

Operation Oswego County, Inc.

2005 ANNUAL REPORT



Local Innovation Spurs Small Business Success

Bruce Phelps, president of Fulton Tool Co., has built his business over the past 45 years through innovation and excellent customer service to be one of the premier computer-controlled machining operations in the Northeast. In 2005, the company re-established its business in Fulton after its building was destroyed by fire in 2003. Left: A computer numerically controlled vertical milling machine makes a diffuser for a rotary air compressor from an 80 lb. steel plate.



Economic Development Services and Programs Provided

- Site Selection Assistance
- Financial Packaging
- Planning and Coordination
- Industry/Government Liaison
- Assistance in Accessing Special Incentive Programs
- Retention/Expansion Outreach Programs
- Specialized Research and Technical Assistance
- Industrial Parks
- Business Incubators
- Empire Zones
- Minority and Women-Owned Business Enterprise Program
- SBA Certified Development Company
- IDA Administration
- Micro-Enterprise Program
- Domestic and International Marketing Program
- SBA 7(a) Banking Assistance Service
- Speculative Building Program



PRESIDENT'S MESSAGE

In 2005, small business development helped to create new job opportunities, retain employment, build a broader tax base, diversify the local economy, and improve the overall quality of life of citizens living in Oswego County. Several new and innovative businesses were established such as Precision Wood Flooring Products in Fulton, Old Man's Place convenient store in Granby and Central Square Farm and Equine Supply in West Monroe, as well as a diverse mix of expansions such as Fulton Tool

Company in Fulton, KLG Transport in Granby and Cannon's Place Motel and Campground in Albion. From setting the foundation for ethanol production at the Riverview Business Park in the town of Volney to a warehouse optimization expansion at Huhtamaki, 2005 also marked considerable growth in Oswego County's manufacturing sector.

Operation Oswego County's primary mission is to help strengthen and grow the economy in Oswego County. Overall, the organization assisted some 52 businesses in 2005 and the outcome of these projects resulted in more than \$92 million in capital investment, the creation and retention of 384 jobs and over \$9 million in estimated annual payroll. At our annual meeting in 2000, we launched "Challenge 2005," our commitment to helping the Oswego County economy by having a direct impact on the creation or retention of 500 jobs per year over five years, impacting 2,500 jobs in total. I am very pleased to announce that we surpassed our goal with 3,476 jobs created or retained.

Looking to 2006, our efforts will continue to focus on helping to make our existing businesses more competitive, helping to facilitate expansions, investment and job creation/retention of our manufacturing base, and continuing to promote and develop strategic initiatives to compete for and attract new employers to the county.

George Joyce
President

In Memoriam: Dee C. Heckethorn 1927-2006



remember Dee C. Heckethorn for his commitment to

The Board of Directors and staff of Operation Oswego County fondly

the organization and for his significant contributions to the economic development process in Oswego County. In addition to serving as past president, vice president and treasurer in his capacity as a member of the OOC Board of Directors for more than 20 years, he also served as an leader in several local organizations including the board of directors for the County of Oswego Industrial Devel-

opment Agency, the board of directors of the Adirondack North Country Association, as a Greater Oswego Chamber of Commerce past president and board member, city of Oswego Loan Review Board member, and a Workforce Development Board of Oswego County member. As testament to his commitment to his volunteerism and community leadership, the New York State Economic Devel-

opment Council named him its "Volunteer of the Year" in 2005 and Leadership Oswego County recognized him with its "Community Leadership Award" in 1999.

Dee exemplified the term "volunteer" and his vision will continue to shape the organizations he was so dedicated to for many years to come.

Dee will be greatly missed.



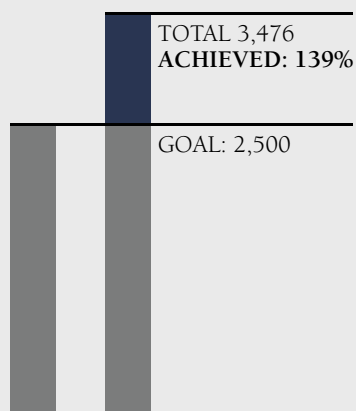
1953-2005 Economic Development Impact Summary

Capital Investment
\$2,545,159,300

New/Retained Jobs
16,822

Challenge 2005

| Challenge 2005 | Jobs New/Retained |
|------------------|-------------------|
| 2005 | 384 |
| 2004 | 493 |
| 2003 | 1,493 |
| 2002 | 620 |
| 2001 | 486 |
| TOTAL | 3,476 |
| GOAL: | 2,500 |
| ACHIEVED: | 139% |



2005 Economic Development Impact Summary

New/Expanded/
Retained Facilities
52

Capital Investment
\$92,049,300

New/Retained Jobs
384

Estimated New
Annual Payroll
\$9,373,800

Investment/Job
\$239,700

Average Pay/New Job
\$28,800

2005 Economic Development Marketing Accomplishments



- Recognized with three awards by New York State Economic Development Council: "Best in Class" for "Power for Progress" ad; "Certificate of Excellence" for OOC website; and honorable mention for OOC small business incubator brochure.
- \$38,000 secured from the 2005 Fund Drive for marketing initiatives.
- Developed new OOC tabletop display with grant funding from Entergy Nuclear Northeast.
- In conjunction with U.S. Small Business Administration and the SUNY Oswego Small Business Development Center hosted a free seminar for commercial realtors about the benefits and program changes associated with the SBA 504 program.
- Grant secured by National Grid to promote Oswego County's "Power for Progress" low-cost energy program.





2005 Economic Development Highlights

The following economic development projects and initiatives facilitated by OOC represent some of the major success stories in 2005 and will continue to contribute toward making Oswego County more diversified and economically stable:

- **Fulton Tool Company** re-established its business in the former Oswego Wire building in Fulton, which was retrofitted for the company whose building was destroyed by fire in 2003. The project received funding assistance from the County of Oswego Industrial Development Agency (IDA) and National Grid, employee training assistance by the Workforce Development Board of Oswego County and the Oswego County Department of Employment and Training, and a low-cost power allocation through the "Power for Progress" program;
- **Harbor Lights** initiated the expansion of its outpatient clinic for adults and adolescents suffering from alcohol and/or drug abuse related issues. A new 7,360 square foot building will be constructed as well as renovations of an existing building at its new location on Scenic Avenue in Mexico. The project received funding assistance from Community Bank, an SBA 504 loan through OOC and the IDA;
- **The Manhattan Moon** in Constantia opened a full-service, 90-seat restaurant, which replaced the former Lakeview Inn. The new owner is a graduate of the Micro-Enterprise Training Program and received funding assistance from the IDA;
- **Fulton Machinery**, a manufacturer of machinery components for the paper, film and foil-converting industries, located in the Start-Up Facility in the Oswego County Industrial Park in the town of Schroepfel;
- A new **Arby's** located in Pulaski and created 18 jobs. Financing assistance provided by the IDA. The IDA has also assisted Arby's restaurants located in Fulton and Oswego;
- **Lower Falls Development** acquired and is converting the historic Brickhouse Building in Fulton to a mixed-use facility including offices, retail, restaurant and residential space. The \$700,000 project will create 21 jobs and received funding assistance from the Fulton Community Development Agency (CDA), the Community Preservation Corporation and the IDA;
- **Brascan Power** received an IDA PILOT for capital improvements to two of its hydroelectric plants located in the town of Orwell;
- Biodiesel manufacturer **NextGen Fuel** is locating at the Riverview Business Park in the town of Volney. The \$1 million project will enable the production of five million gallons of biodiesel a year, which will be sold to fuel distributors. Financial assistance will be provided by OOC and the USDA and the project will be located in the Fulton Empire Zone;



Lower Falls Development is renovating the historic Brickhouse Building in Fulton.



Fulton Machinery located to OOC's Start-Up Facility.



Brascan Power will make capital improvements at its plants in the town of Orwell.



- **KLG Transport** expanded its woman-owned trucking business in the town of Granby. The owner is a graduate of the Micro-Enterprise Training Program and received funding from the IDA and Oswego County National Bank. The \$146,000 project created and/or retained six jobs;
- **Huhtamaki Consumer Packaging** completed its warehouse optimization expansion located in the Fulton Empire Zone. The \$2.7 million project received funding assistance from the IDA, the County of Oswego "Power for Progress" low-cost power program, and a New York State grant secured by Sen. James Wright. The project created 60 jobs;
- **Central Square Farm and Equine Supply** is a new retail feed, home, farm and garden products business in West Monroe. The \$191,000 project received financial assistance from an SBA 504 loan through OOC, the IDA and Fulton Savings Bank. The new business will create four new jobs;
- **Precision Wood Flooring Products** is a new company that will manufacture high quality, pre-finished flooring to be sold to national and international distributors. The company acquired the 200,000-square-foot former Jefferson-Smurfit plant which is located in the town of Volney. The \$7.3 million project is located in the Fulton Empire Zone and will create 54 jobs. The project received funding assistance from the IDA and the Fulton CDA;
- **Cannon's Place** motel and campground in Albion was acquired through funding assistance from a \$370,000 SBA 504 loan through OOC and Adirondack Bank. The project created three jobs; and
- **Old Man's Place** is a new 4,800 square foot convenience store in the town of Granby, which includes gasoline pumps, propane, a laundromat and a liquor store. The project received funding assistance from Fulton Savings Bank, a SBA 504 loan through OOC and the IDA. The \$650,000 project will create 12 jobs.

Additionally, one of OOC's key goals last year was to promote the **Oswego County Public Utility Service's** "Power for Progress" low-cost electrical energy program for new and expanding businesses in Oswego County. The purpose of the program is to create jobs using low-cost electricity produced by Entergy Nuclear Northeast at the James A. FitzPatrick Nuclear Power Plant in Scriba. In 2005, 12 companies were awarded over 1.8 megawatts of discounted power. OCPUS will continue to allocate up to 10 megawatts of low-cost power at \$32 per megawatt-hour per year until 2010.



Precision Wood Flooring acquired the former Jefferson-Smurfit plant in Volney.



Old Man's Place is a new 4,800 sq. ft. convenience store in Granby.



Huhtamaki Consumer Packaging completed its warehouse optimization expansion.



Economic Development Networking and Coordination

Networking and coordination are essential elements in Operation Oswego County's economic development efforts. We have a long and solid record of cooperation in working with local, regional, state and federal agencies to implement economic development strategies, programs and projects.

2005 Networking/Coordination Highlights

- Participated with the Workforce Development Board of Oswego County to oversee job training in the county.
- In partnership with the Workforce Development Board of Oswego County, initiated the creation of "YP Voice," a new young professional networking organization.
- Marketed SBA 504 loans as a Certified Development Company of the SBA.
- Provided the administration and staffing for the County of Oswego IDA.
- Provided administration and marketing of the Oswego EZ in cooperation with the Oswego CDO and marketed the Fulton EZ in cooperation with the Fulton CDA.
- Participated on numerous boards including: CNY Regional Planning and Development Board, Oswego County Planning Board, NYS Economic Development Council, Northeast Economic Developers Association, County of Oswego IDA, International Economic Development Council, Workforce Development Board, and others.
- Operated a countywide Micro-Enterprise Training Program.

Operation Oswego County Supporters and Allies:

Each year, OOC asks local business to invest in the future of Oswego County and help us continue to provide critical economic development services to our community by contributing to the fund drive. The annual appeal to business and industry supporters and others throughout the county for financial support has provided OOC with supplemental promotional funding in recent years.

Top Economic Development Booster (\$10,000)

Novelis Corp.

Corporate Boosters (\$1,000 - \$3,000)

Brascan Power
Caraccioli and Associates
Constellation Energy
Eastern Shore Associates
Entergy Nuclear Northeast
Fulton Savings Bank
Hiscock and Barclay
Huhtamaki Consumer Packaging
Key Bank of New York
NRG Energy Inc.
National Grid
Oswego County National Bank
Pathfinder Bank

Business Boosters (\$500 - \$999)

Birds Eye Foods
Black Clawson
Broadwell Development
Paul A. Castaldo Inc.
The Fulton Companies
International Wire
Laser Transit Ltd.
Oswego Wire Inc.
Port of Oswego Authority
Scottish Inn & Suites
Sure-Lock Industries

Associate Boosters (\$100 - \$499)

Alcan Employees F.C.U.
Jack B. Alter, CPA
Thomas Arctander Architects
Biospherix Ltd.
C&C Metal Fabrications Inc.
C&S Engineers Inc.
Caswell and Associates CPAs, P.C.
Century 21 Galloway Realty
Steve Chirello Advertising
Community Bank, N.A.
F. Hosmer Culkin
DKR Investments
DeWald Roofing
Empire Fresh-Cuts
Fulton Tool Company Inc.
Giovanni Food Company Inc.
Dee C. Heckethorn
Majestic Mold and Tool
Mirabito Development Inc.
Doren P. Norfleet, Esq.
Oneida Lake Petroleum
Oswego County Business Magazine
Oswego Growers & Shippers
Oswego Valley Insurance Agencies
QMP Enterprises Inc.
Charles Rock Associates
Carol Rutledge
Paul W. Schneible, CPA
Corte Spencer
Millard S. Sullivan
Thomas-Gatas, Inc.
The Ultimate Edge
Vickery Insurance
Central Square Wal-Mart
Wiltsie Construction

Friends of OOC (\$10 - \$99)

Joseph and Muriel Allerton
Associated Dental Arts of Oswego
David Hawthorne, Esq.
Arthur E. Jones
Dr. Lakshman Prasad
Lou Pettinelli
Eugene Saloga
Samuel J. Sugar, Esq.
David Turner



Empire State Development (ESD) received the 2005 Ally Award. Pictured from left are L. Michael Treadwell, CEcD, OOC executive director; Anthony Kolinski, economic development specialist with ESD; and George Joyce, OOC board president.



Oswego County National Bank (OCNB) received the 2005 Business Excellence Award. Pictured from left are L. Michael Treadwell, CEcD, OOC executive director; Deborah Stanley, OCNB board chairman; and George Joyce, OOC board president.



New York Chocolate & Confections Company (NYCCC) received the 2005 Jobs Award. Pictured from left are L. Michael Treadwell, CEcD, OOC executive director; NYCCC CEO Jean-Claude Amon; Okaingni Louis, NYCCC board chairman; and George Joyce, OOC board president.



Nancy Bellow accepts the 2005 Martin Rose Economic Developer Merit Award. Pictured from left are L. Michael Treadwell, CEcD, OOC executive director; Bellow; and George Joyce, OOC board president.

Recognizing Economic Development Achievement

Three business organizations and a well-known development leader and public servant were honored for significant contributions to economic development and job creation in Oswego County:

Ally Award

The Ally Award for 2005 was presented to Empire State Development, recognizing it as an “ally” organization in the economic development process in Oswego County. Over the last 10 years, ESD has provided funding assistance of more than \$6 million which has helped deliver more than \$74 million in private sector capital investment while enabling job creation and retention of over 2,000 jobs at businesses including Birds Eye Foods, Black Clawson, Crysteel, Empire Fresh-Cuts, Great Lakes Veneer, Huhtamaki, Interface Solutions, Novelis Corp. and Spear USA.

Business Excellence Award

The Business Excellence Award for 2005 was presented to Oswego County National Bank for its significant financial support of small business development, for its investment in the community by expanding to include seven branches including five in Oswego County, for significant company growth which necessitated the relocation and expansion of its corporate headquarters and investment of more than \$3 million to reutilize a high-profile vacant property in Oswego.

Jobs Award

The 2005 Jobs Award, recognizing significant capital investment as well as job creation and retention, was presented to New York Chocolate & Confections Company, in recognition of its commitment to locate chocolate manufacturing operations in Oswego County by investing \$25 million and reutilizing the former Nestle facility in Fulton and putting back to work more than 70 full-time employees in 2004 with plans to grow to more than 300 as the company enters full-fledged production of chocolate products.

Martin Rose Economic Developer Merit Award

Nancy Bellow was honored for her support of Oswego County’s workforce development initiatives for more than 10 years as director of SUNY Oswego’s Center for Business and Community Development and for serving as director of the Workforce Development Board of Oswego County and spearheading a strategic workforce development plan in 2004 to help address the human resource challenges of industry clusters in Oswego County. Bellow was also recognized for serving on numerous boards and committees which play an integral role in economic development including OOC, the Greater Oswego Chamber of Commerce, Women’s Network for Entrepreneurial Training, Leadership Oswego County, Small Business Development Center and Oswego Health.



Board of Directors

President: George Joyce
Vice President: Michael J. Pollock
Treasurer: Gregory Kreis
Secretary: Nancy Bellow
Bonnie Bostian
Ronald B. Darrow
Brian Frazier
William Galloway
Edward Gilson
Thomas V. Greco
Dee C. Heckethorn
Alan Horna
Paul Kurtzman
Thomas McAuslan
Andrea C. McCabe
Edward Mervine, Esq.
Louis R. Pettinelli
Bruce B. Phelps
Michael D. Quenville
Joseph Russo
Carol Rutledge
Eugene G. Saloga
Corte Spencer
Lloyd "Buddy" Stemple
Millard Sullivan
Steven W. Thomas
Gary Toth
David R. Turner
David Vickery
Joseph Wiedenbeck

Ex-Officio Directors

Russ Johnson
Chairman, Oswego County Legislature
Stephen Lyman
Oswego County Administrator
Carolyn Rush
Chair, County of Oswego IDA
Arthur Ospelt
*Chair, Oswego County Economic
Development and Planning Committee*
Deborah Stanley
President, SUNY Oswego

Counsel

Doren Norfleet, Esq.
Norfleet Law Office

Staff

L. Michael Treadwell, CECD
Executive Director
David S. Dano
Business Finance Director
Shannon C. Mantaro
Marketing & Operations Director
Teresa F. Woolson
Administrative Coordinator
Lori L. Mueller,
Administrative Secretary

Mission Statement

Operation Oswego County's mission is to establish and implement sound economic development strategies in order to enhance the economic vitality of Oswego County's businesses, industries, and citizens, leading to an overall better quality of life.

Key to our mission is the creation and retention of job opportunities, diversification and strengthening of our economic base, and developing the local economy in a planned, organized and environmentally friendly atmosphere.



Operation Oswego County
*An Economic and Job Development Corporation
Serving Oswego County, NY*

44 West Bridge Street
Oswego, NY 13126
Phone: 315-343-1545
Fax: 315-343-1546
E-mail: ooc@oswegocounty.org
www.oswegocounty.org