

Carthage Industrial Development Corporation  
2013 Annual Report

***I. INTRODUCTION***

The Carthage Industrial Development Corporation continued its focus on Downtown Redevelopment in 2013 as it pursued a plan for restoration of 253/255 Street in cooperation with the Village of Carthage. Community development activities continued in other parts of the Twin Villages and Towns of Champion and Wilna as the Corporation continued to focus attention on improving the existing housing stock by supporting the Carthage Area Housing Rehabilitation Program. The corporation also made progress in the redevelopment of the Braman site as work continued with Habitat for Humanity and the Village of Carthage.

2013 also marked the second full year of operation of the West End Dam Hydro Facility by Northbrook Energy-Carthage, LLC. The second year was one of the most productive years on record, with above average Black River flows throughout the year.

We are proud to say that the Greater Carthage Area is continuing to grow as a “Community of Choice” within the region. Progress toward this goal is due in large part to the assistance and cooperation of our regional partners including the Village of Carthage, Village of West Carthage, Towns of Champion and Wilna, Carthage Area Chamber of Commerce, Development Authority of the North Country, Jefferson County Industrial Development Agency, Jefferson County Board of Legislators, Tug Hill Commission, Jefferson County Planning/Highway Departments, River Area Council of Governments, and our local elected officials.

***II. CIDC ADMINISTRATION***

The Carthage Area Chamber of Commerce completed its first full year of providing day to day administrative services to the CIDC and CDG. The CIDC’s contract with the Chamber has proved to be very affordable, convenient and effective. It is anticipated that this arrangement will continue into the foreseeable future.

***III. MAJOR PROJECTS***

***A. 256-264 State Street Project***

Management of the 256-264 State Street project continued to be a major priority in 2013. The apartment complex occupancy rate was below historical averages. This was due in part to the introduction of a large number of new rental units in the region in support of Fort Drum. The complex is currently 100% occupied with a stable tenant population. It should be noted that the rental market will continue to be dynamic in the region as new units continue to be brought on line over the next few years. Stefano’s Pizzeria completed expansion into the adjacent space at 256 State Street in 2013 and is utilizing the space predominantly for banquets and large group events. The remaining two spaces continue to be occupied by Ablan’s Business Center and NNY Gals and Guys. We are hopeful that these three businesses will help increase foot traffic in the downtown and add to the economic sustainability of this historic corridor.

The Carthage Area Chamber of Commerce continued to coordinate rent-up of the building and manage the finances. The Chamber's duties include handling all financial matters, working with tenant prospects, assisting with applications, providing income certifications, and coordinating annual recertification of tenants. These operations ran smoothly throughout the year, and tenants have experienced little if any inconvenience as a result of the change in administration.

#### B. Property Redevelopment

The CIDC, in cooperation with the Village of Carthage, continues to plan for the redevelopment of underutilized/abandoned property within the Greater Carthage Area. The CIDC formed Braman Development, LLC in 2010 and has assumed ownership of the abandoned Braman property. The corporation worked closely with the Village of Carthage and Habitat for Humanities on the redevelopment of the property. After it was determined that the property could not be redeveloped as an industrial use, Aubertine and Currier, Architects, Engineers & Land Surveyors, PLLC were retained to prepare a redevelopment plan for the property. The plan has been supported by the Village and Habitat for Humanity, and is currently going through the village zoning and subdivision approval process. It is anticipated that the process will be completed by April of 2014. Redevelopment of the property is scheduled to begin during the summer of 2014. The corporation will continue to target underutilized or abandoned properties as they become available in the future.

#### C. Marketing

The Chamber of Commerce and CIDC continued to pursue marketing of the Village of Carthage. The focus has been on letting people who are new to the North Country know that Carthage is a great place to live and do business. We continue to make available our "Community of Choice" marketing brochure that introduces Carthage to new arrivals.

#### E. West End Dam Hydro-Electric Facility Planning

Northbrook Energy-Carthage, LLC completed its Second full year of operation of the West End Dam Hydro Facility. Under Northbrook Energy operation, the facility ran smoothly throughout the year. 2013 was one of the most productive and profitable years on record for the facility. This production was in contrast to 2012 when historically low flows on the Black River resulted in a significant reductions in power generation. We are hopeful that this record production will continue without incident in the years to come.

#### F. Administration and Regulation Compliance

In this changing government climate numerous procedures, rules and regulations have been established by state agencies regulating local development corporations and public authorities. The most significant regulations have been implemented through the Public Authority Accountability Act. The Act requires adoption and implementation of an extensive list of operating procedures and policies as well as substantial reporting requirements. The Carthage Area Chamber of Commerce invested a significant amount of time on compliance with these requirements as part of their obligations under the Administrative Services Contract with the CIDC.

#### ***IV. FUNDING ASSISTANCE***

The following section summarizes projects and activities that have received or been awarded funds in 2012.

##### **A. Existing Funding**

###### **RestoreNY Medical Office Complex- \$579,000**

The Village of Carthage secured a \$579,000 RestoreNY grant to assist with phase II of the CAH medical office complex at the rear of the Fire Site. The CIDC awarded a \$31,000 bridge loan to Carthage Area Hospital in 2012 to assist with final close-out of the work associated with this RestoreNY grant. Repayment of the loan will occur upon release of the final RestoreNY grant payment anticipated to occur in 2014.

###### **2012 CDBG Carthage/West Carthage/Wilna/champion Housing Rehabilitation- \$400,000**

The CIDC provided the funding necessary to prepare this CDBG Application which resulted in a \$400,000 grant award. The funds are being used to support scattered site housing rehabilitation throughout the Towns of Champion and Wilna, and Carthage and West Carthage Villages. The program is a continuation of the very successful Carthage Housing Rehabilitation Program initiated in 2008 and now called the Greater Carthage Area Housing Rehabilitation Program. To date, more than 65 homes have received rehabilitation assistance. The Carthage Area Chamber of Commerce is providing administrative assistance with implementation of the grant. The Village of Carthage manages this housing program on behalf of the four communities.

##### **B. New Funding**

###### **2013 CDBG "Greater Carthage Area" Housing Rehabilitation- \$400,000**

The CIDC provided the funds necessary to continue the Greater Carthage Area Housing Rehabilitation initiative by approving funding for the preparation of a 2013 CDBG Application. Like previous programs these funds will be used to support scattered site housing rehabilitation throughout the two towns and twin villages. It is anticipated that the grant will support the rehabilitation of 16 homes in the grant service area. The Carthage Area Chamber of Commerce continues to provide administrative assistance with implementation of the grant. The Village of Carthage is managing this housing program on behalf of the involved communities. The CIDC has now funded the preparation of these grant applications each of the last six years and over \$1,721,000 has been secured to date.

###### **RARP Grants- \$200,000**

To continue its efforts to restore downtown Carthage, the CIDC applied for a Rural Area Restoration Program Grant in 2012. A \$200,000 RARP Grant was awarded to assist with the redevelopment/restoration of 253-255 State Street. The CIDC is working with the Village of Carthage and property owners on the development of this project. It is anticipated that restoration work will occur in 2014 if all involved parties can come to agreement on property ownership, the scope of work and construction schedule.