50 YEARS OF
ACCELERATING INNOVATION

2014
ANNUAL REPORT
TO THE
COMMUNITY
1964 TCAD was founded

1978 Boyce Thompson Institute was completed on Cornell’s campus

1985 Michael Stamm was hired as new Executive Director

1986 TCAD purchases its first computer!
   The Business Retention program was created

1994 Cayuga Venture Fund was launched

1995 TCAD took over the administration for the Finger Lakes Entrepreneurs’ Forum (FLEF)

1997 TCAD took the lead in launching the Workforce Investment Board
   The Airport Service Task Force was established by TCAD

1999 TCAD released the County’s first Economic Development Strategy

2000 TCAD received the Outstanding Planning Project Award from Upstate New York Chapter of the American Planning Association

2005 New York State Economic Development Council recognized Michael Stamm as Economic Developer of the Year
   TCAD launched the Targeted Marketing Initiative with Cornell University, the IDA, NYSEG and Senators Seward, Nozzolio and Winner, valued at $150,000

2006 The Empire Zone Program, the State’s premier tax incentive program, was awarded to Tompkins County

2010 TCAD released the Countywide Inter-Municipal Water and Sewer Feasibility Study
   TCAD released the Tompkins County Workforce Investment Strategy jointly with the WIB

2011 TCAD relocated to the Gateway Center with the WIB
   TCAD joined colleagues in a 27 county region spanning the Southern Tier, Finger Lakes and Central New York to develop LaunchNY
All organizations go through periods of change that challenge the organization to reaffirm its mission and redefine how it will accomplish its objectives. In 2013, as traditional funding sources shifted following the recession, TCAD set out to create a balanced and sustainable revenue model, allowing TCAD to deliver economic development leadership for a five year planning horizon.

The revenue model called for TCAD’s budget to originate from approximately three equal sources; fees for services (administration of the IDA and TCDC), contract fees from the County and member investment. After securing an unprecedented five-year commitment from the County, TCAD engaged a consulting firm to assist with the investment campaign, entitled Transform Tompkins. As of this writing, the campaign is projected to exceed its goal, positioning TCAD to aggressively pursue an economic development plan for Tompkins County and the region.

In 2013, we lost a great public servant, Howard Hartnett. A former board chair of TCAD and volunteer of many other local organizations, Howard serves as a great example of the leadership that is critical to ensuring a bright and prosperous future for our community.

I want to thank the many people – staff, board, volunteers, and all those who often work below the radar, to advance the economic vitality of our great community. We are fortunate to have such a skilled staff and a board of directors comprised of great community leaders. The report that follows outlines some of the accomplishments that took place in 2013.

One of the most valuable outcomes of the investment campaign was the input provided by the members of the Technology Task Force, chaired by Greg Galvin. The Task Force was formed based on stakeholder feedback about the importance of TCAD’s participation in advancing technology commercialization, also known as tech transfer. Created to define TCAD’s role in this process, the Task Force provided a framework for their work plan over the coming years.

As of this writing, the campaign is projected to exceed its goal, positioning TCAD to aggressively pursue an economic development plan for Tompkins County and the region.
TCAD is convinced the best jobs come from local companies selling products or services to customers outside our region, often to the national or to international markets. Specific sectors include manufacturing (broadly defined), educational services (colleges and universities) and, in many cases, healthcare.

Our strategy and its supporting programs and initiatives have paid dividends to our stakeholders and to the community at large. From private sector investment in the City of Ithaca’s urban core to the expansion of light manufacturing in more rural areas, Tompkins County continues to be a bright spot in Upstate New York and the Northeast US.

Michael Stamm  TCAD President

From private sector investment in the City of Ithaca’s urban core to the expansion of light manufacturing in more rural areas, Tompkins County continues to be a bright spot in Upstate New York and the Northeast US.

TCAD assists educational services and healthcare by offering low interest rate financing on large capital projects. We also help by promoting basic community infrastructure, including water, sewer, and air service.

We are even more active with advanced manufacturers and high tech companies. TCAD’s work includes solving workforce issues and providing both technical and financial services. To meet the facility needs of growing companies, we partner with local real estate developers. We have specifically chosen not to own land or buildings because the private sector is much more effective in this area.

TCAD believes the future is even brighter. The foundation of our competitive advantage has always been technological innovation and a strong entrepreneurial environment. Cornell University’s recent success in attracting State funding to support technology-based startups adds to this foundation, as do new State programs.
TCAD REVOLVING LOAN FUND

Revolving loan funds are a popular economic development tool, delivering high risk capital to projects that cannot be financed by conventional sources.

The TCAD Loan Fund Program creates quality employment opportunities and strengthens the tax base by helping entrepreneurs start new businesses, helping existing businesses expand and attracting businesses to Tompkins County. Since 1989, TCAD has loaned $2 million to 57 companies that have created 900 jobs.
From the Ithaca Farmer’s Market to its retail space on Franklin Street, The Piggery is a value added; artisan meat process selling a line of premium pork products. Raising heritage breeds of pigs on their farm, they then turn their pastured pork into world-class charcuterie. The Piggery has found great success in growing their business in Tompkins County.

In 2013, The Piggery began the renovations to upgrade their Franklin Street retail space to a USDA inspected production facility, enabling them to enter the wholesale marketplace.

“Before meeting with TCAD, we were considering relocating our wholesale business to either Cortland or Syracuse. Working with TCAD reinforced our mission to grow jobs in our community and helped create a foundation to keep growing our business in Tompkins County.”

— Heather Sandford
Owner, The Piggery
TCIDA  Tompkins County Industrial Development Agency

TCAD provides management and administrative support to the IDA, one of our primary economic development incentive programs. The IDA has the authority to deliver a variety of tax incentives to major construction and renovation projects that will strengthen the tax base, and provide long term quality employment opportunities.

In 2012, the City of Ithaca and the IDA jointly revised its downtown density policy to promote density in the City core. The aim was to encourage rehabilitation and redevelopment of underutilized sites and to help create a vibrant and thriving downtown center. This paved the way for three projects in 2013 that will anchor downtown as a hub of vibrant activity. The projects will result in a projected $82 million investment in Tompkins County.

TCIDA Incentives
Since 1953, IDA incentives have resulted in the construction and renovation of over 5 million square feet of facilities and an investment approaching $800 million. More than 5,200 quality jobs have been created.

Harold’s Square
Harold’s Square is a $38 million multi story mixed use project on The Commons. The project will involve the demolition of three underutilized buildings and an historic renovation of the Sage Block building. The completed development will feature over 160,000 square feet of combined retail, office and residential space that will help revitalize downtown and attract businesses to Ithaca.

The IDA approved incentives for the following projects:
- Beechtree Center for Rehabilitation and Nursing
- DairyOne
- Harold’s Square
- Holiday Inn – to be Hotel Ithaca
- Marriott

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TOURISM CAPITAL GRANTS

TCAD administers the grant program for the County, which is capitalized by room occupancy taxes. Since 2003, the program has become increasingly competitive. In 2013 there were a total of nine applications. A total of $185,000 was awarded to eight projects valued at $1 million:

- Community School of Music and Art
- History Center: Ithaca Motion Picture Project
- History Center: Ithaca Aviation Heritage Foundation
- Museum of the Earth
- The Sciencenter
- State Theatre
- Stewart Park
- Hangar Theatre

TCAD also administered seven contracts for ongoing multi-year tourism awards.

TCAD FOUNDATION

The new TCAD Foundation received its 501(c)(3) designation from the IRS in 2013. The purpose of the Foundation is to preserve and develop a thriving economic, social and cultural climate in Tompkins County and the surrounding regions. Three areas have been identified for impact: entrepreneurship, rural wealth creation and workforce development.

The Foundation was awarded its first grant from the Park Foundation to support TCAD’s preliminary food sector study. The objective of the study is to identify ways economic development initiatives can grow the local food system while generating local value. The study will identify projects that may be worthy of in-depth feasibility study and investment to support new food ventures and improve their success.

TCDC Tompkins County Development Corporation

Similar to the TCIDA, TCAD provides management and administrative support to the TCDC, a local development corporation that provides not-for-profit employers with access to low-interest debt in the tax-exempt bond market.

In 2013, the TCDC issued $25 million in tax-exempt bonds to the Cayuga Medical Center for laboratory, maternity and surgical improvements and $40 million to the TC3 Foundation to refinance debt to its dormitories as well as funding renovations.
INVESTMENT CAMPAIGN & TRANSFORM TOMPKINS

Since our founding 50 years ago, TCAD was supported by a balanced revenue model, comprised of the Tompkins County Legislature, fee-based income and investment from local employers, each providing 1/3rd of our revenue requirements. In recent years, we recognized our over reliance on fee-based income would not be sustainable. The TCAD Board of Directors decided the organization needed to return to the more balanced model, which was the foundation for our success.

After a long and thoughtful discussion, the County Legislature voted unanimously to financially support the required 1/3rd of the model for a five-year period from 2014 through 2018.

TCAD’s review of current and projected deal flow resulted in a confident projection that fee-based income could cover another 1/3rd for the same five-year period.

With 2/3rds of our long-term revenues in place, TCAD hired a consultant to study the feasibility of raising the final 1/3rd. The results of the study were overwhelmingly positive, indicating an extraordinary level of confidence from community stakeholders in TCAD’s Board, staff, and vision. The campaign, entitled Transform Tompkins, was launched in February and, as this report goes to press, all indications point to success.

TCAD is continually looking for new opportunities to strengthen the local economy. With innovative initiatives we support the community by fostering the growth of businesses and creating quality jobs.

CAMPAIGN CO-CHAIRS:
Greg Hartz, President & CEO, Tompkins Trust Company
Greg Galvin, CEO & Chairman, Rheonix
Andrew Sciarabba, Managing Partner, South Hill Business Campus
Mary Opperman, VP for Human Resources & Safety Services, Cornell
In September 2013, TCAD formed a Technology Task Force based on stakeholder feedback about the importance of TCAD’s participation in cultivating an entrepreneurial ecosystem. The task force was chaired by Greg Galvin, CEO and Chairman of Rheonix, and provided recommendations to accelerate innovation and foster the local entrepreneurial ecosystem.

Members of the Technology Task Force Included:
- Lance Collins – Dean of Engineering, Cornell University
- Tony Eisenhut – President, Rheonix
- Heather Filiberto – Vice President and Director of Economic Development Services, TCAD
- Greg Galvin – CEO & Chairman, Rheonix
- John Jaquette – Retired, Entrepreneurship@Cornell
- David Patteson – President & CEO, Advion
- Tom Schryver – Executive Director of New Venture Advancement, Cornell University
- Zach Shulman – Director, Entrepreneurship@Cornell
- Michael Stamm – President, TCAD

Rheonix is committed to improving the standard of care by making molecular diagnostics available to more people, in more places, more often. Rheonix, through experienced leadership and creative vision, has developed the EncompassMDxTM platform, a highly customizable technology with unmatched versatility and affordability. The platform performs fully automated, complex molecular assays in an easy-to-use and economical format on the Rheonix CARD ® cartridge. With both the Rheonix CARD and EncompassMDx family of products, Rheonix is well positioned to penetrate key molecular diagnostic market sectors, from reference labs through point-of-care and everywhere in between.

“We cannot exist without continuous innovation in our products and how we manufacture them. New features, smaller sizes and lower costs drive our markets.” Greg Galvin, CEO & Chairman

www.rheonix.com

Entrepreneur of the Year

TCAD board member Greg Galvin was named Cornell Entrepreneur of the Year. The award is given to a Cornellian who exemplifies entrepreneurial achievement, community service and high ethical standards.
Supporting the Entrepreneurial Ecosystem

Finger Lakes Entrepreneurs’ Forum (FLEF)
TCAD continues to provide management support for FLEF, which has provided a forum for local high tech companies to network. FLEF held eight events in 2013. Highlights included:

- A presentation on changes in the U.S. patent law and protecting intellectual property by Harris Beach
- A barbeque at Cornell University to highlight the startup community.
- A presentation at Langmuir Labs by Gerald Gaube, the new Technology Business Advisor from the Small Business Development Center (SBDC).

Ithaca Venture Community Tech Meet Ups
The Ithaca Venture Community (IVC), was founded by local entrepreneurs to serve a niche group of local tech startup groups and entrepreneurs. IVC hosts quarterly Ithaca Tech Meet Ups to showcase the companies in Ithaca.

TCAD has been a sponsor of the Ithaca Tech Meetups, which have brought together members of the startup, student and professional communities to build a stronger foundation for the local entrepreneurial ecosystem.

Tompkins County Development Corporation
TCDC has issued over $40 million in tax-exempt bonds to such notable institutions as Ithaca College, Cayuga Medical Center and the Franziska Racker Center

The Empire Zone
The Empire Zone assisted 47 businesses invest over $80 million and create 229 quality jobs. The program also provided capital credits to seven not-for-profit projects, leveraging more than $25 million from 371 donors.

TCAD Incentives
In 2006, TCAD delivered local incentives to Incodema for equipment and expansion, valued at over $1 million. Today, Incodema employs 58 employees.
Party Headphones, if one of the fastest growing startups in Ithaca. Founded in June 2012, and a graduate of Cornell University’s eLab incubator, Party Headphones has worked with numerous Fortune 500 companies and has been featured by the Boston Globe, CBS News and Wakefield Media.

At Party Headphones, they believe the world needs more fun, more excitement – more often. To make this possible, they offer premier audio technology to help better connect people with their listening experience. Their multi-channel RF wireless headphone systems allow users to plug any audio source into a transmitter, which then broadcasts to all headphones within 300 feet.

“We believe sound can enable the development of meaningful relationships with the people around us. We are redefining the shared listening experience.”

— Matt Reiners, Head of Customer Excitement, Party Headphones

“With the help of TCAD we’ve been able to expand our presence and launch our ecommerce strategy. We are excited about our growth and will continue to utilize our technology to expand into other markets.”

— Jacob Reisch, CEO, Party Headphones
### ADDITIONAL NEWS ITEMS

**Town Gown (TOGO) Award**
Cornell University recognized TCAD for our collaborative work with the University in promoting economic development, ranging from bringing the Boyce Thompson Institute for Plant Research to campus to, more recently, bringing early stage financing to Cornell-related startups.

**TCAD News Flash**
TCAD publishes monthly news flashes to community members, investors and stakeholders. The News Flash reaches over 700 readers.

**Real People. Real Jobs.**
In 2013, TCAD produced eleven shows for the Real People, Real Jobs: Conversations About Economic Development radio program. This can be heard the first Wednesday of the month at 8:40AM on the Cayuga Radio Group’s WHCU 870AM or on TCAD’s media page. Shows discuss economic development policies and programs, describe new business, analyze employment data and showcase how these economic development activities create good jobs for our community.

**ReBusiness Challenge**
TCAD participated in the Tompkins County Chamber of Commerce’s ReBusiness Challenge. In conjunction with Tompkins County Solid Waste, the business community was challenged to commit to the 4R’s of business sustainability: Reduce, Reuse, Recycle and Rebuy.

TCAD diverted 40% of our waste in 2013 from the landfill!
Grainful, an Ithaca food start up, produces a line of all-natural, frozen entrees centered around steel cut oats. Grainful is committed to bringing the wholesome goodness of steel cut oats and clean natural ingredients to lunch and dinner. Heart healthy steel cut oats are the perfect grain and great in every meal! Pairing the grain with flavors from around the world, Grainful aims to create a brand-new category in the frozen food section in Ithaca and beyond.

Grainful has been slotted by two major distributors and are expected to be in 100+ retail locations by June 2014. By serving a large number of locations, it will enable them to better understand the pull through rates and assist in refining their marketing and retailer support strategies. In the fall of 2014, Grainful expects to continue adding additional retailers to extensively penetrate the Northeast and Mid Atlantic markets. By the end of 2014, Jan Pajerski, CEO & Founder, hopes to find their entrees in up to 500 retail locations.

“It has been a pleasure to work with TCAD. Heather and her team understand the hurdles we face as a small business and, most importantly, go above and beyond to give us access to the resources that enable us to overcome these hurdles and grow.”

– Jan Pajerski, President, Grainful
## TCAD Balance Sheet

### Assets 2013

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$72,972</td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>$741,426</td>
</tr>
<tr>
<td>Temporary Investments</td>
<td>$94,991</td>
</tr>
<tr>
<td>Accounts receivable &amp; prepaid items</td>
<td>$4,334</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>$1,182,529</td>
</tr>
<tr>
<td>Loans and mortgages receivable</td>
<td>$699,535</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$2,834,787</strong></td>
</tr>
<tr>
<td>Property and equipment, at cost</td>
<td>$73,476</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>$(57,834)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$2,850,429</strong></td>
</tr>
</tbody>
</table>

### Liabilities & Net Assets 2013

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable &amp; accrued expenses</td>
<td>$4,892</td>
</tr>
<tr>
<td>Deferred membership income</td>
<td>$–</td>
</tr>
<tr>
<td>Loans Payable</td>
<td>$160,100</td>
</tr>
<tr>
<td>Revolving loan debt</td>
<td>$10,163</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$175,155</strong></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$1,426,159</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>$1,249,115</td>
</tr>
<tr>
<td>Revolving loan - temporarily restricted</td>
<td>$–</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>$2,675,274</strong></td>
</tr>
</tbody>
</table>

**Total liabilities and net assets**  
$2,850,429
**ECONOMIC DEVELOPMENT LEADERSHIP**

**Southern Tier Regional Economic Development Council** - Michael Stamm is on the Council and Executive Committee for the Southern Tier Regional Economic Development Council. Within his role, he advocates for local projects. TCAD assisted several applicants through the Consolidated Funding Application this year including:
- Cornell University: Ithaca Downtown Incubator
- Cornell University, Binghamton University, Corning Incorporated: Innovation Hot Spot
- TC3 Foundation: Farm to Bistro Project

**Air Services Board** – Michael Stamm chairs the Air Services Board. They developed a long range strategic plan and implemented primary recommendations.

**Regional Agenda of Economic Opportunity** – TCAD participated in a twelve county regional planning process driven by Centerstate CEO and Brookings Institute. TCAD collaborated with Cornell University to co-host the regional roll out of the Metro Business Plan, which has a key goal of strengthening the regional ecosystem for startup tech businesses and innovation.

**StartUp NY** – Formally launched in October 2013, Governor Cuomo’s StartUp NY Program will leverage higher education resources to create tax free zones that will attract and grow new businesses across the State.

TCAD provided strategic input to the State on the draft regulations for the StartUp NY Program. TCAD also hosted a regional stakeholder meeting in Ithaca with the three key State officials overseeing the program for local developers and higher education institutions to better understand the regulations. TCAD will provide local leadership, collaborating with the community and higher education institutions as they implement their plans for the program.

**Economic Development Collaborative** – TCAD convenes quarterly meetings of local stakeholders involved in development called the Economic Development Collaborative. Participants share current activities, discuss economic development issues and form work groups to engage in specific activities.
INVESTORS

Platinum

BorgWarner
Cornell University
ITHACA COLLEGE
SOUTH HILL BUSINESS CAMPUS

Gold:
Bond Schoeneck & King
Cayuga Medical Center
Chemung Canal Trust Company
Cornell Business and Technology Park
Corning Incorporated
Ithaca B&T Associates
M&T Bank
Welliver

Silver:
Barney, Grossman, Dubow, Marcus & Orkin
Cayuga Venture Fund
CBORD Group
Computing Center
Cornell Research Foundation
Cortland Produce
First National Bank of Groton
Global Phoenix Computer Technology Solutions
Harris Beach
HOLT Architects
Integrated Acquisition & Development
International Food Network
Ithaca Tompkins Regional Airport
Kendal at Ithaca
Longview
Miller Mayer
Sciarabba Walker
Security Mutual Insurance
Tomkins Cortland Community College
Tomkins Insurance Agencies
Vanguard Printing
Walnut Ridge Dairy
Warren Real Estate
Wegmans

Bronze:
Advion
All-Mode Communications
Alternatives Federal Credit Union
AM&T
BinOptis
C&D Assembly
Child Development Council of CNY
Communiqué Design
Concept Systems
Databound Solutions
Franziska Racker Center
Geoff Wright
International Education Exchange Services
Iron Design
Ithaca Journal
Maguire Automotive
MPL
Northwestern Mutual
Novasterilis
NYSEG
Primet Precision Materials
Referral Institute of Ithaca
Regional Access
Rent-a-CFO
Schickel Construction
Sciencenter
T.G. Miller
Transonic Systems
Triad Foundation
True Insurance
BOARD OF DIRECTORS / STAFF

EXECUTIVE COMMITTEE
Greg Hartz, Chair – President & CEO, Tompkins Trust Company
Andrew Sciarabba, Secretary/ Treasurer – Managing Partner, South Hill Business Campus
John Rudd, Vice Chair – President & CEO, Cayuga Medical Center
Charles Trautmann, Past Chair – Executive Director, Sciencenter
Mary Opperman – VP Human Resources & Safety Services, Cornell University

DIRECTORS
Donald Barber – Supervisor, Town of Caroline
Larry Baum – President, The Computing Center
James Brown – Executive Director, United Way of Tompkins County
Dr. Luvelle Brown – Superintendent, Ithaca City School District
Will Burbank – Chair, Tompkins County Economic Development Committee
Phyllisa DeSarno – Deputy Director of Economic Development, City of Ithaca
Gregory Galvin – Chairman & CEO, Rheonix
Jerry Goodenough – Chief Operating Officer, Upstate NY Power Producers
Jeff Gorksy – Partner, Sciarabba Walker & Co.
Holly Hardie – Walnut Ridge Dairy
Dr. Carl Haynes – President, Tompkins Cortland Community College
Michael Lane – Chair, Tompkins County Legislature

Laurie Linn – President, Communiqué Design & Marketing, Inc.
Tom LiVigne – Director, Cornell University Real Estate
Joe Mareane – Tompkins County Administrator
Edward Marx – Commissioner of Planning, Tompkins County Planning Department
Julia Mattick – Executive Director, Tompkins County Workforce Investment Board
Jean McPheeters – President, Tompkins County Chamber of Commerce
Svante Myrick – Mayor, City of Ithaca
Peter Parkes – Owner, Benjamin Peters
Laura Cima Salter – Economic Development Manager, CTEC Cornell University
Carl Sgreccii – Retired, Ithaca College
Steve Snyder – VP Global Manufacturing & NA Operation, BorgWarner
Tom Schryver – Executive Director of New Venture Advancement, Cornell University
Gary Stewart – Director of Community Relations, Cornell University
Michael Talarski – Business Manager, IBEW Local 241
Jennifer Tegan – Partner & VP Finance/Administration, Cayuga Venture Fund
Gary Woloszyn – Manager, Wegmans

Tony Eisenhut – Managing Director, KensaGroup
Stephen Johnson – Senior Advisor to the President, Cornell University
Mary Kane – President & CEO, Concept Systems

TCAD STAFF
Michael Stamm, President
Martha Armstrong, Vice President and Director of Economic Development Planning
Heather Filiberto, Vice President and Director of Economic Development Services
Phu-Christine Lam, Assistant Director of Economic Development Services
Ina Arthur – Office Manager

THANK YOU to all of our outgoing directors:
Martha Robertson – Tompkins County Legislature
Herman Sieverding – VP of Real Estate Development, Integrated Acquisition & Development

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