

City of Amsterdam
Industrial Development Agency

Annual Report:
Operations and Accomplishments

2018-2019 Fiscal Year

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Enabling Statute

The City of Amsterdam Industrial Development Agency (AIDA) is a not-for-profit public benefit corporation established through Article 18-A Section 890-I by special act of the New York State Legislature. 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.

Section 890-I

City of Amsterdam Industrial Development Agency
General Municipal Law (GMU)

For the benefit of the city of Amsterdam and the inhabitants thereof, an industrial development agency, to be known as the CITY OF AMSTERDAM INDUSTRIAL DEVELOPMENT AGENCY, is hereby established for the accomplishment of any or all of the purposes specified in title one of article eighteen-A of this chapter. It shall constitute a body corporate and politic, and be perpetual in duration. It shall have the powers and duties now or hereafter conferred by title one of article eighteen-A of this chapter upon industrial development agencies and provided that the exercise of the powers by such Agency with respect to the acquisition of real property whether by purchase, condemnation or otherwise, shall be limited to the corporate limits of the city of Amsterdam, and such Agency shall take into consideration the local zoning and planning regulations as well as the regional and local comprehensive land use plans. It shall be organized in a manner prescribed by and be subject to the provisions of title one of article eighteen-A of this chapter. Its members shall be appointed by the governing body of the city of Amsterdam. The agency, its members, officers and employees and its operations and activities shall in all respects be governed by the provisions of title one of article eighteen-A of this chapter.

Agency Finances

During 2019, AIDA finished the year with a surplus in overall cash and an increase in the Agency's net assets with a surplus over the previous year. This is the fifth consecutive year that the Agency had a surplus in both net assets as well as cash.

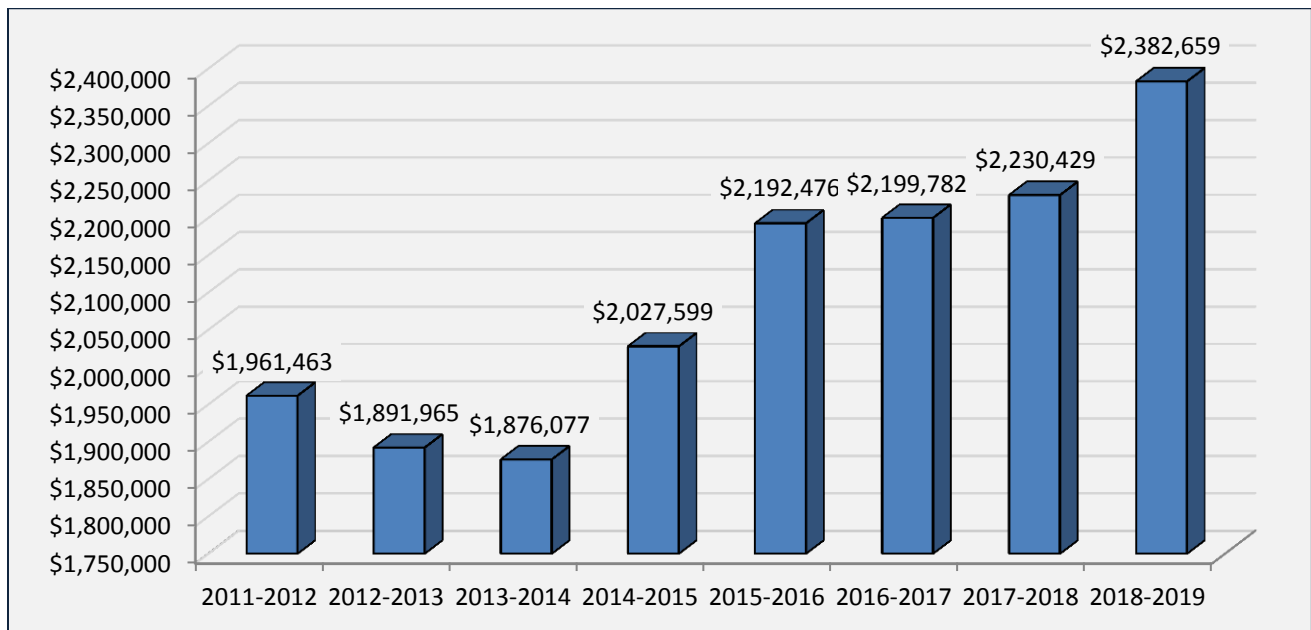
Comparison of 2018 to 2019 Agency Assets and Liabilities

The Agency, during the fiscal year of 2018-2019 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 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 2018 to 2019 Agency assets and liabilities, along with a total net position chart follows on the next page.

Assets to Liabilities Compared FYE 2019 to 2018

	2018-2019	2017-2018
Assets		
Current Assets	\$ 702,747	\$ 512,461
Capital Assets	2,186,322	2,317,416
Non-current assets	54,418	46,141
Total Assets	2,943,487	2,876,018
Liabilities		
	560,028	645,589
Net Position		
Net Investment in Capital Assets	1,642,745	1,685,481
Unrestricted	712,782	509,536
Restricted	27,132	35,412
Total Net Position	\$ 2,382,659	\$ 2,230,429



YEAR TO YEAR TOTAL NET POSITION

Again, and as also noted in last year’s report, this increase net income is associated with the Agency’s aggressive pursuit of federal and state grants, and tax-exempt bond issuance, to supplement its income and capital assets. The Agency’s increased rents with various buildings it owns as well as keeping operating costs to a minimum also contribute to the aforementioned net increase. Once again, this trend is expected to continue. The next three pages summarize, in chart form, the Agency’s [1] leases, loans and pilots portfolio; [2] grant awards and administration; and, [3] Agency owned properties.

Leases Loans and Pilots

Agency Leases Loans and Pilot Agreements Portfolio Summary List

		Concludes	Annually
Lease	SANTIAGO	28-Feb-2020	\$8,525.00
Lease	BARRINGER	31-Jul-2020	\$9,275.00
Lease	BECKMANN	31-Jul-2020	\$68,459.00
Lease	KURTZNER	31-Jul-2020	\$8,675.00
Lease	DUFFY	31-Jul-2019	\$8,250.00
Lease	BRETON	31-Aug-2019	\$31,200.00
Lease	AGT (5 Sam Stratton)	3-Sep-2019	\$63,000.00
Lease	GEEK PANTOLOGY	31-Oct-2020	\$8,400.00
Lease	CRANESVILLE PROPERTIES	1-Apr-2022	\$36,000.00
Lease	AGT (24 Sam Stratton)(Renewal Option)	31-Dec-2023	\$6,000.00
		Concludes	Monthly
Loan	MCCORD / SHORTYS	31-Oct-2018	\$915.20
Loan	LA CUCINA DI PARILLO	1-Feb-2021	\$269.00
Loan	EK GRANITE	31-Aug-2027	\$439.74
Loan	A & M CLEANERS	31-Jul-2027	\$195.77
Loan	FIVE CORNERS MOBILE	28-Feb-2022	\$729.79
Mortgage	AGT - COMMERCIAL MORTGAGE	30-Nov-2024	\$9,558.46
		Concludes	Annually
Pilot	AGT	31-Dec-2018	\$44,107.02
Pilot	BAD PONDER- PILOT	31-Dec-2022	\$15,119.94
Pilot	MOHAWK PROPERTIES 1	31-Dec-2026	\$5,640.81
Pilot	MOHAWK PROPERTIES 2	31-Dec-2026	\$7,051.46
Pilot	NOTEWORTHY	31-Dec-2028	\$15,521.95
Pilot	TEN MARKET STREET (Sentinel)	31-Dec-2028	\$35,078.32

Grant Awards and Administration

STATUS OF GRANTS AWARDED TO AND/OR ADMINISTERED BY AIDA

Name of Project or Company Assisted	Grant #	Type of Grant	Grant Amount	Status
Mohawk Fabric	CFA# 12945	ESD	\$40,000	Complete
Amsterdam IDA 44-46 East Main St	CFA# 18032 Y351	ESD	\$225,000	Complete
Amsterdam IDA 44-46 East Main St	C10000206	DOS	\$200,000	Complete
Beckmann's Converting	32CRF-ED838-14	HUD CDBG	\$68,000	Complete
AGT Services	AA782	ESD	\$3,000,000	Did not go forward
Memory Lane Day Care	CFA# 57871	ESD	\$50,000	Adm. by County
Memory Lane Day Care	32ED863-16	HUD CDBG	\$100,000	Adm. by County
RESTORE NY Wrestling Hall of Fame	AB782	ESD	\$500,000	Ongoing
Micro-Enterprise Program	32ME114-16	HUD Grant	\$200,000	Complete
Southside Hotel Development	CFA# 76533	ESD	\$1,200,000	Ongoing
<i>*A number of older completed grants and assistance have been dropped from the ongoing list.</i>				

Aida Owned Properties

TAX ID	Street Address		Full Market Value
40.13-7-1	336	Forest Ave	\$11,999
40.13-7-2		Corner Lyon & Forest	SOLD May 10, 2019
40.13-7-10	350	Forest Ave	
40.17-1-5		Rr Second Ave	\$73,496
55.14-1-3.-1	1451	St Hwy 5S	\$674,966
55.35-1-37	46	Main St	\$44,998
55.35-1-38	44	Main St	\$44,998
55.35-1-46	30-32	Main St	\$100,495
55.35-1-47	24-26	Main St	46,498
55.43-1-8.2		Church St	\$14,999
56.5-3-81		Fourth Ave	\$7,500
56.9-1-58		Kellogg	\$3,000
56.9-2-20		Rr	\$68,997
56.10-2-18.1	55	Edson St	\$3,750
56.10-3-43		Edson St Ext	\$46,348
56.10-4-3.2		Frederick St Rear	\$225
56.10-4-4.2		Frederick St Rear	\$225
56.10-4-5.2	6 1/2	Frederick Rear	\$6,750
56.13-2-13	362	E Main St	\$4,050
56.13-3-5		Elk St Lower MI	\$44,998
56.13-3-7	14	Park Dr	\$974,951
56.14-2-2.3	5	Sam Stratton Rd	\$569,972
56.14-2-2.4	7	Sam Stratton Rd	\$1,124,944
56.14-2-2.11		Sam Stratton Dr	\$149,993
56.14-2-2.13	7	Dandreano Dr	337,483
56.14-2-2.22		Wollman Ln	\$8,250
56.14-2-4.12		Sam Stratton Rd	\$5,400
56.14-2-4.22		Edson St	\$3,750

2018-2019 Activities

During fiscal year 2018-2019, the City of Amsterdam Industrial Development Agency (AIDA) continued to work with existing manufacturing and new businesses to expand financial aid in the form of federal and state program and grant assistance. It also continued its path to the stabilization of agency's income, the reduction of agency debt load, and the development of agency properties.

Initiatives to insure Authority Budget Office (ABO) training, reporting, and transparency compliance continued. Further, the updated mission statement ratified last year and the new four year strategic plan was successfully initiated. The strategic objectives of the plan are stated as follows: [1.] Retain Existing Employment Opportunities through Outreach to Existing Businesses; [2.] Create New Employment Opportunities by Marketing Amsterdam to New Businesses; [3.] Promote Business Development through the Adaptive Re-Use of Existing Properties; [4.] Expand the Tax Base by Identifying and Planning New Business Site Locations; [5.] Strengthen AIDA through Effective Internal Organization and Committee Structure; [6.] Maximize AIDA's Effectiveness via City/County/MVREDC Coordination; and lastly, [7.] Improve Amsterdam's Quality of Life by Supporting the City's Comprehensive Plan, Waterfront Plan and other Planning Initiatives.

Of particular note, was the Agency's arduous effort with respect to supporting the city's comprehensive plan, waterfront plan and other planning initiatives. The Agency vetted two separate projects for development. Both required that the agency perform due diligence in advance of accepting a property transfer to the agency by the city.

The first project was the rehabilitation of 22 Main Street, a vacant mixed use building located within the city's DRI award (Downtown Revitalization Initiative). AIDA contracted the services of a structural engineer to conduct and prepare a Property Conditions Assessment (PCA) of the structure in accordance with ASTM E2018-15 Standard Guide for Property Condition Assessments. The report found the building in danger of eminent collapse. In the alternative to the structure's rehabilitation, the agency considered the magnitude of cost to raze the building and replace it with a new one, harmonious with the existing structures on the city's main street. The magnitude of cost came in at more than two million dollars, thus rendering the project unfeasible for the agency.

The second project, entitled the "Western Gateway Project," remains viable. Its purpose is to improve and redevelop the city's blighted western entrance along the Route 5 corridor. As due diligence would dictate, the Agency had a Phase I Environmental Site Assessment (ESA) prepared to identify recognized environmental conditions (RECs) relating to 399 West Main Street along with two adjoin property parcels. The Phase I Environmental Site Assessment was prepared in accordance with ASTM E-1527, which is an internationally recognized standard for conducting ESAs. Based on the Phase I Findings, it was determined that further project development of the site will most likely depend on, and result from, future planning and funding opportunities such as Brownfield Opportunity Area (BOA) grants and Federal EPA Brownfield Assessment Grants.

During fiscal year 2018-2019, the agency initiated, completed and/or continued assistance with the following projects, in conjunction with various other State and Local Development Agencies:

- [1] 44-46 East Main Street - a \$225,000 Empire State Development grant to AIDA to rehabilitate two commercial spaces;
- [2] Memory Lane Daycare - \$100,000 Community Development Block Grant to the City of Amsterdam for a certified daycare center;
- [3] Mohasco Tech Campus - sale of Tax ID parcels 40.13-7-2 and 40.13-7-10 for \$99,595.00 ;
- [4] EK Granite Stone – Pilot and loan for construction of new facility;
- [5] Microenterprise Assistance Program - \$200,000 Community Development Block Grant to assist small businesses with five or fewer employees located in Amsterdam, New York was closed out;
- [6] Former Wrestling Hall of Fame – in addition \$500,000 Restore New York Communities Initiative project and lease purchase agreement, and project compliance monitoring;
- [7] Eliot Management Group – Sentinel Assisted Living Facility - \$750,000 Community Development Block Grant award and \$12,000,000 Conduit Bond Issuance completed;
- [8] Microtel Inn on Route 5S – State Economic Development Funding Application for construction of new facility project initiation;
- [9] Mohawk Fabric Company, Inc. - \$60,000 Empire State Development Funding Application for new equipment was completed.
- [10] Closed the year fiscal out with a June 28, 2019 PILOT agreement with Stickermule, LLC./26 Elk Street LLC.

Finances

During fiscal year 2018-2019 the Agency;

Reviewed and renegotiated its leases to be in compliance with financial reporting requirements.

Reviewed its insurance coverage and found it to be current.

Reviewed its loan program and is seeking additional funding for this activity.

Reviewed its operations and finances for further operational and monetary improvements.

Board of Directors

Members of the Board	
Joseph Emanuele III	Chairman
Gerald Gallup	Vice Chairman
Michael Rossi	Treasurer
Gina DeRossi	Secretary
Pasquale Baia	Board Member
Michael McCabe	Board Member
Michael Sampone	Board Member
Staff	
John Duchessi	Executive Director
Sandra Yutes	Executive Assistant
Counsel	
Charles Schwartz, Esq.	Agency Attorney
John Mineaux, Esq., Roemer, Wallens, Gold and Mineaux	Bond Counsel
A. Joseph Scott, Esq., Hodgson and Russ	Special Bond Counsel

Appendix A

City of Amsterdam Industrial Development Agency Strategic Plan - August 16, 2018

Mission Statement:

The City of Amsterdam Industrial Development Agency (AIDA) is a not-for-profit public benefit corporation established by special act of the New York State Legislature -- Its mission, and purpose, is to incentivize private investment in job creation and retention, through the strategic use of the powers and authorities granted to it under Article 18-A of the General Municipal Law of the State of New York.

Our Vision:

Our vision is to be a driver of economic development and job creation in the City of Amsterdam.

Strategic Objectives:

1. Retain Existing Employment Opportunities through Outreach to Existing Businesses
2. Create New Employment Opportunities by Marketing Amsterdam to New Businesses
3. Promote Business Development through the Adaptive Re-Use of Existing Properties
4. Expand the Tax Base by Identifying and Planning New Business Site Locations
5. Strengthen AIDA through Effective Internal Organization and Committee Structure
6. Maximize AIDA's Effectiveness via City/County/MVREDC Coordination
7. Improve Amsterdam's Quality of Life by Supporting the City's Comprehensive Plan, Waterfront Plan and other Planning Initiatives

Strategic Plan

Strategic Objective # 1: Retain Existing Employment Opportunities through Outreach to Existing Businesses		
<i>Action Item</i>	<i>Responsibility</i>	<i>Timeline</i>
1.a. Advise businesses of HUBZONE set asides	Director	Ongoing
1.b. Regularly visit leaseholders	Director	Ongoing
1.c. Visit and Survey existing businesses	Director	Ongoing
1.d. Provide startup and technical assistance	Director	Ongoing
Strategic Objective # 2: Create New Employment Opportunities by Marketing Amsterdam to New Businesses		
<i>Action Item</i>	<i>Responsibility</i>	<i>Timeline</i>
2.a. Develop marketing plan and strategy	Committee of the Whole	Ongoing
Strategic Objective # 3: Promote Business Development through the Adaptive Re-Use of Existing Properties		
<i>Action Item</i>	<i>Responsibility</i>	<i>Timeline</i>
3.a. Develop inventory of available/potential sites	Director/Committee	Immediately
3.b. Establish a Business Incubator Site	Director/Board	Not yet initiated
Strategic Objective # 4: Expand the Tax Base by Identifying and Planning New Business Site Locations		
<i>Action Item</i>	<i>Responsibility</i>	<i>Timeline</i>
4.a. Identify potential industrial park development sites	Director/Committee	Not yet initiated
4.b. Inventory available individual development sites	Director	Not yet initiated
Strategic Objective # 5: Strengthen AIDA through Effective Internal Organization and Committee Structure		
<i>Action Item</i>	<i>Responsibility</i>	<i>Timeline</i>
5.a. Reestablish Committees	Board Chair	Immediately
5.b. Comply with ABO training requirements	Director	Ongoing
5.c. Comply with ABO reporting and web site requirements	Director	Ongoing
5.d. Periodic review of ABO Policy Guidance	Director	Ongoing
5.e. Market rate lease reviews / increase revenues	Committee of the Whole	Ongoing
5.f. Maintain job reporting requirements with leaseholders	Director	Ongoing
5.g. Revisit and recapitalize existing loan funds	Committee of the Whole	Ongoing
5.h. Develop "Intermediary Loan Fund" Program	Committee of the Whole	Ongoing
Strategic Objective # 6: Maximize AIDA's Effectiveness via City/County/FMCC/MVREDC Coordination		
<i>Action Item</i>	<i>Responsibility</i>	<i>Timeline</i>
6.a. Represent AIDA / Regular meeting attendance	Director	Ongoing
Strategic Objective # 7: Improve Amsterdam's Quality of Life by Supporting the City's Comprehensive Plan, Waterfront Plan and other Planning Initiatives		
<i>Action Item</i>	<i>Responsibility</i>	<i>Timeline</i>
7.a. Review new AIDA projects for consistency with city planning	Director/Board	Ongoing