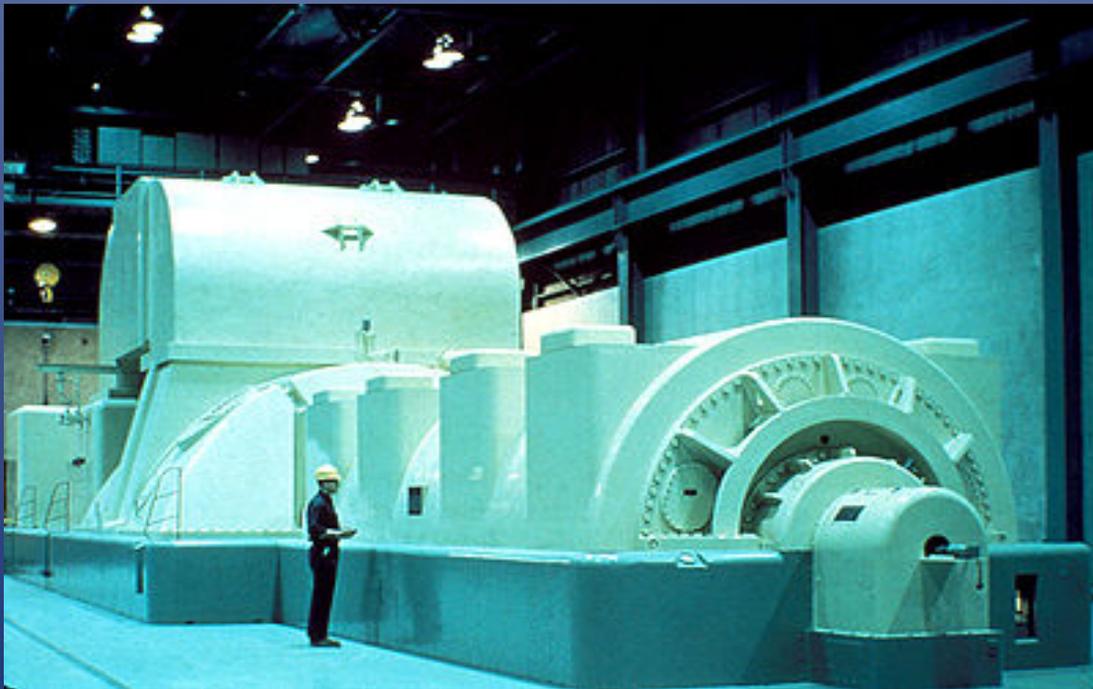


Amsterdam Industrial Development Agency 2015-2016 Progress Report

November 2015

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.



2015 Progress Report

AIDA Finances

The 2015-2016 AIDA Adopted Budget is less than one half of a percent higher than the previously adopted 2014-2015 Budget. This is the smallest increase in the overall operating budget in more than a decade. During 2015, AIDA finished the year for the Agency finished the year with a surplus in overall cash, and an increase in the Agency's net assets, overall, with a surplus of some \$151,000 in net increase assets over the previous year. Also, during this time period, the Agency paid off in full its construction loan of \$300,000 to the Capital District Community Loan Fund.



This increase net income is associated with the Agency's aggressive pursuit of federal and state grants to supplement its income and capital assets as well as the Agency purchasing, rehabilitating, and keeping new real estate.

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

Shorty's Restaurant

Amount: \$50,000

Terms: 5 years @ 3.75% Payment: \$915.20

Start: August 2013 End: July 2018

During 2014-2014, Emma Lou's Diner was sold to the tenant and the loan was paid off. Also during the same time period, the loan for A&M Cleaners, in default, was written off.

Comparison of 2014 to 2015 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	14-15	13-14
Current Assets	\$ 274,683	\$ 266,437
Capital Assets	2,673,946	2,764,957
Total Assets	2,948,629	3,031,394
Liabilities	921,030	1,155,317
Net Assets		
Capital Assets	1,799,411	1,816,445
Unrestricted	205,574	42,960
Restricted	22,614	16,672
Total Net Assets	\$ 2,027,599	\$ 1,876,077

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

The 2014 Independent Audit was also completed on time and contained no findings.

AIDA 2014-2015 Budget ended the year for the first time in over ten years with a net increase in assets versus liabilities.

New Grants

Awarded:

Beckmann's Converting \$68,000

During 2014-2-15, the Agency applied for and received a grant from the NYS Division of Housing and Community Renewal \$68,000 to install a perimeter fence and make structural repairs to an exterior boiler room at Beckmann's Converting. The Agency has completed its environmental review and the project is now in construction.



Applied for: AGT Services \$3 million ESD/\$375,000 DHCR

During the same period, the Agency has applied to the NYS Empire State



Development for a \$3,000,000 capital grant. The funding would assist the company to install balancing equipment estimated to cost around \$15 million. It is listed as both a priority project for the NYS Mohawk Valley Regional Economic Development Council as well as a signature project for the State's Urban Revitalization Initiative Program.

In addition, the Agency has submitted a pre-application for an additional \$375,000 from the NYS Office of Homes and Community Renewal. A full application will be prepared and submitted once the State decides on the ESD grant.

**Applied for: Memory Lane Day Care Center
\$50,000 ESD/\$100,000 DHCR**

During 2014-2015 the Agency also applied for a \$50,000 NYS ESD Capital Grant for Memory Lane Day Care. The Mohawk Valley Economic Development District Regional Council as well as the regional office of NYS Empire State Development has listed this project as one of their priority projects for this fiscal year and recommended to the Governor that this project be awarded a \$50,000 ESD Grant.

Should the project receive funding from ESD, an additional \$100,000 grant from the NYS DHCR will be applied for.

Total Grants Awarded to the AIDA Since 2011

Embassy Millworks	NYS DHCR	\$200,000
ProZone Lockers	NYS DHCR	\$205,000
Mohawk Fabric	NYS DHCR	\$130,000
Mohawk Fabric	NYS ESD	\$ 45,000
44-46 East Main Street	AURA	\$120,000
44-46 East Main Street	NYS DOS	\$200,000
44-46 East Main Street	NYS DED	\$225,000
Mohawk Architectural	NYS DHCR	\$665,000
Mohawk Archtiectural	NYS DED RESTORE	\$1,100,000
Vida-Blend, Inc.	NYS DHCR	\$ 26,000
GIANT Solutions	NYS DHCR	\$ 50,000
GIANT Solutions	NYS DED	\$ 30,000
Amster. Overhead Door	National Grid	\$ 14,000
Russo's Restaurant	National Grid	\$ 25,000
Beckmann's Converting	NYS DHCR	\$68,000
Totals		\$3,103,000

AIDA Real Estate Leases

1 Sam Stratton Drive

Tenant: Breton Industries
Rent: \$2,600 /month
Dates: 9/1/14 – 8/30/19

5 Sam Stratton Drive

Tenant: AGT Services
Rent: \$5,250/month
Dates: 9/1/14 – 8/30/19

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

44 East Main Street

2nd Floor Residential: \$750 per month

3rd Floor Residential: \$700 per moth

46 East Main Street

Ground Floor: Geek Pantology: 700 per month

2nd Floor Residential: \$750 per month

3rd Floor Residential: \$700 per month

Improvements to Buildings

- AIDA upgraded the sewer pump station and main in AGT's building in AIDA's Industrial Park.
- AIDA is upgrading the exterior boiler room at Beckmann's Converting
- AIDA is installing a perimeter security fence around Beckmann's Converting
- AIDA completed a major restoration of 44-46 East Main Street in downtown Amsterdam during 2014-2015.
- AIDA is currently installing a security system at 44-46 East Main Street.

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

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 and will take effect in 2015.

A PILOT Agreement was reached with **Noteworthy Industries** and will be completed in late 2015 or early 2016.

A PILOT Agreement was approved for **Executive Trim Construction, Inc.** but the company failed to secure financing to move ahead with the project.

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.

Mohawk Site Redevelopment

During 2014-2015, the City of Amsterdam transferred ownership of the former Mohawk Property as well as the former Esquire Building to AIDA. Also during this same time period, AIDA acquired property formerly owned by Noteworthy Industries which separated the two previously city-owned properties. AIDA now has a contiguous 23 acre property in center city Amsterdam. AIDA will look to secure funds in the coming year to provide engineering and marketing for the site.



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 outstanding bond issue done in conjunction with equipment purchases for **Noteworthy Industries, Inc.** was paid off in full in 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.

During 2014-2015, AIDA bond allocation was increasing by \$6.7 million to allow the Agency to issue tax-exempt bond financing for Mohawk Architectural. Unfortunately, it appears that the company can not secure underwriting for this project.

Finally, AIDA is working with AGT Services on a new bond issue for between \$5-9 million. The bonding would be for balancing equipment installation as well as building improvements.



Turbine Industry Cluster Development

The Agency has identified the Turbine Industry as a top priority for its cluster development. With companies such as Power Composite Technologies (PCT), Advance Generating Technologies (AGT) Services, Rayco of Schenectady and Solar Energy Systems within the City and Town of Amsterdam, a core cluster of energy companies already exists.

AIDA has applied for roughly \$3.4 million to assist AGT is purchasing balancing equipment in the current round of ESD Grant financing. AIDA will continue to assist with turbine company expansion and marketing to encourage the growth of this manufacturing sector.

Honored for service
The local hospice hands out its annual awards of appreciation.
• Page 4

Super Braves
High school Super Bowl weekend has arrived and a local team is in the hunt.
• Page 24



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\$10-15 million investment
Turbine project on AIDA radar

By CASEY CROUCHER
Recorder News Staff

A multi-million dollar investment in turbine technology is but one of the projects on the docket for the Amsterdam Industrial Development Agency, its executive director said this week.

AIDA boss Jodi Zakewsky updated the council on projects, programs and progress Wednesday — including the potential for a gas turbine cluster development that could result in a \$15 million investment in the city.

Zakewsky said AIDA has worked with several companies that are directly involved in turbine engine reconstruction, including Power Generation and Composite Engineering, AGT Services and Rayco of Schenectady.

The agency has been working to enhance the capabilities of the companies and is looking to attract new and related companies in the turbine industry.

He said he recently had another meeting with AGT Services, and they're possibly looking at a \$10 million to \$15 million investment in turbine technology in the city.

"If we're successful in working with these companies, and have this new equipment installed, it will entice other companies from the East Coast to come to Amsterdam and use the facility," he said.

"This, to me, is a big position."

He said the agency is trying to entice enough companies to have a cluster in the city.

Zakewsky also made mention of the redevelopment of the former Millstone site, which the city has been working on for roughly 17 years.

This project was listed as a priority in the city's master plan, it said.

Please see AIDA, Page 8

Inside

- Comics 14
- Classifieds 18-18
- happenings 2
- Lottery numbers 4-13
- History/world 4
- Opinion 4
- Sports 19-24
- TV listings 11

Start here
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D.C. dignitaries are given a tour of a local success story

By NICOLE ANTONOWSKI
Recorder News Staff

TOWN OF FLORIDA — U.S. Sen. Kirsten Gillibrand and U.S. Rep. Paul Tonko met with employees at Hill & Knowlton Thursday to discuss opportunities and challenges facing small businesses in the capital region and Mohawk Valley.

"I came here to see a success story," Gillibrand said. "I came to see what works in terms of our rural communities in terms of good jobs and growing businesses."

Gillibrand's goal is to create and retain jobs across the state by working with local communities and state leaders to lay the foundation for future economic growth. Her visit to a money-aid family-owned business was the first stop.

"This is an absolute success story about a family who has been in business since the beginning of the century creating jobs and making things people need to buy and that is exciting," she said.

Hill and Knowlton Inc., established in 1950, is recognized and respected for the growth and professional approach within the wholesale distribution industry. The company began as a candy, ice cream and dry goods store distributor but now distributes...

Please see SUCCESS, Page 7

Gillibrand hears the pitch

By LEVI MASCHER
For The Recorder

JOHNSTOWN — Fulton County officials made their best pitch to gain the support of U.S. Sen. Kirsten Gillibrand during an economic development roundtable Thursday.

Gillibrand met with local business and community leaders to discuss the latest economic development efforts in the Fulton and...

Please see PITCH, Page 6

Reward is offered in llama shooting

By CAROLINE MURPHY
Recorder News Staff

JOHNSTOWN — More than two weeks have passed since a Nordville resident's pet llama was finally shot, and with no suspects yet in custody, the New York State Humane Association is now offering an award for information.

Patricia Valasek, chairwoman of the humane association, said her group is offering a \$1,000 reward to anyone with information leading to an arrest and conviction of whoever shot Mark St. Omer's 11-year-old pet llama named Llama.

The llama was killed Oct. 23 at St. Omer's Old State Road residence. St. Omer's daughter...

Please see LLAMA, Page 5

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Grant Writing

AIDA continues to apply for grant funding for companies within the City's boundaries. Most recently, AIDA has applied for a \$68,000 grant for Beckmann's Converting, two grants totaling \$3.375 million for AGT Services, and two grants totaling \$150,000 for Memory Lane Day Care.

AIDA – Owned Properties

- A. The Agency, as of June 30, 2015, 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, 2015, has ownership in the following properties:

<u>Property Location</u>	<u>Estimated Fair Market Value As of June 30, 2015</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. 44-46 East Main Street	249,085
28. Church Street	14,490

In addition, the Agency, during the fiscal year ended June, 2015, did dispose of 2 Chuctanunda Street.

Amsterdam Industrial Development Agency

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- Pat Baia Chairman
- Gerald Gallup, Vice Chairman
- Michael McKenney, Secretary
- Michael Rossi, Treasurer
- Michael LaCoppola
- David Nelson
- Michael McCabe
- Ronald Barone, City of Amsterdam Alderman, 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