

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

Broome County (Endwell), New York

2014 Annual Report on Operations and Accomplishments

January 1, 2014 – December 31, 2014

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 made up of residents of the Town of Union. LDC Board Membership includes individuals that live in different geographic areas within the boundaries of the Town of Union and have a number of diversified backgrounds and expertise in areas such as education, small business development, real estate development, commercial banking, and fortune 500 companies. LDC Board Members are appointed by a simple majority of the seven (7) 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 is funded solely 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 that have been made by the LDC. The Town of Union, as an entitlement community, is the annual recipient of CDBG funds via the federal governments Housing and Urban Development (HUD) agency.

The Local Development Corporation (LDC) of the Town of Union works closely with Broome County Industrial Development Agency (BCIDA) and the Regional Office of New York State Department of Economic Development/Empire State Development (ESD) to provide greater flexibility in leveraging resources in order to undertake economic development projects acting in the public interest for the overall benefit of the community. The LDC also works with other resource partners in order to facilitate projects that will increase commerce in our community, including the Small Business Administration (SBA), Service Core of Retired Executives (SCORE) and Small Business Development Center (SBDC), to name a few.

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

Accomplishments

In 2014 the LDC approved several start-ups and existing small business loans and grants totaling \$580,894, which are expected to leverage over \$3,441,862 in private sector financing and owners equity. The approved projects, which assisted businesses in a wide range of industry sectors from manufacturing to services, is anticipated to lead to the creation of 14-22 new jobs in the Town of Union.

During 2014 the region was still recovering from the remnants of the September 2011 Hurricane Irene/Tropical Storm Lee that devastated a number of areas in the Southern Tier of New York and was eventually declared a federal disaster area. The 2011 flood was the second of two major floods (first one being in 2006) that substantially transformed commerce in our region in just over five years. The flooding impacted many commercial and residential structures and areas of commerce which were located in or around the current 100 and 500 year floodplain map of the Town of Union, some of which were never previously before affected by flooding of this magnitude. The Town of Union LDC continued its efforts to reach out and assist these affected businesses in order to maintain jobs to at least pre-flood levels, promote redevelopment, and to stem the potential of capital and intellectual flight. The Town of Union municipal government also undertook a flood buyout program, with the assistance of Federal Emergency Management Administration (FEMA) funds and Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Disaster Recovery funds, which lead to the acquisition and subsequent demolition of 150+ residential and commercial properties in 2013-2014. Many of the buyout properties will have to remain forever green, but some may be able to be put back into productive reuse.

In 2014 the Town of Union LDC teamed up with the International Economic Development Council (IEDC) in the form of a technical assistance project that was funded through a grant to the IEDC from the US Economic Development Administration (EDA), Economic Adjustment Assistance Project. The grant was to focus on long-term economic recovery of FY2011 disaster-impacted communities and regions. A series of meetings with the general public, large and small business, other regional economic development agencies, representatives from higher education, financial institutions, and elected officials and municipal staff was conducted over several days. The final report dated June 2014 offered recommendations to improve economic resiliency in the Town of Union. the Town of Union LDC Board has formed a subcommittee to review the recommendations and prioritize such suggestions for possible implementation during FY2015-2016

In 2014 the LDC continued its Business Retention and Expansion (BRE) visitation program, visiting over 90 existing small and large businesses, representing a number of industry sectors. The BRE visitations are conducted annually, among other reasons, is to ascertain if the needs of the business community are being met by the current economic development programs. As a result of the many one-on-one BRE meetings the LDC conducted it was determined that the variety of available LDC programs is meeting the clients' needs while still maintaining compliance with any Housing and Urban Development (HUD) regulatory requirements. The LDC also continued its marketing campaign by running commercials in New York and Pennsylvania, encompassing a 13 county area, in order to promote the many economic development incentives and loan programs that are available to existing or start-up businesses.

Financials

Please refer to the 2014 Audited Financial Statements as conducted by the Certified Public Accounting firm of Piaker & Lyons, PC.