

**CHEMUNG COUNTY EXECUTIVE'S
AMERICA RESCUE PLAN PROPOSAL**

August 2021



Submitted by Chemung County Executive Christopher J. Moss

As municipalities throughout Chemung County prepare spending plans for the \$50 million municipalities throughout the county received, the following plan being submitted to the Chemung County Legislature utilizes Chemung County's funds (Approximately \$16 million) for a variety of initiatives. First and foremost, as the County Executive, I believe the funds should be leveraged to recoup revenue losses due to the pandemic. U.S. Treasury rules pertaining to the expenditure of these funds do allow for all the expenditures in the following plan. It should be noted that Chemung County has an exhaustive list of capital project needs in the coming years whereupon these funds could assist as some projects has been postponed or delayed due to the pandemic. The utilization of these funds will also give us the opportunity to assist not-for-profit agencies, private business, agricultural, tourism and the Chemung County Nursing Facility. The plan will also allow us to partner with local municipalities who are interested in continuing their broadband buildout.

Multiple meetings and conversations have been held with officials from the City of Elmira, County Legislative representatives, business leaders and others prior to the submission of this plan to the county legislature. While there is further work to conduct on the logistical implementation of this plan I believe its content meets the overall goal of the American Rescue Plan which is to not only replace lost revenue, but also to stimulate the local economy by creating a variety of projects and initiatives to address the negative impacts of the pandemic.

What can the funds be used for?

Support public health expenditures

Address negative economic impacts caused by the public health emergency

Replace lost public sector revenue

(Chemung County lost revenue calculated at approximately \$15 million plus.)

Provide premium pay for essential workers

Invest in water, sewer and broadband infrastructure

Survey Data

From June 28, 2021 thru July 16, 2021 the county hosted a survey on its web-page whereupon multiple questions pertaining to the expenditure of American Rescue Plan funds were posted. While the survey wasn't scientific in nature, a review of the 933 results did indicate strong opinions in multiple areas of where the priorities of the funding should be earmarked. The survey data has been collected and graphed for review.

Survey Data

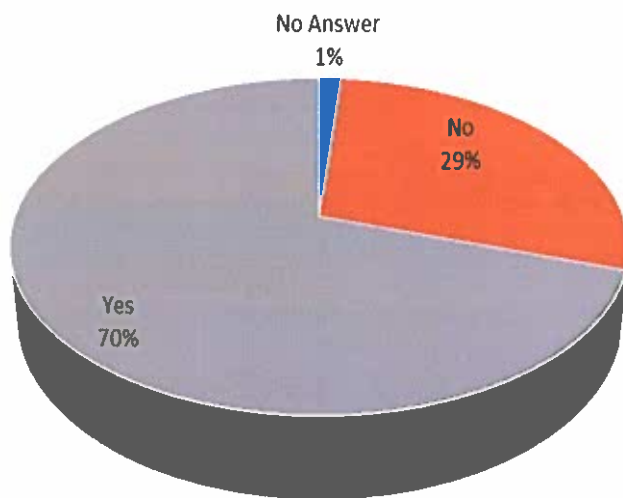
Responses

Should Chemung County consider utilizing ARP funds for barbers/hairdressers, fitness centers/gyms and personal care services who were located in the orange zone during the pandemic?



Responses

Should public employees that were deemed essential workers during the pandemic receive premium paid bonuses?



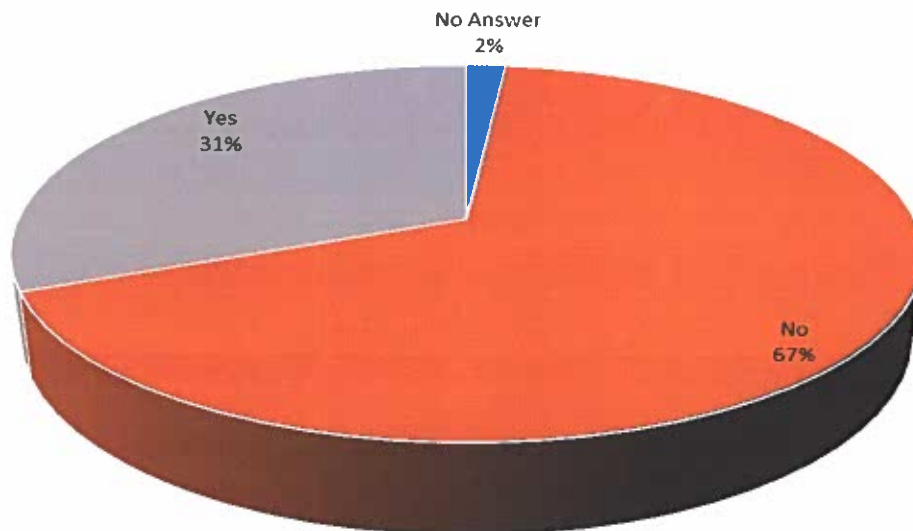
Responses

Should Chemung County consider utilizing ARP funds on capital improvements for the First Arena?



Response

Should Chemung County consider utilizing ARP funds on capital improvements for Dunn Field?



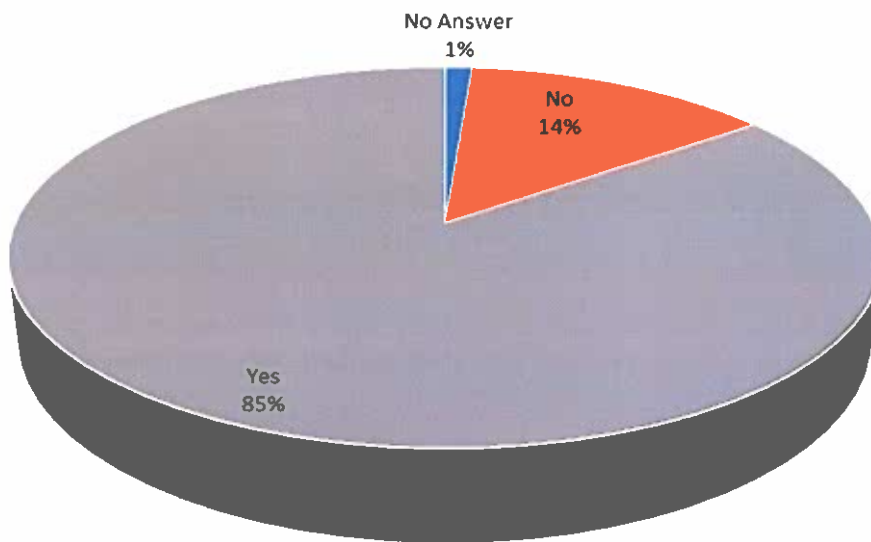
Responses

Should Chemung County utilize ARP funds to construct a building at the Fairgrounds that can be utilized for a year-round farmers market and banquet hall?



Responses

Should Chemung County consider supplying grants to farmers who were adversely affected financially during the pandemic?



MAINTENANCE OF INFRASTRUCTURE

“Replace Lost Public Sector Revenue”

Chemung County Capital Needs Assessment Local Share requirement w/o Sewer District:

2022	2023	2024
\$10,753,806	\$10,668,806	\$17,400,306

See Appendix #1

Total: \$9,000,000

GRANT MANAGEMENT

“Address Negative Impacts Caused by Public Health Emergency”

New Hire: Deputy Director of Budget and Research

The position of Deputy Director of Budget and Research will be specifically assigned to all projects and recordkeeping duties to the federal and state government pertaining to Chemung County’s portion of state funding being received through the American Rescue Plan Act. New York State Association of Counties is advising that the U.S. Department of Treasury will be requesting various quarterly reports filed on all expenditures where the utilization of state funds has occurred. These duties and responsibilities are going to be above and beyond what the Executive Branch can assume at this time with only one person being assigned to the Budget Office. See Resolution #21-354 approving this position. It should be noted that the annual salary for the position is budgeted for \$80,979 for 36 months (08/2021 – 08/2024).

Total: \$242,937

TOURISM

Chemung County has multiple locations that are visited by tourists on an annual basis. Some of these locations include the County Fairgrounds, Harris Hill, Park Station, as well as the National Soaring Museum. These properties are all owned by the county and are in need of maintenance in multiple areas, as indicated below. America Rescue Plan funds will be utilized to assist the county in updating and modernizing these facilities for specific projects. See below.

Chemung County Fairgrounds Capital Improvements:

- WIFI Capability
- Grandstand Maintenance – See Photo Log
- Farmers’ Market Building Proposal – See Photo Log
- Fairgrounds Stage – See Photo Log

\$ 500,000

Capital Improvements – Harris Hill:

- Structural improvements to pavilion and out buildings – See Photo Log
- Pylon replacements – See Photo Log
- Rebuild bathrooms and replace windows and kitchen for Youth Camp

\$ 250,000

National Soaring Museum:

- The two runways at the National Soaring Museum are due for blacktopping. Estimate attached. See Photo Log

\$ 250,000

Park Station Capital Improvements:

- Installation of camera system
- Campsite wireless connectivity

\$ 75,000

Total: \$ 1,075,000

NOT-FOR-PROFIT AGENCIES

Due to the pandemic, multiple not-for-profit agencies received a reduction in contributions that were previously allocated in the county budget. The County Executive’s Office is recommending that these not-for-profit agencies be funded at their 2020 levels for 2021-2024.

Reinstatement of organizational funding 2021 - 2024

In 2021 organizational funding was reduced across the board by 25% (\$248,612).

<u>Organization</u>	<u>2021 Reduction (25%)</u>
Chemung County Historical Society	\$ 1,250.00
STCRPDB	21,412.00
Soil & Water	56,250.00
Storm Water	41,850.00
Cooperative Extension	61,985.00
SPCA – Human Services	6,240.00
City of Elmira – Dog Control	6,250.00
CareFirst	875.00
* CCIDA	50,000.00
REDEC	<u>2,500.00</u>
TOTAL:	\$248,612.00

Total \$894,448

It is the recommendation of the County Executive’s Office that we restore the entire \$248,612.00 and continue to fund at this amount thru 2024.

(*CCIDA will not be requesting organizational funding in 2022 & 2023)

ROOM TAX DISTRIBUTION:

Reinstatement of hotel/motel distribution for calendar year 2020.

In 2020 \$656,500 was allocated for room tax. Due to the pandemic Chemung County collected a total of \$294,839.45.

Due to mandatory obligations:

- First Arena - \$103,000.00
- Clemens Center - 100,000.00
- County Administration Fee - 14,741.97
- Total: \$217,741.97

That left a total of \$77,097.48 to be divided on a percentage basis to the approved organizations. Due to the pandemic there was a budget shortfall directly affiliated to room tax allocations of approximately \$376,403.00.

The County Executive's Office is recommending that stimulus funding be utilized in the aforementioned amount and be distributed to the organizations who were to receive Chemung County room tax funding via Resolution #19-582.

Total \$ 376,403

COMMUNITY INVESTMENT:

Additionally, America Rescue Plan funds will be utilized for other community investments as outlined below. Specific guidelines pertaining to the availability of these funds are currently being drafted. These guidelines will dictate the rules involved in applying for the funds.

Agricultural Subsidy:

- \$5,000 grants for Chemung County Farms adversely effected by the Public Health Emergency
(Definition of farm based on NYS Farm Bureau Association)

\$250,000

Orange Zone Stimulus:

- Restaurants, personal care services, gyms and fitness centers

The aforementioned businesses that were located within the orange zone will be eligible to apply for one-time \$5,000 grants. All businesses will have to have filed safety plans with New York State in order to be eligible for the funding. The grants will be allocated in \$5,000 awards.

\$450,000

Incubator Works:

- \$200,000 County and additional \$200,000 from City (See Appendix #2 "Incubator Works" concept paper provided by Chemung Co. Legislature)

\$ 200,000

Land Bank:

Chemung County Executive is proposing that approximately \$250,000 in ARP funds be utilized to facilitate Land Bank purchases in census tracts 1, 2, 3, 4, 5, 6, 7, 9, 10 and 11, all located within the City of Elmira. Chemung County Property Development Corp. will be advised of the parameters surrounding the utilization of recommended funding.

\$ 250,000

Total: \$ 1,150,000

Chemung County Nursing Facility:

“Support Public Health Expenditures/Replace Lost Public Sector Revenue”

On a recurring basis Chemung County Nursing Facility has not generated enough revenue to meet its expenditures and the pandemic has only intensified that existing trend. The facility finished 2020 with a \$3.1 million-dollar deficit and similar results are expected in 2021, which will completely exhaust the fund balance. Without an infusion of American Rescue Plan funds, a subsidy from General Fund will be necessary in 2021 and or 2022.

Total \$ 2.5 Million

INFRASTRUCTURE

“Invest in Water, Sewer and Broadband Infrastructure”

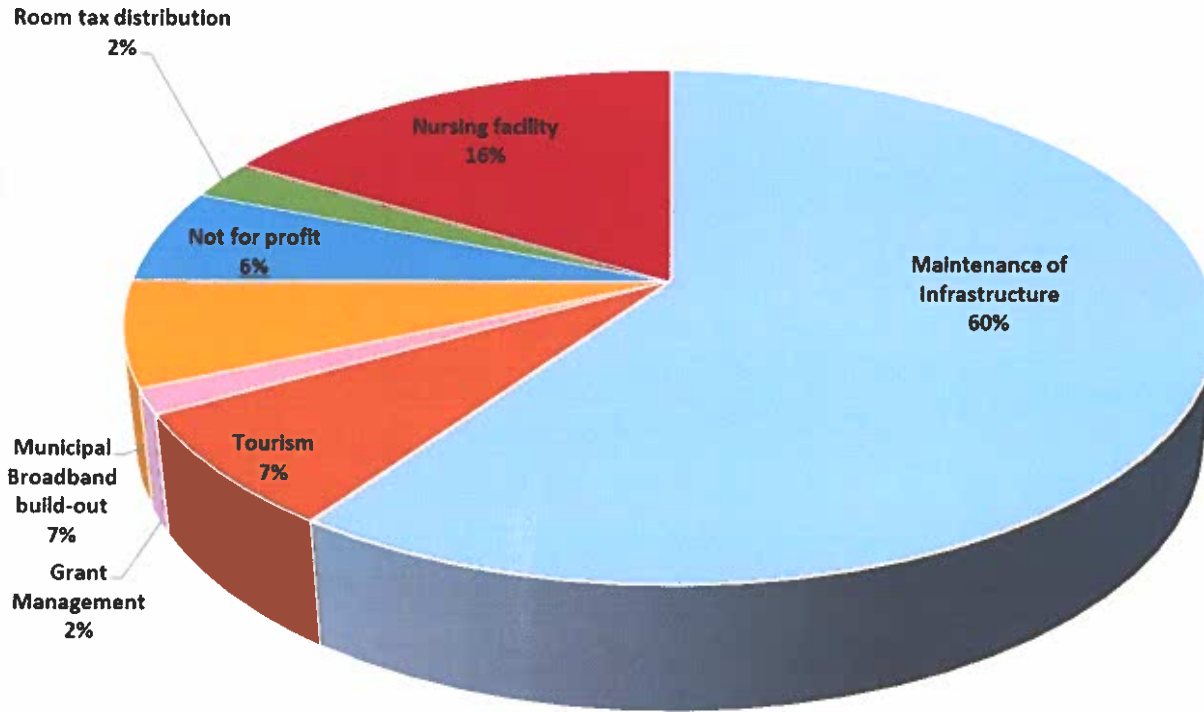
Municipal Broadband Build-Out:

Over the past 18 months multiple providers, to include Spectrum, Haeefe Connect and Empire have done an extraordinary job in bringing broadband to outlying areas. The County Executive recommends a grant program for local municipalities who still have some areas of their respective jurisdictions that are unserved or underserved. A matching grant program whereby the county would march up to \$100,000 per municipality for costs directly affiliated with providing broadband coverage to unserved and underserved areas. It should be noted that the priority for these funds are specifically for unserved or underserved communities, funding for enhanced capability (*faster speeds*) should be a secondary focus.

Total: \$1,000,000

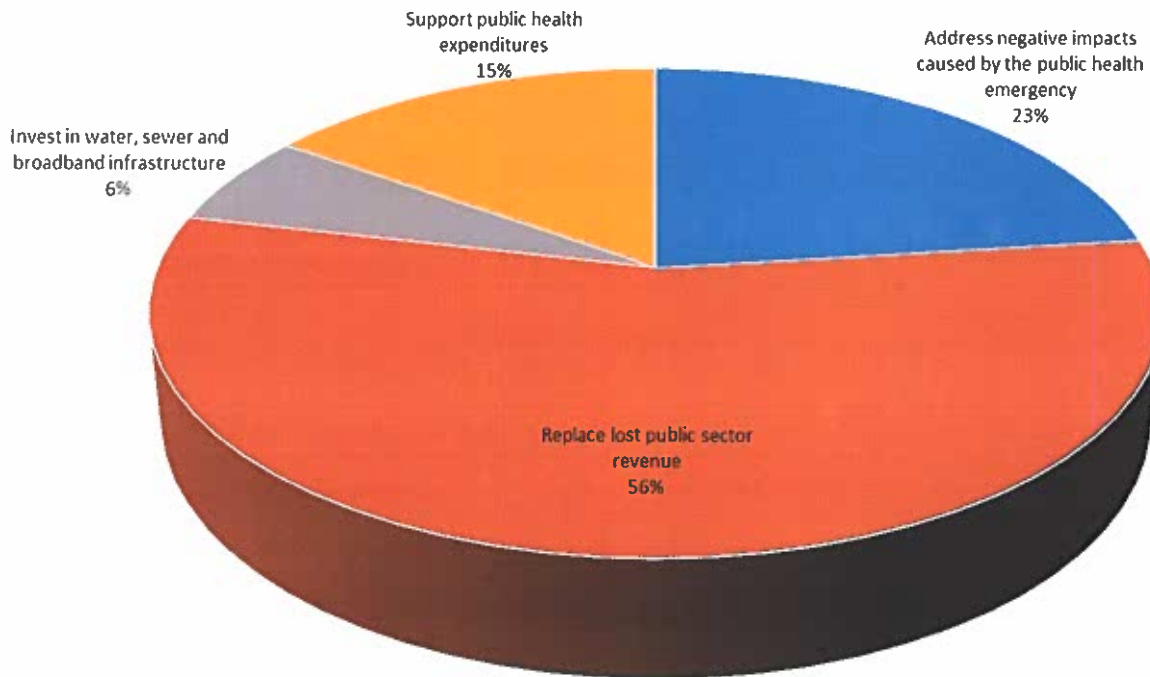
GRAND TOTAL: \$ 16,238,788

Proposed ARP Distribution (Detail)



American Rescue Plan Money	\$	16,238,788
		Proposed ARP Distribution (Detail)
Maintenance of Infrastructure	\$	9,000,000 55%
Tourism	\$	1,075,000 7%
Grant Management	\$	242,937 1%
Municipal Broadband build-out	\$	1,000,000 6%
Not for profit	\$	894,448 6%
Room tax distribution	\$	376,403 2%
Nursing facility	\$	2,500,000 15%
Community Investment	\$	1,150,000 7%
Total	\$	16,238,788

Proposed ARP Distribution (Summary)



American Rescue Plan Money	\$	16,238,788		
			Proposed ARP Distribution (Summary)	
Address negative impacts caused by the public health	\$	3,738,788	23%	
Replace lost public sector revenue	\$	9,000,000	55%	
Invest in water, sewer and broadband infrastructure	\$	1,000,000	6%	
Support public health expenditures	\$	2,500,000	15%	
	\$	16,238,788		

Chemung County

Capital Needs Assessment

Local Share Requirement

<u>Page</u>		<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
1	Building & Grounds	\$496,500	\$2,780,700	\$1,006,000	\$395,000	\$537,500
2	Public Works	7,777,456	7,503,106	9,357,806	16,445,306	9,447,806
3	Airport	494,929	215,000	0	0	50,000
4	Transit	617,000	30,000	30,000	60,000	150,000
5	EMO	1,250,000				
6	Sewer Districts	5,539,000	3,278,000	102,006,000	1,036,000	1,067,000
7	Nursing Facility	225,000	225,000	275,000	500,000	400,000
		<u>\$16,399,885</u>	<u>\$14,031,806</u>	<u>\$112,674,806</u>	<u>\$18,436,306</u>	<u>\$11,652,306</u>

Chemung County
Capital Plan
Needs Assessment
2021 to 2025

BUILDING AND GROUNDS		Est Project Cost	Federal	State	Other	Local	Local 2021	Local 2022	Local 2023	Local 2024	Local 2025
Priority	Dept	Project	Project Description/Justification								
Medium	1620 BG	1620 BG	30,000			30,000	30,000				
Medium	1620 BG	1620 BG	130,000			130,000	130,000				
High	1620 BG	1620 BG	Open			Open					
low	1620 BG	1620 BG	Open			Open					
High	1620 BG	1620 BG	80,000			80,000	80,000				
High	1620 BG	1620 BG	30,000			30,000	30,000				
High	1620 BG	1620 BG	12,000			12,000	12,000				
High	1620 BG	1620 BG	30,000			30,000	30,000				
High	1620 BG	1620 BG	30,000			30,000	30,000				
Medium	1620 BG	1620 BG	20,000			20,000	20,000				
Medium	1620 BG	1620 BG	7,500			7,500	7,500				
High	1620 BG	1620 BG	42,000			42,000	42,000				
Medium	1620 BG	1620 BG	30,000			30,000	30,000				
High	1620 BG	1620 BG	25,000			25,000	25,000				
Medium	1620 BG	1620 BG	30,000			30,000	30,000				
Medium	1620 BG	1620 BG	1,800,000			1,800,000	1,800,000				
High	1620 BG	1620 BG	45,000			45,000	45,000				
low	1620 BG	1620 BG	15,000			15,000	15,000				
low	1620 BG	1620 BG	8,200			8,200	8,200				
low	1620 BG	1620 BG	7,500			7,500	7,500				
High	1620 BG	1620 BG	250,000			250,000	250,000				
Medium	1620 BG	1620 BG	150,000			150,000	150,000				
Medium	1620 BG	1620 BG	100,000			100,000	100,000				
Medium	1620 BG	1620 BG	375,000			375,000	375,000				
Medium	1620 BG	1620 BG	30,000			30,000	30,000				
Medium	1620 BG	1620 BG	30,000			30,000	30,000				
Medium	1620 BG	1620 BG	150,000			150,000	150,000				
Medium	1620 BG	1620 BG	12,000			12,000	12,000				
Medium	1620 BG	1620 BG	500,000			500,000	500,000				
High	1620 BG	1620 BG	46,000			46,000	46,000				
Medium	1620 BG	1620 BG	200,000			200,000	200,000				
Medium	1620 BG	1620 BG	4,000			4,000	4,000				
low	1620 BG	1620 BG	60,000			60,000	60,000				
Medium	1620 BG	1620 BG	30,000			30,000	30,000				
low	1620 BG	1620 BG	100,000			100,000	100,000				
low	1620 BG	1620 BG	90,000			90,000	90,000				
low	1620 BG	1620 BG	175,000			175,000	175,000				
Medum	1620 BG	1620 BG	120,000			120,000	120,000				
Low	1620 BG	1620 BG	137,500			137,500	137,500				
low	1620 BG	1620 BG	250,000			250,000	250,000				
Medium	1620 BG	1620 BG	30,000			30,000	30,000				
			5,215,700			5,215,700	496,500	2,780,700	1,006,000	395,000	537,500

Chemung County
Capital Plan
Needs Assessment

Dept.	Project Description/Justification	Est Project Cost		Federal 2021to8035		Other (PFC)	Local	Local 2021	Local 2022	Local 2023	Local 2024	Local 2025
		Cost	Cost									
56	Airport Conduct Obstruction Study (2021)	160,000	144,000	8,000	8,000	8,000						
56	Airport Reconstruct TWY A - Design (2021)	150,000	135,000	7,500	7,500	7,500						
56	Airport ARFF Facility Renovations - Design (2021)	200,000	180,000	10,000	10,000	10,000						
56	Airport Echo Apron Reconstruction - Design (2021)	366,000	360,000	18,000	18,000	18,000						
56	Airport Solar Covered Parking (2021)	1,874,644	-	1,499,715	-	-	374,929	374,929				
56	Airport Mower	35,000	-	-	-	-	35,000	35,000				
56	Airport Tilt Deck Trailer	15,000	-	-	-	-	15,000	15,000				
56	Airport Floor Cleaner/Scubber	15,000	-	-	-	-	15,000	15,000				
56	Airport Truck 51 Dump Bed Replacement	15,000	-	-	-	-	15,000	15,000				
56	Airport 42 Aviation Dr Hangar Floor Epoxy	80,000	-	-	-	-	40,000	40,000				
56	Airport Snow Removal Equipment (2022)	1,000,000	900,000	50,000	50,000	50,000						
56	Airport Design/Construct Perimeter Fence (RW 24 End) (2022)	600,000	540,000	30,000	30,000	30,000						
56	Airport Design ARFF Building Rehabilitation (2022)	200,000	180,000	10,000	10,000	10,000						
56	Airport Maintenance Shop Air Compressor	35,000	-	-	-	-	35,000	35,000				
56	Airport Tractor with Batwing Mower Deck	180,000	-	-	-	-	180,000	180,000				
56	Airport Install Passenger Boarding Bridge (2023)	1,500,000	1,350,000	75,000	75,000	75,000						
56	Airport Conduct EA - Off Airport Obstruction Removal (2023)	200,000	180,000	10,000	10,000	10,000						
56	Airport Construct ARFF Building Renovation (2023)	2,000,000	1,800,000	100,000	100,000	100,000						
56	Airport Design Echo Apron Reconstruction (2024)	300,000	270,000	15,000	15,000	15,000						
56	Airport Design/Construct Airport Beacon Replacement (2024)	100,000	90,000	5,000	5,000	5,000						
56	Airport Echo Apron Reconstruction - Construct (2025)	3,000,000	2,700,000	150,000	150,000	150,000						500,000
56	Airport Deice truck with Plow	500,000	-	-	-	-	500,000					
56	Airport	-	-	-	-	-						
56	Airport	-	-	-	-	-						
56	Airport	-	-	-	-	-						
56	Airport	-	-	-	-	-						
		12,555,644	8,829,000	1,988,215	528,500	1,209,929	494,929	215,000				500,000
Est Project Cost												
Federal												
State												
Other (PFC)												
Local												
Local 2021												
Local 2022												
Local 2023												
Local 2024												
Local 2025												

costs would occur in this year

Transit Five Year Capital Plan 2021-2026
 Updated 6/3/2020

Item	Project Begins	Project Completed	Cost Estimate	Federal	State	Local	Priority Ranking
Passenger Information System	2021	2021	\$260,000	\$0	\$0	\$266,000	medium, efficiency and improved customer service
Bus Shelters	2021	2021	\$230,000	\$0	\$0	\$230,000	high-safety, reduce maint.
Garage Renovations and Updates	2021	2021	\$127,000	\$0	\$0	\$127,000	high-safety, reduce maint.
Two <30' LF Buses	2022	2022	\$300,000	\$240,000	\$0	\$30,000	\$30,000 high-safety, reduce maint.
Two <30' LF Buses	2023	2023	\$300,000	\$240,000	\$0	\$30,000	\$30,000 high-safety, reduce maint.
Two >30' LF Buses	2024	2024	\$600,000	\$480,000	\$0	\$60,000	\$60,000 high-safety, reduce maint.
Four >30' LF Buses	2025	2025	\$1,500,000	\$1,200,000	\$0	\$150,000	\$150,000 high-safety, reduce maint.
Three > 30' Buses	2026	2026	\$1,125,000	\$900,000	\$0	\$112,500	\$112,500 high-safety, reduce maint.

Priority	Dept	District	Project Description/Justification	Est Project Cost	Federal Share	State Share	Other Share	Local Share	Local	Local	Local	Local	Local
H-87	22	SDM1	Secondary Clarifier Valve Replacement	50,000				50,000	2021				
H-87	22	SDM1	Pump Rehabilitation Project (Inflow Filter & Raw effluent control)	80,000				80,000					
H-87	22	SDM1	Collection System Repairs	610,000				610,000					
H-87	22	SDM1	Collection System Repairs	484,000				484,000					
H-87	22	SDM1	Collection System Repairs	498,000				498,000					
H-87	22	SDM1	Collection System Repairs	513,000				513,000					
H-87	22	SDM1	Collection System Repairs	528,500				528,500					
				2,783,500				2,783,500	740,000	484,000	498,000	513,000	528,500

Priority	Dept	District	Project Description/Justification	Est Project Cost	Federal Share	State Share	Other Share	Local Share	Local	Local	Local	Local	Local
H-87	23	ESD	Motion Street Light Replacement - AM Road	300,000				300,000	2021				
H-87	23	ESD	Motion Street Generator	750,000				750,000					
H-87	23	ESD	Motor Replacement	20,000				20,000					
H-87	23	ESD	Light Equipment Upgrades	50,000				50,000					
H-87	23	ESD	Collection System Repairs	419,000				419,000					
H-87	23	ESD	Collection System Repairs	584,000				584,000					
H-87	23	ESD	Collection System Repairs	498,000				498,000					
H-87	23	ESD	Collection System Repairs	513,000				513,000					
H-87	23	ESD	Collection System Repairs	528,500				528,500					
				3,182,500				3,182,500	999,000	594,000	508,000	523,000	528,500

Priority	Dept	District	Project Description/Justification	Est Project Cost	Federal Share	State Share*	Other Share	Local Share	Local	Local	Local	Local	Local
H-87	22/23	SD1/ESD	WWTP Remediation Project - Engineering, Finance, Admin	21,000,000	150,000	26,120,000		20,850,000	3,800,000	6,500,000	6,000,000	6,000,000	4,550,000
H-87	22/23	SD1/ESD	WWTP Remediation Project - Construction	130,600,000	450,000	26,120,000		104,030,000	3,800,000	6,500,000	59,030,000	40,000,000	5,000,000
				151,600,000	600,000	26,120,000		124,880,000	3,800,000	6,500,000	65,030,000	46,000,000	9,550,000

Priority	Dept	District	Project Description/Justification	Est Project Cost	Federal Share	State Share*	Other Share	Local Share	Local	Local	Local	Local	Local
				157,526,000	600,000	26,120,000		130,806,000	5,539,000	7,578,000	66,036,000	47,036,000	10,617,000

** Federal funding amount is only an estimate.
** Federal Funds shown are ARC potential grants

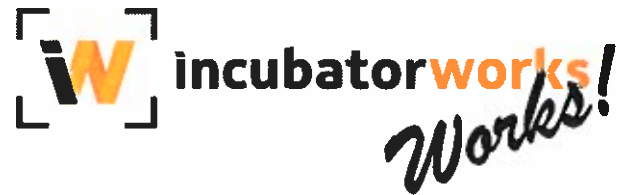
Chemung County
Needs Assessment
2021 to 2025

NURSING FACILITY

Priority*	Dept	Project Title	Project Description/Justification	Est Project Cost		Federal Share	State Share	Other Share	Local Share	Local	Local	Local	Local
				2021	2021	2021	2021	2021	2022	2023	2024	2025	
High		6017 Laundry AHU	Laundry Air Handler Unit replacement and upgrade	225,000					225,000				
Medium		6017 Paving**	Pavement/sidewalk is in need of repair (Circle driveway/sidewalk)							225,000			
Low/Medium		6017 1st floor roof**	1st floor roof - entire building							275,000			
Low		6017 Co-Gen Units++	Cogeneration updates ++								500,000		
Low		6017 Interior Updates	Interior upgrades- flooring/walls - interior is outdated (Floors 1-3)									500,000	
Low		6027 Interior-Updates	Interior-upgrades- flooring/walls -interior-outdated (Floor 4-5)										400,000
				225,000					225,000	225,000	275,000	500,000	400,000

* Low, Medium, High

++ Cogens - may possibly need to be upgraded or replaced in the next several years - Still chasing prices
** Roof and paving costs to be split with HD



Presents:

ELMIRA *Works!*

Concept paper for an incubator in Chemung County

Prepared by IncubatorWorks

July 7, 2021

Executive Summary

IncubatorWorks has prepared this concept paper, at the request of several members of the Chemung County Legislature, for the opening of a business incubator in Chemung. Using the Business Model Canvas as the outline for this proposal— which is a tool we teach entrepreneurs to use when developing their business ideas—we outline the benefits of an incubator for the County, operated and managed under contract with IncubatorWorks.

Entrepreneurs in Chemung County do not have a place to gather, to work together, to find support, resources and education on how to start a business. The solution to this problem is the creation of a business incubator. Ideally in downtown Elmira, this incubator could provide a welcoming open co-working space and conference rooms to build a startup community, within walking distance for many local residents, and easily accessible by bus. While space is important, even more important is the programming, training and mentoring that would be available at the incubator for entrepreneurs. Part of this training would be the IncubatorWorks flagship offering, Co.Starters, a 10-week business training program. Since launching this program in 2019, IncubatorWorks has had 42 graduates, 21 of which were from Chemung County. The graduates include 22% minorities, and 53% women. Additionally, IncubatorWorks has also provided assistance in filing for the NYS MWBE certification, which is a challenging process. Since 2017, we have helped 13 MWBEs file for their certification, 8 have been approved to date. We have also assisted 3 Veteran-owned businesses to get their NYS SDVOSB certifications.

Collaborations will be key to the success of this incubator, including organizations like Elmira College, and their Entrepreneurial Club, LECOM, and the Corning Community College Entrepreneurial Club, the City of Elmira and Elmira Downtown Development. Other stakeholders critical to the incubator's success include STEG and the Chemung Chamber of Commerce.

Incubators increase the success rate for business startups, with a success rate of 92% for startups graduating from incubators, as compared to a success rate of 8% of businesses starting on their own. Data supporting this statistic is included in the concept paper.

Entrepreneurs from Chemung County cannot currently access this support in Chemung County. They must either connect to other incubators, travel to the Small Business Development Center, or to the Entrepreneurial Assistance Center outreach office in Waverly. This is one reason why we have some many Chemung County residents enroll in our Co.Starters program.

An overview of the alternatives demonstrates the advantages of having support services close to home, and to improve the success rate of startups in the County. In addition, contracting with IncubatorWorks provides Chemung County entrepreneurs quicker and easier access to the experience and network of resources that IncubatorWorks has developed, especially in the last 4 years

Startup Costs: Estimated at \$250,000 for renovations of a 2,500 sq ft facility, and \$175,000 for furnishings.

Operating costs: Estimated at \$200,000 annually for one dedicated program staff person, facility operating costs, and training and outreach efforts.

This Concept Paper, prepared at your request, outlines the reasons to open a business incubator in Chemung County. We have used the business model canvas approach to the opportunity—the same model we teach our entrepreneurs, to give you an example of our methods for teaching entrepreneurs to determine the strength of their startup ideas.

Problem: Chemung County has no place for entrepreneurs to gather, to work together, to find support, resources and education on how to start a business.

Solution: Open a business incubator focused on building a startup community—a place for people to go to learn how to start a business, grow a business, and sometimes to rethink their ideas. This incubator, located in Downtown Elmira, would have a welcoming open co-working space and conference room space available to incubator members. It would offer internet, computers, and a place to gather. The incubator would provide entrepreneurs with training, mentoring, networking, and connections to resources throughout its existing support system. Located in downtown, it would be in walking distance or easily accessible by bus.

A key offering at the new incubator would be a 10-week business training program called Co.Starters, which we have customized to meet the needs of our regional entrepreneurs. It is a very interactive, facilitated cohort-based program, generally with 8 people in each cohort. Using the business model canvas, participants learn how to evaluate their business ideas, test it with potential customers, develop their financials and finally, at the end to present their idea in a pitch presentation to an outside judge. Since we started our 10-week training program for Co.Starters in 2019, we have had 45 people start, 42 people complete. Of that number 22% were minorities, 53% were women. Chemung County residents were 50% of our participants. During Pandemic restrictions, we successfully transitioned to virtual program delivery. We are pleased that our next cohort, cohort # 6, will be held in person in Fall 2021, at the CCC campus in downtown Elmira.

In our first years of community outreach, pre-Pandemic, we also organized programming for our Elmira Entrepreneurs and Veteran Entrepreneurs of the Southern Tier. We would plan on re-starting these groups, with a home base at the new incubator.

Collaborations would be key in attracting a wide range of entrepreneurs. For example, the very active Entrepreneurial Club at Elmira College could use this new incubator—and along the way—the students could mentor community entrepreneurs. (IncubatorWorks has a good working relationship with Professor Alison Wolfe, Associate Professor of Marketing, Business and Economics Chair, Corning Inc. Foundation Chair in Business at EC, and the advisor to this Entrepreneurial Club.) It would be important to work with LECOM to attract students to this incubator. IncubatorWorks staff is already advising the Corning Community College Entrepreneurial Club, and activities could be planned for the new incubator space. Since 2016, we have held several events at EOP—and we would continue to work closely with them to connect the people they serve to the resources of the new incubator. Support and participation by the City of Elmira through its economic development efforts is critical to the success of this incubator. Other key collaborators in this startup would be the Chemung Chamber, Elmira Downtown Development, and STEG.

These collaborations would also be key in attracting volunteer mentors to the incubator—mentorship is a key component in new business success. Mentors could range from experienced business owners to college students working with entrepreneurs to develop solid and viable business plans.

Customers: An incubator in Chemung County would have two major customer groups.

The first group would be area residents interested in starting their own business. Entrepreneurs come from all demographics, from high school students to retirees. While many incubators focus on university students, graduates and professors, they are only 26% of business startups in the last few years.

At IncubatorWorks, we have dedicated our outreach since 2017 to minorities, women and veterans. The results demonstrate that this outreach is working. As noted above, our Co.Starters statistics show our diversified outreach, with minority participation of 22% and 53% are women.

Minority, women and veteran business owners also have had no place to go in Chemung County to get help in the NYS certification process. We have been providing that help-- and since we started in 2017, we have assisted 13 businesses in their MWBE filings, and 8 have been approved. We have assisted 3 businesses in their Veteran certification, and all 3 have been approved.

The second customer group for this incubator would be Chemung County and the City of Elmira, and their interest in long-term, sustainable economic development. Customers in this group would also include other organizations dedicated to small business and economic growth, such as STEG, and the Chemung Chamber of Commerce.

Benefit: Incubators increase the success rate for business startups, with a success rate of 92% for startups graduating from incubators, as compared to a success rate of 8% of businesses starting on their own.

"This figure is still widely cited today. A U.K. study from 2014 had similar results: The average survival rate for businesses that went through incubation programs was 92%. Business incubators can be competitive, but the most competitive ones typically have the highest success rates." (Forbes, 6/27/2019)

The startup community, created and supported by the mission of the incubator, becomes the "go to" place for people wanting to start a new business. They don't have to create this support on their own, one entrepreneur at a time. Getting support from the beginning increases the likelihood that they will succeed.

For the larger economic development interests of Chemung County, an incubator will provide a means of grassroots business growth. An offshoot of the Pandemic has been a stronger interest in entrepreneurship. Here's some data to back that up:

"... researchers at the Peterson Institute for International Economics found that Americans started 4.4 million businesses last year, a 24 percent increase from the year before. It is by far the biggest increase on record." (New York Times, Feb 2021)

"Applications for the employer identification numbers that entrepreneurs need to start a business have passed 3.2 million so far this year, compared with 2.7 million at the same point in 2019, according to the

U.S. Census Bureau. That group includes gig-economy workers and other independent contractors who may have struck out on their own after being laid off." (WSJ, Sept 2020)

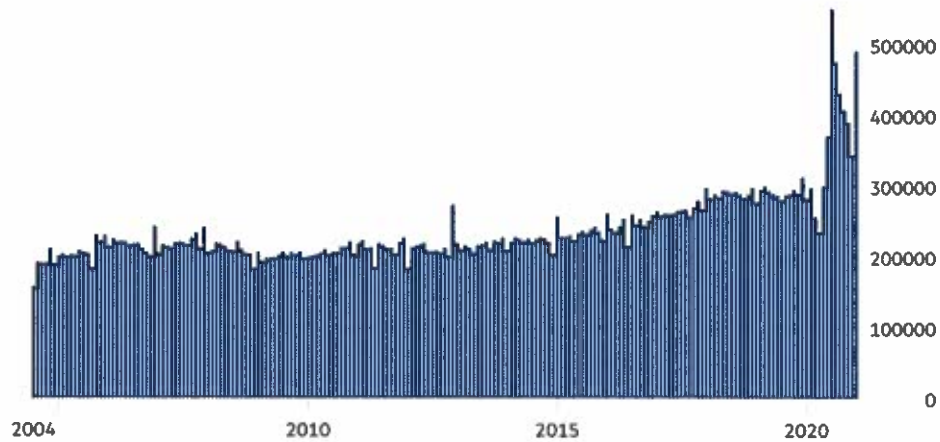
"About 4.3 million new business applications were filed in 2020, almost 1 million more than in 2019, according to figures from the U.S. Census Bureau . . . The new businesses were overwhelmingly created by women and people of color, the firm's latest survey found. In 2020, 11% of new business owners were Black or African American, compared with 3% in recent years, and 49% were women, compared with 27% in recent years, according to Gusto. It surveyed 1,568 new business owners, who started up in the pandemic, from April 4 to 16.

"This is not a coincidence," said Pardue, who pointed out that 51% of owners started their business out of an economic need and one-third said they did it because they lost their jobs.

"Women and people of color were those who bore the brunt of the recession last year," he added. "They were resilient and turned obstacles into opportunities." (CNBC, May 2021)

The surge in new businesses in the US has continued into 2021

Monthly new business formations



Seasonally adjusted
Source: US Census Bureau
© FT

(Financial Times, March 2021)

Alternatives: Chemung County entrepreneurs are now traveling to receive services offered by regional incubators (if they look for incubator support at all). Seeing this, IncubatorWorks has been offering its programming in Elmira since 2016, with support from EOP, the Chamber of Commerce, and local businesses. By its very nature, this support has limitations.

Other resources for entrepreneurs include the Small Business Development Center (funded by the SBA) and the Entrepreneurial Assistance Centers (funded by NYS ESD). The SBDC is housed at the IW Corning incubator, and the only EAC support offered to Chemung County is from one person, located in Waverly, who is an employee of the Ibero American Support League headquartered in Rochester. (This is an opportunity for Chemung County to file for funding for its own EAC.)

The Chemung County Chamber was also able to provide training for entrepreneurs—in specified census tracts- for 2018 and 2019 through the ESPRI funding.

Advantages: An overview of the alternatives demonstrates the advantages of having support services for business startups close to home. If people need to travel for support, it increases the likelihood that they will try to do it on their own. It also decreases the likelihood that they will access the resources that are available to help them to succeed.

Along with proximity, contracting with IncubatorWorks to operate this incubator gives Chemung County entrepreneurs access to the experience and network of resources that IW has developed over the years, especially in the last 5 years of its outreach to entrepreneurs across the region. With a funding stream from NYS beginning in 2016, IW now provides support to entrepreneurs who are not resident in the incubator. That was a big change, as previously, only those renting space in the incubator could access IW support.

IncubatorWorks is experienced in collaboration, and has developed working relationships with key partners, including:

Alternatives Federal Credit Union—based in Ithaca, Alternatives is a CDFI (Community Development Financial Institution). They have funding dedicated to underserved populations, and extend that support through providing accounting, marketing, legal and other supports directly to these entrepreneurs. They are currently working to expand their services to Chemung County.

Southern Tier Startup Alliance— this is a NYS “Innovation Hot Spot”—providing IW entrepreneurs with support through our partners, Cornell and Binghamton universities. For example, in our earlier Elmira Entrepreneurs programs, we brought Entrepreneurs in Residence to meetings we held at EOP.

Startup costs—Assuming that the incubator begins with good co-working space, with supporting conference rooms in a downtown location, these costs have been estimated based upon roughly 2,500 sq ft. The total costs to prepare the space would be dependent upon the condition of the space, but assuming that there are no abatement costs related to health issues, using a cost of \$100/sq ft, we are projecting a \$250,000 cost to prepare the space. (See pictures of incubator in Ithaca, REV, for an idea of the inside finish.) The furnishing costs are estimated at \$175,000.

Operating costs—An incubator is not just space. The services are a key component to the success of the entrepreneurs. The expectation is that it will require one dedicated Programming/Outreach person to provide the key support services, with additional support to open, close and monitor the facility. IW staff would be privileged to manage this program, and to provide training support and programming at the Chemung County incubator. Based upon our experience, estimated operating costs (contracted with outside nonprofit, such as IW) would include:

Personnel	\$ 85,000
Facility (including rent for 2,500 sf at \$12/sf)	\$ 50,000
Programming, outreach, training and related costs	\$ 40,000
Program support & management—IW	\$ 25,000
Total annual program operating costs	\$200,000

Opportunities:

Obtaining designation as an Entrepreneurial Assistance Center, funded by NYS ESD, would provide funding for an additional person, as well as other operating support.

Startups are high-risk, and typically banks cannot extend credit to new small businesses. They need access to grants and micro-loans. Once such funding source is the NYS CDBG Microenterprise Grant, which provides grants of up to \$35,000 to small businesses. In addition, establishing a micro-loan program available to incubator graduates would help entrepreneurs get that first working capital needed to get started.

IncubatorWorks can assist in opening the doors to these opportunities.

For more information, contact:

Nancy Kirby, Executive Director

nkirby@incworks.org

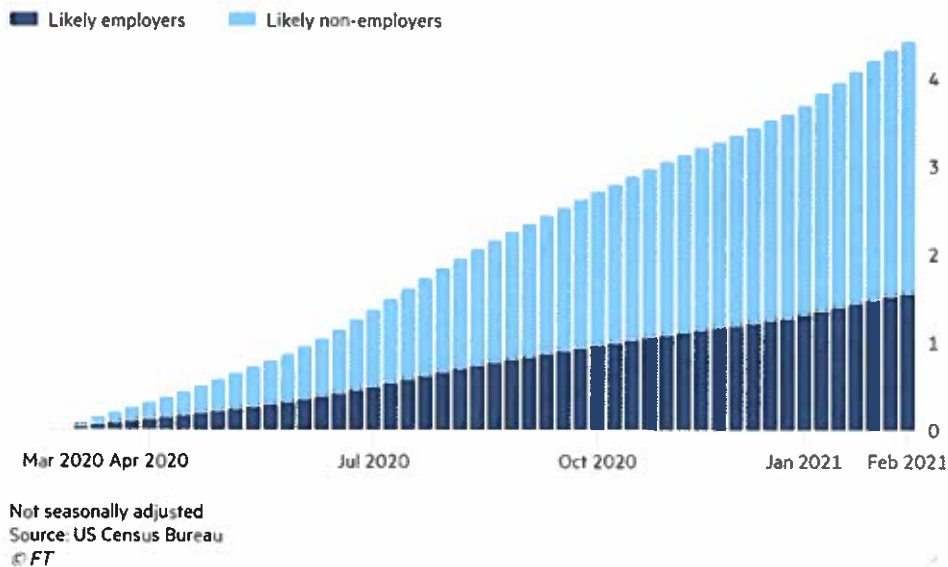
607-738-4716

www.incubatorworks.org

APPENDIX

Today's new businesses could be tomorrow's new employers

Cumulative weekly new business formations since March 8 2020 (m)



(Financial Times, March 2021)

"But then, about six weeks into the pandemic, the numbers started rising. At first, he says, they had to double-check that the data were correct: "We were, like, what's going on here?"

And then the new business applications just kept rising. "The third quarter of 2020 is the highest quarter of applications we've ever seen," Haltiwanger says ([their quarterly data](#) go back to 2004).

Most of these new businesses are seizing opportunities created by the weird coronavirus economy — an economy where people don't really want to do stuff face-to-face anymore. The largest area for new business creation is online retail. Of course, at the same time, we've seen a massacre for brick-and-mortar retail — and we don't know yet whether these new businesses will fill the job void. Moreover, many of the new businesses are just people who were laid off and were forced to strike out on their own. But with these important asterisks, it may be good news that new businesses are growing out of the ashes of old businesses.

*Economists have a term for this. They call it "creative destruction." Harvard University economist Joseph Schumpeter developed the idea in his 1943 book *Capitalism, Socialism and Democracy*. He described it as a process of "industrial mutation ... that incessantly revolutionizes the economic structure from within, incessantly destroying the old one, incessantly creating a new one." He placed it at the center of capitalism, arguing that it was a force that made capitalism much more innovative than socialism. The U.S., with a more hands-off approach to the economy than Europe, has long been a shining beacon of creative destruction. It's why, many economists argue, America has a dynamic economy that gives the world all sorts of new inventions, products and technologies. The U.S. is now ahead of other rich countries in new business creation during the pandemic." (NPR, Nov 2020)*

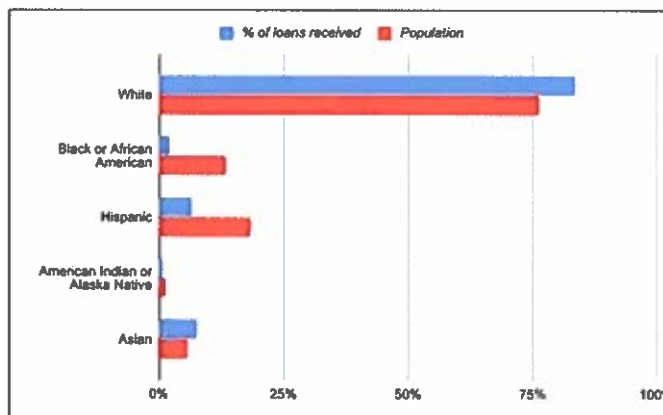
*“30% of entrepreneurs only have a high school degree.”
(Guidant Financial) (Small Business Genius, May 2021)*

Most small business owners don't have a college degree. A degree is not a requirement to start your own business. In fact, most business owners either never went to college or dropped out before they could obtain a degree. According to a CNBC/Survey Monkey survey, only 26% of small business owners said they had a bachelor's degree. Only 17% went to college, 20% graduated high school but did not go to college, and 5% didn't graduate high school.” (Fit Small Business, March 2019)

“More than 50% of companies started in a garage or basement. If you're starting a business out of your home and not in an office, don't get discouraged. World-renowned companies like Google, Apple, Amazon, Microsoft, and Disney all started in a garage or basement. Currently, 51.6% of companies are started in someone's garage or basement. [<http://sbecouncil.org/about-us/facts-and-data>]. According to the SBA, 60.1% of firms without paid employees are home-based.” (Fit Small Business, March 2019)

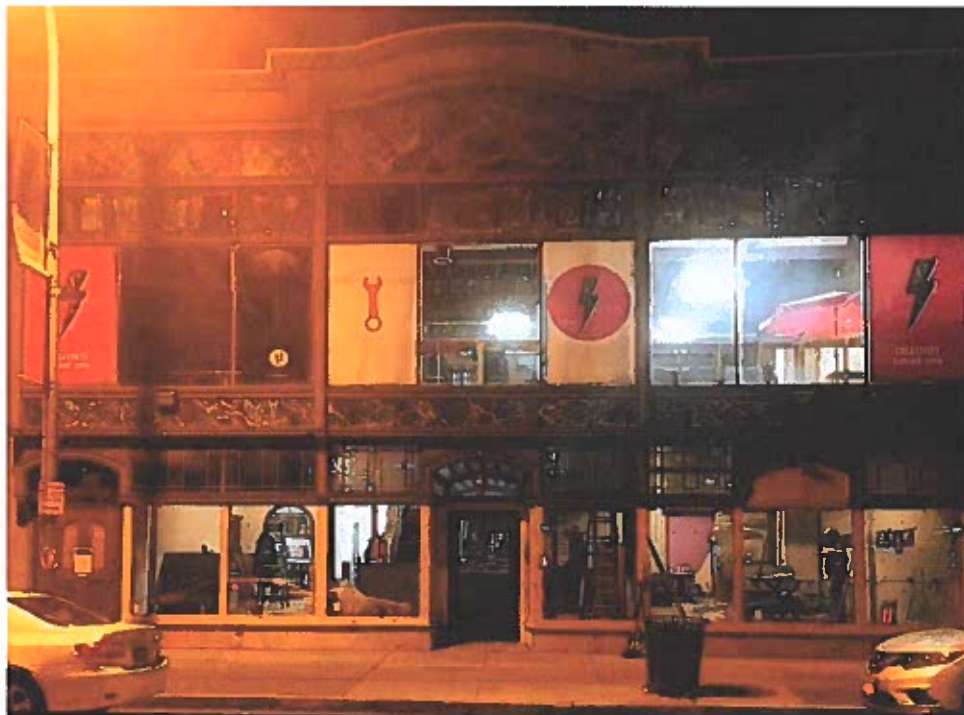
“The entrepreneurial spirit in America is alive and well. As they prepare to enter the workforce, seven in ten (70 percent) young adult job seekers say the freedom of being their own boss is worth more than the benefit of job security working for someone else. Additionally, more than half (53 percent) said they are likely to start their own business in the future.” ...“Ambitious young entrepreneurs are not alone. Each month, approximately 540,000 people become new business owners. Contrary to the commonly-held belief that most businesses fail to gain any traction, according to the Small Business Administration (SBA), roughly 80 percent survive the first year. However, the success rate of small businesses begins to fall sharply as time goes on. Only about half survive past the five-year mark, and beyond that, only about one in three get to the 10-year mark.” (CPApracticeadvisor.com, Aug 2019)

Consider the disparities brought to light by the recent release of PPP loan data; Black entrepreneurs received just 2% of loans, according to SBA data [visualized by Thinknum](#). Meanwhile, just 7% of recipients were Hispanic, and just 16% were female.



The new age of entrepreneurship must level the playing field for all entrepreneurs; otherwise, stagnant rates of new business creation will persist to the detriment of the entire American economy.

Troy Innovation Garage, Troy NY



Troy Innovation Garage, Troy NY



REV Ithaca, Ithaca Commons, Ithaca NY – (Part of Southern Tier Startup Alliance)



**REV Ithaca, Ithaca Commons, Ithaca NY – (Part of Southern Tier Startup Alliance)
IncubatorWorks Co.Starters Presentation, Nancy Kirby**



AMERICAN RESCUE PLAN ACT

PHOTO LOG

Chemung County Fairgrounds:

Grandstand:

Photos: #27, #28, #29, #30, #32, #42, #58

Farmers Market Building (empty lot):

Photo: #94

Stage:

Photos: #86, #87, #89, #92, #93

Capital Improvements – Harris Hill:

Structural Improvements to Pavilion & Out Buildings:

Photos: #142, #143, #146, #150, #168, #184, #205, #206, #208, #227, #238,
#277, #278, #313, #416, #419, #420, #433

Pylon Replacements:

Photos: #112, #117, #123, #126, #128, #385, #392, #411, #435, #437

National Soaring Museum:

Two runways due for blacktopping:

Photos: #487, #488, #492, #493, #495, #499









