



Amsterdam Industrial Development Agency 2013 Progress Report

January 2013

The information contained within will provide a brief snapshot of the current AIDA programs, projects and progress made during the current mid-year fiscal year.

2013 Progress Report

AIDA Finances

The 2012-2013 AIDA Adopted Budget was approximately 8% higher than the previously adopted 2011-2013 Budget. This was primary due to the estimated income and expense associated with the tax-exempt bond issue for AGT's building addition. In all other categories, the current year budget mimics that of last year with no major exceptions. During 2012, AIDA finished the year with a small surplus in its operating budget, the first time in over a decade.

Current Loans Include:

Town and County Bridge and Rail (TACBAR)

Amount: \$95,000

Terms: 5 years, 4.5% interest Payment: \$1771.09

Start: 6/30/08 End: 5/30/13

Parillo's Restaurant

Amount: \$27,000

Terms: 6 years, 3.25% interest Payment: \$263.84

Start: 3/15/11 End: 2/15/17

Balloon Payment: \$12,091.80

Vida-Blend

Amount: \$75,000

Terms: 5 years, 3.25% Payment: \$1356.00

Start: 11/20/12 End: 12/20/17

A&M Cleaners

Amount: \$15,000

Terms: 5 years, 3.25% Payment: \$265.98

Start: 6/15/12 End: 5/15/17

Emma Lou's Diner

Amount: \$27,000

Terms: 6 years, 3.0% Payment: \$413.00

Start: 5/15/12 End: 4/15/17

Note: Emma Lou's Loan Contains an option to purchase

In addition to the above loans, during 2012 the following loan was paid in full:

Embassy Millworks

Amount: \$30,000

Terms: 3 months, 7.0%

Start: 2/3/12

End: 5/3/12

Comparison of 2011 to 2010 Assets and Liabilities

The Amsterdam Industrial Development Agency (AIDA) is a public benefit corporation created by state legislature to promote economic development within the City of Amsterdam. The City's Common Council appoints the board members of the agency, but the City exercises no oversight responsibility. The board members of the Agency are involved in the management of the Agency and accountability for fiscal matters.

The Agency, during the fiscal year of 2012-2013 continues to be committed to assisting the City of Amsterdam in its efforts to further economic development opportunity. The IDA continues to seek and market companies who may be interested in expanding or moving to the City. The IDA is mindful of the need to assist companies wanting to relocate to the City. To that end, the IDA continues to offer assistance through loans, financial assistance and through bonding opportunities.

The basic financial statements are very similar to the financial statements of a for profit entity; there are no fund level financial statements applicable to the Agency.

A comparison of this year to last year's financial information is as follows:

	12-11	10-11
Assets		
Current Assets	\$ 712,779	\$ 588,898
Capital Assets	2,504,161	2,558,402
Total Assets	3,216,940	3,147,300
Liabilities	\$ 1,324,975	\$ 1,185,837
Net Assets		
Capital Assets net	\$1,417,200	\$1,406,826
Unrestricted	384,988	393,932
Restricted	89,777	160,705
Total Net Assets	\$ 1,891,965	\$ 1,961,643

AIDA FINANCES CONTINUED...

State of New York Comptroller's Annual Reports were filed on time.

The 2012 Independent Audit was also completed on time and contained no findings.

AIDA 2011-2012 Budget ended the year with a surplus of funds.

New Grants

During the first six (6) months of the current fiscal year, the agency applied for funding for four projects, and was approved for all four: ProZone Lockers (Embassy Millworks), Mohawk Fabrics, the renovation of the newly acquired United Way Building in the downtown and an emergency grant for Amsterdam Overhead Doors. *In total, AIDA was successful in applying for \$1,014,000 in grant funding.*

Embassy Millworks

\$200,000 NYS OHCR

\$ 50,000 NYS ESD

\$250,000 - total

Embassy Millworks specializes in Corian® Solid Surface Countertop fabrication, Custom Millwork Projects, as well as, athletic locker room products such as, Prozone, The Ultimate Sports Locker Solution. AIDA applied for and received a **\$200,00 grant** from the NYS Office of Home and Community Renewal to assist Embassy Millworks to equip their building located on Sam Stratton Drive in Amsterdam for a planned expansion into the home market. In addition, AIDA also applied for and received a second **\$50,000 grant** from the NYS Empire State Development Corporation.



Mohawk Fabrics

\$125,000 NYS OHCR Grant
\$ 50,000 NYS ESD Grant
\$175,000 – subtotal

\$1,200,000 – Approved Bond Issuance

Total Award: \$1,375,000

Mohawk Fabrics was approved for two separate grants for the most recent expansion plans. In addition, AIDA is authorized by Empire State Development to assist the company with the issuance of \$1.2 million in bonds for the company's expansion plans.



Former United Way Building

\$200,000 NYS Department of State
\$225,000 NYS ESD
\$120,000 Amsterdam Urban Renewal Agency
\$575,000 - Total

AIDA acquired the former United Way Building in the spring of 2012. Since that time, a lead inspection was performed, an asbestos inspection was performed and Architect Tom Cisek was hired and has prepared design drawings for the renovation of floors 1 & 2 (Phase I reconstruction) and is finalizing floor 3 (Phase II).

The NYS Office of Parks, Recreation and Historic Preservation has also approved the reconstruction involved in Phase I.

Phase I of the building renovations is scheduled to be completed by June 1, 2013.



Amsterdam Overhead Door

\$14,000 National Grid Emergency Grant

AIDA applied for and received a \$14,000 grant from National Grid toward the recovery from the 2011 Hurricane Storm Irene helping the company recover from the disaster.



New Loans

Emma Lou's Diner

The owner of the building Emma Lou's Diner rents was up for sale and AIDA purchased the facility and re-leased it to Emma Lou's Diner. AIDA paid for a new heating system in the building during the fall of this year. Emma Lou's pays \$412 per month which goes to paying off the investment AIDA has into the building and can be used toward the purchase of the building from AIDA.



A&M Cleaners

AIDA made a \$15,000 loan to A&M Cleaners, a professional office cleaning business. The loan is amortized over 5 years at an interest rate of 3.25%.



AIDA Real Estate Leases

1 Sam Stratton Drive

Tenant: Breton Industries
Rent: \$2,475/month
Dates: 2/1/10 – 8/31/14

5 Sam Stratton Drive

Tenant: Power and Compostie Technologies
Rent: \$5,000/month
Dates: 1/1/12 -12/31/14

24 Sam Stratton Drive

Tenant: AGT
Rent: \$500 /month
Dates: 7/16/08 – 6/15/23

24 Park Street

Tenant: Beckman Converting
Rent: \$3,500/month
Dates: 6/1/06 – 5/31/13

30-32 East Main Street

Tenant: Wrestling Hall of Fame
Rent: \$1/year

2 Chuctanunda Street

Tenant: Emma Lou's Diner
Rent: \$412/month
Dates: 6/1/12-5/31/18

Improvements to Buildings

- AIDA had the City's Department of Public Works install a new water main in front of PCT's building in AIDA's Industrial Park.
- AIDA installed a new heating system at Emma Lou's Diner located at 2 Chuctanunda Street.
- AIDA is planning painting the 2 buildings rented by the Wrestling Hall of Fame this spring.
- AIDA is planning on a major restoration of 44-46 East Main Street in downtown Amsterdam commencing in the spring of 2013
- AIDA had installed a new DSL line and new router in 46 East Main Street for wii internet use.

AIDA Equipment Upgrades

During the beginning of 2013, AIDA purchased a new lap-top computer to primary be used as a back up for the general office computers. In addition, it can be used during the weekends.



Payment in lieu of Taxes

The following companies currently have payment in lieu of tax agreements with AIDA:

AGT – Currently at 40% of building assessment

Power and Composite Technologies – Currently at 30% of building assessment

AIDA also approved a new PILOT Agreement with **Bad Ponder** (previously Mohawk Fabrics) which will took effect the spring of 2013.



Payments for real estate taxes, water and sewer fees are paid by each company directly AIDA monthly and then passed through to the various taxing jurisdictions.

Downtown Revitalization

Building Acquisition

AIDA has acquired **44-46 East Main Street** and **2 Chuctanuda Street** in downtown Amsterdam. In addition, AIDA owns **24-26 East Main Street** and **30-32 East Main Street** in downtown Amsterdam.



Building Renovations

- 44-46 East Main Street will undergo a complete rehabilitation this summer.
- 24-26 East Main Street and 30-32 East Main Street will be undergo a complete exterior repainting.
- 2 Chuctanuda Street recently had a new heating system installed in the building.
- AIDA had installed a new DSL line and new router in 46 East Main Street for wii internet use.

Empire Zone Certified Businesses

At the request of the City of Amsterdam Administration, AIDA has agreed to take on the daily administration of the Empire Zone Program required by New York State.

Information on new procedures as well as a questionnaire were sent to some 75 businesses located within the Amsterdam-Florida-Glen Empire Zone.

Currently, all data collected from Empire Zone Certified Businesses will be reviewed by the State and AIDA will followup with the State on any questions or concerns.

Bond Issuances

AIDA currently has one outstanding bond issue done in conjunction with equipment purchases for **Noteworthy Industries, Inc.** The original bond was issued in December 2007 for \$1.4 million. **The outstanding balance as of June 30, 2012 was \$557,634.** The final maturity date is December 2014.

In addition to the conventional bond issue noted above, AIDA also issued a bond note for **AGT Services** in the amount of \$1.4 million issued in July 2008. This is carried as a loan from Key Bank and end in June 2023.

Finally, AIDA was allocated \$1.2 million in new bond allocations (in addition to its annual allotment) for use with **Mohawk Fabrics during 2013**. AIDA and Mohawk Fabrics will be evaluating whether to use this allocation during the coming year.

Grant Writing

Until recently, AIDA relied on hiring independent consultants to write and apply for grants on behalf of businesses with the City. AIDA now performs this function in house, and was recently successful in applying for and receiving a **\$200,000 grant** from the NYS Office of Home and Community Renewal and a **\$50,000 grant** from Empire State Development to assist with Embassy Millworks to purchase new equipment for their facility located on Sam Stratton Drive in Amsterdam. AIDA also was successful in receiving a **\$125,000 grant** from the NYS Office of Homes and Community Renewal and a **\$50,000 grant** from ESD for new equipment for Mohawk Fabrics. AIDA also received a **\$200,000** NYS Department of State grant, a **\$225,000** ESD grant and a **\$120,000** URA grant for the renovation of 44-46 East Main Street. Finally, AIDA received a **\$15,000 grant** from National Grid to assist with the emergency repairs needed for Amsterdam Overhead Door damaged by Hurricane Irene in late 2011.

AIDA is now in the process of applying for additional grant funds to National Grid for improvements to 44-46 East Main Street. In addition, AIDA is working with NYS Empire State Development to assist with identifying additional projects for CFA funding during the current fiscal year.

AIDA Strategic Plan

AIDA has drafted a new four year strategic plan that lists goal and objectives for the Agency in the coming years. It is broken down into two categories: an internal plan for the operations of AIDA and, an external development plan for the assistance of City of Amsterdam Businesses.

The new Strategic Plan should be completed by the end of January and adopted at the February Board of Directors meeting.

AIDA – Owned Properties

- A. The Agency, as of June 30, 2012, does not have any properties that it intends to dispose of having an estimated fair market value in excess of \$15,000.
- B. The Agency, as of June 30, 2012, has ownership in the following properties:

<u>Property Location</u>	<u>Estimated Fair Market Value As of June 30, 2012</u>
1. Locust and Park	\$4,348
2. Off Morris	870
3. 46-48 Lark Street	10,870
4. Edson Street Extension	44,780
5. Edson Street	3,620
6. 362 East Main Street	3,900
7. 48 John Street	725
8. 46 John Street	725
9. 44 John Street	1,000
10. Sam Stratton Drive	144,920
11. Sam Stratton Road	550,700
12. Park Drive	940,000
13. 7 Dandreano Drive	326,000
14. Sam Stratton Drive	28,990
15. RR Second Avenue	71,000
16. Fourth Avenue	7,240
17. Kellogg	2,900
18. RR, Kellogg-East	66,670
19. Fredrick Street Rear	220
20. Fredrick Street Rear	220
21. Fredrick Street Rear	6,500
22. Edson Street	3,600
23. 30-32 East Main Street	97,000
24. Power Station (Lower Mills)	43,480
25. 24-26 East Main Street	44,930
26. Sam Stratton Drive	1,086,960
27. 2 Chuctanunda Street	50,725
28. 44-46 East Main Street	43,480
29. Church Street	14,490

In addition, the Agency, during the fiscal year ended June, 2012, did not dispose of any properties that had an estimated fair market value in excess of \$15,000.

Amsterdam Industrial Development Agency

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