

City of Syracuse
Industrial Development Agency
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Syracuse, NY 13202
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Minutes
Board of Directors Meeting
Tuesday June 19, 2018

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

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

Others Present: Lauryn LaBorde, Aggie Lane, Jim Mason, Robert Sweet, Jonathan Sherrell, Tom Imozzo, Diane Green, Peter King.

I. Public Hearing

Rapid Response Services Incorporated

Mr. Frame opened the Public Hearing at 8:30 a.m.

Ms. Katzoff read verbatim the Notice of the Public Hearing on the Project.

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

Jonathan Sherrell Director of Marketing for Rapid Response spoke in favor of the Project. He noted the Company served over a million customers and said the proposed upgrades to the building would include additional hardware and software to service its clients. He thanked the Board for its consideration.

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

Mr. Frame then asked if anyone wished to speak in opposition of this project.

Aggie Lane from Urban Jobs Task Force spoke. Ms. Lane said she was not against the project however she was opposed to giving out tax benefits to any company without verification of employment goals. She then advocated again for the Agency to employ a system (LCP Tracker) to monitor project job goals.

Jim Mason and Tom Imozzo representing the Local 277 Carpenters Union also spoke. Both advocated local hiring and fair wages.

Rich Puchalski representing Syracuse United Neighbors spoke. He said he believed there to be 1700 vacant houses on the southwest side of Syracuse and rarely sees any effort to renovate any of that housing. He noted the Land Bank receives demolition money from the City and questioned whether demolition was the City's only interest. He said he would like to see funding from SIDA be dedicated to fixing up some of these properties.

Diane Green also spoke. She noted the City did not have a lot of money and questioned if anyone ever paid property taxes anymore.

Mr. Frame then asked an addition 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 8:42 a.m.

Call Meeting to Order

Mr. Frame called the meeting to order at 8:42 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. Minutes

Mr. Frame asked for a motion approving the minutes from the April 20, 2018 and the May 15, 2018 Board of Directors Meeting.

Mr. Thompson made the motion. Mr. Brown seconded the motion for the April 20, 2018 Board of Directors meeting. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE APRIL 20, 2018 BOARD OF DIRECTORS MEETING.**

Mr. Frame then asked for a motion approving the minutes from the May 15, 2018 Board of Directors meeting.

Mr. Thompson made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE MAY 15, 2018 BOARD OF DIRECTORS MEETING.**

V. New Business

Rapid Response Monitoring Services Incorporated

Ms. Katzoff noting a Public Hearing had just concluded on the Project advised the Board members that Rapid Response was returning to SIDA to ask for additional financial assistance to undertake a project to renovate the original building housing their headquarters at 400 West Division St. She noted in 2012 the

Agency approved a project for a 20,000 sq. ft. expansion, later expanded to 37,500 square feet, along with renovation of the original 37,500 sq. ft. building. Due to the cost of the expansion now completed, the original building was not renovated. She said the Company now proposes the renovation and upgrade of the original building to include all mechanical systems at a cost estimated to be \$5,025,000 and is requesting the Agency approve a sales tax exemption benefit in the amount of \$400,000. She noted previously the Agency had approved a PILOT agreement for the 2012 Project and that there would be no change in the terms of that agreement.

Mr. Brown asked about job reporting. Ms. Katzoff responded the Company was required at the end of the year to report to the Agency on the number of jobs created. Additionally the Agency as a matter of practice reviewed and approved contractors/sub-contractors making use of the sales tax exemption and in turn reported that information to the State.

Ms. Katzoff then asked the Board to consider an inducement resolution for the Project.

There being no further questions Mr. Frame asked for a motion to approve an inducement resolution for the Project. Mr. Brown made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION AUTHORIZING THE UNDERTAKING, ACQUISITION, RENOVATION, EQUIPPING AND COMPLETION OF A COMMERCIAL FACILITY; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, 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 requested the Board consider a final resolution.

There being no 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 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.**

C-Mand Development LLC

Ms. Katzoff said the Agency was in receipt of correspondence from the Company requesting an extension of the sales tax appointment for the Project until November 1, 2018. She noted the Project was originally approved in 2013 and consisted of the gut renovation of the former Onondaga Music Building. She said the Company was near completion of the final phase of the Project and expects it to be completed by the fourth quarter of this year. She indicated the Company was only requesting the extension and that there would be no increase in benefits.

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 APPROVING A RETROACTIVE EXTENSION OF THE SALES TAX APPOINTMENT OF C-MAND DEVELOPMENT, LLC AS AGENT OF THE AGENCY THROUGH**

NOVEMBER 1, 2018; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS.

National Development Council (NDC)

Ms. Spillane reviewed the terms of a of a contract from the Company to provide consulting services to the Agency for the period July 1, 2018 through June 30, 2019 and an additional addendum to that contract relative to consultation on City owned parking facilities. She noted both were included in the Board Agenda's packet.

She then introduced Robert (Bud) Sweet of NDC who is the consultant from National Development Council (NDC) advising the Agency. Mr. Sweet distributed a packet of information to the Board members describing NDC's services and briefly discussed its role. He said NDC advises municipalities and non-profits located in urban cores on community and business development and urban renewal. He noted NDC has both a New Market Tax program and a SBA7A lending program geared to distressed census tracks.

Ms. Spillane noting that NDC has provided invaluable assistance to the Agency over several years said that additionally this year an addendum to the contract would provide separate assistance to evaluate the City owned parking facilities.

After a brief discussion Mr. Frame asked for a motion to approve both the contact and addendum.

Mr. Thompson made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A CONTRACT PROVIDING CONSULTING SERVICES TO THE AGENCY FOR THE PERIOD JULY 1, 2018 THROUGH JUNE 30, 2019 IN AN AMOUNT NOT TO EXCEED \$75,000.00 AND AN ADDITIONAL ADDENDUM TO THAT CONTRACT RELATIVE TO CONSULTATION ON CITY OWNED PARKING FACILITIES IN AN AMOUNT NOT TO EXCEED \$18000.00.**

Syracuse Economic Development Corporation (SEDCO)

Ms. Spillane reviewed a Memorandum of Understanding (MOU) between the Agency and SEDCO relative to the 2009 Sale of Deys Centennial Plaza and SEDCO's agreement to pay SIDA the proceeds of payments received from the new owner relative to HUD 108 loan financing for the building. She reminded the Board members that members of the Finance Committee in February requested staff to prepare such an agreement outlining the terms between the Agency and the Corporation. After consultation with attorneys for both Boards a proposed MOU has been prepared by the Agency's Counsel and reviewed by the SEDCO Board of Directors.

Ms. Spillane said proposed terms include a payment of \$371, 593.00 by SEDCO to SIDA which is the remaining balance of SIDA's HUD 108 loan obligation. Any further payments received by SEDCO from Deys will be retained by SEDCO and used solely to recapitalize its revolving loan fund. On an annual basis SEDCO will account to SIDA for all payments received by Deys and for all loans made from such proceeds.

Mr. Frame asked if any of the loan money would be used outside of the City. Ms. Spillane responded it would be used solely for City projects. After further discussion among the Board members and additional clarification from Ms. Katzoff, Mr. Frame asked for a motion to approve the MOU.

Mr. Frame asked for a motion to approve the proposed agreement with SEDCO.

Ms. Murphy made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION AUTHORIZING THE PROPOSED MEMORANDUM OF UNDERSTANDING WITH SEDCO.**

Agency Counsel

Ms. Spillane advised the Agency received three responses to the Request for Proposals (RFP) for qualified law firms and /or attorneys to serve as general and transaction counsel beginning July 1, 2018. She noted the responses and a scoring matrix based on the responses were included in the Board members agenda packets.

She said it was staff's recommendation that Barclay Damon be retained by the Agency to provide counsel on pending eminent domain matters.

After a brief discussion, Mr. Frame advised he agreed and as the other Board members were also in agreement he asked for a motion to approve the recommendation.

Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO RETAIN BARCLAY DAMON LLP ON EMINENT DOMAIN MATTERS**

Ms. Spillane than advised that for general counsel Bousquet Holstein PLLC was the highest scoring firm.

After a brief discussion Mr. Frame asked for a motion to approve the firm as counsel for the Agency.

Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION AUTHORIZING THE RETENTION OF BOUSQUET HOLSTEIN PLLC AS GENERAL AND BOND COUNSEL OF THE AGENCY EFFECTIVE JULY 1, 2018.**

V. Adjournment

There being no further business to discuss Mr. Frame asked for a motion to adjourn the meeting.

Mr. Thompson made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 9:12A.M**