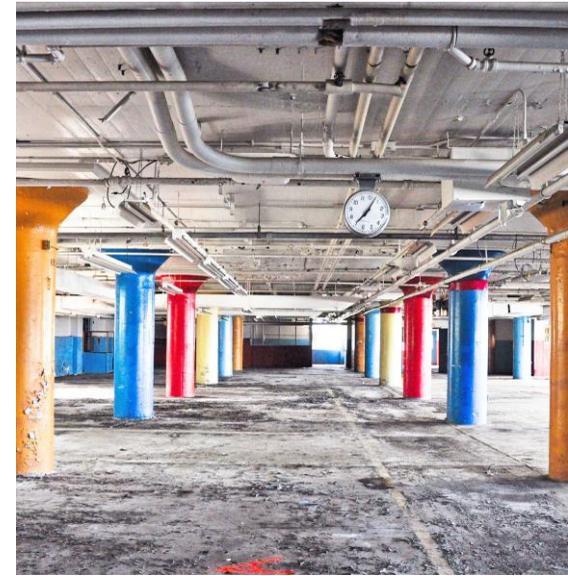


SOUTH WORKS

Where Opportunity, Community & Ingenuity Thrive



L ENTERPRISES

XYLEM



US CEILING CORP



SouthWorks Team

The SouthWorks development team is a partnership that brings together extensive experience in development, construction, and placemaking, along with **proven track records in delivering equitable community-serving projects.**

\$600MM
INVESTED IN
NEIGHBORHOODS

75+ YEARS
COLLECTIVE EXPERIENCE IN
REAL ESTATE
DEVELOPMENT

6
MAJOR CITIES
INVESTED IN

The team is led by SHIFT Capital, a nationally recognized neighborhood investment group who executes real estate projects and financing strategies that create equitable and mixed-income communities for the long-term. SHIFT is partnering with L Enterprises, US Ceiling Corp and Xylem bringing together a diverse team across disciplines, generations and project experiences.



BRIAN MURRAY
PARTNER, CEO
SHIFT CAPITAL



GREGG DIFABIO
PRINCIPAL, PRESIDENT OF
DEVELOPMENT &
CONSTRUCTION
SHIFT CAPITAL



ROBERT LEWIS
DEVELOPMENT
PROJECT MANAGER
SHIFT CAPITAL



SARAH BARDEN
COMMUNITY OUTREACH
& LEASING COORDINATOR
SHIFT CAPITAL



DAVID LUBIN
FOUNDER & CEO
L ENTERPRISES



NNENNA LYNCH
FOUNDER & CEO
XYLEM PROJECTS

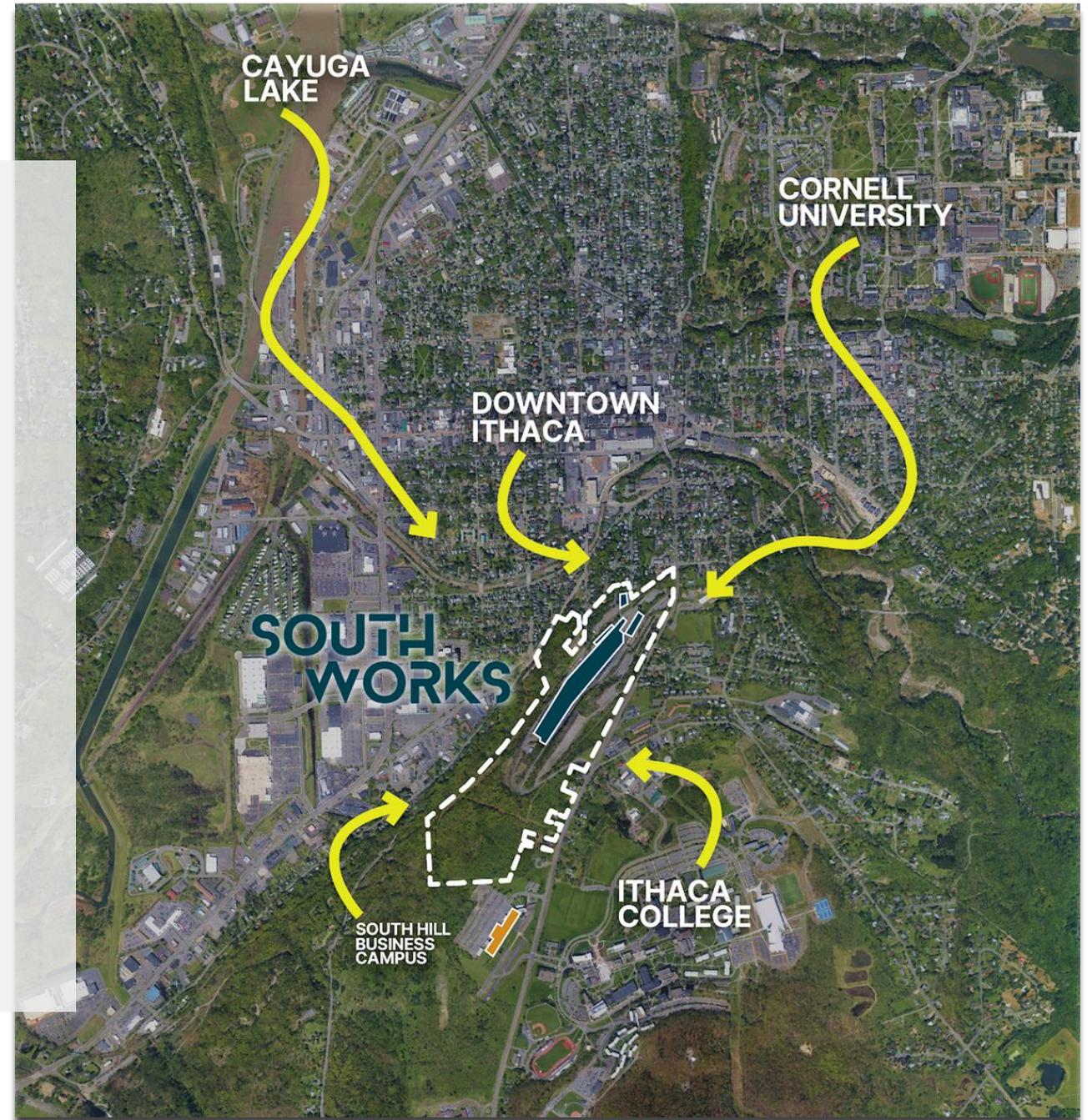


MELISSA GESKA
PRESIDENT
US CEILING CORP



Requested Incentives

- + Freeze tax assessment at present value during pre-development & construction
- + 20-Year PILOT for each subproject
- + Mortgage Recording Tax Abatement
- + Sales Tax Abatement



Our Community Vision

- + 95-acre site with 32 developable acres
- + 63 acres will remain in natural condition
- + Adaptive reuse: 820,000 square feet of existing buildings built from 1906 to 1970
- + New build: 900,000 square feet
- + City and Town of Ithaca, Tompkins County
- + Empire Zone & Opportunity Zone

**1.7MM
SQUARE
FEET**

TOTAL
SQUARE FEET AT
PROJECT
COMPLETION

1MM SQUARE FEET
MIXED-INCOME HOUSING

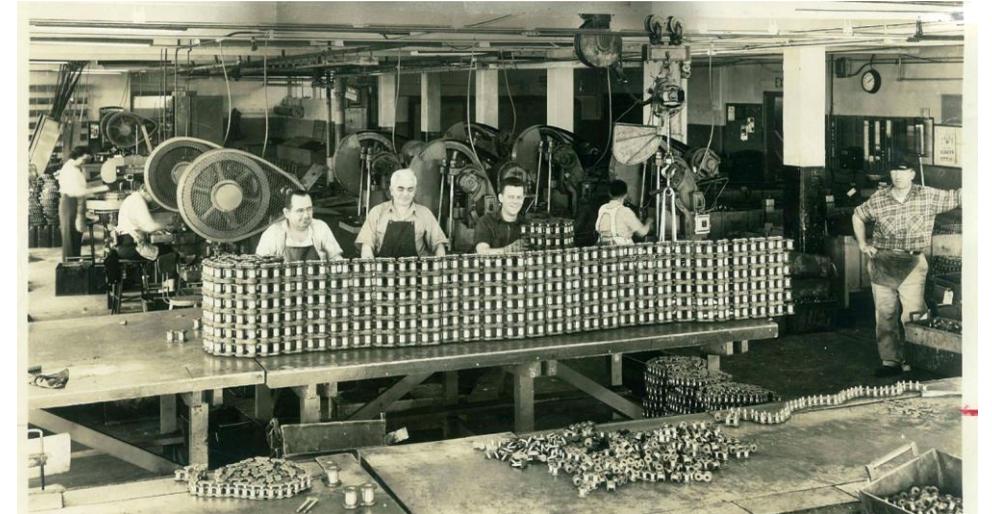
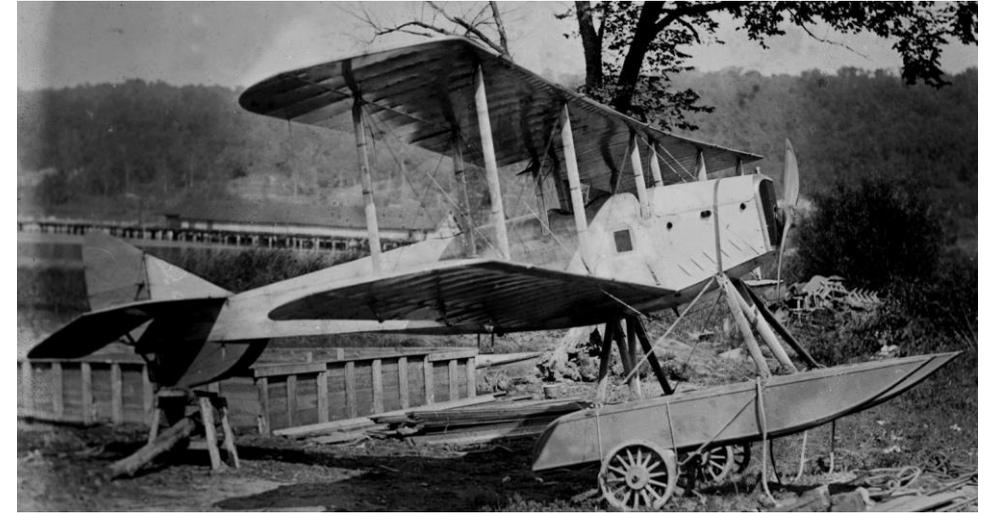
450,000 SQUARE FEET
COMMERCIAL/OFFICE

250,000 SQUARE FEET
MANUFACTURING/INDUSTRIAL



Inspired by the industrious past of chains, planes, power, and people

During World War I the Tommy Plane was built here. Morse Chain occupied the facility from 1906 until 1928 when the company merged with BorgWarner, which owned the property from 1928 to 1982. Emerson Power Transmission continued manufacturing at the site from 1983 until its closure in 2011.



Project Approvals & Timeline To Date

DEC

Modified Boundaries - October 2018

Amended Record of Decision - September 2021

Approval of Site Management Plan - October 2022

City of Ithaca

SEQRA - March 2019

Planned Unit Development Zone - September 2019

Phase 1 Site Plan Approval - August 2019

Subdivision Approval - August 2020

Town of Ithaca

SEQRA - September 2021

Planned Development Zone - September 2021

Closing & Construction

Real Estate Closing - December 7, 2022

Infrastructure Assessment & The Woods Pre-Dev – 2024

The Woods Construction & Initial Chainway Tenancy - 2025



SOUTH WORKS

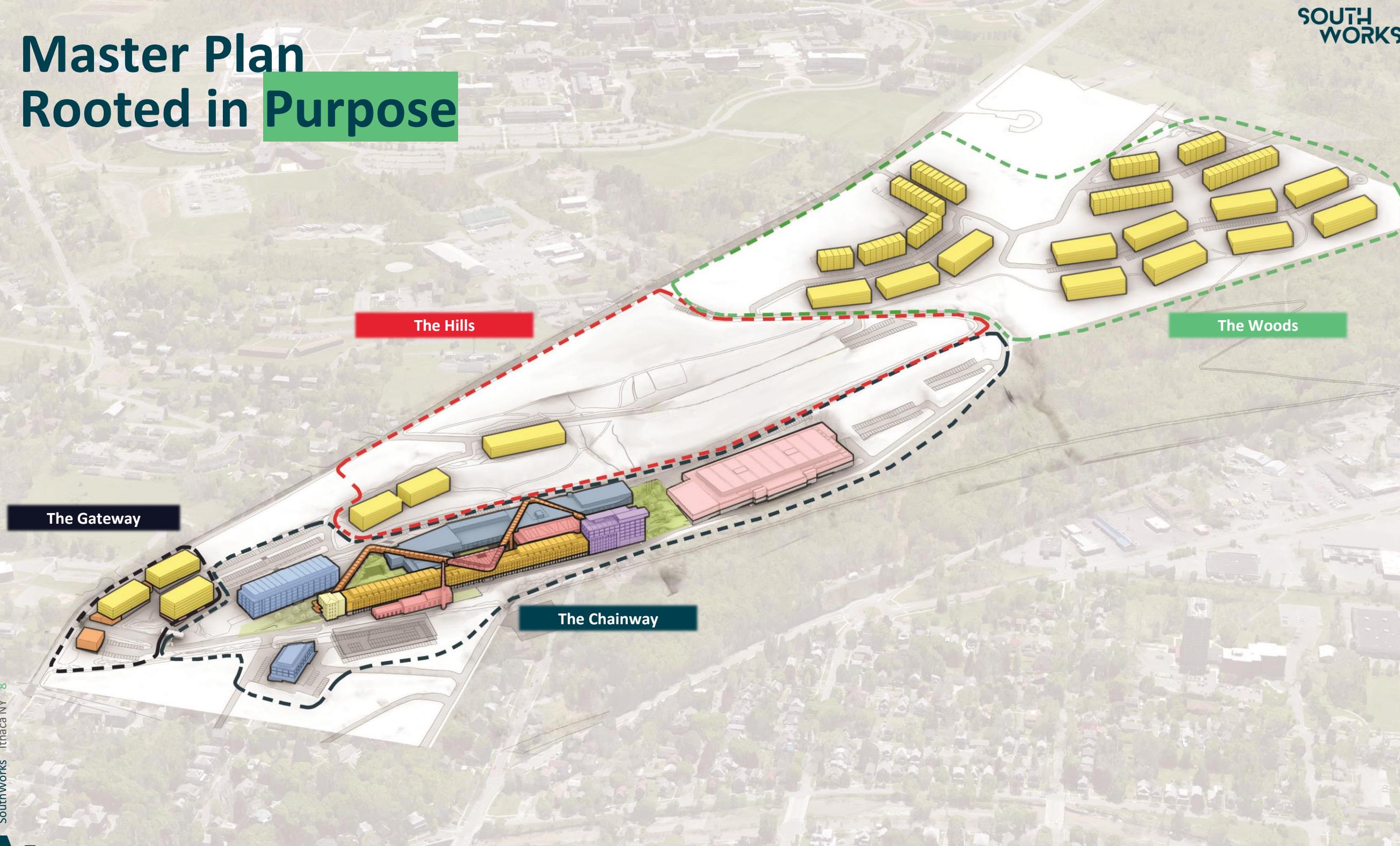


An approach which is place-based, people-focused,
and purpose-driven.

The SouthWorks team brings together investment capital, innovative ideas, best practices, and a shared understanding of community needs to drive positive change and create a thriving neighborhood.



Master Plan Rooted in Purpose



The Hills

The Woods

The Gateway

The Chainway





Innovation Hub



The Gateway



The Hills



The Chainway



Key Elements: Adaptive Reuse

Deliberate repurposing of existing industrial and commercial buildings

- + To create space for:
 - ↳ Makers
 - ↳ Light Manufacturing
 - ↳ Small businesses
 - ↳ Startups
 - ↳ Entrepreneurs
 - ↳ Artists
 - ↳ Retail

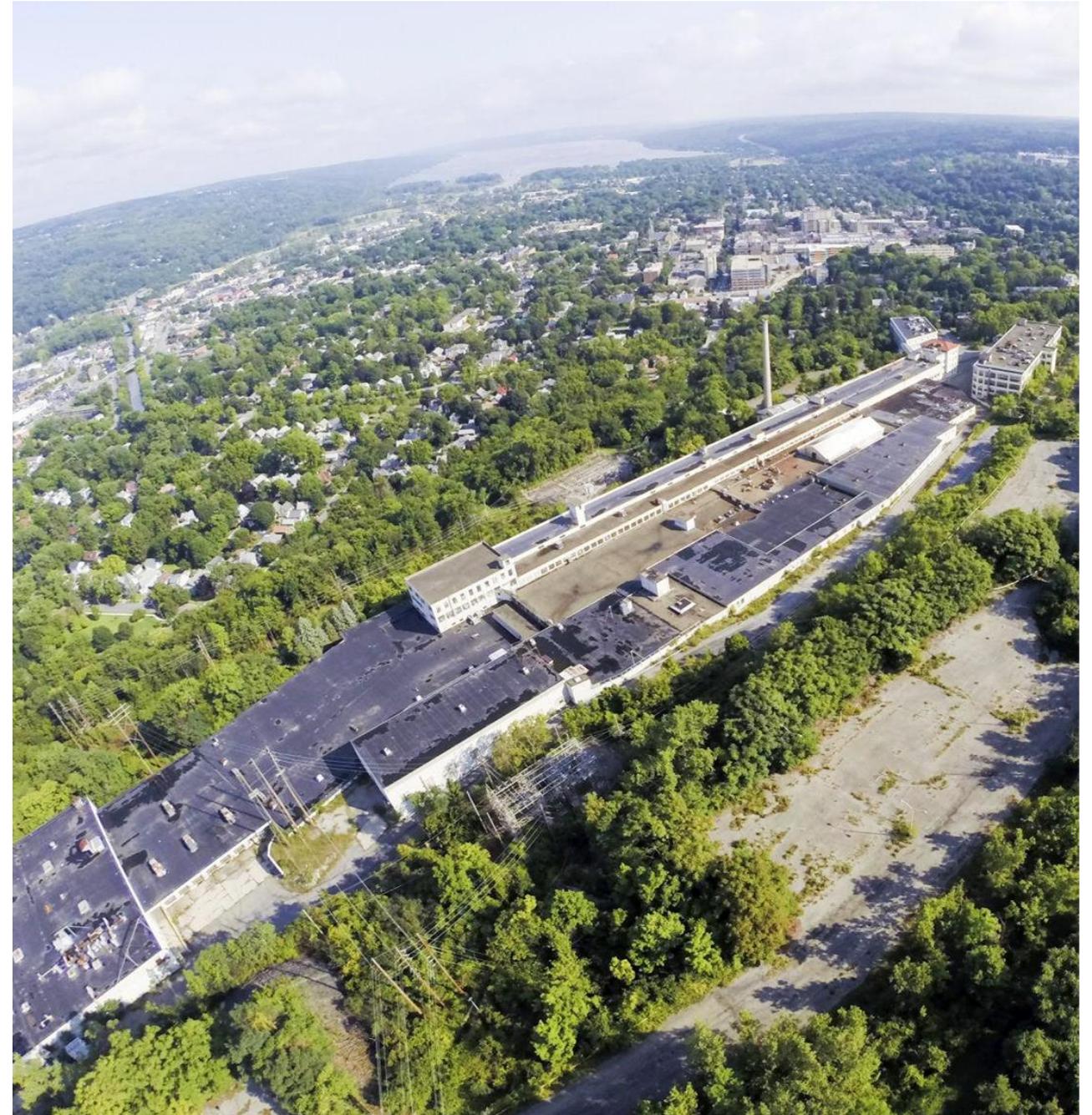
- + To create homes for residents



Key Elements: Infrastructure

Necessary and effective infrastructure upgrades

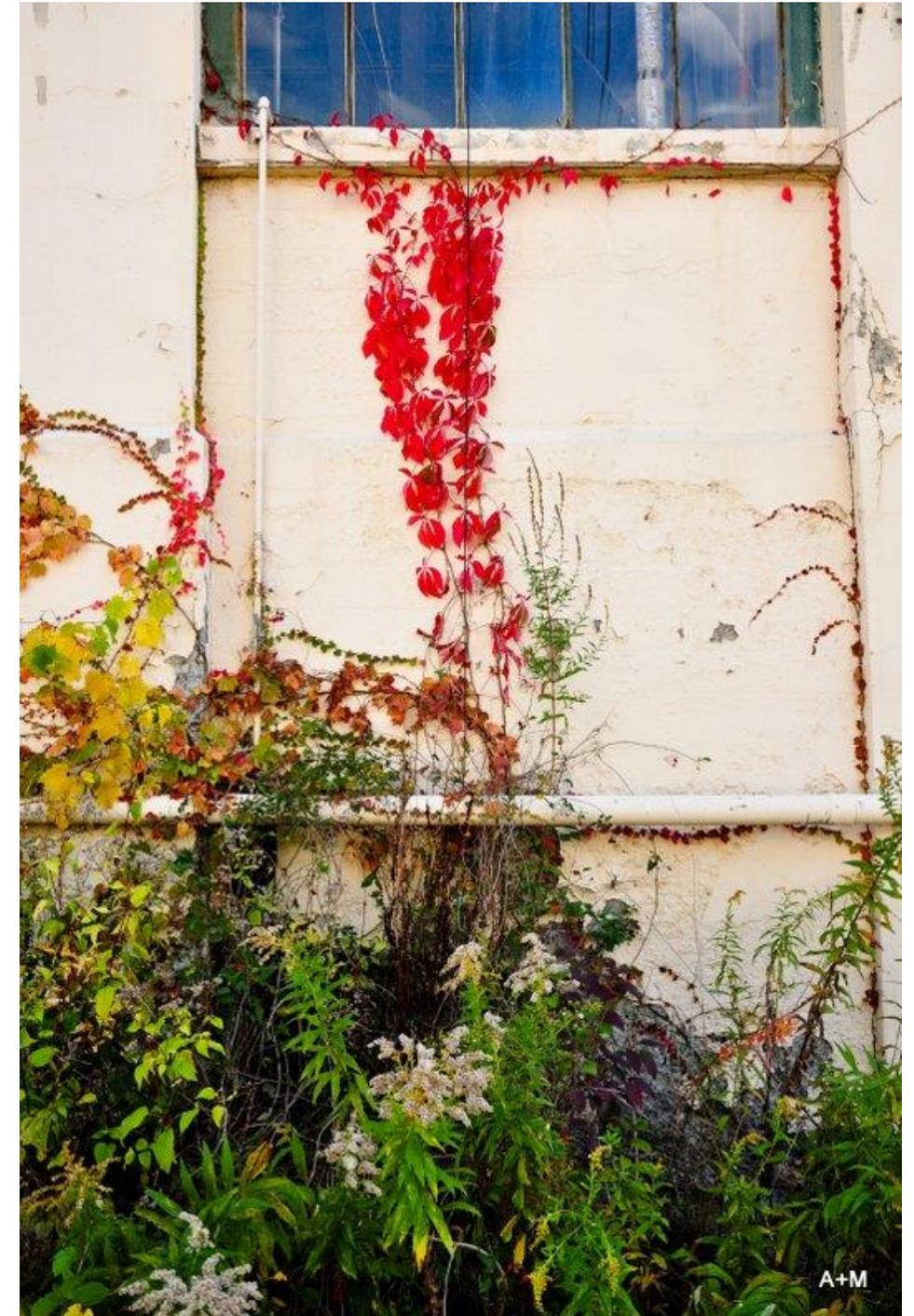
- + Water main and fire loop replacement
- + Extensive electrification in support of green energy goals.
- + Stormwater management on a steep site
- + Internet infrastructure creation
- + More than 3 miles of new roads
- + Over 5 miles of sidewalks and trail



Key Elements: Environmental Remediation

Comprehensive remediation & ongoing precautions

- + 10 years of remediation thus far
 - ↳ Over \$20 Million spent in support of cleanup efforts
- + 4,000 page DEC Site Management Plan
 - ↳ Extensive ongoing permitting & reporting
 - ↳ Rigorous processes for handling site disturbance and waste
- + Anticipated steps during construction
 - ↳ Asbestos remediation
 - ↳ Lead remediation
 - ↳ PCBs remediation
 - ↳ Integrate vapor mitigation
- + Risks and Limitations
 - ↳ Not eligible for Brownfield Cleanup Program
 - ↳ Previously unidentified/undocumented contamination becomes current team's responsibility



Key Elements: Sustainability





Ithaca has a housing problem → Lack of affordable housing

Housing costs are a burden for the majority of local residents.

96.4%

Ithacans fall into the "rent burdened" category

[Tompkins County Housing Snapshot 2022](#)

Workers are forced to live outside of Ithaca and Tompkins County because they can't afford rent.

15,000

Number of workers who commute into Tompkins County for employment (relative to a community of 30,000)

[American Community Survey](#)

Outside of New York City, the City of Ithaca is the second most expensive city in the country to rent a one-bedroom apartment.

\$2,003

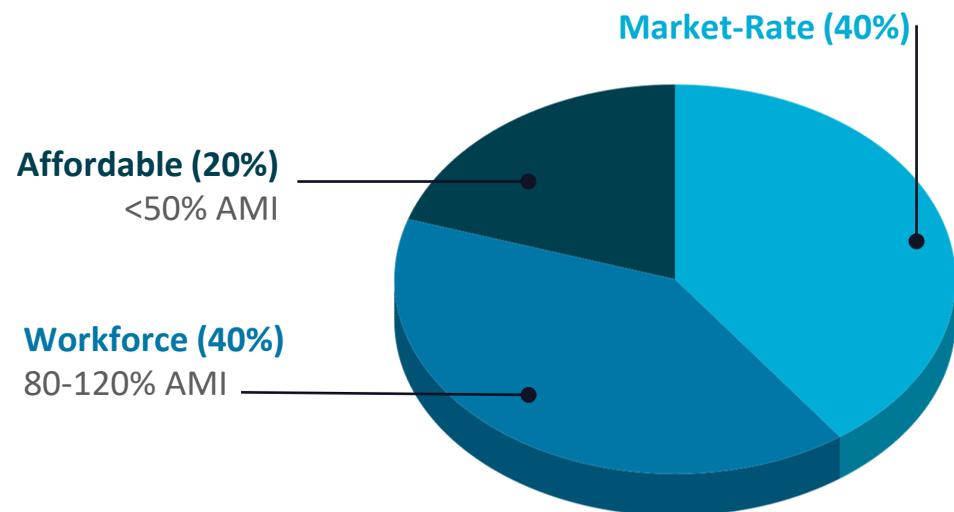
Monthly median rent for a one-bedroom apartment (As of February 2023)

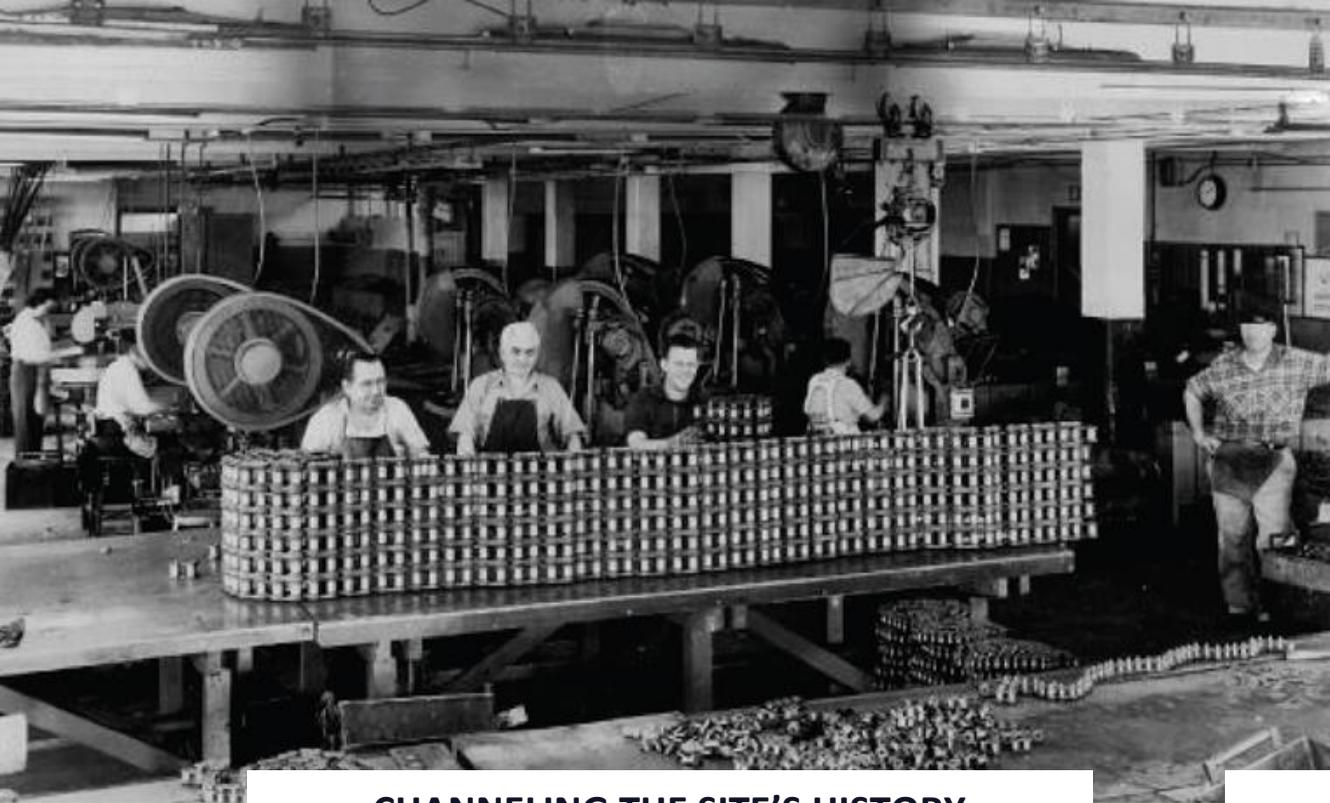
[Dwellsey and the Ithaca Times](#)

Key Elements: Mixed-Income Housing

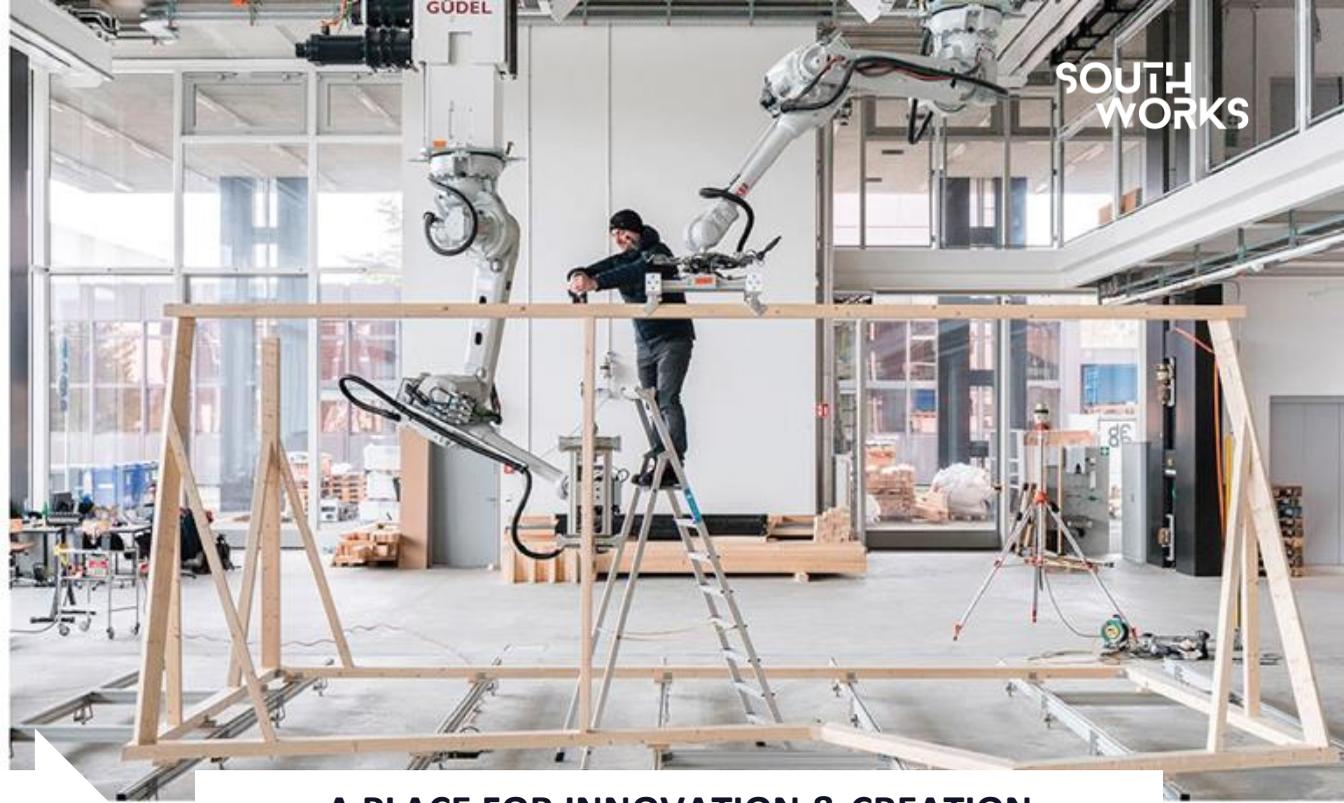
- + Increases affordable & attainable housing supply in Ithaca
- + Adds both new construction of homes as well as adaptive reuse for multifamily residences
- + Creates generational benefits for residents and communities
- + Reduces inequities in the housing market

Affordability Mix

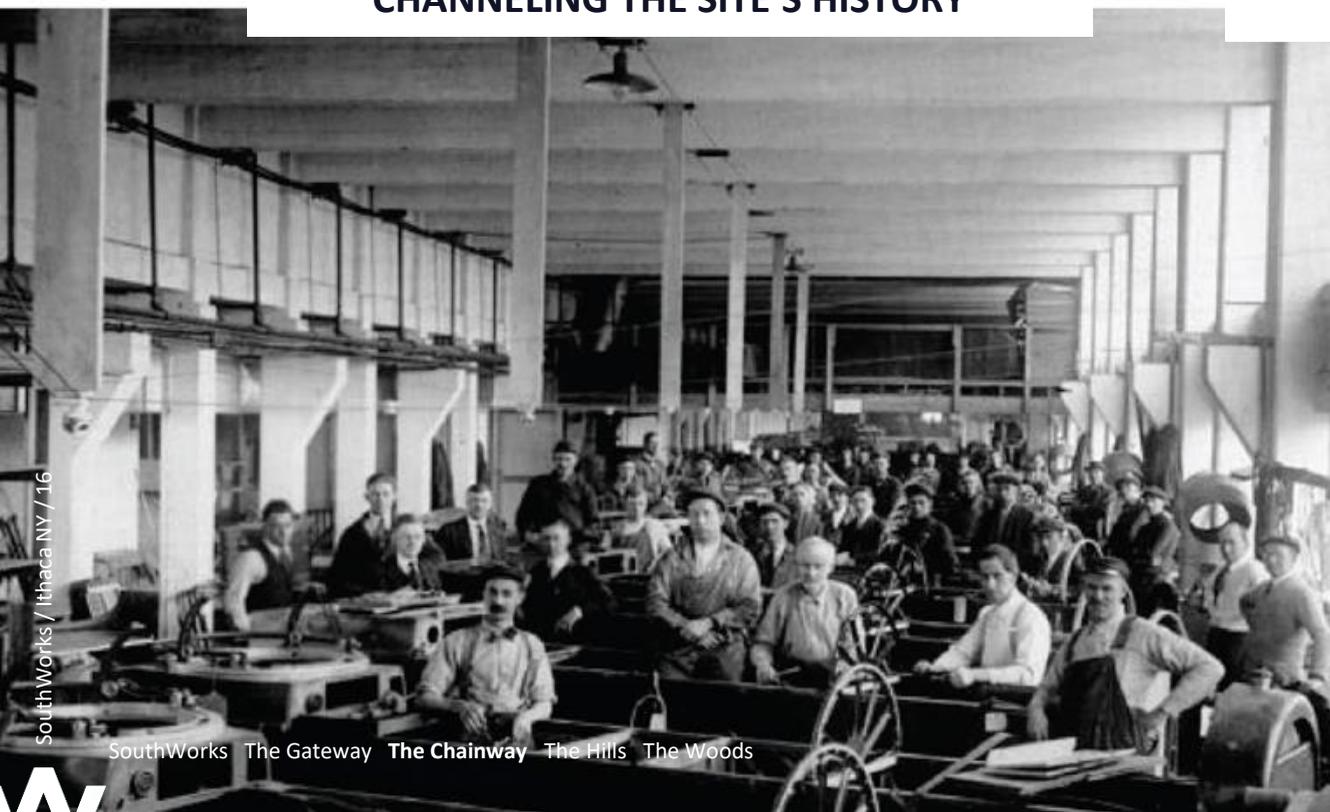




CHANNELING THE SITE'S HISTORY

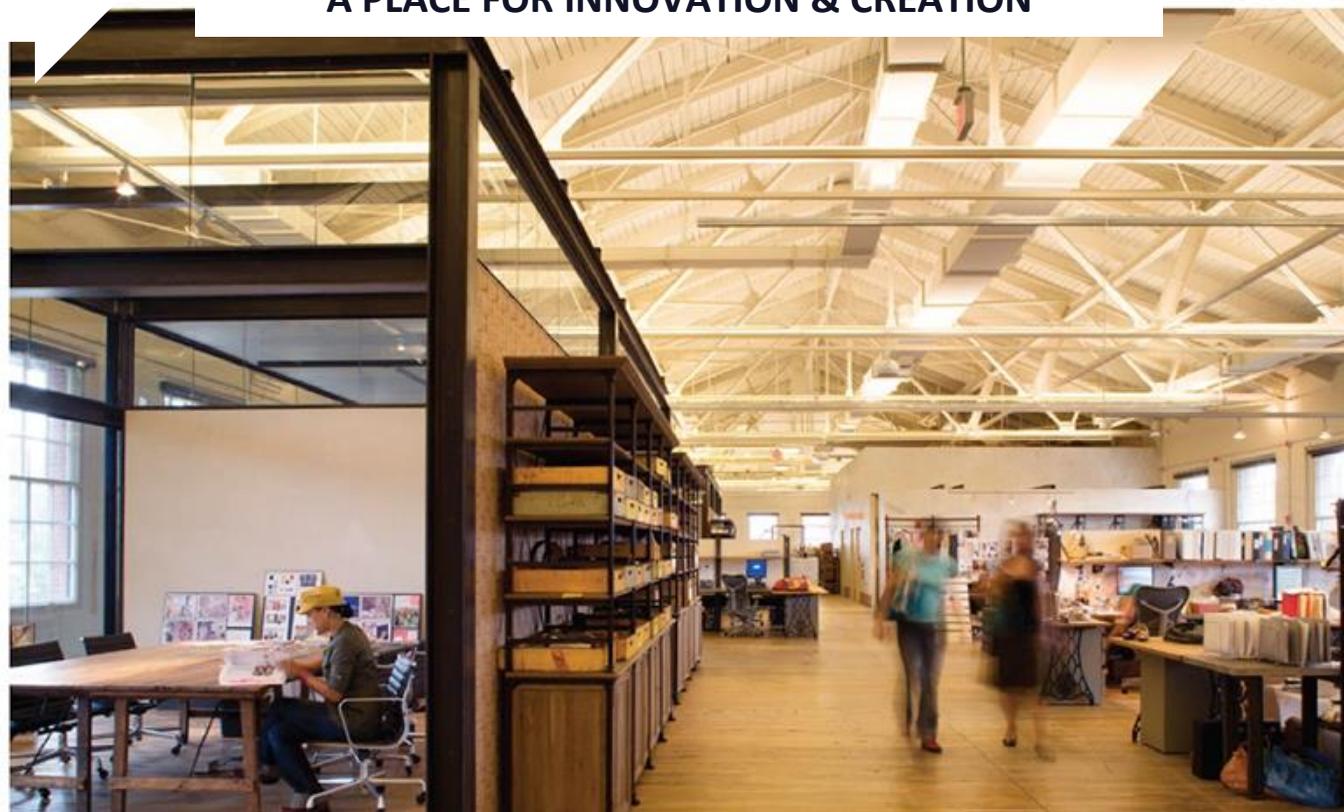


A PLACE FOR INNOVATION & CREATION



SouthWorks / Ithaca NY / 16

SouthWorks The Gateway The Chainway The Hills The Woods



Key Elements: Workforce Development

Goals

- 1 Create pipeline in construction & green energy trades
- 2 Provide career pathways for local residents
- 3 Integrate training opportunities during SouthWorks construction



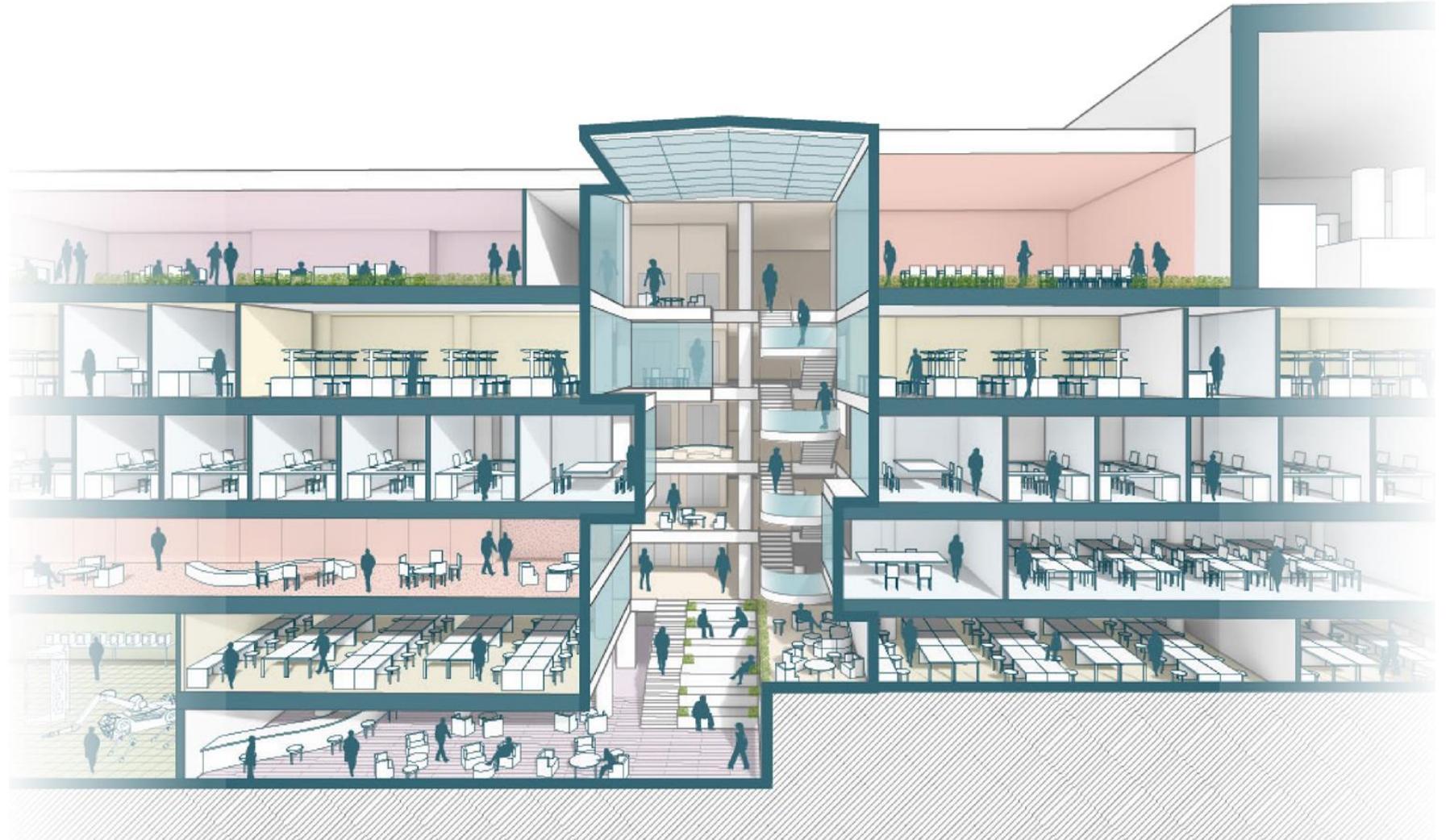
US Ceiling Corp's USC Academy



Key Elements: Business Growth & Retention

Goals

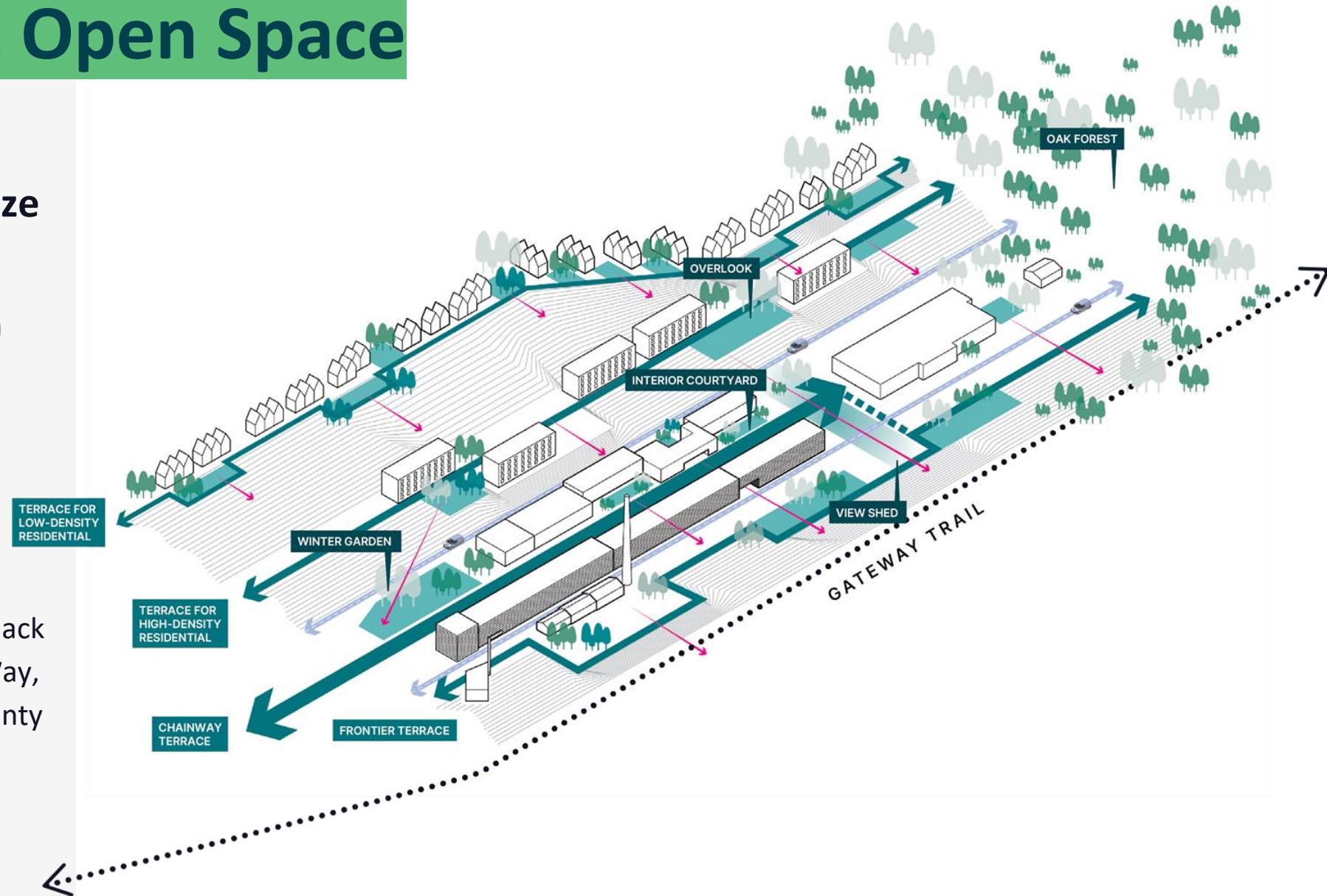
- 1 Retain startups & reduce “brain drain”
- 2 Recruit businesses, capital & talent
- 3 Create ecosystem



Key Elements: Micro-Mobility & Open Space

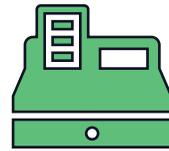
Promote connection, emphasize micro-mobility

- + Become a key circulatory connector on South Hill
- + 4 miles of internal roads; addition of sidewalks & infrastructure upgrades
- + Incorporation of public transit
- + Gateway Trail linking the City, Town, Black Diamond Trail, South Hill Recreation Way, and all four NYS Parks in Tompkins County
- + Outdoor gathering spaces throughout



Project Benefits

Tompkins County Economic Impact data is based on \$375MM investment, current site and usage plan. All figures and data are subject to change.



\$44,256,127

ADDITIONAL TAX REVENUE OVER 20 YEARS

During Construction



\$500.1 MM

DIRECT & INDUCED SPENDING



4,650 FTE

CONSTRUCTION JOBS

Recurring Annually



\$724.3 MM

DIRECT & INDUCED SPENDING



2,320 FTE

PERMANENT JOBS



Requested Incentives

Freeze current taxes with 15 Year “runway”

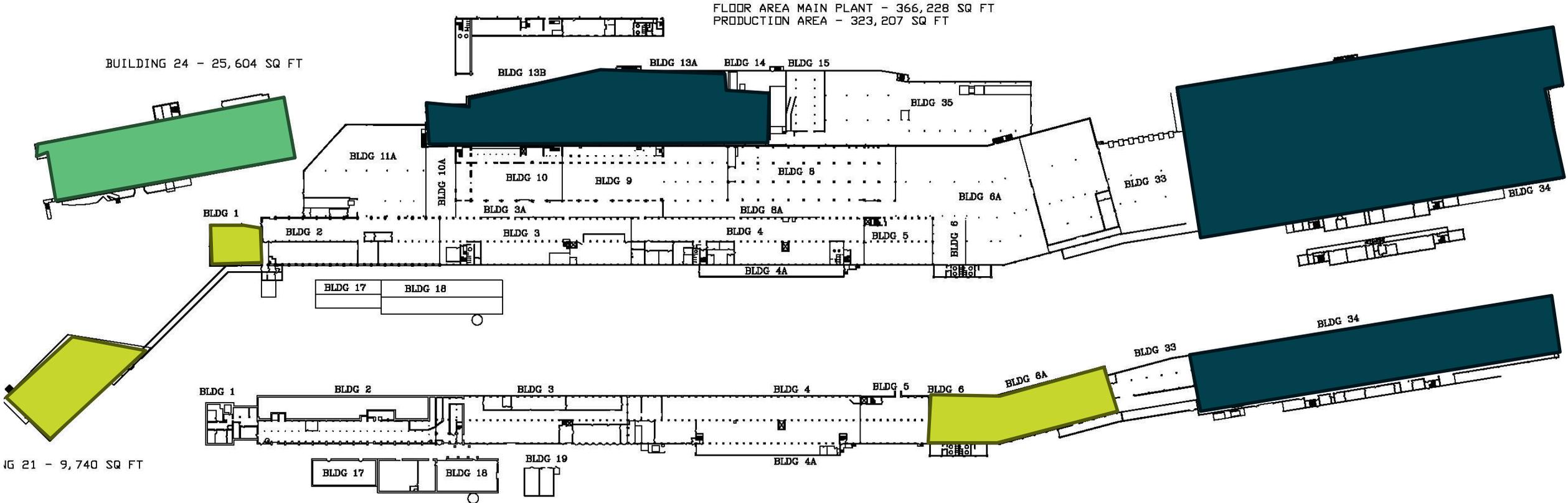
- + Current Assessment \$3,506,000
 - ↳ Annual taxes of \$103,783

20 Year PILOT for Each Subproject

- + Estimated Total Assessment \$148,711,471
 - ↳ Increase in Annual Pre-Abatement Taxes of \$4,416,576
 - ↳ 5 years at 90% abatement
 - ↳ 3 years at 80% abatement
 - ↳ 2 years each at 70%, 60%, 50%, 40%, 30%, and 20% abatement

While this is a longer, larger PILOT than is typical for the Ithaca area, it represents only 11% of total project costs.

Current Leasing Interest



Example: Building 21

CONSTRUCTION ACCELERATOR & TRAINING HUB | WORKFORCE DEVELOPMENT & CO-WORKING | DAYCARE & CHILDCARE

2024 - 2025
During construction, this building's taxes will be frozen at the current rate.

Mid-2025
As soon as construction finishes and the tenant leases are activated, this subproject will begin its own 20-year PILOT, at 90% abatement for 5 years.

2030
PILOT adjusts to 80% abatement for 3 years.

2033 - 2045
2033: PILOT adjusts to 70% abatement for 2 years.
2035: PILOT adjusts to 60% abatement for 2 years.
2037: PILOT adjusts to 50% abatement for 2 years.
2039: PILOT adjusts to 40% abatement for 2 years.
2041: PILOT adjusts to 30% abatement for 2 years.
2043: PILOT adjusts to 20% abatement for 2 years.



Example: Building 34

CONSTRUCTION MATERIALS SUPPLIER | REUSE WORKING WAREHOUSE | FREIGHT SHIPPING CENTER

2024 - 2026
During construction, this building's taxes will be frozen at the current rate.

Mid-2026
As soon as construction finishes and the tenant leases are activated, this subproject will begin its own 20-year PILOT, at 90% abatement for 5 years.

2031
PILOT adjusts to 80% abatement for 3 years.

2034 - 2046
2034: PILOT adjusts to 70% abatement for 2 years.
2036: PILOT adjusts to 60% abatement for 2 years.
2038: PILOT adjusts to 50% abatement for 2 years.
2040: PILOT adjusts to 40% abatement for 2 years.
2042: PILOT adjusts to 30% abatement for 2 years.
2044: PILOT adjusts to 20% abatement for 2 yrs.



Phase 1 Housing

The Woods

- + First phase of 60 mixed-income apartments plus additional townhomes
- + Exploring partnerships to support affordable housing development
- + Submitting a 9% Homes & Community Renewal application in 2024

Project Recap

Total Project Costs of \$587,935,921

Additional Tax Revenues of \$44,256,127

Total IDA Incentive Value of \$84,893,343

- + Total PILOT Abatement Value
 - ↳ \$63,055,060
- + Total Mortgage Recording Tax Abatement Value
 - ↳ \$1,763,808
- + Total Sales Tax Abatement
 - ↳ \$20,074,476

Key Elements

- + Adaptive Reuse
- + Infrastructure
- + Environmental Remediation
- + Sustainability
- + Mixed Income Housing
- + Workforce Development
- + Business Growth and Retention
- + Micro-Mobility & Open Space

Next Steps:

- 1 IDA Review – SUMMER
- 2 Public Hearing – EARLY FALL
- 3 Vote – EARLY FALL

For more information, please visit:
southworksithaca.com