

**Erie County Industrial Development Agency (ECIDA)  
Buffalo & Erie County Industrial Land Development Corp. (ILDC)  
Buffalo & Erie County Regional Development Corporation (RDC)**

***2020 Mission Statement and Performance Measurements***

***Approval Date: March 25, 2020***

**Purpose:**

The Public Authorities Law requires public authorities to develop and adopt a mission statement and to develop performance measures to assist them in determining how well they are carrying out their mission. The Authorities Budget Office (ABO) requires that all public authorities utilize the following format to annually review their mission statement and performance measures and publish a measurement report. This report is designed to satisfy these requirements.

Please note: The ECIDA's official annual report, which outlines detailed project information and accomplishments is called "Year in Review" and is posted on the ECIDA's website at <https://www.ecidany.com> under "About Us" then "Annual Reports".

**Mission Statement:**

The mission of the Erie County IDA and its affiliates is to provide the resources that encourage investment, innovation, workforce development and international trade resulting in a successful business climate focused on growth, economic stability, job creation and retention for businesses and individuals which improves the quality of life for the residents of the region.

## **Performance Goals, Measures & Results:**

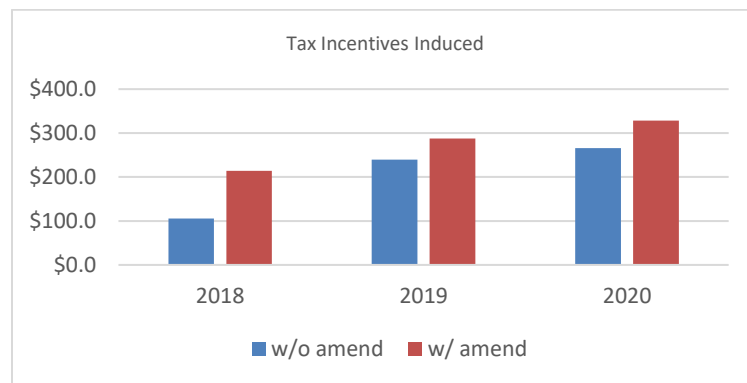
### ***Goal 1: To promote private investment and innovation:***

*Objective 1A:* ECIDA: Encourage private sector investment by providing incentives and other economic development services to spur eligible development projects.

Measurement: Value of new private investments from tax incentives.

Metric\*: \$250 - \$275 M in private investment from approved tax incentives.

2020 Results: The ECIDA approved 13 projects in 2020 (including 2 amendatory projects). The new private sector investment totaled \$265.5 M, rising to \$328.5 M when including amendatory projects.

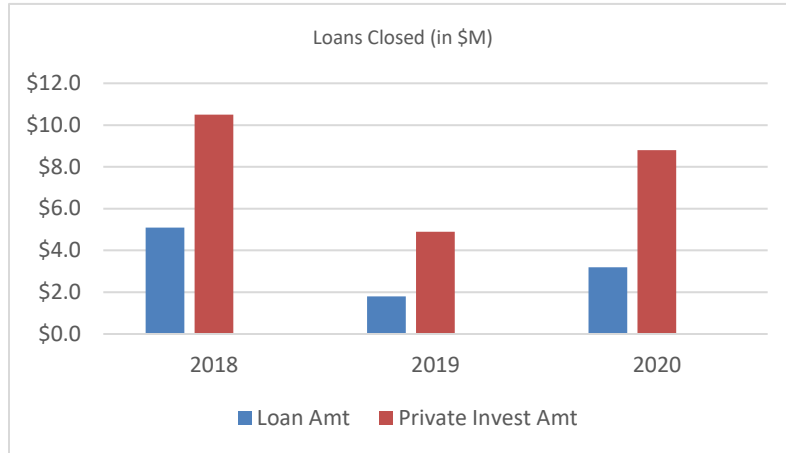


*Objective 1B:* RDC: Provide “gap financing” to spur the creation of new businesses and private-sector investment in working capital, machinery and equipment.

Measurement: Number of loans, \$ amount of loans and amount of private investment for loans approved.

Metric: \$3 M in new business loans with the private investment amount of \$6 M for a total of 6 loans approved.

2020 Results: In 2020, the RDC closed 7 loans totaling \$3.2 M leveraging \$8.8 M in private investment. Of the 7 loans approved, 2 were from our COVID disaster loan fund - a sub-portfolio of the RDC Revolving Loan Fund, and 2 were from the IMPACT loan fund – a new Revolving Loan Fund in 2020 funded through the CARES ACT. No Innovation loans were approved in 2020.



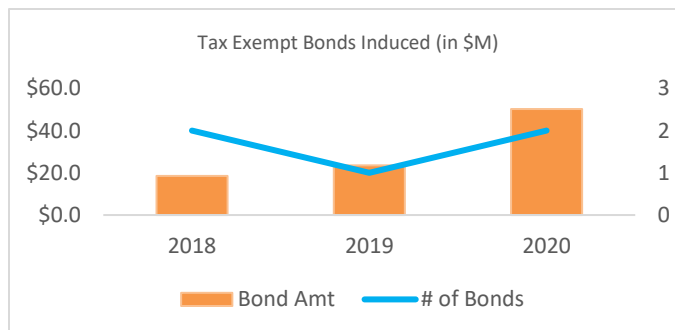
The ECIDA provides administrative support for the Erie County Microenterprise Loan program funded by Community Development Block Grant funds. This program fosters economic development by providing financing to micro businesses within the Erie County Consortium Communities whose owners have low to moderate household incomes. In 2020 ECIDA staff reviewed 11 loan applications, resulting in the approval of 4 microenterprise loans totaling \$140,000.

**Objective 1C: ECIDA & ILDC: Assist non-profit and other eligible borrowers to obtain low-interest, tax-exempt bond financing.**

**Measurement:** Value of private investments from low-interest financing provided to non-profit organizations.

**Metric\*:** 1 tax exempt bond totaling \$25 - \$35 M

**2020 Results:** Two tax-exempt bonds approved with private investment totaling \$50.2M: Related Affordable/Elmwood Sq \$15.8M & D'Youville \$34.4M (D'Youville bond included an additional taxable amount = \$13.8 M that is not included in the 2020 results for this objective)

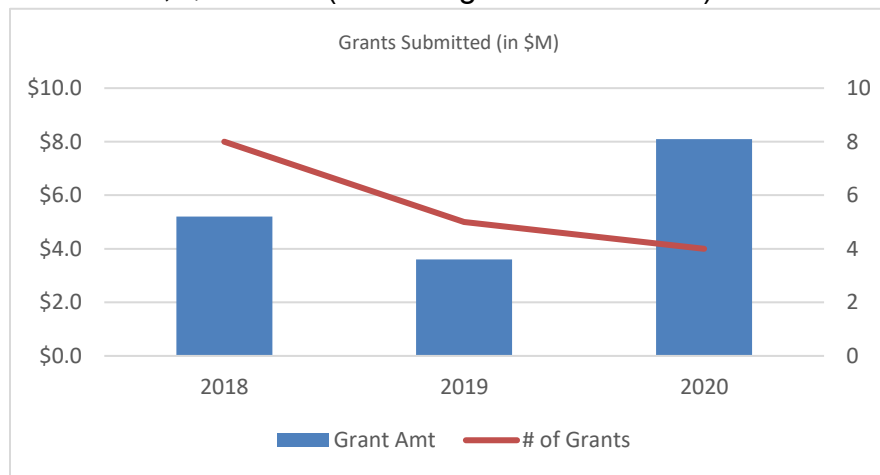


**Objective 1D:** ECIDA & ILDC: Pursue state, federal and private funding opportunities to support priority projects and leverage private investment.

**Measurement:** Number and \$ amount of grant applications submitted.

**Metric:** Five grants submitted for a total of \$3.2 - \$3.7 M

**2020 Results:** A total of 4 grants totaling \$8.166 M were submitted in 2020. Two grants totaling \$8.096 M were submitted on behalf of the ECIDA & ILDC, the remaining 2 grants totaling nearly \$ 70,000 were submitted on behalf of BUDC and the Village of North Collins. As of Jan '21, \$8.12 M (99% of grants submitted) were awarded.



Other grant activity in 2020 based upon NYS Senate Bill S8181A allowing IDAs to establish a grant program to assist businesses negatively impacted by the COVID 19 crisis. These grants reimburse small businesses and not-for-profits for the cost of acquiring personal protective equipment or installing fixtures to prevent the spread of COVID-19. The ECIDA Board allocated \$500,000 to establish the "ECIDA COVID 19 Disaster Emergency Grant Fund" program that was developed then launched by ECIDA staff in the 3<sup>rd</sup> Q of 2020. This program awarded grants totaling \$372,219 to 57 qualified businesses located in distressed areas or MWBE or veteran-owned businesses within Erie County.

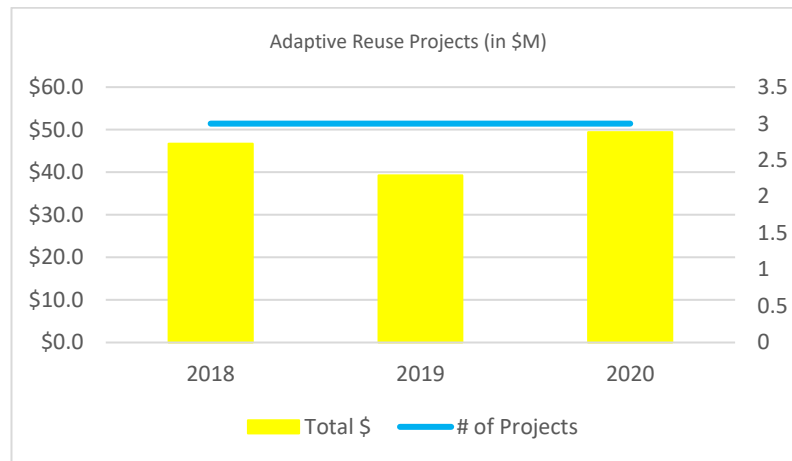
**Goal 2: To support business formation, job growth, and economic expansion targeting economically challenged and disadvantaged communities:**

**Objective 2A:** ECIDA & ILDC: Support the re-investment in vacant, abandoned and underutilized buildings.

**Measurement:** Number and investment value of adaptive re-use building projects.

**Metric:** Five to six projects approved totaling \$50M - \$60M in private investment.

**2020 Results:** In 2020, 3 adaptive reuse projects were approved totaling \$49.4 M in private investment.



**Objective 2B:** ECIDA & RDC: Support the creation and growth of small business and minority & women-owned businesses (MWBE).

**Measurement:** Number and \$ amount of MWBE business loans, MWBE business tax incentives and other MWBE support provided.

**Metric:** \$250,000 in loans and tax incentives to MWBE businesses. To encourage participation in these MWBE initiatives, an additional \$66,000 to provide direct support / assistance to MWBEs through sponsorships of community partner events (i.e. SBA, SCORE, WEDI) and funding of a technical assistance program (offered through a local CDFI or other partnership). Continue to provide other non-monetary forms of MWBE support (i.e. vendor selection, MWBE referrals to resources for certification, government contracting) that spur interest in and capacity for the \$250,000 in MWBE loans and tax incentives.

2020 Results: In 2020, the ECIDA provided minority and women owned enterprises with support totaling \$388,505 including:

- 1) RDC approved two MWBE loans totaling \$100,000
- 2) RDC staff presented 2 MWBE loans totaling \$70,000 to the County Microenterprise loan committee for approval,
- 3) Event sponsorships, programs and vendor selection in 2020 accounted for \$12,024 in support of MWBEs.
- 4) 31 MWBE Businesses were approved for COVID-19 Emergency Grants totaling \$206,481.

Objective 2C: ECIDA: Support the creation and retention of jobs at all salary levels.

Measurement: total # and average \$ of jobs to be retained & created overall and broken down for the following categories: management, professional, administrative, production, independent contractor and other.

Metric\*: Average salary for retained and created jobs at \$40,000 - \$45,000.

2020 Results: In 2020 the average salary for the 2,173 jobs retained and created through ECIDA tax incentive projects was \$60,003. The total payroll amount = \$144.4 M. The following is a breakdown of average salaries by category:

Management \$ 135,012

Professional: \$ 104,718

Administrative: \$ 55,756

Production: \$ 54,286

Independent Contractor: \$ 74,292

Other: \$ 32,677

Objective 2D: ECIDA, RDC & ILDC: Reach out to Erie County businesses to inform them of ECIDA and other business support services available.

Measurement: Number of sales contacts.

Metric\*: 425-450 sales contacts made\*

2020 Results: A total of 445 sales contacts were made in 2020 – mostly via one-on-one phone conversations vs onsite client visits. The number of attendees at ECIDA staff presentations is estimated to be 680+: zoom-based presentations included events hosted by: local chambers, SBA, NYSEDC, Biz First Forums, EAP classes. Also approximately 250 inbound inquires were received related to new business loan programs put in place in response to COVID 19.

Objective 2E: ILDC: Support reinvestment in vacant and abandoned brownfield properties for the purpose of creating shovel-ready sites, new investment, and jobs.

Measurement: Number of acres of land redeveloped / in the process of redevelopment and public/private investment amounts.

Metric: 180 acres

2020 Results: Over 406 acres under management. 2020 highlights include continued redevelopment of 150 acres at the former Bethlehem Steel site, continued negotiations with land owner for the acquisition of an additional 90 acres. Acquired 250 acres of the former Angola Airport site for the development of an Agri-Business park.

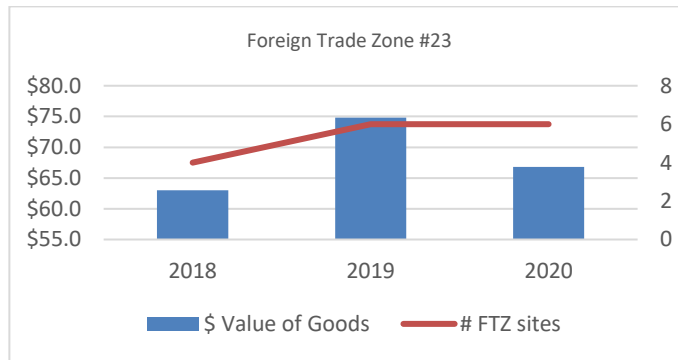
**Goal 3: To encourage international trade:**

**Objective 3A:** ECIDA: Promote & support the use of Erie County’s foreign trade zone (FTZ) to assist businesses in remaining globally competitive by reducing, eliminating or deferring import duties.

**Measurement:** Value of goods moving through FTZ #23 and # of FTZ activated sites.

**Metric:** A total of 7 FTZ sites with goods valued at \$85M moving through the zone.

**2020 Results:** \$66.8 M in goods moved through the FTZ in 2019 (1 yr reporting lag). The number of FTZ sites remained at 6 with 18 businesses utilizing the zone. The reduction in FTZ activity was primarily due to the uncertainty of foreign tariffs on goods as U.S. Global Trade Policies were being renegotiated with various foreign countries, including revisions made to the USMCA trade agreement.



(note: due to FTZ reporting lag – the prior year’s results will be listed)



**Goal 4: To safeguard the public's investment by ensuring compliance and transparency with ECIDA Policies & Procedures, NYS Tax, EDA and ABO requirements:**

Objective 4A: ECIDA: Client compliance with material terms including local labor, employment retention & creation, investment, pay equity and unpaid real property tax policies.

Measurement: Analysis of quarterly employment & local labor reports, review of investment verifications, completion of pay equity audits by Erie County office of EEO and real property tax payments through the Erie County Commissioner of Real Property Services.

Metric: 100% compliance

2020 Results:

- Quarterly employment report data: 100% collected for the 4<sup>th</sup> Q 2020
- Local labor: 100% compliance
- Investment verifications: on-going
- Pay equity audits: none performed in 2020
- Real Property Taxes: 100% compliance per communications with the Erie County Commissioner of Real Property Services

Objective 4B: ECIDA: Client compliance with the New York State Sales and Use Tax program

Measurement: Review of clients' ST-340 forms and the amount of the sales tax savings approved by the Board of Directors to ensure that the amount of the sales tax savings that clients report does not exceed the board approved amounts.

Metric: 100% client compliance

2020 Results:

- 100% ST-340 reports received from clients
- 97% (32 of 33) ST-340 reports are in compliance with sales tax amounts approved by the Board of Directors. On-going efforts continue regarding one report to confirm data/recover sales tax payment (if necessary).

Objective 4C: RDC: Ensure proper controls and safeguards over the administration of the revolving loan fund (RLF).

Measurement: Obtain the highest rating from the U.S. Dept of Commerce: Economic Development Administration (EDA) on the quality / health of the RLF administered by the RDC.

Metric: "A" rating from the EDA

2020 Results: For the year ended December 31, 2019, a Level B risk rating was assigned as 38 of a possible 45 points were earned. Areas contributing to this risk rating were the portfolio's cumulative loan write-off ratio (greater than 25%) and the RLF cash available for lending (more than 110% of the allowable cash percentage). Three loans totaling \$1.6 million were paid off early, in the fourth quarter of 2019. This made it difficult to re-lend those funds prior to December 31. As a result, semi-annual reporting is required. EDA has informed the Agency that certain risk metrics will be relaxed for the next two reporting years due to the COVID-19 pandemic. The Agency anticipates returning to a Level A risk rating as the available cash metric is estimated to be achieved based on over \$3 million in loans booked in 2020.

Objective 4D: ECIDA, RDC & ILDC: Compliance with ABO's deadlines and regulatory requirements.

Measurement: Timely and accurate filing of the annual PARIS reports, budget and financial audits.

Metric: 100% compliance

2020 Results: 100% compliance - ECIDA, RDC and ILDC files all required PARIS reports, financial audits and budgets within the prescribed timeframes in 2020.

Objective 4E: ECIDA, RDC & ILDC: Board Member compliance with ABO regulatory requirements.

Measurement: Board completion of the annual Board of Directors Self Evaluation, execution of the Acknowledgement of Fiduciary Duties & Responsibilities forms, and completion of the required ABO board member training.

Metric: 100% compliance

2020 Results:

- ECIDA, RDC & ILDC Board of Directors Self Evaluations were completed and reviewed by the Governance Committee.
- 100% Acknowledgement of Fiduciary Duties & Responsibilities forms completed.
- 100% of Board members received notifications throughout the year regarding PAAA training sessions
- 89% ECIDA / RDC Board members (17 of 19) and 71% ILDC Board members (5 of 7) have received the PAA required training.

## Governance Certification

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Board of Directors response: Yes

2. Who has the power to appoint the management of the public authority?

Board of Directors response: The Board of Directors

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

Board of Directors response: The Board has not adopted a written policy. However, the Board follows prudent and reasonable practices to appoint responsible individuals.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

Board of Directors response: The role of the Board regarding the implementation of the public authority's mission is to provide strategic guidance, oversight, mission authorization, policy setting and validation of the authority's mission, performance measurements and results. The role of management is to collaborate with the Board in strategy development and to implement established programs, processes, activities and policies to achieve the public authority's mission.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

Board of Directors response: Yes