

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

Applicant Information

Date: 09/05/14

Name of Company/Applicant: Kendal at Ithaca, Inc.	
Address: 2230 N. Triphammer Road	
City/State/ZIP: 14850	
Primary Contact: Daniel Governanti	
Phone: 607-266-5303	Fax: 607-266-5353
Email: dgovern@kai.kendal.org	

Applicant Attorney: Miller Mayer LLP	
Address: 202 East State Street, 7 th floor	
City/State/ZIP: Ithaca, NY 14850	
Primary Contact: Elena Flash	
Phone: 607-273-4200	Fax: 607-272-6694
Email: esf@millermayer.com	

Applicant Accountant: CliftonLarsonAllen	
Address: 610 West Germantown Pike, Suite 400	
City/State/ZIP: Plymouth Meeting, PA 19462	
Primary Contact: Bernadette O'Toole	
Phone: 267-419-1127	Fax:
Email: Bernadette.OTOole@cliftonlarsonallen.com	

Applicant Engineer/Architect (if known): Perkins Eastman Architects	
Address: 115 Fifth Avenue	
City/State/ZIP: New York, NY 1003	
Primary Contact: Richard Rosen, AIA	
Phone: (212) 353-7650	Fax(212) 353-7676
Email: r.rosen@perkinseastman.com	
Applicant Contractor (if known):	

Lecesse Construction	
Address: 75 Thruway Park Drive	
City/State/ZIP: West Henrietta NY 14586	
Primary Contact: Tony DaGrossa	
Phone: (585) 334-4490	Fax:
Email: adagrosa@LECESSEconstruction.com	

Business History

Year Company was Founded: 1992 Type of ownership (**Corporation**, LLC, Sole Proprietor)
 NAICS Code: 62331 - NONPROFIT 501(c) (3)

Product or Service: Continuing care retirement community

Major Customers: Senior citizens
<i>The IDA avoids offering incentives to businesses that will compete with or displace existing Tompkins County businesses.</i>

Major Suppliers: Sodexo Inc. P.O. Box 360170, Pittsburgh, PA 15251	Terry Bailey Construction, Inc. 5139 Jacksonville Road Trumansburg, NY 14886
Omnicare of Syracuse d/b/a Pharmacy Solutions PO Box 740391 Cincinnati, OH 45274-0391	B&B Flooring 2217 Dryden Road Dryden, NY 13053

Who are your major competitors in Tompkins County? There are no other CCRCs locally. Longview, Brookdale Senior Living, and Bridges of Cornell Heights are less comprehensive models of senior housing and care.

Has your business ever received incentives tied to job creation from local governments in New York State?
 ___ Yes x No

If Yes, please describe _____

Were the goals met? Yes No

If No, why were goals not met? _____

Project Description

Please give a brief narrative description of the project.

Kendal at Ithaca's substantial expansion and redevelopment of its campus includes a new two story, 24 unit independent living apartment building with new covered parking; a new 48 bed skilled nursing facility (consisting of 3 households of 16 private rooms); a new centralized entrance and reception area which will create a definitive, useful and attractive point of entry to the community; a new dining café; new rooms for aerobics and fitness, and renovations of the visiting practitioner area and dining areas, common areas and certain administrative office areas.

The renovations will include a redesign of the existing skilled nursing area to include: improved office spaces for the Licensed Home Care Services Agency; improved areas for visiting practitioners to use for treatment; relocated and improved administrative offices for health services, nursing, human resources, facility services, information technology offices, and a data server room; a new large activities room for Heath Center programs; a larger and redesigned beauty salon with the addition of a spa; new space for the bank; a library expansion; and a new space for the Residents' Association. The new and renovated fitness, aerobic and spa areas will not only strengthen Kendal at Ithaca's market position but will support a culture of wellness among its resident and staff population.

In addition, Kendal at Ithaca is considering refinancing its existing Series 2000 and 2003B Bonds.

Location: 2230 N. Triphammer Road, Ithaca, NY 14850

Property size (acres) – both **existing** and proposed: 103 acres

Building size (square feet) – both **existing** and proposed: Existing total building size is 354,559 s.f. Upon completion the total building size will be 438,660 s.f. (both calculations do not include covered parking)

Proposed project start and completion dates: November 2014 – December 2016

What types of green building practices do you plan to use, if any? Kendal has completed a NYSERDA energy management project and is committed to using green building practices in this project. The project is being designed to meet LEED, NYSERDA and Energy Star standards for certification. We have internal practices regarding reuse, recycling and composting; and use of energy efficient products throughout the facility. In purchasing equipment, green practices are a primary factor.

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.)

Not applicable

Project Costs

	<u>Amount</u>
Value of land to be acquired (if any):	___ N/A _____
Value of building to be acquired (if any):	___ N/A _____
Cost of New Construction:	___ \$23.1 million _____
Value of improvements to existing building:	___ \$6.1 million _____
Value of equipment to be acquired:	___ \$1.3 million _____
Other: contingency) _____	___ \$8.266 million (soft costs, fees, marketing,
TOTAL	\$ ___ \$38,761,053 _____

Financing

	<u>Without Bonds (+75bps)</u>	<u>With Bonds (T/E Financing)</u>
First year debt service	\$ ___ \$3,949,557 ___	\$3,585,365
Total debt service	\$ ___ 107,132,292 ___	\$ ___ 97,762,646 ___

Amount of anticipated financing from a lending institution \$55,000,000

(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.

Not applicable

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.

Benefits for full-time employees hired to work 30-40 hours/week are listed below.

Health insurance; dental insurance; group life & accidental death and dismemberment insurance (AD&D); voluntary life and AD&D insurance; NYS disability insurance; workers' compensation insurance; long-term disability insurance; flexible spending accounts; Kendal pension plan; tax-deferred annuities (403(b); Kendal provides 1.25 percent match for 403(b); PTO (paid time off); sick leave; holiday pay (7 holidays observed); lunch provided for those working on Kendal-observed holidays; service awards (2nd-year and every 5th year); anniversary holiday (every 5th year); direct deposit; shift differentials; bereavement leave; jury duty leave; military leave; employee assistance program; educational reimbursement program; on-site child care; child care scholarship program; Family and Medical Leave; personal leave of absence; annual health screening, PPD and flu shot at no cost to employee.

Employees may also use Kendal fitness equipment such as exercise equipment, tennis courts, and swimming pool. Our Fitness Coordinator provides personal training and other wellness/fitness opportunities for staff, such as a recent 3-mile run/walk.

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

Internal Training: New hires and on-going employees attend an 8-hour Orientation/Annual In-Service Program each year. Major topics covered during Orientation include: Resident Rights, Fire Safety, Corporate Compliance, HIPAA, Infection Control, and Back Safety. In addition, we have mandatory one-hour training sessions each year; recent topics included: “Teamwork: All Hands, All Hearts, All In”, “How to Be a Change Partner” and “Dementia Education”. Some staff members are required to attend CPR, First Aid, and Defensive Driving training offered at Kendal. We also offer non-mandatory training sessions each year.

Advancement Opportunities – All position vacancies are posted and current staff may apply. A few positions are posted for “internal candidates only”. When staff members obtain certification/licensure for positions such as certified nursing assistant, LPN or RN, they can apply for positions at Kendal, and in many cases, are promoted into those roles.

What percentage of your current positions do women occupy? 76%

What percentage of your current positions do minorities occupy? 15.6%

What percentage of your current workforce and management are: in Tompkins County? 70% In New York State? 99.6% Out of state? 0.4%

Are you willing to pay a livable wage as defined by the Alternatives Federal Credit Union (AFCU) of Ithaca, NY (see attached) 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.

We have a strategy for ensuring diversity in our applicant pool, which helps us to achieve diversity in hiring. Our goal is to have a large enough pool of candidates so that managers have enough qualified applicants to make hiring decisions that increase the likelihood of adding to diversity among our employees. Our weekly job list is posted in hard copy and/or on websites of various organizations/agencies within and around Tompkins County including NYS Dept of Labor, high schools, colleges, churches, GIAC, Southside Community Center, Latino Civic Association, and Finger Lakes Independence Center. We also participate in the World of Skills job fair every year, and others when possible.

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:	\$45,639-\$155,295	49 (39**)	0			0
	\$100,467					
Clerical:	\$27,040-\$42,099	20 (13**) \$34,570		2*		2*
Sales:	\$42,500-\$75,324	3 (3**) \$58,912		1*		1*
Services:	\$24,045-\$44,865	153 (84**) \$34,455		22*		22*
Construction:						
Manufacturing:						
High Skilled:						
Medium Skilled:						
Basic Skilled:						
Other (Describe):						
Total:		225 (139**) \$7,438,579		25*		25* \$1,772,124

*note: the number of projected new jobs in this section represents Full Time Equivalent positions (FTE's)

**note: these numbers represent the per person count of Full Time staff (working 30 or more hours per week).

Estimated percentage of new hires who are currently not employed 11.1%

Construction Labor

Will you use contractors who:

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

Environmental Review N/A

Environmental Assessment Form – short or long

Submitted to: ___ Village of Cayuga
Heights _____

Agency name: ___ Village of Cayuga
Heights _____

Agency address: _ Marcham Hall, 836 Hanshaw Road, Ithaca, New York ,
14850 _____

Date of submission: _ September 2013 _____ Status of submission: __ Approved (Negative
Declaration) _____

On October 28, 2013 the Village Planning Board reviewed the proposed site plan and the Long EAF, and made a negative determination of environmental significance (“Negative Declaration”) in accordance with SEQR for the proposed action. The Board determined that an Environmental Impact Statement would not be required, and having completed the SEQR review and having made its SEQR determination, approved the application.

(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.

Kendal at Ithaca has received a Certificate of Need from the NYS Department of Health related to the construction of the new nursing facility and additional skilled nursing beds.

An application has been submitted to the NYS Department of Health for a Certificate of Authority for the additional independent living units and is in the final stages of review. We anticipate approval because the refinance will result in a significant saving in debt service payments.

Site Plan Review and Approval has been received from the Village of Cayuga Heights Planning Board. The Village has also issued a building permit for the construction of the project.

Other

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

Kendal at Ithaca has utilized many consultants and contractors on the project to date, and strives to use local and regional consultants where possible. The following local Ithaca-based consultants are working on the project:

- **Chiang O'Brien** –Executive Architect for Construction Documentation/Administration, Ithaca, NY
- **T.G. Miller** –Civil Engineer, Ithaca, NY
- **TWMLA** – Landscape architects and Land Planners, Ithaca, NY

Listed below are several New York based firms working on the project:

- **Perkins Eastman** – Architectural and Interior Design, Programming & Master Planning, New York, NY
- **Lecesse Construction** –Pre-Construction Consultant and Construction Manager, Rochester, NY
- **Ryan Biggs** –Structural Engineer, Troy, NY
- **M/E Engineering**: Mechanical Electrical Plumbing Engineer, Rochester, NY
- **Steven Winters Associates** – Sustainability Consultant, LEED and NYSERTA, New York, NY

In regards to the Pre-Construction or Enabling Phase, i.e. the current parking work, the entire scope is being performed by local contractors as procured by Lecesse Construction:

Site work – LRS Companies LLC., Lansing, NY
Site Electric – Pleasant Valley Electric, Ithaca, NY
GC Carports – McPherson Builders, Ithaca, NY
Landscaping – Cayuga Landscape, Ithaca, NY
Fencing – Whitmore Fence, Dryden, NY

These companies are local and they use a local labor force and we believe that we have 38 local tradesman/employees working on this phase.

CERTIFICATION

_____ deposes that she/he is the _____
(Name of chief executive officer of company submitting application) (Title)

of _____, 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

_____ 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

_____ day of _____, 20_____
