TO THE COMMUNITY
ANNUAL REPORT 2017
A CREATIVE VISION TO BUILD OUR ECONOMY
TCAD
2017
ANNUAL REPORT TO THE COMMUNITY
TOMPKINS COUNTY AREA DEVELOPMENT
Chairman’s Message

In 2016, as in past years, TCAD worked tirelessly to fulfill the mission of the organization, dedicating itself to “building a thriving and sustainable economy that improves the quality of life in Tompkins County by fostering the growth of business and employment.”

This Annual Report highlights TCAD’s 2016 accomplishments achieved, and initiatives undertaken, to support this mission. During this past year, TCAD played a key role in 12 projects, the creation of 98 jobs, and $66.9 million in new investment. Several large projects in downtown Ithaca completed construction in 2016, while others began construction and should be completed in 2017. Still other projects are in the planning stages with work expected to begin in 2017. All of the work TCAD does to promote business growth and job creation in Tompkins County is possible because of the support of our investors, local government, and key partners and stakeholders. Our balanced revenue model allows us to devote valuable staff resources to fulfilling our mission. TCAD’s recent investment campaign, launched in 2014, established ambitious economic development goals. TCAD is well on the way to meeting or exceeding those goals. Please refer to the Workforce and Transform Tompkins page for more information.

The quality of TCAD’s work is a testament to the Board of Directors and staff. The TCAD Board of Directors includes representatives from all key sectors of the economy whose experience, insight, and knowledge enhance the services TCAD offers. TCAD’s accomplished, skilled, and well-respected staff is dedicated to providing information, guidance, and encouragement to new and existing businesses as they work to attain their goals, as well as to improving the quality of life for everyone in Tompkins County.

I want to thank and recognize the committed staff and Board of Directors of TCAD, as well as the many individuals who volunteer their time to advance the mission of TCAD. None of the 2016 accomplishments highlighted in this annual report would have been possible without them.

John B. Rudd
President & CEO, Cayuga Health System & Cayuga Medical Center

President’s Message

TCAD is best known for the services we deliver directly to our customers. From high risk loans for a new tech start-up’s first piece of equipment to incentive packages supporting an expansion at one of the community’s traditional manufacturers, TCAD has stimulated over $1 Billion in capital investment since we were founded in 1964 – an impressive accomplishment.

In addition to this important work are our efforts behind the scenes on the infrastructure supporting this job-creating investment. A continually evolving economy is straining the capacity of some of our systems at the same time external factors have made traditional solutions obsolete. With TCAD’s in-house planning capabilities, we often take the lead on developing creative solutions, or we participate with other community partners in a collaborative approach.

The most important of these infrastructure issues include:
- **Workforce** – The demand for entry-level employees has outpaced supply in our growing advanced manufacturing sector.
- **Energy** – Current and predicted growth in some areas of the County is straining NYSEG’s distribution system.
- **Air Service** – Airlines are using larger regional jets to fewer airports but have identified ours as one with growth potential. To meet the demands of increased customers and the facility requirements of the airlines, airport management is seeking funding for marketing and facility upgrades.

Our economy is one of few in Upstate New York with stable large employers and a vibrant entrepreneurial environment. Without continuous improvements to infrastructure, the community will not be able to take advantage of opportunities to create or retain good jobs for local residents.

Michael B. Stamm
President, Tompkins County Area Development
Founded by Chris Kirby in 2013, Ithaca Hummus is an unpasteurized, Lebanese-style hummus made with all natural, raw ingredients. In 2015, the company opened its own facility in Groton to increase production. The company has 10 employees and boasts a distribution network of over 200 retailers that include Wegmans and Whole Foods.

Revolving Loan **Fund**

Revolving Loan Funds are a popular economic development tool, delivering high risk capital to projects that cannot be entirely financed by conventional sources. The TCAD Loan Fund Program helps local entrepreneurs start new businesses and existing businesses expand.

Since its inception in 1989, the Loan Fund Program has delivered $3.1 million in loans to 68 companies that have created or retained over 1,100 jobs.

**Gimme Coffee** is an Ithaca based specialty coffee roaster and retailer established in 2000. Gimme’s corporate offices, bakery and roasting facility are located in Tompkins County. They source sustainably grown beans from around the globe. Gimme plans to increase wholesale business to the office and grocery segments and launch new product lines.

**Ithaca Hummus**

Founded by Chris Kirby in 2013, Ithaca Hummus is an unpasteurized, Lebanese-style hummus made with all natural, raw ingredients. In 2015, the company opened its own facility in Groton to increase production. The company has 10 employees and boasts a distribution network of over 200 retailers that include Wegmans and Whole Foods.

**PROJECTED NEW JOBS**

- **44**

**LOAN AMOUNT**

- **$150,000**

**CAPITAL INVESTMENT**

- **$200,000**

**RETAINED JOBS**

- **3**

**PROJECTED NEW JOBS**

- **5**

**LOAN AMOUNT**

- **$50,000**

**CAPITAL INVESTMENT**

- **$167,100**

**RETAINED JOBS**

- **84**
In 2016, the Tompkins County Industrial Development Agency (IDA) approved 4 projects that will retain 446 existing jobs, create 49 new jobs and stimulated $63,159,847 in private investment.

Therm, Incorporated
Therm is a third generation, family owned company. The company has occupied its facility since 1935. Therm specializes in custom machining for the aerospace industry. Major customers include GE and Honeywell. The company is currently building a new 20,000 square foot building at its existing campus located at 1000 Hudson Street Extension in the Town of Ithaca. The new building will relocate a unit of the company that has been operating out of the South Hill Business Campus for many years. Consolidating operations will reduce costs and improve company efficiencies.

INVESTMENT $2,500,000

<table>
<thead>
<tr>
<th>Company</th>
<th>Square Ft.</th>
<th>Retained Jobs</th>
<th>Projected New Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Therm, Incorporated</td>
<td>20,000</td>
<td>158</td>
<td>10</td>
</tr>
<tr>
<td>Simeon’s American Bistro</td>
<td>9,660</td>
<td>27</td>
<td>14</td>
</tr>
<tr>
<td>Cayuga Mine (Cargill)</td>
<td>n/a</td>
<td>183</td>
<td>4</td>
</tr>
<tr>
<td>Hotel Ithaca Phase II</td>
<td>30,000</td>
<td>78</td>
<td>21</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>59,660</strong></td>
<td><strong>446</strong></td>
<td><strong>49</strong></td>
</tr>
</tbody>
</table>
Cargill Deicing Technology
Cayuga Salt Mine

The Cayuga Salt Mine in Lansing has been in continuous operation since 1918 and produces approximately two million tons of rock salt per year. The mine employs over 200 people and will construct a new 2,500-foot shaft to provide fresh ventilation air and access closer to where mining is taking place, as well as reduce energy usage in the mine. The new shaft will extend the operations of the mine for 30 years.

INVESTMENT $45,000,000

Simeon’s American Bistro

Simeon’s is housed in a 135 year-old building on the corner of the Ithaca Commons and is a popular and iconic Ithaca restaurant. Simeon’s suffered extensive damage over a year ago following a tragic accident. Extensive rebuilding and renovations took place, including a new second floor dining area and larger kitchen. The renovations allowed Simeon’s to resume business with a beautifully updated and expanded space.

INVESTMENT $659,847

Hotel Ithaca Phase II

The centrally located downtown hotel demolished existing outdated facilities and is constructing a five story, ninety guest room tower with first and second floor connections to the existing hotel. The new facility also includes a pre-function area, break out meeting space, and fitness center.

INVESTMENT $15,000,000

INVESTMENT $65,000,000

"The knowledgeable and dedicated staff at TCAD provided support and guidance to Cargill as we navigated the local and State funding application processes. Their assistance was invaluable."

Shawn Wilczynski, Mine Manager, Cargill Deicing Technology – Cayuga Salt Mine

Simeon’s photos by Eleanore Kohorn
Carey Building
A community development project in the City of Ithaca’s downtown core, the Carey Building added five stories to their existing two-story building. The addition includes a second floor housing Rev: Ithaca Startup Works, along with twelve new market rate apartments.

Tompkins Trust Company
The Tompkins County Bank was founded in 1836 in Ithaca and has grown progressively over the years. Today the Tompkins Financial Corporation umbrella includes Tompkins Trust Company, Bank of Castile, Mahopac Bank, VIST Bank, Tompkins Insurance and Tompkins Financial Advisors. The company has 1,090 employees, of which 282 are headquartered in downtown Ithaca. The company is building a new $35 million headquarters building in the heart of downtown. The seven story, 110,000 square foot building at 118 E. Seneca Street will allow the Trust Company to improve service quality and promote a collaborative work environment between employee teams by consolidating existing downtown operations that are spread out between five existing locations. The Trust Company made a commitment to consolidate operations and stay downtown.

CBORD
The CBORD Group is a company founded in Ithaca 40 years ago and is wholly owned by Roper Technologies. In an effort to consolidate and retain 245 employees in one facility and to enhance the work environment, CBORD moved from two leased spaces in the Cornell Business & Technology Park to a 41,000 square foot space at the South Hill Business Campus. CBORD extensively renovated and provided new furnishings for the space, creating a dynamic and attractive working environment for its employees.

Mariott Hotel
The new flagship Marriott Hotel anchors the east end of the Ithaca Commons. The 10-story, 159-room hotel offers a full-service restaurant, bar and lounge, and 2,400 square feet of meeting and function space. With an estimated 42,500 room nights booked per year, and guests spending over $6 million on food and beverage and $4.3 million on retail and entertainment, the hotel will contribute to a growing, vibrant, and bustling downtown economy.
Local Labor Utilization Policy

TCAD created the TCAD Foundation in 2013 as a tool to extend the capacity and reach of economic development efforts in Tompkins County and the greater Finger Lakes region. In 2016 the TCAD Foundation was renamed Finger Lakes Regional Prosperity Network (FLRPnet). FLRPnet’s mission is: Working to improve the economic condition of the region, particularly of underserved and economically isolated people. Its vision is: Economic prosperity for the region. In 2016, FLRPnet produced a USDA-funded report, Needs Assessment and Strategy for a Food-Processing Business Incubation Program, that looks at how to support and accelerate the growth of the expanding food-processing sector in the Finger Lakes as these businesses face hurdles to commercialization and scaling up to larger markets. Based on the study results, and the engagement of 80 regional leaders during FLRPnet’s October Forum, FLRPnet is developing a food processing business incubation program in 2017.

Small Business Development Center

TCAD provides free office and conference room space to full-time technology business advisors from the SBDC at Binghamton University. These advisors complement TCAD’s own staff as well as REV, the incubator located in downtown Ithaca.

Business Park Feasibility Study

The IDA and Tompkins County Planning Department jointly funded a market analysis and site feasibility study for a new industrial park on airport-owned land in the Town of Lansing. The study was conducted with the assistance of Taitem Engineering, a local engineering firm.

Green Energy Incentives Project

Taitem Engineering prepared a review of existing conditions, potential energy standards, and a final recommendation for an IDA energy incentive program to promote energy saving and renewable energy measures for new buildings. The IDA and Tompkins County Planning Department jointly funded the study.

Local Labor Utilization Policy

The IDA adopted a local labor utilization policy that is aimed at gathering data and raising awareness about the benefits of using local labor.

Energy & Economic Development Task Force

In a joint effort with the Tompkins County Legislature, the Energy and Economic Development Task Force (EEDTF) engaged 16 community leaders to consider creative solutions to meet the energy needs of Tompkins County’s growing economy, while simultaneously supporting the County’s goal of reducing greenhouse gas emissions. The EEDTF released its final report with recommendations in June of 2016. Subsequently, local initiatives, work with NYSEG, and discussions with the State’s Public Service Commission are moving these recommendations forward. The newly formed Tompkins County Energy Task Force includes two representatives from TCAD and, in conjunction with other initiatives, will continue to advance the recommendations of the EEDTF and the County’s Energy Strategy.

Economic Development Collaborative

Taitem Engineering convened quarterly meetings of those involved in all aspects of local economic development. Participants share current activities, discuss economic development issues, and form work groups to engage in specific economic development activities. Topics range from town-gown relations and downtown development to transportation; from development incentives and labor market issues to County-wide water and sewer. Key topics in 2016 were developing workforce housing and assuring robust energy infrastructure while navigating the transition to a low carbon future.

Community Involvement

TCAD staff provides expertise and leadership in the community and beyond in many ways including participating on the following committees and boards:

- International Economic Development Council, Membership Committee
- Kendal at Ithaca, Vice Chair, Board of Trustees
- Municipal Electric and Gas Alliance, Chair, Board of Directors
- New York State Economic Development Council, Board of Directors
- NYSEG Community Advisory Committee
- Paleontological Research Institution, Advisory Board
- Sciencenter, Advisory Board
- Sciencenter, Board of Trustees
- Southern Tier Regional Economic Development Corporation, Vice Chair
- Southern Tier Regional Economic Development Council, Board and Executive Committee
- Tompkins County Affordable Housing, Oversight Committee
- Tompkins County Airport Service, Chair, Board of Directors
- Tompkins County Chamber of Commerce, Board of Directors
- Tompkins County Chamber of Commerce, Government & Community Affairs Committee
- Tompkins County Energy Task Force
- Tompkins County Planning, Advisory Board
- Tompkins County Public Library Foundation, Board of Trustees
- Tompkins County Strategic Tourism, Planning Board
- Tompkins County Workforce Development, Board of Directors
- United Way of Tompkins County, Board of Directors
In addition to managing local incentive programs, TCAD serves as a conduit to other local, regional, State and federal resources.

First launched in 2011, the State’s CFA program (Consolidated Funding Application) was a major change in how the State distributes economic development support to businesses, not-for-profit organizations, and local governments. Ten Regional Councils were formed with Tompkins County placed in the Southern Tier Region.

From the beginning, TCAD President Michael Stamm has been a member of the Regional Council as well as its Executive Committee. In that role, he advocates for local projects and the region in general. TCAD staff provides direct assistance to applicants interested in CFA funding, as well as to those applying for the new Upstate Revitalization Initiative (URI) program. Since the first CFA round in 2011, 71 Tompkins County projects have been awarded $34 million from various State agencies.

In the latest round (CFA Round #6), nine Tompkins County projects were awarded over $3 million. As described in the State’s CFA Award Booklet, the projects are:

- **Cargill**: $2,000,000 - Cargill Incorporated will install a new ventilation and access shaft equipped with a heavy duty mine elevator, change room facilities for the miners, electrical upgrades, and a small maintenance shop for equipment.
- **The Sciencecenter**: $150,000 - The Sciencecenter will use grant funds to replace and renovate nearly all the museum’s indoor and outdoor exhibitions, improving quality of life indicators and dramatically enhancing the region’s ability to attract workers and tourists to the region.
- **The Hangar Theatre**: $159,100 - Funds will be used to increase marketing and programming.
- **Tompkins County Solid Waste**: $355,000 - The Tompkins County Solid Waste Department will establish a centralized transfer station to accept food scraps at its existing Recycling and Solid Waste Center. Work will include modifications to the Center including demolition of an existing storage building and replacement with a 40-foot by 60-foot tipping pad designed to accept food waste.
- **Cornell University**: $250,000 - Funding will support the Southern Tier Startup Alliance, a regional organization led by Cornell. The Alliance operates region-wide via a network of incubators. The incubators serve as focal points for entrepreneurial communities and locations where mentors can deliver services to startups.
- **Ithaca Shakespeare Company**: $38,500 – An Executive Director will be hired to become the primary leader of the organization.
- **The History Center**: $28,500 – The Center will develop a heritage education center with exhibits, programs, and resources that celebrate the County’s rich history, heritage, and culture.
- **Kitchen Theatre Company**: $41,500 – An Executive Director will be hired to lead fund raising, donor solicitations, and stewardship.
- **Town of Ulysses**: $57,205 – 32 acres of wetlands, forest, and stream access will be purchased to preserve critical natural habitats. Other goals include flood prevention and water quality protection for Cayuga Lake. Recreational opportunities will be provided.

Since 2003, the Tourism Capital Grants program has awarded just over $2 million for 57 projects valued at over $12 million.
TCAD meets with local employers on a systematic basis so we are aware of job-creating expansion opportunities and issues impacting growth potential. When we see issues common to many employers, we often launch a program to deal with them. This was the case in the mid 1990s when employers expressed concern about the disorganized and inefficient workforce development system.

During that time, TCAD launched a working group dominated by employers and including the major training providers. Fortuitously, our efforts paralleled those at the federal level with the creation of the Workforce Investment Act and local Workforce Development Boards. Ultimately, Tompkins County was the first community in New York State to have the required, employer-driven Workforce Investment Board.

Our focus on workforce issues continues as we closely collaborate with the County’s Workforce Investment Board (now called the Workforce Development Board (WDB)). The WDB’s staff is, in fact, co-located with TCAD, and we make joint calls on businesses.

TCAD’s operating revenue is generated by fee-based income, investment from regional employers, and support of local government, particularly the County Legislature. In 2014, TCAD launched an employer investment campaign to raise operating capital to support 1/3rd of our budget for a five-year period through 2018. Ambitious economic development goals were established to support the campaign. To date, as the following chart illustrates, TCAD is well on its way to meeting or surpassing these goals.

<table>
<thead>
<tr>
<th>New Payroll</th>
<th>New Capital Investment</th>
<th>New Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>$45M</td>
<td>$450M</td>
<td>750</td>
</tr>
<tr>
<td>$35M</td>
<td>$233M</td>
<td>555</td>
</tr>
</tbody>
</table>

A critical collaboration between TCAD and WDB is our study of the training needs of advanced manufacturers in the region. Here is what we have accomplished so far:

- Visited nationally respected training program in Clifton Springs
- Acquired funding from local sources
- Hired consultants
- Surveyed advanced manufacturers in a three-county region
- Organized two meetings at Borg Warner with regional employers

The goal of this collaboration is an employer managed and funded training program that prepares entry level and incumbent workers to be productive in new advanced manufacturing settings.
TCAD is unique among economic development organizations in that its board of directors includes representation from every major sector in the community. The resulting diversity of perspective and experience provides valuable strategic guidance to our efforts to strengthen the economy.

Directors
Julie Baker
Co-founder & Data Platform Lead, Ursa Space Systems
Dr. Luvelle Brown
Superintendent, Ithaca City School District
James Brown
President, United Way of Tompkins County
Phyllis DeBarros
Deputy Director of Economic Development, City of Ithaca
Gregory Galvin
Chairman & CEO, Rhizome
Jerry Goodenough
Chief Operating Officer, Hoorst Power
Holly Hardie
Walden Ridge Dairy
Dr. Carl Haynes
President, Tompkins Cortland Community College
Janet Williams
VP Finance & Administration, Ithaca College
Michael Lane
Chair, Tompkins County Legislature

Laurie Linn
President, Community Design & Marketing
Joel Malina
VP University Relations, Cornell University
Joe Mancuso
Tompkins County Administrator
Edward Marx
Commissioner of Planning and Sustainability, Tompkins County Planning Department
Julia Mattick
Executive Director, Tompkins County Workforce Development Board
Ann Miller
Supervisor, Town of Enfield
Martha Robertson
Chair, Tompkins County Planning, Economic Development, Energy & Environmental Quality Committee
Tom Sczyszor
Executive Director, New Venture Advancement, Cornell University

View the 2016 financial statements, including a detailed breakdown of assets and liabilities, on our website.

Executive Committee
John Rudd, Chair
President & CEO, Cayuga Health System & Cayuga Medical Center
Larry Baum, Vice Chair
Founder, The Computing Center
Jeff Gorsky, Secretary/Treasurer
Partner, Sciarabba Walker & Co
Greg Hartz, Past Chair
President & CEO, Tompkins Trust Company
Mary George Opperman
VP Human Resources & Safety Services, Cornell University
Andrew Sciarabba
Managing Partner, South Hill Business Campus
Charles Trautman
Executive Director, The Sciencenter
Svante Myrick
Mayor, City of Ithaca

Steve Snyder
VP Global Manufacturing & Operations, BorgWarner Horse Tec
Michael Talarski
Business Manager, IBEW Local 241
Jennifer Tegan
Partner & VP Finance and Administration, Cayuga Venture Fund
Gary Winters
Tompkins County Economic Development Council Liaison

Thank you to our outgoing directors:
Gerald Hector
VP for Finance & Administration, Ithaca College

TCAD Staff

Statement of Financial Position

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 283,811</td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>$ 877,770</td>
</tr>
<tr>
<td>Temporary Investments</td>
<td>$ 303,662</td>
</tr>
<tr>
<td>Accounts receivable &amp; prepaid items</td>
<td>$ 22,321</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>$ 612,042</td>
</tr>
<tr>
<td>Loans and mortgages receivable</td>
<td>$ 1,109,561</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$ 3,209,167</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>LIABILITIES &amp; NET ASSETS</strong></th>
<th><strong>2016</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and equipment, at cost</td>
<td>$ 83,048</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>($ 73,254)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$ 3,218,961</strong></td>
</tr>
<tr>
<td>Accounts payable &amp; accrued expenses</td>
<td>$ 18,133</td>
</tr>
<tr>
<td>Revolving loan debt</td>
<td>$ 475,100</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$ 493,233</strong></td>
</tr>
<tr>
<td>Unrestricted operating</td>
<td>$ 600,640</td>
</tr>
<tr>
<td>Unrestricted revolving loan</td>
<td>$ 1,258,076</td>
</tr>
<tr>
<td>Temporarily restricted net assets</td>
<td>$ 867,012</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>$ 2,725,728</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$ 3,218,961</strong></td>
</tr>
</tbody>
</table>

Special Thanks to Andy Sciarabba

After 23 years, many serving as Treasurer, Andy Sciarabba stepped down from TCAD’s Board of Directors. During this long tenure of service, Andy worked tirelessly to ensure TCAD operated from a stable financial position. He also played a key role in the success of our revolving loan fund and was always available to provide pro-bono business planning and financial advice to TCAD’s customers. He will be missed.