

# **2022 Annual Report**

**(January 1, 2022 – December 31, 2022)**

## **RENSSELAER COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**Cynthia A. Henninger, Chair**

**Douglas Baldrey**

**Ronald Bounds**

**John Clinton**

**Michael Della Rocco**

**Renee Powell**

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## ***I. Summary***

*"Government's view of the economy could be summed up in a few short phases: If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it."*

***--Ronald Reagan***

Still feeling the impacts of the COVID-19 pandemic, and other global and national events, the United States' economy struggled throughout 2022. This, however, did not stop the Rensselaer County Industrial Development Agency (RCIDA) from doing its due diligence to strive to create a predictable and stable business environment in Rensselaer County and the Capital Region. The RCIDA continued to build upon existing relationships with major economic development entities in the county (i.e. Regeneron, Amazon, etc.) and created new relationships with emerging partners (i.e. RPI President Martin Schmidt, NY CREATES President Dave Anderson, etc.).

### **NYDesign**

The RCIDA invested \$300,000 (NYSTEC contributed a matching investment) in seed money to support the creation of the not-for-profit NYDesign. NYDesign's mission is to create an IC (integrated circuit) design cluster in the Capital Region with a focus on Rensselaer County. New York State has two important components of the semiconductor industry heavily present within its boundaries: manufacturing and research and development. Design is another critical, yet cost-effective, area that should be developed throughout the state. NYDesign contracted with efabless – a company based out of Palo Alto, California, which has an open-source chip design software platform. NYDesign set out to promote this platform to a cadre of colleges (Hudson Valley Community College, RPI, Mohawk Community College, etc.) with the goal of these institutions using it in their classrooms with their students. These students would have a unique opportunity to not only design their own chip on silicon, but also have it manufactured and returned to them for testing. One of NYDesign's goals was to tap into the pool of talented students in these schools and create a pipeline of chip designers in a workforce development effort. The initiative kicked off in June with workshops being held in Rome, NY and Troy, NY. Students, professors, and semiconductor industry leaders from throughout New York State attended these workshops to learn about NYDesign and the efabless software. The keynote speaker at these events was industry expert, John Kelly, who spoke about the importance of semiconductors on a local, national, and global scale. He mentioned that a critical issue is finding talent to fill the many jobs in this field and how NYDesign could help fill that void. After the workshops, students began working on their designs in the Fall semester, with their final products being submitted in December. The students will receive their chips for testing toward the end of the Spring semester.

### Outreach STEM Program

The RCIDA helped facilitate an outreach STEM program for several students at Redemption Christian Academy, which is located in Troy, NY. Students were selected for the program by their teachers based on an essay and interview. Much of the program was held in the Quackenbush building in the Center of Gravity classroom on the first floor. The RCIDA arranged for engagements with businesses in the building (i.e. Troy Web and Self Array) as well as entities located in the Capital Region (Hudson Valley Community College and NY CREATES). The program was around ten weeks in duration with students being exposed to a variety of STEM-based careers (i.e. web design, coding, drone technology, semiconductor industry, etc.). The students participated in hands-on activities with industry experts on a weekly basis. The sessions were led by volunteer, Lieutenant Colonel Michael Hutchinson and student volunteers from Hudson Valley Community College). The RCIDA saw value in this initiative as it promoted technology-based activities within the Quackenbush building and exposed a group of diverse students (many underserved) to careers that have high earning potential and will be in high demand. The program was capped off with a certificate ceremony in the IgniteU NY space in the Quackenbush building and an announcement that it would continue into the Spring Semester with the financial support of NYSTEC.

### RCIDA Offices

The RCIDA staff are now all located in the Quackenbush building in downtown Troy. When Rensselaer County announced it would be moving its offices to East Greenbush, it was decided that it would be best to centralize RCIDA staff in one location. Additionally, the staff of the County Economic Development and Planning Department are now located on the second floor of the Quackenbush building. This allows for collaboration and a more streamlined and efficient process of working with business partners and the citizens of Rensselaer County. The new (and old) offices were equipped with fiberoptic cabling and new phones. Also, the RCIDA initiated the process of moving all RCIDA data/files to the cloud under the operation of an entity independent of Rensselaer County. It is anticipated this will be complete by the summer 2023.

### RCIDA Website

In order to remain in compliance with the ABO guidelines on IDA websites, the RCIDA contracted with Web Instinct to upgrade its website. Web Instinct will be generating a more aesthetically pleasing site while organizing it in a manner that is easily accessible. Moreover, the website will contain livestreaming capabilities for RCIDA board meetings and public hearings. It is anticipated that the website will be completed in March 2023.

## **II. Industrial Development Agency Projects and Other IDA Initiatives**

### Regeneron Pharmaceuticals, Inc. 30 Tech Valley Drive

The project includes construction/renovation of kitchenettes, mother's rooms, restrooms, flooring, painting, lobby renovations, utility upgrades as well as the installation of cubicles and conference rooms within the existing facility located in East Greenbush. Once completed, there will be approximately 80 employees at the facility.

### 125 Defreest LLC

The project consists of the acquisition of a 3.1-acre parcel of land with three existing buildings located in the Rensselaer Polytechnic Institute Tech Park and the renovation of the existing facility and equipping said facilities. The property will house the corporate headquarters for Rifenburg Family of Companies.

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

In 2022, the Rensselaer County IDA provided support to 55 projects with a combined total project investment of \$1.354 billion. A total of 7,060 full time equivalent jobs were supported by these businesses. An additional 392 construction jobs were also supported in 2022.

These projects provided \$2,292,639 in PILOT payments to the County, \$2,198,904 to local governments and \$7,987,514 to school districts in Rensselaer County. In addition, these businesses reported \$767,367,192 in total payroll (some project owners did not report their payroll, making the actual payroll number higher).

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

In an effort to further improve timeliness and accuracy of information provided to the public, potential business prospects, 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 2022, in order to remain in compliance with the ABO guidelines on IDA websites, the RCIDA contracted with Web Instinct to upgrade its website. Moreover, the website will contain livestreaming capabilities for RCIDA board meetings and public hearings and will be ADA Compliant. 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, following the recapture of State and local sales tax exemptions that were claimed by a project in excess of the amount in their Uniform Project Benefit Agreement in 2017, the Board initiated some policy changes to help address potential excess sales tax claims before they require recapture. Following a 2018 Authority Budget Office review of the Rensselaer County IDA's Sales Tax reporting procedures, monitoring processes were upgraded to enhance accuracy and timeliness. In 2019, the Agency updated its" Whistleblower "Retaliatory Action Policy to better conform to Section 2857 of the NYS Public Authorities Law. The Agency also authorized the Executive Director to make minor equipment purchases of less than \$5,000 without prior Board approval as long as such amounts were within the approved Agency Budget. In 2020, the Agency adopted a new Records Retention and Disposition Schedule. Finally, in 2021, the IDA Board adopted a Standard Work Day.

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

**Cynthia A. Henninger, Chair** – 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.

**Douglas Baldrey** – Mr. Baldrey is a lifelong resident of Rensselaer County, a graduate of RPI with a Bachelors and Master's 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.

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

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

**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.