

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 20, 2018, at 8:30 o'clock a.m. in the in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: Michael Frame, Steven Thompson, Kenneth Kinsey, Rickey T. Brown, Kathleen Murphy

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Judith DeLaney, Meghan Ryan, Esq., John Vavonese, Debra Ramsey-Burns, Susan R. Katzoff, Esq.; Others Present: Tom Ionnzo, Michael Lisson, Lauryn Laborde, Mitch Latimer, Aggie Lane, Mel Menan, Pete King, Wendy Cansnot, Donna Harris, Alex Grant; Media/Press Present: Rick Moriarty

The following Resolution was offered by Rickey T. Brown and seconded by Kenneth Kinsey:

RESOLUTION AUTHORIZING A PUBLIC HEARING IN CONNECTION WITH THE COMPANY'S REQUEST FOR AN INCREASE IN FINANCIAL ASSISTANCE

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended (the "**Enabling Act**"), together with Section 926 of the General Municipal Law, as amended (said Section and the Enabling Act, collectively referred to as, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, lease and sell real property and grant financial assistance in connection with one or more “projects” (as defined in the Act); and

WHEREAS, at the request of BVSHSSF Syracuse, LLC (the “*Company*”) the Agency by resolution dated January 24, 2017 (the “*Inducement Resolution*”) agreed to undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of a leasehold interest in approximately 93,200 square feet of improved real property located at 945 East Genesee Street (to be known as 919 E. Genesee Street), in the City of Syracuse, New York (the “*Land*”); (ii) the removal of the existing structures and the construction of a complex totaling approximately 421,482 square feet containing new four and five story buildings to be used as mixed-use student housing including: (i) approximately 600 beds across 244 apartment style units; (ii) approximately 5,770 square feet of retail and retail support space; (iii) approximately 9,000 square feet of ground floor amenities; (iv) approximately 2,000 square feet of bike storage facility; (v) an approximately 2,000 square foot fitness facility; and (vi) approximately 274 parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*”) and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (except as limited by Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, among other things, pursuant to the Inducement Resolution, the Agency appointed the Company as an agent of the Agency for purposes of completing the Project and benefitting from the sales and use tax exemption (the “*Appointment*”) and authorized the Company to appoint Additional Agents (as defined in the Inducement Resolution); and

WHEREAS, the amount State and local sales and use tax exemptions originally approved by the Agency as part of the Financial Assistance was an amount not to exceed \$1,360,000 (the “*Original Sales Tax Exemption*”); and

WHEREAS, in May, 2017 the Agency and the Company closed on the lease transaction in connection with the Project and the Agency issued a Sales Tax Appointment Letter (the “*Letter*”) to the Company and filed the necessary Form ST-60 – IDA Appointment of Project Operator or Agency for Sales Tax Purposes with the New York State Department of Taxation and Finance (the “*ST-60*”). The Letter and the Company’s appointment are set to expire on September 1, 2018; and

WHEREAS, by letter dated February 8, 2018, the Company advised that the costs associated with the Project increased from \$17,000,000 to \$21,497,729.50 based upon final construction numbers associated with the purchase of goods and services. According to the

Company, while the cost of goods and services increased, the overall cost of the Project remained the same. As a result of the increased in costs of goods and services, the Company is requesting an increase of **\$359,919.36** to the Original Sales Tax Exemption (the "***Additional Financial Assistance***") such that the total award of State and local sales and use tax exemptions would total \$1,719,919.36 for the Project; and

WHEREAS, the grant of the Additional Financial Assistance to the Project is subject to, among other things, compliance with Section 875 of the Act; and the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State; and

WHEREAS, the Additional Financial Assistance is in furtherance of the Financial Assistance previously approved for the Project, which underwent an environmental review by the Agency pursuant to the State Environmental Quality Review Act ("***SEQRA***"), and the requested Additional Financial Assistance is insubstantial and does not require reconsideration or further review by the Agency under SEQRA; and

WHEREAS, the Agency has not approved the granting the Additional Financial Assistance.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

(1) Based upon the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

(a) The Additional Financial Assistance does not amount to a significant change in the Project from what was originally approved by the Agency, and therefore further review under SEQRA shall not be required; and

(b) The Additional Financial Assistance contemplated by the Company's request consists of assistance in the form of an increase in the amount of exemptions from State and local sales and use taxation.

(2) The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the Additional Financial Assistance shall be scheduled with notice thereof published, and such notice, as applicable, shall be sent to affected tax jurisdictions within which the Project is located. The Agency is not now making any determination relative to the Additional Financial Assistance.

(3) No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any

documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

(7) The Secretary of the Agency is hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(8) A copy of this Resolution, together with any attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

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

	<u>AYE</u>	<u>NAY</u>
Michael Frame	X	
Steven Thompson	X	
Rickey T. Brown	X	
Kenneth Kinsey	X	
Kathleen Murphy	X	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

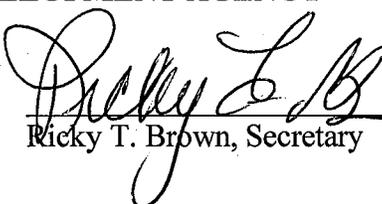
I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the "**Agency**") held on March 20, 2018, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting; (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104; (iii) the meeting was in all respects duly held; and (iv) there was a quorum present throughout.

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 rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 17th day of April, 2018.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 
Ricky T. Brown, Secretary

(S E A L)