



2021
ANNUAL REPORT

FROM THE PRESIDENT & THE BOARD CHAIR

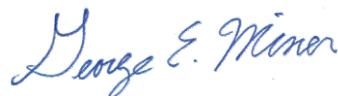


George Miner
President

2021 was an extremely challenging and rewarding year for REDEC. REDEC staff and board members worked tirelessly meeting the financial needs of small businesses in the region by helping them connect to federal and local emergency loan programs. The reward was that not a single REDEC customer was forced to close their doors due to the COVID pandemic. Often, REDEC assistance helped a business to adjust to social distancing regulations by expanding facilities, adding additional furnishing, and accessing emergency capital to keep employees hired. Some businesses were able to take advantage of economic opportunities caused by the pandemic.

REDEC remained financially strong through the year. REDEC was able to secure \$500,000 in new loan funds from the U.S. Department of Commerce via an allocation of federal C.A.R.E.S. Act funding. REDEC was able to pass along savings from the Small Business Administration who used C.A.R.E.S. Act funding to pay existing loan payments on behalf of REDEC borrowers for 6 months.

One of the region's most significant economic development leaders, Jim Griffin, retired after 48 years leading the Hornell Industrial Development Agency. Jim was a REDEC Board member from REDEC's inception, volunteering to support small business funding efforts for 40 years. Jim worked tirelessly at the State and Regional level to promote Hornell and the Southern Tier Region. His legacy can be witnessed daily as thousands of workers go to work daily at Alstom Transportation, St. James Hospital, and other area businesses.



President



Scott Bloor
Board Chair

It is indeed a pleasure to serve as the Board Chair of REDEC this year. Our goal continues to be to help small businesses in the Southern Tier to start, to grow, and to thrive as all of us continue to navigate the unclear waters of a pandemic. I am pleased to tell you that the organization is strong, financially healthy, and well managed.

It's always been interesting to me how people without an economic development background look at the world around them. Most people don't even take the time to wonder how a business got started, who came up with the idea, how they made it happen, or how they came up with the money to actually do it. REDEC is part of that economic development web to help take those ideas that someone came up with around their kitchen table and turn them into a reality. The truth of the matter is that it is incredibly rewarding to help these businesses start and expand. It's great to be able to stop into a store on Market Street, a brewery on Seneca Lake, or get your brakes replaced on the family chariot at a place that REDEC helped to make happen.

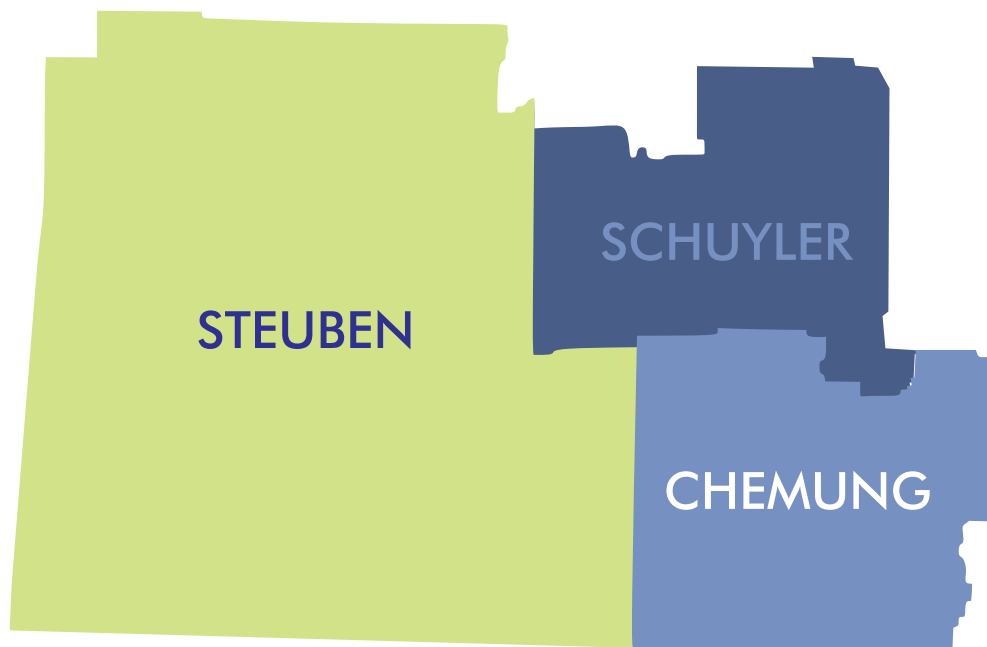
On behalf of the Board and staff, we want to thank all of our partners across the Southern Tier that are part of the economic development of this region. It is a combination of many different organizations and partners that allow us all to make our area a great place to live and enjoy. We are all looking forward to a great year. All the best!



Board Chair

1980-2021:
41 Years of Supporting Our Business Community

NUMBER OF LOANS	28
REDEC LOAN FUNDS	\$620,230
LEVERAGED PRIVATE FUNDS	\$946,400
AVERAGE FUND LEVERAGED PER LOAN	\$33,800





SUCCESS stories

TOWNER DEVELOPMENT, LLC



The historic Erwin Town Hall was built in the Village of Painted Post in 1921. The Town relocated its municipal offices to a newly constructed office building on Town Line Road in Gang Mills around 2010. Matthew Towner, a manufacturing manager at Corning, Incorporated has a vision to redevelop the vacant property into a new mixed use facility in which he would relocate his family from Campbell to a renovated 3rd floor apartment. Matthew's vision included the development of two efficiency suites and a studio apartment to be marketed for short-term rentals focusing on business travelers. Included in the redevelopment are commercial spaces to become home to a photography studio, as well as an afterschool education franchise focusing on Science, Technology, Engineering and Math (STEM) as well as other recreational uses for area youth. Towner will also locate a New Town Brickworks (Legos) retail store in the basement.

The \$1 million redevelopment project required a bank mortgage and considerable funding arranged by REDEC. The property is eligible for over \$350,000 in historic tax credits, but cash was needed to to redevelop the property first. Historic tax credits are realized over five years, requiring financing for the redevelopment while rents and tax credits are realized.



The 17,000 square foot property will comprise of five apartments and four commercial suites and includes a 50 car parking lot. The property is located across from the Village Square which is home to other REDEC customers: Lisa's Pet Place (see page 7) and The Bar fitness center. ■



OLDIES BUT GOODIES

Bill Mullen started Oldies But Goodies 30 years ago restoring and selling antique furniture at their 10 Carpenter Road location in Big Flats. The business ebbed and flowed like all small businesses over that time period, withstanding the emergence of strip malls, big box retail, and then online shopping.

Two years ago the business changed its model to continue to support the core antique restoration and sales, but also to invite as many as 150 vendors, artists and crafters into the expansive 17,000 square foot facility. Now Oldies But Goodies doesn't just support the Mullens family, but 150 additional people making and selling crafts, antiques, and related one of a kind items

REDEC assisted with the retention of Oldies But Goodies by helping to finance the transition to new ownership upon Bill's retirement. ■



Seneca Signature Scents is a retail and specialty shop located on Franklin Street in downtown Watkins Glen. The store carries private-labeled fragrances and specialty products, including locally made soy candles, soaps, and other products or they can create their own signature scent with essential or fragrance oils.

This store allows guests to create custom perfumes using essential and fragrant oils. Owner Stephanie Specchio works with guests to select their individual fragrances, and each newly crafted perfume comes with an ingredients card, so it can be duplicated if desired. Homemade fragrances, aromatic jewelry and other wares are also available. Stephanie and her husband, who also own a motel, opened the store in 2016. Stephanie has lived in the Finger Lakes region her whole life and has always been drawn to the tranquility of the water and the beauty of the sunsets. "The type of person who comes to the Finger Lakes is very special," she says. "We get some really nice, down-to-earth people; it's always interesting to get to know them." Visit www.senecasignaturescents.com

REDEC helped with financing of equipment to make more delicious roasted nuts to eat while strolling Franklin Street, and to help remodel the back room production and cooking area of the store. ■

SENECA SIGNATURE SCENTS





WHITT'S END

Too often the things that we take for granted aren't that simple. Jennifer Whitt, a registered nurse has been working in the health care industry for over 13 years. She has also worked as a lactation consultant and breast feeding counselor for several years.

REDEC worked with a local bank to help Jennifer begin to realize her goal of setting up her own lactation consulting business in a vacant commercial property being acquired on Water Street in the Town of Elmira, the former Milliken dental office. The facility will enable Jennifer to move her services out of her home and into a professional health care environment for consulting, infant weigh-ins, prenatal and post-delivery services.

The service is in high demand with very limited options in Twin Tiers region, and supports healthy babies, mothers and families. ■

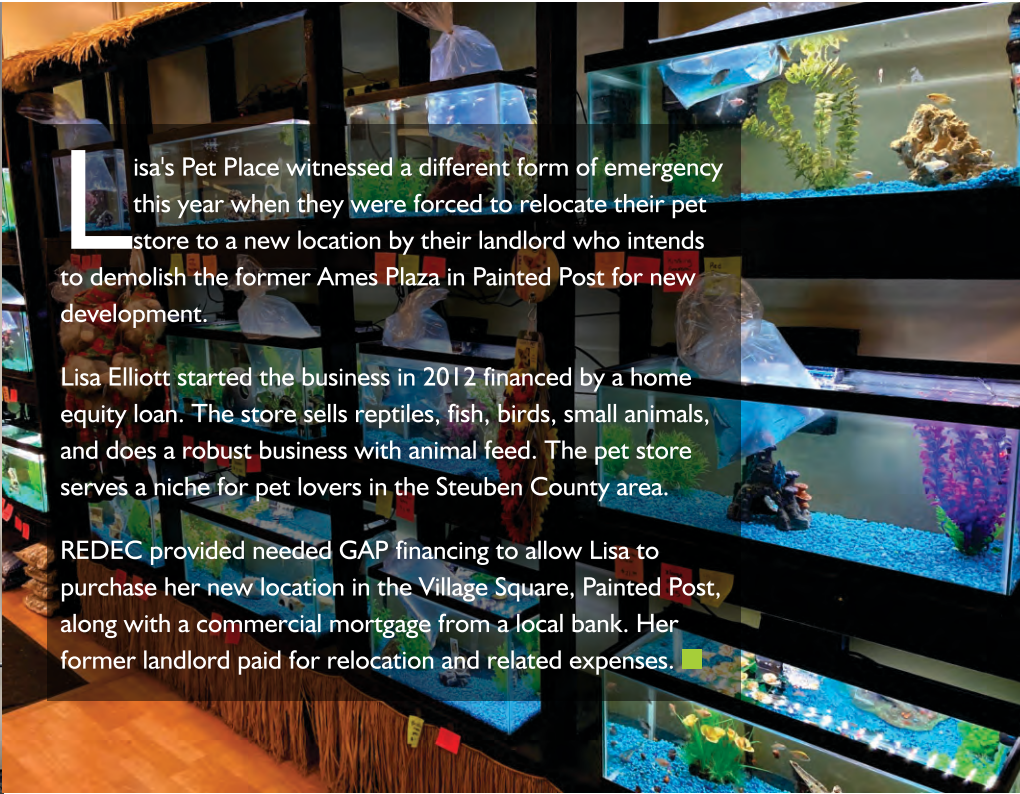
To facilitate the expansion of Alstom Transportation manufacturing facilities in Shawmut Industrial Park, the City of Hornell IDA needed to relocate water and sewer lines, and natural gas service on a 27 acre parcel, and bring in 21,800 cubic feet of new fill to allow for proper load bearings. REDEC orchestrated a \$698,000 Shovel Ready loan and grant from the Southern Tier Region Economic Development Corporation to assist with the infrastructure needs of the site.

The end result will be a new 135,000 square foot \$35 million rail car shell plant, currently under construction, the creation of 250+ new manufacturing jobs, and the retention of Alstom's current 800 person workforce. Additional funding supporting the expansion was secured through the federal Economic Development Administration, New York State's Empire State Development. ■



ALSTOM TRANSPORTATION





Lisa's Pet Place witnessed a different form of emergency this year when they were forced to relocate their pet store to a new location by their landlord who intends to demolish the former Ames Plaza in Painted Post for new development.

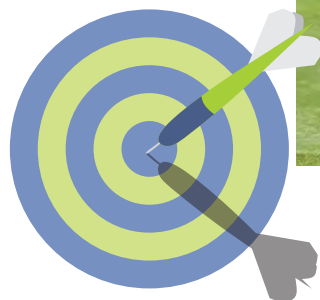
Lisa Elliott started the business in 2012 financed by a home equity loan. The store sells reptiles, fish, birds, small animals, and does a robust business with animal feed. The pet store serves a niche for pet lovers in the Steuben County area.

REDEC provided needed GAP financing to allow Lisa to purchase her new location in the Village Square, Painted Post, along with a commercial mortgage from a local bank. Her former landlord paid for relocation and related expenses. ■

ARROWHEAD CREEK

Arrowhead Creek Golf Course was built in 2002, using 48 acres overlooking Waneta Lake in the towns of Tyrone and Wayne in Schuyler and Steuben Counties. In 2016, a club house with restaurant was constructed along with an ice cream stand. In 2021, REDEC helped Regina Wagner acquire the business providing gap funding that will result in the retention of the business and creation of 7 new jobs.

Regina, 100% owner, has expanded the golf course's marketing initiatives to support leagues, tournaments and a new focus on youth programs. Ed Wagner constructed an expanded outside seating area to the club house and tournament level horseshoe pits, along with other upgrades to the grounds. ■



SUCCESS stories





RAILHEAD BREWING

REDEC contracted with Steuben County and Chemung County to administer Emergency Relief loan funds to assist businesses adapt to the COVID-19 epidemic. Many businesses had to alter how they delivered services to provide a safe environment for customers and employees. Over 20 loans were issued which helped businesses construct new entrances to their space, acquire personal protection equipment, reconfigure seating and expand outdoor seating when seasonable.

Established in 2014, Railhead Brewing is located on Park Avenue, Hornell, adjacent to the Alstom Transportation plant. The emergency Railhead faced was not a lack of business, but rather NYS mandates requiring social distancing, and the resulting move to customers doing order pickups for their local favorite craft beer and brick oven pizza. REDEC loans helped Railhead expand indoor and outdoor seating in response to NYS social distancing requirements, upgrade electrical service and add a walk-in-cooler to store larger and broader supplies of their beer. ■



THE WINE BARREL

Jason McCloud was looking for a career change after 12 years of social work, and the owner of the Wine Barrel, an existing furniture and décor business in Hammondsport was looking to retire. REDEC helped with financing the business acquisition.

The core of the Wine Barrel's business is the making of furniture and accessories from newly retired white oak wine barrels. Every part of the wine barrel is reused including the whole barrel itself, barrel halves, individual barrel staves, barrel hoops and barrel heads. Products include end tables, side tables, coffee tables, bistro tables, bars and stools, wine racks, Adirondack chairs, candelabras, food servers, lazy susans, sinks, kitchen islands, wine cellars, signs, headboards, coat racks, and firepits. The Wine Barrel also makes custom wood and metal pieces such as table bases, slab wood tabletops, and interior/exterior doors. The Wine Barrel sells furniture and accessories made from retired wine barrels and other wood and metal materials. Most items are stock items, but the business offers the ability to create custom pieces formed from ideas and/or pictures. Professional grade schematics can be created according to the customer's needs. Product installation is also provided when necessary and feasible.

Keuka Lake as well as the surrounding Finger Lakes Wine Country homes and cottages make up the bulk of the Wine Barrel's customers, but with Hammondsport serving as a tourism gateway to the region, Jason is busy shipping to customers across the US and Canada. ■



CARBIDE USA EXPANSION



Carbide USA was started in 2011 on Home Street in the City of Elmira by principals Amit Daga and Bill Walters. Both have extensive experience with tungsten carbide products, primarily cutting tools. The company's focus is in three main industries: carbide and tungsten recycling; centerless grinding; and carbide brazing.

In 2021, REDEC teamed with STEG to provide financing to help purchase two new CNC machines. Eight new jobs are being created to manufacture and sell cutting tools through Carbide's "FACTooling" business. Carbide exports to businesses in Mexico, USA, China, France, and Belgium. ■



How Would You Like Your Steak?

REDEC administered loans helped support the start-up of two new artisan butcher shops and the retention of a third over the past year.

The Golden Calf on South Main Street, Horseheads; the Butcher's Son on Market Street, Corning; and Cudlin's Meat Market, Cox Road, Newfield all received financial assistance from REDEC. Each provide access to consumers for locally sourced meats of the highest quality. Each businesses marketing program includes the question, "Do you know where your meat came from?" The key to these businesses is their connection to local farmers who pasture raise, antibiotic and hormone free animals including beef, pigs, poultry, lamb, even bison.

REDEC loans helped purchase walk in coolers, display cases, and redevelop vacant or underutilized real estate. ■



THE GOLDEN CALF



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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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