

# Tompkins County Development Corporation

Administration provided by Ithaca Area Economic Development

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**TOMPKINS COUNTY DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS MEETING  
• Wednesday, April 10, 2024 • 2:00 – 4:00 PM**

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

THIS MEETING WILL BE LIVESTREAMED  
Link to live stream channel: <https://tinyurl.com/weo3tkk>

## AGENDA

- |   |             |
|---|-------------|
| <b>1. CALL TO ORDER</b>   |             |
| <b>2. PRIVILEGE OF THE FLOOR</b>                                    |             |
| <b>3. ADDITIONS TO AGENDA</b>                                       |             |
| <b>4. INFORMATIONAL</b>   | <b>Page</b> |
| Fund Balance Memo   | 2           |
| <b>5. BUSINESS</b>  |             |
| Cayuga Medical Center Bond Refi (2024) – Final Approval             |             |
| - Authorizing Resolution  | 4           |
| - Public Hearing Notice and Minutes (minutes to be sent separately) | 11          |
| Cayuga Medical Center 2013 & 2022 Bond Modification – Approval      |             |
| - Authorizing Resolution  | 13          |
| Block 14 Request  | 17          |
| <b>6. CHAIRS REPORT</b>   |             |
| <b>7. STAFF REPORT</b>  |             |
| <b>8. MINUTES - APPROVAL</b>  |             |
| March 13, 2024 Board meeting  | 22          |
| <b>9. ADJOURNMENT</b>   |             |



**MEMORANDUM**

To: TCIDA/TCDC Board  
 From: Heather McDaniel, President  
 Date: April 10, 2024  
 Re: TCIDA/TCDC Fund Balance

As a follow up to the audit and annual financial report adopted last month, the following provides an overview of the current fund balance available to the TCDC and TCIDA.

**1. The combined fund balance of the TCIDA/TCDC, after projected expenses and reserves, is \$998,678**

TCIDA/TCDC 2023 Year End Fund Balance

|                                | TCIDA            | TCDC             | Total            |
|--------------------------------|------------------|------------------|------------------|
| 2023 Unrestricted Net Position | \$2,073,686      | \$535,957        | \$2,609,643      |
| Less Commitments               |                  |                  |                  |
| 2024 IAED Admin                | \$467,465        |                  |                  |
| Conference Center (Wayfinding) | \$100,000        |                  |                  |
| Broadband Project              | \$255,500        |                  |                  |
| Community Kitchen              |                  | \$150,000        |                  |
| Budgeted Expenses (2024)       | \$38,000         |                  |                  |
| Less Suggested Reserve         | \$600,000        |                  |                  |
| <b>Total</b>                   | <b>\$612,721</b> | <b>\$385,957</b> | <b>\$998,678</b> |

**2. Fund Balance History**

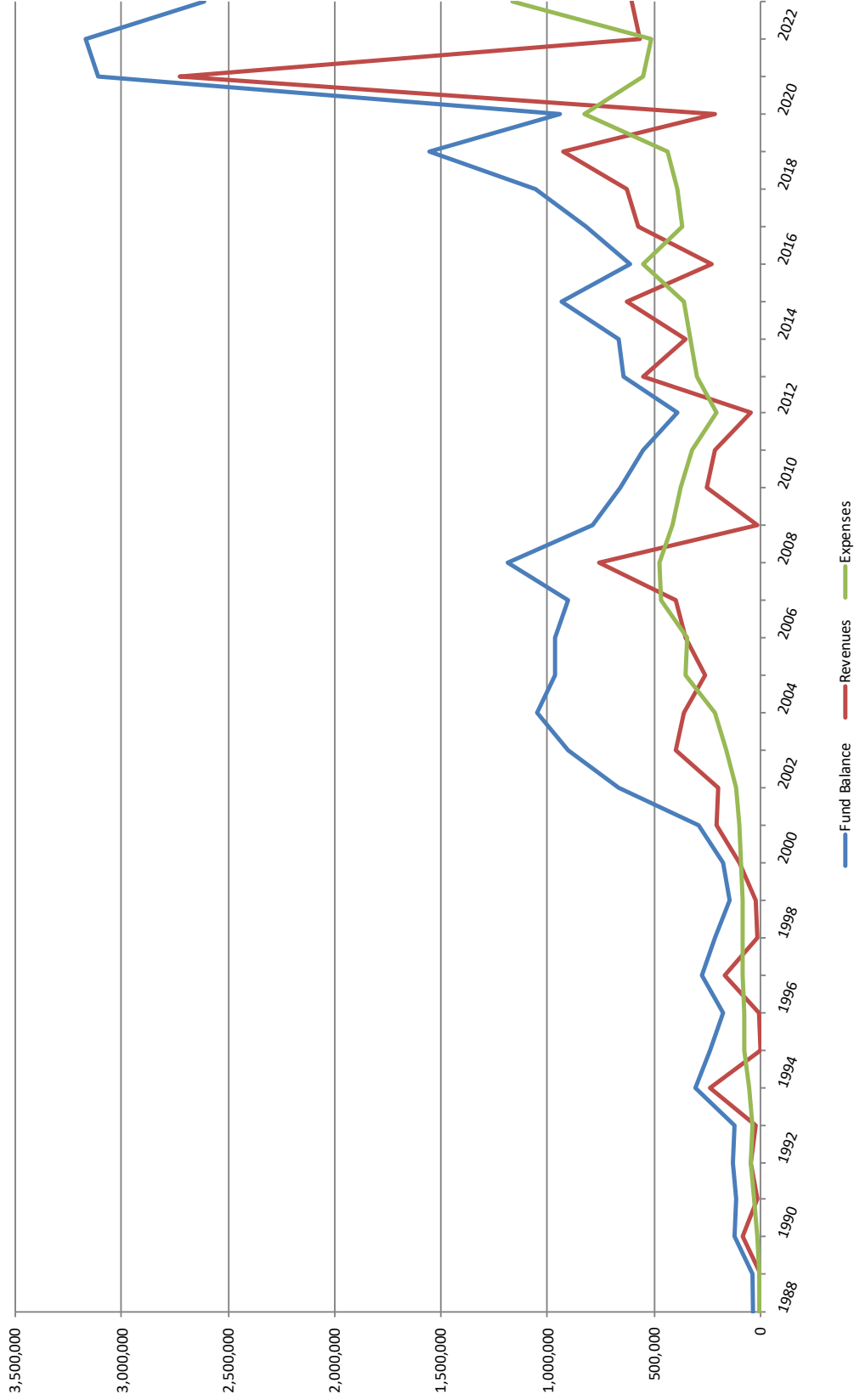
Revenue consists of fees from projects. Revenue fluctuates based on the size and number of projects in any given year. Expenses are generally administration and the provision of countywide economic development services, which are delivered via contracted services with IAED. *A chart outlining fund balance history is attached to this memo.*

**3. Revenue Projections**

I am conservatively projecting \$300,000 in fee revenue in 2024. This projection is solely based on projects that have been approved but not yet closed and their likelihood of moving forward this year. During recessionary periods, revenues can be very minimal because of current projects being put on hold and the reticence of developers to start new projects until the economy sufficiently rebounds. In 2009 annual revenues were \$15,043 and in 2012 were \$46,506. Higher interest rates, increasing construction costs and supply chain issues are currently slowing projects to market. I do have a couple of interested applicants, but nothing that is in the current pipeline for this year.



### TCIDA/TCDC Fund Balance - 1988 to 2023



**BOND RESOLUTION**  
*(Cayuga Medical Center at Ithaca, Inc. Project)*

A regular meeting of the Tompkins County Development Corporation was convened on April 10, 2024.

The following resolution was duly offered and seconded, to wit:

RESOLUTION AUTHORIZING THE ISSUANCE, EXECUTION, SALE AND DELIVERY OF THE TOMPKINS COUNTY DEVELOPMENT CORPORATION'S TAX-EXEMPT AND/OR TAXABLE REVENUE BONDS, (CAYUGA MEDICAL CENTER AT ITHACA, INC. PROJECT), SERIES 2024, IN ONE OR MORE SERIES OF TAXABLE AND/OR TAX-EXEMPT BONDS AND IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,350,000 AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS

WHEREAS, by Section 1411 of the Not-for-Profit Corporation Law ("N-PCL") of the State of New York (the "State"), as amended (hereinafter collectively called the "Act"), the Tompkins County Development Corporation (the "Issuer") was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, **CAYUGA MEDICAL CENTER AT ITHACA, INC.** (the "Institution"), a New York not-for-profit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), previously submitted an application (the "Application") to the Issuer requesting that the Issuer issue its Tax-Exempt and/or Taxable Revenue Bonds (Cayuga Medical Center at Ithaca, Inc. Project), Series 2024 (the "Bonds"), in the aggregate principal amount of up to \$8,350,000 in one or more series, for the purpose of financing a project for the benefit of the Institution consisting of: (A) (i) in the maximum principal amount of \$2,100,000, the acquisition of an approximately 9,019 square foot facility located at 1129 Commons Avenue Town of Cortlandville, Cortland County, New York for hospital facilities (being more particularly described as tax parcel No. 86.09-05-01.000) (the "Cortland Facility") and (ii) in the maximum principal amount of \$800,000, the acquisition and installation in and around the Institution's hospital facility located at 101 Dates Drive, Town of Ithaca, Tompkins County, New York, of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Cortland Facility, the "2024 Facility") and (B) in the maximum principal amount of \$5,450,000, the refinancing of the outstanding principal amount Tompkins County Development Corporation Tax-Exempt Revenue

Bonds (Cayuga Medical Center at Ithaca, Inc. Project), Series 2013 issued in the original principal amount of \$25,000,000 (the "Series 2013 Bonds"), the proceeds of which were used to finance a certain project (the "Series 2013 Project") consisting of: (a) the construction, reconstruction and installation of improvements to the Institution's existing approximately 309,000 square-foot main hospital facility located at 101 Dates Drive, Ithaca, New York (the "Existing Facility"), such improvements consisting of: (i) an approximately 14,300 square-foot addition to accommodate an expansion of the Institution's Surgical Center, and the reconstruction, renovation and redesign of an approximately 15,100 square-foot area within the existing Surgical Center, (ii) the construction of an approximately 21,918 square-foot addition to accommodate an expansion of the Institution's Pathology and Laboratory Department, and the reconstruction, renovation and redesign of an approximately 1,558 square-foot area within the existing Pathology and Laboratory Department, (iii) the construction of an approximately 500 square-foot addition to accommodate an expansion of the Institution's Obstetrics and Gynecology Department, and the reconstruction, renovation and redesign of an approximately 19,160 square-foot area within the space formerly occupied by the Pathology and Laboratory Department to accommodate the Obstetrics and Gynecology Department, (iv) the reconstruction, renovation and redesign of certain other existing areas and departments including, but not limited to, Endoscopy, Oncology, Pediatrics, Central Sterile Supply, Wound, Information Systems, Pain Management, Sleep Center, and Infusion (collectively, the "2013 Improvements"); (b) the acquisition and installation in and around the Existing Facility, the 2013 Improvements and the Institution's urgent care located at 10 Arrowhead Drive, Ithaca, New York of certain medical equipment and other items of machinery, equipment and tangible personal property (the "2013 Equipment", and collectively with the 2013 Improvements, the "2013 Facility"); and (c) paying certain costs and expenses incidental to the issuance of the 2013 Bonds; and (C) paying certain costs and expenses incidental to the issuance of the Bonds (the costs associated with items (A) through (C) above being hereinafter collectively referred to as the "Project Costs").

WHEREAS, the Issuer is contemplating providing financial assistance to the Institution with respect to the Project (collectively, the "Financial Assistance") in the form of (i) the issuance of the Bonds in an amount not to exceed the lesser of the Project Costs or \$8,350,000 and (ii) an exemption from all mortgage recording taxes with respect to any qualifying mortgage to secure the Bonds or the Institution's obligations relating to the Bonds; and

WHEREAS, in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer has conducted a public hearing with respect to the issuance of the Bonds on April 9, 2024, at 2:30 p.m. at the Town of Ithaca Town Hall at 215 N. Tioga Street, Ithaca, New York 14850, following the publication on March 28, 2024, in *The Ithaca Journal* and *The Cortland Standard* of a notice of said public hearing; and

WHEREAS, the Bonds are being issued and sold by the Issuer to Tompkins Community Bank (the "Bank") pursuant to a certain Bond Purchase Agreement, Loan Agreement and Building Loan Contract (the "Bond Purchase Agreement"), dated as of May 1, 2024 (or such other appropriate date), by and among the Issuer, the Institution and the Bank; and

WHEREAS, pursuant to the New York State Environmental Quality Review Act, Article

8 of the Environmental Conservation Law and the regulations adopted pursuant thereto at 6 N.Y.C.R.R. Part 617, as amended (collectively referred to as "SEQRA"), the Issuer must satisfy the applicable requirements set forth in SEQRA, as necessary, prior to making a final determination whether to undertake the Project.

NOW, THEREFORE, BE IT RESOLVED by the Tompkins County Development Corporation as follows:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration.

Section 2. It is among the purposes of the Issuer to promote, develop, encourage and assist in the acquisition, construction, rehabilitation and improvement of facilities for not-for profit corporations and thereby relieve and reduce unemployment, better and maintain job opportunities and lessen the burdens of government.

Section 3. Based upon representations made by the Institution to the Issuer, the Issuer makes the following findings and determinations:

- (a) the Project is in furtherance of the purposes of the Issuer; and
- (b) the issuance of the Bonds will be an inducement to the Institution to undertake the Project in the State of New York; and
- (c) it is desirable and in the public interest for the Issuer to issue its Bonds to finance the Project Costs, together with certain related costs and amounts, in an aggregate amount not to exceed \$8,350,000; and
- (d) the Institution is not undertaking the Project in place of, on behalf of, for the benefit of, or at the request of the Issuer; and
- (e) Based upon the review by the Issuer of the Application submitted by the Institution with respect to the Project, the Issuer finds that the proposed action constitutes a "Type II action" pursuant to 6 N.Y.C.R.R. § 617.5 and therefore is exempt from review under SEQRA.

Section 4. In consequence of the foregoing, the Issuer hereby determines to:

- (a) execute the Bond Purchase Agreement as the Chair, Vice Chair and/or Administrative Director (each an "Authorized Officer") deems necessary under the circumstances, provided no such amendment or modification materially alters the risk to the Issuer, and issue the Bonds pursuant to the terms thereto; and
- (b) issue and deliver the Bonds in one or more series of taxable and or tax-exempt

Bonds, to the Bank, subject however to the approval of the final terms for the Bonds and the terms and conditions of the Bond Purchase Agreement consistent with this resolution, and the prior written approval of all terms contained therein, and of the terms of the Bonds, by the Authorized Officer and by the Institution; and

- (c) use the proceeds of the Bonds to finance the Project Costs and to pay necessary incidental expenses in accordance with the Bond Purchase Agreement; and
- (d) execute a Tax Compliance Agreement, to be dated as of the date of issuance of the Bonds or such other date acceptable to the Authorized Officer, between the Institution and the Issuer (the "Tax Compliance Agreement") and a completed Internal Revenue Service Form 8038 (Information Return for Private Activity Bonds) relating to the Bonds (the "Information Return") and file the Information Return with the Internal Revenue Service in connection with the issuance of the Bonds; and
- (j) execute and deliver all other certificates and documents required in connection with issuance and sale of the Bonds including the documents identified on the draft closing memorandum and any other documents as may be required to accomplish the Project (collectively, with the Bonds, the Bond Purchase Agreement, the Tax Compliance Agreement, the Information Return and related documents, the "Financing Documents"), and qualify the interest on the Bonds for tax-exempt status under Section 103 of the Code.

Section 5. The Issuer is hereby authorized to assist the Institution with the Project, to finance the Project Costs, including the funding of a debt service reserve fund, if any, and costs of issuance, by the issuance of the Bonds and to grant the other Financial Assistance; and all acts previously taken by the Issuer with respect to the Project, the undertaking of the Project by the Institution, the grant of Financial Assistance with respect to the Project and the issuance of the Bonds are hereby approved, ratified and confirmed.

Section 6. Subject to receipt of the approval of the Tompkins County Legislature (the "Tompkins County Legislature") and the Cortland County Legislature (the "Cortland County Legislature", and, together with the Tompkins County Legislature, the "Legislatures") of the issuance of the Bonds pursuant to, and solely for the purposes of, Section 147 of the Code, the Issuer is hereby authorized to issue, execute, sell and deliver the Bonds to the Bank in accordance with the provisions of the Bond Purchase Agreement and the terms authorized in this resolution. Each of the Authorized Officers is hereby authorized, on behalf of the Issuer, to execute (by manual or facsimile signature) and deliver the Financing Documents, on such terms and conditions as shall be consistent with this resolution and approved by an Authorized Officer, the execution thereof by such Authorized Officer constituting conclusive evidence of such approval.

Section 7. Subject to receipt of the approval of the Legislatures of the issuance of the

Bonds pursuant to, and solely for the purposes of, Section 147 of the Code and other the limitations contained herein, the Issuer, through an Authorized Officer, is hereby authorized to issue, execute, sell and deliver to the Bank the Bonds in the aggregate principal amount of up to \$8,350,000, pursuant to the Act and in accordance with the Bond Purchase Agreement; provided that:

- (a) the Bonds authorized to be issued, executed, sold and delivered pursuant to this Section 7: (i) shall be issued, executed and delivered at such time as an Authorized Officer shall determine, (ii) shall be in such aggregate principal amount (not to exceed \$8,350,000) as is hereinafter approved by an Authorized Officer, (iii) shall bear interest at such rate or rates as are set forth in the Bonds and the Bond Purchase Agreement or as are hereinafter approved by an Authorized Officer, and (iv) shall be subject to prepayment prior to maturity, and have such other provisions and be issued in such manner and on such conditions as are set forth in the Bonds and the Bond Purchase Agreement, all of which provisions are specifically incorporated herein with the same force and effect as if fully set forth in this resolution; and
- (b) the Bonds shall be issued solely for the purpose of providing funds to assist the Institution in financing the Project Costs, the funding of a debt service reserve fund, if any, the administrative, legal, financial, and other expenses of the Issuer in connection with such assistance and incidental to the issuance of the Bonds, as such costs are more specifically set forth in the Financing Documents; and
- (c) the Bonds and the interest thereon are not and shall never be a debt of the State of New York, Tompkins County, New York or Cortland County, New York, and neither the State of New York, Tompkins County, New York nor Cortland County, New York, shall be liable thereon; and
- (d) the Bonds, together with interest payable thereon, shall be special obligations of the Issuer payable solely from the revenues and receipts derived from the payments made by the Institution pursuant to the Bond Purchase Agreement or from the enforcement of the security provided by the other Financing Documents.

Section 8. Notwithstanding any other provision of this resolution, the Issuer covenants that it will make no use of the proceeds of the Bonds or of any other funds which, if such use had been reasonably expected on the date of issuance of the Bonds, would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 9. Each of the Authorized Officers is hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided by the provisions of the Financing Documents, and to execute and deliver all Financing Documents, and to do all such further acts and things as may be necessary or in the opinion of the Authorized Officer acting on behalf of the Issuer, desirable and proper to effect the purposes of this resolution and to cause compliance by the Issuer with all of the terms, covenants, and provisions of the Financing Documents binding upon the Issuer.



Section 10. It is hereby found and determined that all formal actions of the Issuer concerning and relating to the adoption of this resolution were adopted in an open meeting of the Issuer; and that all deliberations of the Issuer and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

Section 11. Due to the complex nature of this transaction, the Issuer hereby authorizes each of its Authorized Officers to approve, execute and deliver such further agreements, documents and certificates as the Issuer may be advised by counsel to the Issuer and/or Bond Counsel to be necessary or desirable to effectuate the foregoing, such approval to be conclusively evidenced by the execution of any such agreements, documents or certificates by the Authorized Officer acting on behalf of the Issuer.

Section 12. This resolution shall take effect immediately and the Bonds are hereby ordered to be issued in accordance with this resolution.

|                | <u>Yea</u> | <u>Nay</u> | <u>Abstain</u> | <u>Absent</u> |
|----------------|------------|------------|----------------|---------------|
| Rich John      | [ ]        | [ ]        | [ ]            | [ ]           |
| Deborah Dawson | [ ]        | [ ]        | [ ]            | [ ]           |
| Anne Koreman   | [ ]        | [ ]        | [ ]            | [ ]           |
| Jeff Gorsky    | [ ]        | [ ]        | [ ]            | [ ]           |
| Todd Bruer     | [ ]        | [ ]        | [ ]            | [ ]           |
| John Guttridge | [ ]        | [ ]        | [ ]            | [ ]           |
| Ducson Nguyen  | [ ]        | [ ]        | [ ]            | [ ]           |

The resolution was thereupon duly adopted.

**SECRETARY'S CERTIFICATION**

STATE OF NEW YORK                    )  
COUNTY OF TOMPKINS                ) ss.:

I, the undersigned Secretary of the Tompkins County Development Corporation DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Tompkins County Development Corporation (the "Issuer"), including the resolution contained therein, held on April 9, 2024, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Issuer and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of the board of directors of said Issuer had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the directors of the Issuer present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Issuer this \_\_\_ day of April, 2024.

By: \_\_\_\_\_  
Secretary

## NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing will be held by the **TOMPKINS COUNTY DEVELOPMENT CORPORATION** (the "Issuer"), on behalf of itself and **CORTLAND COUNTY** on April 9, 2024, at 2:30 p.m., local time, at the Town of Ithaca Town Hall, 215 N. Tioga Street, Ithaca, New York 14850 in connection with the following matter:

**CAYUGA MEDICAL CENTER AT ITHACA, INC.** (the "Institution"), a New York not-for-profit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), has requested that the Issuer issue its tax-exempt and/or taxable revenue bonds, in one or more series, as part of a plan of financing, in the maximum aggregate principal amount not to exceed \$8,350,000 (the "Series 2024 Bonds").

The Issuer will issue the Series 2024 Bonds for the purpose of assisting the Institution in financing a certain project (the "Project") consisting of: (A) (i) in the maximum principal amount of \$2,100,000, the acquisition of an approximately 9,019 square foot facility located at 1129 Commons Avenue Town of Cortlandville, Cortland County, New York for hospital facilities (being more particularly described as tax parcel No. 86.09-05-01.000) (the "Cortland Facility") and (ii) in the maximum principal amount of \$800,000, the acquisition and installation in and around the Institution's hospital facility located at 101 Dates Drive, Town of Ithaca, Tompkins County, New York, of certain items of machinery, equipment and other tangible personal property (the "Equipment"; and, together with the Cortland Facility, the "2024 Facility") and (B) in the maximum principal amount of \$5,450,000, the refinancing of the outstanding principal amount Tompkins County Development Corporation Tax-Exempt Revenue Bonds (Cayuga Medical Center at Ithaca, Inc. Project), Series 2013 issued in the original principal amount of \$25,000,000 (the "Series 2013 Bonds"), the proceeds of which were used to finance a certain project (the "Series 2013 Project") consisting of: (a) the construction, reconstruction and installation of improvements to the Institution's existing approximately 309,000 square-foot main hospital facility located at 101 Dates Drive, Ithaca, New York (the "Existing Facility"), such improvements consisting of: (i) an approximately 14,300 square-foot addition to accommodate an expansion of the Institution's Surgical Center, and the reconstruction, renovation and redesign of an approximately 15,100 square-foot area within the existing Surgical Center, (ii) the construction of an approximately 21,918 square-foot addition to accommodate an expansion of the Institution's Pathology and Laboratory Department, and the reconstruction, renovation and redesign of an approximately 1,558 square-foot area within the existing Pathology and Laboratory Department, (iii) the construction of an approximately 500 square-foot addition to accommodate an expansion of the Institution's Obstetrics and Gynecology Department, and the reconstruction, renovation and redesign of an approximately 19,160 square-foot area within the space formerly occupied by the Pathology and Laboratory Department to accommodate the Obstetrics and Gynecology Department, (iv) the reconstruction, renovation and redesign of certain other existing areas and departments including, but not limited to, Endoscopy, Oncology, Pediatrics, Central Sterile Supply, Wound, Information Systems, Pain Management, Sleep Center, and Infusion (collectively, the "2013 Improvements"); (b) the acquisition and installation in and around the Existing Facility, the 2013 Improvements and the Institution's urgent care located at 10 Arrowhead Drive, Ithaca, New York of certain medical equipment and other items of machinery, equipment and tangible personal property (the "2013 Equipment", and collectively with the 2013 Improvements, the "2013 Facility"); and (c) paying certain costs and expenses incidental to the issuance of the 2013 Bonds;

and (C) paying certain costs and expenses incidental to the issuance of the Bonds (the costs associated with items (A) through (C) above being hereinafter collectively referred to as the “Project Costs”).

The Institution is the owner of the 2013 Facility and will be the owner of the 2024 Facility financed and refinanced with the proceeds of the Series 2024 Bonds. The Institution has requested that the Issuer issue the Series 2024 Bonds. If the issuance of the Series 2024 Bonds is approved, it is intended that interest on the Series 2024 Bonds will not be included in gross income for federal income tax purposes pursuant to Section 103(a) of the Code as qualified 501(c)(3) hospital bonds under Section 145 of the Code. The Series 2024 Bonds will be special limited obligations of the Issuer payable solely from certain amounts payable by the Institution under the applicable loan agreements or other financing agreements with the Institution and certain other assets, if any, of the Institution pledged for the repayment of the Series 2024 Bonds. THE SERIES 2024 BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING TOMPKINS COUNTY, AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING TOMPKINS COUNTY, SHALL BE LIABLE THEREON.

The Issuer, on behalf of itself and Cortland County, will hold the public hearing on the proposed issuance of the Series 2024 Bonds, as required by Section 147(f) of the Code. The subject of the hearing will be the nature and location of the Facility and the issuance of the Series 2024 Bonds by the Issuer. Interested persons are invited to attend the public hearing and will have an opportunity to review the Institution's application for the Series 2024 Bonds and the costs and benefits of the Project and to make a statement regarding the Project or the issuance of the Series 2024 Bonds.

Minutes of the public hearing will be made available to the Tompkins County Legislature (the "Tompkins County Legislature") and the Cortland County Legislature (the "Cortland County Legislature"; and, together with the Tompkins County Legislature, the "Legislatures"). Approval of the issuance of the Series 2024 Bonds by the Legislature is necessary in order for the interest on the Series 2024 Bonds to be excluded from gross income for federal income tax purposes.

This public hearing is being conducted in accordance with Section 147(f) of the Code.

DATED: March 28, 2024

By: TOMPKINS COUNTY DEVELOPMENT CORPORATION

CORTLAND COUNTY

**AUTHORIZING RESOLUTION**

*(Cayuga Medical Center at Ithaca, Inc. 2013 & 2022 Projects)*

A regular meeting of the Tompkins County Development Corporation (the "Issuer") was convened on Wednesday, April 10, 2024.

Resolution No. 04/2024 - \_\_\_\_\_

RESOLUTION AUTHORIZING THE MODIFICATION OF CERTAIN TERMS AND PROVISIONS RELATED TO (i) THE \$25,000,000 ORIGINAL PRINCIPAL AMOUNT TOMPKINS COUNTY DEVELOPMENT CORPORATION TAX-EXEMPT REVENUE BONDS (CAYUGA MEDICAL CENTER AT ITHACA, INC. PROJECT), SERIES 2013 (THE "2013 BONDS") AND (ii) THE \$21,825,000 ORIGINAL PRINCIPAL AMOUNT TOMPKINS COUNTY DEVELOPMENT CORPORATION TAX-EXEMPT REVENUE BONDS (CAYUGA MEDICAL CENTER AT ITHACA, INC. PROJECT), SERIES 2022 AND THE EXECUTION OF RELATED DOCUMENTS

WHEREAS, pursuant to the purposes and powers contained within Section 1411 of the Not-for-Profit Corporation Law ("N-PCL") of the State of New York (the "State"), as amended (hereinafter collectively called the "Act"), and pursuant to its certificate of incorporation (the "Certificate"), the **TOMPKINS COUNTY DEVELOPMENT CORPORATION** (the "Issuer") was established as a not-for-profit local development corporation of the State with the authority and power to own, lease and sell personal and real property for the purposes of, among other things, acquiring, constructing and equipping certain projects exclusively in furtherance of the charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, on or about April 9, 2013, the Issuer issued its \$25,000,000 original principal amount Tompkins County Development Corporation Tax-Exempt Revenue Bond (Cayuga Medical Center at Ithaca, Inc. Project), Series 2013 (the "2013 Bonds") pursuant to a Bond Purchase Agreement, Loan Agreement and Building Loan Contract, dated as of April 1, 2013 by and among Cayuga Medical Center at Ithaca, Inc. (the "Institution"), Tompkins Trust Company, as Holder (the "Holder") and the Issuer (the "2013 Bond Purchase Agreement"); and

WHEREAS, the Issuer issued the 2013 Bonds for the benefit of the Institution, for the purpose of assisting in financing a certain project (the "2013 Project") consisting of: (A) the construction, reconstruction and installation of improvements to the Hospital's existing approximately 309,000 square-foot main hospital facility located at 101 Dates Drive, Ithaca, New York 14850 (the "2013 Existing Facility"), such improvements consisting of (i) an approximately 14,300 square-foot addition to accommodate an expansion of the Hospital's Surgical Center, and the reconstruction, renovation and redesign of an approximately 15,100

square-foot addition to accommodate an expansion of the Hospital's Pathology and Laboratory Department, and the reconstruction, renovation and redesign of an approximately 1,558 square-foot area within the existing Pathology and Laboratory Department, (iii) the construction of an approximately 500 square-foot addition to accommodate an expansion of the Hospital's Obstetrics and Gynecology Department, and the reconstruction, renovation and redesign of an approximately 19,160 square-foot area within the space formerly occupied by the Pathology and Laboratory Department to accommodate the Obstetrics and Gynecology Department, (iv) the reconstruction, renovation and redesign of certain other existing areas and departments including, but not limited to, Endoscopy, Oncology, Pediatrics, Central Sterile Supply, Wound, Information Systems, Pain management, Sleep Center, and Infusion (collectively, the "2013 Improvements"); (B) the acquisition and installation in and around the Existing Facility, the Improvements and the Hospital's urgent care center located at 10 Arrowwood Drive, Ithaca, New York of certain medical equipment and other items of machinery, equipment and tangible personal property (the "2013 Equipment", and collectively with Improvements, the "2013 Facility"); and (C) paying certain costs and expenses incidental to the issuance of the Bonds (the costs associated with items (A) through (C) above being hereinafter collectively referred to as the "2013 Project Costs"); and

WHEREAS, on or about July 28, 2022, the Issuer issued its \$21,825,000 original principal amount Tompkins County Development Corporation Tax-Exempt Revenue Bond (Cayuga Medical Center at Ithaca, Inc. Project), Series 2022 (the "2022 Bonds") pursuant to a Bond Purchase Agreement, Loan Agreement and Building Loan Contract, dated as of July 1, 2022 by and among the Institution, the Holder and the Issuer (the "2022 Bond Purchase Agreement"); and

WHEREAS, the Institution has requested and the Issuer and the Holder have agreed, to modify the 2013 Bonds, the 2022 Bonds, the 2013 Bond Purchase Agreement and the 2022 Bond Purchase Agreement, if necessary, and related financing documents in order to (i) extend the maturity date of the 2013 Bonds to May 31, 2024, and (ii) extend interest only payments on the 2022 Bonds through July 22, 2025 (collectively, the "Modification"); and

WHEREAS, the Issuer desires to authorize its Chair, Vice Chair and/or Administrative Director, each acting individually, to: (i) modify the 2013 Bonds and 2022 Bonds, (ii) modify the 2013 Bond Purchase Agreement and 2022 Bond Purchase Agreement, if necessary and (iii) execute such other documents, instruments and/or certificates as are necessary to cause the 2013 Bonds and 2022 Bonds to be modified.

NOW, THEREFORE, BE IT RESOLVED by the Tompkins County Development Corporation as follows:

Section 1. The Issuer authorizes its Chair, Vice Chair and/or Administrative Director, each acting individually, to execute such documents, instruments or certificates as the Issuer may be advised by counsel to the Issuer and/or Bond Counsel to be necessary or desirable to effectuate the foregoing, such approval to be conclusively evidenced by the execution of such agreements, documents or certificates by the Chair, Vice Chair and/or Administrative Director of

the Issuer, subject to a condition that all costs incurred by the Issuer related to this Modification be paid by the Institution.

Section 2. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

|                | <i>Yea</i> | <i>Nay</i> | <i>Absent</i> | <i>Abstain</i> |
|----------------|------------|------------|---------------|----------------|
| Rich John      | [ ]        | [ ]        | [ ]           | [ ]            |
| Deborah Dawson | [ ]        | [ ]        | [ ]           | [ ]            |
| Anne Koreman   | [ ]        | [ ]        | [ ]           | [ ]            |
| Jeff Gorsky    | [ ]        | [ ]        | [ ]           | [ ]            |
| Todd Bruer     | [ ]        | [ ]        | [ ]           | [ ]            |
| John Guttridge | [ ]        | [ ]        | [ ]           | [ ]            |
| Ducson Nguyen  | [ ]        | [ ]        | [ ]           | [ ]            |

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK                    )  
  ss:  
COUNTY OF TOMPKINS                )

I, the undersigned Secretary of the Tompkins County Development Corporation DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Tompkins County Development Corporation (the "Issuer"), including the resolution contained therein, held on April 10, 2024, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Issuer and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all directors of said Issuer had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the directors of the Issuer present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Issuer this \_\_\_ day of April, 2024.

\_\_\_\_\_  
Secretary



March 10, 2024

TO: Rich John, Chair, Tompkins County IDA  
Heather McDaniel, President, Ithaca Area Economic Development

FROM: Downtown Ithaca LDC II  
Gary Ferguson  
Mack Travis  
John Guttridge

RE: IDA PARTICIPTION IN PREDEVELOPMENT FUNDING FOR BLOCK 14

It has been suggested that the Downtown Ithaca Local Development Corporation II request funding investment support from the Tompkins County IDA to assist in covering predevelopment expenses pertaining to the assemblage, assessment, and disposition of Block 14. This request for funding investment support is for \$90,000 and covers the period 2023 – 2025, up to final disposition of the property for community economic development purposes.

### **Background**

Block 14 is the name attributed to a key downtown Ithaca block located on the western side of the central business district bounded by West State, Albany, West Seneca, and Geneva Streets. It serves as a cornerstone, strategic parcel that connects the traditional Downtown core with the area known as the West End. This entire city block has only two property owners- a private landlord who owns roughly 40% of the land area and Tompkins County, who owns the balance of the block. For many years Block 14 had been identified by the City of Ithaca and the Downtown Ithaca Alliance as an important redevelopment site.

In 2023, the private owner approached the Downtown Ithaca Alliance (DIA), suggesting that the community might want to consider this site for community redevelopment purposes. A working group of interested parties was convened and it was determined that Block 14 represented an important opportunity for community economic development. Sold separately, the private property would either remain as is or would generate only a small or irregular project site. When combined with the County property, a full city block could be made available for redevelopment at a location that both needed investment and could serve as a bridge between the traditional Downtown and the West End commercial districts. Based on this perceived opportunity, the work group reconstituted into a nonprofit, tax exempt (pending) local development corporation. The founding board of directors consisted of Gary Ferguson, Mack Travis, and John Guttridge. Each board member receives no compensation and has pledged not to receive or seek any direct benefit from their work associated with LDC. It is expected that LDC membership will be expanded as this project opportunity progresses. For example, Tompkins County has already been offered LDC Board membership.

## **The Importance of Block 14**

It is a rare occasion when a full city block in the center of downtown Ithaca can be made available for redevelopment. Assembly of urban sites can be a difficult and costly process, often resulting in an inability to work at a block scale. Block 14 represents an unusual opportunity for the assembly of a full city block for redevelopment purposes.

By assembling this block through a nonprofit LDC, the end use(s) of the property can be tailored to community as well as marketplace needs. The LDC will work with the City of Ithaca, the DIA, Tompkins County, and other stakeholders to arrive at a proposed project framework that best meets both community and marketplace needs. This is an exceptional opportunity that is typically not available from a strictly private real estate deal.

The eastern side of Downtown Ithaca has experienced significant growth and redevelopment in the past 10-15 years, driven in part by incentives provided by the Tompkins County IDA. The entire Downtown and West End area sits in the Ithaca CIITAP zone, making it eligible for IDA authorized project tax incentives. While the eastern portion of Downtown Ithaca realized growth and redevelopment, this investment has been slow to extend into western Downtown and the abutting West End commercial district. Block 14 serves as a connecting block, a physical bridge connecting Downtown with the West End. This strategic location, if well redeveloped, can prove to be a catalyst for further west Downtown and West End investment and development.

## **Early-Stage Possible Uses for Block 14**

It is expected that the block be redeveloped in a mixed-use format, utilizing the current zoning or possible PUD opportunities available for this location. We would expect an urban style project which would be built to City lot lines but could include multiple uses and perhaps multiple developers, depending on the proposals submitted.

The LDC has been careful not to lock onto any sole use at this stage, preferring to instead assemble a roster of community appropriate uses for future consideration. As of Mid- February 2024, the roster of identified potential uses includes, but may not be limited to, the following:

- Housing- market rate
- Housing- affordable
- Childcare
- Specialty tech office space
- Nonprofit workspace
- Transportation bus hub space
- Ground floor retail/commercial
- Parking on and off site
- Entertainment
- Other uses as appropriate

## **The Role of the LDC**

The Downtown Ithaca LDC II was created expressly for the purpose of facilitating a community beneficial redevelopment for Block 14. The entity has already undertaken the following actions:

- It obtained site control of the entire private property on Block 14. This was accomplished through a private donation of funding to allow for an option agreement.
- It obtained legal counsel and services to negotiate and execute the option agreement.
- It has entered negotiations with Tompkins County regarding the disposition of the County's land holdings on Block 14, to complete the property assembly process.

The LDC intends to oversee the assembly of the block's real estate and undertake a process to seek one or more private developers to undertake redevelopment of the block. This will involve additional steps that will enable the LDC to prepare a formal request for proposals (RFP) for the redevelopment of the block. Once the property has been appropriately transferred to the selected developer(s), the LDC will remove itself from the development process and the subsequent projects become traditional private sector investments in the community. It is fully expected that the project(s) resulting from this process will approach the Tompkins /county IDA for CIITAP incentives and pay corresponding fees to the IDA for these incentive agreements.

### **Remaining Pre- Development Tasks**

The LDC will need undertake the following actions and tasks prior to transferring the property to a selected developer(s):

- (1) Complete discussions and negotiations with Tompkins County regarding the participation of their property in this effort.
- (2) Conduct preliminary environmental review, scan, and soil borings to better understand the existing conditions.
- (3) Undertake a site analysis to determine the capacity of the block to accommodate development, based on current zoning and other existing conditions.
- (4) Undertake an analysis of parking options and prepare possible scenarios for accommodating the parking needs of Tompkins County employees.
- (5) Determine a preferred set of redevelopment uses for the block, in conjunction with stakeholders.
- (6) Draft an RFP outlining the development opportunity and specifying proposal requirements and expectations.
- (7) Distribute and market the RFP to development entities.
- (8) Create and execute a selection process for reviewing proposals and selecting a preferred developer(s).
- (9) Negotiations for property disposition.
- (10) Extending the private property owner option agreement for 2025 as needed.

### **Funding the Remaining Steps**

When the Downtown Ithaca LDC II was created, it began with no cash resources or assets. The intent of the organization was to raise funds from the community to offset any costs associated with the project facilitation. To date, \$35, 000 has been donated by an anonymous donor to assist with the initial private party option agreement and associated legal expenses for the agreement and the creation of the LDC.

The attached budget documents the anticipated costs associated with the remaining predevelopment steps for Block 14. The LDC requires up to another \$90,000 to meet these expected costs.

**Block 14 Predevelopment- LDC Budget**

Expenses (2023-2025)

|   |           |
|---|-----------|
| Land Acquisition – Private Landowner option agreement Yr. 1 | \$25,000* |
| Land Acquisition - Private Landowner option agreement Yr. 2 | \$25,000  |
| Legal- Option agreement, LDC creation and tax exemption     | \$10,000* |
| Legal- County negotiation, RFP process, developer agreement | \$15,000  |
| Environmental review and core sampling                      | \$15,000  |
| Site analysis   | \$10,000  |
| Parking analysis and recommendation                         | \$15,000  |
| Miscellaneous LDC costs (accountant, fees)                  | \$10,000  |
| <br>  |           |
| Total LDC predevelopment costs for Block 14                 | \$125,000 |

Sources (2023-2025)

|                       |           |
|-----------------------|-----------|
| Private donor         | \$35,000* |
| IDA/County investment | \$90,000  |

\*Already secured and paid

**Possible Funding Options for the LDC**

In discussions with community leaders, the LDC has uncovered several possible options for obtaining the needed \$90,000 in funding:

- IDA Surplus Funds
- Possible County Funding from Casino or Cannabis Revenue
- State ESD grant funding

(1) IDA Surplus funds:

This option would be considered an investment, possibly on two levels. An IDA investment of \$90,000 from surplus funds could help facilitate a major CIITAP eligible project that would likely return significant fees to the IDA in the future. Under this option, the IDA would consider the allocation of \$90,000 as an investment in future revenue far more than the \$90,000 amount.

A second possibility would be to try to have the \$90,000 investment repaid upon the sale and disposition of the Block 14 property. Like any investment, there is an element of risk in that the sale may not generate sufficient funds to repay the investment. Nevertheless, it would be possible for the LDC to attempt to recapture the \$90,000 cost in the eventual sale and, if successful, repay the IDA, preserving the funds for future use elsewhere.

## (2) Possible County Funding from Casino or Cannabis Revenue

It has been suggested that the County may be a possible source of funding, via two unusual revenue sources not typically added into the annual County operating budget- casino revenues and/or cannabis revenues. Both sources are new and the amounts the County expects to receive were not clear. The Tompkins Center for History and Culture (TCHC) project used a similar approach using tobacco funds. The County is already being asked to participate in the project by making its Block 14 land available for assembly. This request would need to be in addition to the land disposition.

## (3) State ESD Funding

IAED has identified a potential pot of State funding through Empire State Development Corporation (ESD) that can be used for predevelopment planning. This source would require a formal application, State review, and contracting. The timeline for ESD contracting can sometimes be prolonged. All ESD grants are reimbursement based, meaning that the grantee (in this case the LDC) would need to come up with initial funding and then seek reimbursement when the project is completed.

The LDC will pursue each of these options, recognizing that they are not mutually exclusive.

### **The Ask to the TCIDA**

The Downtown Ithaca LDC II board of directors is requesting the TCIDA to consider providing \$90,000 in predevelopment planning funding to enable the Block 14 project to move forward. We believe this investment will return new future fees to the TCIDA and serve as a solid investment in the future of urban Ithaca.

**Tompkins County Development Corporation  
Board of Directors Meeting DRAFT Minutes  
March 13, 2024 – 2:00 PM  
TC Legislative Chambers  
121 E. Court Street  
Ithaca NY 14850**

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

**Excused:** Ducson Nguyen

**Admin:** Heather McDaniel, Ina Arthur, Kellea Bauda (IAED), Russ Gaenzle (Harris Beach), Lorrie Scarrott (TC Finance)

**Guests:** Rebecca Gould (Cayuga Health), Evan Cleveland (Insero & Co.)

**CALL TO ORDER**

Rich John called meeting to order at 2:00 pm.

**PRIVILEGE OF THE FLOOR** – None

**ADDITIONS TO THE AGENDA** – None

**BUSINESS**

Cayuga Medical Center Bond Refi – Application

Heather McDaniel introduced the application for a bond refinance from Cayuga Medical Center. The bond will be used to reduce the current debt from an existing 2013 bond and will also supply new money for purchase of a facility in Cortland County NY. The total amount of the bond will be \$8,350,000 with \$2.1 M in new money for the purchase of the facility in Cortland County.

Heather McDaniel asked that the board accept the application as complete and move it to public hearing. Both Tompkins and Cortland County Legislature will need to approve the bond.

**Deborah Dawson made a motion to approve the official intent resolution and to move the project to a public hearing. Todd Bruer seconded the motion. The motion was approved 6-0.**

2023 TCDC Annual Audit – Approval

Evan Cleveland gave a brief overview of the executive summary of the 2023 audit report and findings. They have issued an unmodified opinion which indicates a clean audit with no concerns. There only remains a few projects that need to supply employment numbers for the project schedule.

Rich John stated that the Finance and Audit Committee met with the auditors and conducted a very detailed review of the audit documents. The committee voted to recommend acceptance of the audit.

**Todd Bruer made a motion to approve the 2023 TCDC annual audit upon the recommendation of the finance and audit committee pending receipt of the final employment numbers, John Guttridge seconded the motion. The motion was approved 6-0.**

2023 Audit Data PARIS Input Authorization

**Jeff Gorsky made a motion to authorize staff to input the 2023 audit data into the NYS PARIS system. John Guttridge seconded the motion. The motion was approved 6-0.**

**CHAIRS REPORT – None**

**STAFF REPORT**

Heather McDaniel presented the 4Q 2023 financial report. She also reported that the Shared Commercial Kitchen support funds have not yet been expended.

**MINUTES**

**Anne Koreman made a motion to approve the minutes from the January 10, 2024 board meeting. Deborah Dawson seconded the motion. The motion was approved 6-0.**

The meeting adjourned at 2:20 pm.