



**HERKIMER COUNTY  
INDUSTRIAL  
DEVELOPMENT AGENCY  
(Agency)**

**FISCAL YEAR 2020**

**REPORT ON  
OPERATIONS AND  
ACCOMPLISHMENTS**

Presented February 23, 2021

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The Herkimer County Industrial Development Agency is a public benefit corporation created by the Herkimer County Legislature in 1970, under the New York State Industrial Development Agency Act of 1969. The mission of the Agency is to deliver economic incentives to business and industry to diversify and strengthen Herkimer County's tax base and enhance community vitality by supporting job creation, business and industrial development, and community revitalization. We strive to develop the local economy in an organized, sustainable and environmentally beneficial manner.

The Agency has a volunteer seven-member board of directors appointed by the Herkimer County Legislature, the Board of Directors appoints the Executive Director and the Executive Director recommends staff positions to the Board of Directors for approval. The Agency is supported financially by loan fund programs, project and administration fees, and funding from Herkimer County. As of 12/31/2020 the operating staff consisted of John J. Piseck Jr., Executive Director; Stacey Holleran, Office Manager; and Victoria Adams, Administrative Assistant.

The Agency acts as a coordinating organization for a variety of different loan and corporate financing programs offered by local, regional, state and federal agencies. These programs are used to assist eligible businesses with projects to create and or retain jobs. The Agency keeps abreast of the various programs that are available from these sources and acts in an advisory and administrative capacity to Herkimer County businesses. Consistent with the Governor's plan for renewable energy projects the agency is working on several throughout the county.

The Agency is also authorized to offer certain incentives to businesses that are making investments in Herkimer County which will lead to the creation and or retention of jobs. These incentives include access to tax-exempt industrial revenue bond financing; exemption from sales taxes on the purchases of equipment and materials used in the construction and equipping of a facility; and a "payment in lieu of taxes" agreement (PILOT) on exempted real property taxes.

The Agency retains general counsel for the purpose of advising and rendering opinions to the officers and Board as to all legal matters relating to administration, operations and financings of the Agency. Counsel shall draft and/or examine and review Agency forms, contracts or other documents for compliance as necessary.

The Agency has interest in five business parks located throughout Herkimer County and is responsible for marketing and overseeing economic development projects within these parks. As follows:

- Frankfort 5S South Business Park (200-acres – a Build-Now NY Shovel Ready site at 100% capacity)
  - Frankfort 5S North Business Park (36-acres, at capacity 100%)
  - Schuyler Business Park (99-acres—a Build-Now NY Shovel Ready site at 90% capacity) 10% land left for development. A 188-acre expansion is in process.
  - Manheim Business Park (30-acres)
  - West Frankfort Industrial Park (60 acres, at capacity)
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The Agency consistently seeks out funding sources as needed in our efforts to assist with and complete certain economic development projects.

We operate in accordance with the policies and procedures required by the New York State 2009 Public Authority Reform Act, and continue to review, update and adopt policies and procedures to meet the various reporting requirements.

We continue to maintain a website ([www.herkimercountyida.org](http://www.herkimercountyida.org)) that offers access to information regarding: available programs, services, various loan and benefit applications, operational documents, policies and general information about our services and Herkimer County.

The Agency is required to carry various insurance policies and as an independent operating entity we are subject to all state and federal payroll and unemployment insurance reports. The Agency maintains worker's compensation, general liability and bonding insurance, and to protect our board of directors we carry officers and directors insurance.

## 2020 ACCOMPLISHMENTS

In addition to its website, the Agency has developed a digital presence by creating a YouTube channel, Facebook page, LinkedIn page. The public can access board meetings, marketing videos, and training videos. Accounts were created for online meeting platforms including Zoom, WebEx, GoToMeeting, GoToWebinar, Google Meet, and Microsoft Teams.

Approved Lease/Leaseback, PILOT Arrangements and/or sales and mortgage recording tax exemptions for (retained jobs, created jobs, investment):

- HPK IND INC./HPK INDUSTRIES.
- 131 Riverside, LLC

Totals: Retain 26 jobs; create 56 new jobs; \$3,830,000.00 Investment

The Agency continues to administer a Small Business Revolving Loan/Grant Fund which was created in 2009. Five new loans/grants were approved totaling \$22,539.38 with owner investment totaling \$67,844.36. Continue to service two other loans; one from the Small Cities RLF and the other is through the USDA Intermediary RLF.

Completed Phase I and II studies for 11 brownfield properties in the county. These studies are being funded by a \$200,000 EPA grant received. A housing study is underway for a brownfield property in the Town of Webb. Special focus has been on the previous Duofold complex located in Ilion. Successfully completed nomination to the National Historic Registry. This designation opens paths for further developers to take advantage of federal and state tax credits.

As subrecipient of a microenterprise grant from NYS Homes and Community Renewal (NYS HCR) awarded to Herkimer County, four microenterprise businesses were awarded a total of \$96,177, creating 9 jobs.

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Completed a \$750,000 Community Development Block Grant (CDBG) with Tractor Supply Company to assist in the purchase machinery & equipment for their e-commerce initiative. This project created 262 new full-time jobs whereby 154 of them were made available to LMI applicants.

As the subrecipient, the Agency is administering a \$225,000 CDBG with Turbo Machined Products for machinery and equipment. This project will retain 10 jobs.

In December, the County was notified of a CDBG \$450,000 award to assist HPK Industries to assist in the hiring of 30 new full-time employees at their new location in Frankfort. The Agency is a subrecipient and will administer the grant to this manufacturer of PPE.

The 2019 approval of New York State Municipal Restructuring Fund (MRF) application for the Eastern Mohawk Valley Regional Water Transmission Main project had been put on hold by the state due to the pandemic. The IDA is lead agency for this multi-municipality project totaling \$3.1 million. The Agency is awaiting approval to proceed. This water line will service over 22,000 Herkimer County residents.

Received \$1,000,000 notice of award from Northern Borders Regional Commission to assist with the laying of the water lines for the Eastern Mohawk Valley Regional Water Transmission Main project. These funds are instrumental in moving this project forward.

\$1.285 million dollars in payments to area municipalities and school systems were administered in 2020 through Payment In Lieu of Taxes (PILOT's) by the Agency. All funds collected are distributed to the local taxing jurisdictions bringing much needed tax dollars to the jurisdictions as well as assisting businesses to locate and expand in Herkimer County.

Continue to develop a rapport with all local governments in the county educating them on the benefits of the IDA; the availability of sites/buildings for expansion; economic development grants for downtown revitalization and the Consolidated Funding Application. Attend monthly meetings routinely.

The following three business parks are now included in the plan and new businesses could be eligible for Start-up New York benefits: Frankfort 5S South Business Park, Schuyler Business Park and Manheim.

### **Frankfort 5S South Business Park**

The park is at 100% capacity. The Agency is working to finalize repairs of the roadway and cul de sac to complete final dedication to the Town of Frankfort

Now that there are occupants in the Frankfort 5S South Business Park, the Agency has started collecting PILOT payments for the Pilot Increment Financing Agreement. The purpose of the Agreement Allocating PILOT Payments is to pay the County up to \$800,000 for infrastructure that they funded in order for the business park to be fully marketable as an industrial site.

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### **Manheim Business Park**

Continued development of this park has been a priority. Received a CFA award up to \$1.8 million to assist with construction of a water tower at the Manheim Business Park. The Agency has been instrumental in facilitating the formation of a water/sewer district with the Town of Manheim and the Village of Dolgeville. The following studies have been completed or are underway: Preliminary Engineering; Geotechnical Evaluation; SHPO Stage 1 Review; Map, Plan; Sewer Study.

### **Schuyler Business Park**

The Agency has been working with the Army Corps of Engineers on an acceptable conservation easement as a solution for wetland mitigation requirements at the Schuyler Business Park as required.

The agency continues to market the available property at the Schuyler Business Park. Development is underway to prepare shovel ready sites at the 188 acre expansion. There has been a lot of interest in this area. The Agency is under contract with two developers for the sale of two parcels totaling 59.4 acres.

Other initiatives completed or in process:

- 11 Projects for EPA Cleanup Grant and Main Street Grant
  - Broadband study application
  - Mohawk Valley Land Bank – Asbestos abatement for Duofold
  - Project Storm
  - Village of Frankfort - Canal Street housing study
  - Village of Dolgeville BOA
  - EDA Public Works & Economic Adjustment Assistance
  - Joint CFA with Mohawk Valley EDGE
  - IPAD with EDGE and National Grid
  - 3D Scanning Duofold
  - Pitch Herkimer County
  - Oneida-Herkimer Solid Waste Authority – tipping fees
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- Food processing study
- Town of Webb Housing Study

### **Other Administrative Items**

Continue to monitor the requirements from the State in regards to use of IDA issued Sales Tax Exemption Notices.

Continue to comply with all financial and New York State requirements including annual independent audits and fulfilling New York State Authorities Budget Office requirements. Continue posting all required policies, documents and notifications required under the Authorities Budget Office requirements to the Agency web site.

Complete administrative, operational, and monitoring functions of the Agency.

Fulfill reporting requirements to the EPA; NYS Office of Community Renewal; USDA as part of the administration of the IRP loan fund; Fair Housing and Performance Assessment Reporting requirements to the US Department of HUD; and Empire State Development Corporation as part of the administration of the Small Business RLF.

Administration of the revolving loan funds and PILOT's including calculating, billing, tracking, collecting and banking duties.

Accounts payable, receivable and payroll functions and reporting.

Prepare reports and assist the CPA with the annual audit.

Complete and submit all required annual ABO reports to the State according to the required schedules.

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These projects are a testament to the public/private partnerships necessary to create and retain employment here in Herkimer County. This continues the Agency's commitment to assist local companies while also seeking new job and investment opportunities as we continue our mission to help grow the local economy.

The Agency continues to market the available assets within the county and respond to all leads and potential business prospects. We respond to numerous calls and inquiries on a daily basis and are able to respond quickly and accurately to potential clients. The priority for the Agency will continue to be the pursuit of economic development opportunities that help businesses create and retain employment opportunities and add value to the local economy.

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