

City of Syracuse
Industrial Development Agency
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Minutes
Board of Directors Meeting
Tuesday April 17, 2018

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

Board Members Excused: Michael Frame

Staff Present: Honora Spillane, Matt Kerwin, Esq., Meghan Ryan, Esq., Judith DeLaney, John Vavonese.

Others Present: Wendy Loughnot, Mitch Latimer, Mel Menon, Lauryn LaBorde, Rich Pulchalski, Stephanie Pasquale, Aggie Lane, Peter King, Donna Harris, Alex Grant, Gail Montplaisir, Joe Driscoll, Gary Thurston.

Media Present: Rick Moriarty, Syr. Com.; Charles McChesney, CNY Business Journal.

I. Public Hearing –

Joint School Construction Board

Mr. Thompson opened the Public Hearing at 8:30 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 to those in attendance, she asked if anyone in attendance wished to speak in favor of the Project. No one spoke. She then asked an additional two times if anyone in attendance wished to speak in favor of the Project. No one spoke.

Ms. Spillane then asked if anyone in attendance wished to speak in opposition to the Project. No one spoke. She asked an additional two times if anyone in attendance wished to speak in opposition to the Project no one spoke.

Mr. Thompson closed the Public Hearing at 8:35a.m.

BVSHSSF Syracuse LLC

Mr. Thompson opened the Public Hearing at 8:36 a.m. 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 to those in attendance, she asked if anyone in attendance wished to speak in favor of the Project. James Trasher representing the Project owner spoke in favor. Mr. Trasher

advised the Board members the construction budget for the Project increased by \$4.6 million dollars due to changes in the Project and unanticipated expenses some incurred by the relocation of the utilities underground. In response to a question by Mr. Thompson, Mr. Trasher said National Grid and the City's Fire Department required the utilities relocation.

Ms. Spillane then asked an additional two times if anyone in attendance wished to speak in favor of the Project. No one spoke.

Ms. Spillane than asked if anyone in attendance wished to speak in opposition to the Project. No one spoke. She asked an additional two times if anyone in attendance wished to speak in opposition to the Project no one spoke.

Mr. Thompson closed the Public Hearing at 8:42 a.m.

State Tower Building LLC

Mr. Thompson opened the Public Hearing at 8:43 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 to those in attendance, she asked if anyone in attendance wished to speak in favor of the Project. No one spoke. She then asked an additional two times if anyone in attendance wished to speak in favor of the Project. No one spoke.

Ms. Spillane than asked if anyone in attendance wished to speak in opposition to the Project. Rich Pulchalski who identified himself as Executive Director of Syracuse United Neighborhoods (SUN) spoke in opposition. Mr. Pulchalski said he opposed additional benefits to this Project located in the downtown neighborhood while at the same time there were over 1500 vacant apartments with code violations on the South and near West side neighborhoods . He also noted the Land Bank had seized over 800 tax delinquent properties all of which needed financial assistance.

Aggie Lane of the Urban Jobs Taskforce also spoke. Ms. Lane urged the Board of Directors to consider implementing the LPB Tracker system to track jobs.

After Mr. Pulchalski and Ms. Lane concluded their remarks Ms. Spillane asked an additional two times if anyone else in attendance wished to speak n opposition. No one else spoke in opposition.

Mr. Thompson closed the Public Hearing at 8:52 a.m.

I. Call Meeting to Order

Mr. Thompson called the meeting to order at 8:53 a.m.

II. Roll Call

Mr. Thompson acknowledged all Board members were present with the exception of Mr. Frame who was excused.

III. Proof of Notice

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

IV. Finance Committee Report

Ms. Murphy advised the Board members the Finance Committee met earlier this date and reviewed an application from the Joint School Construction Board for bond financing. She said after review the Committee members approved a motion to recommend to the Board of Directors approval of the request.

V. New Business

Joint School Construction Board (JSCB) Series 2018B Bonds

Mr. Kerwin, noting both a Public Hearing had just concluded on the Project and the recommendation of the Finance Committee requested the Board members approve an Inducement resolution for the Project. There being no discussion Mr. Thompson asked for a motion to approve the resolution. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING THE UNDERTAKING BY THE ISSUER OF A CERTAIN PROJECT CONSISTING OF THE ACQUISITION BY THE ISSUER OF AN INTEREST IN, AND CONSTRUCTION, RECONSTRUCTION, RENOVATING AND EQUIPPING OF EXISTING SCHOOL BUILDINGS AT THE REQUEST OF THE SYRACUSE JOINT SCHOOLS CONSTRUCTION BOARD AND THE ISSUANCE OF ONE OR MORE SERIES OF THE ISSUER'S TAX-EXEMPT AND/OR TAXABLE SCHOOL FACILITY REVENUE BONDS (SERIES 2018B) IN AN AGGREGATE AMOUNT SUFFICIENT TO FINANCE THE COST THEREOF, THE COSTS OF SUCH ISSUANCE AND FUNDING CAPITALIZED INTEREST AND A DEBT SERVICE RESERVE FUND, IF ANY, BUT NOT TO EXCEED \$80,000,000.**

Mr. Kerwin then asked the Board members to approve a Bond Resolution for the Project. 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 THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF THE ISSUER'S TAX-EXEMPT AND/OR TAXABLE SCHOOL FACILITY REVENUE BONDS (SYRACUSE CITY SCHOOL DISTRICT PROJECT), SERIES 2018B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$80,000,000 AND THE EXECUTION OF RELATED DOCUMENTS.**

BVSHSSF Syracuse LLC (Peak Campus Project)

Noting a Public Hearing had also just concluded on this Project, Mr. Kerwin requested the Board members consider a resolution approving an increase in the sales tax exemption for the Project. The amount of the increase is \$359,919.36.

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 APPROVING AN INCREASE IN THE AMOUNT OF FINANCIAL ASSISTANCE**

AWARDED TO THE PROJECT IN THE FORM OF AN EXEMPTION FROM STATE AND LOCAL SALES AND USE TAX; AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH

State Tower Building LLC

Mr. Kerwin noting a Public Hearing had just concluded on this Project also asked the Board members to approve a resolution authorizing an increase in the amount of the sales tax exemption. The amount of the increase is \$596,114.00.

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 APPROVING AN INCREASE IN THE AMOUNT OF FINANCIAL ASSISTANCE AWARDED TO THE PROJECT IN THE FORM OF AN EXEMPTION FROM STATE AND LOCAL SALES AND USE TAX; AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH.**

Syracuse Economic Development Corporation (SEDCO)

Ms. Spillane noting a copy was included in the Board's agenda packet reviewed a proposed memorandum of understanding (MOU) between the Agency and SEDCO memorializing the terms of a verbal agreement between the two relative to the sale of the Deys Centennial Plaza building by SEDCO in December of 2009. She reminded the Board members that at a Finance Committee held in February 2018 the Committee members recommended terms of the original agreement be put in an MOU to be approved and executed by both Boards. She advised there were no changes from the original verbal agreement saying the agreement.

There being no discussion Mr. Thompson asked for a motion to approve the agreement. Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT APPROVED A MOTION AUTHORIZING THE MEMORANDUM OF UNDERSTANDING AS PRESENTED.**

Salina/Montgomery Parcels (Salina 1st LLC)

Ms. Spillane advised the Board members that Salina 1st LLC, the buyers of the Agency parcels on Salina/Montgomery St. were requesting an extension of time to complete the purchase through March 31, 2019 to allow them time to apply for additional grant funding for the overall Project.

Gail Montplaisir an owner of the Company was present and advised the Board the time would allow them to explore different funding opportunities not available until later this year.

After a brief 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 THE AMENDMENT OF A PURCHASE AGREEMENT FOR AND THE SALE OF CERTAIN LAND LOCATED AT 1029-1111 SOUTH SALINA STREET AND 1016-1018, 1020, 1028 AND 1030 MONTGOMERY STREET, CITY OF SYRACUSE.**

Salina First LLC

As with the prior agenda item Ms. Spillane advised the Board members the Company was also requesting an extension of the Agency Agreement for the Project until March 19, 2018 in order to explore additional funding opportunities not available until later this year.

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 APPROVING AN EXTENSION OF THE AGENCY AGREEMENT BETWEEN THE AGENCY AND THE COMPANY UNTIL MARCH 31, 2019.**

Symphony Tower LLC

Ms. Spillane noting the Company had submitted an updated application for financial assistance (included in the Board's agenda packet) advised the Board members the owners recently contacted the Agency and advised they were ready to move forward after several delays in project startup. She said the Company is requesting a temporary sales tax appointment allowing it to commence some necessary work prior to a closing anticipated for late May. In addition Ms. Spillane requested the Board to approve an amendment to the PILOT resolution to reflect the current tax rate.

After a brief discussion, Mr. Thompson asked for motions to approve the resolution authorizing a temporary sales tax appointment. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING THE ISSUANCE OF A TEMPORARY SALES TAX APPOINTMENT LETTER AND THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH.**

Mr. Thompson then asked for a motion on the PILOT resolution. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING AN AMENDED PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A PILOT AGREEMENT.**

Lakefront Redevelopment/Lipe Art Park

Ms. Spillane advised the Board members that it was the Agency's responsibility to handle grounds maintenance on the Creekwalk and fountain area in Franklin Square along with mowing at Lipe Art Park. She said the Agency had inherited the Creekwalk and fountain responsibilities from the defunct Lakefront Development Corporation and noted the Agency is the owner of the Lipe Art Park parcel. She said typically the cost generally does not exceed \$25,000.00 and asked the Board to approve a resolution authorizing the Agency to offer a contract to the lowest responsible bidder.

After a brief discussion, Mr. Thompson asked for a motion to approve the resolution. Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING AN AGREEMENT FOR GROUNDS MAINTENANCE IN THE LAKEFRONT REDEVELOPMENT AREA.**

Third National Associates

Mr. Kerwin advised the Board advised the Board in June of 2017 a resolution was adopted authorizing the Agency to transfer fee title back to the Company. The attorney for the Company has advised an omission in the legal description provided inadvertently omitted a parcel of the land and is requesting the Agency execute a new quit claim deed to transfer the omitted parcel. Barclay Damon's real estate department has confirmed the omission.

Counsel advised they will prepare a new quit claim deed and that no new resolution is necessary to do so.

VI. Adjournment

There being further items to discuss Mr. Thompson 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 9:30 a.m.**