

HERKIMER COUNTY  
NEW YORK

PERFORMANCE  
ASSESSMENT REPORT

PROGRAM INCOME

October 1, 2021 through September 30, 2022

October 2022

## Program Income Narrative

Herkimer County has been the recipient of two Small Cities grants awarded by the U. S. Department of Housing and Urban Development.

A 1997 grant of \$525,000 was used to assist the Northern Safety Company in the implementation of an economic development project that created 68 jobs. The grant was closed in July 2004.

A 1999 grant of \$525,000 was used to assist the North Hudson Woodcraft Corporation in the implementation of an economic development project that created 32 jobs. The grant was closed in August 2004.

Both loans were fully repaid. The repayment of these two Small Cities grants/loans provided funding for additional “second generation” loans for economic development projects, which were identified in Performance Assessment Reports previously submitted. These revolving loan funds continue to allow for additional loans for local economic development projects.

In February 2005 HUD approved a request by the County to expend \$250,000 in program income to assist in the development of the Frankfort 5S South Business Park. This \$4.5 million project was also funded by a grant from the US Department of Commerce Economic Development Administration and County funds. In September 2008 HUD approved additional funding in the amount of \$100,000 in program income to assist in infrastructure development in Herkimer County business parks. The infrastructure project for the Frankfort 5S South Business Park has been completed.

The attached HUD Form 4052 summarizes activities funded with program income between October 1, 2021 and September 30, 2022. Program income received is summarized as follows:

- Program income balance 9/30/2021 - \$147,500
- Program income received 10/1/21 – 9/30/22 including repayment of second generation loans – \$3,997.26
- Program disbursements 10/1/21 – 9/30/22 – \$3,997.19
- Balance – obligated funds 9/30/2022 - \$147,500
- Total program income unobligated – 9/30/22 – \$0

# Narrative Requirements

## **A. AFFIRMATIVE FAIR HOUSING EFFORTS**

Herkimer County prepared a Fair Housing Plan in 1998 and has implemented elements of that plan during the reporting period. Actions taken include publication of fair housing notices and sending of letters to local banks and realtors reminding them of fair housing responsibilities.

Homelessness in the County has not been a major problem. Several organizations in the County including the Little Falls Family YMCA provide shelter for people needing temporary housing.

## **B. CITIZEN COMMENTS**

The County has not received citizen comments involving second generation loans during the reporting period.

## **C. PROGRAM ASSESSMENT**

### ***1. AMENDMENTS***

The County requested and received HUD approval to utilize program income to help create the Frankfort 5S South Business Park. This project has progressed very well since its inception in the summer of 2005. The additional funding received from program income was critical to meeting the additional unbudgeted costs that arose throughout the infrastructure development.

The first business, Heidelberg Group, Inc., opened their state-of-the art bread-making manufacturing business in the park in 2016. The park is now at full capacity.

In August of 2017, \$600,000 of program income was used to provide, in part, a total grant of \$750,000 to Tractor Supply Company. The additional \$150,000 was provided by Governor's Office of Small Cities (GOSC).

Tractor Supply Company completed a 925,000 square foot distribution facility in early 2019. This \$94.7 million project has created over 650 jobs.

In 2019 JBF Stainless LLC completed a 38,750 sq. ft. manufacturing facility for the fabrication of custom engineered stainless steel food processing tanks. This \$4 million project retained 43 jobs and created 12.

Higby Gold, LLC completed construction of a 5,300-square-foot convenience store, and food court that will be the final tenant of the Frankfort 5S South Business Park. Adirondack Food and Fuel will be a full service truck stop. This \$3.36 million project created 23 jobs.

In June 2014, the county legislature approved a grant of \$295,000 from small cities funds to Northern Safety Company to assist with a business expansion. 50% of this grant has been disbursed. The balance is pending.

In May 2018, the county legislature approved up to \$139,000 of program income (Small Cities and GOSC accounts) to be allocated to provide infrastructure at the Manheim Business Park. This phase has been completed.

## ***2. LOAN/ GRANT ACTIVITIES***

A CDBG grant request for \$200,000 to set up a Microenterprise Grant Program for local small businesses was approved in 2010. A total of eleven (11) micro-businesses received assistance through this grant program. The grant has been fully utilized and has proven to be a tremendous asset to Herkimer County. Closeout has recently occurred.

In addition, we completed the administration of a CDBG grant for a local company, DeLorio Foods. This was a \$416,000 machinery, equipment and expansion project to assist with the retention of 130 jobs and creation another 45. This grant has been fully utilized and close out has occurred.

In 2017 a \$25,000 loan for Bartlett Excavating, LLC was approved to assist with the expansion of their current business with the purchase of a well-established septic and excavating business. The loan is in repayment.

In 2019, Tractor Supply was awarded a CDBG grant in the amount of \$750,000. The funds are to assist with the company's e-commerce business which is expected to create 79 new full time jobs made available to LMI. This grant was recently closed out.

In 2019, Turbo Machined Products was awarded a CDBG grant in the amount of \$225,000. The funds are to assist with the procurement of new equipment. Five full time positions are expected to be created and retain ten. This project is has been disbursed and is in process of closing out.

In 2019, Herkimer County was awarded a Microenterprise CDBG in the amount of \$200,000. The agency is administering the grant and has assisted 9 microenterprises and created 20 jobs to date made available to LMI. This project was successfully closed out.

In 2021, HPK Industries, manufacturer of personal protective equipment, was awarded a CDBG grant in the amount of \$450,000. The funds are to assist with the procurement of new machinery. Thirty new full-time positions are expected. This grant was successfully closed out.

In 2021, Herkimer County was awarded a CDBG grant in the amount of \$50,000 to conduct a study assessing economic development opportunities related to food processing and food manufacturing in Herkimer County. The study provided the necessary data to identify opportunities for food processing and food manufacturing business across Herkimer County.

In 2022, Herkimer County was awarded a CDBG CARES Grant to respond to the impacts of the coronavirus to safely reopen and prepare businesses and facilities for new safety protocols. Several applications have been received and are under review.

### ***3. FUTURE CHANGES***

With the Frankfort 5S South Business Park is at capacity, the Agency has taken action to move forward with securing funding for infrastructure improvements at the 30-acre Manheim Business Park located in the Town of Manheim. The following studies/reports have been completed: preliminary engineering report, geotechnical evaluation, tree removal, SHPO stage 1 review, MPR I & II and sewer study. A purchase offer for the property has been received and a project is in negotiations.

In early 2020 the Agency acquired an additional 188 acres adjacent to the existing Schuyler Business Park for future development. Development has been underway. Schuyler Warehouse Development's 61,000 sq. ft. distribution center is complete and operational being leased to Pepsico. Nudadec, LLC completed construction of a 195,000 sq. ft. distribution center which is now operational. The Agency closed on an \$8.7M project for a Home Depot last-mile distribution center. This project consists construction of a 52,500 sq. ft. distribution facility. Negotiations are underway for another 59.6 acre parcel for a manufacturing facility. This leaves one 15-acre parcel at the Schuyler Business Park.

The County will continue to use State and Federal funds in concert with local funds to meet economic development needs to the extent feasible.

October 25, 2022

Certified Mail

Mr. William T. O'Connell, Director  
US Department of Housing and Urban Development  
Community Planning and Development  
Buffalo Office -Lafayette Court  
465 Main Street  
Buffalo, New York 14203-1780

Re: County of Herkimer County  
Performance Assessment Report

Dear Mr. O'Connell:

Enclosed please find the Performance Assessment Report reporting program income by Herkimer County between October 1, 2021 and September 30, 2022. This report is available to the public at the Herkimer County Industrial Development Agency website: [www.herkimercountyida.org](http://www.herkimercountyida.org).

If you have any questions please do not hesitate to contact my office.

Sincerely,

John J. Piseck, Jr.  
Chief Executive Officer

Enc.

Copy by email: Vincent J. Bono, Chairman, Herkimer County Legislature