

# **2017 Annual Report**

(January 1, 2017 – December 31, 2017)

## **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

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

**Chairman**

**Douglas Baldrey**

**Ronald Bounds**

**Jim Church**

**Michael Della Rocco**

**Cynthia Henninger**

**Renee Powell**

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## *I. Summary*

*"Entrepreneurs and their small enterprises are responsible for almost all the economic growth in this country."  
~~Ronald Reagan*

*"Innovation is the central issue in economic prosperity."  
~~Michael Porter*

During 2017, the Rensselaer County Industrial Development Agency (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 \$150 million investment into their East Greenbush campus. Regeneron's total investment in Rensselaer County over the last two years has exceeded \$200 million while their total employment now approaches 2,000, 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 IDA induced and/or closed over \$300 million worth of projects while creating and/or retaining close to 250 jobs. From 2006 thru 2017, the IDA induced and or closed over \$3.6 billion in projects while creating and retaining over 8,000 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 2018.

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 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 is 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 be very bullish about it.

We continue to plant seeds with the hope and expectation of fruition in 2018. 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 and Other IDA Initiatives***

### ***C. T. Male-Site Prep Plans***

The IDA met with C.T. Male Engineering and D. A. Collins to discuss possibilities for making available sites in Rensselaer County near shovel-ready, other than those that are in such condition already such as the SUNY East Campus, the Rensselaer Technology Park and the East Greenbush Technology Park.

### ***Callanan Industries***

The IDA continued talks with the principals of Callanan Industries to further their interest in acquiring a 4.16 acre parcel in the South Troy Industrial Park. The management team is considering whether to stand by its original offer submitted in 2016 or to obtain an MAI appraisal and submit a new offer.

### ***MetLife***

MetLife was able to purchase approximately \$236,700,000 in new equipment for their Northeast Data Center located in Rensselaer Technology Park through an agreement with the IDA, which provides sales tax exemption of equipment purchases. The company currently employs approximately 318 people.

### Regeneron Pharmaceuticals

Regeneron continues to grow in Rensselaer County. Regeneron renovated one building and built a parking garage on the East Campus. Regeneron purchased the former MapInfo Building in the RPI Tech Park to add more office space for their employees. They also began construction of a two story, 211,600 square foot warehouse in 2017. It will be used as a storage facility for raw materials used in manufacturing. This growth has led to the creation of 150 new jobs and 1840 retained.

### Davey's Realty

The IDA entered into a lease agreement to construct a \$3,272,000 Cole's Collision Center on Route 4 in North Greenbush bringing 10 new jobs to Rensselaer County.

### Turnpike Redevelopment Group

This IDA lease agreement project redevelops the former K-Mart site on Columbia Turnpike in East Greenbush. This \$15,550,000 project will provide commercial office space and a state of the art training center for Child Care, Child Welfare, Juvenile Justice and Domestic Violence employee training. This facility will bring in several hundred trainees weekly from across NYS, which will bolster hotel occupancy and retail sales within the vicinity. The training Center will have 2 full time employees on site.

### Valospace Troy, LLC

The Rosenblum Companies purchased a vacant building and surrounding land on Route 7 in the Town of Brunswick to build a 66,000, two story state of the art temperature controlled self-storage facility and retail space. This \$5,278,247 project will add 2 full time jobs.

### A. Servidone, Inc.

The IDA is in the process of assisting A. Servidone in the construction of a \$2,702,600, 7,200 square foot addition to their facility on Route 9 in Castleton to accommodate the existing and expansion needs of the multistate construction company.

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

In 2017, the Rensselaer County IDA provided support to 68 projects with a combined total project investment of \$1.442 billion. A total of 8,028 full time equivalent jobs were supported by these businesses. An additional 608 construction jobs were also supported in 2017.

These projects provided \$2,156,083 in PILOT payments to the County, \$1,737,485 to local governments and \$5,521,798 to school districts in Rensselaer County. In addition, these businesses reported \$516,853,083 in total payroll.

#### ***IV. 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 the Industrial Development Agency and related economic development offices website. The new site allows for enhanced public dialogue through Facebook and Twitter. In addition, Management transferred, effective with the fall 2015 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. Also, the IDA recaptured \$119,662 in State and local sales tax exemptions that were claimed by a project in excess of the amount in their Uniform Project Benefit Agreement.

#### ***V. 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.

**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.

**Renee Powell** – Ms. Powell has resided in the capital region for more than 17 years. Prior to relocating to the region, she served as Acting Branch Chief and Mathematical Statistician for the U. S. Department of Agriculture in Washington, D.C. where she was employed for over 25 years. She currently serves as a Realtor specializing in Rensselaer County. She possesses an M. S. in Computer Information Systems from the University of Phoenix and a B.S. in Mathematics/Computer Science from Delaware State University.