

Wyoming County Business Center, Inc. Annual Report



January 1, 2007 – December 31, 2007

Introduction

The Wyoming County Business Center (WCBC), Inc. was established in 2006 by the Wyoming County Board of Supervisors to become the lead economic development agency in Wyoming County. The WCBC is a private, not-for-profit local development corporation that is being administered by the Wyoming County Chamber of Commerce. The WCBC is co-located with the Wyoming County Industrial Development Agency (IDA), Wyoming County Planning and Development Department and Wyoming County Chamber of Commerce (the Chamber). In addition to serving as the one-stop entity for centralized economic development services, the WCBC is administering Wyoming County's Empire Zone Program, developing shovel ready sites, executing business attraction marketing and is a conduit for economic development funding.

Organization Activities

Additional organizational activities were implemented in 2007 including an application to the IRS for tax exemption status, which was approved and finalized on October 25, 2007. This issuance of tax-exempt status allows the WCBC to become a charitable 501-c-3 organization. With this designation the WCBC can administer civic facility bonds, receive charitable gifts, such as real estate, and can provide financial assistance, such as mortgage and sales tax exemptions for development projects including retail businesses.

The WCBC, like the IDA, falls under the requirements of the Public Authority and Accountability Act (PAAA); state legislation that was enacted to make public authorities more accountable and transparent. In 2007, the WCBC Board members received mandatory PAAA training and provided Annual Financial Disclosure statements and Conflict of Interest statements. An Audit Committee and Governance Committee were also formed to stay in compliance with the PAAA.

The WCBC also secured necessary insurance under the umbrella of the Wyoming County Policy since the County is the sole sponsor of the WCBC.

One of the Wyoming County Board of Supervisors' responsibilities regarding the WCBC is the appointment of Board members. Two new Board seats were created bringing the total seats to five. The 2007 Board members and whom they represent are:

- James Fleischman, Wyoming County Board of Supervisors
- James Brick, Wyoming County Board of Supervisors
- Mark Merrill, Wyoming County Industrial Development Agency
- Richard Fish, Wyoming County Chamber of Commerce
- Frank Vitagliano Jr., Private Business

The Wyoming County Board of Supervisor historically funds a portion of the Wyoming County Chamber of Commerce's budget for economic development services. Independently, they also fund the WCBC for administration of the Empire Zone program and the WCBC. During the County's budget review in 2007 they felt it would be more efficient to have one contract with the WCBC. The WCBC would then contract as

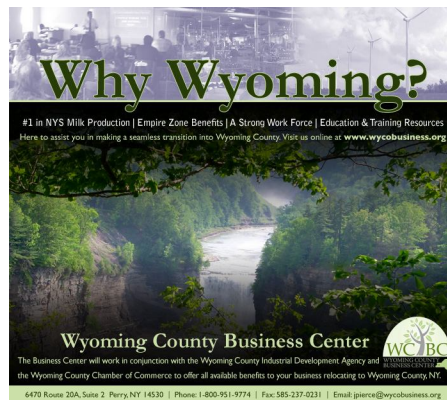
needed with the Chamber and IDA to fulfill all the economic development services for the County. All parties agreed. So beginning in 2008 a new contract will be in place reflecting these changes.

The WCBC Board also agreed to begin a gradual transition of economic development services including business attraction marketing from the Chamber to the WCBC. The approved 2008 budget request and approval reflects a reimbursement to the Chamber for the work their Executive Director will do as President of the WCBC. As President of the WCBC he will commit 75 percent of his time to economic development services under the new arrangement. The approved 2008 budget for the WCBC can be viewed on the website at www.wycobusiness.org as required by the PAAA.

Marketing Activities

In 2007 the WCBC established its website www.wycobusiness.org. Recent trends show that businesses, site selectors and realtors go to websites to gather information about business relocation and expansion areas. The website was designed to be a one stop all encompassing economic development site. Information on the site includes information about the WCBC and the Wyoming County IDA, buildings and sites, the Empire Zone, incentives, demographics, workforce data and much more. The website is one of Wyoming County's key economic development tools and will be updated on a regular basis.

The WCBC also implements an on-going direct mail business attraction-marketing program. The target is agribusinesses, site selectors and commercial realtors. In 2007 the WCBC developed and mailed computer mouse pads. The mouse pads are imprinted with selling points about Wyoming County and directs the recipients to the website.



Contracts Executed

The WCBC agreed to a letter of engagement with Harris Beach for legal counsel in 2007.

The WCBC entered into an annual contractual arrangement with The Wyoming County Empire Zone Administrative Board for administration of the Empire Zone program. As part of the administrative duties, the WCBC applied for and received administrative funding from Empire State Development.

On behalf of the Empire Zone Administrative Board, the WCBC entered into a contractual agreement with Freed, Maxick and Battaglia to provide Empire Zone consultation to businesses interested in becoming certified.

The WCBC also entered into a contract with the Wyoming County Industrial Development Agency for Empire Zone Coordination services. The EZ coordination services provided by the IDA include the day-to-day operation of the Empire Zone program, reporting requirements, working with applicants, certified businesses, etc.

The WCBC entered into a contract with the Chamber of Commerce for economic development services, which is essentially for the work the Chamber's Executive Director will do as President of the WCBC.

Project Activities

52 Main Street Perry Property

The Wyoming County Board of Supervisors and the IDA worked collaboratively to secure and demolish a condemned building located at 52 Main Street in Perry. The IDA holds title to the small vacant lot and offered the WCBC any proceeds from the sale of the property in exchange for marketing the property. The property was marketed by WCBC and a potential buyer submitted an offer that was approved by the Board. However, a Phase 1 Environmental Assessment ordered by the financing institution revealed the property was the site of gasoline filling station back in the early 1950's and there is no evidence that the underground tanks were removed. Based on this finding, the potential buyer declined to follow through on the purchase and the property remains vacant.

4 Rule Drive Building Arcade

A light industrial building located at 4 Rule Drive in Arcade was on the market for a considerable length of time. The real estate agency contacted the WCBC to see if there was any interest in receiving the building as a charitable gift. There initially was some interest on the Board to do so until it was learned one of the three parties in ownership of the building wanted to be compensated. The Board decided not to pursue the building based on the cost.

Arcade Business Park

The WCBC continued to collaborate with the IDA, Bovis Lend Lease and Clark Patterson Lee on the completion of the Arcade Business Park. By the end of 2007 all of the infrastructure (water, sewer, electric and the road) had been installed and three business prospects had been recruited for the Park and are interested in locating there. All of the business prospects have expressed an interest in leasing space; counter to their previous plans to each build their own building. Developers were contacted to see if there was an interest in buying the entire parcel and constructing buildings for the tenants. A developer was located and began moving forward with development plans with the involvement of the WCBC the IDA and the business prospects. A few issues arose at the end of 2007 related to the road specifications and the storm water that will be carried into the next year to get resolved.

Empire Zone

In 2007, Koike Aronson, Inc. of Arcade was certified as Wyoming County's first Empire Zone Business. Two other businesses, American Classic Outfitters of Perry and Steel & O'Brien of Arcade had their applications approved for certification by the Empire Zone Administrative Board and sent off to the State's Empire Zone Board for its approval. Approval is expected in early or mid 2008.

The Empire Zone Administrative Board also authorized staff to open the door to local municipalities regarding any amendments they felt necessary to their existing Empire Zone areas. Warsaw, Arcade and Perry all wanted to make changes to their boundaries. The WCBC, IDA and Planning & Development worked in partnership to gather the necessary information requested by the State for boundary amendments. The information regarding the proposed amendments should be complete by March of 2008 and submitted for consideration by the State.

In Summary

As you can see by this 2007 Annual Report, the WCBC has put all of the pieces together to be a very effective economic development entity. In 2008, the WCBC will become much more involved with real estate development projects. Wyoming County is severely limited by the availability of "shovel ready" sites that can be marketed for business attraction or expansion. The WCBC will look to partner with the Wyoming County Board of Supervisors and IDA to improve our attractiveness from a building and site perspective.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Jim Pierce".

James Pierce, President

Wyoming County Business Center, Inc.