

City of Syracuse
Industrial Development Agency
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Minutes
Board of Directors Meeting
Tuesday March 19, 2019

Board Members Present: Kenneth Kinsey, Kathleen Murphy, Rickey Brown.

Via Tele Conference: Michael Frame.

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

Others Present: Michael Lisson, Aggie Lane, Gail Montplaisir, Anthony Dipeso, Wendy Ricelli, M. Latimer, Fred Swayze, Richelle Brown, Kevin McAuliffe, Steve Hillebrand, Norman Smith, Deputy Mayor Sharon Owens, Lauryn LaBourde, Ebony Farrow, Peter King.

I. Public Hearing

Salina First LLC

Mr. Thompson 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. Thompson asked if anyone in attendance wished to speak in favor of the Project.

Gail Montplaisir an owner of the Project and Norman Smith the architect for Salina First LLC spoke in favor of the Project.

Mr. Smith displayed current drawings and reviewed plans for the construction. He noted the building will be five stories with two levels of residential units. Designed with a green roof he said the first floor would be lite industrial with second floor office space.

Ms. Montplaisir noted some modifications were made to the Project to add additional residential units and in answer to a question from Ms. Murphy said the decision to add more units was done from a cash flow perspective as there was a higher demand for residential space.

Mr. Thompson then asked if anyone else wish to speak in favor of the Project.

Aggie Lane representing the Urban Job Task Force spoke in favor of the project. She said she was delighted the project would be locating in the South Salina Corridor and said it appeared to have the

right components along with the opportunity for construction jobs in the right place.

Mr. Thompson then asked an additional two times if anyone else in attendance wished to speak in favor. No one else spoke.

Mr. Thompson then asked if anyone in attendance wished to speak against the Project. No one spoke.

Mr. Thompson asked an additional two times if anyone in attendance wished to speak against the Project. No one spoke.

Mr. Thompson closed the Public Hearing at 8:14a.m.

II. Call Meeting to Order

Mr. Thompson called the meeting to order at 8:14 a.m. noting Mr. Frame was present in Albany, NY via tele conference.

III. Roll Call

Mr. Thompson acknowledged all Board members were present with the exception of Mr. Frame who attended via tele conference.

IV. Proof of Notice

Mr. Thompson noted notice of the meeting had been timely and properly provided for both locations.

V. Minutes

Mr. Thompson asked for a motion approving the minutes from the February 19, 2019 Board meeting.

Mr. Frame made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE FEBRUARY 19, 2019 BOARD OF DIRECTORS MEETING.**

VI. Committee Reports

Finance Committee

Mr. Frame reported the Finance Committee met on March 4, 2019 and reviewed a request from the City of Syracuse to enter into a cooperation agreement between the City, the Syracuse Local Development Corporation (SLDC) and the Agency to provide project equity in amount not to exceed \$1,500,000.00 to facilitate the repair of the AXA Garage. Mr. Frame advised after review and discussion the Committee made a motion to recommend to the Board of Directors approval of the request.

Audit Committee

Ms. Murphy reported the Audit Committee met on March 15, 2019. She said Michael Lisson of Grossman St. Amour CPAs the Agency's independent auditor gave a presentation on the Agency's draft 2018 financial statements. After a discussion in which a few minor corrections were agreed to the Committee approved a motion to recommend to the Board of Directors acceptance of the financial statements as the official statements of the Agency with the revisions.

Mr. Thompson then asked for a motion to accept both the Finance Committee and Audit Committee reports. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ACCEPT BOTH COMMITTEE REPORTS.**

VII. New Business

2018 Financial Statements

Michael Lisson of Grossman St. Amour CPAs the Agency's independent auditor reviewed the Agency's Audit and presented the draft financial statements as approved by the Financial Committee.

Mr. Lisson said the audit went well and the Auditors opinion is that it is 'clean and unmodified'

He noted several highlights including receivables decreased significantly because of the SEDCO loan forgiveness and liabilities decreased significantly due to payments made to the City of Syracuse. He also noted legal expenses were unusually high due to work on the Amadeus transaction.

After he concluded his remarks and a brief discussion Mr. Thompson asked for a motion to accept the financial statements. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ACCEPT THE DRAFT FINANCIAL STATEMENTS AS THE OFFICIAL 2018 FINANCIAL STATEMENTS OF THE AGENCY.**

1081 South Salina Street

Ms. Katzoff advised the members a request had been received from the buyer of 1081 South Salina St. (Salina First) to amend the purchase agreement to extend the closing date until 12/31/19 in order to accommodate the additional approvals including entrance into the BCP program required to get the project underway.

There bring no discussion Mr. Thompson asked for a motion. Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING AN AMENDMENT AUTHORIZING AN AMENDMENT OF A PURCHASE AGREEMENT FOR AND THE SALE OF CERTAIN LAND LOCATED AT 1081 SOUTH SALINA STREET, CITY OF SYRACUSE.**

Salina 1st LLC

Noting a Public Hearing had just concluded on the Project and a cost benefit analysis was included in the Board Agenda's packet Ms. Katzoff briefly reviewed the Project and then asked the members to consider resolutions authorizing it.

She said the first resolution for approval was an amended Inducement resolution extending the Agency agreement thru 12/31/19 to assist the Company in finalizing various funding sources. She noted it also

referenced the changes in the Project construction as noted in the Public Hearing and approved a sales tax exemption of \$147,200 along with a mortgage tax exemption of \$ 40,444. There being no discussion, Mr. Thompson 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 AUTHORIZING THE UNDERTAKING, ACQUISITION, CONSTRUCTION, EQUIPPING AND COMPLETION OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, CONSTRUCTION, 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 Board members to approve a PILOT resolution for the Project noting the Company would be receiving a 15 year "Priority Commercial" PILOT due to its location in the Neighborhood Revitalization Strategy Area (NRSA).

There being no discussion Mr. Thompson asked for a motion to approve the resolution. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING A PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A PILOT AGREEMENT.**

Mr. Katzoff then asked the Board members to approve a Final Resolution for the Project.

There being no discussion Mr. Thompson asked for a motion to authorize approving the resolution.

Mr. Kinsey made the motion. Mr. Brown 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.**

Conflict Waiver (108 Madison Street Development (AXA Project Complex)

Ms. Spillane advised the members as Ms. Katzoff represented both SIDA and the SLDC there was a potential conflict of interest between the two agencies relative to the proposed cooperation agreement. She noted in this matter Barclay Damon would be representing the SLDC but wanted to bring it to the Board's attention.

There being no discussion Mr. Thompson asked for a motion to approve the waiver.

Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A WAIVER OF A CONFLICT OF INTEREST IN THIS MATTER.**

100 Madison Street Development (AXA Project Complex)

As discussed at the Finance Committee meeting, Ms. Spillane said there is a \$1.5m gap that the Agency is being asked to provide as equity towards the repair of the AXA Garage at a cost of over \$10 million dollars. She noted the City and the SLDC were working with the State to fund the balance of the cost of the repairs and requested the Board approve a resolution authorizing the Cooperation Agreement.

Sharon Owens, Deputy Mayor of the City addressed the Board and noted the importance of the AXA Towers complex as the Northern gateway of the "Syracuse Surge" project. She said because of the ownership structure of the garage and plaza it positions it be one of the first Syracuse Build Projects and will be prepared to work with the construction manager from design through scoping of the project to development once financing is in place and will engage the hiring of small businesses, local residents and MWBE enterprises.

After Ms. Owens concluded her remarks Mr. Thompson 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 AUTHORIZING THE AGENCY'S PARTICIPATION IN A COOPERATION AGREEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH AND THE EXPENDITURE OF FUNDS IN SUPPORT THEREOF.**

Seneca Armory Associates

Ms. Spillane advised the members the Agency was in receipt of an application for financial assistance (included in the Board's packet) from the Company and requested approval of a resolution authorizing Public Hearing on the Project. She said the owners propose a project at 239-245 West Fayette Street aka the Seneca Building located in the Armory Square neighborhood and intend a renovation of commercial upper floor vacant into 20 residential units and renovation of the first floor commercial space to house an additional restaurant /retail establishment. She said the cost of the Project is estimated to be \$2,872,000 and the owner was requesting mortgage and sales tax exemption benefits from the Agency.

There being no discussion Mr. Thompson asked for a motion to approve the resolution. Mr. Brown made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT; DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND AUTHORIZING A PUBLIC HEARING.**

Northside Genesee Associates

Ms. Katzoff advised the Board they were being asked to approve a SEQRA resolution relative to the Project. She said that any time the Agency takes on a Project it is obligated to perform SEQRA and if there are other Agencies involved they have the right to comment. She said in this case several agencies sent letters to SIDA advising of their concerns. Noting an exhaustive review had been completed she said it had been determined that the Project would have no significant effect on the environment.

Mr. Thompson wanted clarification that the Board members would only be approving SEQRA not the Project itself. Ms. Katzoff confirmed SEQRA was the only action the Board was taking at this point.

There being no further discussion Mr. Thompson then asked for a motion approving the resolution.

Mr. Brown made a motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE UNDERTAKING OF A CERTAIN PROJECT AT THE REQUEST OF NORTHSIDE GENESEE ASSOCIATES, LLC WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.**

Alan Byer Auto Sales Inc.

Ms. Katzoff noting the Board members had approved this Project in December 2018 along with a temporary sales tax appointment said the Agency had been advised by the owners counsel there was a discrepancy regarding the number of parcels associated with the Project. She said the original approval referenced one parcel but in fact there appears to be three parcels involved with the Project. She said this change will require a new Public Hearing. Additionally a second resolution approving an extension of the temporary sales tax appointment through 5/31/19 will be needed while issues with the property parcels are resolved as the current appointment expires 3/31/19.

She then asked the Board to approve the two resolutions.

There being no discussion, Mr. Thompson asked for a motion to approve the sales tax extension resolution. Ms. Murphy made a motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING AN EXTENSION OF THE SALES TAX APPOINTMENT OF ALAN BYER AUTO SALES, INC. AND ALAN I BYER FAMILY TRUST AS AGENTS OF THE AGENCY UNTIL MAY 31, 2019; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS**

Mr. Thompson then asked for a motion to authorize a Public Hearing. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY RESOLUTION AUTHORIZING A PUBLIC HEARING WITH RESPECT TO MODIFICATIONS TO A PROJECT BEING UNDERTAKEN BY THE AGENCY.**

Commercial Corridor Study

Ms. Spillane advised an RFP for proposals for a commercial corridor study of multiple neighborhood business corridors and commercial areas in the City of Syracuse had been issued by staff and in response only two proposals were received.

Noting a copy of the RFP along with the two proposals received were included in the Board's agenda packet she said the study would be concentrated on both primary and secondary commercial and mixed use corridors and would include a primary block locations on North Salina, James St (Eastwood area) , Geddes St, and South Salina St.

After a review of the proposals Ms. Spillane advised the Board staff was recommending the Agency contract with Camoin Associates due to their expertise and familiarity with the area.

The members in agreement, Mr. Thompson asked for a motion to approve a contract with Camoin Associates to conduct the study. Mr. Brown made the motion. Ms. Murphy seconded the motion. **ALL**

BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION AUTHORIZING THE AGENCY TO ENTER INTO AN AGREEMENT WITH CAMOIN ASSOCIATES TO CONDUCT A COMMERCIAL CORRIDOR STUDY AS PROPOSED.

Annual Report

Ms. Spillane noting the Board members had received a copy of the Annual Report (2018) in their agenda packet briefly reviewed the year's accomplishments and noted the report would be posted on the Agency's website.

VI. Adjournment

There being no further business to discuss, Mr. Thompson asked for a motion to adjourn. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTIIN TO ADJOURN THE MEETING AT 8:56 A.M**