

**Tompkins County Development Corporation  
Board of Directors Meeting Final Minutes  
June 14, 2023 – 2:30 PM  
TC Legislative Chambers  
121 E. Court Street  
Ithaca NY 14850**

**Present:** Rich John, Jeff Gorsky, John Guttridge, Todd Bruer, Deborah Dawson, Anne Koreman, Ducson Nguyen

**Staff:** Heather McDaniel, Ina Arthur (IAED), Stephen Maier (remote), Russ Gaenzle (remote) (Harris Beach), Tom Knipe (City of Ithaca)

**CALL TO ORDER**

Rich John called meeting to order at 2:32 pm.

**PRIVILEGE OF THE FLOOR** – None

**ADDITIONS TO THE AGENDA** – None

**BUSINESS**

Kitchen Feasibility Study – Funding Request

The request for funding to support the City of Ithaca Shared Kitchen project has been moved to the Tompkins County Development Corporation from the Tompkins County Industrial Development Agency.

Tom Knipe reported that the project team has 1) submitted a pre-application for an ARC grant. They will know in the next two weeks if a full application can be submitted. This grant would support phase two of the kitchen with the assumption that the kitchen is established. The funding would support technical assistance and some equipment. 2) They have sent the 5-year pro-forma to the SBA. The SBA has reviewed and made some suggestions and the project team has tweaked the pro-forma based on their advice. Changes were made to fringe and inflation. 3) An immediate next step is forming the organization that would operate the kitchen and finalizing the lease for the space. Funding within the City of Ithaca has been identified from an existing budgeting allocation within the small-scale manufacturing initiative. Finally, there will be a tour of the kitchen site tomorrow at 2:00pm.

Deborah Dawson asked who was on the project team.

Tom Knipe replied that the Friends of the Ithaca Farmers Market is the entity that is leading the effort for funding. Monika Roth, the president of the Friends of the Ithaca Farmers Market. The implementation team is made up of Monika Roth, Jan Norman, Dominic Recchio, Rod Rotundi (consultant working on the feasibility analysis), Chuck Schwerin, Jerry Dietz and Brandon Wright. The last two are involved with gathering investors for the project. Carrie Pollock is the attorney for the project.

Heather McDaniel reported that she and Rich John have met with Russ Gaenzle of Harris Beach regarding the best path forward for finding support for this project. That is the reason that the funding request has been moved to the TCDC as there is more flexibility in terms of uses of the fund balance. It was also decided that a

third-party consultant would be hired to review the project feasibility study and financials. gave an update on identifying a third-party consultant to review the project's feasibility study and financials. Proposals have been received from two consultant companies and reviewed by Heather and Rich John. The recommendation is to use the MRB Group.

Heather commented that the IDA reserves the right to require third party analysis, a market study etc. In past years the IDA relied on third parties to do this at the cost of the applicant. So, it is not out of the ordinary.

Heather recommended that TCDC cover the cost of \$8,000 for the analysis. Once that is complete and, if the analysis is favorable to move forward, the board could then approved the \$150,000 funding request contingent on the items that were discussed at the previous IDA board meeting, which included:

- There is an investment structure and an investor payback plan is in place
- 100% of the investor match has been received so the TCDC funds are the last in
- There is an organizational structure in place
- There is a signed lease

Individual operators will have their own license and the kitchen will also have its own license.

MRB group was chosen as they have worked with the TCIDA on third party analysis in the past and have a familiarity with IDAs. There also was opportunity for back-and-forth discussion built into their proposal.

John Guttridge asked how this additional review would impact the timing of the project and the procurement of the equipment. Usually, the health department needs to have all the equipment in place before they come on site to review.

Tom Knipe commented that having a decision on funding support sooner would be better, but the project can work with the delay. He did ask to change the investor match requirement from "money in hand" to "money pledged."

Rich John's preference is to have the TCDC approve funding today contingent on conditions outlined being met so that they do not need to wait until the July meeting for final approval.

Todd Bruer stated that he is in favor of the project and doesn't see the need to do the feasibility study.

Anne Koreman proposed the TCDC commit the funding contingent on the feasibility study from MRB Group and not to outline so many details in terms of the timeline.

Deborah Dawson commented that the feasibility study and the contractual obligations from the parties that will be using the facility are the most important to her.

**John Guttridge made a motion to approve the allocation of \$150,000.00 to the Friends of the Ithaca Farmers Market, the fiscal sponsor of the shared commercial kitchen project, as a grant for the project subject to the TCDC funding a third-party analysis by the MRB Group for the cost of \$8,000.00 and with a satisfactory recommendation to be determined by the TCDC. Other contingencies to be met prior to release of the grant are 1) execution of a lease for the space by the fiscal sponsor or an entity to be formed, 2) securing pledges in the form of signed contracts from the other investors in the project equal to the established startup costs and 3) the entity formation. Anne Koreman seconded the motion. The motion was approved 7-0.**

Rich John commented that this effort addresses food insecurity and also helps small businesses in the food industry.

**CHAIRS REPORT** – none

**STAFF REPORT**

The 1Q 2023 Financial Report was provided as informational.

**MINUTES**

**John Guttridge made a motion to approve the minutes from the March 8, 2023 board meeting. Anne Koreman seconded the motion. The motion was approved 7-0.**

The meeting adjourned at 3:04 pm.

**Minutes were approved at the August 9, 2023 board meeting.**