

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

Broome County (Endwell), New York

2015 Annual Report on Operations and Accomplishments

January 1, 2015 – December 31, 2015

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) a/k/a The Agency, 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 Binghamton University's Office of Entrepreneurship and Innovation Partnerships (Start-UP NY), Broome Community College Entrepreneurial Assistance Program (EAP), U.S. Small Business Administration (SBA), Service Core of Retired Executives (SCORE), Small Business Development Center (SBDC), and the City of Binghamton's Economic Development Department/Local Development Corporation, to name a few.

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

Accomplishments

Though the Upstate NY and local economy still showed signs of weakness and tentativeness, our balance sheet remained strong. The LDC showed another year of growth with assets increasing by nearly \$14,000. In 2015 the LDC approved several start-ups and existing small business loans totaling \$180,000, which are expected to leverage over \$823,172 in private sector financing and owners equity, a ratio of almost 5:1 of private sector investment to public sector funding. The approved projects, which assisted businesses in a wide range of industry sectors from retail to other service orientated businesses, is anticipated to lead to the retention and creation of a number of jobs in the Town of Union and lead to the redevelopment of slums & blighted properties, which will assist in the economic stabilization of two transitional mixed use neighborhoods to promote commerce, and act as a catalyst to spur further private sector redevelopment efforts.

In 2015 the Town of Union LDC Board economic resiliency subcommittee finalized its review of the International Economic Development Council (IEDC) recommendations as outlined in IEDC's June of 2014 technical assistance project that was funded through a grant to the IEDC from the US Economic Development Administration (EDA), Economic Adjustment Assistance Project, that outlined an prioritized suggestions for possible implementation. The LDC Board is actively pursuing the feasibility and practicability of three of a number of suggestions that were put forth in the report, which were subsequently recommended by the LDC subcommittee to the LDC Board, so that further due diligence can being undertaken prior to final implementation or not of any and/or all three of the LDC subcommittee recommendations.

In 2015 the LDC continued its Business Retention and Expansion (BRE) visitation program, visiting over 100 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.

During most of 2015 the Town Economic Development Office/Local Development Corporation was also an active participant in the many Southern Tier Regional Economic Development (STREDC) meetings and ongoing visioning sessions in order to come up with a region wide transformative economic development plan to compete for New York State's \$500 million Upstate Revitalization Initiative (URI) Competition. Since submission of the joint plan in July of 2015 STREDC's application was identified as one of only three URI winners in Upstate New York.

The region wide collaboration was key in our effort to secure URI funds which will directly impact the Town of Union.

Financials

Please refer to the 2015 Audited Financial Statements as conducted by the Certified Public Accounting firm of Piaker & Lyons, PC.