

Tompkins County
Development Corporation
Not-for-Profit Application for Incentives

Applicant Information

Date: February 13, 2013

Name of Company/Applicant: Cayuga Medical Center at Ithaca	
Address: 101 Dates Drive	
City/State/ZIP: Ithaca, NY 14850	
Primary Contact: John Collett, VP/CFO	
Phone: 607-274-4441	Fax: 607-274-4625
Email: jcollett@cayugamed.org	

Applicant Attorney: Harris Beach	
Address: 99 Garnsey Road	
City/State/ZIP: Pittsford, NY 14532	
Primary Contact: Kevin Overton	
Phone: 585-419-8729	Fax: 585-419-8801
Email: koverton@harrisbeach.com	

Applicant Accountant: John Collett	
Address: 101 Dates Drive	
City/State/ZIP: Ithaca, NY 14850	
Primary Contact: John Collett, VP/CFO	
Phone: 607-274-4441	Fax: 607-274-4625
Email: jcollett@cayugamed.org	

Applicant Engineer/Architect (if known): n/a	
Address:	
City/State/ZIP:	
Primary Contact:	
Phone:	Fax
Email:	

Applicant Contractor (if known): n/a	
Address:	
City/State/ZIP:	
Primary Contact:	
Phone:	Fax:
Email:	

Business History

Year Company was Founded: 1980 Type of ownership (Corporation, LLC, Sole Proprietor)
 NAICS Code: 622110

Product or Service: Healthcare/Acute Care Hospital

Major Customers: Residents of Tompkins county and the surrounding area <i>The IDA avoids offering incentives to businesses that will compete with or displace existing Tompkins County businesses.</i>
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Major Suppliers: Owens & Minor Cardinal Pharmaceuticals GE Medical Systems GE Healthcare Beckman Coulter, Inc.

Who are your major competitors in Tompkins County? Guthrie Clinics

Has your business ever received incentives tied to job creation from local governments in New York State?

Yes No

If Yes: please describe

In 2003, Cayuga Medical Center entered into a lease agreement with Tompkins County Industrial Development Agency (IDA) whereby the Medical Center leased certain assets through IDA. In turn, IDA issued a series of Variable Rate Demand Civic Facility Revenue bonds totaling \$15 million. The proceeds from the bond were distributed to the Medical Center to finance certain construction projects and to purchase equipment.

In 2010, the Medical Center entered into an agreement with Tompkins County Development Corporation and Bank of America whereby the Bank provided the proceeds of the Tax Exempt Revenue Bond in the aggregate principal amount of \$14.275 million to the Development Corporation. The proceeds from the bond were distributed to the Medical Center to finance certain construction projects and to purchase equipment.

Were the goals met? Yes No

If No, why were goals not met? _____

Project Description

Please give a brief narrative description of the project.

The Project consists of capital expenditures related to the construction/renovation of various departments of the hospital to meet the growing needs of our community. These projects include renovations for the following areas: Surgical Services, Laboratory, Endoscopy, Obstetrics, Oncology, Pediatrics, Sterile Processing, Wound, Central Supply, Information Systems, Pain, Sleep, & Infusion. In addition medical equipment will be purchased for Imaging, Anesthesia, Radiology, Cardiology, Lab, Respiratory, Surgical Services, Security, Intensive Care, Pharmacy, Health Information Management, & Grounds.

Location: Cayuga Medical Center at Ithaca, 101 Dates Drive, Ithaca NY 14850

Property size (acres) – both existing and proposed: 58 Acres – no change proposed

Building size (square feet) – both existing and proposed: 333,738 existing, approx 383,738 proposed

Proposed project start and completion dates: Begin 7/1/11; end 6/30/13

What types of green building practices do you plan to use, if any?

The New Clinical Laboratory project as well as the Surgical Services project at Cayuga Medical Center have both been designed using sustainable practices. The Laboratory is currently registered and seeking certification under the United States Green Building Council's LEED accreditation program. It is registered under the "New Construction" program. The project has been very successful in the reduction of required energy. The Surgical Services project has been registered under the United States Green Building Council's LEED accreditation program as well, however, it is registered under the new "LEED for Healthcare" Healthcare program. Again energy conservation has been a target for this project.

Do you certify that the project will not result in the relocation of all or part of any business or jobs from within New York State to Tompkins County? Yes No

Will this project result in a regular increase in overnight visitors to your facility (e.g. for training purposes)?

Yes No

If Yes, number of visitors per year _____ average duration of stay _____ days

Occupancy

List the name(s), nature of business of proposed tenant(s), and percentage of total square footage to be used for each tenant. (Additional sheets may be attached if necessary.)

N/A – No tenants

Project Costs

	<u>Amount</u>
Value of land to be acquired (if any):	_____
Value of building to be acquired (if any):	_____
Cost of New Construction:	_____
Value of improvements to existing building:	<u>15,000,000</u>
Value of equipment to be acquired:	<u>10,000,000</u>
Other:	_____
TOTAL	\$ 25,000,000

Financing

	<u>Without Bonds</u>	<u>With Bonds</u>
First year debt service	\$ <u>1,979,867</u>	\$ <u>1,610,249</u>
Total debt service	\$ <u>39,597,344</u>	\$ <u>32,204,980</u>

Amount of anticipated financing from a lending institution \$ 25,000,000

(Please note: The applicant must inform the TCDC at the time of issuance of commitment letter if the financing will exceed the amount stated here.)

Need for Incentives

If the applicant is requesting incentives that are greater than the Development Corporation Standard Policies, please include a detailed justification for this provision.

N/A

Employment Information (please note that during the course of the abatement you will be required to provide employment information annually.)

Please provide a description of the benefits that you offer to your employees.

See attached summary of benefits

Please provide a description of internal training and advancement opportunities offered to your employees.

CMC provides a variety of in house and external educational programs including clinical education, skill development, online education, participation at Regional and National Conferences, along with scholarship support for Associates, Baccalaureate and Graduate education.

What percentage of your current positions do women occupy? 77%

What percentage of your current positions do minorities occupy? 5.6%

What percentage of your current workforce and management are: in Tompkins County? In New York State?
Out of state? 70% Tompkins County, 99% NYS

Are you willing to pay a livable wage as defined by the Alternatives Federal Credit Union (AFCU) of Ithaca, NY (<http://www.alternatives.org/LivingWage2011Chart.html>) to all employees for the duration of the abatements?

Yes No

Do you have a strategy for ensuring diversity in hiring? Yes No

If yes, please describe.

200 EQUAL EMPLOYMENT OPPORTUNITY POLICY

It is the policy of Cayuga Medical Center at Ithaca when recruiting, hiring, training, promoting, and terminating employees to comply with those laws which prohibit discrimination as to race, color, sex, age, religion, national origin, sexual orientation, disability, veteran status or any other basis protected by applicable state and federal law. We will therefore:

Recruit, hire, train and promote for all job classifications without regard to race, color, sex, age, religion, national origin, sexual orientation, disability, veteran status or any other basis protected by applicable state and federal law.

Base decisions on employment so as to further the principles of equal employment opportunity.

Ensure that promotion decisions are in accord with the principles of equal employment opportunity.

Ensure that all other personnel actions, such as compensation, benefits, transfers, terminations, Hospital – sponsored training, education tuition assistance, social and recreational programs, will be administered without regard to race, color, sex, age, religion, national origin, sexual orientation, disability, veteran status or any other basis protected by applicable state and federal law.

The Hospital will take all necessary steps to ensure that no person intimidates, threatens, coerces, or discriminated against any individual because that individual has filed a complaint, furnished information, or assisted or participated in any manner in an investigation, compliance, review or hearing, or other activity related to the administration of this policy.

Cayuga Medical Center at Ithaca is committed to equal employment opportunity for all qualified individuals regardless of sex, race, color, religion, national origin, age, disability, marital status, military service, sexual orientation or any other basis protected by federal or state anti-discrimination laws. Our commitment in this respect goes beyond hiring and includes all aspects of our relations with employees. The medical center does not discriminate in recruiting, hiring, training, promotion or in any other term or condition of employment. It is the medical center's policy that opportunities for advancement be based upon an employee's performance and job qualifications.

Please provide your Employment Plan

Permanent Occupations in Company	Current Permanent Full-Time Jobs by Occupation		Projection of New Permanent Full-Time Jobs			
	Annual Salary Ranges/ Hourly Wage	Number of Employees	Added in Year 1	Added in Year 2	Added in Year 3	Total New Jobs
Professional:	32.23	338				
Clerical:	16.24	144				
Sales:	n/a					
Services:	13.03	190				
Construction:	n/a					
Manufacturing:	n/a					
High Skilled:	n/a					
Medium Skilled:	n/a					
Basic Skilled:	n/a					
Other (Describe):						
Technical	26.25	147				
Management	40.21	78				
Craft	23.90	11				
Total:		908				

Estimated percentage of new hires who are currently not employed N/A %

Construction Labor

Will you use contractors who:

- Have a certified apprenticeship program Yes ___ No
- Pay a prevailing wage Yes ___ No
- Use local labor Yes ___ No

Environmental Review – N/A

Environmental Assessment Form – short or long

Submitted to: _____

Agency name: _____

Agency address: _____

Date of submission: _____ Status of submission: _____

(please note: an environmental review must be completed before TCDC can vote on proposed financial incentive. It is the applicant's responsibility to provide a copy of the determination of environmental impact by another agency to TCDC.)

Permits

Describe other permits required and status of approval process.

N/A

Other

Do you have any thing else you would like to tell Development Corporation regarding this project?

N/A

CERTIFICATION

John Collett deposes that she/he is the VP/CFO

(Name of chief executive officer of company submitting application) (Title)

of Cayuga Medical Center at Ithaca, the corporation named in the attached application; that
(Company Name)

he has read the foregoing application and knows the contents thereof; that the same is true to his knowledge.

Deponent further says that the reason this verification is made by the deponent and not by

Cayuga Medical Center at Ithaca is because the said company is a corporation.

(Company Name)

The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "Applicant"), deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the nonprofit Tompkins County Industrial Development Agency (hereinafter referred to as the "Agency") acting in behalf of the attached application whether or not the application, the project it describes, the attendant negotiations and ultimately the necessary issue of bonds or transfer of title are ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action, or withdraws, abandons, cancels, or neglects the application or if the Agency or Applicant are unable to find buyers willing to purchase the total bond issue required or financing for the project, then upon presentation of invoice, the Applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue or transfer of title the Applicant shall pay to the Agency an administrative fee set by the Agency, not to exceed an amount equal to 1% of the total project cost. The cost incurred by the Agency and paid by the Applicant, including bond counsel, the Agency's general counsel's fees and the Agency's administrative fees, may be considered as a cost of the project and included as part of the resultant bond issue.

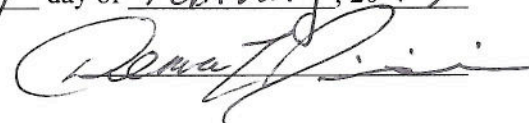


Signature of chief officer of company submitting application

NOTARY

Sworn to before me this

14 day of February, 2013



DONNA L PINNISI
Notary Public, State of New York
No. 01P16189622
Qualified In Tompkins County
Commission Expires 06/30/2016