

ADAMS ADAMS CENTER ALEXANDRIA BAY
ANTWERP BELLEVILLE BLACK RIVER BRIER
HILL BROWNVILLE CALCIUM CAPE VINCENT
CARTHAGE CHAMPION CHAUMONT CITY OF
WATERTOWN CLAYTON DEFERIET DEPAUVILLE
DEXTER ELLISBURG EVANS MILLS FELTS MILLS
FINEVIEW FISHERS LANDING FORT DRUM GLEN
PARK GREAT BEND HENDERSON HERRINGS
HOUNSFIELD LAFARGEVILLE LERAY LORRAINE
LYME MANNSVILLE NATURAL BRIDGE ORLEANS

JCJDC/JCIDA/WICLDC

JEFFERSON COUNTY JOB DEVELOPMENT CORPORATION / JEFFERSON COUNTY INDUSTRIAL DEVELOPMENT AGENCY / WATERTOWN INDUSTRIAL CENTER LOCAL DEVELOPMENT CORPORATION

ANNUAL REPORT 05/06



PAMELIA PHILADELPHIA PLESSIS REDWOOD
RODMAN RUTLAND SACKETS HARBOR
THERESA THOUSAND ISLANDS PARK THREE
MILE BAY TOWN OF WATERTOWN WELLESLEY
ISLAND WEST CARTHAGE WILNA WORTH



A Message From The CEO...

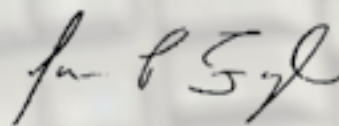
Welcome to the fastest growing county in New York State!

This has been a very eventful, productive and successful year. As always, it could not be accomplished without the collaboration and partnership of numerous people and entities including our elected officials, business leaders and economic development agencies.

The Jefferson County Job Development Corporation (JCJDC) has two affiliate agencies to assist with economic development activities in the County – the Jefferson County Industrial Development Agency (JCIDA) and the Watertown Industrial Center Local Development Corporation (WICLDC). The leadership and commitment shown by the Boards of Directors has been instrumental in providing staff with the direction and support needed to be successful.

Jefferson County is the fastest growing county in New York State. The County is approaching record employment levels and population growth. As a result, this community is facing opportunities and challenges never experienced before. Therefore, it is vital we manage this growth by maximizing current assets, planning appropriately and investing monies wisely.

Let's seize the opportunity in front of us and ensure Jefferson County remains a great place to live, work, and do business as it grows.

A handwritten signature in black ink, appearing to read "James P. Fayle".

James P. Fayle, CEcD
CEO
JCJDC/JCIDA

JEFFERSON COUNTY

JOB DEVELOPMENT CORPORATION

JCJDC Members...

Partners in Jefferson County's Economic Development Activities

- Advanced Business Systems
- Alteri Bakery, Inc.
- AMF/Coughlin Printing
- Aubertine & Currier Architects
- Behling's Spookhill Farms
- B.E.L. Associates, Ltd.
- Benjamin Printing Inc.
- **Bette & Cring, LLC**
- Black River Valley Club
- Blackstone Electric Inc.
- **Brookfield Power**
- Brownell Abstract Corporation
- D.L. Calarco Funeral Home, Inc.
- Car-Freshner Corporation
- **Carthage Area Chamber of Commerce**
- Carthage Energy, LLC
- Carthage Federal Savings & Loan Association
- Carthage Fibre Drum Inc.
- **CITEC**
- Clayton, Town of
- Climax Manufacturing Company
- Coldwell Banker Rimada Realty
- Community Bank, NA
- Community Broadcasters
- Converse Laboratories Inc.
- Cortel Improvement Systems
- Crowley Foods, Inc.
- Days Inn & Denny's
- DGM Coon and Company
- DOCO Quick Print, Inc.
- Doldo Real Estate
- Dragon, Benware, Crowley & Co., PC
- Entitle Agency, Inc.
- Excellus BlueCross BlueShield CNY
- **Foit-Albert Associates, Architecture, Engineering & Surveying, PC**
- Ft. Drum Mountain Community Homes
- Fort Pearl
- Stephen C. Foy Inc.
- Freeman Bus Corporation
- Frontier Housing Corporation
- Frontenac Crystal Springs Water, Inc.
- H.D. Goodale Co.
- Gray's Flower Shop, Inc.
- GWNC Chamber of Commerce
- Hanson Aggregates East
- **HarborSide Services**
- Harleysville Insurance Company of NY
- Haun Welding Supply
- Haylor, Freyer & Coon, North. Div.
- Hi-Lite Markings, Inc.
- Hrabchak, Gebo & Langone, PC
- HSBC Bank USA
- IBEW Local 910
- Internal Medicine of NNY
- Jefferson Abstract Corporation
- **Jefferson Community College**
- Jefferson Concrete Corporation
- Jefferson County
- Jefferson County Agricultural Dev. Corp.
- Jefferson-Lewis Board of REALTORS® Inc.
- Jefferson-Lewis Workforce Investment Board
- Jefferson Rehabilitation Center
- Johnson Newspaper Corp.
- Kelly Services
- KeyBank NA
- Knowlton Specialty Papers, Inc.
- LaFave, White & McGivern LS PC
- LCO Destiny, LLC
- d/b/a Timeless Frames & Timeless Décor
- **Local Development Corp. of the City of Watertown**
- LUNCO Corporation
- M & T Bank
- Meade Optical
- Menter, Rudin & Trivelpiece, PC
- Morgia's Pasta, Inc.
- Nancy D. Storino Real Estate
- **National Grid**
- Neighbors of Watertown, Inc.
- New Century Electric, Inc.
- New York Air Brake Corporation
- NYS Small Business Development Center
- North Country Insurance Company
- Northern Employee Assistance Services
- Northern Federal Credit Union
- Northern Regional Center
- for Independent Living (NRCIL)
- Northland, A Scott Fetzer Company
- Ontario Place Hotel
- Poulsen & Podvin, PC
- Purcell Construction Corp.
- Pyramid Company of Watertown
- Quality Production, Inc.
- Redwood Bank
- Renzi Brothers Inc.
- Richer Feeds/I.L. Richer Co. Inc.
- Riverside Media Group
- Rose & Kiernan, Inc.
- St. Lawrence Explosives Corp.
- Samaritan Medical Center
- Sawyer Enterprises
- Schwerzmann & Wise, PC
- **Shred Con, Inc.**
- Slack Chemical Co. Inc.
- Sovie & Bowie CPA, PC
- Stackel & Navarra, CPA, PC
- S.T.A.T. Communications
- Stature Electric Inc.
- The Stebbins Engineering & Manufacturing
- Stewart's Shops
- **Stream NY**
- Structural Associates, Inc.
- Taylor Concrete Products Inc.
- The UPS Store
- Thousand Islands Bridge Authority
- **Time Warner Cable**
- Tyco Healthcare/Kendall
- United Way of Northern New York, Inc.
- Walker Associates
- Watertown Savings Bank
- Watertown Vending Inc.
- Westelcom
- WWNY-TV 7
- WWTI/Newswatch 50 & The CW

BOLD = New Member

JCJDC Economic Development...

Internal and External - The Perfect Formula For Growth

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FRAME YOUR BUSINESS IN JEFFERSON COUNTY, NY.



Not only is Jefferson County a picture perfect place to live but a great place to work too! Timeless Frames makes their home in Watertown, New York, where business is always a pleasure!

"Watertown, NY is an ideal place to do business. Our company is located in the Jefferson County Corporate Park which is strategically situated on Interstate 81 and within minutes of the Canadian Border. The JCJDC has been very receptive to our needs and embraces new business. Additionally, Watertown is a great place to live and raise a family with outstanding schools and magnificent scenery. We definitely made the right choice to put our business in the Jefferson County picture."

Lisa Weber, CEO, Timeless Frames

For more information & professional, confidential service, call toll free...

1-800-553-4111

or visit our web site at www.JCJDC.net



Jefferson County
Job Development Corp.

800 Starbuck Avenue, Suite 800
Watertown, New York 13601

1-800-553-4111

Resources/Telecommunications/Transportation

- Reliable and stable gas and electric sources, distributed by Niagara Mohawk
- Smart energy alternatives potential that includes hydro, solar and wind
- Regional partnerships with research institutions to develop and apply alternative energy options
- Unlimited fresh water supply
- State of the art telecommunications infrastructure including fiber optics and ATM switch
- Multiple telecommunications companies
- Waterpower infrastructure in Industrial and Corporate Parks
- 30 miles from the Canadian Border and major international crossing (2003 - 13 million vehicles)
- 140 Trade/Export Corridor - Ottawa, Canada to Washington, DC
- Regional Airport - Watertown International
- St. Lawrence Seaway Ports available
- National and regional trucking and shipping companies located in the County
- CSX Railroad serves the area as its Flamingo Service operates, with all spots located in the City Center Industrial Park and several facilities around the County

Community Assets

- Underemployed identified in Labor Shed with skills in manufacturing, "white collar", distribution/transportation, and customer service
- Home of Fort Drum - providing economic impacts, diversity and substantial annual workforce
- \$1 million people within a 300 mile radius
- World-class educational institutions in the area
- (e.g. Syracuse, St. Lawrence and Clarkson Universities)
- State of the art telecommunications infrastructure
- Reliable energy as well as Smart energy development potential
- Hydro, solar and wind
- Regional Medical Center
- Attractive real estate prices - commercial and residential
- Excellent public and private primary and secondary school districts, as well as a vocational training and a top notch community college Jefferson Community College
- Four seasonal recreational facilities and facilities promote swimming, boating, fishing, skiing, snowmobiling, ATV riding, as well as world class kayaking and river rafting

Location

It is located in the northernmost town of the County, bordering on Lake Ontario and the 1000 Island area. The River to the North, it is the American and Canadian border crossing. As a result, we are within 12 hour drive to New York City.

County's population is 106,348 (July 2004) as per US Census Bureau disclosed with 20 incorporated villages, and 20 unincorporated villages, and 20 hamlets (page 22-23).

County is also the home of Fort Drum in Mountain View (NY). In the 2004 it was announced that another town will be added to the Mountain View area. It is a national reputation of military and other facilities in the County's population is approximately 10,000 - people over the next 10 years.

Distance From Watertown

Location	Miles	Kilometers
Buffalo	223	355
Albany	158	254
Rochester	154	248
Toronto	244	393
Syracuse	68	109
Albany	209	334
Ottawa	134	216
Kingston	60	96
Lake Placid	121	194
New York City	330	528

2006 Jefferson County Employers' Survey

83 firms participated representing approximately 26% of the Jefferson County workforce.

The survey provided a valuable "snap shot" of employees' benefit packages, workforce attributes, employers' labor needs, job growth, as well as health care cost trends. The survey is a very important tool that is used to assist both existing and prospective County employers.

Ad Campaigns

Besides placing 17 national, regional and media ads, the JCJDC embarked on a highway campaign using billboards around Jefferson County. The message: "Welcome to the fastest growing county in New York State. We are a great place to live, work & do business!" Our targets for this campaign are permanent residents, tourists, seasonal residents, and those visiting who have moved away and would like to "come back home." Plans were started to for a similar TV ad campaign during the 2006 holiday season.

Black Water Development

JCJDC sponsored the Black Water Challenge World Cup 2006 event held in September.

Comprehensive Economic Development Strategy

Draft form of this "go to" document for the County's economic development five year plan was completed. Final approval of all interested parties are to be obtained and implementation will begin in 2007.

JCJDC Economic Development...

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Emerge-NNY, October 20, 2006

JCJDC agreed to be a major sponsor of Emerge-NNY summit for young professionals 40 years and younger. The sessions within the summit dealt with Northern New York's business environment, civic opportunities, and cultural climate. The organizers intent was to tap into the skill and creativity of local young professionals to involve them in decisions and changes they would like to see made in the North Country.



Energy Scoping & Feasibility Study

The first phase of the Regional Energy Plan (REP) was completed. The "Energy Scoping and Feasibility Study" conducted by Community Energy Services, Inc. and the Ganakee Group is designed to pave the way for a regional inventory of generation and distribution assets, present and future, followed by an energy plan that would cover St. Lawrence, Lewis and Jefferson counties. Funding agencies included: NYSERDA, JCJDC, the Associated Colleges of the St. Lawrence Valley and the St. Lawrence IDA. Next steps discussions are underway.

JCJDC Annual Membership Meeting

The JCJDC Annual Meeting was held on January 27, 2006 at the Black River Valley Club, Watertown. The Membership elected Thomas O'Connor, President of Taylor Concrete; Joseph Colello, Vice President of Frontenac Crystal Springs Water; and Mary Dudo, General Manager of Pyramid Company of Watertown. Executive Director James Fayle reviewed the 2004-05 Annual Report and the goals and objectives for 2006. Keynote speaker was Irwin L. Davis, President and CEO of the Metropolitan Development Association of Syracuse and Central New York (MDA). Mr. Davis' address was on the "Economic Status of Central Upstate New York." Mr. Rob Simpson, also of MDA, updated the audience on the Essential New York Initiative.

James P. Fayle, CEcD

JCJDC CEO James P. Fayle was named as an International Economic Development Council's Certified Economic Developer. Economic developers with CEcD designations are recognized around the world as having achieved a level of excellence in their understanding of the tools and programs of economic development.

JCJDC Board of Directors

The following were appointed by the Directors to fill vacant seats on the Board due to resignations: Julie Pecori of St. Lawrence Explosives and Paul Morgan of New York Air Brake.

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JCJDC Member Breakfasts

October 7, 2005: "The Rebuilding of Downtown Carthage", held at Stefano's Pizzeria in Downtown Carthage. Representatives from Carthage Industrial Development Corp., the Economic Development Corporation of Carthage, and Carthage Area Hospital were presenters.

March 16, 2006: "The Essential New York Initiative", held at JCC. Presenter was Robert M. Simpson, Assistant to the President, The Metropolitan Development Association of Syracuse and Central New York.

June 9, 2006: "Energy Recovery at the Regional Landfill", held at Adams Country Club. Guest speaker was Bill Seifried, General Manager of the Development Authority of the North Country Solid Waste Management Facility.



JCJDC Newsletter

JCJDC quarterly newsletters were published and sent out to members and elected officials. Newsletters will be sent out quarterly.

New York State Public Authorities Accountability Act of 2005

This Act was signed into law by Governor George Pataki on January 15, 2006. The primary purpose of the law is to ensure greater efficiency, openness and accountability of New York's public authorities. The Act will make fundamental changes to the way the IDAs, Local Development Corporations and other public authorities are administered. The following changes have been made to comply:

- Titles of Executive Director and Comptroller have been changed to Chief Executive Officer (CEO) and Chief Financial Officer (CFO).
- Governance and Audit Committees were established.
- Code of Ethics for the agency was adopted.
- Board and staff all filled out an annual Financial Disclosure Form to be maintained by the Jefferson County Board of Ethics.

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North Country Branding Next Steps

A Quality Review Committee (QRC) was formed to review potential new products and businesses which will license the brand. Members of the QRC are John Gaus of Golden Technologies Management, Dan Villa of Kinney Drugs, John Renzi of Renzi Brothers Inc., Mary Dudo of Salmon Run Mall, and Greg Gardner, Bridge Associates. The Jefferson County Agricultural Development Corporation will manage the process and provide labels based on the QRC's recommendations.

Recreational Trail Coordinator

Scott Burto of West Carthage was hired as the Recreational Trail Coordinator. Mr. Burto is an employee of the Jefferson County Soil and Water Conservation District. JCJDC holds a seat on the Recreational Trail Advisory Board and assists financially and in-kind with marketing needs.



Workforce Analysis System (Northstar)

The JCJDC in partnership with the NNY Community Foundation, Fort Drum Regional Liaison Organization, and the Jefferson-Lewis Workforce Investment Board have entered into a contract with Richard Merchant of NAHEC. The JCJDC has committed \$50,000 for this project. The first step in this agreement was announced on 8/23/06 when the Jefferson-Lewis Career & Tech (BOCES) became the first WorkKeys Service Center in northern New York. Jefferson-Lewis Career & Tech has collaborated with NAHEC to develop job analysis profiling for over 150 local career listings aiding students, job seekers and employers. Eventually this program will assist in the health care, manufacturing, and construction fields.

Workforce Development Committee

President David Converse appointed a Workforce Committee focused on assisting businesses develop internship opportunities. Area employers were surveyed to find out who had programs already; and if not, was there interest in developing a program. As a result, a workshop in developing an effective internship program will be held in December 2006.

Those Committed To Helping Us Succeed...

2005-06 Jefferson County Job Development Corporation Board of Directors

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Officers

PRESIDENT

David J. Converse, *Secretary, Jefferson County Industrial Development Agency*

VICE-PRESIDENT

Michelle D. Pfaff, *Treasurer, Jefferson County Industrial Development Agency*

TREASURER

Michael W. Crowley, *President, Dragon, Benware, Crowley & Co. PC*

SECRETARY

Dennis C. Affinati, *Business Manager, IBEW Local 910*

Elected Directors

Terms Expire 2006

Michael E. Lundy, *President, LUNCO Corporation*
Thomas H. Carman, *CEO, Samaritan Medical Center*
Paul Morgan, *President, New York Air Brake Corporation*
Julie M. Pecori, *President, St. Lawrence Explosives Corp.*

Terms Expire 2007

Michael W. Crowley, *President, Dragon, Benware, Crowley & Co. PC*
Dennis C. Affinati, *Business Manager, IBEW Local 910*
Robert R. Sturtz, *President, Slack Chemical Co., Inc.*

Terms Expire 2008

Joseph Colello, *VP, Fronenac Crystal Springs Water, Inc.*
Mary Dudo, *General Manager, Pyramid Company of Watertown*
Thomas O'Connor, *President, Taylor Concrete Products, Inc.*

Ex-Officio Directors

Robert F. Hagemann, III
Administrator, County of Jefferson
Mary M. Corriveau,
City Manager, City of Watertown
William H. Fulkerson,
Chairman, Jefferson County Industrial Development Agency
Michelle D. Pfaff,
Treasurer, Jefferson County Industrial Development Agency
David J. Converse,
Secretary, Jefferson County Industrial Development Agency
John D. Doldo, Jr.,
Director, Jefferson County Industrial Development Agency
Urban C. Hirschey
Vice Chairman, Jefferson County Industrial Development Agency
Michael W. Behling
Director, Jefferson County Industrial Development Agency
John Gaus
Director, Jefferson County Industrial Development Agency
Donald W. Rutherford
Executive Director & CEO, Local Development Corp. of the City of Watertown
Robert S. Juravich
Executive Director, Development Authority of the North Country

2005-06 Jefferson County Job Development Corporation Staff

James P. Fayle, *CEcD, Chief Executive Officer*
Lyle V. Eaton, *Chief Fiscal Officer*
Donald A. Alexander, *Business Development Specialist*
Mary Anne Hanley, *Director of Marketing*
Peggy S. Sampson, *Executive Assistant*
Joy Nuffer, *Office Assistant*

Financial Summary...

Jefferson County Job Development Corporation Financial Summary

Fiscal Year Ended September 30, 2006 And 2005

	2006	2005
Assets:		
Current assets	\$ 287,734	\$ 258,190
Fixed assets - net of depreciation	22,317	25,177
Other assets - notes receivable	-	50,000
Total	<u>\$ 310,051</u>	<u>\$ 333,367</u>
Liabilities and Net Assets:		
Current liabilities	\$ 59,413	\$ 93,492
Total net assets	<u>250,638</u>	<u>239,875</u>
Total	<u>\$ 310,051</u>	<u>\$ 333,367</u>
Summary of Transactions:		
Support and Revenue:		
Grants	\$ 277,355	\$ 237,754
Administrative agreements	359,596	266,100
Memberships	20,650	19,050
Interest	4,878	3,149
Internet line access fees	82,129	83,762
Basket Sales - net	(137)	5,377
Other revenue	1,150	1,614
Total	<u>\$ 745, 621</u>	<u>\$ 616,806</u>
Expenses:		
Program services - Economic Development	\$ 692,455	\$ 628,081
General and administrative	39,836	31,981
Member service	2,567	2,458
Total	<u>\$ 734,858</u>	<u>\$ 662,520</u>
Change in Net Assets	\$ 10,763	\$ (45,714)
Net Assets:		
Beginning of Year	<u>239,875</u>	<u>285,589</u>
End of Year	<u>\$ 250,638</u>	<u>\$ 239,875</u>

JEFFERSON COUNTY

INDUSTRIAL DEVELOPMENT AGENCY

JCIDA Economic Development...

Internal and External - The Perfect Formula For Growth

JCIDA Activity Highlights October 1, 2005 - September 30, 2006

Agency's Values, Vision, Mission, Role and Goals

Values:

Integrity – We deal openly, honestly and in good faith – internally and externally. We deploy money in a manner that is transparent to the public and for the good of our community.
Economic Development – We seek to consistently grow the economy of the North Country as measured in net cash flow and good paying jobs for the residents of Jefferson County.
Community – We seek to do our job in a manner that contributes to improving the quality of life in our community.

Vision: As a result of its financing and other activities, the JCIDA is the premier economic development entity in Jefferson County and Northern New York and makes substantial, consistent contributions to increasing net cash flow for the community, to creating good jobs and to contributing to quality of life in Jefferson County.

Mission: To actively promote, attract, encourage and develop economically sound commerce and industry for the purposes of expanding employment and increasing the tax base for Jefferson County. To achieve our vision through relentless, focused execution against planned budgets and stated core goals.

Roles: The JCIDA is a Public Benefit Corporation created by Article 18A of the General Municipal Law to actively promote, attract, encourage and develop economically sound commerce and industry for the purpose of (preventing) expanding (un)employment and economic (deterioration) prosperity in Jefferson County.

The IDA is the leader in coordination of syndicate lending to establish new businesses and grow pre-existing business in the community. The IDA plays an integral role in shaping strategic plans for the economic future of Northern New York.

Goals: We are committed to consistently identifying and achieving SMART goals that are consistent with our Values and Vision. These are Specific, Measurable, Achievable/Reasonable and Timed. We also seek to achieve "stretch" goals which may be viewed as unachievable by others and are nonetheless achieved on occasion by the JCIDA. Our goals are fully integrated with our values and vision and tied to the operating plan and cash flow projections for the organization. Our goals are meant to produce a readily measured ROI for the community.

Goals for Integrity:

- 1) Continually conduct our activities in a manner that meets or exceeds common best practices for public benefit corporations and that is consistent with the spirit of Sarbanes-Oxley legislation. This includes at least one annual review of policies and procedures and a commitment from staff and board members to honor the same.
- 2) Each month, within 5 days of approving our meeting minutes, we will publish the minutes of our monthly meetings on our website so that a record of our activities, spending, successes and failures are easily accessed and understood by the public.

Goals for Economic Development:

- 1) Produce an additional \$1MM per year in net cash flow for Jefferson County from transactions that are primarily constructed by, and would not occur without the JCIDA. Net cash flow for the purposes of this goal will be measured by:
 - a. Payroll funded by new annual dollars of goods or services produced in Jefferson County and sold outside of the County and/or
 - b. new annual dollars of goods or services produced and consumed in Jefferson County for goods or services that were traditionally imported into the County.
- 2) Create 5 new knowledge-based jobs in Jefferson County each year from transactions that are primarily constructed by, and would not occur without the JCIDA. For the purposes of this goal, a knowledge-based job is one that pays a salary of \$60,000 or more to a person whose work is to design, manufacture or sell a product or service that is made in Jefferson County and such product or service is based on new technology.
- 3) The JCIDA seeks to lend \$700,000 in 2006 to borrowers who meet our standard qualifications and into transaction that will produce a measurable impact on net-cash flow for the region. Additionally, the JCIDA seeks to leverage its \$700,000 into an additional \$7,000,000 of investment into its transactions from other lenders and/or investors.
- 4) The JCIDA sees to sell three lots in its industrial park and or generate \$150,000 of revenue from sales of lots in its industrial park in 2006.
- 5) In 2006, the JCIDA seeks to participate in various transactions that will contribute to the construction of new housing and transportation infrastructure in the region.

Goals for Community:

We believe that our actions and the achievement of our economic development goals can contribute greatly to quality of life in Jefferson County. Therefore we continually consider how our decisions and actions will impact the health of our people and environment, the safety of our community, the quality of our schools and the state of our infrastructure.

Stretch Goal:

Each year, the JCIDA will be instrumental in the formation and funding of one new technology business in Jefferson County.

JCIDA Economic Development...

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Alteri Bakery

In March, the JCIDA Board passed a resolution that allowed the JCIDA to apply for a Rural Business Enterprise Grant from the US Department of Agriculture on behalf of Alteri Bakery. The grant assisted in the purchase of equipment for the company's expansion project.

Arcade Pizzeria

In March, the JCIDA Board approved a \$15,000 Microenterprise Loan to Bobbie Jo McGrew d/b/a Arcade Pizzeria for the purchase of equipment. The business is located in the Paddock Arcade, Downtown Watertown. The total cost of the project is \$16,500 and is expected to create three jobs within three years. The owner completed the New York State Small Business Development Center Entrepreneurial Training Course, which immediately allows the small business owner to apply for the JCIDA Micro Loan.

BDJKR Properties, LLC (Adams Country Club)

In June, the JCIDA Board approved a \$40,000 Microenterprise Loan to be used for renovations and improvements at the Adams Country Club, an 18 hole golf course located in Adams, NY. Total project cost is \$1,343,113. It is anticipated when course and restaurant are up and running, 43 people will be hired.

CAD Facilities Services (CFS)

In May, JCIDA Board authorized the completion of an application for a \$38,450 Rural Business Enterprise Grant from the US Department of Agriculture to assist CFS in the purchase of equipment as part of their expansion project.

California Fruit Markets Inc. (CFM)

In September, the JCIDA Board approved a \$375,000 Revolving Loan Fund loan to California Fruit Markets Inc. The total project cost is \$9,849,321. In September the company employed 72 full time permanent employees. It is anticipated that 111 new jobs will be created over a three year period.



Casa De Pizza

In July, the JCIDA Board approved a \$40,000 Microenterprise Loan to Steve Henri d/b/a Casa De Pizza to be used toward the purchase of a building and equipment on the corner of NYS Route 26 and County Route 46, Town of Champion. Within one year of opening, 16 people are expected to be hired. Total project cost is \$265,000.

Fort Drum Rail Spur

In September, Governor George Pataki announced the completion of an upgrade to Fort Drum's railhead which will allow approximately 100 additional railcars to load. This ability reduces loading time and increases deployment capability. The \$2.69 million in New York State support for the project included \$2.57 million in funding from the Industrial Access Program (IAP) and \$125,000 in Rail Service Preservation funding. These funds were administered by NYS Department of Transportation with the JCIDA serving as project sponsor.

Franklin Factory Group, LLC

In December 2005, JCIDA approved a \$75,000 loan to the Franklin Factory Group to be used for a build out of common areas at the Liberty Building, 210 Court Street, Watertown.

Frontier Housing Corporation

In May 2006, the JCIDA Board approved a \$37,500 Microenterprise Loan to Frontier Housing to be used for materials, labor and equipment for the relocation of a propane storage tank from its existing location to the back of the Dexter Industrial Center, plus the replacement of electrical and gas lines, and the replacement of the fire system. The work was necessary to remove potential safety hazards. 140 people are employed at the facilities.

Knowlton Specialty Papers EIP Grant

In March 2006, the JCIDA Board approved to be the pass through agency for a \$325,000 EIP grant to Knowlton Specialty Papers for the purchase of equipment to improve energy emissions.

North Country Children's Clinic

In January 2006, JCIDA approved a \$200,000 loan to the North Country Children's clinic for the purchase and renovation of 238 Arsenal St., Watertown. The total project is \$3 million. Employment at the time of the loan was 125 and is projected to increase to 140 within the next three years. The loan will have a participation agreement with the Local Development Corporation of the City of Watertown (Watertown Trust).

JCIDA Economic Development...

Internal and External - The Perfect Formula For Growth

Payment In Lieu of Taxes (PILOT) & Tax Abatement Transactions

The following PILOT were approved:

- A PILOT for Scholastic Structures on a 10,000 square foot addition to their Jefferson County Corporate Park site.
- PILOT to Roth Industries for the purchase of 268 Bellew Drive in the City Center Industrial Park.

The following Sales and Mortgage Tax Abatements were approved for:

- Roth Industries for the purchase of 268 Bellew Drive in the City Center Industrial Park.
- PX Realty for the purchase, renovation and construction of the former Scholtz School building located in Adams, NY.
- J. J. and D.K. Bennett to purchase real estate for a 80'x60' building to be built at 18 Murrock Circle and leased to Fastenal Industrial Supplies.
- Washington Summit Associates, LLC for the purpose of purchasing, constructing, and equipping a 12,500 square foot multi-specialty medical office facility.
- Caskinette Realty LLC for the purpose of constructing and equipping the facility located at 36788 NYS Route 26, Town of Champion.
- MLR Realty LLC for the acquisition, renovation, construction and equipping of buildings located at 901 Rail Drive, Watertown.
- Hampton Inn Hotel being leased to Peppercorn Lodging Company for the purpose of construction of a 90 room, 44,000 square foot hotel.
- CFM for the purpose of constructing and equipping an 81,609 square foot building to be located on Little Tree Drive, Jefferson County Corporate Park, Town of Watertown.

Public Authority Accountability Act 2005

- JCIDA Board approved the adoption of the Disposition of Property Guidelines effective October 1, 2006.
- JCIDA Board authorized that James P. Faile's titles of Executive Director/Assistant Secretary be changed to Chief Executive Officer.
- JCIDA Board authorized that Lyle V. Eaton's title Comptroller be changed to Chief Financial Officer.
- Formed both Governance and Audit Committees.
- Adopted a Code of Ethics.
- Provided opportunities for required Public Authority Training to Board members.

Renzi Bros., Inc.

In July, the JCIDA Board approved \$250,000 Revolving Loan Fund (RLF) loan to MLR Realty, LLC Renzi Bros., Inc. for a Phase II expansion that will add 30,000 square feet to the existing facility located at 901 Rail Drive in the City Center Industrial Park. Total cost of the project is \$4,250,000. It is expected that 12 new jobs will be added by year three, and by year six a total of 20 full time jobs will have been created.

Roth Industries

In December, JCIDA authorized the issuance and sale of Industrial Development Revenue Bonds to Roth Industries for the expansion of a building located in the City Center Industrial Park, Watertown.

In July, the JCIDA approved \$66,667 RLF loan to Roth Industries for a Phase II expansion of the factory currently under construction at 268 Bellew, in the City Center Industrial Park. The project is to be a 13,000 square foot warehouse expansion that will allow Roth to centralize it's US operations in Watertown. Total project cost of this project is \$710,000. It is expected that 3 additional jobs will be added as a result of this expansion.

Snug Harbor Marina

In March, the JCIDA Board approved a \$40,000 Microenterprise Loan to Edward Albro d/b/a snug Harbor Marina to be used toward the purchase of the marina located in Cape Vincent, NY. Total project cost is \$554,000 and 9 jobs are expected to be created within three years.

Watertown Airport

The JCIDA contracted with the Clarkson Consulting Group (CCG) to conduct an analysis of the non-military usage patterns that characterize the operations of the Watertown Airport. The CCG team consists of Clarkson University graduate students in the MBA and MS programs, as well as senior undergraduates.

The JCIDA authorized the use of up to \$50,000 from the Residential Community Initiative (RCI) funds to assist in consultant fees as well as completing and submitting an application for Foreign Trade Zone designation at the Airport.



Those Committed To Helping Us Succeed...

Jefferson County Industrial Development Agency Board of Directors

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Officers

CHAIRMAN

William H. Fulkerson, *Supervisor Town of Ellisburg*

VICE CHAIRMAN

Urban C. Hirschey, *Chairman, Climax Manufacturing*

TREASURER

Michelle D. Pfaff, *V.P., Community Bank NA*

SECRETARY

David J. Converse, *President, Converse Laboratories Inc.*

Directors

Michael W. Behling, *Jefferson County Board of Legislators*

John D. Doldo, Jr., *Owner, Doldo Real Estate*

John Gaus, *President, Golden Technology Management, LLC*

2005-06 Jefferson County Industrial Development Agency Staff

James P. Fayle, *CEcD, Chief Executive Officer*

Lyle V. Eaton, *Chief Fiscal Officer*

Donald A. Alexander, *Business Development Specialist*

Mary Anne Hanley, *Director of Marketing*

Peggy S. Sampson, *Executive Assistant*

Joy Nuffer, *Office Assistant*

Financial Summary...

Jefferson County Industrial Development Agency Financial Summary

Fiscal Year Ended September 30, 2006 And 2005

	2006	2005
Assets:		
Cash and cash equivalents	\$ 3,683,589	\$ 3,904,332
Loans receivable - net of allowance	3,187,649	2,340,196
Capital lease receivable	5,853,971	6,455,023
Grant receivable	138,359	418,132
Other receivable - net of allowance	160,526	110,422
Fixed assets - net of depreciation	1,189,208	1,238,530
Total	<u>\$ 14,213,302</u>	<u>\$ 14,466,635</u>
Liabilities and Net Assets:		
Current liabilities	\$ 449,174	\$ 652,917
Notes payable - current portion	691,445	1,010,847
Notes payable - long-term portion	6,166,935	6,822,844
Total net assets	<u>6,905,748</u>	<u>5,980,027</u>
Total	<u>\$ 14,213,302</u>	<u>\$ 14,466,635</u>
Summary of Transactions:		
Support and Revenue:		
Fees	\$ 608,580	\$ 359,028
Grants	2,599,388	1,471,582
Stream PILOT	200,000	200,000
Community Development Agreement	255,988	215,987
Interest	152,646	192,810
Capital lease interest	459,694	367,955
Other revenue	26,585	31,259
Total	<u>\$ 4,302,881</u>	<u>\$ 2,838,621</u>
Expenses:		
Program expenses	\$ 2,763,582	\$ 785,107
General and administrative	47,646	53,275
JCJDC contribution	300,000	210,000
Bad debt expense / allowance adjustment	(278,554)	27,011
Discount on sale of loans	-	64,001
Depreciation	49,322	49,322
Interest expense	495,164	436,609
Total	<u>\$ 3,377,160</u>	<u>\$ 1,625,325</u>
Excess of Support and Revenue over Expenses	\$ 925,721	\$ 1,213,296
Net Assets:		
Beginning of Year	<u>5,980,027</u>	<u>4,766,731</u>
End of Year	<u>\$ 6,905,748</u>	<u>\$ 5,980,027</u>

WATERTOWN INDUSTRIAL CENTER LOCAL DEVELOPMENT CORPORATION

WICLDC Economic Development...

Internal and External - The Perfect Formula For Growth

WICLDC Activities July 1, 2005 – June 30, 2006

Capital Improvement Reserve Fund

The Board created a \$0.30/square foot Capital Improvement Reserve Fund (CIRF) to be included into future leases and lease renewals. This will allow WCBI to generate yearly revenue that will be used for capital improvements without having to increase rental rates.

NYSERDA

Site Manager Bill Soluri worked with NYSERDA to identify programs available that would evaluate HVAC and electrical equipment throughout the facility. The purpose of the evaluation was to identify expenses incurred by the tenants or WCBI that could be reduced by using recommendations and utilizing NYSERDA funding opportunities.

NYS Small Business Development Center (NYS SBDC)

A visitation program was initiated with the SBDC to bring representatives to the facility to provide tenants with one-on-one business related counseling.

Public Authorities Accountability Act of 2005

- Formed Governance and Audit Committees.
- Board and staff filled out required Annual Financial Disclosure Forms.
- Adopted a Code of Ethics.
- Adopted Disposition of Property Guidelines.

Quarterly Tenant Newsletter

A quarterly newsletter specifically for Watertown Center for Business and Industry Tenants were published.

WCBI Tenants

Brookfield Power, Foit-Albert Associates, J. Davis II Construction, Watertown Vending, Shred Con, Inc., Meola Enterprises, Doppelmayr CTEC Inc., ConTech Building Systems, Fort Drum Community Homes, Upstate Construction, Henderson Manufacturing, Jefferson County Job Development Corp., Watertown Industrial Center Local Development Corp., Converse Laboratories Inc., Innersound LLC, Upstate Testing, AFLAC Insurance, Current Applications, Chapin Watermatics, Receller, Inc. These companies represent over 160 employees.

WCBI Tenant Appreciation Day

This was the second annual appreciation day and was held September 20, 2005.

www.wcbi.net

Web site is up and running and provides a footprint of the facility indicating available space, a rent estimator, and a virtual tour of the facility.

Those Committed To Helping Us Succeed...

Watertown Industrial Center Local Development Corporation Board of Directors

Officers

PRESIDENT

Donald W. Rutherford, *Executive Director & CEO, Local Development Corp. of the City of Watertown*

VICE PRESIDENT

William H. Fulkerson, *Chairman, Jefferson County Industrial Development Agency*

TREASURER

Lyle V. Eaton (non voting position), *JCJDC CFO*

SECRETARY

John Doldo, Jr., *Director, Jefferson County Job Development Corporation*

Board of Directors

Nickolas Darling, *Appointee, City of Watertown*

Carolyn Fitzpatrick, *Legislator, Jefferson County Board of Legislators*

J. Paul Morgan, *President, New York Air Brake*

Robert S. Juravich, *Executive Director, Development Authority of the North Country*

Watertown Center for Business & Industry Staff

Bill J. Soluri, *Site Manager*

Rick Lampman, *Maintenance*

Robert Daymont, *Maintenance*

Financial Summary...

Watertown Industrial Center Local Development Corporation Financial Summary

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Fiscal Year Ended June 30, 2006 And 2005

	2006	2005
Assets:		
Current assets	\$ 228,586	\$ 327,058
Fixed assets - net of depreciation	1,964,097	2,010,644
Receivable - Leasehold Improvement	104,865	81,000
Notes receivable	266,910	291,245
Investments	393,829	399,221
Total	<u>\$ 2,958,287</u>	<u>\$ 3,109,168</u>
Liabilities and Net Assets:		
Current liabilities	\$ 13,962	\$ 30,146
Deferred Revenue - Leasehold Improvement	104,865	\$ 81,000
Total net assets	2,839,460	2,998,022
Total	<u>\$ 2,958,287</u>	<u>\$ 3,109,168</u>
Summary of Transactions:		
Support and Revenue:		
Rental income	\$ 421,113	\$ 398,368
Investment return	34,565	\$ 25,436
Other	2,315	4,392
Total	<u>\$ 457,993</u>	<u>\$ 428,196</u>
Expenses:		
Program services - Development of Industrial Center	\$ 570,418	\$ 510,968
General and administrative	46,137	38,159
Total	<u>\$ 616,555</u>	<u>\$ 549,127</u>
Change in Net Assets	\$ (158,562)	\$ (120,931)
Net Assets: Beginning of Year	<u>2,998,022</u>	<u>3,118,953</u>
Net Assets: End of Year	<u>\$ 2,839,460</u>	<u>\$ 2,998,022</u>

**Thank You To The Following Government Officials For Their
Continued Support In Jefferson County's 2005-06 Economic Development Efforts**

Federal

Hon. Charles E. Schumer, US Senator
Hon. Hillary R. Clinton, US Senator
Hon. John M. McHugh, Congressman, 23rd District NY

New York State

Hon. George E. Pataki, Governor
Hon. James W. Wright, State Senate 48th District
Hon. Deirdre K. Scozzafava, 122nd Assembly District
Hon. Darrel J. Aubertine, 118th Assembly District

Jefferson County Board of Legislators

Hon. Kent D. Burto, Chairman
Robert F. Hagemann III, County Administrator

Michael J. Docteur, District 1	Barry M. Ormsby, District 9
Robert J. Thomas, District 2	Michael W. Behling, District 10
Philip N. Reed, Sr., District 3	Robert A. Boice, District 11
Addie A.E. Jennie, District 4	Carolyn D. Fitzpatrick, District 12
Kenneth D. Blankenbush, District 5	Scott A. Gray, District 13
Gino M. Zando, District 6	Jennie M. Adsit, District 14
James A. Nabywaniec, District 8	James D. St.Croix, District 15

Watertown City Council

Hon. Jeffrey E. Graham, Mayor
Mary M. Corriveau, City Manager

Peter L. Clough, Councilmember
Stephen J. Bradley, Councilmember
Timothy R. LaBouf, Councilmember
Jeffery M. Smith, Councilmember