

|| TOMPKINS CHAMBER & CVB BUILDING SALE

Understanding the decision to sell 904 East Shore Drive

Background:

The Tompkins Chamber's Board of Directors has approved moving forward with selling the property of the Chamber of Commerce & CVB located at 904 East Shore Drive. This property will be available on the market beginning September 22nd. Members and key stakeholders have been informed of this listing as a courtesy, approximately one week in advance of the listing going live.

The process of selling the property will likely have a timeline of several months. During this time, the Tompkins Chamber & CVB will continue to evaluate their short, medium, and long-term needs for office and meeting space; identify ideal locations available in the greater Ithaca area; and engage in strategic planning regarding what comes next for the organization, its team, and its members and partners.

FAQs

Why are you listing the building at 904 East Shore Drive for sale?

The property located at 904 East Shore Drive has many positive attributes and has been home to the Tompkins Chamber & CVB for about 30 years. It is a beautiful and iconic property. The annual cost of ownership, maintenance, and property management to the organization's budget and the burden on the staff is substantial, however. The space itself, prior to a staffing reduction caused by COVID, was not meeting the needs of the organization – despite recent projects to update some spaces to do just that.

Over the last few years, the team, Board of Directors, as well as various committees, have evaluated whether owning and maintaining a large property was in the best interest of the organization. In 2019 and 2020, discussion centered around the financial position of the organization and future needs for office, meeting, storage, and visitor center spaces – and it was determined that owning this particular property is not central to our operations or effectiveness as an organization.

The Chamber and CVB teams, and much of their work program and activities – happen outside of the building itself. The East Shore Drive Visitor Center has the lowest annual visitation of the three centers. Staffing three visitor centers also prevents us from completing as many off-site visitor activations as possible, which would increase visitor touchpoints and enhance service to tourism partners. The organization operates throughout the entire community – not just at 904 East Shore Drive.

Projections show that this change can help the Chamber & CVB save on annual operating costs, reallocate precious human and cash resources to more important strategic activities, and help the organization build and maintain a necessary “rainy day fund”, to remain a fiscally sustainable organization.

When we consider our mission, and how best to serve our members, tourism partners, and community stakeholders, the answer seems clear that fulfilling our mission is not intrinsically linked to this property, and that freeing our organization of this additional burden will allow us to be more strategic, nimble, and effective as an organization.

Is this decision being made because of a budget crisis, or because of COVID-19?

No. This decision was under consideration long before the current pandemic and related budget/economic impacts became a factor. However, the options for the organization were also heavily considered through the lens of our current needs, the challenges we have endured in the last six months, and our goal of being an agile, strategic, and sustainable organization. The staff and Board of Directors agree that selling the building will better position the Chamber to manage these immediate challenges, as well as position the organization for long term success and sustainability.

The Tompkins Chamber also has an office space rented in the Tompkins Center for History & Culture on the Commons, and the CVB has an office space and visitor center at this location. Should there be a gap in time between the sale of the building and renting a larger office space or property in the community, the teams at the Chamber and CVB have proven that a remote work environment can be effective.

What are the immediate, medium, and long-term plans for Chamber & CVB occupancy?

- *Immediate:* The sale and transaction are likely to take several months, so we will focus on preparing the building for sale and occupy and use the building until a closing is scheduled. Our team has been flexing remote and in-office work for several months and will continue on this path. We will begin to research our options for leasing office space or other properties in the greater Ithaca area immediately.
- *Medium:* Our team may remain predominantly remote for a period of time but continue to use our space at the Tompkins Center for History & Culture (right downtown on the Ithaca Commons) as a “home base” until we determine what space in the community is best for our next chapter. This will allow us the flexibility to understand our needs, identify the best option for our next home, and save critical resources in the interim. Both the Chamber & CVB offices at this location will be open on a full-time basis during this period.
- *Long:* We will identify and execute a lease for a space which seems ideal to meet our needs for the next chapter.



Where will I find the Chamber/CVB staff if I need them?

For the immediate term, we will continue to be available at 904 East Shore Drive, and we're also operating our Visitor Center at Taughannock Overlook (which is a seasonal building). Very soon, we will also begin staffing our Downtown Visitor Center and 3rd floor Chamber office at the Tompkins Center for History & Culture.

Due to COVID, we have restrictions on entering our physical spaces (so it's best to arrange your visit in advance), but our team is always available by email, or to schedule a phone call or in-person meeting as needed. We remain here to serve you and dedicated to supporting your business or organization.

When will the building be listed?

Our target date for listing is the third week of September, 2020.

How will the Chamber be evaluating offers/selecting the buyer? Will members or tourism partners be given preference in the sale?

We are providing a one-week advance notice to the membership and our tourism partners prior to the listing going live. We will begin to evaluate initial offers in a batch after approximately three weeks on the market, in early to mid-October. The Chamber & CVB will be focusing on the quality of the offers, how likely the transaction can be completed quickly – rather than the source of the offer, or the proposed use of the facility. The highest and best offer with the least contingencies will be selected.

What will be the process for evaluating any offers received, or moving forward with a sale?

After an initial listing period, a Special Committee has that been appointed by the Chair will meet to evaluate any offers. When a strong offer has been received, Special Committee will recommend acceptance of the best offer to the Executive Committee, which will make a final recommendation to the Board of Directors. Following this recommendation, the Board of Directors will pass a resolution enabling the President/Board Chair to execute a contract with the selected purchaser, and other necessary business to dispense of the primary and secondary mortgages. The membership will then be asked to vote on the transaction, which will be done in accordance with the organization's bylaws.

What specific opportunities will this change allow for the Chamber & CVB?

The new opportunities this change might afford us are numerous and very exciting! Our teams work so hard each year, with the support of our Board, Committees, and members and partners, to serve our mission, increase our impact on the community, and maintain a healthy financial position. The staff and Board agree that selling the building is an opportunity we can leverage to better support our work and our stakeholders.



This change will offer an opportunity for the Chamber & CVB offices to identify a new location which we hope will bring us closer to the economic heart of our community. Our team members will benefit from being able to access and meet with our members and partners more readily, and our economic impact will increase as we are able to patronize more businesses and restaurants as well.

The sale of the building will benefit us by reducing our annual operating expenses and increasing our reserve funds, which will help ensure that we can manage unforeseen disasters or economic downturns in the future. If we can be a more resilient organization and enhance our ability to serve our members and partners, while also improving the quality of life and work-life balance of our team, these are very important goals for us all to pursue.

In the very near term, we hope that this change will allow us to focus more on the key strategic opportunities and issues that matter most to our members and partners – such as enhanced outreach and marketing, important advocacy work, extending our visitor season at the Taughannock Overlook, or new programs which will benefit our community most.

We are very excited about this next chapter, and what it might bring. We hope you are, too!