

**Local Development Corporation (LDC) of the Town of Union,**

**Broome County (Endwell), New York**

**2022 Annual Report on Operations and Accomplishments**

*January 1, 2022 – December 31, 2022*

**Operations**

Founded in 1982, the Local Development Corporation (LDC) of the Town of Union is a 501(c)(3) Corporation under the Internal Revenue Code and is governed by a seven (7) member Board of Directors. The LDC Board Membership includes individuals from a number of diversified backgrounds and expertise in areas such education, small business development, real estate development, public and private sector accounting, business and personal lending institutions, municipal government, and fortune 500 companies. LDC Board Members are appointed by a simple majority of the seven (7) voting Member Board. Management/staff appointments to the Local Development Corporation of the Town of Union are made by the Supervisor and Council Members of the Town of Union. Management/staff are employees of the Town of Union Municipal Government and are not employees of the Local Development Corporation of the Town of Union.

The Local Development Corporation (LDC) of the Town of Union programs are primarily funded by Community Development Block Grant (CDBG) funds, and Urban Development Action Grant (UDAG) funds as are allocated by the Town of Union Municipal Government for economic development related projects, as well as monthly revenue generated in the form of interest and principal repayments for business loans made by the LDC. The Town of Union, as an entitlement community, is the annual recipient of CDBG funds via the federal government's Housing and Urban Development (HUD) agency.

The Local Development Corporation (LDC) of the Town of Union works closely with various economic development entities - including the Broome County Industrial Development Agency (BCIDA) a/k/a The Agency, the Regional Office of New York State Department of Economic Development/Empire State Development (ESD), and the Southern Tier Regional Economic Development Council (REDC) regarding Upstate Revitalization Initiative (URI) funding and the Consolidated Funding Application (CFA) to provide flexibility in leveraging resources for undertaking economic development projects for the overall benefit of the community. The LDC also works with other resource partners to facilitate projects that increase commerce in our community. Those partners include Binghamton University's Office of Entrepreneurship and Innovation Partnerships (Start-UP NY), Binghamton University's Koffman Business Incubator, Broome Community College Entrepreneurial Assistance Program (EAP), U.S. Small Business

Administration (SBA), Service Core of Retired Executives (SCORE), Small Business Development Center (SBDC), Southern Tier East Regional Planning Development Board (STERPDB) a/k/a Southern Tier 8 Regional Board, Broome County Land Bank Corporation (BCLBC), Southern Tier Region Development Company (STREDC), and the City of Binghamton's Economic Development Department/Local Development Corporation, to name a few.

The LDC Board Members do not receive any compensation by the Corporation for their services.

## **Accomplishments**

During 2022, and in prior years the worldwide pandemic (Coronavirus Disease (COVID-19)), continued to significantly impact the United States and Upstate NY. Prior to the worldwide pandemic outbreak in 2020, the Upstate NY economy had showed signs of growth since the second half of 2018, and despite the on-going pandemic, the 2022 Town LDC balance sheet remained resilient with an increase in total assets of \$1,529,967 compared to 2021.

In 2022, the LDC dispersed \$110,000 in loan funds based on loans that were previously approved by the LDC Board in 2021, which leveraged approximately \$336,960 in private sector investment, owner's equity, and other agency funding, a ratio of almost 3.3:1. All of the businesses assisted with loans were from the food service industry, which was hit hard by COVID-19, and it is anticipated to lead to the retention and creation of 9 FTE jobs in the Town of Union, and has led to business expansion and redevelopment of a vacant building and brownfield, and assisted in the economic stabilization of transitional mixed use neighborhood to promote commerce, and act as a catalyst to spur further private sector redevelopment efforts.

In 2022, \$500,000 in grant funds were approved for existing businesses and commercial property owners utilizing a portion of over \$1,500,000 in 2022 Town of Union allocated American Rescue Plan Act (ARPA) lost revenue replacement funds to the LDC, which are expected to leverage \$497,050 in private sector investment and owner's equity. The 2022 approved ARPA grants, but yet to be disbursed grant funds, have been earmarked to assist businesses with demolition of slums & blighted buildings, equipment acquisition, and commercial façade improvements. Also, in 2022, the LDC approved \$100,000 in a façade loan funding for a commercial project, the loan funding has yet to be disbursed.

In 2022, due to ongoing worldwide COVID-19 pandemic and fear in the business community of in person visitations, and subsequent temporary business and municipal closures, the LDC continued to reinvent its Business Retention and Expansion (BRE) visitation program. The BRE in person visitations were still somewhat curtailed, but replaced with more telecommunication and remote meetings to try and ascertain if the needs of the business community were being met by NYS and Federal economic development COVID-19 related small business programs or

would these programs need to be augmented in some capacity by the LDC on a local level. As continued outreach was made to the businesses by the LDC, it was determined that the LDC may need to continue its efforts to develop a variety of new programs to try and meet the business needs in our community due to COVID-19 and ongoing recovery efforts.

During 2022, the Town's Economic Development Office continued its work with both the Villages of Endicott and Johnson City in continuing the implementation of projects that were previously awarded over \$15,000,000 in grant funding in 2018. The over \$15,000,000 in grant funds awarded, in the villages, was for a variety of public and private sector initiatives. The overall grant awards in 2018 were part of a \$20,000,000 Greater Binghamton Fund that itself was funded by \$500 million in Upstate Revitalization Initiative (URI) funds that were awarded by New York State to the Southern Tier Region in 2015.

In 2022, the Town's Economic Development Office continued its work with the Village of Endicott in carrying out the Village's 2021 NYS Downtown Revitalization Initiative (DRI) Round 5 winning \$10,000,000 grant application as was awarded by NYS. The majority of implementation and public outreach including solidifying both private and public sector projects took place in 2022.

Lastly in 2022, the Town's Economic Development Office also worked with the Village of Johnson City and their consultant, Thoma Development, on the Village's 2022 NYS Downtown Revitalization Initiative (DRI) Round 6 application. The Village of Johnson City was subsequently awarded \$10,000,000 in DRI funding by New York State in 2023. The majority of implementation and public outreach for private and public sector projects is expected to take place in 2023-2024.

## **Financials**

Please refer to the 2022 Audited Financial Statements as conducted by the Certified Public Accounting firm of Piaker & Lyons, PC.