

# Livingston County Industrial Development Agency 2010 Operations and Accomplishments Report

## Projects

The year 2010 was a year of accomplishment for the Livingston County Industrial Development Agency (LCIDA). Despite a generally weak economy, the Agency increased jobs, local tax collections and provided employment for construction workers.

### Save-A-Lot Supermarket, Mt. Morris

When a community of 5,000 residents loses its only grocery store and has to travel nearly 10 miles to the nearest store, economic hardship results. For five years, the Mt. Morris area, one of the poorest communities in Livingston County, endured this hardship.

Mt. Morris Foods, LLC (dba Save-A-Lot) saw a potential market for expansion in Mt. Morris through the lease of the former supermarket in a run down plaza owned by developers in Florida. The proprietor, who operates four other stores in western New York, requested whatever assistance the Agency could provide to undertake leasehold renovations of the store. Because the store was part of a retail plaza, the LCIDA determined that property tax abatements would not be offered. The Agency undertook the project to grant sales tax exemptions for the renovations and new refrigeration equipment. This resulted in the opening of the store in July and the creation of 12 new jobs. More importantly, a great deal of hardship to residents was alleviated through this LCIDA-assisted project.

### New Hampton Hotel, Geneseo

Livingston County has a severe shortage of hotel/motel facilities. During the peak tourism season, college graduation and special events like homecoming weekend, visitors must find lodging outside of Livingston County.

When the developer of the proposed Hampton Inn approached the LCIDA for assistance, the Agency said maybe. This Agency, such as with the Save-A-Lot project, only provides tax exemptions and abatements to retail projects when extenuating conditions exist. The LCIDA therefore required the developer to submit a market saturation study to the Agency and obtain several letters of support. These requests were fulfilled and consequently the Agency went forward and granted a PILOT, sales and mortgage tax exemptions for this \$5.5 million project. This new hotel, currently under construction, has employed about 50 construction workers and will create 30 jobs within three years of completion.

### American Rock Salt, Groveland and Retsof

Over the years the LCIDA has completed several transactions with American Rock Salt. This start up operation has grown from no employees to 325 today. Taking advantage of low interest rates, the Agency assisted American Rock Salt with a \$225 million refinancing. The Agency exempted the firm from the 1% mortgage recording tax.

### Bulk Products Development Corporation, Lakeville

Another start up operation assisted by the LCIDA, Bulk Products Development Corporation (BPDC) returned in 2010 for further expansion assistance. With its bank, BPDC refinanced existing debt and received \$880,000 in new financing to create one job. One job may seem small but this facility is part of a continued major expansion for production agriculture in Livingston County. Due to investments like these, Livingston and neighboring Genesee counties were ranked #2 in the nation for agricultural and food processing growth in 2010 by *Business Facilities* magazine.

The LCIDA provided mortgage and sales tax exemptions for this project.

### D P Tool and Machine, Inc., Avon

The LCIDA financial assistance in the form of a PILOT provided to this company which moved into Livingston County in the late 1990's and has expanded both its building and workforce, ended in 2010. The project is on the tax roll with 77 employees.

## **Governance**

As part of its annual review, the Governance Committee recommended, and the Agency adopted amendments to its Fee policy and Property Disposition policies. It also formally adopted the Agency's Mission and performed Board Self-assessment and Performance Evaluations.

## **Audit and Finance**

The Audit Committee conducted a one hour review of the Agency's general ledger and related bank documents in December, 2009. They reclassified a few transactions and reported to the full Agency Board in January that the General Ledger accurately reflected the activity of the LCIDA for the year 2009.

The Agency also accepted recommendations (not audit findings) made by the Independent Auditor for improvement in internal controls. The Agency Treasurer oversaw the implementation of the improvements.