

# Otsego Now

## 2021 Annual Report



**Building a Better Future**

# Message from the CEO

**2021 saw a return to growth in Otsego County. Corning, Springbrook, Ioxus and Advanced Biotech all announced plans for expansion.**

**Otsego Now also embarked on the development of an Innovation/Acceleration Center.**



**Unlike other innovation centers, Otsego Now has been working with Custom Electronics and Ioxus to have them provide technical assistance to entrepreneurs as well as testing of prototypes, marketing assistance and manufacturing of products.**

**A recent brownfield developer summit has also resulted in interest from developers looking to develop new housing in the Cooperstown area.**

**The Agency also continued to complete various grants it had applied for over the past few years under budget and on schedule.**

**And, Otsego Now continues to digitally market the county to downstate residents and businesses looking to relocate to a better environment and lifestyle.**

**Yes, 2021 has been a year which saw reinvigorating growth in our County and businesses.**

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## 2020 Board of Directors



JEFF JOYNER, CHAIR



DAVID ROWLEY, V. CHAIR



THOMAS ARMAO



CHERYL ROBINSON



JEFF LORD, TREASURER



JOSHUA EDMONDS



ANDREW MARIETTA



PATRICIA KENNEDY



CRAIG GELBSMAN, SEC.

## Otsego Now

Otsego Now is the umbrella organization for several economic development entities serving Otsego County and includes the Otsego County Industrial Development Agency, the Otsego County Capital Resource Corporation, and the Oneonta Railyard Local Development Corporation.

It is a nine-member Board appointed by the Otsego County legislature which governs each agency.

The Agency's auditors are Mostert, Manzanero, and Scott of Oneonta, New York.

The Agency's bond counsel is Mr. A. Joseph Scott of Hodgson Russ, Albany, New York and its general counsel is Mr. Kurt Schulte of Oneonta, New York.



**OTSEGO** **now**

HUB FOR ECONOMIC PROGRESS

Otsego Now provides through the IDA the following business incentives and support programs:

- Sales Tax Exemptions for manufacturing companies
- Exemptions from real property mortgaging recording fees
- Abatement of real property taxes through payment-in-lieu-of-tax agreements (PILOTs)
- Grant application assistance for capital projects
- Grant application assistance for job creation
- Company specific and general workforce readiness training
- Tax-exempt bond financing for manufacturing expansion
- Tax-exempt bond financing through our Capital Resource Corporation for not-for-profits (i.e. colleges, universities and hospitals) building expansion and acquisition.

## **Corning Life Sciences: \$14.7 Million Expansion**



**"Oneonta is a key part of Corning's Life Sciences business, responsible for manufacturing products such as flasks for tissue culture and roller bottles for vaccine production. Oneonta's products are the foundation of a broad range of laboratory work and help enable vital research techniques such as cell culturing, which increase our understanding of diseases and how to treat them," said Wendell P. Weeks, chief executive officer, and president.**

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**The Otsego County Industrial Development Agency provided Corning with a Pilot Agreement and Sales Tax Exemption on Project Geode, a multiphase project to expand manufacturing capacity for the Oneonta Plant as part of Corning Incorporated plans. The project includes additional manufacturing equipment and a facility expansion of approximately 13,600 square feet.**



## **Corning Continues to Invest in Oneonta...**



**This is Corning's third project in Oneonta since 2018. The first was a \$11 million plant upgrade in 2018. A payment-in-lieu-of-tax (PILOT) agreement was reached between the IDA and Corning to allow Corning to move ahead with an \$11 million upgrade to its Oneonta facility. As part of the PILOT, Corning agreed to maintain 175 persons working in the plant for at least 15 years.**

### **Solar Array**



**A \$1.2 million solar array was announced in July 2019. The Otsego County Industrial Development Agency approved a Payment-in-lieu-of-tax (PILOT)**

**agreement, as well as sales tax exemptions for Corning to install a 664.5kW DC; 490 kW AC system to be built at their Oneonta facility. The array occupies 2.61 acres and is surrounded by fencing, per NYS electric code. The array will produce approximately 806,000 kwh annually and will have a transformer & disconnect adjacent to a NYSEG substation. The system produces power that is delivered to the NYSEG grid and is consumed by Corning.**

## **Advanced Biotech of New Jersey Invests \$5 Million to Expand Operations in Otsego County**



**Advanced Biotech, is a Leader in Natural Flavor and Fragrance Ingredients including Extracts, Essential Oils & Isolates, Oleosins, Natural Aromatics, Natural**

**Pyrazines, Synthetic Aromatics, Thiazoles, Heterocyclics, Pyrazines, & Sulfur, Absolutes, Distillates, Vanilla Extracts, Koolada Cooling Agents, EU Natural Products, Food Flavoring, Flavor Extracts, Oil Flavoring, Essential Oil flavors, and Fragrance Oils.**

**The company recently purchased the former Medical Coaches manufacturing facility in Milford, an 87,348 square foot facility.**

**The Otsego County IDA provided both sales tax exemptions and a Pilot Agreement for the new company.**



**The company will be initially using the building for warehousing and start with six employees. They will be investing some \$2 million in new equipment.**

**Eventually, some of its manufacturing products line will be moved to Milford and employment is expected to grow by another 20 positions.**



## **Springbrook Receives IDA Benefits to Purchase and Renovate the Historic Ford Block Building in Downtown Oneonta for Residential Use.**

**Springbrook, an organization that provides support for the developmentally disabled, is purchasing the Ford Block building on 212 Main St. in Oneonta for the purpose of providing housing for young professionals.**

**The project will include renovations of the upper two stories of the building, with 22 to 24 market-rate residential one- and two-bedroom apartments.**

**The project is estimated to cost about \$6.6 million.**

**The IDA provided exemptions from mortgage recording fees and sales tax.**



**In addition, the IDA also provided a 25-year payment-in-lieu-of-tax agreement. The 25-year agreement was needed for the prime lenders to participant. The Pilot Agreement, however, only applies to the upper floors being renovated for housing. The entire first floor commercial space will remain on the tax rolls and be fully taxable.**



# IDA Closes Out Several Grant Programs

During 2021, the IDA is in the process of closing out several grant programs it has received or administers:



**\$750,000 CDBG for Custom Electronics Expansion. Project resulted in 50 new jobs being created. Total project cost was \$2.2 million. Otsego Now wrote the grant application and administered it on behalf of the Town of Oneonta.**



**\$100,000 CDBG for the Cooperstown Distillery Expansion. Project resulted in 7 new jobs being created. Total Project cost was \$750,000. Otsego Now wrote the grant application and administered it on behalf of the Village of Cooperstown.**



**NYS Empire State Development is in the process of reimbursing the County IDA \$150,000 for successfully completing the Oneonta.**



**The Route 205 Corridor Study was completed and made recommendations for signage improvements along the Route 205 Corridor. The County IDA was reimbursed by NYS Empire State Development \$30,000 as part of a matching grant.**

**Otsego Now Teams Up with Ramboll Engineers, a Global Engineering, Architecture and Consultancy Company founded in Denmark in 1945.**



**Otsego Now and Ramboll Working to Install Community Geo-Thermal Heat Pump System Around Oneonta Railyards**

The main rationale for this project is to develop an approach that facilitates the implementation of clean energy at the Oneonta Railyards in accordance with the timetable for GHG reduction goals spelled out in the New York State Climate Leadership and Community Protection Act (CLCPA). The project offers a non-pipe alternative approach to dealing with the 60+ year old DeRuyter pipeline, the single source of natural gas into Oneonta, which is scheduled for replacement in the coming years. This project could potentially contribute to providing cost-effective alternative to replacing that pipeline. Furthermore, the project will provide the Oneonta Railyards with space cooling and heating that is low-carbon and low-cost to operate. The ground loop heat exchanger size can be optimized based on the available system diversity, and coincident heating and cooling loads result in higher coefficients of performance (COP) for such a system. SUNY Oneonta as well as the City of Oneonta also received similar grants from NYSERDA for studying the feasibility of installing heat pumps. I applaud SUNY Oneonta and Otsego NOW for their commitment to Oneonta's sustainable future. said Oneonta Mayor Gary Herzig. "These three projects make the City of Oneonta the most aggressive New York State community our size in pursuing district heat pump projects."



**Otsego Now, along with Herkimer County, Oneida County, Montgomery County, Schoharie County, Fulton County, the City of Utica, the City of Gloversville, the Mohawk Valley EDGE, the Center for Creative Land Recycling, the Mohawk Valley Economic Development District and HRP Consulting Engineers, have been working on developing a Brownfield Developers Conference the Spring of 2022.**

**The conference will highlight available properties within the six-county region and provide information on each site attributes. Developers will be encouraged to tour the sites with representative of each county.**

**Over 60 developers have been sent invitations to the conference.**



**Oneonta Rail Yards: Dynamic Modal Mixed-Use Site Local in an Opportunity Zone. Approximately 200 acres of land with access to robust public water and sewer served by natural gas zoned for commercial and industrial use. A true multi-modal hub, the Railyards features opportunities for rail sidings and sizable buildings with ample parking.**



**20 Linden Ave: Dynamic Facilities, replete with infrastructure. A 4-acre site located the Village of Cooperstown is available. It is currently being used as the County's highway garage but is slated to be vacated and available for adaptive reuse. Zoned commercial and served by a full complement of utilities, it is an ideal site for housing and mixed use.**

# Brownfield Developers' Summit Webinar



OCTOBER 6, 2021

## Brownfields Developer Summit: The Whys and Where to Invest in the Mohawk Valley

### Otsego Now's Director of Finance and Administration Promotes Otsego County at Webinar Conference.

#### Otsego County



Meaghan Marino, Director of  
Finance and Administration  
Otsego Now  
(607) 267-4010 x101  
mmarino@otsegonow.com

- Available Sites:
  - County Highway Garage
    - 20 Linden Ave, Village of Cooperstown
    - Mixed-Use and Residential
  - Oneonta Rail Yards
    - Roadhouse Rd, City of Oneonta
    - Commercial, Industrial, or Residential Use



NETWORK. EXPLORE. INVEST.



## **INNOVATION - ACCELERATION CENTER**

**Otsego Now, along with Custom Electronics, Ioxus, and Hartwick College have begun working collaboratively on building an Innovation/Acceleration Center for the County.**

**This Center will offer a unique program to attract new entrepreneurs and start up businesses in the advanced manufacturing cluster. Each entrepreneur will be paired with staff from either Ioxus or Custom Electronics who will provide one on one support with the testing of new products, assisting with new product manufacturing, and provide marketing assistance to the entrepreneur – providing key elements to the start-ups that they don't possess. Hartwick will support these efforts with student interns and faculty advisors. Otsego Now will provide office space for this endeavor. Otsego Now has also applied to the Appalachian Regional Commission for first year funding of the new venture.**

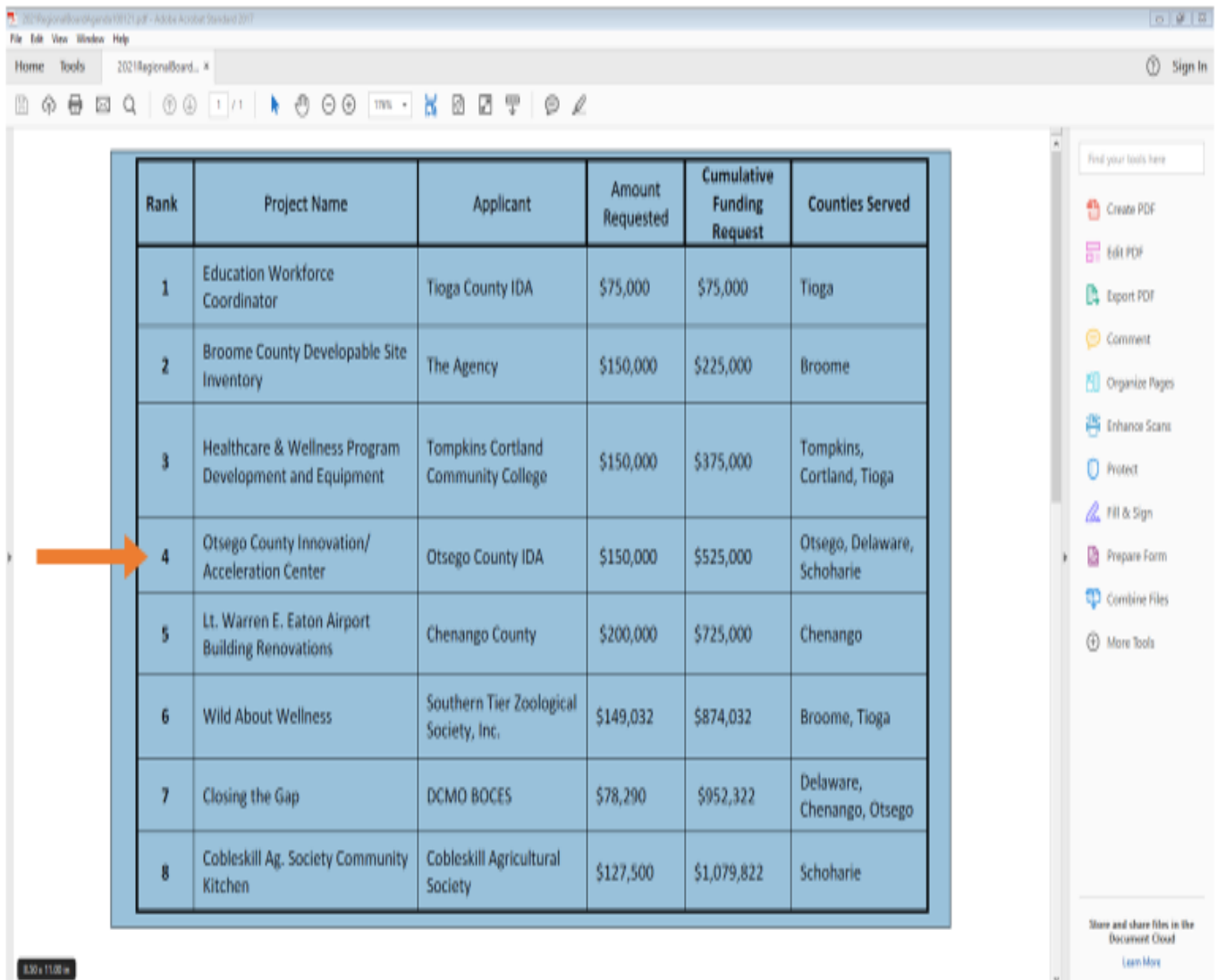
**Phase two of the program is to build a facility to house the Innovation/Acceleration Center in the Oneonta Business Park. As part of an application to the federal Economic Development Administration by Southern Tier 8, this project will be incorporated along with several others to encourage the expansion of advanced manufacturing clusters.**

**Total cost for the new facility along with installation of needed infrastructure at the Business Park is around \$8.5 million.**



# Otsego Now Applies for Appalachian Regional Commission Grant Funds

## Southern Tier 8 Ranks Otsego County Innovation/Acceleration Center in Top 5 for ARC Funding



The screenshot shows a PDF document titled "2021RegionalBoard..." with a table of grant applications. The table has six columns: Rank, Project Name, Applicant, Amount Requested, Cumulative Funding Request, and Counties Served. The applications are ranked from 1 to 8. An orange arrow points to the 4th rank, which is the Otsego County Innovation/Acceleration Center.

Rank	Project Name	Applicant	Amount Requested	Cumulative Funding Request	Counties Served
1	Education Workforce Coordinator	Tioga County IDA	\$75,000	\$75,000	Tioga
2	Broome County Developable Site Inventory	The Agency	\$150,000	\$225,000	Broome
3	Healthcare & Wellness Program Development and Equipment	Tompkins Cortland Community College	\$150,000	\$375,000	Tompkins, Cortland, Tioga
4	Otsego County Innovation/Acceleration Center	Otsego County IDA	\$150,000	\$525,000	Otsego, Delaware, Schoharie
5	Lt. Warren E. Eaton Airport Building Renovations	Chenango County	\$200,000	\$725,000	Chenango
6	Wild About Wellness	Southern Tier Zoological Society, Inc.	\$149,032	\$874,032	Broome, Tioga
7	Closing the Gap	DCMO BOCES	\$78,290	\$952,322	Delaware, Chenango, Otsego
8	Cobleskill Ag. Society Community Kitchen	Cobleskill Agricultural Society	\$127,500	\$1,079,822	Schoharie

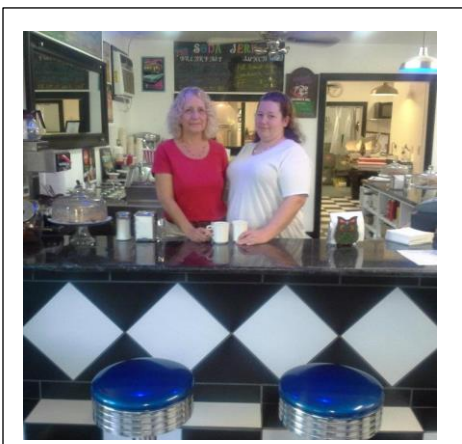
## Otsego Now Administered County's CDBG Program



Otsego County entered into a sub-recipient agreement with Otsego Now to administer the County's Microenterprise Assistance Grant Program. Otsego Now has awarded 9 Otsego County Businesses with funding to either retain employees affected by COVID-19 or hire additional employees. The following are the companies which received funds:

- Pizza 23 West - \$32,193
- Action Lube & Soda Jerks - \$7,184
- R&S Payroll Systems - \$28,080
- Silks & Treasures - \$18,859.40
- Teepee Gift Shop - \$35,000
- Underground Attic - \$6,888.60
- Wycoff's Florist - \$35,000
- Richfield Springs Food Cooperative – \$12,523.15
- Trollbok Farm Store & Eatery - \$19,271.85

The program is expected to be completed within budget and on schedule by December 2021.



## Otsego Now Continues with Digital Marketing Campaigns

Otsego Now continued its marketing campaign to down state businesses and families.

Otsego Now hired Vibrant Brands to oversee and provide guidance to Paperkite which developed the landing pages and provides an analysis of views/clicks for Google Ads, LinkedIn, Facebook/Instagram, and Otsego Now's website.



## **Otsego Now, on Behalf of the Town of Oneonta, Applying for CDBG Funds for Ioxus' Planned Production Line**



The Town of Oneonta has asked Otsego Now to prepare an application on behalf of the Town to provide Community Development Block Grant (CDBG) assistance to help Ioxus expand its product line here in Otsego County. The grant request is in the amount of \$750,000 and would allow the retainage of 18 jobs and the addition of 31 new jobs.

Ioxus plans on manufacturing the new Titan8 Series Lithium Titanate Oxide (LTO) series which uses a cell that is designed to maximize capacity and deep cycling abilities. They have double the amount of storage energy but only half of the instant discharge energy. This gives it double the capacity rating, but half of the wattage rating.



# Richfield Springs Industrial Park

Otsego Now continues to work on the installation of water, sewer, and natural gas to the proposed Richfield Spring Eco-Business Park.

Keystone Associates Engineers is finalizing designs and construction bidding documents and the project should be bid out in late fall 2021 with construction slated for 2022.

Otsego Now also solicited proposals for consulting firms to assist the Agency with administering the \$1.2 million EDA grant which it received for the project.

	<p>DEVELOPMENT PLANS <b>OTSEGO COUNTY IDA</b> <b>RICHFIELD SPRINGS ECO-INDUSTRIAL BUSINESS PARK</b> <b>ROAD AND UTILITY EXTENSION</b> EDA PROJECT NUMBER - 01-01-14979</p>																										
	<p><u>TOWN OF RICHFIELD</u> COUNTY OF OTSEGO                      STATE OF NEW YORK</p>																										
	<p>APPLICANT/DEVELOPER: COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY 189 MAIN STREET, SUITE 500 ONEONTA, NEW YORK 13820</p>																										
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## NEXAMP PLANS ON BUILDING 7MW SOLAR ARRAY



Nexamp, a leader in the clean energy space, offering solar and energy storage solutions, founded in 2007 and headquartered in Massachusetts, is planning to build a 7 MW solar array at Hartwick College. They have already received a negative SEQR declaration from the City of Oneonta's Planning Commission and are now working on a PILOT Application to Otsego Now. The County of Otsego, the City of Oneonta and the Oneonta School District have all requested that the County IDA take the lead in negotiating a Pilot Agreement with the Nexamp. The Pilot Agreement is expected to be completed in 2021.

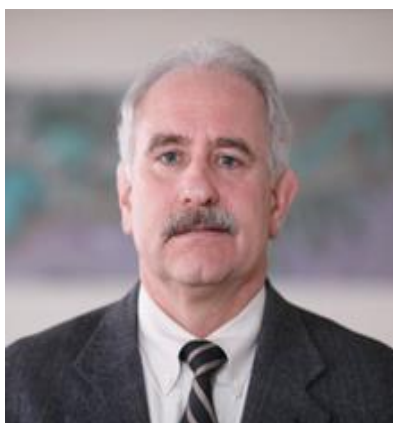
## Agency Staff



**Jody Zakrevsky**  
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**Meaghan Marino**  
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And Finance**



**Kurt Schulte, Esq.,**  
**Agency Counsel**



**A. Joseph Scott, III.**  
**of Hodgson Russ, LLP**  
**Bond Counsel**