

## 2008 WCIDA Executive Director's Summary

This past year may well be remembered as the year that wind power became reality in Wyoming County. The Noble Bliss Wind Park began producing electricity and construction commenced on both Noble Wethersfield and the High Sheldon Wind Farm. Even though these wind power projects certainly brought about more than a fair share of controversy, they also provide enormous financial resources to taxpayers as well as the WCIDA. It is through these resources that a number of the projects described in this report are even possible.

While alternative energy projects seem to be gathering headlines (as exemplified by the attached headline of a Buffalo News article) there is a quiet growth of manufacturing companies in Wyoming County. The WCIDA is involved in two large projects that are designed to bring product lines now manufactured in Asia into the United States. Apparently, increased transportation costs and heightened security issues have forced manufacturers to reconsider the benefits of American made products; and the future looks promising for the type of small niche manufacturers that are located in Wyoming County.

This past year provided new opportunities for the WCIDA such as the Wyoming County Rail Initiative and the Solar Energy Initiative. The following pages contain a summary of the year's activities. It is compiled in an outline format for brevity; however, complete project files are available to you upon request.

### FINANCIAL

The financial condition of the WCIDA continues to be strengthened through wind projects and awards of "Small Cities" grants. The agency's annual audit conducted by Freed, Maxick & Battaglia shows that during the past year the net assets grew by more than \$560,000. These funds allowed the WCIDA to invest in endeavors that were not previously possible. The year's financial highlights include:

- The WCIDA invested more than a half million dollars to complete infrastructure improvements to the site of the Arcade Business Park. The recently completed buy/sell agreement with the Krog Corporation will assure that the first tenant should be conducting business in early 2009.

## FINANCIAL CONTINUED

- A “community investment” of \$50,000 was made to the Wyoming County Community Hospital.
- Wind projects provided \$857,000 in combined fees, and will continue to provide the substantial payments for each of the next four years. The first installment of the High Sheldon Wind Farm fee is due in the 4<sup>th</sup> quarter of this year.
- The WCIDA paid to Wyoming County \$250,000 toward its existing line of credit.
- The WCIDA provided a \$300,000 loan to American Classic Outfitters to assist with the company’s expansion plans, which earned a reimbursable grant from New York State.
- The WCIDA approved conditional loans totaling \$155,000 for the Wyoming County Business Center to help it carry-out its mission of real estate redevelopment.
- The WCIDA Business Development Revolving Loan Fund exceeded \$2 million for the first time in its history. Currently the agency administers a portfolio in excess of \$2.5 million for business development loans and \$297,220 in micro loans.
- Repayments of the loan portion of “small cities” awards have added \$289,500 to the business development loan fund since 2006 and the outstanding balance is \$816,688.



Mille Fab / Cutting Machine

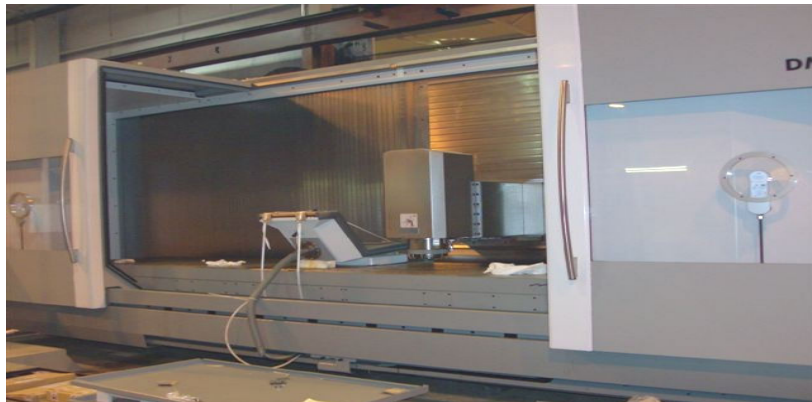
## SUCCESS STORIES

- Arcade Business Park: Infrastructure installation is complete and the property was sold to Krog Development to begin construction of a manufacturing facility with WCIDA assistance.



Ground Breaking at the Arcade Business Park

- Koike Aronson: Completed its second \$2 million expansion in less than two years. The company has begun manufacturing a laser machine that can cut 1-inch thick steel. This machine was previously made in Japan. The company is looking at further expansion if an Arcade & Attica Railroad track can be moved through the Wyoming County Rail Initiative.



Koike Aronson's Laser Machine

- Athletica, Inc.: The company is a manufacturer of female athletic and cheerleading uniforms. It expanded into the ACO Building in Perry with assistance from the WCIDA.

- Yogi Bears Jellystone Park: Began a \$3 million expansion project that includes construction of a water park. The company expects the water park to open on Memorial Day Weekend 2009.
- Noble Bliss Wind Park: The 67 wind turbines are now producing electricity. Noble Wethersfield is expected to go “on line” before the end of 2008 and construction is about 50% complete on the High Sheldon Wind Farm.
- Village Nurse Practitioner: In collaboration with a local bank the WCIDA assisted Sarah Schafer in opening a nurse practitioner office in the Village of Wyoming.
- Micro Loans: Eight companies have received \$200,000 in new loans this past year.
- There are also a number of companies that are either starting or continuing an assortment of projects, including: Boxler Animal Adventure, Orangeville; Old School Development, Perry; Hillcrest Industries, Attica; Koike Aronson, Arcade; Agri-Fab, Covington; WNY Crop Management, Warsaw; Perry, NY, LLC, Perry.



Hans Boxler's Hidden Valley Animal Adventure  
Construction underway

### ADMINISTRATIVE ACCOMPLISHMENTS

- The WCIDA Board of Directors completed a five-year strategic plan. The next step is to develop a work plan to implement the strategies.

- The WCIDA has submitted an application for \$1.2 million to fund the Wyoming County Rail Initiative. If successful this grant will allow for the relocation of an A&A Railroad track in Arcade and also put a new rail siding and loading station at the Hillcrest site in Attica.
- Empire Zone: Three companies received certification for the Empire Zone in the past year and there are two applications pending. In its role as Zone Coordinator, the WCIDA was also involved in a process to amend Wyoming County's EZ boundaries. Additionally, the WCIDA is responsible for Business Annual Reports and Zone Annual Reports. The efficiency of the WCIDA was responsible for doubling the ESD allowance to Empire Zones for administration.



Jerry Leary, Koike Aronson, accepts Wyoming County's 1<sup>st</sup> E-Z Certification

- Public Authorities Reporting Information System (PARIS): This past year the WCIDA and all IDA's in New York were required to report project and financial information to the NYS Authority Budget Office through the use of this new internet based system. Although the system began with many "bugs," the WCIDA met all required reporting timelines, thanks in large part to the efforts of Robin Marschilok.
- The WCIDA hosted the new regional director of Empire State Development's Finger Lakes Office, Bob McNary. Mr. McNary visited several Wyoming County Businesses and provided assistance on several grant opportunities, including the Wyoming County Rail Initiative.
- The WCIDA is taking an active role in helping to finance specific economic development initiatives of the Wyoming County Business Center, LDC. For example, the WCIDA is prepared to finance environmental investigation of the former A&A Metals property in Perry.

## OPPORTUNITIES

- Develop and execute a work plan that is based on the WCIDA Five-Year Strategic Plan.
- Continue to seek financing to complete the Wyoming County Rail Initiative.
- The WCIDA will continue its work to retire the county line of credit over the next few years by utilizing revenues and the Small Cities program to maintain our business loan fund.
- Develop policies that more clearly define the WCIDA role in the micro loan program, especially in light of a new grant obtained by the county for the microenterprise program.
- Host a workshop with the county's Town Clerks and Tax Collectors before the end of the year to provide a better understanding of PILOTs and assure proper collection of payments.
- Develop strong working relationships with new appointments at state economic development agencies, such as Empire State Development and Office for Community Renewal.

## OUTLOOK FOR 2008

- Enhance Wyoming County's role as a leader in alternative energy by actively leading a proposed Solar Energy Initiative.
- Increased rail transportation opportunities with the completion of the Wyoming County Rail Initiative.
- Successfully completing all the remaining administration tasks associated with the wind power projects.

## CONCLUSION

The concept of “economic development” is one of the most frequently used and barely understood phrases in the United States. Yet it is during times of economic hardship and distress that agencies such as the WCIDA are expected to perform at exceptional levels.

It is fortuitous that we are in a financial position to move forward with several important projects without reliance on funds from Wyoming County taxpayers. It should be noted that this good fortune is not a matter of luck, but rather the result of the diligent efforts of everyone associated with the WCIDA and economic development throughout the county. It’s been said that luck occurs when hard work meets opportunity. Well, this past year has certainly been a demonstration of that adage.

During the past several years everyone involved with the WCIDA has worked tirelessly through grant applications, public hearings, SEQRA reviews, State programs and the changes in the rules of those programs, administrative headaches, and of course occasional public criticisms. But now, at a time when the nation is experiencing its economic worst; the Wyoming County Industrial Development Agency is poised to be at its best.

The County’s first business park is about to see its first company locate in Arcade with a number of new jobs; a successful rail initiative is also expected to bring new manufacturing jobs to Attica; two Wyoming County manufacturers a finishing details on projects that will provide more than \$10 million in investment and create nearly 100 new jobs by bringing production lines from Asia to Arcade.

These opportunities are the result of Wyoming County’s workforce; the County’s advantageous economic climate; and the collaborative efforts of the economic development team. I am grateful to everyone associated with the WCIDA, including Board Members, Colleagues, Elected Officials, and Professional Service Providers. And I am especially grateful to the Agency’s Program Manager Robin Marschlok for her tenacity and attention to detail. I realize that everyone’s role is vital to the success of the WCIDA; but more important it is vital for the economic well being of the people of Wyoming County.

Respectfully submitted,

*Michael Hefka, Executive Director*

***WYOMING COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY***

***2008 ANNUAL MEETING  
OCTOBER 28, 2008***

***EXECUTIVE DIRECTOR'S SUMMARY REPORT***