

**Local Development Corporation (LDC) of the Town of Union,
Broome County (Endwell), New York**

2021 Annual Report on Operations and Accomplishments

January 1, 2021 – December 31, 2021

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 of Directors. The LDC Board Membership includes individuals from a number of diversified backgrounds and expertise in areas such education, small business development, real estate development, public and private sector accounting, business and personal lending institutions, municipal government, 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 programs are primarily funded 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 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 various economic development entities - including 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 Consolidated Funding Application (CFA) to provide flexibility in leveraging resources for undertaking economic development projects for the overall benefit of the community. The LDC also works with other resource partners to facilitate projects that increase commerce in our community. Those partners include Binghamton University's Office of Entrepreneurship and Innovation Partnerships (Start-UP NY), Binghamton University's Koffman Business Incubator, 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), Southern Tier Region Development Company (STREDC), and the City of Binghamton's Economic Development Department/Local Development Corporation, to name a few.

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

Accomplishments

During 2021, and previous to that year the worldwide pandemic (Coronavirus Disease (COVID-19)), continued to significantly impact the United States and Upstate NY. Prior to the worldwide pandemic outbreak in 2020, the Upstate NY economy had showed signs of growth since the second half of 2018, and despite the on-going pandemic, the 2021 Town LDC balance sheet remained resilient despite a decrease in total assets of \$520,787 compared to 2020.

In 2021, the LDC dispersed \$10,000 in grant funds. The LDC also approved \$110,000 in loan funds to existing and start-up small business utilizing our traditional funding sources, which are expected to leverage \$366,960 in private sector investment, owner's equity, and other agency funding, a ratio of almost 3.3:1. The approved 2021 loans are to assist food service related businesses, and is anticipated to lead to the retention and creation of 9 FTE jobs in the Town of Union, and lead to business expansion and redevelopment of a vacant building and brownfield, 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 2020 and 2021 the Town LDC approved a total of \$125,000 in CDBG Coronavirus Aid Relief and Economic Security (CARES) funds that were allocated by U.S. Department of Housing and Urban Development (HUD) and to be used to help stabilize existing small businesses during recovery efforts. The 2020 CDBG-CV Small Business Urgent Need Grant Program, in conjunction with the Town of Union Community Development Department, was used for existing small businesses that were directly affected by the COVID-19 Pandemic. The \$125,000 in available grant funding came through the U.S. Department of Housing and Urban Development (HUD) CDBG-CV allocated resources to the Town of Union Community Development Department for COVID-19 related activities, which including economic development related programs. The 2020 CDBG-CV Small Business Urgent Need Grant Program grant applications were reviewed and approved for funding by the Town LDC, however, The Town of Union Community Development Department, following HUD National Objectives and guidelines, dispersed funds for approved COVID related expenses directly to vendors of the approved grant recipients. In 2020 and 2021 there were a total of twenty-one small business approved grant recipients totaling \$125,000. Nineteen of the twenty-one approved grant recipients actually closed their grants in 2021 for a total disbursement of \$93,770.15 in CDBG-CV funds.

In 2021, due to ongoing worldwide COVID-19 pandemic and fear in the business community of in person visitations, and subsequent temporary business and municipal closures, the LDC continued to reinvent its Business Retention and Expansion (BRE) visitation program. The BRE in person visitations were still somewhat curtailed, but replaced with more telecommunication and remote meetings to try and ascertain if the needs of the business community were being met by NYS and Federal economic development COVID-19 related small business programs or would these programs need to be augmented in some capacity by the LDC on a local level. As a result of the outreach made to the businesses by the LDC, it was determined that the LDC would have to continue to develop a variety of new programs to meet the business needs in our community due to COVID-19.

In 2019, 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. The LDC approved four grants of \$10,000 each. In 2021 the Town LDC dispersed one grant of \$10,000 under the GAP program. The remaining three grant recipients withdrew their projects from any further consideration due in great part to the ongoing COVID-19 pandemic, which basically stalled the previously approved projects.

During 2021, 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.

Also in 2021, the Town's Economic Development Office worked with the Village of Endicott and their consultant, Thoma Development, on the Village's 2021 NYS Downtown Revitalization Initiative (DRI) application. The Village of Endicott was subsequently awarded \$10,000,000 in DRI funding by New York State. The majority of implementation and public outreach will take place in 2022.

Financials

Please refer to the 2021 Audited Financial Statements as conducted by the Certified Public Accounting firm of Piaker & Lyons, PC.