

2016 Annual Report

Cortland County's slow and steady economic growth since the 2008 recession continued in 2016, 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.

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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 four times won top awards in Governor Andrew Cuomo's statewide competition for economic development resources.

Those top four finishes, plus 2016's award, have netted Cortland County \$20 million for capital investment and job creating projects since the program began. Funding for this year's projects include:

- **55 Main St. revitalization** -- \$200,000 supporting the proposed \$1.45 million mixed-use redevelopment of the former commercial and residential space in downtown Cortland destroyed by fire more than 10 years ago;
- **Cortland, Cortlandville, and Homer water meter project** -- \$400,000 supporting the \$720,000 replacement of water meters with digital meters incorporating technologies for billing and other efficiencies;
- **Pool House, Wickwire Pool** -- \$407,586 for the \$543,000 renovation of the pool house, completing the renovation project at the site;
- **Cortland City Microenterprise Assistance Program** -- \$200,000;
- **Clinton Avenue Water Project** -- \$750,000 supporting a \$2 million project to replace aging water mains along Clinton Avenue between Pomeroy Street and Church Street in the city;
- **Construction and Pilot Operation of a Vermicomposting Facility** -- \$152,450 to support this collaborative project between the city and other partners;
- **Alternative Transportation Initiative, City of Cortland** -- \$500,000 to assist the city with its planned development of a pedestrian/bike path on Clinton Avenue from downtown to Interstate Exit 11 via a trail and a bridge over the Tioughnioga River;
- **Ski 2 Cortland** -- \$60,000 supporting the continued enhancement and promotion of the Cortland County ski industry;
- **"38 Arts" Actors Hostel and Performance Space** -- \$360,000 to support this \$1.8 million project in Downtown Cortland;
- **Gutchess Park Sports Complex Planning Grant** -- \$75,000 to help the town complete the project master plan; and

- **Barber Block Redevelopment Project** -- \$493,000 supporting Village of Homer plans to renovate the historic Barber Block, creating new apartments and undertaking commercial and façade repairs

One other project, the proposed \$15 million redevelopment of the former Crescent Corset factory on south Main Street in the city of Cortland, received a \$750,000 Empire State Development award earlier in the year when the project scope was amended. An original state grant of \$250,000 brings total project support to \$1 million.

The Business Development Corporation

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 2016, the BDC took leadership positions on such issues as:

- 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;
- 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 \$22 million since its inception 12 years ago;
- The [Cortland Regional Medical Center](#), which is undergoing significant changes and addressing multiple challenges in its work to remain reliable and viable for the continued provision of quality health services for the people of this community;
- 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 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

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 2016, the IDA:

- Made changes to its PILOT applications as required by new state law, which developed minimum criteria for such applications and financial agreements for IDAs across New York State.
- 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.
- Approved property and sales tax abatements for the Crescent Commons project, which 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 that will accommodate a day care center, a counseling center and a home care services provider;
- Closed out a \$466,000 multi-modal funding grant project from the state Department of Transportation that enabled Suit-Kote Corporation to extend its rail line approximately 2,800 feet to access its crushed stone facility in the town of Cortlandville. The IDA secured the grant for the project.

Cortland County Development Corporation

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, 2016, the outstanding value of bonds and notes issued through the CCDC aggregated \$18,515,000.

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 Board of Representatives, the Corporation is a separate Entity and operated independently of the County.

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

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President, Ames Linen

Dave Brandstadt

Partner, Midstate Veterinary Services

Steve Servies

Vice President, Gutches Lumber Company

Brad Totman

Vice President, Tompkins Trust Company

Carl Haynes

President, Tompkins Cortland Community College

Matthew McSherry

Partner, Port, Kashdin & McSherry

Paul Dries

President, FML Industries

George Seible *(resigned March 2016)*

Restaurateur, Business Owner

Jason Hage

Realtor

Michelle Brooks

Partner, Coffee Mania

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John O. Reagan, Treasurer

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