Agency again contributed \$5000 to CORE for further teacher training.

COIDA REORGANIZATION

Serving the diverse economic development needs of the County continues to be a primary focus for COIDA. Upon Carolyn Lewis' resignation, the board responded immediately by engaging Douglas Gulotty as Interim CEO and tasking him with the completion of projects, regulatory compliance, budgeting and recruitment of the Agency's first-ever staff. Under Mr. Gulotty's guidance, the Board was please to announce the hiring of Elizabeth Horvath as Chief Operating Officer, and the multi-year engagement of professional Economic Developer Sandy Mathes, who is tasked with advancing potential development opportunities, reviewing and assessing sites, and drafting a strategic plan for COIDA. The staff continue to work closely with Ms. Lewis in her new role at SUNY Oneonta as director of the university's StartUpNY activities, and with Zondra Hart on all projects with overlap between the County, the OCDC and the IDA.

BUILDINGS AND INFRASTRUCURE

Wright National Soccer Campus

COIDA continues to support the maintenance of the Wright National Soccer Campus through a partnership with the OCDC. The fields continue to be used by local soccer clubs and schools, and serve as a draw for Regional tournaments in the Fall Season. Board members and staff volunteer time to provide scheduling and operational functions. COIDA expects to have ownership of this property, whose property maintenance it has solely funded, transferred to it from OCDC in 2014. The Agency's 2013 contribution to the Campus's maintenance exceeded several thousand dollars.

Pony Farm Industrial Park

The Agency entered into an agreement with CHA in April 2013 to inventory the Pony Farm site, analyze it, perform a market analysis that includes recommendations on industry targets, create up to three possible Master Plans for the park and draft a specific development program – including SEQR – for the preferred plan. The Board last received an update on CHA's progress in December 2013; the project is ongoing. Siemens, the current tenant, has signed a lease through the end of 2014 with COIDA.

CP Rail Yards

The Agency approved funding for an engineering analysis for the development of a rail siding in the CP Rail Yards.

Richfield Springs Business Park Development

The IDA has decided not to pursue the development of the Richfield Business Park for feasibility reasons. The Park will be actively marketed in 2014.

OTSEGO COUNTY CAPITAL RESOURCE CORPORATION

No new activity to report in 2013.