



**Genesee County  
Economic Development Center**

**2011  
PROGRAM BUDGET**

**GENESEE COUNTY ECONOMIC DEVELOPMENT CENTER**

**ORGANIZATIONAL CHART**

Board of Directors  
(Appointed by Genesee  
County Legislature)

President & CEO

**DEPARTMENT: ECONOMIC DEVELOPMENT CENTER**

Operations

Real Estate  
Development /  
Management

Workforce Development

Revolving Loan  
Funds 1 & 2

Empire Zone

Chief Financial Officer  
Genesee Gateway  
Local Development Corporation

Genesee Agri-Business, LLC  
Genesee Funding Corporation

Senior Vice President Operations

Director, Sales & Business Development

Office Manager

Finance Assistant

IT Manager

Custodian

Real Estate Manager

Marketing Manager

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## **DEPARTMENT: ECONOMIC DEVELOPMENT CENTER**

### **DEPARTMENT DESCRIPTION**

The Genesee County Legislature established the Genesee County Industrial Development Agency (GCIDA) in 1970 as a public benefit corporation under New York's General Municipal Law. Since 1970 the GCIDA, d/b/a Genesee County Economic Development Center (GCEDC), has been the sole organization responsible for the economic development program throughout Genesee County.

- ✓ **In 2011 the GCEDC continues its commitment to promote development in Genesee County:**
  - Continuing to be fiscally conservative and stretch every dollar of funding secured in support of our development efforts.
  - Develop and market, along with the Genesee Gateway Local Development Corporation (GGLDC), its collection of shovel ready parks including the Gateway I & II Corporate Parks and the Upstate Med & Tech Park, all in the Town of Batavia, as well as Apple Tree Acres in Bergen. Near shovel ready sites include the Buffalo East Technology Park, North and South (the former Pembroke Commerce Park) Campuses in the Town of Pembroke which needs sewer and was at the center of much activity in 2010. It appears that not being shovel ready may be costing us opportunity.
  - Efforts in 2011 are expected to include \$5M of infrastructure installation at the Genesee Valley Agri-Business Park, continuing to market available commercialization space for emerging Life Science companies located at the newly completed Dr. Bruce A. Holm Upstate MedTech Center and continued planning for WNY STAMP, a 1,340 acre mega-site. Phase II planning for WNY STAMP is being funded by a \$1M grant from NYS Senate, along with \$350K of grant funding from National Grid. Due to New York State's fiscal issues and late passage of the budget, STAMP had a four month no-work time in 2010, thereby pushing Phase II development into 2011. Again, not being shovel ready is costing us opportunities.
- ✓ **The GCEDC is a strong revenue generator for the County by enabling growth in the tax base.**
- ✓ **The GCEDC is the administrative entity of the County-formed Genesee County Funding Corporation (GCFC):**
  - The GCFC issues bonds providing tax-exempt financing for projects undertaken by not-for-profit corporations such as schools, hospitals and senior homes. The incentives provided by the GCFC fills the void left for these capital investment projects when the State's Civic Facility Legislation ended in 2008.
- ✓ **The GCEDC remains focused on:**
  - **Achieving the business park / shovel-ready strategic imperatives from our Strategic Plan:**

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- Established in our community's Economic Development Strategy published in 2003 as a part of the County's Comprehensive Planning process, the GCEDC and GGLDC continue to expand infrastructure in many of our corporate parks including those in Bergen, Batavia and Pembroke and Alabama.
- **Receiving grants monies to advance *Strategic Industries*.** During the first eight months of 2010, the GCEDC and the GGLDC received approximately \$2M in grant funding commitments supporting corporate park development costs in the Towns of Alabama, Batavia and Pembroke as well as funds to retain a Life Sciences company in New York State that will lease commercialization space at the Upstate MedTech Centre. The GCEDC continues to work with the Governor's office to secure the additional \$1M for the Ag Park and \$1M for the Ag Park and \$1M for the design phase of WNY STAMP.
- ✓ **The GCEDC is recognized on a national basis:**
  - In 2010, for the sixth year in a row, based upon GCEDC's 2009 "Project Wins", Site Selection Magazine's Governors Cup committee ranked Genesee County as one of the nation's top ten Micropolitans in terms of economic development activity. Despite the worst economic downturn since the Great Depression, the GCEDC was able to participate in 30 projects.

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### **STRATEGIC FRAMEWORK**

#### **Vision**

The Genesee County Economic Development Center's vision is to foster increased economic activity for our community providing for a high quality of life for our residents and their families. The GCEDC will enable this by progressively marketing our community to businesses facilitating business capital investment that contributes to the creation and retention of quality jobs.

#### **Mission**

**The Genesee County Economic Development Center's mission is to be the driving force in fostering community economic success through growth, expansion and retention of our existing business base and to market a community based "business friendly" climate facilitating new business attraction for both start-ups and corporate re-locations.**

#### **Key 2010 Accomplishments: Through AUGUST 2010 (8 month activity)**

- ✓ **Core Business/Business & Economic Development**
  - 16 Economic Development projects supported.
  - Job Creation: 50 committed job creation (next 3 years)
  - \$18.5M in committed Capital Investment
  
- ✓ **44 Empire Zone Certified Businesses**
  - As of the date of this presentation:
    - ✓ 6 more applications for certification have been approved by the local Zone Administrative Board and are pending New York State approval
    - ✓ New York State Empire State Development has not released any statistics in regards to Empire Zone benefits for 2009. On June 30, 2010, the Empire Zone Program ended preventing any new companies from being certified. The GCEDC, however, will remain as the Empire Zone Coordinator for Genesee County monitoring and completing the annual reporting required as previously certified companies go through their remaining years of certification in the Zone.
  
- ✓ **Financing / Grants:**
  - **Grants approved in 2010 to date approximately \$2M**
    - ✓ \$475,000 in grants from National Grid for infrastructure improvements countywide;
    - ✓ Strong Inter-municipal partnerships continue in support of Economic Development and Corporate Park Development initiatives:

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- \$750,000 from the Town of Pembroke (to be received over three years) supporting development of Buffalo East Technology Park;
  - \$516,000 from Genesee County via a grant from the Office of Community Renewal to retain a Life Sciences commercialization company in New York State;
  - \$45,720 from the Genesee County Highway Department to pay costs for connecting into the Genesee Valley Agri-Business Park infrastructure to improve its sewer capacity;
- ✓ Genesee County Legislature continues to support development through PILOT Increment Financing (PIF) (total ten year commitment \$2,122,880):
- Development and deployment of municipal infrastructure supporting economic development of the Genesee Valley Agri-Business Park in the Town of Batavia.
  - Supports expansion of Village of Bergen Water Treatment Plant that provides services to business development (present and proposed) in the vicinity of Routes 33/490 (Apple Tree Acres Corporate Park in the Town of Bergen).
- ✓ **Real Estate Development & Management:** GCEDC continues to commit itself to additional activities and investment with regard to real estate and corporate park development as well as select real estate re-development initiatives for existing buildings largely through its real estate and development affiliate, the Genesee Gateway Local Development Corporation (GGLDC). The GGLDC is a federal and NY approved public charitable 501(C)3 not-for-profit private corporation that focuses on real estate development, building re-development, emerging market opportunities (Life Sciences and Advanced Manufacturing) as well as central business district / retail initiatives in order to enhance the economic base, tax base and jobs base for the residents of our community consistent with the mission of the GCEDC. In fact, because of the integrated nature of the organizations, the financial reporting of the GGLDC is consolidated, reviewed and audited as a part of the overall performance of GCEDC during the annual audit process.
- **2010 Corporate Park Development Status:**
    - **Gateway II** – With the park being shovel ready, efforts were focused on marketing the park; enhanced signage and landscaping improvements have occurred.
    - **Buffalo East Technology Park** – The 305 acre park (merging the former Pembroke Commerce Park into the 238 acre Technology Park, producing a north and south campus) is being aggressively marketed as New York’s premiere high tech park receiving several site visits through our marketing partners at BNE, GRE and ESDC.
    - **Upstate Med & Tech Park** – Completed in 2010, this \$6.9M, 43,000 sq. ft. building currently houses the GCEDC’s offices, UMMC’s Physical Therapy

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program and GCC's Nursing Program. First Wave Technologies, a life sciences commercialization company, will take occupancy of 3,400 sq. ft. of space later this year. Remaining space within the facility is aggressively being marketed to other life sciences emerging medical technology companies.

- **Apple Tree Acres** – Marketing and maintenance efforts of the site continue at the park.
- **Genesee Valley Agri-Business Park** – Bonding/financing for phase I infrastructure for the project, some \$3.5M has occurred with Farm Credit of WNY and is in place. Installation of infrastructure such as water, roadway, and gas was completed in 2010. The construction of sewer hookups and access to the aquifer will be completed in 2011.
- **WNY STAMP** – Land assembly continued as did efforts to obtain the \$1M grant awarded by the State Senate in October of 2008. We have received confirmation that the NY Senate has approved the funds to be used for Phase II (design) of the project. All land is currently under option to purchase. These options will begin to expire in June 2011. Due to funding issues and delays with New York State there was a four month, no-work time in 2010. Since passing of the NYS budget, a restart of the project is underway, however NYS funding continues to be a concern and issue.

### Key 2011 Goals:

1. Achieve initial economic development plan objectives:
  - a. A minimum of 11 economic development project “wins”
  - b. Minimum of \$15M in community capital investment
2. Continue active economic development sales & marketing programs:
  - a. Business attraction programs
  - b. Business retention & expansion programs
  - c. Shovel ready business parks
  - d. Understand the specifics and details of the Excelsior Program.
  - e. Enhance an active outreach program with municipal stakeholders & school districts in the community
  - f. Participate in necessary Public Policy issues as it relates to IDA effectiveness and their ability to continue providing active economic development programs within their community.
3. Continue Real Estate Development and Management activities:
  - a. **Gateway II Park** – Continue active sales, marketing and maintenance of this shovel ready site (32 acres).
  - b. **Apple Tree Acres** - Continued park enhancement, sales & marketing of shovel-ready acreage (50+ acres). Further extensions of infrastructure to open up added shovel-ready acres at park as required.
  - c. **Buffalo East Technology Park** – Engage in negotiations with land owner to acquire 238 acre parcel under option and to make necessary infrastructure investments, including the development of a wastewater treatment solution for the

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Pembroke Thruway, to make this site shovel-ready. Continue actively marketing this site to Advanced Manufacturing attraction projects in concert with GRE, BNE and Empire State Development.

- d. **Genesee Valley Agri-Business Park** – Build water pump station with access to aquifer and build sewer pump station and install sewer lines to hook up to main pipe on Rt. 5 by running up Cedar Street. GCEDC will continue to actively market site to food processing and related Agri-Business opportunities.
  - e. **WNY STAMP** – Conduct Phase II design work regarding the site’s development and secure funding to complete an archeological study, SEQR analysis and acquisition of land.
4. Address the community’s need for new inventory as it relates to middle-income and senior housing:
- a. Develop at least one housing project that can be used as a model to replicate county-wide as further demand develops.

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### BUDGET SUMMARY: GCEDC Consolidated

Appropriation by Object	Adopted 2009	Actual 2009	Adopted 2010	Estimated 2010	Approved 2011
County Support	\$280,285	\$280,285	\$280,285	\$266,271	\$266,271
Other Revenues (fees et. al.)	\$900,498	\$1,562,033	\$983,992	\$999,049	\$1,256,567
Total Revenue:	\$1,180,783	\$1,842,318	\$1,264,277	\$1,265,320	\$1,522,838
Expenses	(\$1,180,783)	(\$1,495,771)	(\$1,264,277)	(\$1,250,114)	(\$1,522,838)
EBITDA: MGMT P/L reporting	\$0	\$346,547	\$0	\$15,206	\$0
Loss on Sale of land, building and equipment	\$0	(\$397,542)	\$0	\$0	\$0
Net: P/L Total GCEDC	\$0	(\$50,995)	\$0	\$15,206	\$0
Net: P/L Audit <sup>1</sup>		(\$597,278)		TBD	
FTE'S	6.5	6.5	7.5	7.5	8.5

*1 After year end recognition of non-cash expenses such as depreciation and cost of sales and loss on sale of building (One Mill Street)*

### **BUDGET HIGHLIGHTS**

- ✓ Budget assumptions are conservative due to uncertainty of the level of economic recovery in 2011.
- ✓ Balanced budget.
- ✓ A “hold the line budget” request to County for funding:
  - A “hold the line” county funding commitment (\$266,271) is foundational to GCEDC and funds a significant portion of baseline payroll costs of the GCEDC Operations organization. All other costs are funded by GCEDC directly.
- ✓ **GCEDC** is a county affiliate organization and remains one of the few organizations which is a **Revenue Generator** for the County through growing the community’s long term property and sales tax bases.
- ✓ Assumes GCEDC is a grant recipient for 3<sup>rd</sup> straight year of a \$500,000 grant for workforce development initiatives in the area of Life Sciences.