

2017 Annual Report

Cortland County's slow and steady economic growth since the 2008 recession continued in 2017, with a most important indicator – local job numbers – reflecting the lowest unemployment rate in eight years.

Investment and growth commitments from local firms, coupled with another round of state project funding through the Central New York Regional Economic Development Council, facilitated that growth.

This report includes some details of some projects and initiatives with which we are involved as Cortland County's principle economic development agencies. Looking forward, we will continue our collaborative work with local, regional, and state stakeholders to position Cortland County for growth.

Challenges remain, but Governor Cuomo's continued support for Upstate New York, coupled with the new Trump administration's pledge to enact business-friendly change, could have significantly positive impacts on the business community and local economy in the coming year.

Garry L. VanGorder
Executive Director/CEO
Cortland County Business Development Corporation
Cortland County Industrial Development Agency
Cortland County Development Corporation
37 Church St. Cortland, NY 13045
www.cortlandbusiness.com
garry@cortlandbusiness.com
607/756-5005 (office)
607/591-4604 (mobile)

CNY Regional Economic Development Council

BDC/IDA Executive Director/CEO Garry L. VanGorder represents Cortland County on the CNY REDC, which since its inception in 2011 has five times won top awards in Governor Andrew Cuomo's statewide competition for economic development resources.

Those top five finishes, plus 2017's award, have netted Cortland County more than \$25 million for capital investment, job creating and community projects since the program began. Funding for 2017 projects include:

\$2.172 million in assistance through the Empire State Development Corporation:

- **Ames Building Reconstruction** – \$240,000 to assist local developer David Yaman with the construction of a new 8,000 square-foot mixed-use space in the Village of Homer in the footprint of a historic building that burned down in 2016. Project cost is estimated at \$2.05 million;
- **Redevelopment of the Homer Avenue Shopping Center** -- \$925,000 to support Yaman's proposed redevelopment of the long vacant space, projected to be the eventual home of a handful of local not-for profit agencies including the YWCA. The space may also accommodate an indoor farmer's market being pursued by the Seven Valleys Health Coalition. Total project cost is set at \$5.2 million;
- **Gutchess Park Athletic Complex Development** -- \$862,000 to support the town's Phase 1 development of the complex, including new turfed-baseball fields and accommodating infrastructure. The park will leverage the expertise of the Cortland Regional Sports Council in bringing athletes – and tourism dollars – to the community for sporting events. Later development will include the construction of multipurpose fields to support other sports in need of top playing surfaces in the region. Total phase 1 construction costs are set at \$4.3 million;
- **Contento's Recycling LLC** -- \$145,000 to assist the company with the construction of a new recycling center in the city that will sort, recycle, and process up to 250 tons of construction and demolition waste per day. The project cost is estimated at \$729,000, creating up to eight new jobs.

\$3,008,305 for local municipal programs and projects through a variety of state agencies:

- City Alternative Transportation Program (Clinton Avenue) -- \$2 million
- Fire Station Window Replacement Project -- \$178,305
- Village of Marathon water treatment plant improvements -- \$30,000
- City/Village of Homer Water Meter Program -- \$400,000
- Cortland County Microenterprise Assistance Program -- \$200,000; and
- Village of Homer Microenterprise Assistance Program -- \$200,000

Shared awards with Onondaga, Madison, Oswego, Cayuga and Madison counties include:

- CNY Enterprise Development Corp. -- \$500,000 to assist agriculture producers meet certifications under the state's Grown program;
- CNY Arts -- \$150,000 for a lifestyle marketing campaign; and
- CNY Arts -- \$75,000 for a workforce and training development expansion.

The Business Development Corporation

BDC Board of Directors

Michael McMahon, Chairman

General Manager, EZ Acres

Stephen Compagni, Vice Chairman

Executive Vice President, Economy Paving

John O. Reagan, Treasurer

Principal, John O. Reagan CPA,

John Shirley, Secretary

Director of Career Counseling, SUNY Cortland

Johanna Ames

President, Ames Linen

Clint Brooks

vice president, Dryden Bank

Steve Servies

Vice President, Gutchess Lumber Company

Dan Mones

Owner, Valley View Gardens

Orinthea Montigue

President, Tompkins Cortland Community College

Matthew McSherry

Partner, Port, Kashdin & McSherry

Paul Dries

President, FML Industries

Lori Law

CNY Power Sports

Jason Hage

Realtor, Hage Real Estate

The Cortland County BDC is the County's lead economic development agency, working closely with its many local and state economic development partners to retain, create, and attract jobs and to grow Cortland as a quality community.

The agency's scope of services is broad, and includes:

- The maintenance of a \$500,000 revolving loan fund, enabling local business an opportunity to access resources at beginning or expanding stages of development'
- Free counseling sessions for county residents wanting information on opening and running a business;
- Community marketing including maintenance of our "one-stop" website;
- Community relations with important stakeholders in municipal government, the not-for-profit sector and at SUNY Cortland and TC3;

- Advocacy for the business community on important topics of the day;
- Production of a new print newsletter distributed six times annually to business and community stakeholders across the county and region;
- Maintenance of the Empire Zone Program for more the more than 90 county businesses; and
- Consulting services for local businesses and entrepreneurs with a variety of other issues and questions.

In 2017, the BDC took leadership positions on such issues as:

- Application for and administration of \$10 million Downtown Revitalization Initiative award.
- Incentivizing retail and commercial redevelopment in Cortland's central business district;
- Potential redevelopment of second- and third-floor spaces on Cortland's Main Street;
- Supporting redevelopment of a Main Street property owned by the Cortland Downtown Partnership for continued use a home for the organization and other community initiatives;
- Support at the Town of Cortlandville for a variety of projects including the proposed development of a 100-acre multi-purpose sports recreation facility and zoning changes supporting other development projects;
- Marketing of the county as a Foreign Trade Zone grantee;
- The continued development of the county's agricultural sector as a key contributor to the local economy. The BDC was again the lead sponsor for the county's "Ag Day Banquet," featuring recognition for key contributors to the industry and providing the general community with a greater awareness of agriculture's Cortland County heritage. Related programming supported by the BDC includes work with local stakeholders to facilitate the potential development of an indoor farmers market in Cortland County

Additionally, the BDC, through the board memberships of its executive director, plays an important role in the operations of:

- The [Central New York Regional Economic Development Council](#) (see above);
- The [Cortland Regional Sports Council](#), which has brought events to the Cortland community creating an economic impact in the community worth more than \$25 million since its inception 13 years ago;
- The [Cortland Regional Medical Center](#), which is now in negotiations to affiliate with Guthrie Hospital so as to preserve and grow quality health care in Cortland County;
- The [Cortland Downtown Partnership](#), which is working on a variety of projects designed to pump vitality and vibrancy into the downtown district; and

- The [Cortland Crush](#), the community's summertime college baseball team. Among its goals, the Crush seeks to provide affordable, fun family entertainment for Cortland's residents while encouraging its players to provide a positive role model for young people.

Finally, the BDC maintains a close relationship with SUNY Cortland and Tompkins Community College leadership, working again this year refining initiatives related to workforce training and community development. The BDC also continued its strong advocacy for TC3's "Leadership Cortland" program in partnership with the county Chamber of Commerce.

The agency's ability to communicate with its various stakeholders is vitally important, and its redesigned website, www.cortlandbusiness.com, combines the best of design elements with a "look and feel" most appreciated by site selectors and others seeking critical community data. The BDC also publishes a newsletter, maintains a Facebook page and continues to refine its social media in an effort to provide information unfiltered by local media.

Cortland County Industrial Development Agency

IDA Board of Directors

Michael McMahon, *Chairman*

Stephen Compagni, *Vice Chairman*

John O. Reagan, *Treasurer*

John Shirley, *Secretary*

Johanna Ames

Steve Servies

Clint Brooks

The Cortland County IDA continues to function as the county's primary vehicle for incentivizing major-scale capital investment and job retention/creating projects. The BDC staff also conducts the work of the IDA, although each agency is governed by an independent board of directors. In 2017, the IDA:

- Continued work with APEX corp. re: the closure of its Cortland facility and the decommissioning of the site. The IDA and city of Cortland are cooperatively pursuing productive re-use of the site on the city's east side. A state environmental review there continues. That study is expected to be complete in the third quarter of 2018;
- Closed on a lease/leaseback agreement providing development incentives for the Crescent Commons project, a \$15 million mixed-use redevelopment of an historic and vacant 144,000 square-foot manufacturing space on the city's south side. When complete, Crescent Commons LLC will include 44 market rate loft-style apartment units and four more serving individuals and families below 80 percent of the area's median income. The project will also include 48,000 square-feet of new commercial space;
- Began discussions with Cortland Companies, a local manufacturer, to expand its medical device operations to a new facility in the town of Cortlandville. The expansion

would mean an \$8 million capital investment and the creation of up to 50 new jobs over five years of operation.

- Worked with the NYS Office of the Comptroller in its performance review of two closed IDA projects. There were no extraordinary findings as the result of this audit.
- Worked with NYS&W Railroad to review its lease/leaseback contract re: property tax incentives for rail service through Cortland County.

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The Cortland County Development Corporation was formed during 2011 under Article 14 of the New York not for profit corporation law. The mission and intent of the Corporation is to stimulate economic growth and to lessen the burdens of government through facilitating investments that will promote the creation and preservation of employment opportunities for the residents of Cortland County, improve the quality of life of county citizens and generate prosperity and encourage vibrancy for Cortland County as a whole by using available incentives including the issuance of negotiable bonds for Cortland County's not for profit organizations, providing those organizations with access to capital.

During 2013, the CCDC facilitated the successful issuance of \$21,300,000 negotiable, low-cost bonds for an expansion project for Cortland Regional Medical Center, Inc., a not for profit 501(c) 3 corporation with offices located at 134 Homer Ave, Cortland New York.

At December 31, 2017, the outstanding value of bonds and notes issued through the CCDC aggregated \$17,530,000.

The staff of the BDC conducts the work of the CCDC, with the Executive Director of the BDC acting as the Chief Executive Officer and the CFO of the BDC acting as the Chief Financial Officer.

Although established by the Cortland County Legislature, the Corporation is a separate entity and operated independently of the county.