

# Annual Report 2017



**B I L D C**

BINGHAMTON LOCAL DEVELOPMENT CORPORATION  
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**September 1, 2016 - AUGUST 31, 2017**

John Saraceno, President/Treasurer

Arthur Smith, Vice-President

Ron Sall, Secretary

Richard David, Director

Chuck Shager, Director

Ken Frank, Director

Per Stromhaug, Director

Mary Jacyna, Director

Chris Papastrat, Director

Juliet Berling, Director

Dani Cronce, Director

Justin MacGregor, Director (left November 2016)

**Staff**

Robert Murphy, Executive Director

Joel Boyd, Assistant Director

Lesley Cornwall, ED Specialist Financial Analyst

Rachel Priest, Administrative Assistant

## **MISSION**

The Binghamton Local Development Corporation (BLDC) was founded in 1982 as a public benefit corporation to promote employment and economic development in the City of Binghamton. Its mission as adopted by the BLDC Board of Directors is:



*To further sustainable development in the City of Binghamton by attracting new business, retaining and growing established businesses, building industrial and commercial capacity, promoting employment and fostering entrepreneurship and innovation.*

## **GOVERNANCE**

The BLDC is a 501(c)(3) non-profit corporation directed by a board of municipal and business leaders. Of the twelve Directors appointed to the Board in 2015, four serve by virtue of their elected or appointed positions in City government: The City of Binghamton Mayor, the City of Binghamton Director of Planning Housing & Community Development, the City of Binghamton Finance Director/Comptroller and the City of Binghamton Corporation Counsel. Five additional Directors are appointed by the Mayor to serve two-year terms. The President of the Binghamton City Council appoints two members to serve one-year terms, one each from the majority and minority party. The City of Binghamton Director of Economic Development serves as the BLDC's Executive Director. In the 2014-2015 fiscal year, the BLDC Board held 11 regular meetings and the annual meeting.

## **COMMITTEES**

The purpose of the Finance Committee is to oversee the BLDC's loan funds and debt practices and to recommend policies concerning the BLDC's issuance and management of debt and to review and provide recommendations regarding BLDC loan financing.

The purpose of the Governance Committee is to keep the Board informed of current best practices in corporate governance and update the BLDC's governance principles and practices.

The purpose of the Audit Committee shall be to assure that the corporation's board fulfills its responsibilities for the corporation's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting.

The purpose of the Strategic Priorities Committee is to develop on behalf of and in collaboration and consultation with the Board, key strategic goals and actions, such as identifying and pursuing grant opportunities and recommending the BLDC's annual marketing plan.

Each year the City of Binghamton executes an agreement with the BLDC to manage the City's low-interest loan fund, grant programs and economic development activities. The BLDC's revenue sources include the annual Community Development Block Grant (CDBG) allocation for BLDC operations, interest income and commitment fees generated from CDBG loan fund, interest income and commitment fees generated from the Urban Development Action Grant (UDAG) loan fund, as well as grant programs such as the New York State Main Street Grant and the New York State Entrepreneurial Assistance Program.

## Loan Programs

### **MICROENTERPRISE LOAN PROGRAM**

The Microenterprise Loan Program targets small and start-up businesses. Loans are offered in an amount less than \$25,000 with a 5-year term and a fixed interest rate of prime rate (per rate published in the Wall Street Journal) plus 0.5%. Microenterprise loans can be used for the purchase of fixed assets, working capital and inventory. UDAG funds provide the source for Microenterprise loans.

### **MINI- MICROENTERPRISE LOAN PROGRAM**

The Mini-Microenterprise Loan Program is an expedited small business assistance loan for items such as equipment, signs or working capital. Loans are offered in an amount up to \$5,000 with up to a 3-year term and a fixed interest rate of prime rate (per rate published in the Wall Street Journal) plus 0.5%. In an attempt to make our loan program more accessible to new business owners, M/WBE and Veteran-owned start-ups under Mayor David's leadership, the BLDC authorized the Executive Director and President to authorize these rapid response loans not to exceed \$5,000 to business who meet BLDC objectives and the general requirements of the Microenterprise Loan applications. UDAG funds provide the source for Microenterprise loans.

### **COMMERCIAL FACADE IMPROVEMENT LOAN PROGRAM**

The Commercial Façade Improvement Loan Program targets exterior building improvements particularly in the City's historic districts. The BLDC finances up to 75% of total project capped at \$100,000, at prime rate up to a 5-year term; prime plus 0.5% up to a 10-year term (prime rate as published in the Wall Street Journal). Borrower's equity contribution and non-BLDC funding must be invested and documented prior to any BLDC funds being advanced; 1/3 draw can be made with presentation of verifiable invoices, interest only payments begin on aggregate principal advanced; the second 1/3 draw with verifiable invoices; final 1/3 draw following invoices and inspection by City Building Department; then, principal and interest payments begin. UDAG funds provide the source for Commercial Façade Improvement loans.

### **REVOLVING LOAN PROGRAM**

The Revolving Fund Loan Program is available to a proprietorship, partnership or a corporation engaged in commercial activity. BLDC will finance up to 40% of total project cost capped at a maximum of \$250,000. Loans are collateralized by fixed assets for a term compatible with bank lending or depreciable life of machinery/equipment based on specific projects up to 20 years, at an interest rate of 75% of prime rate as published in the Wall Street Journal. The rate is fixed on the date of formal Board approval. Jobs hiring individuals from low-to-moderate income brackets as defined annually by HUD must be created within 3 years of securing funding at a ratio of 1 job per \$35,000 of funds borrowed. Loans may be used for buying a building, purchasing machinery or fixtures; development, rehabilitation, renovation or improvement of land, buildings and facilities; or other eligible activities within the project scope. CDBG funds provide the source for Revolving Fund loans.

### **SPECIAL PROJECT LOAN PROGRAM**

The Special Project Loan Program provides flexibility for the BLDC to partner in projects that have a significant economic impact, meet a defined need or address a strategic focus, such as mixed use development, blight reduction, or green/sustainable development that may not fit into one of the other loan programs. Special Project loans may be structured more creatively to take advantage of other funding sources and project scenarios. The interest rate is 75% of prime rate as published in the Wall Street Journal. The rate is fixed on the date of formal Board approval. UDAG funds provide the source for Special Project loans.

## **AMOUNT OF FUNDING AVAILABLE (as of August 31, 2017)**

### **Restricted Account (Revolving loans):**

**\$906,807.53 Funding Available**

**\$752,318.12 Loans out to Borrowers**

### **UDAG Account (Mini-Micoenterprise, Microenterprise, Façade and Special Revolving):**

**\$1,594,300.79 Funding Available**

**\$606,077.85 Loans out to Borrowers**

## **ENERGY EFFICIENCY LOAN PROGRAM**

The Energy Efficiency/Green Jobs Loan Program is dedicated to the start-up/expansion of Building Performance Institute (BPI) certified businesses within the City of Binghamton and City of Binghamton small businesses that want to make energy efficiency improvements to their property. The fund is supported from two sources: \$60,000 from the USDA Rural Business Enterprise Grant and \$60,000 from the BLDC's CDBG Revolving Loan Fund. The minimum loan amount is \$5,000, the maximum is \$80,000 and for every \$35,000 loaned, the borrower must create at least one full-time job. The loan requires 10% owner equity and carries a 3% fixed interest rate.

## **BUSINESS RESTART LOAN PROGRAM**

The Business Restart Loan Program is a special reserve account of \$100,000 to provide below market rate loans to small businesses impacted by natural disasters that are in need of assistance with reopening their businesses. This loan program was created initially as a temporary fund in response to the significant flooding event on September 7, 2011 which affected the operations of many small businesses. In May 2012, the Board approved making the reserve fund and loan program permanent. The Restart Loan Program provides local qualified businesses up to \$10,000 to cover restart costs including the purchase/ repairs of business equipment, paying fees for professional service related to flood damage and covering capital shortfalls as a result of the flood. BLDC waives the usual application fees and no equity investment is required under this program. The rates are 1% fixed interest for the 1 year term and 3% fixed interest for terms greater than one-year. All loans will include deferment of principal and interest payments for the first three months from the date that the loan proceeds are disbursed. The loan balance then will be amortized over the remaining term of the loan.

## 2016-2017 BLDC LOANS



**Name of Loan Applicant:** Luis Carrillo dba Happy Pappi

**Loan Amount:** \$5,000.00

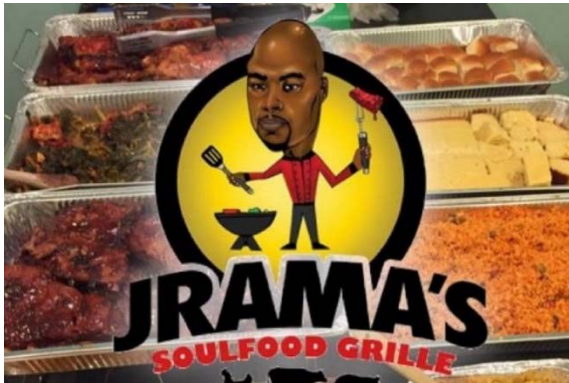
**Total Project Cost:** \$5,500.00

**Loan Fund:** Mini-Micro Fund Loan (UDAG)

**M/WBE Owned**

**Project Description:** The loan borrower, Luis Carrillo dba Happy Pappi requested funding for a food cart that is currently located on Collier Street. This food cart specializes in homemade authentic Arepas. The Arepas stand is a welcome presence to the downtown area and has made such a positive

impact that the loan was paid in full within 3 months.



**Name of Loan Applicant:** Jrama's Catering Hall and Event Center

**Loan Amount:** \$5,000.00

**Total Project Cost:** \$5,500.00

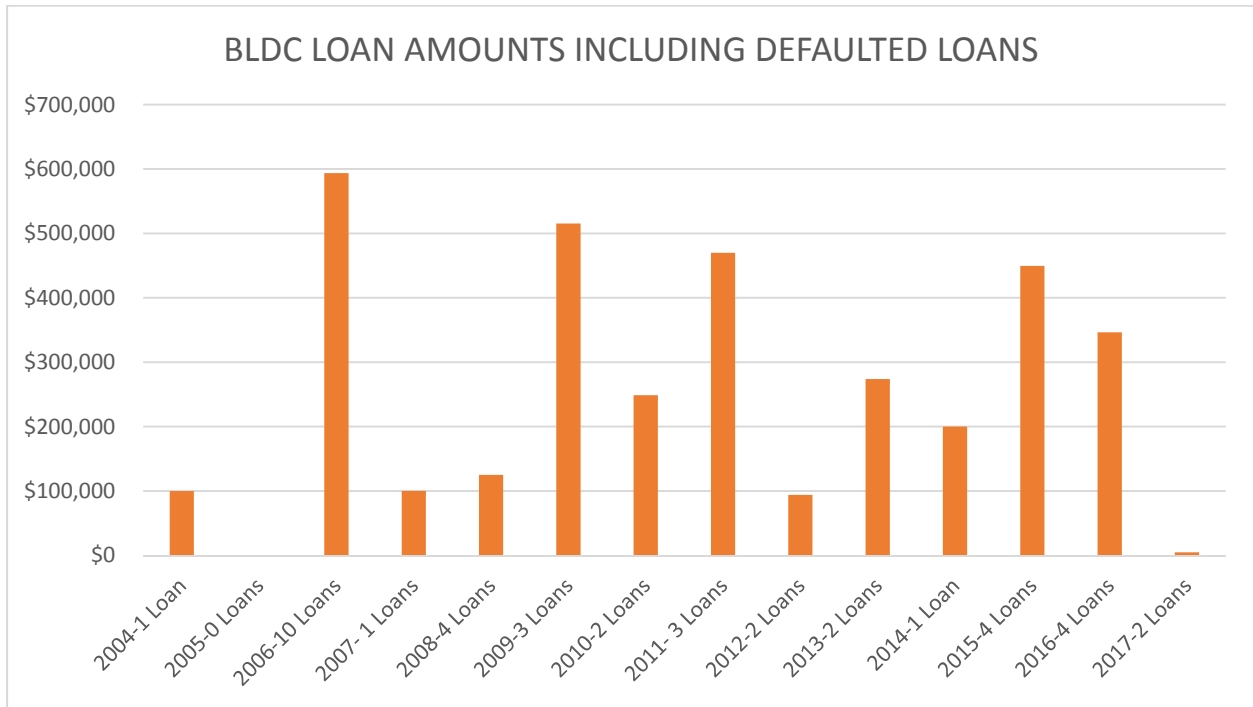
**Loan Fund:** Mini-Micro Fund Loan (UDAG)

**M/WBE Owned**

**Project Description:** The loan borrowers, Jamar A. Johnson and Nicole A. Sirju Johnson of Jrama's

Catering Hall and Event Center requested funding for restaurant equipment for their catering and event business located at 4 West State Street, Binghamton, NY.

## **HISTORY OF BLDC LOANS 2004-PRESENT**



## **BUSINESS VISITATIONS**

In 2016-2017, the BLDC continued the Business Visitation Program and met with over 315 businesses. The program provides the BLDC with the opportunity to learn about local businesses' products and services, challenges with business growth and satisfaction with municipal services. The BLDC office visited businesses in varying industries including, Agriculture and Forestry/Wildlife, Business and Information, Construction/Utilities/Contracting, Education, Finance and Insurance, Food and Hospitality, Health Services, Motor Vehicle, Natural Resources/Environmental, Personal Services, Real Estate and Housing, Safety/Security and Legal, and Transportation. Examples of some of the businesses visited include Landscape Services, Consulting, Marketing/Advertising, Retail Sales, Technology Services, AC & Heating, Architectural Firms, Building Construction, Engineering, Plumbing, Accounting, Grocery, Restaurant/Bar, Specialty Foods, Medical Office and Physical Therapy.



The BLDC also worked with many minority and women owned businesses helping them with relocating, expanding or starting their business in the City of Binghamton. Through our growing awareness of these businesses' products and services we were able to promote their services to other businesses in the City and surrounding areas. A few examples of minority and women owned businesses assisted include, the expansion of a Caribbean restaurant into the City, promotion and site location assistance for a bakery, pizzeria, specialty clothing shop, hair salon, specialty gift shop, yoga, coffee shops and pet grooming, business assistance to manufacturing companies, and loan inquires to many restaurant establishments, day care facilities, specialty clothing/jewelry shops, vintage clothing shops, art galleries, and computer service and repair.

## Entrepreneurial Assistance Program

In 2016-17, the BLDC served as the grant administrator for the \$81,465 grant for the the New York State Entrepreneurial Assistance Program of Empire State Development Corporation. The prime contractor for this program is the Broome Enterprise Triad consisting of SUNY Broome Community College, the Broome County Urban League and Broome-Tioga Workforce New York. The 60-hour class was conducted by SUNY Broome staff and contract professionals covering a range of topics including marketing, finance, and market analysis which result in participants producing a completed business plan. The program provides individualized and specific assistance to start-ups and newly opened businesses and ongoing support through weekly and monthly meetings with the client advisory group. The Fall 2016/2017 training resulted in 11 graduates. In addition, 16 clients were assisted with their M/WBE certification applications with 11 becoming certified.

## 2016 NY Main Street Grant

The BLDC applied for the \$500,000 grant and received a third NY Main Street Grant to address commercial building façades and residential needs in and near the intersection of Front and Main Street at the western approach to the Court Street Bridge. The project proposes to address up to 19 (mostly) mixed-use buildings aligned along the eastern end of Main Street, Binghamton. Most of

the selected 19<sup>th</sup> century properties are part of the Susquehanna Urban Cultural Park and are local landmarks or adjoin this local landmark district. As such they are subject to local design review by the Commission on Architecture & Urban Design (CAUD). The majority of the structures have experienced disinvestment in the last 50 years that follows the wider regional economic decline in manufacturing capacity, population loss and rising levels of poverty. The properties comprise a cohesive "Main Street". We would like to improve the visual attributes of this western approach to our downtown and thereby make them more attractive for tenant businesses while improving upper-story residential capacity to help grow a live-work population. A number of the buildings have 19th century storefronts that have been heavily modified and are dissonant with the upper stories; restoration of these spaces would augment the storefronts in the adjacent downtown Court Street State and National Register Historic District. This project plans to stimulate the renovation. A competitive review of the 19 proposals will result in the award of at least 40 residential units and 5 commercial units.

## Technical Assistance

The Binghamton Local Development Corporation staff serve as a concierge for businesses starting and expanding in the City. Services include:

- Location Assistance
- Business Visitation Program
- Monitoring and Facilitating Review by the Planning Commission, Zoning Board, Commission on Architecture & Urban Design and Department of Building and Code Enforcement
- Assistance Navigating Local, State and Federal Grant and Loan Programs
- Business Plan Workshop

The BLDC works closely with the Small Business Development Center, the Entrepreneurial Assistance Program at SUNY Broome and SCORE to assist clients in developing solid business plans and financial projections to ensure success.

## **RECENT PROJECTS**

### **Binghamton University Southern Tier High Technology Incubator**



On June 1, 2017 Binghamton University unveiled its \$19 million business incubator. It includes 35,000 square foot building with specialized laboratories and other features associated with industry-based R&D, including testing, evaluation and prototyping. The incubator has business resources and tenants are connected to research and educational programming at Binghamton University and SUNY Broome. Tenants include Powder Partner, Tibah, Enhance VR, Lounge

Couch, SouthSixty, Triple Cities Vintage, Global Cloud Solutions, Maggie Marie Marlena's Dream Bus Tours and Charters, White Buffalo Creative, Evaguard Security, Key Branding Labs, Innovation Associates, Evergreen Graphics, Triples Cities Network Solutions, In-Tec, Inc., 2Level2, FR Fashion without Restrictions, J&D Impact Solutions, ValuAg, Creative Confluence, Infiniti Greens, Bookkeeper Buddy, Bandalier.

### **Instantwhip Foods**



In January 2017 Mayor David met with company officials to announce the opening of a distribution facility at 145 Conklin Ave. on Binghamton's South Side. Instantwhip is a national dairy manufacturing and distribution company which has served the Greater Binghamton area for 69 years. Out of its new Binghamton location, Instantwhip Foods is focused on distributing its own products as well as Upstate Farms milk, Turkey Hill ice cream and beverages, Tropicana juice and drinks, and other dairy

and non-dairy products. Instantwhip Foods' Binghamton hub will service retail, food service and institutional accounts in New York's Southern Tier, Central New York and Northeast Pennsylvania. Instantwhip Foods currently has 10 individuals working at its Binghamton location, with plans to add five more jobs in the next three years.

## Mayor's Homeless Veteran's Housing Project



On October 11, 2016 Mayor Richard C. David announced construction of a 10-unit homeless veteran's housing project at 27 Pine St. in Binghamton. The \$408,000 rehabilitation project at 27 Pine St. includes 10 one-bedroom apartments and resident meeting space for support services. The project is a partnership between the City of Binghamton and local non-profit Opportunities for Broome, which owns the building. The City has allocated \$240,000 of its federal affordable housing entitlement for the project while Opportunities for Broome will manage the site and coordinate support

services such as job placement and substance abuse counseling for the veteran tenants. In addition to City resources, the project was funded through a coalition of government and nonprofit partners. The 27 Pine St. project is a substantial investment to support that effort, establishing a homeless veteran housing option for decades to come. Located one block from the state-of-the-art U.S. Department of Veterans Affairs health clinic at 203 Court St., the housing project builds on critical partnerships with the VA that will benefit tenants and help ensure the initiative's long-term success. All of the apartments have been filled.

## Veteran's Clinic Downtown Binghamton



In April, 2017, the new outpatient clinic for veterans opened at 203 Court Street in downtown Binghamton. The downtown clinic replaces the Greater Binghamton Health Center which was located at 425 Robinson Street for about twenty years. The new site has about two and a half times the space and will offer a wider range of services to veterans.

## City of Binghamton and Southern Tier East- Upstate Revitalization Initiative and NASA's Regional Economic Development Program



The Economic Development Department and the Binghamton Local Development Corporation have agreed to lead the initiative in conjunction with Southern Tier East Regional Economic Planning Board and AM&T. This partnership will provide applied technology solutions to identified companies in the City of Binghamton and the Southern Tier Region to accelerate regional economic growth. In March, 2017 Eric Clark, Manager of NASA's Midwest Regional Economic

Development Initiative toured several manufacturer's in the region with Robert Murphy. Companies that have specific technology challenges with new or existing products, technologies or production processes will have access to NASA's talent pool and resources to help solve their issues quickly with the end goal of increases in revenue and the creation of jobs and new technologies, business lines and companies.

## FEMA Grant



In August, 2016 the City of Binghamton announced that it had secured a \$3.9 million grant from the Federal Emergency Management Agency (FEMA) for purchase and demolition of 23 properties in flood hazard areas. The \$2.7 million FEMA grant will fund acquisition of property, demolition and removal of

structures, disposal of demolition debris, site restoration and professional services associated with the project. The 29 properties could open green space to enhance flood hazard mitigation and prevent future property loss during a flood event.

## Binghamton Vines Urban Farm



The Urban Farm is located in the heart of the city at 16 Tudor Street in a flood-prone area that was formerly a series of four abandoned houses. Youth employees contribute to the farm's tremendous growth each summer with the maintenance of greenhouse and outdoor vegetables and plants and help create a thriving community. The Binghamton Urban Farm enjoys healthy partnerships with local restaurants and organizations to support its programming. Urban Farm

produce is available for sale at Farmers Markets and through its own CSA offered through Binghamton Farm Share. The farm's produce is also used by several local restaurants. A portion of produce is donated to CHOW, which distributes the veggies to local food pantries and families in need. With the help of youth employees and volunteers over 7,000 pounds of food were grown for donation and sales in 2017.

## North Side Fresh Mobile Market



In June 2016, Mayor Richard C. David announced a pilot program was underway for a North Side Fresh Mobile Market in the Binghamton Plaza, 33 W. State St., providing fresh fruits and vegetables to an underserved community. The initiative included partnerships with CHOW to sell fresh fruits and vegetables in the Binghamton Plaza parking lot on Mondays, Wednesdays and Fridays from 1:00 to 3:00 p.m. The City spent \$4,950 to sponsor the 14-week pilot program

through the Mayor's Office Budget. This subsidy allows food to be sold at discounted prices, with a limited variety of free items offered some days of operation. Fresh fruits and vegetables include: apples, bananas, cucumbers, peppers, oranges, tomatoes, carrots and much more

## **FUTURE PROJECTS**

### **50 Front Street**



Construction began this summer on the 114,000 square foot building which had dominated the skyline area with its back to Downtown – since its construction in 1959 as a Sheraton Hotel, and later as the 178-room Renaissance Plaza nursing home. It has been vacant since that facility closed in 2011. Newman Development

Group envisions the \$31 million project to culminate in a five-story structure with parking underneath, and apartments above 10,000 square feet of first-floor commercial space, according to a presentation by a company official in 2015. The apartments would be rented at or above market rate, drawing residents who are primarily young professionals and older couples. The project is expected to be completed by 2019 with residents moving in by 2020.

### **Renovation of 26 Eldredge Street**



In March, 2016 STK Partners, LLC announced a \$2.5 million mixed-use development at 26 Eldredge St. on the City's North Side. STK Partners will transform multiple vacant and dilapidated structures into a new mixed-use development, including 7,500 square-feet of ground floor commercial space and market rate apartments with 49 beds appealing to students and young professionals. The ground floor will be

home to an organic farm-to-table café, lounge space and an industrial workshop offering entrepreneurs a space to develop projects and businesses. The project also incorporates several green development practices, such as comprehensive LED lighting and an eco-friendly parking lot. There are currently 36 tenants in the building and the owners expect the building to fully complete by the Spring of 2018 including a café on the first floor.

## Ellis Brothers Furniture



Ellis Brothers Furniture was a fixture on Washington Street and Water Street in downtown Binghamton for nearly 100 years. In April, 2014, a fire gutted the Water Street location which was separated by the Washington Street location by an alleyway and was not impacted. In March, 2016, the Ellis Brothers Furniture owners committed to rehabilitating the old JCPenney building for \$3.5 million in order to expand their location. Renovations will include upgrades

to the facade and exterior. The company did have the option to move outside city limits but ultimately decided to stay downtown. This is where the company has called home for more than 100 years. The new showroom will be three times larger than the old building, and Ellis says it will eventually become the company's new showroom and gift shop.

## 7 Hawley Street-Mixed Use Parking/Commercial/Residential



This .74 acre surface parking lot owned by the Binghamton Urban Renewal Agency was named by the Southern Tier Regional Economic Development Council as one of its priority projects. The project calls for a mixed-use structure with parking, market rate housing and commercial space. This will address the city's already existing downtown parking problems since the demolition of the nearby Collier Street ramp in 2016.



### 70-72 Court Street



This project is in the heart of downtown's commercial district and proposes a \$4.5 million structure with two commercial spaces on the ground floor and between a dozen and two dozen apartments on the second floor.

### Demolition of 435 State Street site



The demolition clears the way for a planned \$11 million affordable housing project spearheaded by the Binghamton Housing Authority and 3d Development Group, a private real estate firm. The four-story housing project would include commercial space on the first floor and a total of 48 one- and two-bedroom apartments on the upper floors.

## MARKETING AND SPECIAL EVENTS:

### **Business Plan Competition**



The BLDC hosted its eighth annual Business Plan Competition in partnership with the Broome Enterprise Triad's Entrepreneurial Assistance Program (EAP) located at SUNY Broome Community College which awarded a \$5,000 prize with additional services from several community businesses. Started by the BLDC in 2009, the purpose of the competition is to grow local businesses, raise awareness about BLDC financing programs and highlight resources for business development. The 2017 competition was

generously sponsored by the BLDC, City of Binghamton, The Agency, 3i Graphics & Signs, Davidson Fox & Co., Greater Binghamton Chamber of Commerce, Idea Kraft, Attorney Palmer Lelella and FreshySites. Eligible applicants for the competition must be for-profit entities that are existing businesses located in the City of Binghamton less than five years old, or have a qualified business plan that demonstrates an ability to finance and open the new business within four months of winning the competition and a commitment to maintain the business within the City for a minimum of three years. Applicants must demonstrate that they have completed business start-up or management training (e.g., EAP classes) and must participate in the City's Business Development Workshop offered at no cost to potential applicants. The winner of the 2017 Business Plan Competition was Tesorina Boutique, a specialty clothing and accessory boutique, located at 17 Chenango Street, Binghamton, NY.



**Greater Binghamton Chamber Expo** was held September 19, 2017 at the DoubleTree Hotel & Conference Center and featured 100 vendors with many local business people stopping by, The expo

was seen as a way of providing connection for local businesses. The BLDC display introduced new signage reflecting the City's industrial heritage and promoting a great community with a lifestyle.

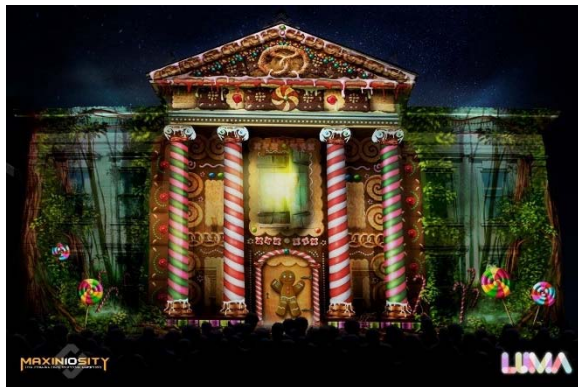
## **Binghamtoneconomicdevelopment.com**



In November of 2016 the BLDC began working with Freshy Sites to build an entirely new website for the BLDC and Binghamton Economic Development Office. Since going live on May 10<sup>th</sup> 2017 the new website has been a convenient resource for current residents as well as businesses and individuals looking to locate in Binghamton.

Binghamtoneconomicdevelopment.com features descriptions of all BLDC loan programs, downloadable loan application forms and a calendar of all BLDC board meetings and Economic Development events throughout the year. The website's map feature allows visitors to search for businesses in the City of Binghamton by category and location. Visitors to the website can also read about the BLDC's successful loan borrowers and projects currently underway in the City of Binghamton. BLDC staff worked with several members of the staff at Freshy Sites to design a custom website tailored to the needs of the BLDC and Binghamton Economic Development Office. Freshy Sites was chosen because of their portfolio of work and their convenient location in Downtown Binghamton. Freshy Sites owner Ben Giordano is also a former BLDC Business Plan Competition winner and judge.

## **LUMA**



The third annual LUMA Projection Arts Festival took place on September 1<sup>st</sup> in downtown Binghamton's Courthouse area. The festival attracted over 20,000 people to watch the 3D projected animations of several downtown classical building facades. Created by artists from Hungary, Spain, New York, California as well as Binghamton, each sound and light installation was a fantastic display of human imagination and effort that celebrated the built environment of our center city. Promoted once again by the BLDC, the event

has become one of the largest events to draw people to Binghamton.

## Trade Shows



City of Binghamton Economic Development staff attended the Small Business Expo 2017 at the Jacob Javits Convention Center in New York on May 18<sup>th</sup> to promote Binghamton as an attractive lower-cost upstate location for businesses seeking to expand or relocate with assistance from BLDC loan programs.

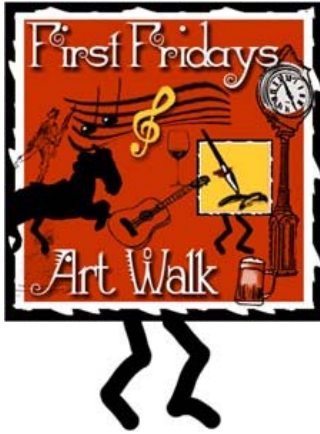
## Binghamton Live on the Waterfront



For the fourth year, the Economic Development Office organized “Binghamton Live on the Waterfront” a small arts and farmers market with live music held on the Chenango Promenade overlooking the Chenango River. This year’s events were held on the first Fridays of June July and August to coincide with the Gorgeous Washington Street Association’s First Friday events. A special Bastille Day event was also held in July including a French themed musical performance. Each

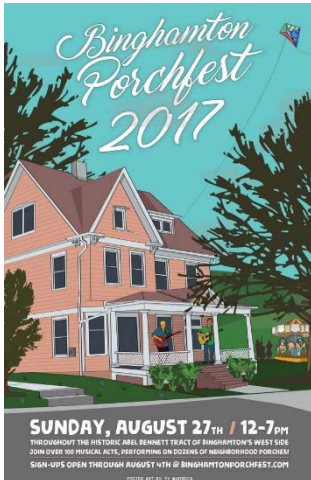
Friday evening event featured two local bands performing original music. Samples were also available to those over 21 years old from local breweries, wineries and distilleries. Businesses giving out samples of their wines beers and spirits included the North Brewery, Binghamton Brewing Co., Water St. Brewery, Galaxy Brewing, Sovereign Vines, and Prohibition Distillery. This year’s events featured 39 arts and farm vendors in all including the CHOW Mobile Market, and Infiniti Greens now operating out of the Koffman Southern Tier Incubator. Regular vendors also included several local painters, jewelers, makers of artisan bath products and local maple syrup. Vendors serving food included Rent a Chef and BLDC loan borrower Happy Pappi serving Venezuelan Arepas. Attendance was highest at the June 2<sup>nd</sup> event which saw a turnout of over 500 people.

## Binghamton First Fridays



First Fridays began in 2004 the first Friday of every month features a small cultural festival in downtown Binghamton with art gallery showings, small performances and extended hours for bars and eateries. The Economic Development Office supports the event by attending meetings of the organizer, Gorgeous Washington Street, promoting via social media and directing municipal services to support the event

## Porchfest



The third annual Porchfest took place on the West Side of Binghamton drawing people from the Greater Binghamton region to stroll between houses to listen to music on the porch – ensembles and vocalists performing classical, pop, rock, jazz, country and bluegrass. The event took place at 43 locations and featured over 30 musical acts. Promoted again by the BLDC, Porchfest was an opportunity to celebrate Binghamton’s diverse culture and quality of life.

## Breaking Down the Silos



Binghamton University is partnering with The Agency, SUNY Broome, Chamber of Commerce, Small Business Development Center, Entrepreneur's Alliance, SCORE and City of Binghamton to break down the silos and support the region's entrepreneurial eco-system. This event is held monthly and has given the BLDC staff

opportunities to assist many entrepreneurs grown their companies.

**SUNY BEST, Southern Tier Meet-Up:** the office has assisted these monthly meetings of the Business and Educational Cooperative of the Southern Tier has been held at the University Downtown Center and the Economic Development Office has assisted by arranging event parking in the immediate vicinity.

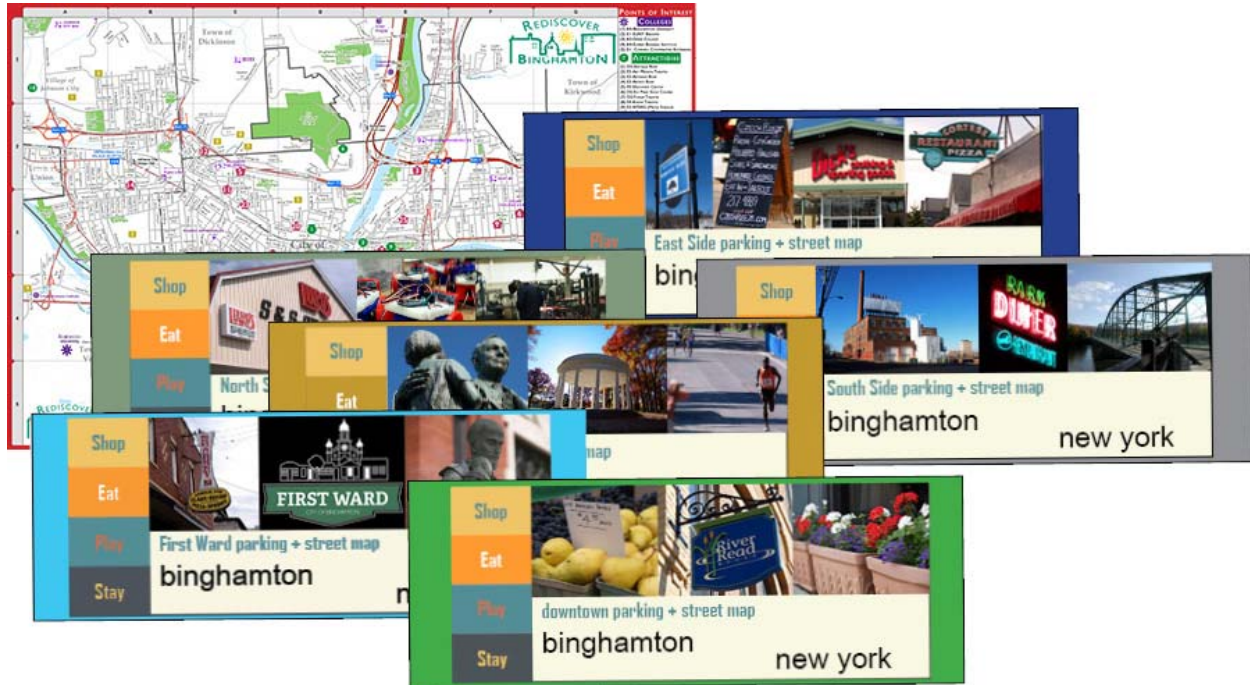
## Coffee and a Conversation



Coffee and Conversation is a public event that began on October 12<sup>th</sup>, 2016 and continues to be held every two weeks at Strange Brew in downtown Binghamton. The BLDC sponsors free coffee for these events which take place from 7:30am to 9:00am every other Wednesday. Members of

the community, business owners and local stakeholders are welcome and encouraged to discuss topics, business ideas, or ask questions of BLDC staff. This is an opportunity for people doing business and living in Binghamton to collaborate with each other as well as an opportunity for BLDC staff to have one on one conversations with business owners and professionals. These bi-weekly meetings are regularly attended by staffers from the Greater Binghamton Chamber of Commerce, the Binghamton Philharmonic, as well as many entrepreneurs and small business owners. The BLDC plans to continue hosting this event into the New Year to further the goals of being accessible to Binghamton residents and supporting creative collaboration amongst community members.

**Tourist Maps:** the office maintained the tabloid size Binghamton and regional map with points of interest including the campuses of Binghamton University and SUNY Broome as well as a full set of neighborhood parking and dining/shopping guides for the Downtown, West Side, East Side, North Side, South Side and First Ward which are distributed to hotels and eateries.



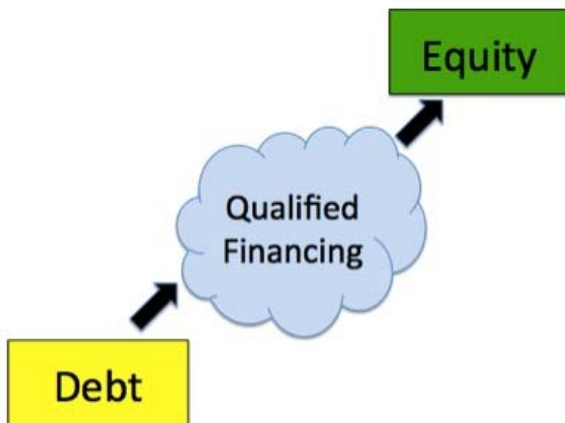
COMING SOON

**Energy Efficiency Loans**

Up to 75% of total project cost or consulting engineering fees net of energy rebates to a maximum of \$100k; prime rate up to 5 year term



Convertible Debt Programs?





## Performance Measures

### **Performance Measure 1:**

**To provide programs promoting maximum employment, improved job opportunities and training within the City of Binghamton. We commit to creating more opportunities for employment annually to small, minority, and women owned businesses in the City.**

- The BLDC offers a Microenterprise Loan Program, Revolving Loan Program and Special Projects Loan Program that incentivizes new job creation and assists existing businesses retain and expand their workforce.
- The BLDC approved a \$5,000 loan to Luis Carrillo dba Happy Pappi, a new food cart currently located on Collier Street which specializes in homemade authentic Arepas.
- The BLDC approved a \$5,000 loan to Jrama's Catering Hall and event Center and although this loan did not require job creation, it is anticipated that the project will generate at least 5 jobs in the City of Binghamton.
- 11 students graduated from the Entrepreneurial Assistance Program which involves 60 hours of training for to start-ups and newly opened businesses resulting in a completed business plan.
- The BLDC also worked in conjunction with Binghamton University for interns working on various economic development projects throughout the City.

### **Performance Measure 2:**

**To provide funding for startup businesses through loans and our business plan competitions.**

- The BLDC approved a \$5,000 loan to Luis Carrillo dba Happy Pappi, a new food cart currently located on Collier Street which specializes in homemade authentic Arepas.
- The BLDC approved a \$5,000 loan to Jrama's Catering Hall and event Center and although this loan did not require job creation, it is anticipated that the project will generate at least 5 jobs in the City of Binghamton. This loan also helped place a new business in a once vacant storefront.
- The 2017 Business Plan Competition resulted in six finalists. Tesorina Boutique was the winner and received a \$5,000 grant to expand their boutique in the City of Binghamton.

### **Performance Measure 3:**

**To disseminate information; furnish advice, technical assistance, and liaison with federal, state, and local authorities for small businesses.**

- The BLDC hosted an informational workshop to support local businesses: the Business Plan Development Workshop in connection with the BLDC Business Plan and the Digital Marketing for Small Business Workshops.
- The BLDC disseminated information via two media campaigns that advocated for buying local.

- The BLDC assisted multiple businesses with its concierge service, in the planning review process, CAUD approvals, Waterfront Advisory Committee approvals, and building and construction permitting and review.
- The BLDC responded to dozens of inquiries regarding site location assistance in the city resulting in multiple business openings and re-locations.
- The BLDC responded to inquiries related to SBA programs, NYBDC backed funding, NYSERDA programs and met with representatives of state and local government to learn about and advocate for business development programs.
- The BLDC visited with numerous businesses to learn about the firm's products, level of satisfaction with City services and the various programs that the BLDC offers. The BLDC has also reached out to businesses in other cities and states to bring new business to the City.

#### **Performance Measure 4:**

##### **To cooperate and coordinate with municipalities and local governments, community groups, agencies, and other non-profit corporations to further the mission of the BLDC.**

- The BLDC regularly participated in SUNY BEST, a consortium of workforce development, economic development and higher education stakeholders in Greater Binghamton.
- BLDC regularly coordinates economic development activities, including existing and potential loan and grant opportunities with Binghamton University, SUNY Broome, SCORE, NYS Small Business Development Center, the Agency - the Broome County IDA, the Southern Tier Regional Economic Development Council, the Greater Binghamton Chamber of Commerce and local financial institutions.
- Worked with STREDC team in numerous scoping and project identification meetings held at BU, Buffalo and Albany.
- The BLDC's Live on the Waterfront summer music festival provided four Friday evening shows to bands from Binghamton and BU. In addition the BLDC worked with the City and private volunteers to plan, coordinate and fund the first LUMA festival in downtown Binghamton which resulted in audience of over 30,000 and a huge success.

#### **Performance Measure 5:**

##### **Provide funding for construction, building improvements and other uses, industrial, commercial, or manufacturing buildings or plants within the City of Binghamton.**

- The BLDC approved a \$5,000 loan to Luis Carrillo dba Happy Pappi, a new food cart currently located on Collier Street which specializes in homemade authentic Arepas.
- The BLDC approved a \$5,000 loan to Jrama's Catering Hall and event Center and although this loan did not require job creation, it is anticipated that the project will generate at least 5 jobs in the City of Binghamton. This loan also helped place a new business in a once vacant building.
- Through its concierge service, the BLDC provided technical assistance and support to multiple projects involving construction and renovation during the planning review process.

**Section 2800 (1)(a)(9) and Section 2800 (2)(a)(9) of Public Authorities Law require all public authorities to complete an annual assessment of the effectiveness of their internal control structures and procedures.**

The importance of an adequate system of internal control is to: (a) promote effective and efficient operations so as to help the authority carry out its mission; (b) provide reasonable, but not absolute, assurance that assets are safeguarded against inappropriate or unauthorized use; (c) promote the accuracy and reliability of accounting data and financial reporting to ensure transactions are executed in accordance with management's authorization and recorded properly in accounting records; (d) encourage adherence to management's policies and procedures for conducting programs and operations; and (e) ensure compliance with applicable laws and regulations. Furthermore, a successful system of internal control includes performing an annual assessment to identify potential weaknesses in policies or procedures and to implement corrective actions.

Internal controls are the policies, practices, attitudes, guidelines and other actions adopted by the authority that, when followed, provide reasonable assurance that staff understand and properly carry out their responsibilities, that appropriate professional and ethical conduct is observed, and that the authority will honor its purpose and mission.

This statement certifies that the Binghamton Local Development Corporation followed a process that assessed and documented the adequacy of its internal control structure and policies for the fiscal year ending August 31, 2017 and that management and staff throughout the organization understand and are aware of the policies and practices in place to ensure that the authority is effective and to address the risks that are relevant to the operation. To the extent that deficiencies were identified, the authority has developed corrective action plans to reduce any corresponding risk.