The first loan from the TCAD Sustainable Business Loan Fund was awarded in 2012 to the Finger Lakes Fresh Food Hub, a subsidiary of Challenge Workforce Solutions.

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Ithaca Beer is an award-winning craft brewery. TCAD assisted in their operation expansion in 2012.

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TCAD MISSION
TCAD is dedicated to building a thriving and sustainable economy that improves the quality of life in Tompkins County by fostering the growth of business and employment.

TCAD VISION
A flourishing economy with exciting, innovative firms that inspire and attract a talented workforce.

2013 ANNUAL REPORT TO THE COMMUNITY
We are seeing some very interesting trends in our local economy and, for the most part, they are positive. Our traditional manufacturers are either stable or in a hiring mode. Several mature high tech companies, some started as early as the mid 1990s, continue to expand. And the growing private sector investment in the City of Ithaca’s urban core is unique in all of Upstate New York and will generate much needed tax revenue for the City.

Tompkins County has always had a reputation as a community rich in entrepreneurs. The number of tech-based startups has increased in the last few years. What may surprise some is the number of job creating projects coming from our agriculture sector. Small, specialty food manufacturers, once with limited local markets, are expanding their customer bases to urban centers in the northeast US and beyond.

All of this presents opportunities to strengthen our economy and create quality jobs for local residents. To take advantage of those opportunities, TCAD is focusing on providing the core infrastructure and services these business and entrepreneurs require. This includes business planning and technical assistance, financial assistance, shovel ready sites and flexible, multi-tenant buildings.

TCAD also devotes substantial resources to air service. We recognize that for many employers, our airport is the way they access customers, suppliers, and investors. We also work very closely with our Workforce Investment Board and its staff. Workforce is often at the top of many employers’ list of issues impacting growth potential. These workforce issues range from retraining staff for a high tech environment to the challenge of attracting engineers and managers.

TCAD is optimistic about the future. Tompkins County is fortunate to have so many high performing entrepreneurs and existing companies committed to our community. Our challenge, with scarce resources, will be to capture this potential in a way that delivers the greatest benefit.
2012 marked TCAD’s 48th year leading economic development activity in Tompkins County. Under the direction of Michael Stamm and the rest of our small but highly qualified and productive staff there were a number of accomplishments that resulted in job growth, increased tax base and a pipeline of projects that is the largest in recent history.

Our organization has enjoyed the strong leadership of Charlie Trautmann as chair of the board of directors for the past four years and his involvement as a board member for 17 years. Charlie ensured that the board provided strategic direction for the organization and led important initiatives including strategic planning, management succession planning and recruitment of influential community leaders for TCAD’s board. Charlie’s collaborative style, thoughtful approach and naturally positive attitude were tremendously important to furthering the mission of TCAD. We thank him for his dedicated service.

The board’s strategic planning effort in 2012 has provided important input to the work plan for 2013. We plan to add a staff person dedicated to providing direct technical services to small businesses. The demand for these services has increased significantly in the last few years. TCAD staff will also continue to be involved in leadership roles in economic development within the region and at the State level.

Our sincere thanks to the many businesses and organizations who support TCAD financially and to the many volunteers who serve the organization as members of the Board of Directors or working committees.

Under the direction of Michael Stamm and the rest of our small but highly qualified and productive staff there were a number of accomplishments that resulted in job growth, increased tax base and a pipeline of projects that is the largest in recent history.
The first loan from the TCAD Sustainable Business Loan Fund was awarded in 2012 to the Finger Lakes Fresh Food Hub, a subsidiary of Challenge Workforce Solutions.
REVOLVING LOAN FUND PROGRAM

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

Since 1987, TCAD has made 57 loans from our program to local businesses totaling $2.1 million. Loan recipients have created 852 jobs, which contributes to a thriving local economic base. The fund provides flexible loans to net wealth-generating businesses – those that sell a product or service to customers outside the region.

The first loan from the TCAD Sustainable Business Loan Fund was awarded in 2012 to the Finger Lakes Fresh Food Hub, a subsidiary of Challenge Workforce Solutions. The Food Hub will be a production facility that collaborates with local farmers and producers, providing them with services and expanded markets for their products, and makes local produce available year-round.

Demand continues to grow for the TCAD loan program among local entrepreneurs. As a result, TCAD sought and was awarded two new sources of funds from USDA Rural Development programs that will increase the loan pool by $400,000. We are actively meeting with businesses and potential clients.

Challenge is a 45 year old not-for-profit business that provides opportunity to those who face physical, psychological, developmental, and economic barriers to employment. The assistance can come in the form of training, placement, and support in local businesses as well as in our own social enterprises.

As governmental support for human services has eroded, Challenge, with help from the local community and institutions like TCAD, has invested heavily in the ability to continue its mission in a much more self-supported way. The most obvious examples are the growth of Finger Lakes Fresh hydroponic produce, providing jobs and income, as well as the soon to be launched Finger Lakes Fresh Food Hub. The Food Hub, a 2 million dollar investment, will employ over thirty individuals and be an opportunity for local food producers to reach new markets.

— Patrick McKee
Challenge President
SUPPORTING THE ENTREPRENEURIAL ECOSYSTEM

TCAD continues to participate in efforts to develop the entrepreneurial ecosystem needed to transform university technology from idea, to research, to prototype, to world-class products competing in a global marketplace.

TCAD joined colleagues in a 27-county regional initiative, spanning from Erie County to Delaware County, to support LaunchNY, a new organization that will catalyze, integrate and expand high growth entrepreneurial start-up activity. LaunchNY will identify startups with high growth potential, conduct deep due diligence, provide early-stage investment funding and a high level of expert technical assistance to support company growth in the region.

TCAD became a regional partner with IdeaCrossing, a free online resource that helps Upstate New York entrepreneurs connect with vital resources necessary to grow, sustain, and create value for their businesses. It will build an on-line network that connects entrepreneurs with investors, mentors, and service providers.

TCAD continues to provide management support for the Finger Lakes Entrepreneurs’ Forum, a local networking organization that provides tremendous value to the local start up community. FLEF held eight meetings in 2012 and co-sponsored four Cornell Entrepreneurship seminars.

Novomer Inc., a sustainable materials company pioneering a family of high-performance polymers and other chemicals from renewable feedstocks such as carbon dioxide (CO2), has announced the world’s first large-scale manufacturing run of propylene carbonate (PPC) polyol, producing over seven tons of finished product. The PPC polyol was scaled up and produced with Albemarle at their Orangeburg, S.C. manufacturing facility using existing Albemarle equipment, which was modified for PPC polyol production. This work was completed in conjunction with Novomer’s three-year, $25 million U.S. Department of Energy (DOE) award.

The recently produced material will be used to accelerate product qualification and adoption in a wide range of conventional polyurethane applications including flexible and rigid foams, adhesives and sealants, coatings, and elastomers. Novomer is currently working closely with several major companies in various segments of the polyurethanes industry and this material will enable commercial scale testing of Novomer polyol.

—Dr. Ron Valente
VP of Research & Development

Novomer Inc.
Sustainable Polymers & Chemicals
www.novomer.com

NUMBER OF EMPLOYEES
30

PRODUCT
Sustainable Polymers & Chemicals

NUMBER OF YEARS
9
TCAD AND THE STATE’S REGIONAL COUNCILS

TCAD is an active participant in the State’s new Economic Development Regional Council program, serving on the executive committee of the Southern Tier Regional Council, and has helped a number of businesses apply for funding through the State’s consolidated funding process. Tompkins County was awarded $7 million in very competitive Empire State Development grants for ten economic development projects in 2012. TCAD directly assisted with securing a $350,000 grant to support the master planning for redevelopment of the former Emerson Power Transmission site. We also helped Lansing win a $2.5 million sewer grant for the Lansing Town Center project.

ITHACA BEER
www.ithacabeer.com

Ithaca Beer Co. is an award-winning craft brewery and brewpub in the Finger Lakes that brews hoppy and seasonal crafted ales and prepares delicious farm-to-table style fare.

We are fortunate to be in the Craft industry, which is exploding. Our challenge is managing the growth, without over extending ourselves.

— Allison Graffin
Marketing Director

TOMPKINS COUNTY INDUSTRIAL DEVELOPMENT AGENCY

TCAD provides management and administrative support to the IDA, one of our primary economic development incentive programs. In the last few months, we have worked collaboratively with the City of Ithaca and the IDA to revise the downtown density incentive policy to streamline the program and make the process more predictable for applicants. The new Community Investment Incentive Tax Abatement Program (CIITAP) provides a framework for promoting development in the downtown core.

The IDA has approved incentives for the Marriott project, which result in a $32 million investment in the City’s urban core. We expect several other large-scale projects to apply to this program in the next 18 months.
TCAD staff is also a strong voice in Albany advocating for legislation that will allow IDAs to more effectively implement local economic development strategies.

**TOMPKINS COUNTY DEVELOPMENT CORPORATION**

Similar to the TCIDA, we provide management and administrative support to the TCDC, a separate County corporation that allows local not-for-profit employers access to low-interest rate debt in the tax-exempt bond market.

In 2012, the TCDC issued $10 million in tax-exempt bonds to Kendal at Ithaca to refinance existing debt. In early 2013, the TC3 Foundation closed on over $44 million of tax-exempt bonds to refinance debt on its dormitories as well as fund renovations.

TCAD administers this grant program for the County, which is capitalized by room occupancy taxes. Since 2003, the program has become increasingly competitive. In 2012 there were eight applications. A total of $84,000 was awarded to five applicants:

- Cayuga Waterfront Trail for interpretive panels and other tourist amenities
- Finger Lakes Land Trust for a boardwalk across a wetland linking two state forests
- Sciencenter for renovations and expansion of its Live Animal Gallery
- State Theatre for concept planning of renovated and expanded bathroom facilities
- Stewart Park for concept planning of the landscape, utilities, and other site issues

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

Sunbeam Candles uses solar power to hand-craft beautiful beeswax, soy wax and aromatherapy candles with the purest ingredients available at the least cost to Mother Earth.

Sunbeam Candles is committed to socially responsible, environmentally-sound, ethical, and sustainable business practices to promote wellness to our customers and employees. Our candle shop is solar-powered. We ship carbon-neutral, compost, recycle, carpool, support local businesses, and are a certified living wage employer. We truly make earth-friendly candles!

TCAD’s loan helped Sunbeam Candles to reinstall our solar electric system on our new building and allowed us to expand on our product lines, thus enabling us to hire additional employees.

— David Gould
CEO/President
In 2012 TCAD produced ten shows for the Real People, Real Jobs: Conversations About Economic Development Radio Program. This can be heard the first Wednesday of the month at 8:45 AM on the Cayuga Radio Groups’s WHCU 870 AM or archived on TCAD’s media page at www.tcad.org. Shows explain economic development policies and programs, describe new investments in business, analyze employment data, and showcase how these economic development activities create good jobs for our community.

TCAD NEWS FLASH

TCAD publishes an occasional briefing to our members and stakeholders. The NewsFlash reaches over 700 readers.

TCAD ECONOMIC REPORT

In 2012, TCAD launched a new publication, the TCAD Economic Report. The report presents and analyzes economic data available for the county, discussing trends, outlooks and other data issues. The report expands the economic information available to our partners, elected officials, businesses and community members interested in understanding our local economy.

AWARD

TCAD received the 2012 Business Partner of the Year Award from Challenge Workforce Solutions.

Advion Bioanalytical Labs – A Quintiles Company is a pharmaceutical research services company that provides laboratory testing services to pharmaceutical and biotechnology companies in support of their drug discovery and drug development research. Established in Ithaca, New York in 1993 by co-founders Dr. Jack Henion and Tom Kurz, Advion Bioanalytical Labs celebrated its 20th anniversary on April 1, 2013. The company has 190 employees and operates three locations, including Ithaca, New York, Indianapolis, Indiana, and Manassas, Virginia.

Advion Bioanalytical Labs is now part of the global Quintiles network and we now have access to additional clients and resources to expand business for our lab in Ithaca, New York. Our growth is accelerating as we gain access to new clients through the worldwide Quintiles organization.

“We are grateful for the role that TCAD played in assisting us with the planning and application process associated with the building of our current laboratory facility. TCAD helped us navigate the process and found the most appropriate programs available to offset costs and make feasible, the establishment of our lab in Tompkins County.”

—— Tom Kurz
Co-Founder/Vice President of Strategy & Commercial Operations

<table>
<thead>
<tr>
<th>SERVICE</th>
<th>NUMBER OF YEARS</th>
<th>FUTURE GROWTH</th>
<th>NUMBER OF EMPLOYEES</th>
</tr>
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<tbody>
<tr>
<td>Laboratory testing services supporting drug discovery and development</td>
<td>20</td>
<td>Expansion of the Tompkins County Research Lab</td>
<td>190</td>
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</tbody>
</table>

QUINTILES
www.quintiles.com/services/capabilities/clinical/bioanalytical-laboratories
Taughannock Aviation maintains an extensive fleet of charter aircraft and manages other aircraft owned by clients including Fortune 100 companies. They are also the airport’s Fixed Base Operator and provide a full range of aircraft maintenance and repair on aircraft ranging from the latest Gulfstream business jets to small Cessna trainers.

To meet the needs of our growing customer base, we have expanded our facilities three times in the last fifteen years. The incentives TCAD delivered helped make these expansions possible, allowing us to enhance our state-of-the art services and expand our highly skilled workforce.

— John Plume
VP Sales
OFFICERS
Gregory Hartz – Chair President & CEO, Tompkins Trust Company
John Rudd – Vice Chair President and CEO, Cayuga Medical Center
Andrew Sciarabba – Secretary/Treasurer Managing Partner, South Hill Business Campus
Charles Trautmann – Past Chair Executive Director, Sciencenter

DIRECTORS
Donald Barber Supervisor, Town of Caroline
Larry Baum President, The Computing Center
James Brown Executive Director, United Way of Tompkins County
Luvelle Brown Superintendent, Ithaca City School District
William Burbank Tompkins County Legislature
Laura Cima Economic Development Manager, Cornell Center for Technology Enterprise & Commercialization
Phyllisa DeSarno Deputy Director of Economic Development, City of Ithaca
Tony Eisenhut Managing Director, KensaGroup
Gregory Galvin CEO/President, Kionix
Holly Hardie Owner, Hardie Farms Inc.
Carl Haynes President, Tompkins Cortland Community College
Stephen Johnson VP Government & Community Relations, Cornell University
Mary Kane President & CEO, Concept Systems
Tom LiVigne Director, Cornell University Real Estate
Laurie Linn President, Communique Design & Marketing
Joe Mareane County Administrator, Tompkins County
Edward Marx Commissioner of Planning, Tompkins County
Julia Mattick Executive Director, Tompkins County Workforce Investment Board
Jean McPheeters President, Tompkins County Chamber of Commerce
Svante Myrick Mayor, City of Ithaca
Mary Opperman Vice President Human Resources, Cornell University
Martha Robertson Chairperson, Tompkins County Legislature

STAFF
Michael Stamm President
Martha Armstrong Vice President and Director of Economic Development Planning
Ina Arthur Office Manager
Heather Filiberto Director of Economic Development Services

Tom Schryver PI Experiential Learning
Carl Sgrecci Vice President for Finance and Administration, Ithaca College
Herman Sieverding VP of Real Estate Development, Integrated Acquisitions & Development
Steve Snyder VP Global Mfg. Tech & NA Operations, BorgWarner Morse TEC
Michael Talarski Business Manager, IBEW Local 241
Gary Woloszyn Store Manager, Ithaca Wegmans

Thank you to outgoing director Glenn Morey, Supervisor, Town of Groton.

IN MEMORIAM

HOWARD PHILIP HARTNETT
1961-2013

TCAD dedicates our 2013 Annual Report to the Community to Howard P. Hartnett, board member from 2000-2013, chairman from 2005-2009, and the first chairman of the TCAD Foundation board from 2012-2013. Howard will be remembered first and foremost as a builder of organizations, with an uncanny ability to connect needs and resources throughout our region. We will miss him greatly.
### Balance Sheet

#### Assets 2012

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$132,509</td>
</tr>
<tr>
<td>Restricted Cash and Cash Equivalents</td>
<td>$533,184</td>
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<tr>
<td>Temporary Investment</td>
<td>$159,737</td>
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<tr>
<td>Accounts Receivable &amp; Prepaid Items</td>
<td>$17,179</td>
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<tr>
<td>Pledges Receivable</td>
<td>$–</td>
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<tr>
<td>Loans and Mortgages Receivable</td>
<td>$625,617</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$1,468,226</strong></td>
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<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and Equipment, at Cost</td>
<td>$71,716</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>$(51,700)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$1,488,242</strong></td>
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</tbody>
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#### Liabilities & Net Assets 2012

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable &amp; Accrued Expenses</td>
<td>$12,940</td>
</tr>
<tr>
<td>Deferred Investor Income</td>
<td>$–</td>
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<tr>
<td>Revolving Loan Debt</td>
<td>$30,523</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$43,463</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Unrestricted</td>
<td>$1,390,765</td>
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<tr>
<td>Temporarily Restricted</td>
<td>$54,014</td>
</tr>
<tr>
<td>Revolving Loan - Temporarily Restricted</td>
<td>$–</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>$1,444,779</strong></td>
</tr>
</tbody>
</table>

**Total liabilities and net assets**                  **$1,488,242**
Provided