



**Tompkins County Legislature**

Governor Daniel D. Tompkins Building  
Ithaca, NY 14850

Meeting: 05/29/18 03:00 PM  
Department: County Administration  
Category: Economic Development  
Functional Category: Tcad

**SCHEDULED**

**RESOLUTION NO.      DOC ID: 7861**

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1                    **Resolution to Authorize the County Administrator to Execute a**  
2                    **Memorandum of Understanding with Tompkins County Area**  
3                    **Development, Inc., for Economic Development Services**

4                    WHEREAS, in the contemporary economy, local government plays a significant role in the identification and  
5 realization of opportunities to increase the net wealth of the community by developing and providing information  
6 critical to business location and expansion decisions and by assisting businesses to access a variety of public sector  
7 economic development incentives, and  
8

9                    WHEREAS, Tompkins County has long chosen to contract with Tompkins County Area Development  
10 (TCAD) to provide this service, and  
11

12                    WHEREAS, TCAD is a not-for-profit organization whose board includes representatives of the business  
13 community, higher education, local government (including four County representatives), public education, the tourism  
14 industry, and organized labor, and  
15

16                    WHEREAS, TCAD has maintained high levels of performance on behalf of the County, including assisting a  
17 broad range of projects over the last five years, in which projects have paid \$7.2 million in new property taxes to  
18 Tompkins County and \$38 million to other taxing jurisdictions and helped create approximately 600 jobs for area  
19 residents through tax exempt financing provided by the County's Industrial Development Agency (IDA) and Local  
20 Development Corporation (LDC). In addition TCAD fosters economic development through the negotiation of  
21 payment-in-lieu-of-tax agreements and by undertaking general economic, demographic, infrastructure, and other  
22 analyses that assist business decision-makers, and  
23

24                    WHEREAS, TCAD is financially supported by contributions from local businesses and institutions, project-  
25 fee income generated by projects assisted by the County's IDA and LDC, and appropriations by local government, and  
26

27                    WHEREAS, prior to the 2008 recession, fee income generated by the County's IDA and LDC was robust,  
28 fueled by a strong national economy and several major institutional developments, allowing TCAD's budget to be  
29 balanced largely with IDA/LDC fee income and employer contributions that, in turn, enabled the County to enjoy a  
30 strong economic development program at a minimal direct cost to the County, and  
31

32                    WHEREAS, in the wake of the 2008 recession, private and institutional development slowed, causing  
33 financial support for TCAD to shift from on-going IDA/LDC revenue to the reserves those agencies had accumulated  
34 prior to the recession, and  
35

36                    WHEREAS, recognizing the need to maintain the programs and activities, in 2012 the Legislature's Planning,  
37 Development, and Environmental Committee commissioned a Task Force to provide it advice regarding such  
38 alternative revenue structures, as well as any operational issues associated with an alternative model, and  
39

40                    WHEREAS, the Task Force recommended a funding plan that phased-in the use of Room Occupancy Tax  
41 revenue as one source of funds available to the County to address the TCAD funding goals and such allocations of  
42 Room Occupancy Tax Revenue would contribute a portion, but not all, of the County funds necessary to provide one-  
43 third of support for TCAD's budget, and  
44

1           WHEREAS, the recommendations from the Planning, Development, and Environmental Committee were  
2 implemented into a 5-year Memorandum of Understanding (2014-2018) with TCAD to continue to provide economic  
3 development services, and  
4

5           WHEREAS, after discussion and feedback from community stakeholders, review and analysis of the prior four  
6 years of the current Memorandum of Understanding, the County Administrator is recommending a successor  
7 Memorandum of Understanding continuing the use Room Occupancy Tax revenue as a source of funds available to the  
8 County to address TCAD funding goals, now therefore be it  
9

10           RESOLVED, on recommendation of the Planning, Development, and Environmental Quality Committee, That  
11 the Legislature hereby authorizes the County Administrator to enter into a 5-year successor Memorandum of  
12 Understanding dated January 1, 2019, to December 31, 2023, to implement said recommendations.

13 **SEQR ACTION:** TYPE II-20