

County of Oswego Industrial Development Agency



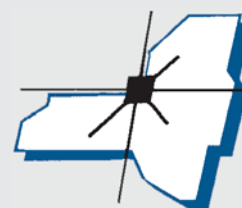
Bosco & Geers Food Market



Oswego County Veterans' Services



Northeast Biofuels



Annual Report
FY 8/1/07-7/31/08

Enabling Legislation

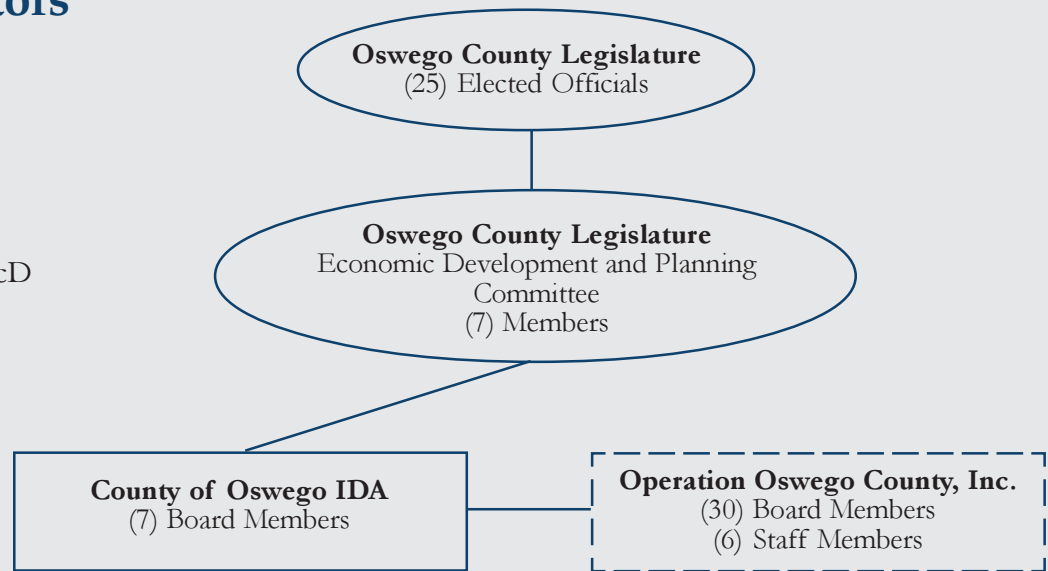
In accordance with New York State General Municipal Law article 18-A, the County of Oswego Industrial Development Agency was formed on April 25, 1973. Section 911-b constitutes the enabling legislation for the County of Oswego Industrial Development Agency.

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 Economic Development Fund.
- Providing financial assistance to eligible and qualified businesses utilizing the County of Oswego IDA's PILOT Economic Development Fund, HUD Economic Development Fund, and General Economic Development 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

8/8/07	3/12/08
9/5/07	4/7/08
9/14/07	5/1/08
10/18/07	5/20/08
11/13/07	6/27/08
12/11/07	7/8/08
1/9/08	7/28/08
2/27/08	

Public Hearings Held

8/27/07	Riccelli Fulton, LLC
12/11/07	Oswego Hamilton Homes, Inc.
12/21/07	Oswego County Opportunities, Inc.
5/13/08	Felix Schoeller Technical Papers, Inc.
6/30/08	Northeast Biofuels, LP
7/18/08	Mitchell Printing & Mailing, Inc.

Compliance & Reporting/Other Activities

- The ESD Notification of Initial Allocation for the issuance of Private Activity Bonds for 2007 was \$3,495,000 and for 2008 was \$3,487,000.
- IDA annual employment survey completed.
- Member of the Council of Development Finance Agencies.
- Efforts supporting Civic Facility funding resulted in state approving a seven month extension to January 31, 2008.
- Returned \$49,121 to HUD as required for earned interest in 2007.
- Annual Financial Report and Audit Report filed with the NYS Office of the State Comptroller, County of Oswego and ESD for FY ended 7/31/07.
- Maintained IDA website to comply with the Public Authorities Accountability Act (PAAA) of 2005 (www.oswegocountyida.org).
- Approved an administrative services agreement with Operation Oswego County, Inc..
- Continued litigation relative to a default in 2005 PILOT agreement by Fulton Cogeneration Associates.
- By court authorization, winterized the Fulton Cogeneration plant to protect IDA attached assets. Initiated by court order the sale of the attached equipment.
- 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: Oswego Hamilton Homes Phase I, LLC, Oswego Hamilton Homes, LLC and Riccelli Fulton, LLC.
- Appointment of Project Operator or Agent (ST-60) filed with the NYS Department of Taxation and Finance for the following projects: Northeast Biofuels, LP, Operation Oswego County, Inc., Oswego Hamilton Homes Phase I, LLC, Oswego Hamilton Homes, LLC, and Riccelli Fulton, LLC.
- UTEP deviation notification filed with all taxing authorities for the following projects: Oswego Hamilton Homes, LLC.

Compliance & Reporting/Other Activities, cont.

- Officers included Carolyn A. Rush (chair), Gary T. Toth (vice chair), and L. Michael Treadwell (secretary/treasurer).
- Reviewed monthly loan delinquent reports.
- Distributed \$150,000 of an ESDC \$300,000 grant for the Novelis casting center expansion.
- Continued to follow NYSEDC Best Practice Recommendations.
- Two IDA members and counsel participated in IDA training provided by NYSEDC in compliance with PAAA. All new members have received training to date. Three of 7 (43%) have been trained.
- In compliance with the Public Authorities Law, filed Budget Reports for FY 8/1/06-7/31/07, 8/1/07-7/31/08 and 8/1/08-7/31/09 with the NYS ABO and County.
- Complied with the filing of the Annual Certification of Code of Ethics and Annual Financial Disclosure Statement to the County of Oswego Board of Ethics.
- Provided a temporary land lease for 1 acre at the Columbia Mills site in the Town of Minetto for the NYS Canal Corp. for performance of work on Lock 5.
- Secretary/Treasurer authorized to be the primary Authorizer Designation for the PARIS.
- Extended option on the LOIP for a potential renewable energy project.
- Adopted Disposition of Property Guidelines in compliance with the PAAA.
- Corporate Omnibus Resolution was approved authorizing the adoption of corporate compliance policies and a statement of regularity for the years 2005-2007.
- Adopted a Procurement Policy in compliance with GML.
- Adopted a Conflict of Interest Policy and a Code of Ethics Policy.
- Annual Report for FY 8/1/06-7/31/07 was prepared and posted on the Agency's website.
- Approved amendments to By-Laws.
- Satisfied the Town of Richland's Notice to Remedy Violation and removed a small structure located on the Agency's property.
- Denied the request from Brookfield Power/Erie Blvd. Hydropower-Fulton Hydros to renew a lease and PILOT Agreement.
- Supported U.S. Senate Bill 2855 to expand tax-exempt financing to include high-tech manufacturing.

Project Assistance

Project	Location	Type	Projected Jobs		Financial Assistance		Total Project Cost \$	Status
			New	Ret.	Type	Amount \$		
Riccelli Fulton, LLC	Volney	Transp.	33	0	S/L	354,000	2,560,000	Leased
Bosco & Geers Food Market, Ltd.	Oswego City	Retail	10	0	HUD EDF	67,146	748,813	Funded
Jay F. Sullivan - Laser Center	Richland	Service	4	0	Gen. EDF	19,400	33,476	Funded
New York Bold, LLC	Volney	Mfg.	0	11	Gen. EDF	112,150	221,273	Funded
Fulton Group N.A., Inc.	Richland	Mfg.	20	0	PAB	6,200,000	7,200,000	Delayed
					S/L	N/A		Delayed
Tavern on the Lock, Inc.	Fulton City	Retail	20	0	HUD EDF	99,000	424,000	Funded
D&D Logging & Lumber, LLC	Palermo	Mfg.	4	8	PILOT EDF	40,000	406,900	Funded
Allison Duggan, MD, PLLC	Oswego City	Service	1	0	PILOT EDF	20,000	313,590	Approved
Affordable Home Inventory	Fulton City	Service	2	0	MEP EDF	8,000	9,000	Funded
OOC/Veterans' Van	Oswego City	Service	0	0	PILOT EDF	29,500	29,500	Funded
Uniform Etc., LLC	Fulton City	Retail	4	4	HUD EDF	15,000	389,274	Approved
Great Lakes Recycling, Inc.	Oswego	Mfg.	6	0	PILOT EDF	92,682	658,902	Approved
Pathfinder Industries, Inc.	Fulton City	Mfg.	7	0	PILOT EDF	92,500	275,921	Approved
Kodiak, LLC (Kinney Pharmacy)	Fulton C.	Retail	0	34	PILOT EDF	131,000	2,500,000	Funded
Oley's East	Scriba	Retail	6	0	PILOT EDF	50,000	346,200	Funded
OOC/Southern Graphic Systems	Schroepel	Mfg.	0	26	PILOT EDF	80,000	992,500	Approved
Oswego YMCA	Oswego City	Service	0	8	PILOT EDF	85,000	170,000	Approved
Harbor Lights Services of CNY	Mexico	Service	3	9	PILOT EDF	70,000	748,900	Delayed
Northland Filter	Oswego C.	Mfg.	15	0	Gen. EDF	100,000	230,000	Delayed
OOC/NextGen Fuel	Volney	Mfg.	15	0	Gen. EDF	99,500	4,000,000	Delayed
Northeast Biofuels, LP	Volney	Mfg.	15	0	PILOT EDF	1,000,000	51,944,000	Funded
Mitchell Printing & Mailing, Inc.	Oswego City	Mfg.	10	0	PILOT EDF	133,800	683,732	Approved
Oswego Bakery & Catering Co., Inc.	Oswego City	Retail	4	0	PILOT EDF	99,873	848,367	Approved
Novelis	Scriba	Mfg.	8	0	ESDC	300,000	726,532	50% Funded
OOC/Felix Schoeller Technical Papers	Richland	Mfg.	96	0	PILOT EDF	100,000	4,439,000	Funded
OOC/A.L. Lee Memorial Hospital	Fulton City	Service	0	0	PILOT EDF	25,000	52,216	Funded
OOC/Oswego Health	Oswego City	Service	0	0	PILOT EDF	25,000	55,000	Funded
Branches Tree Service	Fulton City	Service	4	0	MEP EDF	15,000	87,500	Approved
Oswego Hamilton Homes Phase I, LLC	Oswego City	Housing	6	0	S/L	1,732,000	13,921,048	Leased
Total:			293	100		11,195,551	95,015,644	

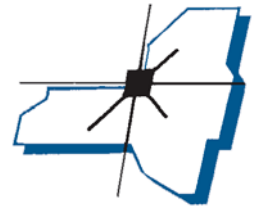
Financing Programs

Loans/Leases Paid in Full

Project	Location	Type	Original Fin. Date	Fin. Type	Amount \$
Jay F. Sullivan, MD	Richland	Service	2/00	PILOT EDF	75,000
Stupp's Towing & Body Repair	Hannibal	Service	12/04	MEP EDF	15,000
Thurlow Enterprises	Volney	Retail	5/03	Gen. EDF	15,000

Bad Debt Loans

Project	Location	Type	Original Fin. Date	Fin. Type	Amount \$	Bad Debt \$
Cover-All Boat	Mexico	Mfg.	6/00	Gen. EDF	15,000	14,672
Cover-All Boat	Mexico	Mfg.	6/99	MEP EDF	12,000	6,723



Definitions for Types of Financial Assistance

- **MEP EDF**-- Micro Enterprise Program Economic Development Fund
- **PILOT EDF**-- Payment in Lieu of Taxes Economic Development Fund
- **General EDF**-- General Economic Development Fund
- **S/L**-- Straight Lease Transaction
- **HUD EDF**-- Housing and Urban Development Economic Development Fund
- **CFRB**-- Civic Facility Revenue Bonds
- **PAB**-- Private Activity Bonds
- **TB**-- Taxable Bonds

Distribution of 2008 PILOT Payments

	Amount	%
School Districts	\$5,097,912	61.2
City/Town/Village	\$1,102,523	13.2
County	\$1,954,503	23.5
County IDA*	<u>\$ 178,241</u>	<u>2.1</u>
Total:	\$8,333,178	100.0

*County's prorata share was split 90/10 with IDA to recapitalize the IDA's PILOT EDF in 2008.

Statement of Revenues and Expenditures - FY Ended 7/31/08

Revenues		
Administration/application fees	\$	130,095
Interest on savings		123,662
Interest on loans		241,916
Payments in lieu of taxes		177,817
Option-Easement		0
Rent income		3,000
Federal funds--loan repayments		
Principal		122,743
Interest		18,684
Total revenues	\$	817,917
Expenditures		
Administration fee	\$	125,000
Dues		4,800
Legal/accounting		123,801
Meetings/misc.		7,135
Taxes--property		2,347
Provision for uncollectible loans		363,499
Cogeneration Facility Expenses		334,760
Federal funds loans		0
Federal funds administration		0
Total expenditures	\$	961,342
Excess of expenditures over revenues	\$	(143,425)

Note: Audit Report is available at www.oswegocountyida.org

Balance Sheet - FY Ended 7/31/08

Assets

Current Assets	\$
Cash - unrestricted	750,462
Cash – restricted	4,104,507
Receivables	136,157
Loans receivable	1,492,342
Total Current Assets	6,483,468
Other Assets	\$
Loans receivable – LT	8,204,816
Allowance for loans receivable	(378,948)
Net loans receivable	7,825,868
Project assets	279,720
Total Other Assets	8,105,588
Total Assets	\$ 14,589,056

Liabilities and Retained Earnings

Current Liabilities	\$
Deferred revenue	1,432,712
Accounts payable	19,986
Due to government	11,274
Total Current Liabilities	1,463,972
Retained Earnings	\$
Reserved	
Cash	4,104,507
Loans receivable	6,225,679
Unreserved	2,794,898
Total Retained Earnings	\$ 13,125,084
Total Liabilities and Retained Earnings	\$ 14,589,056

Note: Audit Report is available at www.oswegocountyida.org.

Schedule of Bonds/Notes - FY Ended 7/31/08

Details are provided in the Audit Report which is available at www.oswegocountyida.org.

Internal Control Structure and Procedure

Details are provided in the Audit Report which is available at www.oswegocountyida.org.

Compensation Schedule - FY Ended 7/31/08

Not applicable; IDA had no employees.

Real Property Owned - FY Ended 7/31/08

<u>Property</u>	<u>Address</u>	<u>Tax Map ID</u>	<u>Size (Acres)</u>
Lake Ontario Industrial Park	249A Mitchell St., Oswego	110.68-01-01	56.64
Peck Road Site	Peck Rd., Town of Richland	071.00-02-28.01	14.25
Columbia Mills	St. Rt. 48, Town of Minetto	183.02-02-04.02	90.74
Huhtamaki Site	411-419 First St., Fulton	253.24-01-02	1.66

Real Property Disposed of During FY Ended 7/31/08

None.

Code of Ethics

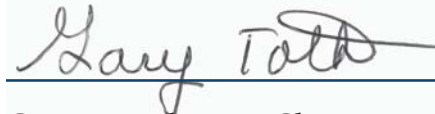
See Code of Ethics Policy listed on website at www.oswegocountyida.org.

Approval and Certification for FY Ended 7/31/08

The Annual Report of the County of Oswego IDA was approved by the Board of the Agency on February 13, 2009.

The information contained in the Annual Report for the County of Oswego IDA for FY ended 7/31/08 represents an accurate, complete and fair presentation of the Agency's activities and financial position. In compliance with the PAAA, this report will be provided to the Chair of the Oswego County Legislature, to the NYS Authority Budget Office, and be posted on the Agency's website www.oswegocountyida.org.

Certified by:



2/13/09

Gary T. Toth, Vice Chair



2/13/09

L. Michael Treadwell, Secretary/Treasurer