



# Amsterdam Industrial Development Agency 2014 Progress Report

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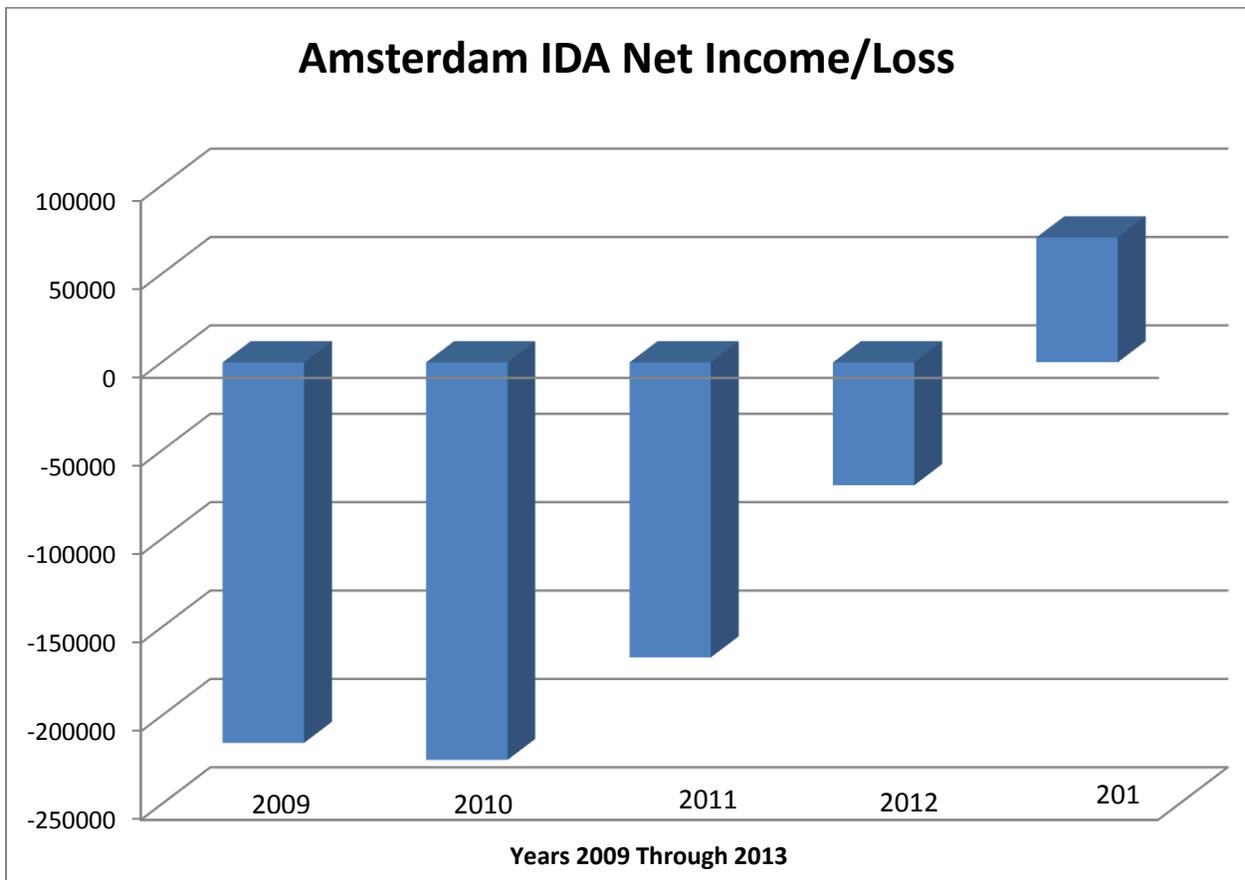
*January 2014*

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.

## 2014 Progress Report

### AIDA Finances

The 2013-2014 AIDA Adopted Budget is approximately 6.86% higher than the previously adopted 2012-2013 Budget. This was primary due to the estimated costs associated with higher insurance costs, personal salaries and audit services. In all other categories, the current year budget mimics that of last year with no major exceptions. During 2013, AIDA finished the year with a small surplus in its net income, the first time in over a decade.



This increase net income is associated with the Agency's aggressive pursuit of federal and state grants to supplement its income and capital assets.

## AIDA Loan Portfolio:

### Current Loans Include: **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: \$400.00  
Start: 5/15/12      End: 4/15/17

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

### **Shorty's Restaurant**

Amount: \$50,000  
Terms: 5 years @ 3.75%      Payment: \$915.20  
Start: August 2013      End: July 2018

In addition to the above loans, during 2013 the following loan was paid in full:

### **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

## Comparison of 2012 to 2011 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:

Assets	12-13	11-12
Current Assets	\$ 617,456	\$ 712,779
Capital Assets	2,627,409	2,504,161
Total Assets	3,244,865	3,216,940
Liabilities	1,282,287	1,324,975
Net Assets		
Capital Assets net	1,608,135	1,417,200
Unrestricted	294,116	384,988
Restricted	60,327	89,777
Total Net Assets	\$ 1,962,578	\$ 1,891,965

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

**The 2013 Independent Audit** was also completed on time and contained no findings.

**AIDA 2012-2013 Budget ended the year for the first time in over ten years with a net profit.**

## **New Grants**

During the first six (6) months of the current fiscal year, the agency applied for funding for three projects, and was approved for all three: Mohawk Architectural Aluminum Products, Vida-Blend, Inc., and GIANTS Solutions. ***In total, AIDA was successful in applying for \$771,000 in grant funding.***

### **Mohawk Architectural Aluminum Products**

**\$655,000 NYS OHCR**

Mohawk Architectural Aluminum Products specializes in the manufacture of windows for office buildings, primarily in the New York Metropolitan Area. The NYS Office of Homes and Community Renewal awarded a \$665,000 grant to the City for the company to purchase equipment to assist them in furnishing a new manufacturing facility in the City of Amsterdam. The total project cost is estimated to be approximately \$5.5 million. The company will employ 50 workers within the first 18 months of operations.



### **Vida-Blend, Inc.**

**\$26,000 NYS OHCR**

Vida-Blend is a nutrient and fortification specialized company providing enhanced nutrients and vitamins to a variety of products within the food industry. They package Nutrient Pre-Mixes to allow seamless integration within other companies' food production. The \$26,000 will be used for working capital needs and allow the company to hire three additional staff.



## Giant Solutions

**\$50,000 Grant from NYS DHCR**

**\$30,000 Grant from NYS ESD**

**\$80,000 Total**

GIANTS Solutions is a one stop engineering firm specializing in RF Technologies, which is short for Radio Frequency Technology or wireless telecommunications. The grants will allow the company to purchase new equipment and employ 2 new employees.



## Total Grants Administered By AIDA

<b>Embassy Millworks</b>	<b>NYS DHCR</b>	<b>\$205,000</b>
<b>ProZone Lockers</b>	<b>NYS DHCR</b>	<b>\$205,000</b>
<b>Mohawk Fabric</b>	<b>NYS DHCR</b>	<b>\$130,000</b>
<b>Mohawk Fabric</b>	<b>NYS ESD</b>	<b>\$ 45,000</b>
<b>44-46 East Main Street</b>	<b>AURA</b>	<b>\$120,000</b>
<b>44-46 East Main Street</b>	<b>NYS DOS</b>	<b>\$200,000</b>
<b>44-46 East Main Street</b>	<b>NYS DED</b>	<b>\$225,000</b>
<b>Mohawk Architectural</b>	<b>NYS DHCR</b>	<b>\$665,000</b>
<b>Vida-Blend, Inc.</b>	<b>NYS DHCR</b>	<b>\$ 26,000</b>
<b>GIANT Solutions</b>	<b>NYS DHCR</b>	<b>\$ 50,000</b>
<b>GIANT Solutions</b>	<b>NYS DED</b>	<b>\$ 30,000</b>
<b>Amster. Overhead Door</b>	<b>National Grid</b>	<b>\$ 14,000</b>
<b>Russo's Restaurant</b>	<b>National Grid</b>	<b>\$ 25,000</b>
<b>Totals</b>		<b>\$1,940,000</b>

## New Loans

### Shorty's Restuarant

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:** \$4.375/month  
**Dates:** 6/1/13 – 5/31/18

## **30-32 East Main Street**

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

## **2 Chuctanunda Street**

**Tenant:** Emma Lou's Diner  
**Rent:** \$400/month  
**Dates:** 6/1/12-5/31/18

## ***Improvements to Buildings***

- AIDA upgraded the gas main in PCT's building in AIDA's Industrial Park.
- AIDA is upgrading the industrial boiler in PCT's Building.
- AIDA has painted the 2 buildings rented by the Wrestling Hall of Fame.
- AIDA has undertaken a major restoration of 44-46 East Main Street in downtown Amsterdam commencing in the spring of 2013.

## **AIDA Equipment Upgrades**

During the beginning of 2013, AIDA purchased a new lap-top computer to primarily 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

A PILOT Agreement with **Bad Ponder** (previously Mohawk Fabrics) which took effect the spring of 2013.



A second PILOT Agreement with Bad Ponder was also approved during the fall 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 is undergoing a complete rehabilitation which commenced during the spring of 2013.
- 24-26 East Main Street and 30-32 East Main Street received a complete exterior repainting.

## 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 \$342,991.** 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.

## **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 **\$650,000 grant** from the NYS Office of Home and Community Renewal to assist Mohawk Architectural Aluminum Products to purchase new equipment for their proposed facility in Amsterdam. AIDA also was successful in receiving a **\$26,000 grant** from the NYS Office of Homes and Community Renewal for working capital for Vida-Blend, Inc.. AIDA also received a **\$50,000** NYS Office of Home and Community Renewal grant and a **\$30,000** ESD grant for GIANTS Solutions for new equipment.

## **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.

<b>AIDA – Owned Properties</b>
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- A. The Agency, as of June 30, 2013, 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, 2013, has ownership in the following properties:

<u>Property Location</u>	<u>Estimated Fair Market Value As of June 30, 2013</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	111,870
24. Power Station (Lower Mills)	43,480
25. 24-26 East Main Street	54,430
26. Sam Stratton Drive	1,086,960
27. 2 Chuctanunda Street	50,725
28. 44-46 East Main Street	249,085
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**

## **Board of Directors**

- Ronald Barrone, Chairman
- Michael LaCoppola, Vice Chairman
- Pat Baia, Secretary
- Michael Rossi, Treasurer
- Michael Pepe
- Edward Russo
- Gina DeRossi, City of Amsterdam Alderwoman, Agency Liaison to City Council

John Mineaux, Esq., Roemer, Wallens, Gold and Mineaux, AIDA Bond Counsel

A. Joseph Scott, Esq., Hodgson and Russ, Special Bond Counsel

## **Staff**

- Jody Zakrevsky, Executive Director
- Sandy Yutes, Finance Manager
- Donna Phelps, Secretary
- Charles Schwartz, Esq., Agency Attorney