



Community Based. Job Focused.

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2010 ANNUAL REPORT

OVERVIEW

The commercial real estate industry in Western New York was pleased that the Erie-Niagara Region survived 2010 without any cataclysmic losses. Whereas other regions in the country fared poorly due to foreclosures, declines in market values and significant job losses, the Lockport and Western New York economic market came through 2010 in relatively good shape. General Motors Holdings Company and Delphi Technical Center began to focus on the future of the automotive industry rather than reflecting on what had been. Western New York welcomed Yahoo's Northeast Datacenter to the Lockport Industrial Park. With the conclusion of the five-year litigious proceedings against the construction of a Super Walmart, the Transit Road Business Corridor welcomed a number of strong retailers to Transit North. In addition, a number of new office tenants found South Lockport an attractive location for their enterprises.

TOWN OF LOCKPORT ECONOMIC DEVELOPMENT STRATEGY

The second year of the Town of Lockport's Economic Development Strategy was focused on fulfilling the following three-year objectives:

1. Provide a stable tax base for the Town of Lockport
 - a. Increase commercial and industrial real property tax base annually
 - b. Increase retail sales opportunities to provide a growing source of sales tax revenue
2. Increase employment
 - a. Assist in the formation of 300 new jobs
3. Increase business investment
 - a. Assist in the construction and expansion of at least \$3 million in new capital investment (buildings, machinery and equipment)

The Town of Lockport's Economic Development Strategy is premised on an aggressive marketing plan, which includes the following:

- print publications
- trade show promotion
- paid advertising
- site visits
- collaboration with local and regional realtors/developers
- collaboration with local and regional economic development agencies

2010 Marketing Strategy

Marketing efforts in 2010 were designed to take advantage of the high profile provided to the Town of Lockport due to the construction of the Yahoo Datacenter. Lockport gained significant national and regional prominence due to the Yahoo project. Marketing initiatives undertaken by the Town of Lockport Economic Development Department included:

- 3 print advertisements in “Economic Development Guide” sections of *Business First* plus a print ad in the Economic Development Section of the *2010 Book of Lists*
- Participation in “The House that Jack Built” regional economic development radio advertising program in Fall, 2010 and an interview on “On Target”
- TV appearances on “Focus on Niagara” and “Target Success”
- 62 personal-contact prospects and 15 prospects identified by Buffalo Niagara Enterprise
- Distribution of *Lockport Business Opportunities*, to 251 businesses and *Lockport Retail Outlook* to 339 targeted prospects
- 43 site visits to local industrial, retail and office locations (see attached list)
- Update of Lockport Industrial Park Brochure
- Update of Lockport Industrial Development Agency website
- Attendance at 5 functions of the WNY Chapter of the NYS Commercial Realtors Association
- Production of two “*IDA Client Newsletters*”
- Sponsorship of Second Annual Niagara Business Familiarization Tour

The Town of Lockport also worked collaboratively with the Niagara County Center for Economic Development on business retention and marketing initiatives, including participation in the Niagara County Economic Development Alliance. Collaborative efforts were also instrumental in the production by Lockport Community Television (LCTV) of the *Niagara Business Opportunities* DVD, promoting the Lockport Industrial Park among Niagara County’s premier business sites.

Targeted one-on-one meetings were also held with nine developers, two commercial realtors, two energy consultants and one insurance agent.

RETAIL DEVELOPMENT

The Town of Lockport was a displayer at the 2010 International Council of Shopping Center’s Global Retail Real Estate Convention in Las Vegas in May.

Meetings took place with the staffs of US Senators Schumer and Gillibrand, Congressman Lee as well as with State Senator George Mazarz and Assemblywoman Jane Corwin in pursuit of capital funding for implementation of the Transit North Site Improvement Program. The Town of Lockport unsuccessfully applied for a \$300,000 grant through the New York Main Street program for a Façade Improvement Program.

2010 Accomplishments

The Transit Road Business Corridor received its biggest injection of capital investment since the construction of Cornerstone Community Federal Credit Union in 2003. Almost \$3 million was committed to retail and office projects on Transit Road, resulting in the creation of 80 jobs (full time equivalent jobs) as detailed below.

Project	Address	Capital Investment	Jobs Created	Status
Basil Toyota	6157 S. Transit Rd	\$3,100,000*	15	Approved for 2011
Crawford Furniture	5724 S. Transit Rd.	n/a	6	Complete
Gift Box	5899 S. Transit Rd.	n/a	0	Complete
Hillman Auto	6348 Robinson Rd.	\$1,300,000	15	Complete
Jim's Steakout	5774 S. Transit Rd.	n/a	10	Complete
La Galera	5690 S. Transit Rd.	n/a	10	Complete
Metro Mattress	6263 S. Transit Rd.	\$375,000	4	Complete
Ontario Auto	6093 S. Transit Rd.	\$272,300	n/a	Complete
Pep Boys	5658 S. Transit Rd.	n/a	5	Complete
Safelite	6255 S. Transit Rd.	n/a	5	Complete
Sherl's Laundry	5905 S. Transit Rd.	n/a	n/a	Complete
Taco Bell	5802 S. Transit Rd.	\$650,000	10	Opening in 2011
Tomaino Storage	2339 Lkpt Olcott Rd	\$179,500	n/a	Complete
TOTAL		\$2,776,800	80	

* not included in 2010 Totals

Just as significant as the commitment of almost \$3 million in projects in 2010 was the removal of the final legal obstacle to construction of the 185,000 SF/\$8 million Walmart Supercenter at the intersection of Transit Road and Shimer Drive. Initiation of construction of this project is expected to result in the announcement of "shadow tenants" seeking to locate near the retail giant. Although most Lockport retailers survived another challenging year, the Lockport Midas Muffler and Lifetime Muffler locations went out of business, and the Lockport Hollywood Video outlet closed as part of the nationwide shut-down of the video rental chain.

OFFICE DEVELOPMENT

The Town of Lockport's office parks enjoyed new tenancy from a variety of enterprises, particularly health care providers. The South Lockport Medical Campus added two new buildings to its Snyder Drive location, and the renovation of the former McDonald's Restaurant on South Transit Road provided a premier location for Aspen Dental.

2010 Accomplishments

Town of Lockport office parks benefited from the demand for modern, accessible office space, as noted below.

Project	Address	Capital Investment	Jobs Created	Status
Aspen Dental	5770 S. Transit Rd.	\$318,000	n/a	Complete
Basetec	5858 Snyder Dr.	\$160,000	3	Complete
Pulmonary Group Of WNY	5842 Snyder Dr.	\$160,000	3	Complete
TOTAL		\$638,000	6	

INDUSTRIAL DEVELOPMENT

The successful completion of Phase I and the initiation of construction for Phase II of the Yahoo Lockport Datacenter dwarfed the significance of three other manufacturing success stories in the Town of Lockport during 2010. Yahoo officially began operation of its \$150 million datacenter in September, with an initial workforce of 75 network operations, facilities operations and site operations technicians. The project resulted in approximately 250 short-term construction jobs and stimulated hundreds of related jobs in supplying the Northeast Regional Datacenter for Yahoo.

2010 Accomplishments

In addition to the Yahoo Datacenter, the Town of Lockport enjoyed the following manufacturing successes.

Project	Address	Capital Investment	Jobs Created	Description
Bison Bag	5404 Crown Dr	\$27,500	n/a	Purchased 1.5 A Lockport Industrial Park for future expansion
Delta Pro	6747 Akron Rd	n/a	5	New start-up fabricator; leased former Franbilt facility
Introl Design	4883 IDA Park Dr	n/a	n/a	Announced plans to build 12,000 SF facility in Lockport Industrial Park

The Town's Economic Development Department continued its collaborative efforts with Buffalo Niagara Enterprise to identify resources to support research and development in the thermal technology field.

OTHER DEVELOPMENTS

- Economic Stewardship, Inc. issued its update of the Lockport Retail Trade Area; its gap analysis verified that in addition to ability to fill the 150,000 SF of existing retail space, there is a demand of over another 250,000 SF of new retail space in the Town of Lockport.
- Niagara University's Office of Institutional Advancement explored collaborative opportunities with the Town.
- The Economic Development Department prepared the \$111,700 application for Niagara River Greenway funds in support of the Lytle Nature Preserve Project.
- The Town of Lockport entered into discussions with the University at Buffalo's Center for Industrial Effectiveness to match the University's resources with the research and development needs of local manufacturers.

OVERALL PERFORMANCE

The table below displays data demonstrating the Town's overall performance during 2010 compared to one-year goals and three-year goals as presented in the Economic Development Strategy.

	2010 ECONOMIC DEVELOPMENT OVERALL PERFORMANCE		
Item	2010 Accomplishments	One Year Goal	Three Year Goal
Industrial Development	Bison Bag Delta Pro \$27,500 land sale	2 IDA projects and 2 Revolving Loan Projects resulting in at least \$1 million in new investment;	Increase industrial tax base annually
Office Development	Aspen Dental Basetec WNY Pulmonary Group 2 Section 485B projects	2 projects utilizing Section 485B incentives	Increase commercial tax base annually
Retail Development	13 new openings; 3 closings	Increase retail sales by 4%	Increase retail sales opportunities annually
Job Growth	91 new jobs were created in 2010	Create 100 new jobs	Assist in the formation of 300 new jobs
Overall Investment	\$3,414,800 in new investment took place in 2010	Generate \$1 million in new investment	Assist in the construction and expansion of \$3 million in new investment

Att. Site Visit Roster