

## 2015 Annual Report

Cortland County continues to hold its own in the fight to maintain and grow community and job growth. The recent Central New York Regional Economic Development Council competition and a successful Upstate Revitalization Initiative submission will bring hundreds of millions to the CNY economy over the next five years, with a significant portion of those resources carved out for some immediate and long-term Cortland County projects.

This report includes some details of those projects, as well as updates on other 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.

Of course, we all understand that challenges remain, and that communities such as ours, located far north of the thriving metro economy, face particular hurdles to keep companies, attract companies, and grow the workforce. But we also know that there is reason for hope, and that as our work at home and at the REDC has illustrated, there is considerable vision, talent, and energy in this region to guide us forward.

Garry L. VanGorder  
Executive Director/CEO  
Cortland County Business Development Corporation  
Cortland County Industrial Development Agency  
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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 2015's award, have netted Cortland County \$17 million for capital investment and job creating projects since the program began. Funding for this year's projects include:

- \$1.1 million for McNeil Development Company's proposed renovation of a number of its downtown buildings, including several on Main Street, to support continued growth of McNeil and Company insurance operations in the district. The project, estimated at \$7.2 million, will accommodate current and future needs of the insurance company and will assure the retention of at least 100 jobs in the city center;
- \$250,000 in grant funds for an expansion at Cortland Plastics International. The company plans to invest \$1.25 million to construct and equip an 8,000 square-foot addition to its 55,000 square-foot plant now in operation on the city's south side. The project is expected to add 11 jobs to its current 55-person workforce;
- \$250,000 in grant funds for the proposed mixed use redevelopment of the ASSA International building (Crescent Corset) on south Main Street in the city of Cortland. Developer David Yaman proposes a \$1.24 million commercial redevelopment of half of the 144,000 square-foot space. Housing Visions Unlimited will undertake rehabilitation of the other half of the building as a residential project;
- \$35,000 in grant funds to help underwrite the city's planned \$70,000 study of Main Street and the viability of a conversion of the street from one-way two-way.
- \$425,000 in funding for the New York Main Street program. The funds will be used to renovate seven to eight buildings in the historic downtown and build upon the success of its first NYMS grant. If funded, the grant will leverage more than \$1.4 million in building renovations on Main Street;
- \$225,000 in funding for the Village of Homer's Microenterprise grant. The funds will assist new and existing microenterprises in the Village, which has already received applications from seven businesses seeking about \$180,000 in assistance. Upon completion, those projects would create up to 12 new jobs;
- \$311,403 in funding for the Village of Homer's Route 11 Corridor Acquisition Project. The funds would allow acquisition of four blighted properties along the Route 11 between the Homer Village and Cortland city line. The acquisitions would serve as the

first phase in the development of a linear park between the highway and the Tioughnioga River, replacing worn out and run down structures with attractive landscape and community space to enjoy;

- \$837,374 for the City of Cortland's "Green Street Retrofit," a project to integrate green storm water practices along with pedestrian features, traffic calming measures and bike lanes along the gateway to the downtown district;
- \$235,000 for a masonry and restoration project at the City of Cortland's fire station; and
- \$131,067 for the replacement of the Flint Road culvert in the Town of Lapeer.

Central New York's REDC was also a successful competitor in the \$1.5 billion Upstate Revitalization Initiative, netting the five-county area \$500 million with which to launch a unique and ambitious set of projects that when complete will change the face of the regional economy.

## 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 2015, 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 as well as for an entrepreneurial institute in partnership with SUNY Cortland;
- Support at the Town of Cortlandville for a variety of projects including the expansion of Pyrotek operations, business-friendly rezoning of parcels in the Route 13 corridor, support for a Gutches Lumber request to rezone portions of property it owns on McLean Road in Cortlandville, and support for a proposal for an expanded presence of a Starr Road business to property adjacent to the former Finger Lakes East Business park, and much more;

- Working with a variety of stakeholders to identify solutions to flooding problems at Gutches Lumber and in the surrounding neighborhood;
- 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 included special workshops for large and small farm operations in the county. The agency is also working with local stakeholders to facilitate the potential development of an indoor farmers market in Cortland County;
- Advocacy and participation in an initiative to construct a 90-acre sports tourism/recreation facility in the town of Cortlandville;

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 \$20 million since its inception 11 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; and
- The [Cortland Downtown Partnership](#), which is working on a variety of projects designed to pump vitality and vibrancy into the downtown district;

Finally, the BDC maintains a close relationship with SUNY Cortland leadership, working again this year refining initiatives related to the state's new "[Start-up NY](#)" business development program and continuing our discussions relative to the institution's main street presence and various other "town-gown" issues.

The agency has also continued its strong relationship with Tompkins Cortland Community College, backing its own "[Start-Up NY](#)" program certification and endorsing programmatic development and expansion that benefits the greater Cortland community and providing ongoing support for the college'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](http://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 2015, the IDA:

- Used a \$466,000 multi-modal funding grant from the NYS Department of Transportation to enable Suit Kote Corporation's completion of work to extend its existing rail line approximately 2,800 feet to access its town of Cortlandville crushed stone facility. The project will aid in the delivery of coarse crushed aggregate to the nearby sand and gravel plant. The project will greatly assist efficiencies for the company, one of the county's top employers;
- Facilitated a sale/leaseback transaction (sales tax exemption) for Greek Peak Ski Resort enabling a \$985,052 capital investment designed to enhance its quality, driving growth and visitations, stabilizing its labor force, and spinning off additional sales tax revenues and other residual benefits for the community as a major tourism attraction;
- Exercised its option to purchase the former Contento property in the town of Cortlandville after more than 15 years of holding development rights at the site. The \$1 acquisition enabled the dissolution of the Contento Redevelopment LDC, the sole purpose for which was to manage the Contento site, a 14-acre former scrapyard that underwent a comprehensive cleanup in 2001;
- Terminated a lease agreement with Essex Structural Steel in satisfaction of the terms of the agreement. The company continues to operate on Route 13 in the town of Cortlandville and bears 100 percent tax payment obligation;
- Negotiated a \$90,000 town of Cortlandville grant for Pyrotek Corp. enabling the company's work to connect its new multimillion dollar warehousing facility with town wastewater infrastructure. Completion of that project brings the warehouse officially online, freeing up space in the company's main manufacturing facility to accommodate business and job growth;
- Facilitated a state comptroller's audit (January 1, 2014 through June 30, 2015) that ultimately credited the agency for the transparency, follow-through and monitoring of its active PILOT agreements. The report concluded taxpayers are getting good return on their investments in the subject projects. The IDA has 12 active PILOT agreements to date, prompting a total of more than \$70 million in investment and creating 300 new jobs. The PILOT deals have generated an \$11 million increase in assessed value at the project sites; and
- 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.

## 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, 2015, the outstanding value of bonds and notes issued through the CCDC aggregated \$19,470,000.

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*

**Johanna Ames**

*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*

**Susan Sandy**

*Assistant Vice President, Key Bank NA*

**George Seibel**

*Restaurateur, Business Owner*

**Michelle Brooks**

*Partner, Coffee Mania*

## IDA Board of Directors

**Michael McMahon, Chairman**

**Stephen Compagni, Vice Chairman**

**John O. Reagan, Treasurer**

**John Shirley, Secretary**

**Johanna Ames**

**Steve Servies**

**Brad Totman**

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