

City of Syracuse
Industrial Development Agency
201 East Washington Street, 6th Floor
Syracuse, NY 13202
Tel (315) 473-3275

Minutes
Board of Directors Meeting
Tuesday January 15, 2019

Board Members Present: Kenneth Kinsey, Kathleen Murphy, Michael Frame, Rickey T. Brown, Steven Thompson.

Staff Present: Honora Spillane, Meghan Ryan, Esq., Judith DeLaney, John Vavonese, Sue Katzoff, Esq., Debra Ramsey-Burns.

Others Present: Aggie Lane , Rich Puchalski, Ted Trespaz, Robert Doucette, Richard DeVito, Donna Harris, Tim Lynn.

Media Present: Channel 9, Rick Moriarty

I. Public Hearing

Commonspace Warren LLC

Mr. Frame opened the Public Hearing at 8:00 a.m. and asked Ms. Spillane to read verbatim the Notice of Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

After Ms. Spillane read the notice, Mr. Frame asked if anyone in attendance wished to speak in favor of the Project. Troy Evans an owner of the Company spoke in favor. Mr. Evans briefly spoke noting the Project hoped to bring back to life two mostly vacant historic buildings on Warren Street (349 and 351 South Warren St.) along with the partial renovation of 357 South Warren (Co-Works) to include both residential units (44) and new office space.

After the conclusion of Mr. Evans remarks, Mr. Frame asked an additional two times if anyone else in attendance wished to speak in favor. No one else spoke.

Mr. Frame then asked if anyone wish to speak against the Project.

Aggie Lane representing the Urban Job Task Force spoke in opposition. She said she had started to track the number of tax breaks she believes the Agency gives away while at the same time the Mayor is forced to dip into the City's "rainy day fund". She said while this Project was good for downtown and getting over \$200,000.00 in tax breaks the neighborhoods around downtown are hurting. She said that construction wages for projects of this type need to go to City residents and remain in the City.

Mr. Frame asked again if anyone wish to speak against the project.

Rich Puchalski of Syracuse United Neighbors also spoke in opposition. He first commented about the timing of the Public Hearing indicating he was unhappy with the early start and called on the Board members to change the time to a later start date. He then said he believed the Land Bank has almost 900 vacant properties in the South and Near West side neighborhoods and urges that tax breaks afforded to developers also go to support home owners in these neighborhoods.

Peter Sordes a volunteer with the Peace Council also spoke in opposition, but directed his comments to the Deys Plaza LLC project. He said he was opposed to the Project because of the presence of an Immigration and Customs Enforcement office as a tenant in the Deys building. He said he did not believe the Agency should be supporting a Project owner with tax breaks who rents to the ICE.

Mr. Frame then asked if anyone else in attendance wished to speak against the project. No one else spoke.

Mr. Frame closed the Public Hearing at 8:15am.

Joint School Construction Board

Mr. Frame opened the Public Hearing at 8:15 a.m. and asked Ms. Spillane to read verbatim the Notice of Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

Mr. Frame asked if anyone in attendance wished to speak in favor of the project.

Donna Harris representing the City of Syracuse School District spoke in favor of the Project and noting that both Corcoran and Nottingham High schools were in desperate need of renovation and that she anticipated construction would start in April at Corcoran and in May at Nottingham.

Aggie Lane of the Urban Job Task Force also spoke in favor of the Project noting there was a 20% residency requirement for construction workers on it.

Rich Puchalski of Syracuse Neighborhood Neighbors also spoke in favor of the project saying it was long overdue and should have been done 20 years ago.

Mr. Frame asked an additional two times if anyone else in attendance wished to speak in favor of the Project. No one else spoke.

He then asked if anyone in attendance wished to speak in opposition to the Project. No one spoke. He asked an additional two times if anyone else in attendance wished to speak in opposition to the Project. No one else spoke.

Mr. Frame closed the Public Hearing at 8:20am.

II. Call Meeting to Order

Mr. Frame called the meeting to order at 8:20a.m.

III. Roll Call

Mr. Frame acknowledged all Board members were present.

IV. Proof of Notice

Mr. Frame acknowledged that proof of notice was done in timely manner.

V. Minutes

Mr. Frame asked for a motion to approve the minutes from the December 18, 2018 Board of Directors meeting. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE DECEMBER 18, 2018 BOARD OF DIRECTORS MEETING.**

VI. Committee Report

Ms. Murphy reported that the Finance Committee met two times on January 14th and 15th to discuss two projects, the JSCB 2019A Bond Sale and the Deys Plaza LLC Project. She advised that after review the Committee voted to recommend to the Board of Directors approval of both projects.

VII. New Business

Commonspace Warren LLC.

Ms. Katzoff noting a Public Hearing had just concluded on the Project requested the Board members consider resolutions approving it.

She said the first resolution for consideration was a SEQRA resolution classifying the Project as an unlisted action, naming the Agency as Lead Agency, and determining the action will have no significant environmental impact.

There being no discussion Mr. Frame asked for a motion to approve the resolution.

Ms. Murphy made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION AUTHORIZING A RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT, DECLARING THE AGENCY LEAD AGENCY FOR PURPOSES OF AN UNCOORDINATED REVIEW THEREUNDER AND DETERMINING THAT THE ACTION WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.**

Ms. Katzoff then asked the Board to consider an Inducement resolution noting the Project would receive benefits in the form of a mortgage and sales tax exemptions, the total not to exceed \$256,647.00. She also noted a PILOT agreement was not requested.

There being no discussion, Mr. Frame asked for a motion to approve the resolution. M. Murphy made a motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION AUTHORIZING THE UNDERTAKING, ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF**

THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY.

Ms. Katzoff then asked the members to consider a Final Resolution for the Project.

There being no discussion, Mr. Frame asked for a motion to approve the resolution.

Ms. Murphy made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY.**

DEYS PLAZA LLC

Ms. Katzoff noted a Public hearing had been held on this Project in December and it was then reviewed by members of the Finance Committee who in turn recommended the Board approve the Project asked the members to consider resolutions authorizing it.

She said the first resolution for approval was a SEQRA resolution noting it was an unlisted action with no negative effect on the environment.

There being no discussion Mr. Frame asked for motion to approve the resolution. Ms. Murphy made the motion. Mr. Thompson seconded the motion.

Mr. Brown abstained from voting. **ALL BOARD MEMBERS PRESENT WITH THE EXCEPTION OF MR. BROWN WHO ABSTAINED APPROVED THE RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT, DECLARING THE AGENCY LEAD AGENCY FOR PURPOSES OF AN UNCOORDINATED REVIEW THEREUNDER AND DETERMINING THAT THE ACTION WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT. THE RESOLUTION CARRIED.**

Ms. Katzoff then asked the members to consider an Inducement resolution for the Project noting the Project was requesting benefits in the form of a mortgage and sales tax exemptions not to exceed \$266,250.00. She said there is no PILOT request.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Ms. Murphy made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT WITH THE EXCEPTION OF MR. BROWN WHO ABSTAINED APPROVED THE INDUCEMENT RESOLUTION AUTHORIZING THE UNDERTAKING, ACQUISITION, RECONSTRUCTION, RENOVATION, CONVERSION, EQUIPPING AND COMPLETION OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RECONSTRUCTION, RENOVATION, CONVERSION, EQUIPPING AND COMPLETION OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY. THE RESOLUTION CARRIED.**

Ms. Katzoff asked the members to consider a Final Resolution for the Project.

There being no discussion Mr. Frame asked for a motion to approve the resolution.

Ms. Murphy made the motion. Mr. Thompson seconded the motion.

ALL OTHER BOARD MEMBERS PRESENT WITH THE EXCEPTION OF MR. BROWN AND MR. KINSEY WHO WERE OPPOSED APPROVED A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY . THE RESOLUTION CARRIED.

Addis Building, LLC

Ms. Katzoff advised the Board members the Agency was in receipt of correspondence from the Company (in the agenda packet) requesting an extension of the Agency and Company leases and sales tax appointment for the Project through December 31, 2019 due to Project delays.

There being no discussion Mr. Frame asked for a motion to approve the extension. Ms. Murphy made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING AN EXTENSION OF THE TERM OF THE LEASES BETWEEN THE AGENCY AND THE COMPANY AND THE SALES TAX APPOINTMENT OF ADDIS BUILDING LLC AS AGENT OF THE AGENCY UNTIL DECEMBER 31, 2019; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS.**

Agency Fee Schedule

Ms. Spillane distributed a revised Agency fee schedule for the Board members to review. She said it had come to the attention of staff there was an anomaly in the schedule relative to the fees charged for mortgage refinancing which could in certain cases result in a Project being overcharged for services. She said the new fee schedule addressed that issue and requested approval by the Board to adopt the revised schedule.

After a brief discussion, Mr. Frame asked for a motion to approve the revised fee schedule as presented. Ms. Murphy made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE ADOPTION OF THE REVISED FEE SCHEDULE AS PRESENTED.**

900 Fayette Group, LLC

Ms. Katzoff advised the Board the Agency was in receipt of a request from the Company to participate in additional mortgage financing in the amount of \$849,112.00 and a consequent refinance of the original mortgage for the Project. She said the Project located at 900-924 East Fayette was anticipated to be completed by the end of March.

After a brief discussion Mr. Frame asked for a motion to approve the resolution Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING THE AGENCY'S PARTICIPATION IN A MORTGAGE, A CONSOLIDATION AGREEMENT AND ASSOCIATED DOCUMENTS AT THE REQUEST OF THE COMPANY IN CONNECTION WITH THE PROJECT FACILITY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH.**

Finance Committee

Ms. Spillane requested the Board members approve a switch of members between the Audit and Finance Committees appointing Ms. Murphy to the Audit Committee in her capacity as Treasurer of the Agency and Mr. Frame to the Finance Committee.

There being no discussion, Mr. Frame asked for a motion. Mr. Thompson made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPOINTING MS. MURPHY TO THE AUDIT COMMITTEE AND MR. FRAME TO THE FINANCE COMMITTEE.**

VII. Adjourment

There being no further business to discuss, Mr. Frame asked for a motion to adjourn the meeting. Ms. Murphy made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:37AM.**