

STEG

Southern Tier Economic Growth



2020 ANNUAL REPORT

Imagine &
Realize



MESSAGE FROM THE PRESIDENT

The year 2020 was challenging as the COVID crisis created difficulties for many in the business community and negatively impacted the economy. To help address some of the problems, there were new Federal, State and Local Programs which provided mainly for working capital for those businesses in need. The Paycheck Protection Program, Economic Injury and Disaster Loans, the NY Forward Loan Fund, and the Chemung County Business Relief Program were the primary mechanisms to provide this assistance and STEG helped provide expertise in the delivery of these programs.

During this pandemic, STEG's activities focused much more on the small business community including our retail and service based businesses. Staff provided greatly needed technical assistance and help such as information and guidance on available funding programs, compliance with NYS requirements, return to work plans, and participating on the County-wide Business Recovery Unit, which served as a central communications point for a variety of stakeholders.

The Chemung County Business Recovery Unit (CCBRU) consisted of multiple partners who, for a time, met on a weekly basis to discuss business outreach and assistance, business support programs, updates from partners, and other related topics. The Business Recovery Unit received over 200 "COVID Business Impact Forms" with client information and requests for help. STEG staff ultimately followed up on each these Forms and many required multiple communications to provide proper direction and guidance. I would like to thank David Sheen, Jeffrey Kenefick, Jeff Streeter, and Matthew Green for their support and direct participation in this very valuable initiative.

The pandemic unfortunately caused the cancellation of our best source of funding, the Consolidated Funding Application process through the Southern Tier Regional Council. This process would typically generate a pipeline of projects for Chemung County. Despite this, there have been some solid economic and community development projects as the City of Elmira continues with its downtown resurgence highlighted by the housing project for LECOM. New developments are under construction or have been completed in Big Flats/Horseheads and energy projects such as Erin Solar and others are occurring at a heightened pace. We also are very happy to mention that Air Flo purchased the former Belden Building and will expand its operations there.

We also continue to set the stage with our development sites and buildings, and to aggressively pursue opportunities that become available to us. One source of information for large projects comes from NYS Empire State Development. Although leads are substantially less than in the past, STEG aggressively pursues these and continues to follow up as some take years to come to fruition. We also contract with other firms to assist in the marketing of our properties.

Finally, I would just like to take a moment to recognize and acknowledge my appreciation for our outgoing Chairman, Jeffrey Streeter. I believe that Jeff's leadership has taken our organization in the right direction through changing times. His vision, understanding, and knowledge of STEG, and the business community, has provided an invaluable asset to me and our mission. Our one-on-one weekly meetings gave perspective and guidance, to which I am very grateful. I would like to extend a sincere thank you to Jeff for all his efforts and contributions to our organization.

Sincerely,
Joseph Roman



ELMIRA PROJECTS

MARK TWAIN BUILDING

This \$7.5M project includes renovation of 100 residential units, the construction of 30 AirBnB units, and renovation of commercial spaces. The project received financial assistance from the CCIDA.



CAPRIOTTI PROPERTIES

Capriotti Properties is a full service property management company that has been working on projects in Elmira for nearly fifteen years. Early on, the company focused on Victorian homes in the Historic Near Westside Neighborhood of Elmira. Near Westside was the location of many grand single family homes of yesteryear which had been converted to apartments and allowed to slip into a state of disrepair by absentee landlords. Many of these Victorian homes were renovated and brought up to standards. Over time, Capriotti Properties broadened the focus to include mixed use commercial/residential buildings in downtown Elmira. Through the purchase and renovation of multiple properties in targeted areas Capriotti has improved the status quo of housing options and building stock available to current and new residents and also businesses in the City of Elmira.



114-116 BALDWIN STREET

This mixed-use \$1.5M project includes redevelopment of two previously under utilized buildings. The project will transform the lower level commercial space and include 11 market-rate one and two bedroom apartments on the upper levels.



110 NORTH MAIN STREET

This \$1.5M project completed residential redevelopment in 2020 with commercial nearing completion. The project includes eighteen apartments and over 7,000 square feet of commercial space. The project received financial assistance from the CCIDA and from Elmira's Downtown Revitalization initiative.

CENSUS TRACT 7

STEG has been focusing on opportunities for redevelopment in **CENSUS TRACT 7**, which includes a large portion of the downtown district. Two anchor properties have been identified – **201 BALDWIN STREET**, which is the former Star Gazette building and **ST. JOSEPH'S HOSPITAL CAMPUS**. A **"HIGHEST AND BEST USE COMMITTEE"** was formed to consider redevelopment opportunities within the corridor joining the two properties to help target development in the area.

ARTS AND ENTERTAINMENT

FIRST ARENA: (CAPITAL MAINTENANCE)

In conjunction with Chemung County, STEG/CCIDA conducted two walk-throughs of the arena in order to maintain the asset. As a result of these planned visits, the boiler system which heats the lobby and certain other areas was replaced at a cost totaling over \$80,000. A building audit by a qualified engineering firm is planned and will be completed by the first quarter.



FIRST ARENA: (PARKING LOT)

In partnership with Elmira Downtown Development and Chemung County, STEG/CCIDA moved forward with plans to patch, repair, and provide striping and signage to the parking lot. This will allow for significant improvement and parking accommodations to multiple small businesses on or near the corner of the North Main/Water Street block.

CHEMUNG COUNTY BUSINESS RECOVERY UNIT

Established by the Chemung County Executive, the Business Recovery Unit goals and objectives included: (1) an outreach initiative to local businesses advising them of the types of assistance currently being offered; (2) provide guidance in applying for various grants and loans being offered by the state and federal government; (3) assist businesses on ideas involving moving to an online E-Commerce platform; (4) Provide assistance involving how to access various state and federal resources. Members of the unit included Chemung County, STEG/CCIDA, Chamber of Commerce, and representatives of the banking and accounting industries.

Local businesses were asked to log onto the county’s website whereupon they could take a survey which provided an inquiry for response and assisted the Business Recovery Unit in assessing and prioritizing what the needs of our local businesses are. STEG/CCIDA staff have responded to over 200 inquiries from our small business community.

STEG/CCIDA BUSINESS RELIEF LOAN FUND

Capitalized by Chemung County, the Chemung County IDA, and Corning Enterprises, the Business Relief Loan Fund is available for Chemung County small businesses impacted by the COVID-19 pandemic. Regional Economic Development & Energy Corporation (REDEC) is administering the program which provides loans of up to \$15,000 for a 30 month -term at a fixed interest rate of 0%, with no payments required for the first 6 months. Eligible applicants are commercial, for-profit entities that own or manage a business located in Chemung County and the business/applicant must employ at least one person in addition to the proprietor but cannot employ more than 50 people. These funds can help cover operational expenses, help prevent staff reductions, and offset losses due to the COVID-19 pandemic. Up to \$500,000 can be made available for the loan fund.



HEALTHCARE

ARNOT HEALTH

Strategic Economic Development Plan: With the assistance of STEG/CCIDA, Arnot secured a CFA ESD grant award totaling \$75,000 for Strategic Planning and Feasibility Studies. STEG is the applicant and will serve as the conduit for the grant funding. The total cost of the study is \$150,000. Arnot Health will develop a strategic economic development plan to position it as a major economic development driver in the region's healthcare industry, ensure long-term sustainability, enhance Arnot's ability to attract and retain talent with its new alliance with LECOM, improve operational optimization and financial sustainability, utilize cutting edge technology and innovation to improve the physical assets and delivery of quality healthcare on its two campuses in the City of Elmira, and reduce trends of blight in the City of Elmira with a plan to repurpose under utilized property assets. Healthcare is the largest industry sector in Chemung County and Arnot Health is our largest employer in with approximately 2,700 FTE's.

Bond Payment Defferal: The Chemung County Capital Resource Corporation, at the request of the hospital, provided an approval for an agreement for deferral of bond interest payments. This was completed for a limited period of time to allow Arnot to address business disruptions resulting from the coronavirus. The CCCRC issued Tax-Exempt Multi-Mode Revenue Bonds on 2015 for the Arnot Odgen Medical Center Project.

HOUSING

SIX67 COLLEGE AVENUE - LECOM HOSUING

Riedman Properties will acquire up to 20 properties adjacent to Elmira College, and then demolish and construct new residential housing units on 2.324 acres to be made available to area residents and students attending LECOM. The 'Six67College Avenue' community will consist of a 140,000 sq. ft., four-story residential building, with 116 apartments. The new residential living space offers studios, 1-2 bedroom apartments with upscale amenities including a tech hub, study rooms, coffee bar, offices, bike storage and a fitness area. The project will create 150 construction jobs, 3.5 net new direct jobs, and invest approximately \$18.6M. According to statistics provided by the projects sponsor, students will account for \$1.2M in annual local spending. Incentives included a sales tax exemption of \$510,800, a mortgage recording exemption of \$112,500 and a property tax exemption of approximately \$4.8M over 20 years. The project will generate an estimated \$2.3M in property taxes which represents an increase of over 82% from current tax levels.