



Jefferson County Industrial Development Agency

2016-2017 Annual Report
Jefferson County Industrial Development Agency (JCIDA)

Economic Development---A Process Not An Event

Economic development is almost never an event, but rather a long and sometimes difficult process. A ribbon-cutting simply the final step in this process.

Community development is shaped by this process---requiring a distinct and critical path with a clear set of goals and benchmarks along the way.

Development in Jefferson County is never done by one organization, but rather is a 'team effort' with various stakeholders providing their expertise, thus creating a ground-swell of support and commitment.

To that end, your *Jefferson County Economic Development Agencies (LDC, IDA, CFDC)* have joined forces with a number of other stakeholder groups including local and state government to position our community for the years ahead.

Examples of the work being done, is the significant commitment being made toward the development of the **Business Complex at the Watertown International Airport**. Much money and time has already been invested in preparing the site for future development. Site work, engineering, environmental activities, land acquisition, grant writing and hundreds of other smaller tasks have already been undertaken---all necessary and costly as we push toward our ultimate objective of creating a 'shovel-ready site' that will attract companies looking for a home to conveniently and quickly develop their business.

Other important work underway includes the development of the **International Agribusiness Park in the Thousand Islands** planned for Route 3 just south of the City of Watertown. In advancing this concept, your Agency has been working closely with the developer and other stakeholders to pool our resources and talent and focus on the strategic development of our community. We view these steps as essential as public resources become stretched further as local governments attempt to meet all of the community needs.

Much work is being done by your Agencies in addressing the workforce needs of our community both now and into the future. It is very clear that there is a growing disparity between available jobs and the people with the skills necessary to take those jobs. This trend will continue to accelerate if all members of the community including government, education, private sector, development agencies, unions and others don't come together to address these pending short-falls.

Providing meaningful jobs, staffed by qualified people will need to be the universal goal of our community. If we fail to address these obvious needs, our population will continue to out-migrate and the death-spiral for our community will take on further definition.

The pipeline for specific projects has shrunk in recent years as influences such as Fort Drum has matured and the military construction money has become less robust. That said, no one would argue that Fort Drum remains the most critical economic engine in our region, and your Agencies are doing all that we can to protect this critical community asset and the soldiers and families who serve us.

Additionally, our Agencies continue to exploit the strengths of our region, including alternative energy development and value-added agriculture, and have been making steady progress in the fields of 'microgrids' and other newer technologies that will help propagate those strengths.

Your Jefferson County Civic Facilities Development Corporation (JCCFDC) has, for example, just completed the issuance of up to \$100 million dollars in bonds to assist Samaritan Medical Center to grow and develop its regional outreach....absolutely critical to the health and welfare of our community.

Although often overlooked and certainly less heralded, is your Agency's work in the critical area of job retention. Our staff regularly meets with local employers to

assist--- in whatever way possible---to help those companies address problems, compete in the global economy or expand their operations.

Factors contributing to the 'slow-down' of specific development projects are, among others, uncertainty precipitated by the lack of a cohesive plan for addressing critical national and statewide political issues. Health care, immigration, national defense, terrorist attacks and closer to home, negotiations over revamping NAFTA agreements, among many others are contributing toward unsettling conditions for development.

Better news is that interests rates remain low and the European markets are showing signs of increasing stability following months of destabilization.

As so often is the case, it is a mixed bag when trying to predict future economic activities. Your Agencies will continue to focus on those things that it may have some influence in with the hopes that the international economies we compete in will present more fertile opportunities in the future.

The future may be uncertain, but the mission of our organizations is clear and critical. A pro-active approach to addressing those issues that we know will impact our community in the next five or ten years must begin today. Waiting will not get the job done.

-Donald C. Alexander

JCIDA Mission & Vision

The Jefferson County Industrial Development Agency's (JCIDA) mission is to advance the job opportunities, health, general prosperity and economic welfare of the people of the County and to improve their recreation opportunities, prosperity and standard of living. As a result of its varied economic development tools, the JCIDA is a lead economic development entity in Jefferson County, and as such, consistently makes substantial contributions to increasing employment opportunities, preserving existing levels of employment and enhancing the quality of life for residents of Jefferson County. The JCIDA is a corporate governmental agency, constituting a public benefit corporation, created to actively promote, attract, encourage, develop and maintain economically sound commerce and industry for the purpose of expanding employment opportunities, preventing economic deterioration and increasing the general prosperity of Jefferson County. The JCIDA is a leader in syndicate lending designed to assist the establishment of new businesses as well as expand existing business in the community. The JCIDA plays an integral role in shaping strategic plans for the economic future of Jefferson County as well as Northern New York.

JCIDA Values

Integrity – JCIDA deals openly, honestly and in good faith, both internally and externally. The JCIDA deploys its resources in a manner that is transparent to the public and for the good of the community.

Economic Development – JCIDA consistently seeks to expand the economy of Jefferson County by way of increasing the opportunity for quality employment within the community and preventing economic deterioration.

Community – JCIDA seeks to accomplish its goals in a manner that contributes to improving the quality of life for the residents of our community.

Activities:

JCIDA PILOT:

Mohawk, Adirondack and Northern Rail Road

Mohawk, Adirondack and Northern Railroad Corporation PILOT for the renovation, modernization, and equipping of existing 45.56 miles of commercial railroad located in Jefferson County, St. Lawrence County and Lewis County in New York State. The total project cost is \$2,472,000 with The Jefferson County Industrial Development Agency negotiating, executing and delivering a lease and operating agreement, and providing financial assistance to the company in the form of a sales and use tax exemption for purchases and rental associated with the corresponding portion of 14.6 miles of the track located in Jefferson County, NY.

JCIDA PILOT/Lease-Leaseback:

Fort Drum Mountain Community Homes Amendment #5 to CDA Resolution 09.01.2016.02

Fort Drum Mountain Community Homes LLC to develop, renovate, revitalize, demolish, construct, reconstruct, equip, restore, and repair certain land located on the United States Army base situated in Jefferson County, New York near Watertown commonly known as Fort Drum, and the housing units and other facilities and improvements now existing or hereafter constructed.

JCIDA -- CITY LOAN FUND:

Current Applications Inc. \$150,000

Current Applications Inc. applied for and received a \$150,000 loan from the City Loan Fund. The loan was used to pay down a LOC in support of increased business to purchase additional raw materials and

working capital. The increased business was the result of improved output capacity from an earlier expansion project outlined below.

Current Applications Inc. expansion project added 10,200 sq.ft. to the company's existing 20,000 sq.ft. facility. The additional space and new equipment improve efficiency, expanded production capacity and allowed the expansion of new product lines. The improved productivity of the new equipment allowed the return of some offshore processes back to the local plant in Watertown, New York. Enhancing production capacity will set the stage for continuing growth into the future.

This project was driven by the increasing sales fueling increased demands for their products. Current Applications has established itself as a global leader in reliable custom electric motors.

JCIDA MICRO LOAN:

Marzeg of Jefferson County D/B/A Servpro of Jefferson County \$20,000

Servpro of Jefferson County applied for and received a loan for \$20,000 from the JCIDA to use for working capital and to cover expenses to allow the business to expand. The business intends to hire two to four more employees and add duct cleaning to their services in 2018.