

# St. Lawrence County Industrial Development Agency

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## MEMORANDUM

TO: Donald Peck, Chairman  
Operations Committee

FROM: Raymond H. Fountain *RHF*  
Chief Executive Officer

DATE: January 28, 2011

RE: 2010 IDA Performance Report

Attached is a report to the St. Lawrence County Board of Legislators that contains the Agency's 2010 Performance Review and marketing plan for the first six months of 2011. In the future, we will provide a report of this nature to you on a semi-annual basis.

The IDA is currently working on a revised mission statement which will contain 2011 performance goals for the IDA, the IDA Local Development Corporation, the IDA Civic Development Corporation and the Local Development Corporation. While the IDA is the umbrella organization, each of these are separate and distinct legal entities. Drafts have been reviewed by the IDA's Governance Committee and will be completed by the end of March and forwarded to you.

The St. Lawrence River Valley Redevelopment Agency recently completed a very comprehensive strategic planning process that set a blueprint for the design and implementation of delivery of services. Of course, this has been complicated by the lack of a signed power contract.

As you are aware much time was spent last year on the negotiation of the contract between the County and the IDA. With that now accomplished, staff have been establishing and defining new processes and procedures as they relate to our general operation (i.e. personnel, financial). As part of the IDA's reorganization the Economic Developer and the Business Services Coordinator positions were reviewed, evaluated and subsequently reclassified to Business Development Specialists. Duties of the position include attendance at marketing events and outreach of businesses within St. Lawrence County as we seek to upgrade our business retention and expansion activities.

We are completing the details of an orientation session for County Legislators. This event will most likely take a couple of hours to thoroughly provide an overview of the entities that are administered by the IDA. I believe, after that session, that the County Legislature will have a better understanding of the economic development efforts of the St. Lawrence County Industrial Development Agency.

Please contact me if you have any questions.

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## 2010 Performance Review

- The St. Lawrence County Industrial Development Agency actively served on the Ogdensburg Correctional Facility Task Force to assist the community in its fight to keep the State from closing the facility, a major employer in St. Lawrence County. Participation included researching and gathering economic impact data and design of an informational handout; compiling pertinent data and authoring a narrative and comparative analysis to demonstrate the magnitude of the closure on the region; sponsoring a newspaper ad inviting local individuals and businesses to submit their personal accounts of how the closure of the facility would affect them; and managing the development of a comprehensive binder supporting the ongoing operation of the facility, which was delivered to State Legislators and leaders in Albany.
- As a long-time member of the North Country Alliance, the Agency continued its relationship through the Alliance's evolution from an economic development and chamber of commerce-based organization into a public-private partnership of developers, chambers, financial institutions, private industries, educational institution and other organizations more representative of the region's economic diversification. The Agency represents St. Lawrence County as one of the 15 board members of the new NCA.
- Drum Country Business Initiative is a collaborative effort between the Fort Drum Regional Liaison Organization, National Grid, DANC and the IDAs of St. Lawrence, Jefferson and Lewis counties. It works to promote a regional approach for economic development, while using our proximity to Fort Drum as a potential drawing card for new business. The Initiative just completed a regional marketing prospectus and marketing plan to be used to outreach site selectors and other interested businesses.
- The General Motors Task Force was created in 2007 to address the many issues associated with the closing of the General Motors Powertrain Facility in Massena. The Task Force's efforts are ongoing. In December 2010 it held a GM Massena Site Reuse Assessment Working Session to solicit community input on the initial draft redevelopment strategies provided by the consultant group E2, Inc.
- The Agency continued its ongoing search for funding to rehabilitate the rail line leading to Newton Falls. The campaign has been ongoing since 2008, and the Agency continues to lead the effort to locate potential funding sources and discuss potential lease options with short line rail operators. Although funding has proven elusive, we have successfully kept the issue in the forefront; and Local and State representatives are keenly aware of the environmental and economic impact that this rail has on the County and the Adirondack Park. The reopening and rehabilitation of this section of railroad is sought in order to restore the most efficient, safe, reliable and environmentally acceptable transportation

mode into the Adirondacks. This would provide the most cost-effective transportation to service the paper mill at Newton Falls and Benson Mines in Star Lake.

- The Agency approved the amendment and modification of an existing letter of credit with United Helpers, with the Agency's 1998 Civic Facility Bond issue.
- The Agency completed the update of its website and coordinated the process of creating a website for the St. Lawrence River Valley Redevelopment Agency.
- The Agency authorized an extension of its Agent Agreement with Dockside Village of the 1000 Islands through February 2011. This is a continued extension of the assistance negotiated for the project through a PILOT package negotiated with the Town and Village of Morristown, and the Morristown Central School District.
- The Agency reaffirmed its corporate alliance with Electric Strategies, Inc., a Canadian-based marketing firm which assists the Agency in its marketing efforts in Canada.
- The Agency joined the Adirondack Partnership, which has been created to serve as a forum for local governments, State agencies, nonprofit organizations and other institutions to work in partnership to address complex Adirondack issues in a coordinated manner.
- The Agency held four (4) public hearings to solicit input on the PILOT agreement negotiated between St. Lawrence Gas Company and the affected local taxing jurisdictions for the company's proposed expansion into Franklin County. After receiving the comments from the hearings, the Agency approved the terms of the proposed PILOT.
- The Agency continues to be a participant in the St. Lawrence County Grass Bio-Energy Working Group, which works to develop a viable, local grass energy economy in the North Country that will displace fossil fuel use for space heating and hot water, increasing the local economic benefits and reducing greenhouse gas emissions. The group is working on a demonstration project that would document all aspects of producing, transporting and burning grass briquettes locally.
- The Agency continues its membership on the County's IT Committee, whose goal it is to move St. Lawrence County toward an Information Technology based community by improving broadband service availability to rural businesses and residents, grow IT industry sector employment in St. Lawrence County, and improve service to taxpayers through recommendations to Legislators.
- As a member of the Greater Massena Economic Development Fund (GMEDF), the Agency provided lending assistance in the amount of \$81,000 to Hoosier Magnetics, Inc. of Ogdensburg, New York. Funding was used to assist the company in its efforts to comply with NYS DEC emissions standards, representing approximately \$750,000 in investment in the company. The project assistance and funding was critical to the continued operation of the company and retention of its employees.
- A number of potentially positive projects were not able to move forward in St. Lawrence County due to a lapse in New York State Law that had allowed IDAs to provide needed

project assistance to civic and nonprofit development projects through the issuance of civic facility bonds. The IDA approached the County Legislature to propose the creation of a new financing entity that could provide assistance to the numerous hospitals, colleges and other civic facilities that operate in the County. The County Legislature designated the IDACDC to be its 'on behalf of' issuer for tax exempt civic facility bonds in order to facilitate the ability of not for profits to access capital for projects that enhance, create and preserve employment opportunities for residents of the County.

- The Agency is working on a Lease-Purchase Agreement with OpTech Environmental Services, Inc. to assist the company in relocating its Massena operation to a larger facility. This project will retain 39 jobs and create 19 jobs over the next three (3) years.
- Staff of the St. Lawrence County IDA, on behalf of the St. Lawrence County Local Development Corporation, and in partnership with St. Lawrence County, applied for and received \$200,000 in grant funds from the New York State Office of Community Renewal, Community Development Block Grant Economic Development Microenterprise Program to establish the St. Lawrence County Microenterprise Grant Program. It is estimated that that these funds will assist in the creation or expansion of 15 microenterprises, retain 10 jobs and create 30.
- The St. Lawrence County Local Development Corporation authorized \$19,750 in microenterprise lending assistance to River Lane Campground, located in Ogdensburg, New York. This \$225,000 project involves the acquisition and improvements at the project site and is expected to create three full-time jobs over three years.
- Per the June 2, 2010 "NYPA Allocation Agreement" the St. Lawrence County IDALDC has undertaken a number of activities on behalf of the St. Lawrence River Valley Redevelopment Agency, including start-up services, ongoing administrative services and project-specific services.
- The Agency is assisting Kinney Drugs, Inc. to resolve a water pressure issue that is affecting the company's warehousing and distribution operation in Gouverneur, New York. The Agency has liaised with Kinney Drugs and Gouverneur Village officials. The Agency was successful in securing a \$200,000 grant from the Northern Border Regional Commission, and is assisting with the submission of a grant application to the US EDA to assist with approximately \$600,000 of the remaining gap. This project will assist in the retention of 312 jobs at the Gouverneur facility and will improve water service to the East side of Gouverneur.
- The IDA Civic Development Corporation provided an issuance of up to \$18,200,000 in bonds to the Canton-Potsdam Hospital project, which consisted of an addition to the Hospital's current Leroy Street location to create a comprehensive cancer treatment center and renovate the Hospital's Emergency Department.
- The Civic Development Corporation issued revenue bonds of \$3,585,000 to the Canton-Potsdam Hospital Foundation project, which involved the conversion of a vacant school into a medical clinic and outpatient facility.

- The Agency negotiated with Curran Renewable Energy, LLC for the sale of Lots 12 and 13 within the Massena Industrial Park. Approved by the Agency board on October 26, 2010, this project will assist in maintaining employment at Curran Renewable Energy and Seaway Timber Harvesting.
- The Civic Development Corporation approved issuance of \$13,000,000 in to EJ Noble Hospital of Gouverneur for its hospital expansion project. The project involved an addition to the hospital to consolidate the Medical/Surgical unit, physical enlargement of the Clinical Laboratory and Radiology departments, and allow for new, expanded areas in Physical Therapy, Respiratory Therapy and Pharmacy.
- The Rushton Place project involved extensive renovation and rehabilitation to a historic building within the Village of Canton. The project received financial assistance in the form of sales and use tax exemption, mortgage recording tax exemption and real property tax exemption, in addition to the negotiation of agreements with the Town and Village of Canton as it pertains to a PILOT agreement.
- Slic Network Solutions, Inc is continuing its broadband and network services to the Ogdensburg, Brasher Falls and Newton Falls areas. This expansion continues the company's growth as a CLEC providing telephone and internet service to commercial customers in St. Lawrence County. The company was awarded two RUS loan/grant packages through USDA for the construction of 136 miles of fiber optic cable which will pass 726 homes in Franklin County. The second RUS BIP will be used to construct 660 miles of fiber-optic cable expanding their network to deliver advanced broadband services to almost 5,900 households, 112 businesses and 30 anchor institutions in 16 townships in St. Lawrence County. The IDA Local Development Corporation authorized \$120,000 in low-interest loan financing and sponsored a \$90,000 loan through the North Country Alliance. In addition, the Agency provided a \$250,000 line of credit to assist Slic Network Solutions, Inc in the build out of its expansion projects.
- The St. Lawrence County Local Development Corporation authorized \$8,000 in microenterprise lending assistance to Sharrow's Home Repair and Renovation, LLC. Located in Star Lake, New York, this project will create 1 job and will bring a needed service to this rural community.
- The St. Lawrence County Local Development Corporation also authorized \$20,000 in microenterprise lending assistance to Honey Dew Acres, located in Canton, New York. This project will assist the company in the construction of a 196' indoor riding arena to allow the company to provide lessons year round, when previously weather would have been prohibitive at certain times of year. This \$180,000 project will create two full-time jobs over the next three years
- The Agency and CITEC collaborated with Woodruff Block (of Potsdam, New York) on an application to Empire State Development's Environmental Investment Program to assist the company in its purchase of equipment that would make its glass dust hopper project more efficient. The glass dust hopper feed system would give the business the opportunity to use more glass dust (approximately 140,000 lbs per year); take 140,000 lbs per year out of the waste stream; and improve the opportunity for construction firms to

build LEED-compliant structures using glass dust-enhanced cement blocks. This project will aid in the retention of 17 jobs and stimulate the creation of new markets.

- North Racquette Greenery, located in Massena, New York received lending assistance from the GMEDF in the amount of \$50,000. Funding was part of a \$300,000 expansion project to allow the company to move into a larger, state-of-the-art facility.
- The Agency continued aggressive marketing efforts, as follows:
  - Over 13,000 marketing pieces mailed to select Canadian businesses in Ontario and Quebec to generate interest and possible expansion into St. Lawrence County.
  - Publication and distribution of the St. Lawrence County IDA's report to the community.
  - Distribution of approximately 195 Microenterprise Revolving Loan Fund brochures and verbal introduction of Microenterprise Grant Program to 120 St. Lawrence County businesses and entrepreneurs as participants of the Center for Entrepreneurship at Clarkson's My Small Business 101 sessions.
  - Attendance/sponsorship at 20 trade shows / marketing events in New York and Canada.
  - Coordination of three Countywide Economic Developers' Marketing meetings to ensure coordination of Countywide marketing efforts, strategic objectives and general operating activities of the local, county and regional developers.
  - Maintained memberships in Canadian trade organizations (e.g. Ottawa Manufacturer's Network, Ottawa Centre for Research and Innovation, and American Chamber of Commerce in Canada) to facilitate access to events and to maintain key contacts with Canadian companies and multiplier organizations.
  - Advertising and media promotion pieces created and utilized, including placements in North Country This Week, Watertown Daily Times, St. Lawrence County Newspapers, County Pennysaver, and on North Country Public Radio.
  - The Agency committed \$75,000 (\$25,000 per year for three years [with the third year being contingent upon the success of the program over the first two years] to the St. Lawrence County Chamber's FishCap initiative.
- Agency staff interacted with over 300 existing and prospective companies, organizations and general business contacts.
- The Agency continued its compliance efforts with provisions of Public Authority Accountability Act and Public Authority Reform Act: Reporting, training, website development, etc.



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## St. Lawrence County Industrial Development Agency 2011 Marketing Plan



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The following plan summarizes the focus areas and activity schedule (for the first half of the year) through which the St. Lawrence County Industrial Development Agency will undertake its marketing efforts in 2011. The Agency has budgeted \$100,000 in support of this plan.



## Marketing the County: Assets – Our Strengths and Value Proposition

- A Strategic Location with Access to US, Canadian and World Markets
- Power, Land, Water, and Natural Resources
- Available, Affordable Sites and Buildings
- A Productive and Capable Workforce
- Educational and Technical Resources and Collaboration Opportunities
- Aggressive Tax, Training, Financial and Energy Incentives
- Air, Rail, Port and Road Transportation Systems
- A Commitment to Assist

## Marketing the County: 2011 Focus Areas

The IDA will primarily direct its marketing resources toward the following focus areas in 2011:

- Further development of our Canadian market
- Power – the cost, quality and unique attributes of the energy available in the County
- Building on Regional Assets and Target Sectors
- Social and Digital Media Development
- Cross-Organizational Coordination
- Local Outreach

## Focus Area: Canada

- Direct Mail / Fulfillment
- Conference and Trade Show Marketing
- Media Placement
- Seminars and Special Events
- Site visits and hosted tours
- Memberships & Other Activities
- Representative Presence



## The U.S. Market Starts Here ... St. Lawrence County, New York

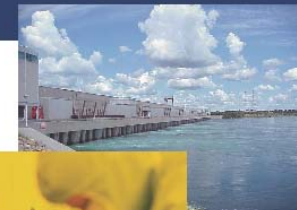
Located just 45 minutes from Canada's capital, St. Lawrence County provides a strategic and easily accessible U.S. border location for establishing manufacturing or distribution facilities.



ST. LAWRENCE COUNTY  
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If meeting U.S. content requirements for federal or local government contracts, ensuring 24/7 unrestricted access to the world's largest defense market, or simply being closer to your customers is critical to your business, then locating a facility in St. Lawrence County is a competitive strategy you must consider!

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### Focus Area: Power – Cost & Quality

- Research and Analysis
  - Benchmarking analysis of RVRDA's power offering
  - Business Case Development
  - Develop market intelligence, define target market segments & industry participants
- Branding & Market Positioning
  - Development of brand strategy for positioning the RVRDA power offering
  - Creation of associated marketing tools and products
  - Development of local, national and international marketing campaigns and activities
- Sales and Marketing
  - Implementation of marketing outreach programs in target market segments
  - Expansion of IDA's Canadian sales outreach program with a formalized market presence and increased in-country sales capability



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**Benefit from St. Lawrence County's:**

- Existing inventory of industrial buildings and greenfield sites
- Stable, skilled labor force and job training assistance
- Aggressive financing packages and tax incentives
- Low cost, fixed rate, high reliability green power
- St. Lawrence Seaway port access

**St. Lawrence County New York  
The U.S. Market Starts Here!**

Contact: Patrick Kelly  
Tel: 914 579 9858  
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## Focus Area: Building on Regional Assets and Target Sectors

- Power, Land, Water, Natural Resources, Outdoor Recreation and Adirondack Park
- Assessment of existing sectors, including agribusiness, wood and forest products, plastics, defense and security, electronics assembly and heavy industry for competitive attributes and gaps and development potential
- Research emerging industry sectors and key site selection determinants for match with County's assets and strengths
- Further investigation of local educational, research, technical resources and collaboration opportunities
- Inform site selector market of the new RVRDA assets
- Drum Country Business

## Focus Area: Social and Digital Media Development

- Build on existing IDA website and online activities by developing a digital marketing capability which incorporates the latest communications techniques and outreach methods.
- Investigate and advance use of social marketing vehicles where appropriate, including Facebook, Twitter, Linked-in and related sites and mediums
- Develop a social networking e-marketing strategy for non-traditional outreach to current and former residents, employers and potential new firms
- Develop e-news broadcast to communicate new developments, programs, initiatives, incentives and activities to stakeholders and prospects





## Focus Area: Cross-Organizational Coordination

- Continue to foster cooperative relationships at the local, county, regional and state development levels
- Develop coordinated marketing strategy with major local development organizations
- Facilitate our local developers' meetings
- Maintain an active presence with the local development organizations in the County,
- Further our interests and participation in both the existing and emerging regional, state and national organizations that have an impact on the economic development activities in St. Lawrence County

## Focus Area: Local Outreach

To mark the IDA's 40th year, a schedule of historical, informational and promotional releases and media placements will be released on a periodic basis. Outreach efforts and relationship development activities will target:

- Private Business and Industry
- Local Communities, Elected Officials and Government Agencies
- Regional Economic and Workforce Development Agencies
- Chambers of Commerce
- Utility Providers
- Colleges and Universities
- The General Population



## Projected Marketing Activity Schedule: 1<sup>st</sup> Quarter

### **January**

- FishCap Initiative Investment
- Digital media development/creation
- Print Ads – 40th Anniversary

### **February**

- Direct Mail Campaign (general Ontario and Quebec)
- North Lawrence Dairy Mailing
- Print Ads – 40th Anniversary
- Radio Ads – RVRDA
- My Small Business 101 Series

### **March**

- Launch of New E-News Broadcast
- Women's Business Bootcamp, SUNY Canton, March 2
- Drum Country Initiative Kick Off, March 4
- The Canadian Technical Security Conference, March 28-30, Cornwall
- Radio Ads – 40<sup>th</sup> Anniversary

## Projected Marketing Activity Schedule: 2nd Quarter

### **April**

- Eptech Montreal – SLCIDA Seminar, April 5
- Ottawa Business Summit, April 19
- North Country Symposium, St. Lawrence, April 4-5
- Women's Business Bootcamp
- North Country Business Expo / The Really Big Show
- Print Advertising – 40th Anniversary

### **May**

- Direct Mail Campaign
- Eptech Ottawa – SLCIDA Seminar, May 12
- Canadian Environmental Conference and Tradeshow, May 16-18, Metro Toronto Convention Centre
- Radio – 40th Anniversary

### **June**

- CANSEC, June 1-2, Ottawa (Site Visit)
- PACEX Toronto, (Exhibit) June 21-23, Toronto
- E-News Broadcast
- Print Ads – 40th Anniversary