

# **2016 Annual Report**

**(January 1, 2016 – December 31, 2016)**

## **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**John H. Clinton, Jr.,**

**Chairman**

**Douglas Baldrey**

**Ronald Bounds**

**Sandra Brown**

**Jim Church**

**Michael Della Rocco**

**Cynthia Henninger**

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## *I. Summary*

During 2016, the County's IDA continued its mission of creating a predictable and stable business environment. Even though the macro economic conditions continued to ebb and flow through a global recession and recovery and recession, Regeneron Pharmaceuticals was able to commit to an additional \$100 million investment into their East Greenbush campus. Regeneron's total investment in Rensselaer County over the last two years has exceeded \$150 million while their total employment exceeds 1,500; a true testament to their commitment to our County. From the 30,000 foot view, Regeneron and other recent projects like Federal Express' \$90 million regional distribution center (recent investment of over \$10 million) and General Electric's Healthcare \$165 million Digital X-ray Imaging facility continue to generate significant economic benefit to the surrounding communities. All totaled, the County IDA induced and/or closed nearly \$250 million worth of projects while creating and/or retaining close to 250 jobs. From 2006 thru 2016, the IDA induced and or closed over \$3.6 billion in projects while creating and retaining over 4,200 jobs. Although the global economic recovery has been slow, the quality of our projects in the pipeline and the overall strategy employed in targeting the industries that complemented our assets has us optimistic for 2017.

The County's IDA continues to create a point of differentiation for Rensselaer County in the economic development marketplace by focusing on the county's unique strengths. In 2016, marketing efforts were focused on improving the climate for economic development among community residents, business leaders and county stakeholders. We participated in several regional marketing initiatives to relay that message that Rensselaer County is ready for business.

The IDA continues to lay the groundwork to rally the County (and Capital Region) around a clear message of commitment to growth and the promise of rewards to enterprising businesses and individuals. In the latter part of 2012 and all of 2013, the IDA funded an initiative called Center of Gravity (COG). The goal was to create, on an accelerated timeline, frameworks to advance three economic development objectives: retention and growth of young professionals and entrepreneurs in Rensselaer County, with particular emphasis on technology-based start-up businesses; international investment and trade benefiting Rensselaer County enterprises; and optimized networking tools to serve public and private sector individuals and organizations. To date, the COG has been a resounding success. As a result, and in partnership with the COG and HVCC, the IDA is now leasing close to 10,000 sq. ft. of space in the Quackenbush building in Troy. That space will be designated as Start Up NY space and will provide a landing for emerging companies. Several start ups have already committed to the space. The Quackenbush project can be the epitome of economic

development. It will not only provide space for early stage companies but expand the rebirth of Troy's urban center.

We continue to plant seeds with the hope and expectation of fruition in 2017. As you are aware, lead time in many of our projects can take months and years before any concrete results are borne. The details of all our contacts and leads follow.

## ***II. Industrial Development Agency Projects***

### ***Regeneron Pharmaceuticals, Inc.***

Regeneron is widely acknowledged as one of the leading firms in the country in the field of biotechnology/biopharmaceutical, which is why we are pleased to work with them as they continue to expand their manufacturing/product supply facilities here in Rensselaer County. Regeneron began undertaking the construction of a 71,000 s.f. building with a pedestrian bridge and a parking garage. The company is also undergoing renovation to an existing 11,000 s.f. manufacturing area and renovation of another existing 26,000 s.f. building. Additionally, Regeneron has acquired the MapInfo building in Rensselaer Technology Park. These additional projects will result in the creation of approximately 60 new jobs with the next two to three years.

### ***Due Di Mare/Franklin Inn and Suites***

The hotel, located at 1 Fourth Street in the City of Troy, is adding a three story 28 room addition to the existing 60 room hotel facility. Due to increased activity in Downtown Troy, there is a demand for more rooms. The hotel expansion will lead to the creation of 3 new jobs.

### ***501 Broadway/Troy Record Building***

501 Broadway Troy, LLC has purchased the former Troy Record newspaper building in downtown Troy. This historic building, dating back to 1906, has been vacant since March 2015 after The Record newspaper operations moved to a smaller location. The plan is to renovate the existing building and construct a new addition. Heavy construction will resume in early spring 2017. Completion is expected 2<sup>nd</sup> or 3<sup>rd</sup> quarter of 2018. A phased opening is being discussed. Once completed, the project will consist of approximately 100 apartments with some onsite parking, amenities for the tenants such as a fitness area, and a street level retail component for the public to enjoy. The developer expects to employ approximately 11 people within a 5 year period.

### 555-One LLC

This project consists of the construction of a four story wood frame 140,000 sq. ft., 96 residential unit, apartment building on the former Rensselaer High School site at 555 Broadway in the City of Rensselaer. This project will create 3 full time positions.

### Cell-Nique Corp. /Hudson River Foods/PCC Castleton Corporation

The IDA offered lease-leaseback benefits to this Connecticut based health food manufacturer/distributor and induced the purchase of the former Hamilton Printing Building in Schodack. Start-Up NY assistance was offered for the research facet of the family of companies. At year-end 2016 we are preparing to assemble and submit a Community Development Block Grant application to NYS Office of Community Renewal for funding to fit up manufacturing space for a new, 44-worker, health food manufacturer.

## **III. Other IDA Initiatives**

### STIP Cleanup

With the assistance of the IDA in-house legal counsel, the IDA obtained and recorded a Certificate of Completion of remedial work prescribed by NYSDEC for this property. This will greatly improve the marketability of the parcel.

### Marketing

The Rensselaer County IDA launched a new website in 2016 to promote economic development in Rensselaer County as well as insuring compliancy with NYS regulations governing Industrial Development Agencies and our other local public authorities. A Facebook page and Twitter account was also linked to the new website in order to better promote Rensselaer County through social media.

The Rensselaer County IDA was a sponsor and partner of the initiatives of CEG, Rensselaer County Chamber of Commerce, NYS EDC, NYSERDA and City Of Troy. Our staff participated in the Semiconductor Industry Association Annual event, Chamber of Commerce events, Troy Victorian Stroll, as well as other regional marketing events.

The Rensselaer County IDA continued to be a partner with the Tri-City ValleyCats baseball organization. The agency participated as a \$17,500 sponsor, which offered many opportunities to promote business and tourism through the stadium's magazine, broadcasting during the games and radio spots. Additionally, there were several games where the agency had a table to display economic development and tourism promotional material.

### *Rensselaer County Tourism Matching Funds*

The Rensselaer County IDA continued to administer the bookkeeping for the Rensselaer County Tourism Matching Funds program this year. Prompt invoices and follow-up reminder invoices helped ensure funds were received from the advertising partners. In addition, the IDA and Tourism staff members joined forces to promote tourism at several Rensselaer County Regional Chamber of Commerce events and other venues, such as an event held at Gramercy Communications and at the Quackenbush Building during the Victorian Stroll.

### *Rensselaer County Economic Development Corporation*

The Rensselaer County Economic Development Corporation operated as a subsidiary to the County Industrial Development Agency and ceased its operation in 2015 in response to the Authority Budget Office Guidance and the Opinion (2014F1) of the State Comptroller. The revenues it received as a Community Development Block Grant sub-recipient for Rensselaer County were transferred to the County Job Development Program. Dissolution resolutions were approved by the Board and the Rensselaer County Industrial Development Agency. The plan of dissolution was approved in November by the NYS Attorney General's Office. The dissolution is currently under review by the New York State Tax and Finance Department. It is expected the dissolution approval will occur in February 2017.

## ***IV. Authority Measurement Report in Accordance with Section 2824 – a of the PAL***

In 2016, the Rensselaer County IDA provided support to 70 projects with a combined total project investment of \$1.43 billion. A total of 9,541 full time equivalent jobs were supported by these businesses. An additional 607 construction jobs were also supported in 2016.

These projects provided \$2,187,875 in PILOT payments to the County, \$1,755,837 to local governments and \$5,573,669 to school districts in Rensselaer County. In addition, these businesses reported \$ 453,104,288 in total payroll.

## ***V. Management Report on Internal Controls***

In an effort to further improve timeliness and accuracy of information provided to the public, potential business prospects and the Authority Budget Office and State Comptroller, Management initiated a number of actions starting in 2015. First, Management initiated and the Board approved entering into a multi-year contract with Millennium Business Communications, LLC to update and improve upon the Industrial Development Agency (and related economic development offices) website. The new site

is up and running. It allows for enhanced public dialogue through Facebook and Twitter. In addition, Management transferred, effective with the fall 2015 public school pilot calculations, responsibility for calculating County, local and school PILOTS to the County Office of Real Property Tax Services. This has allowed the Agency to provide a greater direct effort in monitoring project compliance with their job growth and retention performance goals and the accuracy of information required by the Agency.

## ***VI. Industrial Development Agency Board Member Biographies***

**John H. Clinton, Jr., Chairman** – Mr. Clinton is the owner of Clinton Funeral Home and is a former staff member (retired) in the Office of New York State Senator Kemp Hannon.

**Douglas Baldrey** – Mr. Baldrey is a lifelong resident of Rensselaer County, a graduate of RPI with a Bachelors and Masters Degree, and a former associate dean and a foundation board member at Hudson Valley Community College.

**Ronald Bounds** –Mr. Bounds is a retired vice president and senior relationship manager with HSBC Bank, specializing in domestic and international financial services for small and medium size businesses. He is a graduate of the American Institute of Banking, the SUNY Buffalo Bank Management Institute and the RPI School of Management. He is also a board member of the Rensselaer County Job Development Loan committee.

**Sandra Brown** - Ms. Brown has over 20 years experience in implementing and managing public affairs and communications program with private and public sector concerns. She also has extensive experience in executing and managing community and economic development activities and contract management for municipal entities. Currently, a Contract Analyst with Rensselaer County government, Ms. Brown graduated with a B.A. from the University at Albany, State University of New York.

**Jim Church** – Mr. Church is the Director of Strategic Initiatives at Questar III BOCES in Rensselaer County. He earned a Master of Arts in Political Communications from SUNY Albany and a B. A. in English from Siena College. He has also served as the Director of Public Affairs for the New York State Senate Majority's Office of Policy Development, the Director of Constituent Relations for State Senator Roy McDonald and the Director of District Communications for Senate Majority Leader Joseph L. Bruno.

**Michael Della Rocco** – Mr. Della Rocco is the owner and proprietor of Dellwood Farm and also owns and manages a commercial development property.

**Cynthia Henninger** – Ms. Henninger is a lifelong resident of Rensselaer County, a 1979 graduate of Russell Sage College with a BS in Economics/ Accounting, a former member/ Chairman of the Zoning Board of Appeals for the Town of Schodack (1988 – 2000) and a retired Senior Auditor for New York State Insurance Fund.

