

# Cayuga County Development Corporation FY 2021 Measurement Report

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## Introduction

This Measurement Report for the Cayuga County Development Corporation (“CCDC” or the “Corporation”) **Fiscal Year ending 12/31/2021** is presented in compliance with the New York State Public Authorities Law (“PAL”) Section 2824-a, and the NYS Public Authorities Accountability Act (“PAAA”). The report provides a written assessment of CCDC’s efforts to accomplish the Corporation’s goals and objectives outlined in the CCDC Mission Statement (as adopted March 27, 2012 and still in effect) and to identify proactive, positive actions for continuous improvement in areas, if any, where these goals and objectives have not been fully realized. The goals and objectives proposed by the CCDC are as follows:

### **Performance Goal #1:**

**The CCDC will work to achieve compliance with current obligations and responsibilities with ongoing projects and programs.**

*Performance Measurement: The CCDC has worked to meet this performance goal has complied with current obligations for ongoing projects and programs – those that are internal to the operations of the Corporation.*

*In FY2021 the CCDC continued to address its administration and management obligations for the various initiatives under its authority. The CCDC also worked to expand, improve and market the CCDC Economic Development Fund with targeted outreach to value-added agricultural sectors, the emerging food and beverage industry and small retail businesses. These ongoing efforts were expanded in 2021, as CCDC conducted outreach and continued emergency actions as the COVID-19 Pandemic continued. CCDC continued to administrate the two (2) consecutive \$100K emergency loans provided to the Cayuga Economic Development Agency in 2020 capitalizing a COVID-19 Emergency Micro-Loan Program operated by CEDA. Additional details regarding these 2-year term, low-interest loans are provided in the CCDC FY20 Annual Report available online. In 2020, the CCDC authorized three (3) separate, 3-month Principal and Interest (P&I) deferrals (essentially grace periods) for each of the CCDC borrowers and the CCDC Board subsequently authorized a final deferral in 2021 for Jan-Mar 2021.*

### **CCDC SMALL BUSINESS LOAN ACTIVITY 2020**

*Despite COVID-19 impacts, CCDC continued to review new loan applications in 2020, utilizing the outreach, marketing and loan application intake and underwriting of partner agency, the Cayuga Economic Development Agency (CEDA).*

**AUBURN VACUUM FORMING CO. INC.**

*The CCDC Board approved a small business loan to Auburn Vacuum Forming Co., Inc., a long-standing plastic fabrication company situated in the City of Auburn since 1969. Auburn Vacuum Forming had been acquired by Plastic MP, Inc., a multinational manufacturer out of Canada in 2017.*

*With over 50-years of plastic thermoforming experience in place under the new ownership, Plastik MP was positioned as a ISO 9001 Certified heavy gauge thermoforming manufacturer serving OEM's in the transport, power sports, industrial and agricultural markets.*

*CCDC closed on a \$93,300.00 equipment and working capital loan to Auburn Vacuum Forming (AVF) on April 7, 2021. Loan terms are 4.00 % interest rate for forty-eight (48) months. Under the terms of the CCDC loan, AVF has committed to the creation of seventeen (17) full time equivalent employees at its facility located at 40 York Street in Auburn, NY.*

**NEW AGE RENEWABLE ENERGY, LLC.**

*New Age Renewable Energy, LLC (NARE) was established in 2011 with the intention of using a local dairy waste product, whey, to create useful and sustainable products. At the time of loan application, NARE was producing industrial grade ethanol at its distilling facility located in King Ferry, NY (Cayuga County). In December 2020, NARE went through the rigorous vetting process and obtained its NYS Liquor Authority A and B licenses, which enabled the company to produce beverage grade alcohol both under their own brand and as a neutral spirit for other distillers. At application, the facility employed 5 full-time skilled laborers. The proposed expansion project into the growing beverage alcohol market was projected to add an additional 6 employees and create job diversity with 2 female hires.*

*The NARE total project cost was \$287,000, and included \$202,000 in owner equity to fund working capital, minor renovations, and equipment. The company requested a CCDC loan of \$85,000 to put toward the equipment costs required to expand their operations into the beverage market. The CCDC loan will specifically be applied toward a semi-automatic bottling line and a back-up hot water boiler needed to bring this industrial distillery up to the standards required for consumable beverages. With a CCDC loan, NARE was positioned to launch its premium vodka, "Moo Vodka" and shortly thereafter a second product Cayuga Clear, a neutral spirit for consumption.*

*The CCDC Board approved the requested loan on February 19, 2021 and CCDC closed on the NARE loan on March 23, 2021. The term loan of \$85,000 was provided at 4% interest with a term of forty-eight (48) months. The loan was secured by a security interest in the business equipment in addition to personal guarantees of the NARE principals. NARE as borrower, agreed to hire a minimum of six (6) full-time equivalent employees at its facility in King Ferry, NY within a three-year window of the loan closing date of March 23, 2021.*

*The CCDC Board of Directors expects the CCDC and CEDA staff teams will generate new loan activity for Board review in 2022 as Cayuga County and the nation continue recovery from the global pandemic and as business and industry respond to demand and a tight job market. Notwithstanding the COVID-19 loan deferral periods in 2020 and 2021, the existing CCDC loans remained current with loan repayments and have continued to bear economic development benefits to the community including meeting or exceeding project job creation targets. CCDC looks forward to working with the Cayuga Economic Development Agency to expand resources available to the Cayuga County business community in support of economic development activities.*

**Performance Goal #2:**

**Facilitating new projects and programs, which have been identified, and that will achieve the agency's purposes and mission.**

*Performance Measurement: The CCDC has worked to meet this performance goal throughout FY2021.*

*CCDC worked with CEDA to expand the Economic Development Fund's availability to presence in the local business community and to streamline intake and review of applications. In 2021, the CCDC Board approved a update to the CCDC Revolving Loan Fund program guidelines, clarifying the priorities and intention of the small business assistance program.*

*The Corporation staff met frequently with economic development specialists from the Cayuga Economic Development Agency (CEDA) regarding the marketing of the CCDC Economic Development Fund and outlined the eligibility and loan limit parameters.*

**Performance Goal #3:**

**Making every endeavor to comply with all applicable provisions of the PAAA and PARA requirements.**

*Performance Measurement: The CCDC has been committed to making improvements in the area of compliance with PAAA and PARA. During FY21 we achieved this goal for reporting on FY20 and we are on track for timely compliance with FY21 reporting. We have established the necessary internal policies – with the necessary resources, to accomplish this.*

**Performance Goal #4:**

**To maintain the highest ethical standards applicable to public officials and public benefit corporations.**

*Performance Measurement: The new CCDC Board of Directors reviewed the CCDC adopted Code of Ethics at their organizational meeting in 2013. The document defining the adopted CCDC Code of Ethics is available to the Board, and to the general public online at: <https://www.cayugacounty.us/DocumentCenter/View/1026/Ethics-Code-PDF> (please refer to the CCDC FY2020 Annual Operations and Accomplishments Report which also includes the Code of Ethics) and please note that the document is available for review at the CCDC offices.*