

**Tompkins County Development Corporation
Annual Accomplishment and Operations Report
2011**

TOMPKINS COUNTY
DEVELOPMENT CORPORATION

Mission

Adopted: April 2, 2010

MISSION

The primary mission of the Tomkins County Development Corporation (TCDC) is to promote economic development initiatives in Tompkins County by offering tax-exempt bonding opportunities to not-for-profit organizations.

The following information is intended to outline the basic operations and accomplishments of the Tompkins County Development Corporation (TCDC). TCDC received administrative support from Tompkins County Area Development, Inc. (TCAD), a separate not-for-profit economic development agency. TCDC receives bond counsel services from Harris Beach, PLLC. Audit services are provided by Ciaschi, Dietershagen, Little, Mickelson & Company LLP as part of the Tompkins County Audit.

Table of Contents

Operations – Policy and Procedures	3
Accomplishments	31
Projects closed and undertaken in 2011	31
2011 Budget and financial statement	32
2011 Board Roster	33
Comments on Operations	34

Policies and Procedures

The Tompkins County Development Corporation was created by Tompkins County in April of 2010. Following are the TCDC Bylaws and Certificate of Incorporation

BYLAWS
TOMPKINS COUNTY DEVELOPMENT CORPORATION

Adopted March 16, 2010

ARTICLE I - THE CORPORATION

SECTION 1. NAME. The name of the Corporation shall be the "Tompkins County Development Corporation", hereinafter referred to as the "Corporation".

SECTION 2. SEAL OF THE CORPORATION. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization, and the words "Corporate Seal, New York." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or otherwise reproduced.

SECTION 3. OFFICE OF THE CORPORATION. The office of the Corporation shall be at the offices of Tompkins County Area Development, 200 East Buffalo Street, Suite 102A, Ithaca, New York, but the Corporation may have other offices at such other places as the Corporation may from time to time designate by resolution.

ARTICLE II - THE ORGANIZATION

SECTION 1. PURPOSES AND POWERS. The purposes and powers of the Corporation shall be as set forth in its Certificate of Incorporation and Section 1411 of the Not-for-Profit Corporation Law of the State of New York.

SECTION 2. MEMBERSHIP. The sole member of the Corporation shall be Tompkins County, New York, acting by and through its County Administrator, ex-officio, hereinafter referred to as the "County". The Corporation shall be managed by its Board of Directors in accordance with the provisions contained herein.

SECTION 3. RIGHTS AND POWERS OF THE MEMBER. The County shall have and exercise all the rights and powers of corporate membership created by the laws of the State of New York, the Certificate of Incorporation and the Bylaws of the Corporation.

SECTION 4. ANNUAL MEETING OF THE MEMBER. The County shall hold an annual membership meeting of the Corporation within six months after the end of each fiscal year at a convenient time and place designated by the County. At the annual meeting, the County shall appoint Directors pursuant to Article III hereof for positions where a new directorship is created or the term of a Director has expired, receive the annual report and transact such other business as may properly come before the meeting.

SECTION 5. ANNUAL REPORT TO THE MEMBER. At the annual membership meeting of the Corporation, the Directors or designated officer of the Corporation shall present an annual report showing in appropriate detail the following information:

(i) A complete verified or audited financial statement of the Corporation for the fiscal year immediately preceding the date of the report showing the assets and liabilities, principal changes in assets and liabilities, revenue, receipts, expenses and disbursements of the Corporation; and

(ii) A summary of the activities of the Corporation during the preceding year.

The annual report shall be filed with the minutes of the annual meeting.

SECTION 6. SPECIAL MEETINGS OF THE MEMBER. Special membership meetings of the Corporation may be called at any time by the County for the purpose of transacting any business designated in the call. Such notice shall be given either personally or by mail to the County

not less than ten (10) nor more than fifty (50) days before the date of the meeting. If mailed, the notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the County at the address as it appears on the record of members or, at such address that shall have been filed with the Secretary by written request by the County requesting that notices be mailed to some other address, then directed to such other address. Waivers of notice may be signed by the County if the County fails to receive a proper notice. The attendance of the County at a meeting, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice.

SECTION 7. PLACE OF MEETINGS; ORGANIZATION. All membership meetings shall be held at the principal office of the Corporation or at such other convenient location as may be determined by the County. The Secretary, or, in his or her absence, a person chosen by the County, shall keep complete and accurate minutes of the meeting.

ARTICLE III - BOARD OF DIRECTORS

SECTION 1. POWER OF BOARD OF DIRECTORS. The Corporation shall be managed by its Board of Directors, which shall establish all general policies governing its operations.

SECTION 2. NUMBER, ELECTION AND TERM OF DIRECTORS. (a) The number of Directors shall be no less than three but no more than nine, with the exact number of Directors to be established by a resolution adopted by the County. The members of the Tompkins County Industrial Development Agency shall serve as the Directors of the Corporation. The Corporation's Directors shall serve, holding such office so long as such Director remains a member of the Tompkins County Industrial Development Agency. The Directors shall exercise all rights of Directors as described herein and in the Certificate of Incorporation or any applicable resolution. Any subsequent increase or decrease in the size of the Board of Directors will require the approval of the County. As used in these Bylaws, "the entire Board of

Directors" means the total number of Directors that the Corporation would have if there were no vacancies on the Board.

(b) All Directors shall serve at the pleasure of the County.

(c) Neither the Administrator nor the Chief Financial Officer shall serve as Directors of the Corporation (see Article V, Sections 8 and 9 for definitions of Administrator and Chief Financial Officer).

(d) All Directors of the Board shall participate in training approved by the State of New York regarding their legal, fiduciary, financial, and ethical responsibilities as Directors within one (1) year of appointment to the Board. Thereafter, the Directors shall participate in such continuing training as may be required to remain informed of best practices, of regulatory and statutory changes relating to the effective oversight of the management, and of financial activities of the Corporation and adhere to the highest standards of responsible governance.

(e) As soon as practicable and in compliance with Section 2825 of the Public Authorities Law, the majority of the Directors shall be Independent Directors, as such term is defined in paragraph (f) below.

(f) Independence. For the purposes of these Bylaws, an Independent Director means any person who:

(i) is not, and in the past two (2) years has not been, employed by the Corporation or another corporate body having the same ownership and control of the Corporation in an executive capacity;

(ii) is not, and in the past two (2) years has not been, employed by an entity that received remuneration valued at more than fifteen thousand dollars (\$15,000.00) for goods and services provided to the Corporation or received any other form of financial assistance valued at more than fifteen thousand dollars (\$15,000.00) from the Corporation;

(iii) is not a relative of an executive officer or employee in an executive position of the Corporation or another corporate body having the same ownership and control of the Corporation; and

(iv) is not, and in the past two (2) years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations, or any other similar actions of the Corporation or another corporate body having the same ownership and control of the Corporation.

(g) A Chairperson, Vice-Chairperson, Secretary, and Treasurer shall be elected from among the Directors of the Board at the annual meeting of the Board of Directors. The term of office for the Chairperson, Vice-Chairperson, Secretary and Treasurer shall extend for one year after his or her election and until a successor is elected. The Chairperson, Vice-Chairperson, Secretary, and Treasurer shall be eligible to serve an unlimited number of consecutive terms.

SECTION 3. RESIGNATIONS AND REMOVAL OF DIRECTORS. (a) Any Director of the Corporation may resign at any time by giving written notice to the other Directors or to the Administrator or the Secretary. Such resignation shall take effect at the time specified therein or, if no time is specified, then on delivery. Acceptance of the resignation shall not be necessary to make it effective.

(b) Any Director may be removed from the Board with or without cause by the County or for cause by vote of a majority of the Directors provided there is a quorum of not less than a majority of the entire Board present.

SECTION 4. NEWLY CREATED DIRECTORSHIPS AND VACANCIES. Newly created directorships resulting from an increase in the number of Directors, and vacancies occurring for any reason, shall be filled by the County pursuant to Article II hereof as soon as practicable but in no event later than sixty (60) days after the increase or vacancy occurs.

A Director appointed to fill a vacancy caused by resignation, death, disability or removal shall hold office for the unexpired term of his or her predecessor in office and until a successor is appointed and takes office.

SECTION 5. ANNUAL MEETING. The annual meeting of the Board of Directors shall be held after the annual membership meeting of the Corporation described in Article II, Section 4 above at a convenient time and location designated by the Board. Written notice of the annual meeting shall be mailed or delivered to each Director of the Corporation prior to the meeting.

SECTION 6. ANNUAL REPORT. A Director designated by the County or the Administrator and the Chief Financial Officer shall present at the annual meeting of the Board of Directors a copy of the annual report described in Article II, Section 5 above.

SECTION 7. SPECIAL MEETINGS AND NOTICE. Special meetings of the Board of Directors may be called at any time by a majority of Directors or by the Administrator or any other officer of the Corporation. Written notice shall be mailed or delivered to each Director of the Corporation prior to the meeting. Said notice shall state the purposes, time, and place of the special meeting. At such special meeting no business shall be considered other than as designated in the call, but if all Directors of the Corporation are present at a special meeting, with or without notice thereof, any and all business may be transacted at such special meeting.

SECTION 8. WAIVERS OF NOTICE. Notice of a meeting need not be given to any Director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

SECTION 9. PLACE OF MEETINGS. The Board of Directors may hold its meetings at such place or places within Tompkins County as the Directors may from time to time by resolution determine.

SECTION 10. OPEN MEETINGS. The Corporation is subject to Open Meetings Law and shall comply with the Open Meetings Law of the State of New York as set forth within Article 7 of the Public Officers Law. Notification of all meetings will be given to the press and public whenever possible, seven days before the meeting(s) take place. Such notification will be included in the Tompkins County calendar.

SECTION 11. FREEDOM OF INFORMATION LAW. The Corporation is subject to Freedom of Information Law and shall comply with the Freedom of Information Law of the State of New York as set forth within Article 6 of the Public Officers Law.

SECTION 12. PUBLIC AUTHORITIES ACCOUNTABILITY ACT. The Corporation is subject to the Public Authorities Accountability Act of 2005, as amended by Chapter 506 of the Law of 2009 of New York State (collectively, the "PAAA"), and shall comply with the PAAA, as set forth within the New York State Public Authorities Law.

SECTION 13. STATE ENVIRONMENTAL QUALITY REVIEW ACT. The Corporation shall comply with the State Environmental Quality Review Act as set forth within Article 8 of the New York Environmental Conservation Law.

SECTION 14. QUORUM AND ADJOURNED MEETINGS. (a) A majority of the entire Board of Directors shall constitute a quorum for the transaction of business at meetings of the Board.

(b) A majority of the Directors present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. If a quorum is present at the adjourned meeting, any business may be transacted that might have been transacted on the original date of the meeting. Notice of the adjourned meeting shall be given to all

Directors.

SECTION 15. ACTION BY THE BOARD OF DIRECTORS. Any corporate action to be taken by the Board of Directors means action at a meeting of the Board in which a quorum is present at the time of the vote. Each Director shall have one vote regarding any corporate action to be taken by the Board. Except as otherwise provided by law or these Bylaws, the vote of a majority of the Directors at a duly convened meeting at which a quorum is present at the time of the vote shall be the act of the Board of Directors. All references to actions of the Board of Directors herein and in the Certificate of Incorporation shall mean the affirmative vote of a majority of the Directors at a duly convened meeting at which a quorum is present at the time of the vote.

SECTION 16. ORDER OF BUSINESS. The following shall be the order of business at the regular meetings of the Board of Directors of the Corporation:

- a. roll call
- b. reading and approval of minutes of previous meeting
- c. bills and communications
- d. report of the Treasurer
- e. reports of committees
- f. unfinished business
- g. new business
- h. adjournment

All resolutions shall be in writing and shall be copied in a journal of the proceedings of the Corporation.

SECTION 17. ORGANIZATION. At each meeting of the Board of Directors, the Chairperson, or, in his or her absence, the Vice-Chairperson shall preside. The Secretary, or, in his or her absence, a person chosen by a majority of the Directors present, shall keep complete and accurate minutes of the meeting.

SECTION 18. ATTENDANCE AT MEETINGS. Attendance at each meeting of the

Board shall be recorded by the Secretary or a Director designated by a majority of the Board of Directors in the minutes thereof.

SECTION 19. COMPENSATION. The Directors shall serve in their capacity as Directors of the Tompkins County Development Corporation without compensation. All Directors may be reimbursed for reasonable expenses incurred in the performance of corporate duties.

SECTION 20. ANNUAL INDEPENDENT AUDIT. The Audit Committee shall present to the Board upon its completion, the annual independent audit report performed in accordance with the requirements of the PAAA and generally accepted government auditing standards certified by a firm of independent public accountants. The certified independent public accounting firm that performs the annual independent audit shall timely report to the Audit Committee the following:

(i) the assets and liabilities, including the status of reserve, depreciation, special, or other funds including the receipts and payments of such funds, of the Corporation as of the end of the fiscal year;

(ii) the principal changes in assets and liabilities, including trust funds, during said fiscal period;

(iii) the revenue or receipts of the Corporation, both unrestricted and restricted, to particular purposes during said fiscal period;

(iv) the expenses or disbursements of the Corporation for both general and restricted purposes, during said fiscal period; and

(v) a schedule of the bonds and notes of the Corporation outstanding during said fiscal period, including all refinancings, calls, refundings, defeasements, and interest rate exchange or other such agreements, and for any debt issued during the fiscal period, together with a statement of the amounts redeemed and incurred during such fiscal period as a part of a schedule of debt issuance that include the

date of issuance, term, amount, interest rate, means of repayment, and cost of issuance.

Furthermore, the certified independent public accounting firm that performs the annual independent audit shall timely report to the Audit Committee the following:

- (i) all critical accounting policies and practices to be used;
- (ii) all alternative treatments of financial information within generally accepted accounting principals that have been discussed with the management of the Corporation, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the certified independent public accounting firm;
- (iii) other material written communications between the certified independent public accounting firm and the management of the Corporation, such as the management letter along with management's response or plan of corrective action, material corrections identified, or schedule of unadjusted differences, where applicable.

SECTION 21. PROPERTY RIGHTS. No Director of the corporation shall, by reason of that position, have any rights to or interest in the property or assets of the Corporation.

ARTICLE IV - COMMITTEES

SECTION 1. STANDING COMMITTEES. (a) The Standing Committees of the Board of Directors shall be as described in subparagraph (b) below. Except as otherwise provided by these Bylaws, each Standing Committee shall consist of at least three Independent Directors.

No Standing Committee shall have authority as to the following matters:

(i) The submission to the County of any action requiring its approval as the sole member of the Corporation;

(ii) The filling of vacancies on the Board of Directors or any committee;

(iii) The amendment or repeal of these Bylaws or the adoption of new Bylaws; or

(iv) The amendment or repeal of any resolution of the Board which by its terms is not so amendable or repealable.

(b) Until changed by amendment of these Bylaws, the Corporation shall have the following Committees:

Audit Committee.

Members: There shall be an Audit Committee consisting of at least three (3) Independent Directors with the Chairperson of the committee being appointed by the Chairperson of the Board; provided, however, that in the event that the Corporation has ~~less~~ fewer than three (3) Independent Directors, the Chairperson of the Board of Directors may appoint non-Independent Directors to the Audit Committee, provided that the Independent Directors must constitute a majority of the Directors serving on the Audit Committee. To the extent practicable, Directors serving on the Audit Committee should be familiar with corporate financial and accounting practices.

Duties: The Audit Committee shall recommend to the Board of Directors the hiring of a certified independent accounting firm in compliance with the PAAA to conduct the annual independent audit, establish the compensation to be paid to the accounting firm, and provide direct oversight of the performance of the annual independent audit.

Governance Committee.

Members: There shall be a Governance Committee consisting

entirely of at least three (3) Independent Directors with the Chairperson of the committee being appointed by the Chairperson of the Board of Directors; provided, however, that in the event that the Corporation has fewer than three (3) Independent Directors, the Chairperson of the Board of Directors may appoint non-Independent Directors to the Governance Committee, provided that the Independent Directors must constitute a majority of the Directors serving on the Governance Committee.

Duties: The Governance Committee shall keep the Board of Directors informed of current best governance practices, review corporate governance trends, update the Corporation's corporate governance principles, and advise the County and Directors on the skills and experience required of potential Directors.

Finance Committee.

Members: There shall be a Finance Committee consisting entirely of at least three (3) Independent Directors with the Chairperson of the committee being appointed by the Chairperson of the Board of Directors; provided, however, that in the event that the Corporation has fewer than three (3) Independent Directors, the Chairperson of the Board of Directors may appoint non-Independent Directors to the Finance Committee, provided that the Independent Directors must constitute a majority of the Directors serving on the Finance Committee. The Directors serving on the Finance Committee shall possess the necessary skills to understand the duties and functions of the committee.

Duties: The Finance Committee shall have the responsibility to review proposals for the issuance of debt by the Corporation and its subsidiaries and make recommendations.

SECTION 2. SPECIAL COMMITTEES. The Board of Directors, by resolution adopted by a majority of the entire Board of Directors, may create Special Committees, which shall have only the powers specifically delegated to them and shall in no case have powers that are not authorized for Standing Committees. The members of Special Committees shall be appointed by a plurality of the votes cast by the

Board of Directors with the Chairperson of such committee being appointed by the Chairperson of the Board of Directors.

SECTION 3. MEETINGS. Meetings of committees shall be held at such times and places as shall be fixed by the respective committee chairpersons, or by vote of a majority of all of the Directors serving on the committee. Written notice shall be mailed (via regular mail or electronic mail) or delivered to all Directors serving on the committee prior to each meeting. Written minutes of the proceedings shall be kept at all committee meetings and shall be submitted at the next meeting of the Board of Directors. The Administrator, or his or her designee, may attend all committee meetings, but does not possess any voting rights.

SECTION 4. QUORUM. Unless otherwise provided by resolution of the Board of Directors, a majority of all of the Directors serving on a committee shall constitute a quorum for the transaction of business.

SECTION 5. MANNER OF ACTING. Any corporate action to be taken by a committee shall mean such action to be taken at a meeting of the committee. Action by a committee shall be taken by majority vote at a meeting.

ARTICLE V - OFFICERS

SECTION 1. OFFICERS. The officers of the Corporation shall consist of a Chairperson, a Vice-Chairperson, a Secretary and a Treasurer, who shall be Directors of the Corporation.

SECTION 2. CHAIRPERSON. The Chair shall preside at all meetings of the Corporation and, except as otherwise authorized by resolution of the Corporation, shall sign all agreements, contracts, deeds, and any other instruments of the Corporation. At each meeting, the Chairperson shall submit such recommendations and information as he or she may consider proper concerning the business affairs and policies of the Corporation.

SECTION 3. VICE-CHAIRPERSON. The Vice-Chairperson shall, in the absence of the Chairperson, fulfill the duties of the Chairperson.

SECTION 4. SECRETARY. The Secretary shall maintain or cause to be maintained the records of the Corporation, shall act as secretary of the meetings of the Corporation, record or cause to be recorded all votes, keep or cause to be kept a record of the proceedings of the Corporation in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to this office.

SECTION 5. TREASURER. The Treasurer shall maintain or cause to be maintained all funds of the Corporation and shall deposit or cause to be deposited same in the name of the Corporation in such bank (s) as the Corporation may select. The Treasurer shall sign or cause to be signed all instruments of indebtedness, all orders, and all checks for the payment of money; and shall pay out and disburse said monies under the direction of the Corporation. Except as otherwise authorized by resolution of the Corporation, all such instruments of indebtedness, orders, and checks over \$20,000 shall be countersigned by the Chairperson. The Treasurer shall keep or cause to be kept regular books of accounts showing receipts and expenditures, and shall render to the Corporation at each regular meeting an account of his transactions and also of the financial condition of the Corporation. The Treasurer shall be the Contracting Officer of the Corporation for the disposition of real and personal property in accordance with the provisions of the PAAA. The Treasurer shall be the Freedom of Information Law Officer of the Corporation in accordance with the provisions of the New York State Freedom of Information Law.

SECTION 6. ADDITIONAL DUTIES. The officers of the Corporation shall perform such other duties and functions as may from time to time be required by the Corporation, the Bylaws of the Corporation, the Certificate of Incorporation of the Corporation, or the rules and regulations of the Corporation.

SECTION 7. VACANCIES. Should any office become vacant, the Corporation

shall appoint a successor from among its Board of Directors at the next regular meeting, and such appointment shall be for the unexpired term of said office.

SECTION 8. ADMINISTRATOR. An Administrator may be appointed by the Board of Directors of the Corporation, and shall have general supervision over the administration of the business and affairs of the Corporation, subject to the direction of the Corporation. The Administrator shall be charged with the management of all projects of the Corporation. (per Article III. Section 2.c – the Administrator shall not serve as a Director of the Corporation).

SECTION 9. CHIEF FINANCIAL OFFICER. The Chief Financial Officer of Tompkins County shall serve as the Chief Financial Officer of the Tompkins County Development Corporation. Upon direction of the Treasurer, the Chief Financial Officer shall perform the duties of the Treasurer when needed. (per Article III. Section 2.c – the Chief Financial Officer shall not serve as a Director of the Corporation)

SECTION 10. ADDITIONAL PERSONNEL/TOMPKINS COUNTY PERSONNEL.
(a) The Corporation may from time to time employ such personnel as it deems necessary to exercise its powers, duties, and functions as prescribed by the New York State Not-for-Profit Corporation Law of the State of New York, as amended, its Certificate of Incorporation, and all other laws of the State of New York applicable thereto. The selection and compensation of all personnel, including the Administrator, shall be determined by the Corporation subject to the laws of the State of New York.

(b) The Corporation may use the agents, employees, and facilities of Tompkins County. In such event, the Corporation will, by resolution, enter into a contract with Tompkins County providing the terms upon which Tompkins County will provide the use of its agents, employees, and facilities to the Corporation and the compensation, if any, that the Corporation shall pay to Tompkins County for the use by the Corporation of Tompkins County's agents, employees, and facilities.

ARTICLE VI - GENERAL

- SECTION 1. BOOKS AND RECORDS. There shall be kept by the Corporation (1) correct and complete books and records of account, (2) minutes and statements of written action by the County as the sole member of the Corporation, (3) minutes of the proceedings of the Board of Directors and its committees, (4) a current list of the Directors and officers of the Corporation and their residence addresses, (5) a copy of the Certificate of Incorporation, and (6) a copy of these Bylaws. The foregoing items shall be subject to inspection and/or audit at any time by or at the direction of the Board of Directors.
- SECTION 2. INDEMNIFICATION. The Corporation shall indemnify the County, as the sole member of the Corporation, each Director, each officer, and, to the extent authorized by the Board of Directors, each other person authorized to act for the Corporation or on its behalf, to the full extent to which indemnification is permitted under the Not-For-Profit Corporation Law.
- SECTION 3. INTERESTED DIRECTORS AND OFFICERS. The Board of Directors may adopt a policy regarding conflicts of interest that shall apply to all directors and officers.
- SECTION 4. LOANS TO THE MEMBER, DIRECTORS, AND OFFICERS. The Corporation, either directly or indirectly, including through any subsidiary, is prohibited from extending or maintaining credit, arranging for the extension of credit, or renewing any extension of credit, in the form of a personal loan to or for the County, as the sole member of the Corporation, Director, or Officer, or to any other company, corporation, firm, association, or other entity in which the County or one or more of the Directors or Officers of the Corporation are officers or hold a substantial financial interest.
- SECTION 5. POLICIES OF THE CORPORATION. The Corporation will adopt and enforce all policies of the Tompkins County Industrial

Development Agency related to such public interests as diversity in hiring practices, apprenticeships, wage levels for jobs created, LEED construction, green operation, and other public interest stipulations in effect as of the date the Corporation issues any bonds, notes, or other obligations. The Tompkins County Code of Ethics shall apply to the Corporation.

ARTICLE VII - FISCAL YEAR

SECTION 1. FISCAL YEAR. The fiscal year of the Corporation shall commence on the first day of January of each calendar year and end on the last day of December.

ARTICLE VIII - AMENDMENTS

SECTION 1. AMENDMENTS TO BYLAWS. The Bylaws of the Corporation shall be amended by the County or with the approval of at least a majority of the Board of Directors of the Corporation at a regular or special meeting, but no such amendment shall be adopted unless at least seven days written notice thereof has been previously given to all Directors of the Corporation.

CERTIFICATE OF INCORPORATION

OF

THE TOMPKINS COUNTY DEVELOPMENT CORPORATION

A Not-For-Profit Local Development Corporation
under Section 1411 of the Not-For-Profit
Corporation Law of the State of New York

THE UNDERSIGNED, being over the age of eighteen years, for the purpose of forming a not-for-profit local development corporation pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, hereby certifies as follows:

FIRST: The name of the corporation shall be the Tompkins County Development Corporation” (hereinafter referred to as the “Corporation”).

SECOND: The Corporation will be a corporation as defined in subparagraph (a)(5) of Section 102 of the Not-For-Profit Corporation Law of the State of New York and, as provided in Section 1411 of the Not-For-Profit Corporation Law, will be a Type C Corporation as defined in Section 201 of the Not-For-Profit Corporation Law. The Corporation shall serve as a supporting organization for, but operate separate and apart from Tompkins County, New York (the “County”).

THIRD: The purposes for which the Corporation is to be formed and operated are exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, to relieve and reduce unemployment, promote and provide for additional and maximum employment, improve and maintain job opportunities, and lessen the burden of government and act in the public interest. In furtherance of said purposes, the Corporation’s powers shall include:

(a) To foster the creation, retention and expansion of jobs and economic opportunities for the benefit of the County, New York State and local economies; and

(b) Upon approval of the Tompkins County Legislature or its designee, to construct, acquire, rehabilitate and improve for use by others, facilities in the territory in which its operations are principally to be conducted, to assist financially in such construction, acquisition, rehabilitation and improvement, to maintain and/or lease such facilities on its behalf or for others in such territory; to disseminate information and furnish advice, technical assistance and liaison with federal, state and local authorities with respect thereto;

(c) Upon approval of the Tompkins County Legislature or its designee, to acquire by purchase, lease, gift, bequest, devise or otherwise real or personal property or interests therein;

(d) To apply for loans and borrow money without limit as to amount; to make, draw, accept, endorse, execute and issue negotiable bonds, debentures, notes and other obligations therefor;

(e) To sell, lease, mortgage or otherwise dispose of or encumber any such facilities or any of its real or personal property or any interest therein upon such terms as it may determine;

(f) To enter into covenants and agreements and to comply with all the terms, conditions and provisions thereof, and otherwise to carry out its corporate purposes and to foster and encourage the location or expansion of facilities and related businesses in the territory in which the operations of the Corporation are principally to be conducted;

(g) To apply for and make grants and loans and to execute any and all documents necessary in connection therewith;

(h) To do any other act or thing incidental to or connected with the foregoing purposes or in advancement thereof, but not for the pecuniary profit or financial gain of its members, directors, officers or any private person.

(i) In general, to perform any and all acts and things, and exercise any and all powers which may now or hereafter be lawful for the Corporation to do or exercise under and pursuant to the laws of the State of New York for the purpose of accomplishing any of the foregoing purposes of the Corporation.

FOURTH: The Corporation's mission and public objective, which the Corporation's purposes will achieve, include, but are not limited to, the lessening of the burdens of government by undertaking and promoting economic development initiatives in Tompkins County, New York (refer to THIRD for eligible activities the Corporation may undertake).

FIFTH: The operations of the Corporation will be principally conducted within the State of New York.

SIXTH: Pursuant to the requirements of Section 1411(e) of the Not-For-Profit Corporation Law:

(a) All income and earnings of the Corporation shall be used exclusively for its corporate purposes with the intent being that all income and earnings will be expended or deposited in appropriate reserves for corporate purposes; to the extent not so used, the income and earnings will accrue and be paid to the Job Development Authority to the extent required by Section 1411 of the Not-for-Profit Corporation Law.

(b) The property of the Corporation is irrevocably dedicated to charitable purposes. No part of the income or earnings of the Corporation shall inure to the benefit or profit of, nor shall any distribution of its property or assets be made to, any member, director or officer of the Corporation, or private person, corporate or individual, or to any other private interest, except that the Corporation may repay loans made to it and may repay contributions (other than dues) made to it to the extent that any such contribution may not be allowable as a deduction in computing taxable income under the Internal Revenue Code of 1986, as amended.

(c) If the Corporation accepts a mortgage loan or loans from the New York Job Development Authority, the Corporation shall be dissolved in accordance with the provisions of paragraph (g) of Section 1411 of the Not-For-Profit Corporation Law upon the repayment or other discharge in full by the Corporation of all such loans.

SEVENTH: (a) The Corporation shall not attempt to influence legislation by propaganda or otherwise, or participate in or intervene, directly or indirectly, in any political campaign on behalf of or in opposition to any candidate for public office.

(b) The Corporation shall not engage in any activities not permitted to be carried on by an organization exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

EIGHTH: In the event of the dissolution of the Corporation or the winding up of its affairs, the Board of Directors shall, after paying or making provision for the payment of all debts and liabilities of the Corporation of whatsoever kind or nature, distribute all of the remaining assets and property of the Corporation to the County for furtherance of the purposes set forth in Section 1411 of the Not-for-Profit Corporation Law. Any of such assets not so disposed of shall be disposed of by order of the Supreme

Court of the State of New York pursuant to Section 1008 of the Not-For-Profit Corporation Law.

NINTH: The office of the Corporation shall be located in Tompkins County, New York.

TENTH: The offices of the Corporation shall be functionally separate from those of the County or any of its affiliated entities (collectively, the “County Entities”) (although such office may be in a facility leased from the County or any of its affiliates on arms-length terms). The Corporation at all times shall:

(a) maintain separate accounting records and other corporate records from those of the County Entities;

(b) not divert the Corporation’s funds to any other person or for other than the use of the Corporation and not commingle any of the Corporation’s assets with those of the County Entities;

(c) pay any employee, consultant or agent of the Corporation, or any other operating expense incurred by the Corporation, from the assets of the Corporation and not from the assets of any of the County Entities;

(d) maintain its own deposit account or accounts, separate from those of the County Entities, with commercial banking institutions and/or trust companies;

(e) to the extent that the Corporation contracts or does business with vendors or service providers where the goods and services provided are partially for the benefit of any other person, the costs incurred in so doing shall be fairly allocated to or among the Corporation and such persons for whose benefit the goods and services are provided, and the Corporation and each such person shall bear its fair share of such costs;

(f) conduct its business in its own name and conduct all material transactions between the Corporation and the County Entities only on an arm's-length basis;

(g) observe all necessary, appropriate and customary corporate formalities, including, but not limited to, holding all regular and special members' and directors' meetings appropriate to authorize all corporate action, keeping separate and accurate minutes of such meetings, passing all resolutions or consents necessary to authorize actions taken or to be taken, and maintaining accurate and separate books, records, and accounts, including, but not limited to, intercompany transaction accounts. Regular members' and directors' meetings shall be held at least annually;

(h) ensure that decisions with respect to its business and daily operations shall be independently made by the Corporation (although the officer making any particular decision also may be an employee, officer or director of the County Entities);

(i) act solely in its own corporate name and through its own authorized officers and agents, and use its own stationery;

(j) other than as expressly provided herein, pay all expenses, indebtedness and other obligations incurred by it;

(k) not enter into any guaranty, or otherwise become liable, with respect to any obligation of the County Entities;

(l) cause any financial reports required of the Corporation to be prepared in accordance with generally accepted accounting principles and be audited annually and be issued separately from, although they may be consolidated with, any reports prepared for any member of the County Entities; and

(m) ensure that at all times it is adequately capitalized to engage in the transactions contemplated herein.

ELEVENTH: The types or classes of Membership in the Corporation and the number of Members of the Corporation shall be described in the By-laws. The initial Members of the Corporation shall be identified in the By-laws.

TWELFTH: The Corporation shall be managed by a Board of Directors consisting of three to nine Directors. Any subsequent increase or decrease in the size of the Board of Directors will require the unanimous approval of the Members and the affirmative vote of a majority of the Directors.

THIRTEENTH: The names and addresses of the initial Directors of the Corporation will be as follows:

Name	Address
Martha Robertson	1655 Ellis Hollow Road Ithaca, New York 14850
Larry Baum	15 Thornwood Drive Ithaca New York 14850
Daniel Cogan	706 N. Tioga Street Ithaca, New York 14850
Jeffrey Furman	124 Westfield Drive Ithaca, New York 14850
Will Burbank	132 Glenside Road Ithaca, NY 14850
James Dennis	47 Elm Street Trumansburg, NY 14886
Nathan Shinagawa	520 E. Buffalo Street, Apt. 2 Ithaca, NY 14850

FOURTEENTH: The duration of the Corporation shall be perpetual.

FIFTEENTH: The Corporation shall indemnify each Member, each Director, each officer, and, to the extent authorized by the Board of Directors, each other person authorized to act for the Corporation or on its behalf, to the full extent to which indemnification is permitted under the Not-For-Profit Corporation Law.

SIXTEENTH: The Secretary of State of the State of New York is designated as agent of the Corporation upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the Corporation served upon him is as follows: Tompkins County Development Corporation, c/o Tompkins County Area Development, 401 E. Street, Suite 402B, Ithaca, New York 14850.

SEVENTEENTH: The By-laws of the Corporation may be adopted, amended or repealed by a majority of the Directors of the Corporation.

EIGHTEENTH: The Corporation will not do any of the following:

(a) Without the affirmative vote of all Members of the Corporation and the affirmative vote of a majority of the Directors, increase or decrease the number of Members of the Corporation or increase or decrease the number of Directors of the Corporation.

(b) Without the affirmative vote of a majority of the Directors of the Corporation and all of the Corporation's members, (i) dissolve or liquidate, in whole or in part, or institute proceedings to be adjudicated bankrupt or insolvent, (ii) consent to the institution of bankruptcy or insolvency proceedings against it, (iii) file a petition seeking or consenting to reorganization or relief under any applicable federal or state law relating to bankruptcy or insolvency, (iv) consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator or other similar official of the

Corporation or a substantial part of its property, (v) make a general assignment for the benefit of creditors, (vi) admit in writing its inability to pay its debts generally as they become due or (vii) take any corporate action in furtherance of the actions set forth in clauses (i) through (vi) of this paragraph.

(c) Without the affirmative vote of all of the Directors of the Corporation and all of the Corporation's members, merge or consolidate with any other corporation, company or entity or, except to the extent contemplated by paragraph THIRD hereof, sell all or substantially all of its assets or acquire all or substantially all of the assets or capital stock or other ownership interest of any other corporation, company or entity.

IN WITNESS WHEREOF, this certificate has been subscribed this []th day of January, 2010.

/s/ Christopher A. Andreucci
Christopher A. Andreucci
99 Garnsey Road
Pittsford, New York 14534

CERTIFICATE OF INCORPORATION

OF

THE TOMPKINS COUNTY DEVELOPMENT CORPORATION

(Under Section 1411 of the Not-For-Profit Corporation Law of the State of New York)

Filed by: Harris Beach PLLC
99 Garnsey Road
Pittsford, NY 14534

Accomplishments – 2011

In 2011, the Tompkins County Development Corporation helped two projects access the tax-exempt bond market.

1. Ithaca College – \$25.9 Million related to the College Circle Apartment project expansion
2. Franziska Racker Centers - \$2.5 Million related to expansion and renovation.

**Tompkins County Development Corporation
Preliminary 2011 Budget**

Projected Starting Balance \$ 136,827

Income

Fees \$ 350,000

Interest \$ 3,000

Total \$ 353,000

Expenses

Administration \$ -

Attorney Fees \$ -

Audit \$ 7,000

Total \$ 7,000

Projected Ending Balance \$ 482,827

**Tompkins County Development Corporation
2011 Board of Directors**

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Administration

Michael B. Stamm – Administrative Director
President
Tompkins County Area Development
200 E. Buffalo Street, Suite 102A
Ithaca, NY 14850
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E-mail: michaels@tcad.org

Attorney

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607-273-4726 (fax)
mariette@geldenhuyslaw.com

* = member of Audit Committee
= member of Governance Committee

Jean McPheeters #
David Squire *

Comments on Operations

Currently the TCDC does not have any real property. Any information on outstanding bonds or notes for current TCDC projects are reported in its Annual Financial Report. There is no compensation schedule, as TCDC does not have any employees. Administrative management is provided by TCAD.

The Board Treasurer maintains the TCDC funds and reports annually to the Board. Administrative fees are paid via check or wire transfer.