

City of Syracuse  
Industrial Development Agency  
201 East Washington Street, 7<sup>th</sup> Floor  
Syracuse, NY 13202  
Tel (315) 473-3275

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Minutes  
Board of Directors Meeting  
Tuesday March 20, 2018

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

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

**Others Present:** Mitch Latimer, Mel Menon, Lauryn LaBorde, Aggie Lane , Peter King, Mike Lisson, Wendy Costello, Tom Ionnzo, Donna Harris, Alex Grant

**Media Present:** Rick Moriarty

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**I. Call Meeting to Order**

Mr. Frame called the meeting to order at 8:36 a.m.

**II. Roll Call**

Mr. Frame acknowledged all Board members were present.

**III. Proof of Notice**

Mr. Frame noted notice of the meeting had been timely and properly provided.

**IV. New Business**

**2017 Financial Statements**

Michael Lisson of Grossman St. Amour CPAs briefly reviewed the financial statements for the Board members.(Included in the Agenda Packet.) He noted a full discussion of the Agency's financial statements and audit had just concluded at the preceding Audit Committee meeting and said the audit was "clean" with no major concerns.

There being no discussion Mr. Frame asked for a motion to accept the financial statements as presented.

Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT**

**UNANIMOUSLY APPROVED A MOTION TO ACCEPT THE 2017 DRAFT FINANCIAL STATEMENTS AS THE OFFICIAL FINANCIAL STATEMENTS OF THE AGENCY.**

**Annual Report**

Ms. Spillane reviewed the Agency's annual report prepared by staff noting it was included in the Agenda packet. She said the financial statements would be added as an addendum to the report and it would be posted on the Agency's website.

**State Tower Building LLC**

Ms. Katzoff noting this Project closed in late 2016, advised the Company was requesting an extension of Sales Tax Appointment through December 31, 2018 and an increase in the sales tax exemption benefit amount by \$596,114.00 to \$1,400,000.00.

Ms. Katzoff said the Board approved the Project for a gut renovation and conversion of the property into mixed use with floors 9-21 converted into 59 residential units and floors 1-8 to be updated office and retail. She said the Company ran into unanticipated costs associated with the construction increasing the budget from a forecasted \$27,500,000.00 to \$41,660,000.00

She said as the request for an increase in benefits exceeded \$100,000.00 a Public Hearing was required prior to any approval and asked the members to approve a resolution authorizing one.

There being no discussion Mr. Frame asked for a motion. Mr. Thompson made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING A PUBLIC HEARING IN CONNECTION WITH THE COMPANY'S REQUEST FOR AN INCREASE IN FINANCIAL ASSISTANCE.**

**Joint School Construction Board (JSCB)**

Ms. Katzoff said the JSCB on behalf of the City of Syracuse School District submitted an application to the Agency requesting the issuance of tax exempt revenue bonds in an amount not to exceed \$80,000,000.00. She said the funds will be used for the reconstruction and rehabilitation of Huntington School Pre K, Westside Academy at Blodgett, and the Public Service Leadership Academy at Fowler High School and noted the application was included in the Board's agenda packet.

She then requested the Board members approve a resolution authorizing a Public Hearing for the Project and advised the Agency's Finance Committee would also review the application.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Brown made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING A PUBLIC HEARING IN CONNECTION WITH THE UNDERTAKING OF A PROJECT BY THE AGENCY AND THE ISSUANCE BY THE AGENCY OF ITS SCHOOL FACILITY REVENUE BONDS (SYRACUSE CITY SCHOOL DISTRICT PROJECT), SERIES 2018B.**

### **Syracuse 727 LLC (Campus Plaza Project)**

Ms. Katzoff advised the members the Agency had received a request from the Company requesting an increase in the amount of the mortgage tax exemption approved for the Project.

She briefly reviewed the Project noting it was a student housing project approved for benefits by the Board in 2017 for construction of an eight story building consisting of first floor retail space and basement housing residential amenities and 168 student living units on floors 2-8 (287) beds. She said the Company advised the cost of the Project had increased by \$3,500,000.00 due to unanticipated construction costs requiring additional mortgage financing and was requesting an increase in the mortgage tax exemption benefit by \$26,250.00.

Mr. Thompson asked if the project scope had changed. Wendy Loughnot who represents the Project and was present advised the scope had not changed construction costs however had increased.

Mr. Brown asked about the unanticipated costs. Ms. Loughnot was unable to provide further information. Ms. Katzoff advised it was not unusual for unexpected costs to arise once construction commenced.

There being no further discussion Mr. Frame asked for a motion to approve the resolution. . Mr. Thompson made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT WITH THE EXCEPTION OF MR. BROWN WHO ABSTAINED FROM VOTING APPROVED A RESOLUTION APPROVING THE AGENCY'S PARTICIPATION IN ADDITIONAL FINANCING BY THE COMPANY IN CONNECTION WITH THE PROJECT FACILITY; APPROVING AN INCREASE IN THE AMOUNT OF MORTGAGE RECORDING TAX EXEMPTION AWARDED TO THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH.**

### **BVSHSSF Syracuse LLC ( Peak Campus Project)**

Ms. Katzoff advised the Agency had received a request from the Company requesting an increase in the amount of the sales tax benefit approved for the Project. She said the Company was requesting an increase in the benefit by \$363,750.00 to offset additional increases in sales tax related goods for the Project. She noted this was also a student housing project currently under construction at 945 E. Genesee St.

She said as the request for an increase in benefits was more than \$100,000.00 a Public Hearing was required and requested the Board approve a motion authorizing one. In the interim, Ms. Spillane said that staff requested the Company complete a supplemental application verifying the current project cost.

After a brief discussion, Mr. Frame asked for a motion approving the resolution. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING A PUBLIC HEARING IN CONNECTION WITH THE COMPANY'S REQUEST FOR AN INCREASE IN FINANCIAL ASSISTANCE.**

### Paradise Companies 2, LLC

Ms. Katzoff advised the Board attorneys for the Company had submitted a request to terminate the Agency's interest in the Project as it has been completed and requested the Board members approve a resolution authorizing the termination.

There being no discussion Mr. Frame asked for a motion. Ms. Murphy made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING THE AGENCY'S EXECUTION OF COMPANY LEASE AND AGENCY LEASE TERMINATIONS AND THE TERMINATION OF RELATED DOCUMENTS.**

### Vanderbilt / Larned Civic Facility Bonds

Ms. Katzoff advised civic facility bonds issued by the Agency to undertake the construction and renovation of what is now known as M & T Bank garage on Warren St. will expire on April 1, 2018. She said at the time the Agency entered into a lease agreement with the bank and took fee title for both the garage parcel and two additional parcels, the bank's headquarters at 101 Salina St and 140 E. Genesee St. She said the bank is now requesting the Agency execute termination documents of the two parcels as contemplated originally. She said the Agency would not take action at this time on the early termination of the parking garage lease also requested by the Company until the matter can be reviewed further.

There being no 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 EXECUTION OF COMPANY LEASE AND AGENCY LEASE TERMINATIONS AND THE TERMINATION OF RELATED DOCUMENTS.**

### Salina/Montgomery Parcels (Salina 1<sup>st</sup> LLC)

Ms. Katzoff said in November of 2017 the Board of Directors approved a contract with C & S Companies to prepare and submit an application to the NYSDEC Brownfield Program for property owned by the Agency on Salina and Montgomery streets. She said the NYSDEC application requires a formal resolution by the property owner, if not an individual, authorizing a representative to execute all documents relative to the application and she was requesting the Board approve such a resolution authorizing the Executive Director to execute documents in this matter.

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 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AND DELIVER DOCUMENTS NECESSARY IN CONJUNCTION WITH THE SUBMISSION OF CERTAIN AGENCY OWNED PROPERTY INTO THE NYSDEC BROWNFIELD CLEANUP PROGRAM.**

### **Appointment of Executive Director as Authorized Signatory of Agency**

Ms. Katzoff asked the Board to approve a resolution authorizing the Executive Director to execute documents on behalf of the Agency with the respect to transactions previously approved by the Board of Directors.

There being no discussion Mr. Frame asked for a motion approving the resolution. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION AUTHORIZING A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AND DELIVER CERTAIN DOCUMENTS.**

### **Center Armory Garage**

Ms. Spillane said Agency is owner of the Center Armory garage and entered into a lease with the City of Syracuse for the operation and maintenance of the garage in 1992 at the time of the sale of facility bonds to construct it. She said the Bonds were paid off in 2017 and the lease has expired. She said last year an RFP was issued to sell the garage. As there were no responses to the RFP staff is requesting approval of an extension of the lease with the City of Syracuse for one year with two renewable options. Ms. Spillane said the Common Council approved the extension by Ordinance on January 23, 2018.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED AN AGREEMENT BETWEEN THE AGENCY AND THE CITY OF SYRACUSE RELATIVE TO AN EXTENSION OF THE LEASE FOR ONE YEAR WITH TWO RENEWABLE OPTIONS AT THE SAME TERMS.**

### **Empire of Syracuse LLC**

Ms. Katzoff advised the Board members the Agency had received notice regarding a \$110,888.74 mechanic's lien filed by MKS Industries, Inc. with respect to work performed or goods provided to the Empire Syracuse LLC, a project of the Agency.

Ms. Katzoff advised staff would follow up and provide the Board further information on the status of the lien.

Mr. Frame asked if anyone in attendance wished to speak to the Board of Directors. No one spoke.

### **VI. Adjournment**

There being further items to discuss Mr. Frame asked for a motion to adjourn the meeting. Mr. Brown made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 9:00AM.**