

County of Oswego Industrial Development Agency



Allison A.N. Duggan, MD



Barnett Forest Products



Oneida Lake Ready Mix



Annual Report
FY 8/1/08-7/31/09

Enabling Legislation

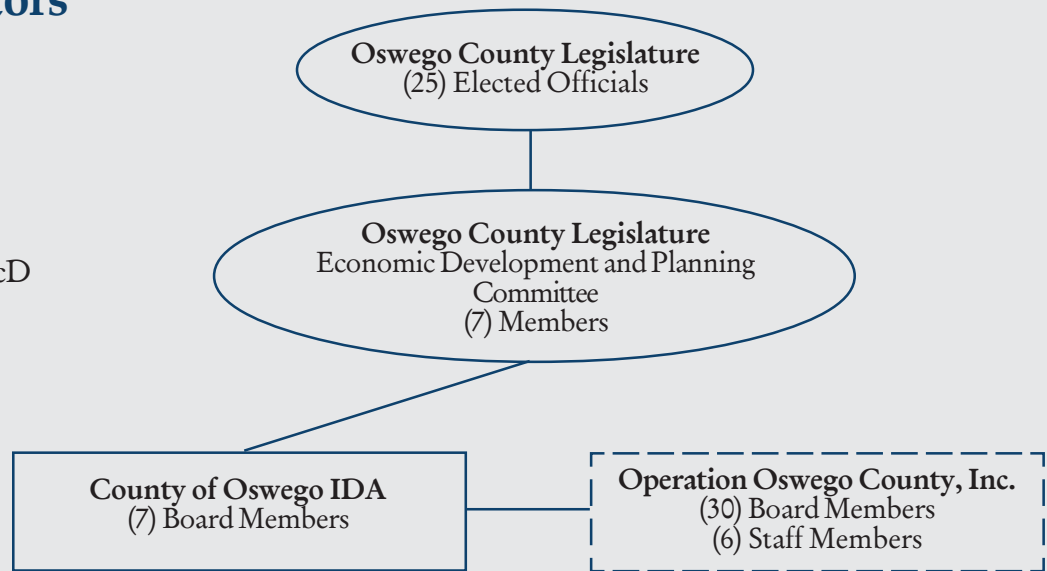
In accordance with New York State General Municipal Law article 18-A, the County of Oswego Industrial Development Agency was formed on April 25, 1973. Section 911-b constitutes the enabling legislation for the County of Oswego Industrial Development Agency.

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 and/or loans 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

8/27/08 2/27/09
 9/11/08 3/27/09
 10/8/08 4/16/09
 11/12/08 5/8/09
 12/5/08 6/4/09
 1/14/09 7/14/09
 2/13/09

Public Hearings Held

9/1/08 Tim Donut U.S. Limited, Inc.
 1/14/09 Wiltsie Construction Co., Inc.
 3/31/09 Oneida Lake Ready-Mix, LLC
 5/5/09 Fulton Thermal Corp.
 6/17/09 G&S Broadwell, Inc.
 7/15/09 Marilyn’s Daily Dish

Compliance & Reporting/Other Activities

- The ESD Notification of Initial Allocation for the issuance of Private Activity Bonds for 2008 was \$3,487,000 and for 2009 was \$3,644,000.
- IDA annual employment survey completed.
- Member of the Council of Development Finance Agencies.
- Civic Facility authority for IDAs that sunseted on Jan. 31, 2008, was not extended by the state despite extensive efforts.
- Returned \$22,308 to HUD as required for earned interest in 2008.
- Annual Financial Report and Audit Report filed with the NYS Office of the State Comptroller, County of Oswego and ESD for FY ended 7/31/08.
- Maintained IDA website to comply with the Public Authorities Accountability Act (PAAA) of 2005 (www.oswegocountyida.org).
- Extended an administrative services agreement with Operation Oswego County, Inc.
- Continued litigation relative to a default in 2005 PILOT agreement by Fulton Cogeneration Associates. The sale of the court-ordered attached equipment at Fulton Cogeneration Associates was authorized by the court and sold. Equipment was removed by the buyer. A court-approved settlement on steam purchases by NY3C that were attached by the IDA was completed.
- 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 Phase II, LLC, Oswego Hamilton Homes, LLC and Oneida Lake Ready-Mix, LLC.
- Appointment of Project Operator or Agent (ST-60) filed with the NYS Department of Taxation and Finance for the following projects: Oswego Hamilton Homes Phase II, LLC, Oneida Lake Ready-Mix, LLC, Riccelli Fulton, LLC, and Tim Donut U.S. Limited, Inc.
- No UTEP deviation notifications were required to be filed with the taxing authorities.
- Officers included Carolyn A. Rush (chair), Gary T. Toth (vice chair), and L. Michael Treadwell (secretary/treasurer).
- Reviewed monthly loan delinquent reports.

Compliance & Reporting/Other Activities, cont.

- Continued to follow NYSEDC Best Practice Recommendations.
- One IDA member participated in IDA training provided by CUNY in compliance with PAAA. All new members have received training to date. Four of 7 (57%) and counsel have been trained.
- In compliance with the Public Authorities Law, filed Budget Reports for FY 8/1/07-7/31/08, 8/1/08-7/31/09 and 8/1/09-7/31/10 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 2 acres at the Columbia Mills site in the Town of Minetto to Tioga Construction for performance of work on Locks in Minetto and Oswego.
- Secretary/Treasurer continued to be authorized to be the primary Authorizer Designation for the PARIS.
- Extended option on the LOIP for a potential renewable energy project.
- Reviewed and approved the Disposition of Property Guidelines in compliance with the PAAA.
- Reviewed and amended the Procurement Policy in compliance with GML.
- Annual Report for FY 8/1/07-7/31/08 was prepared and posted on the Agency's website.
- Adopted an Investment Policy in compliance with PAAA.
- Adopted a Governance Committee Charter.
- Adopted an Audit Committee Charter.
- Temporary deferments on loan/lease payments were granted for the following: Pulaski Day Care Center, Inc., Quality Assemblies, Jay F. Sullivan, MD, Rural Bolt Co., Tavern on the Lock, Sallye Ander, Inc., The River House Restaurant, D&D Logging and Lumber, The Club at Caughdenoy Creek, Sure-Lock Industries and Stone's Quality Cleaning Service.
- Green & Seifter CPAs, PLLC retained to conduct the audit for FY ended 7/31/08.
- Sponsorship provided for "The Next Great Idea" business plan competition.
- Supported bills to extend IDA civic facility authority (A.5700 and S.2898).
- Supported Fulton Thermal Corp.'s application to ESDC for funding from the Upstate Regional Blueprint Fund.
- Debt restructuring to consolidate two loans for Great Lakes Veneer was finalized.
- PARIS reporting for FY ended 7/31/08 was successfully completed.
- Approved and executed easements for the Town of Richland Water District No. 2.
- Green & Seifter CPAs, PLLC approved to conduct the audit for FY ending 7/31/09 and 7/31/10.
- Terminated PILOT agreement with Coleman Properties, LLC.

Project Assistance

Project	Location	Type	Projected Jobs		Financial Assistance		Total Project Cost \$	Status
			New	Ret.	Type	Amount \$		
Barnett Forest Products, LLC	Scriba	Agr.	4	0	PILOT EDF	90,000	355,000	Funded
Big Orange Radiator, LLC	Hastings	Wholesale	5	0	PILOT EDF	124,000	332,000	Funded
Tim Donut U.S. Limited, Inc.	Oswego City	Service	32	0	S/L	161,400	1,466,000	Approved
Stability Fitness, Inc.	Oswego City	Service	3	0	PILOT EDF	75,000	250,000	Funded
Fulton Thermal Corp.	Richland	Mfg.	50	0	PAB	9,825,000	12,000,000	Approved
					S/L	3,398,000	N/A	Approved
McGillicuddy's Enterprises, Inc.	Mexico	Service	7	0	MEP EDF	25,000	163,000	Funded
OOO/NYS DOS	Oswego City	Service	0	0	Gen. EDF	33,600	33,600	Funded
Allison Duggan, MD, PLLC	Oswego City	Service	1	0	PILOT EDF	35,000	313,590	Funded
Wilstie Construction Co., Inc.	Oswego City	Mfg.	0	44	PILOT EDF	129,780	144,200	Funded
G&S Broadwell, Inc.	Oswego City	Service	39	0	PILOT EDF	500,000	6,100,000	Approved
					S/L	3,584,000	N/A	Approved
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	Funded
Pathfinder Industries, Inc.	Fulton City	Mfg.	7	0	PILOT EDF	92,500	275,921	Funded
Oswego County Opportunities	Mexico	Service	2	26	PILOT EDF	348,000	1,356,529	Approved
OOO/Oswego Health	Oswego City	Service	0	0	PILOT EDF	20,000	55,000	Funded
OOO/Southern Graphic Systems	Schroepfel	Mfg.	0	26	PILOT EDF	80,000	992,500	Funded
Oswego YMCA	Oswego City	Service	0	8	PILOT EDF	85,000	170,000	Funded
Harbor Lights Services of CNY	Mexico	Service	3	9	PILOT EDF	70,000	748,900	Delayed
Northland Filter	Oswego City	Mfg.	15	0	Gen. EDF	100,000	230,000	Delayed
OOO/NextGen Fuel	Volney	Mfg.	0	0	Gen. EDF	0	0	Canceled
Oswego Hamilton Homes Phase II, LLC	Oswego City	Housing	0	6	S/L	400,000	13,777,548	Leased
Mitchell Printing & Mailing, Inc.	Oswego City	Mfg.	10	0	PILOT EDF	133,800	683,732	Funded
Oswego Bakery & Catering Co., Inc.	Oswego City	Service	4	0	PILOT EDF	99,873	848,367	Delayed
Oneida Lake Ready-Mix, LLC	West Monroe	Mfg.	29	0	PILOT EDF	400,000	1,585,000	Funded
					S/L	283,000	N/A	Leased
The Bake Shop Eatery	Mexico	Service	5	0	MEP EDF	25,000	77,696	Approved
Great Lakes Veneer	Oswego City	Mfg.	0	47	PILOT EDF	431,347	431,347	Funded
Branches Tree Service	Fulton City	Service	4	0	MEP EDF	0	87,500	Canceled
Total:			230	170		20,656,982	43,525,606	

Financing Programs

Loans/Leases Paid in Full

Project	Location	Type	Original Fin. Date	Fin. Type	Amount \$
Buzzy Bee Day Care	Palermo	Service	5/04	MEP EDF	15,000
Creative Design in Metal	Volney	Mfg.	6/04	MEP EDF	15,000
D&D Logging and Lumber	Palermo	Mfg.	7/01	PILOT EDF	37,000
Empire Fresh Cuts	Oswego	Mfg.	1/05	Gen. EDF	36,000
Jake's Automotive	Oswego City	Service	4/04	PILOT EDF	25,000
LyBon Tool	Oswego City	Mfg.	9/96	PILOT EDF	90,800
OOO/RBP Master Plan	Volney	Plan	7/07	Gen. EDF	134,389
OOO/Veterans' Van	Volney	Service	1/08	PILOT EDF	29,500
Oswego Wire	Scriba	Mfg.	11/99	PILOT EDF	200,000
Oswego YMCA	Oswego City	Service	7/01	PILOT EDF	20,000
Oswego Marine	Oswego City	Service	11/95	PILOT EDF	73,900
Port City Machine	Oswego City	Service	12/91	HUD EDF	46,535
Seneca Hill Manor	Volney	Service	11/97	Gen. EDF	200,000
Stancampiano Farms	Palermo	Agr.	9/03	PILOT EDF	33,000
Zappala Farms	Oswego	Agr.	7/06	Gen. EDF	70,000

Bad Debt Loans

Project	Location	Type	Original Fin. Date	Fin. Type	Amount \$	Bad Debt \$
Choo Choo Charlies, LLC	Williamstown	Retail	6/02	PILOT EDF	48,000	38,505
F.M. Lobello Produce	Richland	Retail	8/99	PILOT EDF	35,000	21,625
F.M. Lobello Produce	Richland	Retail	6/01	Gen. EDF	25,000	22,439
Old Man's Place	Granby	Retail	8/05	PILOT EDF	60,000	51,746
Old Man's Place	Granby	Retail	6/05	PILOT EDF	135,000	135,000



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 2009 PILOT Payments

	<u>Amount</u>	<u>%</u>
School Districts	\$4,986,585	63.4
City/Town/Village	\$ 843,051	10.7
County	\$1,844,638	23.5
County IDA*	<u>\$ 186,128</u>	<u>2.4</u>
<u>Total:</u>	\$7,860,397	<u>100.0</u>

*County's prorata share was split 90/10 with IDA to recapitalize the IDA's PILOT EDF in 2009.

Statement of Revenues and Expenditures - FY Ended 7/31/09

Revenues	
Administration/application fees	\$ 123,240
Interest on savings	37,286
Interest on loans	288,665
Payments in lieu of taxes	184,605
Rent income	3,000
Federal funds--loan repayments	
Principal	103,672
Interest	15,807
Total revenues	\$ 756,275
Expenditures	
Administration fee	\$ 130,000
Dues	4,375
Professional fees	114,450
Misc.	1,242
Cogeneration facility expenses	68,373
Provision for uncollectible loans	(260,758)
Other expenses	20,047
Total expenditures	\$ 77,729
Excess of revenues over expenditures	\$ 678,546

Balance Sheet - FY Ended 7/31/09

Assets

Current Assets	\$
Cash - unrestricted	1,111,088
Cash - restricted	4,493,780
Receivables	18,361
Loans receivable	1,751,723
Total Current Assets	7,374,952
Other Assets	\$
Loans receivable - LT	7,623,298
Allowance for loans receivable	(118,190)
Net loans receivable	7,505,108
Project assets	279,720
Total Other Assets	7,784,828
Total Assets	\$ 15,159,780

Liabilities and Net Assets

Current Liabilities	\$
Deferred revenue	1,329,040
Accounts payable	14,457
Due to government	12,653
Total Current Liabilities	1,356,150
Net Assets	\$
Reserved	
Cash	4,493,780
Loans receivable	6,366,859
Unreserved	2,942,991
Total Net Assets	\$ 13,803,630
Total Liabilities and Net Assets	\$ 15,159,780

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

Schedule of Bonds/Notes - FY Ended 7/31/09

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 7/31/09

Not applicable; IDA had no employees.

Real Property Owned - FY Ended 7/31/09

<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 7/31/09

None.

Code of Ethics

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

Approval and Certification for FY Ended 7/31/09

The Annual Report of the County of Oswego IDA was approved by the Board of the Agency on October 29, 2009.

The information contained in the Annual Report for the County of Oswego IDA for FY ended 7/31/09 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:


 _____ 10/29/09

Carolyn A.
Rush,

Chair


 _____ 10/29/09

L. Michael Treadwell, Secretary/Treasurer