



2022
ANNUAL REPORT

FROM THE PRESIDENT & THE BOARD CHAIR

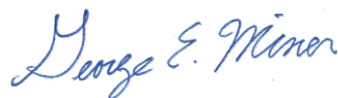


George Miner
President

REDEC was instrumental in retaining businesses in the region over the past year. New business start-ups always capture a news headline and are usually the most difficult to finance. Existing businesses have a financial track record that makes funding easier to pursue, yet rarely does the transition of ownership make any news splash.

REDEC issued its \$20 millionth dollar in loan funds supporting the transition of ownership at The Shoppes at Oldies But Goodies in Big Flats. The business supports more than 100 vendors. Succession planning is critical to businesses young and old, big and small. Selling a business isn't just a real estate transaction. It's complicated to put a price on a business' name. It's history. It's reputation. Too often, business owners wait too long to plan for succession. Then unplanned events, like illness, throw weak plans to the wind. REDEC's loans have helped many businesses with their transitions to new ownership. The successful transitions have a plan.

Loan activity slowed in 2022, primarily due to rising interest rates and economic uncertainty. I am pleased to say that REDEC's portfolio of 161 business loans remained strong, with all businesses remaining viable. The agency, as a result, is stronger today than it was 5 years ago, due to the success of our customers.



President



Brian Warner
Board Chair

It is my distinct pleasure to serve as the Board Chair of REDEC/RRC for this upcoming year.

Since 1980, REDEC/RRC has been an integral part of the Southern Tier assisting entrepreneurs in the realization their dreams of owning their own business or assisting established businesses to expand with financial and technical support. As an organization we are poised and excited to continue these efforts well into the future.

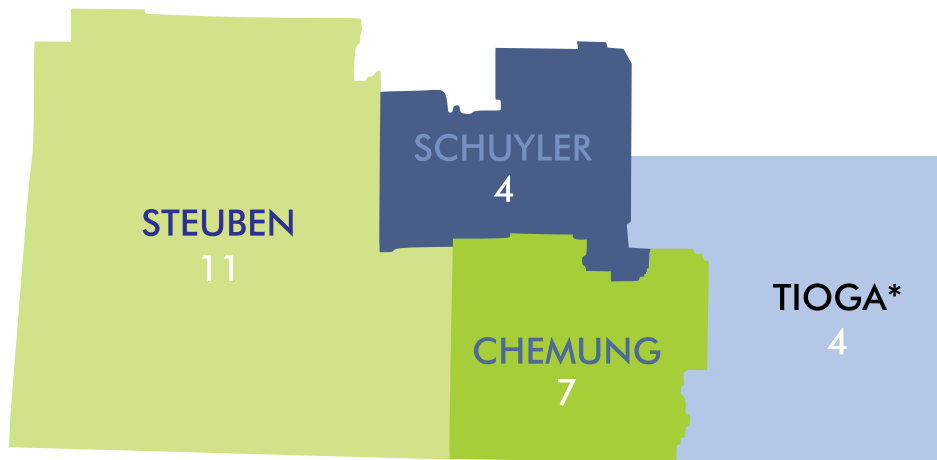
I am looking forward to the year ahead and serving as board chair of REDEC/RRC. I want to thank the staff and board members of REDEC/RRC who have worked diligently over the past years to deliver on our promise to support our local business community. On behalf of the REDEC/RRC team and our clients, I extend our gratitude to the many regional partners and collaborators that support the economic development of our region and the vibrancy of our shared community.



Board Chair

1980-2022:
42 Years of Supporting Our Business Community

NUMBER OF LOANS	26
REDEC LOAN FUNDS	\$346,550
LEVERAGED PRIVATE FUNDS	\$1,385,000
AVERAGE FUND LEVERAGED PER LOAN	\$13,329



LOANS BY COUNTY

*REDEC's SBA Micro Loan Program is available to businesses in Tioga County

1980-2022 LOANS by FUND

FUND	# of loans	Total REDEC Funds
SBA Micro Loans	167	\$2,192,238
ARC	168	\$8,379,865
EDA	111	\$4,155,173
USDA	112	\$4,893,107
JDA	6	\$497,500
Steuben RLF	19	\$298,000
Chemung RLF	5	\$47,625
TOTAL	588	\$20,463,508





SUCCESS stories

PANGEA GLOBAL TEAHOUSE



REDEC teamed with lending partner Corning Credit Union to assist Suzanne Mathews and Keith Hill, both long term residents of the Southern Tier and engineers with Corning, Inc., to achieve their long-term entrepreneurial goals. Both have an interest in preserving and renovating historic properties and Suzanne had a passion to start an artisan-style global themed restaurant.

They found the perfect building in which to do both: the former Watkins State Bank building on North Franklin Street in Watkins Glen. The neoclassical building with an Egyptian Revival façade was erected in 1927. It served as a bank until the 1950s, when it became offices and later, even a movie theatre until it was vacated.

The property was deemed a perfect location to house the Pangea Global Teahouse. Suzanne's passion for cooking, baking, and hosting parties can be felt in every room, and throughout its menu. While teas and food ingredients are sourced from around the world, they all are prepared at the Teahouse. They include exotic teas, bubble teas, scones, cucumber and herb cream cheese sandwiches, tea sandwiches and one of Suzanne's favorite deserts: blueberry buckle.

The property renovation included two upper floor apartments which are rented through Airbnb. The elegant building entrance includes many features original to the building, including marble floors, tin ceilings, wood work, antique copper windows, and even the vintage overnight deposit box and vault. ■



OLDIES BUT GOODIES



In the summer of 2021, REDEC was contacted by lending partner Corning Credit Union about financing the sale of the business known for decades as Oldies But Goodies in Big Flats, Chemung County. The project turned out to be not just another business loan. Instead, it would enable the succession of the business from founder Bill Mullen to his son Richard and store manager Debra Rickard.

For REDEC, it meant even more.

"We didn't realize it at the time but the modest loan of \$30,000 turned out to be the 20 millionth dollar of funds loaned to businesses in the four-county region," said George Miner, REDEC President. Miner noted that the loan marked the 482nd loan in 42 years.

Richard Mullen grew up in his father's business focusing on refinishing antique furniture. In 2019, Bill Mullen transformed Oldies But Goodies from an antique store to a facility supporting up to 150 vendors in 17,000 sq.ft. and re-branded it as The Shoppes at Oldies But Goodies.

The REDEC loan filled a funding gap and enabled Richard and Debra to acquire the property and business. Miner added, "Business retention is a very important initiative of any community's economic development efforts. In this case, the loan supported not just the two new owners but also the 100+ home goods vendors who are separate, self-employed artisans and businesspeople selling antiques, crafts, gifts, foods, and more. The property also remains home to R and R Refinishing, which provides antique furniture repair and refinishing services. ■

Fish Haven Farm has been providing freshwater fish to stock ponds, lakes, and streams since 1981. The 13-acre farm is located on Rt. 96 in Candor, NY. The business has been supplying Soil & Water Conservation Districts in New York and Pennsylvania for 49 years, and stocking private ponds and lakes as far south as Virginia.

In 2022, REDEC approved a loan to fund the purchase of the farm by its largest customer, Mid-Atlantic Stocking. The transaction retains Fish Haven Farm and strengthens Mid-Atlantic Stocking by securing a source for stocking fish. The fish farm raises large mouth bass, channel cats, perch, varieties of trout, minnows, and several other species. The business also sells a variety of aeration systems, food, and non-toxic chemicals to encourage a healthy ecosystem.

This project is an example of business retention and effective succession planning and the purchase protects both businesses. The 42-year-old fish hatchery will remain viable for the next generation.

Fish Haven Farm strives to reduce its environmental impact and promote green business practices. Natural waste is filtered out before returning to the ponds. Water is stored in a silo, using less energy to pump the high volumes of water needed to support the thousands of fish raised annually. Chemicals used and sold are non-toxic herbicides and pesticides, beneficial bacteria, and combinations of fish species are employed that work in conjunction with one another for a clean environment. ■

FISH HAVEN FARMS

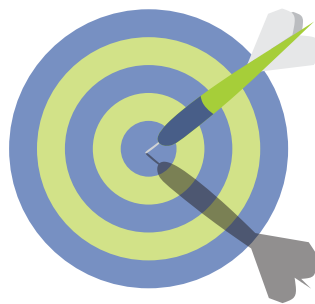


BIG JIM'S WICKED TEES



Big Jim's Wicked Tees Screen Printing and Embroidery is a fast growing printing company in Pine Valley, Chemung County. The business, started in 2019 by owner Chris Daugherty, required assistance to purchase its leased facility on Route 14 and make lease hold improvements to support the utility demands of the business.

REDEC provided gap financing, along with financing from lending partner Chemung Canal Trust Company, to acquire the leased facility and secure a long term home for Big Jim's Wicked Tees. The company provides a variety of printing services for national and regional businesses, and has found a niche designing and printing racing apparel for Outlaw Speedway in Dundee. It specializes in motor sports, with more than 100 racing teams utilizing Big Jim's for apparel needs and race car lettering. A substantial amount of business comes from fund raising opportunities in support of regional youth sports programs. ■



SUCCESS

stories



Topic Of Discussion

Be. You. No one else is better!



TOPIC OF DISCUSSION

Shaquan Bennett realized his dream of opening a clothing store in Hornell. He knew it was the right spot.

"From my experience, I know that location is key to a great retail business," Bennett explained. A 2018 graduate of Alfred State College, he worked his way through school managing sporting goods stores Olympia and Finish Line. His plan for the new venture is to draw customers from Alfred's two colleges as well as regional customers.

"There's a lot of New York City kids that go to school who have to go home to shop for trendy clothes," said Bennett. "I want to be a place where they can come and get what they are looking for locally."

The business was referred to REDEC by Hornell Partners for Growth, the city's Business Improvement District. REDEC provided an SBA micro loan to assist with purchasing a point-of-sale system, new signage for the store façade, and clothing inventory for the holiday season.

Topic of Discussion, located at 112 Main Street in Hornell, aims to be "the premiere source of quality, authentic clothing for all life stages."

As the shop's slogan instructs, "Be you. None one else is better." ■

MK DAIRY

MK Dairy has been a successful family-owned and operated dairy farm in the Southern Tier since 1940. The dairy is organic and is sold through Organic Valley Dairy Co-Op.

REDEC partnered with lending partners Citizens & Northern Bank and the Southern Tier Regional Economic Development Corporation ("STREDC") to provide financing that enabled Matthew and Katherine Kuhlman (MK) to sell the farm, cows, equipment and operations to daughter Madeline Poole and son-in-law Bruce Poole. Succession planning consultation was supported by funding from Cornell Pro-Dairy.

The \$1.1 million transaction included the acquisition of an additional 80 acres of pasture, bringing the farm to more than 415 acres, and the transition of the 82 year old dairy farm into its third generation of family ownership. ■



REDEC/RRC BOARD OF DIRECTORS & OFFICERS

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THANK YOU

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

Steuben County
Schuyler County
Chemung County
City of Hornell Industrial Development Agency
Steuben County Industrial Development Agency
Chemung County Industrial Development Agency

WHO WE ARE

REDEC loan funds are made available from:

Southern Tier Region Economic Development Corporation
NYS Empire State Development
NYS Job Development Authority
Appalachian Regional Commission
US Economic Development Administration
US Department of Agriculture
US Small Business Administration

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.

Cover photo by Becky Enders
Still Waters Photography



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