

Tompkins County Development Corporation

Administration provided by  **TCAD**

**TOMPKINS COUNTY DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING**

• Thursday, May 10, 2018 •

3:30 PM

**Governor Daniel D. Tompkins Building
Legislative Chambers
121 E. Court Street
Ithaca NY 14850**

AGENDA

- 1. CALL TO ORDER**
- 2. PRIVILEGE OF THE FLOOR**
- 3. BUSINESS**
Funding Request – Finger Lakes Regional Prosperity Network Food Business Incubation Program
- 4. CHAIR’S REPORT**
- 5. STAFF REPORT**
- 6. APPROVAL OF MEETING MINUTES – April 12, 2018**
- 7. ADJOURNMENT**

**Request \$17,030 from the TCDC to fund
FLRPnet's Food-Processing Business Incubation Program
Pilot program in Tompkins County**

Overview: In early April, the Appalachian Regional Commission (ARC) approved a \$67,728 grant to the Finger Lakes Regional Prosperity Network (FLRPnet, aka TCAD Foundation) for a pilot Food Processing Business Incubation Program (FoodBIP). FoodBIP is a technical support program for the local food and beverage manufacturing sector. The FoodBIP will hire a director who will develop a program that builds relations with the entrepreneurial community, shares knowledge, encourages supply chain connections, and fosters growth of the region's food and beverage manufacturers. Cornell Cooperative Extension of Tompkins County is a partner in the program and will implement a web-based information portal for local food businesses. (See the attached Executive Summary of the grant proposal for more information.)

The ARC grant will fund a one-year pilot program in the ARC's Southern Tier Central Region: Chemung, Schuyler and Steuben counties. This was envisioned as a .6 FTE. We would like to also serve Tompkins County in the pilot program with an additional .2 FTE salary added to the position.

Tompkins County Services and Metrics: The FoodBIP director will endeavor to spend equal time working with food and beverage entrepreneurs from each county. Therefore, will spend about one day per week focused on Tompkins County.

Outputs: For all FoodBIP counties: Develop program protocols for working with businesses, connecting business resources and evaluating progress. Map regional food manufacturing assets. Develop a food system online portal. For Tompkins: Connect 16 startup and small food/beverage manufacturers to the portal network. Present 1 technical workshop and 1 networking event in Tompkins with alerts for events in the other counties. Meet individually with 8 food/beverage manufacturers; provide one-to-one technical advisory services to 3 businesses with expansion projects.

Outcomes for Tompkins: Over three years: 3 businesses will expand operations; 6 jobs will be created; \$310,000 will be invested in business expansions.

Request: FLRPnet seeks \$17,030 to support the FoodBIP Director position at an additional .2 FTE to serve Tompkins County. The budget is as follows:

\$14,000	salary
\$ 1,610	11.5% fringe
\$ 420	3% payroll management
\$ 1,000	milage
<u>\$17,030</u>	Total cash from TCDC

Schedule: The ARC grant runs from May 1, 2018 until December 31, 2019. We anticipate hiring the FoodBIP director during July 2018. The pilot is funded for one year from the director's start date.

Future Program Development: FLRPnet will be applying for future grant funding to support the position and expand the FoodBIP program to serve approximately 12 rural counties across the Finger Lakes region, which includes Tompkins County.

1.6 Executive Summary

Project Name: Pilot Food Processing Business Incubation Program (FoodBIP)
Project Grantee: TCAD Foundation dba Finger Lakes Regional Prosperity Network (FLRPnet)
Counties Served: Chemung (transitional), Schuyler (transitional), and Steuben (transitional)

Goal/Strategy: This project addresses ARC 2016-2020 Strategic Investment Goal 1: Economic Opportunities “Invest in entrepreneurial and business development strategies that strengthen Appalachia’s economy”. It also addresses NYS Strategy 1.2: “Support the growth and startup of high-potential businesses, particularly in targeted sectors that build on local and regional assets. This includes, but is not limited to: advanced manufacturing, clean energy, health care, high-technology, tourism, agriculture and local food systems.”

Purpose: A business development program, targeting farm-based and factory-based food/beverage manufacturers, that creates good-paying jobs/careers, with increased income opportunities for low-income people; creates business investment in struggling rural communities; has additional benefits of creating an entrepreneurial ecosystem for the food sector, a regional identity as a good place to grow a food business, and improved quality of life in the region.

Funding:	Amount	Percent	Source
ARC	\$67,728	50%	Area Development
Federal	\$	%	
State	\$	%	
Local	\$	%	
Private	<u>\$67,728</u>	<u>50%</u>	Cash and in-kind
Total	\$135, 456	100%	

Project Description: The Food Processing Business Incubation Program (FoodBIP) will support the growth of food/beverage manufacturers in the three-county region – Chemung, Schuyler, and Steuben – during a one-year pilot of the program by advising individual businesses, hosting workshops and events, and creating an online food sector resource portal. The FoodBIP Director will develop the incubation program, including outreach, advising, workshops, and connecting the businesses to mentors and other resources. These activities will help them with planning, identifying markets, manufacturing, packaging, pricing, distribution channels, and operations, ultimately helping them save costs and grow more efficiently. FoodBIP will strengthen and connect the entrepreneurship community by facilitating individual business-to-business connections, networking events, promoting food network communications, and through the online portal. Cornell Cooperative Extension of Tompkins County (CCETC) will design, develop and host the online portal, that will be a one stop shop for food processing sector resources, information, and networking. The Director will identify resources and industry information to assure that the online portal has relevant content and will keep the information up to date. The Director will review FoodBIP operations, survey stakeholders, and analyze metrics to evaluate the pilot FoodBIP prior to future expansion of the program.

Strategic Rationale: There is increasing consumer demand for locally sourced and produced specialty food products. Farm-based and factory-based food/beverage manufacturers operate in an increasingly regulated and competitive industry (e.g. Food Safety Modernization Act, thin

margins in the food sector, global competition). In the rural region of the Southern Tier, resources for expanding food businesses are often at a distance, making access difficult. These factors make it challenging for startup and small food processors to scale up and serve regional and national demand for their products. In any single rural county in the Southern Tier, there is not enough demand to support a food-focused economic development program. FoodBIP proposes to serve a multi-county region that has a critical mass of demand and can generate adequate return on investment to warrant a program targeted to growing the food/beverage manufacturing sector. The ARC has the mission and ability to fund a multi-county initiative. FoodBIP directly supports the Southern Tier Regional ED Council's "plan to build the advanced economy (by) transforming the food and agricultural industry" including growing food production, processing, and distribution, while strengthening links to tourism and manufacturing (STREDC 2016 Progress Report).

Collaborative Partnerships: Cornell Cooperative Extension of Tompkins County (CCETC) will house the FoodBIP Director 50% of the time, and make a cash contribution of benefits for the Director position. CCETC will also contribute 2/3 of the value of the design, development, testing and hosting of the FoodBIP online portal. Tompkins County Area Development will house the FoodBIP Director 50% of the time and contribute in-kind management and communications services. Wegmans will contribute 35 hours and M3 Enterprises will contribute 10 hours of in-kind executive staff time to mentor participating businesses. AM&T has pledged in-kind support of a food safety expert. Glen Industries and SCOPED have offered meeting space.

Project Sustainability & Capacity: TCAD, the economic development agency for Tompkins County since 1964, created FLRPnet and continues to administer its operations. The project leader is Martha Armstrong, Vice President and Director of Economic Development Planning for TCAD, and Administrator of FLRPnet. Martha is a licensed architect, an AICP certified planner, and is certified as an economic development finance professional. With over thirty years of experience, Martha will manage the ARC grant, provide oversight of all aspects of the FoodBIP program, and seek future funding resources. Greg Kops is the website design leader at CCETC and will lead creation of the online portal. Greg has over twenty years of experience working with a range of clients and technologies. The pilot program will allow FoodBIP to demonstrate to stakeholders the effectiveness of this approach to growing food and beverage manufacturing and the local food system. FoodBIP will need to raise \$87,250 annually in future years to expand its service territory and scale up to a full time director. FLRPnet will apply to USDA for future funding, as well as to private foundations, state, local and other sources. TCAD has a record of successful proposals for support from USDA, local and state funders, and private foundations, raising \$740,500 in grants and long-term low-interest loans through nine awards since 2012, for economic development targeted to the food/beverage sector.

Impact Measures: (a) Outputs: Develop program protocols for working with businesses, connecting business resources and evaluating progress. Map regional food manufacturing assets. Develop a food system online portal. Connect 47 startup and small food/beverage manufacturers to the portal network. Present 2 technical workshops and 2 networking events. Meet individually with 23 food/beverage manufacturers; provide one-to-one technical advisory services to 9 businesses with expansion projects.

(b) Outcomes: Over three years: 9 businesses will expand operations; 19 jobs will be created; \$935,000 will be invested in business expansions.

Food Processing Business Incubation Program (FoodBIP)

DIRECTOR – JOB DESCRIPTION

Draft – August 2017

Summary:

Finger Lakes Regional Prosperity Network and Cornell Cooperative Extension of Tompkins County are partnering to pilot a food sector development program in the Southern Tier. The Director of the Food Business Incubation Program is responsible for developing, implementing and managing a dynamic outreach and industry technical assistance network. FoodBIP is a business development program, targeting farm-based and factory-based food and beverage manufacturers. By connecting businesses with regional assets and technical assistance, FoodBIP will create an entrepreneurial ecosystem for the food sector and a regional identity as a good place to grow a food business. Program goals include creating good jobs and careers, with increased income opportunities for low-income people, and creating business investment in this rural region.

The successful candidate will have a strong business development orientation, with experience developing and implementing technical assistance programming and networking events relevant to small and startup food processing industry interests. Knowledge of food manufacturing operations, food safety regulations, food distribution channels and marketing, is central to this position. A collaborative approach and ability to work with diverse individuals is also critical. This is a leadership role charged with the responsibility to maintain good and effective public relations. The position is funded at 60% for one year as a pilot program in Chemung, Schuyler, and Steuben counties of New York. The success of the pilot program will determine future expansion to a full-time position serving an expanded region.

Job Duties include:

- Serve as a business development coach and broker of resources for small and start-up food processors, both farm-based and factory based
- Develop and implement a work program with outcomes focused on the mission of FoodBIP
- Create and maintain a schedule of outreach and technical assistance programs
- Provide in-depth business development support to small and start-up food processors who have demonstrated a willingness and potential (from both a market and operations perspective) to expand their businesses to serve multi-state regional and/or national markets
- Maintain and establish information-sharing and other collaborations with other organizations providing technical assistance and information to the food industry in the service area
- Foster a food processing sector community and an eco-system that supports successful growth
- Oversee design and maintain a web portal providing business development resources for small and start-up food processors
- Develop content for the online portal including an asset map and data base of food processing sector resources and information

- Manage program budgets and financial reporting activities
- Implement assessment measures and program evaluation
- Assist in grant writing and proposal development to support and expand FoodBIP's capabilities; identify foundation, government and corporate funding possibilities; meet with potential funders and sponsors; and prepare final reports

Required Qualifications:

- Bachelor's degree in agri-business management, food marketing, food manufacturing or related field
- Three years of relevant work experience in food manufacturing, food distribution, or related industry
- Extensive knowledge and experience with emerging issues in the food processing industry and its regulatory environment required, with a focus on food processing in the Northeast and/or New York State preferred
- Exceptional communications skills; a dynamic team leader, highly organized, motivated, self-directed and capable of managing multiple projects simultaneously.
- Must be able to meet the travel requirements of the position, including maintaining a valid driver's license and having reliable transportation

Preferred Qualifications:

- Seven years minimum of progressive professional experience in the food processing industry involving successfully launching food-related enterprises and/or growing sales and production of such enterprises to the multi-state level
- Understanding of development finance
- Excellent professional writing and communication skills
- Working knowledge of Microsoft Office

Compensation:

Excellent benefits package and salary commensurate with experience.

Benefits, based on eligibility, include:

- Vacation, Sick and Personal time
- Paid Holidays
- NYS Health Insurance Program
- NYS Retirement
- Long-term Disability Insurance
- Voluntary Flexible Spending Accounts

Finger Lakes Regional Prosperity Network is an Equal Opportunity Employer (EEO), committed to cultivating an inclusive and diverse workplace. Individuals seeking to contribute to the diversity and inclusivity of our organization and the communities we serve, are encouraged to apply.

**Tompkins County Development Corporation
Board of Directors Meeting Draft Minutes
April 12, 2018
Tompkins County Legislative Offices
121 E. Court Street, Ithaca, NY**

Present: Martha Robertson, Rich John, Jennifer Tavares, Laura Lewis, Mike Sigler

Absent: Grace Chiang, Leslyn McBean-Clairborne

Staff: Heather McDaniel, Ina Arthur, Mariette Geldenhuys

Guests: Rick Snyder (TC Finance), Deborah Dawson

CALL TO ORDER

Rich John called the meeting of the **Tompkins County Development Corporation** to order at 3:30 PM

PRIVILEGE OF THE FLOOR

Amanda Kirchgessner - She spoke of the City of Ithaca's draft Green Building Policy and the need for the IDA to change their enhanced energy PILOT incentive if this is approved by the City.

BUSINESS

Amendment of Bond Purchase and Loan Agreement – 2010 Cayuga Medical Center Bonds

Ms. McDaniel reported that this is to correct an interest rate formula in the original documents.

Martha Robertson moved to approve the resolution to amend the bond purchase and loan agreement for the 2010 Cayuga Medical Center Bonds. Jennifer Tavares seconded the motion. The motion was approved 5-0.

2017 Audit Presentation and PARIS Report

Ms. McDaniel reviewed the 2017 TCDC/TCIDA Audit documents and PARIS Report. The audit compiles the TCDC and TCIDA together. Revenue was higher than anticipated in 2017 as there were unanticipated bond refinancing deals and two PILOT projects that were not anticipated that closed towards the end of the fiscal year. This led to an overall larger fund balance than had been budgeted for 2017.

Rich John asked about the note on page 4b dealing with factors bearing on the agency's future. The note speaks to the agency's practice of supporting economic development activities and the

suggestion of encumbering funds for this purpose in the future. He asked if this was a call to action on the agency's part.

On page 5 there is a current liability of \$122,333 due to other governments. This is a pass through of Mortgage Recording Tax due to other municipalities. The funds were wired into the TCDC account at the end of 2017 in error. These funds were distributed to the appropriate entities in early 2018.

There are two schedules of bond indebtedness – one for older TCIDA bonds that are being paid down by the projects and one for newer bonds issued through the TCDC.

Pages 14 and 14a highlight the active TCIDA projects for 2017. The types of exemptions and exemption periods have been aligned with what is input into the PARIS system. This is just a snap shot for 2017.

The IDA had 38 active projects that paid \$3.6 million in new property taxes in 2017 and created 421 new jobs.

There was a question on Transonic Systems and the number of jobs dropping from when the project started and 2017. This is due to the recession in 2008 and decrease in research funding from the federal government, which supports a large portion of their client base.

Jennifer Tavares asked if job numbers are tracked from year to year. Yes, this data is collected each year.

Rich John commented that he is glad that the audit was “boring” in terms of not problems.

Martha Robertson moved to approve the 2017 TCDC/TCIDA Annual Audit and to the accept the PARIS Report. Jennifer Tavares seconded the motion. The motion was approved 5-0.

2018 1Q Financial Report

First quarter 2018 budget activity was presented for the TCDC.

CHAIR'S REPORT

None.

STAFF REPORT

None.

APPROVAL OF MINUTES

Mike Sigler moved to approve the minutes from the March 8, 2018 TCDC Board meeting. Martha Robertson seconded the motion. The motion was approved 5-0.

The meeting was adjourned at 3:55 PM.

