



40
YEARS

2020
ANNUAL REPORT

FROM THE PRESIDENT & THE BOARD CHAIR



George Miner
President

REDEC has never been more involved and challenged in its 40 years of service to small business in Steuben, Schuyler and Chemung Counties and the Southern Tier. In April, REDEC entered into agreements with Steuben and Chemung County and their economic development agencies to administer emergency business relief loans in response to the COVID economic crisis. In September, REDEC was awarded a \$500,000 EDA CARES ACT grant to disburse funds to area businesses with 24 months to help retain and create jobs.

As I write this, I do not know when normal will return or what it will look like. The warm sunny weather, arguably unique for the Southern Tier helped drive business to wineries, breweries and related agritourism businesses, who were able to meet special distancing requirements, usually in spacious venues overlooking lakes, sometimes on the sidewalks and side roads of our villages and cities.

This report does not do justice to the positive impact REDEC has had on so many lives and small businesses in our community. Review the list of our funders, and of REDEC's Board of Directors. Contact anyone of us should you have a question about REDEC, have a referral, or a suggestion.

Best wishes for good health, safety, and prosperity in our future.

A handwritten signature in blue ink that reads "George E. Miner".

President



Chris Brewer
Board Chair

It is my great pleasure to continue to serve as the REDEC/RRC Board Chair for another year and we look forward to continuing to assist in the development of the Southern Tier communities.

2020 has been an incredibly unique year for everyone and REDEC/RRC has continued their tradition of finding new ways to service the needs of the regions many diverse businesses in challenging times.

On behalf of the Board and staff, we extend our thanks to our partners for their continued support of our efforts and look forward to another successful year serving our communities.

A handwritten signature in blue ink that reads "Christopher M. Brewer".

Board Chair

1980-2020:
40 Years of Supporting Our Business Community

NUMBER OF LOANS	534
REDEC FUNDS LOANED	\$24,779,890
AVERAGE LOAN AMOUNT	\$46,404
JOB IMPACT	4,041
LEVERAGED PRIVATE FUNDS	\$143,550,330
AVERAGE FUNDS LEVERAGED PER LOAN	\$268,820
AVERAGE JOB IMPACT PER LOAN	7.57

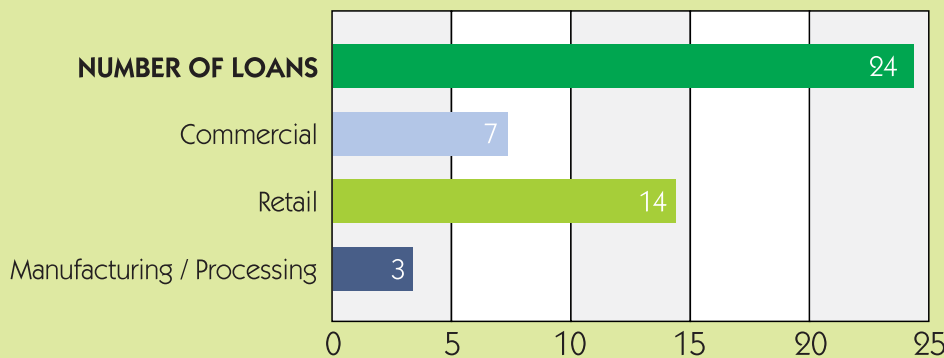
2020 LOAN PERFORMANCE

REDEC FUNDS LOANED
\$1,159,500

AVG PER LOAN
\$48,312

FUNDS LEVERAGED
\$5,470,000

AVG FUNDS LEVERAGED
\$227,917



JOBS CREATED
125
AVG JOB IMPACT
5.2





SUCCESS stories

DG ZINGER



REDEC loans provide gap funding for new and expanding businesses. More often than not, a REDEC loan is an important part of keeping a business enterprise and its jobs in a community. Succession planning is a key function of business support services provided by various institutions including REDEC, the Small Business Development Center and accounting and legal practices. Retention of business is a key element of a community's economic development plan.

David and Tiffany Zinger purchased the Vedder Scott Funeral Home in Montour Falls in 2014, retaining the community's important asset. The business was established in 1949. In 2019, REDEC was contacted by a local bank to help fill a financing gap that enabled the Zingers to acquire the assets and real estate of Haughey-Wood Funeral Home in Watkins Glen, and the Townsend-Wood Funeral Chapel in Penn Yan. Retaining the long-standing business and preserving jobs was a critical part of REDEC's participation. Keeping the funeral homes in the hands of local individuals versus a large business holding venture was important to the needs of the communities they serve as well. ■

FORGE CELLARS



Sitting at the top of Mathews Road in Burdett, overlooking Seneca Lake's famed "Banana Belt" sits one of the Finger Lakes' newest wineries, Forge Cellars. Established in 2011, by French winemaker and visionary, Louis Baruol, and partners, Richard Rainey and Justin Boyett (Hector Wine Company).

Forge specializes in "bone dry" Rieslings and cool climate Pinot Noir. Baruol is a 14th generation winemaker from the Southern Rhone Valley of France. His family-owned winery, Chateau de St. Cosme, was established in 1570.

REDEC got in touch with managing member Richard Rainey, who has considerable experience in the international wholesale distribution of wines and found Forge in the middle of a significant multistage expansion. Forge had just developed an estate vineyard adjacent to the winery. A new tasting venue, separate from the production facility, was under construction, and they were looking to expand the production and bottling capabilities. Financing had already been secured for the real estate developments. REDEC arrived in time to provide low cost financing through the agencies JDA Agriculture Fund to finance large stainless-steel blending tanks, and equipment to expand the bottling operations.

Forge plans to expand wine production from 12,000 cases of wine to 20,000 cases because of the expansion. Tastings are available by appointment. ■

FLATT ROCK WINE CELLARS



Flatt Rock Wine Cellars is a small farm winery owned and operated by Davis and Darla Flatt. The Flatts purchased 50+ acres of fields on a hillside overlooking Seneca Lake in the heart of the Bana Belt. In 2013 they planted their first vineyard and continued to expand it in 2017 and 2019. The winery specializes in dry reds, which is unique for the Finger Lakes region. Flatt Rock produced over 300 cases of Cabernet Sauvignon and red blends in 2019 with plans to expand production to 1,200 cases per year.

Flatt Rock Wine cellars is involved with "Experience the Finger Lakes," a premium wine tour experience that is rated one of the best in the nation. The winery provides an immersive behind the scenes experience of the winery operations with a fully curated, tasting experience.

In 2015 the Flatt's son was married at the winery in the vineyard overlooking Seneca Lake with rental tents providing the venue. It was that positive experience which influenced the Flatt's to create a permanent year-round facility to support similar events at the winery, while providing a highly attractive and visible location for the winery on NYS Route 414 in Hector. REDEC and STREDC funding supported the installation of septic systems to support restrooms and food operations, while constructing an enclosed heated venue that can support 100 visitors indoors and a connected outdoor pavilion that doubles the size of the venue. ■

RON'S SERVICE CENTER

Ron Drake has spent his entire career in the automotive repair industry. Ron managed a national chain of auto repair centers for the past two decades while operating a private repair shop out of his personal garage. His dream was always to own his own business -- his own shop.

This past summer, Ron's dream became a reality. REDEC partnered with a local bank to help with the acquisition of a vacant Goodyear Tire and Repair Center strategically located at 2164 College Avenue in Elmira Heights. Ron's auto repair reputation brings a lot of traffic to the business, while the location provides one of the highest traffic counts in the County.

The spacious property provides Ron with the ability to provide the essential business to service autos and affords a lot of opportunity to expand the business beyond auto repair. REDEC provided important funding to assist with the stocking of inventory (mufflers, brakes, filters, etc.) and purchasing repair equipment for wheel balancing, wheel alignments, and related repairs. ■





B&W TOWING - ADDISON



SENECA LAKE BREWING COMPANY - ROCK STREAM



CIDER CREEK HARD CIDER - CANISTEO



LAKESIDE RESORT - WATKINS GLEN



JR DILL WINERY - BURDETT



WINE & DESIGN - ELMIRA



SCP
Silicon Carbide Products

SILICON CARBIDE PRODUCTS - BIG FLATS



JOEL'S AUTO HAVEN - BATH



WATKINS LUMBER - WATKINS GLEN



PINNACLE RENTERS CENTER - CORNING



BARNSTORMER WINERY - ROCK STREAM



STEVENS PAINT STORE - CORNING



ZOOK LOGGING PARTNERSHIP - ADDISON



KS HOTS ENTERPRISES - ELMIRA



CUGINI CAFÉ - CORNING



CUSTOM CHIROPRACTIC - ELMIRA HEIGHTS



LITTLE BOOMERS' BURRITO BAR - CORNING



SLAVIN CONSTRUCTION - HORSEHEADS



THE BUTCHER'S SON



BARREL 6 DISTILLING

This past fall, REDEC teamed with the Small Business Development Center and the Steuben County IDA to support two separate business ventures that together meet a common goal.

Aaron Moultrup already owned a successful construction firm, Architectural Concrete Plus. In 2004, Aaron and wife Kerri purchased 100 acres in Campbell/Thurston, and built a home for their family. In 2010, they began raising Angus beef and kept expanding the farm. Today, Fieldstone Acres supports 500 head of grass-fed Angus beef on over 1,000 acres.

Cameron Mathews grew up in the family grocery business, King's Market in Savona. There, at 15 years old he was a butcher's apprentice. Over the subsequent 15 years Cameron graduated from the Institute of Culinary education in Manhattan, working in various kitchens and butcher shops.

Mathews and Moultrup teamed up to support Cameron's dream of owning his own butcher shop, while Aaron looked for a local outlet for his grass-fed finished beef. STREDC helped Filed Stone Acres Market Street, LLC fund the purchase of 147 Market Street, Corning, which had sat vacant for the past five years, while REDEC provided a JDA Agriculture loan to support the purchase of equipment and establish Butcher's Son. Butcher's Son will provide a local outlet for Fieldstone's 100% grass-fed Angus beef. The high-end butcher shop will provide lunch and dinner menus; hold workshops on smoking and preparing meats; and support other local farmers with a resource to market their beef, bison, poultry, and pork. Butcher's Son's philosophy is to stay connected to the customers and local farm suppliers to provide a true field to table experience and instill the importance of knowing where your food comes from. ■



REDEC utilized funds from the Economic Development Administration's (EDA) CARES ACT loan fund to support the start-up of a new distillery in Pulteney. The large 6,000 square foot distillery and venue overlooking the Bluff on Keuka Lake can support up to 125 visitors indoors and has 34 acres of grounds to support tourist and distillery enthusiasts to the region.

Kara Mackey-Dopman and partners, Joe and Rosemarie Sorrentino, all met several years ago at Alfred University. The Sorrentinos went on to become an attorney and a pharmacist, while Kara went on to become an attorney and environmental engineer. The Sorrentinos have been developing commercial properties in New York City for many years, while Mackey-Dopman recently obtained her master's degree in brewing and distilling from Heriot-Watt University in Edinburgh, Scotland. Together, the partners raised funds from investors, along with a real estate loan to purchase the real estate and construct the distillery venue, along with a 500-gallon copper still and a bottling line.

REDEC partnered with a local bank to provide working capital to purchase inventory and supplies, much of which will turn into bottled whiskey for sale in 2+ years, along with capital to start up operations that includes the hiring of 15 full time positions.

Barrelhouse 6 will carry a variety of New York Craft wines, beers, and distilled products from across the state, in addition to its owned distilled spirits. The distillery is looking for a December 2020 opening. ■

CRAFT FARM EXPANDS FROM A RESIDENCE TO A STOREFRONT

Since 2016, Allison Duncan has been making her line of natural soaps and beauty products in her own kitchen, then selling the Craft Farm products at farm markets, craft shows, and online. Craft Farm's business plan called for expansion to a commercial kitchen and, if possible, a retail storefront.

After a referral from REDEC partner Southern Tier Economic Growth (STEG), for a small business loan, staff learned that Craft Farm had identified a location in the City of Elmira that turned out to be part of a large initiative with the City. Chemung Crossing, at 228 South Main Street involved the restoration of two historic buildings and the new construction of six buildings that today houses 45 apartments, and 3,600 feet of Main Street storefront space. REDEC's loan, coupled with an Empire State Poverty Reduction Grant award, and owner equity, will develop a commercial unit for Craft Farm that includes a small batch commercial kitchen, retail storefront, as well as space to hold workshops for soap making and related group events. Craft Farm, has a home!

Allison plans on continuing to market her handcrafted farm/natural personal products at farm markets, craft fairs, and online. Given the current health concerns, curbside pickup and delivery is also available. ■



REDEC/RRC BOARD OF DIRECTORS & OFFICERS

OFFICERS

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Vice Chair

Scott Bloor, Small Business Development Center

Secretary

Jill Koski, Southern Tier Economic Growth (STEG)

Treasurer

Brian Warner, Visions Federal Credit Union

Immediate Past Chair

Dawn H. Burlew, Corning Enterprises

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Doug Hagin, EC Cooper, Inc.

James Johnson, Steuben County Industrial Development Agency (IDA)

Nancy Kirby, IncubatorWorks

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Judy McKinney Cherry, Schuyler County Partnership for Economic Development (SCOPED)

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Blaine Minor, Corning Credit Union

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Chelsea Robertson, Southern Tier Regional Planning & Development Board

Joseph Roman, Chemung County Industrial Development Agency/STEG

Arthur Sable, Community Bank N.A.

Valerie Slaght, Maple City Savings Bank

Mark Young, Steuben Trust Company

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Program Director

Melanie Degraw

Business and Office Manager

Carrie Hanes

REDEC/RRC LEGAL COUNSEL

Rossettie, Rosettie & Martino, LLP

Gabriel Rossettie

Ryan Snyder

THANK YOU

REDEC received financial support for its small business loan administration from:

US Small Business Administration (SBA)
Steuben County
Schuyler County
Southern Tier Economic Growth
Steuben County Industrial Development Agency
City of Hornell Industrial Development Agency
Chemung Canal Trust Company
Community Bank, N.A.
Corning Federal Credit Union
Corning Enterprises
Elmira Savings Bank
First Heritage Federal Credit Union
Five Star Bank
Maple City Savings Bank
M&T Bank
Steuben Trust Company
Tioga State Bank
Visions Federal Credit Union

WHO
WE ARE

REDEC loan funds are made available from:

NYS Empire State Development
NYS Job Development Authority
Appalachian Regional Commission
US Economic Development Administration
US Department of Agriculture
US Small Business Administration
Chemung County
Chemung County IDA
Steuben County
Steuben County IDA
Corning Enterprises

OUR MISSION

REDEC - Relending Corporation provides economic development lending capability for businesses in Chemung, Schuyler, and Steuben Counties, which fully responds to the needs of the region and the objectives of the corporation.

REDEC - Relending Corporation is a not-for-profit corporation which serves as a “gap financier” to provide financial and technical assistance to start-up and expanding businesses which will have a positive impact on employment and strengthen the economic base.

REDEC
Relending Corporation

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