

Local Development Corporation (LDC) of the Town of Union,

Broome County (Endwell), New York

2019 Annual Report on Operations and Accomplishments

January 1, 2019 – December 31, 2019

Operations

Founded in 1982, the Local Development Corporation (LDC) of the Town of Union is a 501(c)(3) Corporation under the Internal Revenue Code and is governed by a seven (7) member board and one (1) non-voting Emeritus Member, all board members are residents of the Town of Union. LDC Board Membership includes individuals that live in different geographic areas within the boundaries of the Town of Union and have a number of diversified backgrounds and expertise in areas such as education, small business development, real estate development, commercial banking, and fortune 500 companies. LDC Board Members are appointed by a simple majority of the seven (7) voting Member Board. Management/staff appointments to the Local Development Corporation of the Town of Union are made by the Supervisor and Council Members of the Town of Union. Management/staff are employees of the Town of Union Municipal Government and are not employees of the Local Development Corporation of the Town of Union.

The Local Development Corporation (LDC) of the Town of Union is funded solely by Community Development Block Grant (CDBG) funds, and Urban Development Action Grant (UDAG) funds as are allocated by the Town of Union Municipal Government for economic development related projects, as well as monthly revenue generated in the form of interest and principal repayments for business loans that have been made by the LDC. The Town of Union, as an entitlement community, is the annual recipient of CDBG funds via the federal government's Housing and Urban Development (HUD) agency.

The Local Development Corporation (LDC) of the Town of Union works closely with the Broome County Industrial Development Agency (BCIDA) a/k/a The Agency, the Regional Office of New York State Department of Economic Development/Empire State Development (ESD), and the Southern Tier Regional Economic Development Council (REDC) regarding Upstate Revitalization Initiative (URI) funding and the Consolidation Funding Application (CFA), to provide greater flexibility in leveraging resources in order to undertake economic development projects acting in the public interest for the overall benefit of the community. The LDC also works with other resource partners in order to facilitate projects that will increase commerce in our community, including Binghamton University's Office of Entrepreneurship and Innovation Partnerships (Start-UP NY), Broome Community College Entrepreneurial Assistance Program (EAP), U.S. Small

Business Administration (SBA), Service Core of Retired Executives (SCORE), Small Business Development Center (SBDC), Southern Tier East Regional Planning Development Board (STERPDB) a/k/a Southern Tier 8 Regional Board, Broome County Land Bank Corporation (BCLBC), and the City of Binghamton's Economic Development Department/Local Development Corporation, to name a few.

The Board Members to the LDC do not receive any compensation by the Corporation for their services.

Accomplishments

Upstate NY and the local economy has showed signs of growth since second half of 2018, and our Town LDC balance sheet remained strong. The Town LDC showed a slight increase in total assets increasing by \$30,983 compared to 2018. In 2019, the LDC approved \$480,000 in loans and grants to existing and start-up small business, which are expected to conservatively leverage far in excess of \$3,612,143 in private sector financing, owners' equity, and other agency funding, a ratio of almost 7.5:1 of private sector investment to public sector LDC funding. The approved projects, which assisted businesses in manufacturing, high-tech, research & development, office, retail, and health care industries, is anticipated to lead to the retention and creation of 29.5 FTE jobs in the Town of Union and lead to business expansion and redevelopment of vacant buildings, which will assist in the economic stabilization of transitional mixed use neighborhoods to promote commerce, and act as a catalyst to spur further private sector redevelopment efforts in and around our recognized Innovation districts.

In 2019, the LDC continued its Business Retention and Expansion (BRE) visitation program, meeting with over 75 existing & start-up small and large businesses, representing a number of industry sectors. The BRE visitations are conducted annually, among other reasons, is to ascertain if the needs of the business community are being met by the current economic development programs. As a result of the many one-on-one BRE meetings the LDC conducted, it was determined that the variety of available LDC programs is meeting the clients' needs while still maintaining compliance with any Housing and Urban Development (HUD) regulatory requirements.

Additionally, in 2019 after years of discussion concerning potential LDC grants, the LDC Board decided to add a Small Business Grant Access Program (GAP), as a pilot program, and earmarked a maximum total of \$50,000 for the one-time grant initiative. Four grants of \$10,000 each were approved by the LDC.

During 2019 the Town of Union's Economic Development Office/Local Development Corporation was once again an active participant in the many Southern Tier Regional Economic Development (STREDC) meetings and ongoing visioning sessions in order to come up with transformative economic development projects for the Southern Tier's \$500 million Upstate

Revitalization Initiative (URI) plan that the was awarded by New York State as part of our collaborative region wide 2015 submission.

The Town's Economic Development Office continued its work with both the Villages of Endicott and Johnson City in starting the implementation of projects that were previously awarded over \$15,000,000 in grant funding in 2018. The over \$15,000,000 in grant funds awarded, in the villages, was for a variety of public and private sector initiatives. The overall grant awards in 2018 were part of a \$20,000,000 Greater Binghamton Fund that itself was funded by \$500 million in Upstate Revitalization Initiative (URI) funds that were awarded by New York State to the Southern Tier Region in 2015.

The Town's Economic Development Office once again worked very closely with the Village of Endicott in the submittal of the 2019 \$10 million Downtown Revitalization Initiative (DRI) Grant application to New York State for the Southern Tier Regional Competition, and was selected as one of the three finalists for the region, but fell just short and ended as runner-up to the upstate community of Hornell, NY.

Financials

Please refer to the 2019 Audited Financial Statements as conducted by the Certified Public Accounting firm of Piaker & Lyons, PC.