



Choose Columbia

Columbia Economic Development Corporation

2016 Annual President's Report

January 31, 2017

Executive Summary:

The past year was an ambitious and productive one for the Columbia Economic Development Corporation (CEDC). It began with the process of creating a Strategic Plan for economic prosperity for the County, which was developed through extensive stakeholder engagement, and will provide a roadmap for future success. After the plan was completed in April, the activities that followed were all aligned with the strategies and objectives outlined in the plan.

CEDC enjoyed a record year in membership revenue from businesses, individuals and organizations, and enjoyed a vote of confidence from the Board of Supervisors in the form of a new contract for 2017 with increased funding. CEDC continues to gain traction throughout the county and is grateful for the engagement and support it has received from business, government, education and not for profit partners and stakeholders.

CEDC's SBA microloan and Columbia County Revolving Loan funds continue to deliver crucial capital to small businesses and "start-ups" in a broad range of industry clusters throughout the County.

As the County Board of Supervisors' designated broadband coordinator, CEDC is taking a lead role in an initiative that is gaining momentum and poised to better position the local economy for the 21st century. CEDC has also played an active role in assisting the County with its proposed Sewer Expansion Project at the Simons Commerce Park.

CEDC also assisted numerous businesses and organizations with proposed economic development projects, technical support and training, along with federal and state grant funding during the last year, as well as spearheading a number of other important infrastructure improvement projects.

Below is a snapshot of some of CEDC's activities during 2016 that CEDC will continue to build upon in the coming year.

Strategic Plan:

Beginning in January 2016, CEDC began a process of engaging the Columbia County community to develop a strategy to increase economic prosperity. Throughout a series of board, staff and stakeholder meetings, open public sessions, surveys, and extensive conversations with county leaders and residents from across sectors, the following questions were answered:

1. Where are we now?

2. Where are we headed?
3. Where do we want to be?
4. How do we get there?

The result was the development of a strategic plan, which was presented at the 2016 CEDC Annual Meeting and will guide county economic development activities in both the short and longer term. The Strategic Plan identified four pillars of focus with strategic short and long-term objectives, outlined below with summaries of progress for each of its pillars:

Pillar One: Entrepreneurship & Innovation

Objectives:

- Connect new and existing small businesses to needed information resources.
- Retain and support existing Small Businesses
- Advance projects currently approved and underway

- Long-term objective: Advocate for potential and existing projects.

Progress: CEDC's core activities are geared toward supporting the growth and expansion of larger and small businesses throughout the County. These include the SBA and Microloan programs, technical assistance, and providing resources. CEDC has facilitated a microbusiness seminar series, which 14 individuals completed, and has begun to develop an entrepreneur's resource portal for its website to continue building on activities in this strategic area. Additional business training and resource programs are in the planning stages for 2017.

Pillar Two: Infrastructure

Objectives:

- Initiate a collaborative countywide effort to expand broadband access.
- Leverage existing commercial and manufacturing structures to create "shovel ready" sites.
- Develop cooperative strategies to attract investment in business infrastructure.

- Long-term objective: Be creative and collaborative in planning future projects.

Progress: At the request of the County Board of Supervisors Broadband Subcommittee, CEDC has taken a lead role in making progress on expanding broadband access across the county (activities summarized in the project section below). Efforts have also been made to advance the County's sewer expansion project in the Simons Commerce Park, which will continue into the coming year, and supported other important County infrastructure projects that have sought funding through federal and state grants.

Pillar Three: Quality of Life and Sustainability

Objectives:

- Strengthen Columbia County's economic health and competitive advantage by promoting and supporting aligned business activities.

- Support local town/village economic development efforts via collaborative activities.
- Integrate 'smart' economic development into county and local level activities.
- Long-term objective: Promote Columbia County in a cohesive, consistent way.

Progress: CEDC has supported projects that improve quality of life throughout the County in the last year including a number of agribusiness, arts, culture, tourism and recreation projects. CEDC is committed to help drive collaborative partnerships between businesses, education, and nonprofits in developing a cohesive sustainable development strategy for the County. CEDC participated in the Capital Region's Sustainable Development & Collaborative Governance Conference, joining community development experts, local elected officials, and business leaders to share successful economic growth strategies in the Capital Region as part of a statewide effort to boost awareness of resources available to local governments and nonprofit organizations to help create sustainable communities across New York.

Pillar Four: Workforce & Education

Objectives:

- Create an environment that leverages Columbia County's "education to workforce" pipeline.
- Increased skilled workforce.
- Identify options to mitigate Columbia County's and the City of Hudson's limited workforce housing options.
- Long-term Objective: Attract a skilled, adaptable, and inclusive workforce.

Progress: CEDC has taken on a larger role in facilitating collaboration between the County's business, government, education and not for profit partners. Board Chair Tony Jones has been appointed to serve on the Columbia-Greene Workforce Development Board and Hudson School Superintendent Dr. Maria Lagana has joined the CEDC board, strengthening CEDC's ties to countywide workforce development and education. CEDC President and CEO Mike Tucker participated in the opening panel discussion at Queststar III BOCES College & Career Readiness Roundtable, attended by more than 40 business, higher education, school and State Education Department leaders. CEDC has also created a board-level Workforce and Education Committee to focus CEDC's efforts on specific Pilot Programs and initiatives to address these important issues.

2016 Annual Member Meeting:

Over 125 leaders in business, government, education and the not for profit sectors attended CEDC's Annual Meeting in April. Opening remarks were provided by Board Chair Tony Jones, Columbia County Board of Supervisors Chairman Matt Murell, Hudson Mayor Tiffany Martin Hamilton, Empire State Development Regional Director Mike Yevoli, and Deputy District Director Ann Mueller from Congressman Chris Gibson's office. CEDC President & CEO Mike Tucker presented the Strategic Plan and Annual Report. CEDC's 2017 Annual Meeting will be held on April 25, 2017 at 7:30 am at Kozel's.

CEDC President & CEO Search:

CEDC launched its search for a new President & CEO in February. After reviewing resumes and conducting several interviews, the Search Committee, chaired by James Campion, President of Columbia-Greene Community College, recommended and the Board appointed interim President & CEO Mike Tucker to the position in June.

Board of Directors:

CEDC's 18 member active and dedicated Board of Directors held 12 Board meetings in 2016. In addition, the Executive Committee had 2 meetings; Audit and Financing Committee met 5 times; the Governance and Nominating Committee met 7 times; and the Loan Committee met 8 times; for a total of 34 meetings.

CEDC welcomed new Board members James Calvin, New York State Association of Convenience Stores; Kate Johns, Kate Johns AIA; and Maria Lagana Suttmeier, Superintendent of the City of Hudson School District. In addition, Greg Fingar, Fingar Insurance, and Kim Keil, Valley Fuels, completed their terms. CEDC is extremely grateful to Mr. Fingar and Ms. Keil for their dedication and commitment to CEDC and its mission during their service on the board.

CEDC joined the entire community in mourning the death of longtime CEDC Board member Scott Wood. Scott made an incredible contribution to CEDC and Columbia County, generously sharing his knowledge, experience and insights.

Membership Program:

CEDC has achieved new highs in number of members and membership revenue in 2016. Over \$50,000 has been raised from 60 members, which indicates a recognition throughout the community of CEDC's value to the County and its renewed commitment to work harder than ever before toward a building and sustaining a flourishing economy. CEDC has set an ambitious goal of \$75,000 in membership revenue for the 2017 year.

Loan Programs:

CEDC has continued to administer its Columbia County Revolving Loan Fund, providing start up and expanding businesses with access to needed capital. CEDC also manages the U.S. Small Business Administration (SBA) MicroLoan program in Columbia and Greene Counties. Funded by the SBA, the MicroLoan program provides small businesses with small short-term loans for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment. The MicoLoan program also provides businesses with technical assistance and training.

CEDC's Loan Committee also reviewed and approved comprehensive updates of its policies and procedures to streamline the loan process.

In 2016, CEDC was awarded \$300,000 in additional SBA funds for a new round of lending, as well as an \$82,065 SBA grant to provide technical assistance and training to local businesses.

CEDC's Revolving Loan Fund currently has 22 loans totaling \$752,500 outstanding with \$895,000 available to lend. The SBA Microloan Funds currently has 26 loans totaling \$400,000 outstanding with \$500,000 available to lend.

Loans provided to local businesses in 2016 include:

- \$ 9,000 for EZ Foods (SBA)
- \$25,000 for Oak Pizzeria Napoletana (SBA)
- \$25,000 for Talbott, Arding & Co. (SBA)
- \$35,000 for Basillica Industries LLC (SBA)
- \$35,000 for East Chatham Food Co. (SBA & CEDC)

Business Retention and Expansion:

CEDC initiated a Business Retention and Expansion program designed to identify needs of businesses throughout the county to assist in retaining existing businesses, support expanding businesses, and attract economic development opportunities. The program provides a great opportunity for business owners and CEDC staff to meet and discuss business operations, business information and resources, and future expansion plans. It also provides businesses with an opportunity to share and showcase what they do best. Since its launch in late July, CEDC has completed 33 visits.

Workforce Development & Education:

CEDC's 2016 Strategic Plan identifies Workforce & Education as critical component to successful economic growth. In September, Columbia County Board of Supervisor Chair Matt Murell appointed CEDC Board Chair Tony Jones to serve on the Columbia-Greene Workforce Development Board (WDB). Jones participation on the WDB helps to ensure that CEDC is positioned to facilitate networking and collaboration among the County's educational, business, and government institutions to stimulate purposeful alignment of educational offerings and business needs.

In addition, to further advance specific Workforce Development & Education programs and initiatives, the CEDC Board has formed a Workforce/Education Committee.

Weekender Conversation:

In recognition of the significant impact second homeowners have on the county's economy, CEDC hosted a 90-minute conversation with a group of Columbia County weekenders at Columbia-Greene Community College in November. There are more than 7,000 single family homes in the county where the property tax bill is mailed outside the county. Among the wide-range of topics discussed, broadband availability and the lack of an adequate local labor pool emerged as the issues of highest concern. Participants agreed that it would be beneficial to find ways to continue the conversation and that the group be expanded.

Projects and Initiatives:

Throughout the year, CEDC has supported many projects and initiatives that promise to bring job growth and increased economic activity throughout the County. These projects each advance and support objectives outlined in the CEDC Strategic Plan.

County Broadband Initiative:

Expanding broadband access in Columbia County has been identified as one of the most crucial initiatives for long term economic growth by CEDC, and was reemphasized in the strategic plan. County had broadband study conducted in 2015, and in the last year CEDC has been spearheading the effort to gather support from throughout the county for expanding access. The Board of Supervisors has formed a Broadband Advisory Subcommittee under their Economic Development Committee and has named CEDC as the county's broadband coordinator.

CEDC also hosted Governor Cuomo in August to promote the state's "Broadband for All" initiative, which promises \$500 million in upgrades across rural areas in Upstate New York including \$2.5 million in Columbia County.

CEDC initiated a county-wide broadband mapping project to provide baseline data to identify specific areas where residents and businesses are not served or underserved. CEDC is also working to spread awareness of the issue by launching an newsletter devoted to broadband initiatives.

County Sewer Expansion Initiative:

CEDC has worked in partnership with the Board of Supervisors, along with the County Attorney and County Controller, to identify state grant funding for the proposed Commerce Park Sewer Expansion Project. This initiative will result in opening up a new development corridor at Route 9H and Route 66. CEDC has already had interest from companies who need sewer infrastructure and, as a result, are interested in building in the immediate vicinity of the proposed line:

Commerce Park: The sewer expansion project will further strengthen the attractiveness of the Gerald R. Simon Commerce Park and will result in both expansion by existing companies located there but also help attract new businesses. CEDC manages the Commerce Park for the County.

Project ZYX: CEDC has assisted the developer of this apartment and senior housing project in Claverack with addressing their infrastructure needs.

Project Bourbon: CEDC has assisted a developer seeking to locate a distillery with addressing their infrastructure needs.

Projects:

Commerce Park: CEDC has been working with companies in the Commerce Park to grow and expand and has identified vacant parcels in an effort to assist in marketing available sites. CEDC also assisted with an

application for state funds to improve the sewer systems at the Commerce Park, but that project was rejected because the timeline to completion was too long. The sewer upgrades will continue to be pursued, as multiple major development projects may rely on its completion.

Architectural Cast Stone of New York, LLC.: The Columbia County Industrial Development Agency (CIDA) approved an application from Architectural Cast Stone of New York, LLC for a project in the Commerce Park in the Town of Claverack. The Chicago based business produces architectural concrete fixtures for high-end residential and commercial buildings across the country. It is anticipated that the project will produce 28 full time jobs the first year, 65 by year 3, and 75 by year 5. Total estimated cost of the project is \$4 million.

Redburn Development - The Wick Hotel Project. At the request of the City of Hudson IDA (HICD), the County IDA approved an application from 41 Cross Street Hospitality LLC/Redburn Development Companies LLC for The Wick Hotel project located at 41 Cross Street in the City of Hudson. The CIDA partnered with the Hudson Industrial Development Agency (HIDA) to develop the financial assistance package and will share the agency fee of 1% on the total project cost 50%50% with the HIDA. CIDA will serve as administrator of the financial benefits. The 40,800 square foot, 55 room boutique hotel proposed project was awarded \$1.5 million by the Capital Region Economic Development Council (CREDC) in 2015.

SunStream Hudson. The 5.3 megawatt, \$12 million SunStream solar project, located in the Town of Greenport and funded by the County IDA in 2015, was completed and placed in service in December. The NYS Comptroller's [2016 Annual Report](#) on IDA's statewide highlighted the project as an example of the diverse projects across the state aimed at spurring economic growth in local communities. The IDA granted a \$280,000 County sales tax exemption, to be partially offset by a \$20,000 one-time Payment in Lieu of Tax (PILOT) Agreement.

Hudson Valley Creamery (HVC) Conversion Project. CEDC continues to work closely with HVC on its \$4.4 million expansion project in the Town of Livingston. CEDC was awarded a \$500,000 Empire State Development (ESD) \$500,000, along with \$500,000 in Excelsior tax credits to assist HVC with its proposed conversion project in 2015. In addition, Columbia County, on behalf of HVC, will be seeking CDBG funds in the amount of \$375,000 to bridge the funding relating to improving its wastewater facilities. It is anticipated that the project, which will result in the expansion of the plant and introduction of a new line of fresh goat milk products, will begin in 2017 and will result in the creation of ___ jobs over the next ___ years.

Goat Research Center Feasibility Study. CEDC recently completed a Hudson Valley Goat Industry Development Plan Study funded with a \$35,000 grant from Empire State Development (ESD). The study examined the current condition of the dairy goat industry, its ability to meet future demand, and avenues for furthering production and marketing and technical support. Based on these findings, Columbia County has been awarded a \$75,000 ESD grant to assist in funding the Goat Genetics Research Center. The study is designed to initiate the development of a "home" dairy goat herd and to establish a goat genetics database. The goal of the project is to establish the Goat Genetics Research Center in order to begin a systematic program of genetic improvement in the dairy goat sector. CEDC is partnering with Hudson Valley Agribusiness Development Corporation on the project.

Hudson River Skywalk. CEDC serves on the Hudson River Skywalk Project Advisory Committee. The project includes the development of a scenic pedestrian trail linking the Thomas Cole and Olana Historic

sites across the Hudson River. The project also includes improvements to the Rip Van Winkle bridge to enhance the pedestrian “experience” by constructing up to three “view platforms” to enhance scenic views of the Hudson River. Additional plans call for trail improvements in Columbia County to include a sidewalk/walking trail to Olana, and a possible adjoining site for parking. Once completed, the Hudson River Skywalk will contribute largely to the local and regional economy – becoming a powerful economic engine, bringing increased revenue, jobs and taxes to Greene and Columbia Counties. A \$124,000 grant administered by the Department of State through the Local Waterfront Revitalization Program will be used to pay for the planning and design of the SkyWalk, and to develop an economic impact study.

Columbia County Chamber of Commerce:

CEDC Board leadership and staff meet regularly with the Chamber leadership and staff to ensure a collaborative partnership between the two organizations. CEDC and the Chamber are currently exploring several joint project that are consistent with the focus and mission of each organization.

Hudson Development Corporation (HDC):

CEDC has partnered with Hudson Development Corporation on the reconstruction of the Ferry Street Bridge. CEDC participated in meetings with state and federal officials in connection with identifying additional funding for design and reconstruction of the bridge, reconnecting access to the Hudson River waterfront.

CEDC also worked with HDC on several other projects, including its waterfront redevelopment plan, its Downtown Revitalization application and its efforts to work with CSX to access a development parcel at the waterfront.

City of Hudson Industrial Development Agency (HIDA):

CEDC and the HIDA have entered into an agreement for CEDC to serve as the administrator of the HIDA. Currently CEDC has a contract with the Columbia County IDA and the Columbia County Resource Corporation to provide administrative and support services. The agreement with HIDA will expand CEDC’s capacity to serve all three organizations close project financing and insuring compliance with state regulatory requirements. This new relationship with the HIDA, will strengthen CEDC’s partnership with the City of Hudson and the Hudson Development Corporation, as well.

Regional Economic Development Council (REDC) 2016 Awards:

A centerpiece of the Governor's strategy to jumpstart the economy and create jobs, the Regional Councils were put in place in 2011 to redesign the state's approach to economic development from a top-down model to a community-based, performance-driven approach. The initiative empowers community, business, and academic leaders, as well as members of the public in each region of the state, to develop strategic plans specifically tailored to their region's unique strengths and resources in order create jobs and support economic growth.

In 2016, CEDC assisted Columbia County businesses and organizations with submitting Consolidated Funding Applications. CEDC attended CREDC meetings and hosted and participated in CFA Workshops, in addition to serving as a resource to assist individual businesses and organizations with the overall CFA process. CEDC President & CEO Mike Tucker continues to serve as a member of the Capital Region Economic Development Council.

This year the Capital Region was selected as one of five “Top Performers”, receiving \$83.1 million, funding 116 projects. This allocation included \$30 million of Federal Bond Cap Allocation and \$9 million in NYS Excelsior Tax Credits.

Columbia County was awarded over \$2.8 million during this round, providing capital funding for 17 projects, including:

- City of Hudson - \$45,000
- Harlem Valley Rail Trail Association - \$285,000
- Hawthorne Valley Association Inc. - \$600,000
- Historic Hudson, Inc. - \$487,500
- Hudson Development Corporation - \$14,000
- Hudson Opera House - \$49,500
- Shaker Museum - \$41,500
- The Millay Colony for the Arts, Inc. - \$75,000
- The Olana Partnership, Inc. - \$197,878
- The Watershed Group - \$200,000
- Town of Claverack - \$25,000
- Town of Claverack - \$170,000
- Town of Copake - \$40,000
- Trout Unlimited, Inc. - \$287,280
- Trout Unlimited, Inc. - \$69,700
- Village of Philmont - \$191,250
- Columbia-Greene Community College - \$42,630

From its inception in 2011, through the 2016 CFA Awards, Columbia County has received more than \$19.1 million in support of 63 projects.

**Columbia County Industrial Development Agency (CIDA)
Columbia County Capital Resource Corporation (CCRC)**

CEDC provides administrative and support services to both the county IDA and Resource Corporation:

- The Columbia County Industrial Development Agency (IDA) is overseen by a seven-member board, appointed by the Columbia County Board of Supervisors. The IDA actively promotes, encourages, attracts and develops job opportunities and economically-sound commerce and industry throughout the county. The agency offers companies comprehensive services including needs assessment, site selection, financial incentives, and access to other public-sector programs.

- The Columbia County Capital Resource Corporation (CRC) promotes economic development, job creation and job retention in the non-profit and for profit sectors by aiding in the establishment of new businesses and the expansion of existing businesses. Using the CRC as a tool, lenders receive financial benefits on loans they provide to qualified not-for-profits, thereby lowering the cost to the borrower.

Hudson-Creative Market Study. CEDC has been working with Hudson-Creative to assist them in conducting a market study to determine the creative needs of the hobbyist, artist, student, professional and entrepreneur who live and work in and around Hudson with the goal of seeking input and feedback on the Hudson-Creative project to create a makerspace (aka hackerspace) in Hudson.

Hudson Opera House Survey. CEDC is partnering with the Hudson Opera House, who is coordinating the development and circulation of The Hudson-Area Arts, Culture & Tourism Survey. This survey is designed to help retail, hospitality and cultural attractions, as well as local government and businesses with an interest in tourism, better understand the needs, demographics and interests of current and potential visitors to Hudson. This project is funded by Empire State Development and the I ♥ NY Division of Tourism under Governor Andrew Cuomo's Regional Economic Development Council Initiative.

Global NY Foreign Direct Investment. In November, CEDC participated in a Global NY conference which included representatives from 25 foreign countries and territories who visited the region to get a first-hand look at New York State's innovation economy aimed at attracting Foreign Direct Investment (FDI) into New York State. The two-day Global NY FDI Road Show made stops at Global Foundries, the Rensselaer Polytechnic Institute, and the State University of New York at Albany.

National Manufacturing Month. CEDC took part in National Manufacturing Month in October as part of its continued efforts to build awareness about the strength and diversity of the county's manufacturing industry and the important jobs the manufacturing sector provides. Through CEDC's Strategic Plan it is facilitating collaboration among the county's business, government, education and not for profit sectors to develop workforce and education initiatives to address employment and skill gap issues to insure employers have the workforce they need to succeed. In addition, CEDC partners with FuzeHub and CEG's Regional Manufacturing Extension Partnership Center, organizations that provide technical assistance and training to manufacturing and technology companies in the region.

Finance and Accounting:

- **County contract:** CEDC's contract with Columbia County as its designated economic developer was renewed with an increased from \$437,500 to \$460,000 over a one-year period.
- **Audit:** CEDC has worked over the past year to implement various suggestions from its independent auditor in their 2015 Management Letter. Among the recommended financial enhancements is the implementation of an upgraded QuickBooks system to improve efficiency and conducting an organizational risk analysis.

Human Resources:

- **Employee Handbook:** CEDC revised its Human Resource Manual to update it and integrate best practices.
- **Professional Development:** Throughout the year, CEDC staff has attended various workshops and conferences to increase their skills in administering CEDC programs and economic development.
- **Computer and Copier Upgrades:** CEDC solicited proposals for new computers and a copier, replacing outdated and inefficient equipment.
- **Insurance:** CEDC solicited proposals for its insurance coverage, as well as coverage for the CIDA and CCRC.
- **Marketing:** CEDC has expanded its online marketing presence by introducing themed newsletters in addition to a revamped monthly newsletter. Topical newsletters include those for manufacturing and for broadband. CEDC has also undertaken a review of its website and is in the process of identifying potential upgrades to strengthen its web presence in the coming year.
- **State compliance:** CEDC continues to work closely with the NYS Authority Budget Office and the Office of the State Comptroller to ensure that all policies and activities are in compliance with state law and best practices, and that all necessary information is reported in a timely manner.

SAVE THE DATE

CEDC 2017 ANNUAL MEETING
Tuesday, April 25, 2017
Kozel's Restaurant, Ghent, NY
7:30 a.m. - 9:30 a.m.

Hugh Johnson, Hugh Johnson Advisors
Key Note Speaker

2016 BOARD OF DIRECTORS

CHAIR, Tony Jones
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