

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

Minutes
SIDA
Board of Directors Meeting
July 16, 2019

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

Staff Present: Judith DeLaney, Susan Katzoff, Esq., John Vavonese, Debra Ramsey-Burns.

Others Present: James Trasher, Rich Pascarella, Kevin McAuliffe, Stephen Byer, Aggie Lane, Stephanie Pasquale, Joe Maricsa, Mitch Lattimer, Deli Vargus, Eric Ennis, Cypris T.

Media: Rick Moriarty.

I. Public Hearing

Syracuse SOMA Project LLC

Mr. Frame opened the Public Hearing at 8:01 a.m. and asked Ms. DeLaney to read verbatim the Notice of the Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

After Ms. DeLaney read the notice, Mr. Frame asked if anyone in attendance wished to speak in favor of the Project.

James Trasher engineer for the Project and Richard Pascarella representing Granite Development spoke in favor. Mr. Trasher briefly reviewed the Project noting it was the third phase of the AMOS project to be built on the last section of the 200 block of West Water Street, currently a parking lot. He advised the Project would be nine stories to include 104 residential units, 1200 sq. ft. of commercial space, 72 parking spaces and an automatic parking lift at a cost of \$19,130,000.00. He noted the Project owner had worked for well over a year with City's Landmark Preservation Board and Planning Commission to accommodate requested design changes and both have now approved the final design. He said the tax abatements requested for the Project were needed to help offset the high cost of the design and construction.

Mr. Kinsey asked about the term of the PILOT. Mr. Trasher said they hoped a 12 year PILOT agreement

would be approved. Mr. Thompson asked about plans for the 1200 sq. ft. of commercial space. Mr. Pascarella replied at this point none of it had been leased.

Mr. Brown asked about the general contractor. Mr. Trasher said the contractor was local and would adhere to the Agency's local labor policy. As previously committed to, Mr. Pascarella said they would provide additional information to the Agency in time for the August meeting.

Ms. Katzoff reminded the Board members there would be not vote on this Project today but would be considered for approval at the August meeting after additional information was received.

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

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

Aggie Lane representing the Urban Job Task force spoke in opposition.

Ms. Lane first noted that upon review of the April minutes of the Board of Directors, comments she made at the meeting were incorrect and she would like the minutes to be reviewed and corrected. Ms. DeLaney replied staff would review and if revision was necessary make corrections and place on the Board's agenda for acceptance at the August Board meeting.

Ms. Lane also stated as there had been no cost benefit analysis provided for the Syracuse SOMA project she felt it was inappropriate to hold a Public Hearing.

After she concluded her remarks, Mr. Frame asked an additional two more times if anyone else in attendance wished to speak in opposition of the project.

No one spoke.

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

II. Ranalli ALA, LLC

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

After Ms. DeLaney read the notice, Mr. Frame asked if anyone in attendance wished to speak in favor of the Project.

James Trasher of CHA Engineers and James Ranalli Jr. representing the Project owner spoke in favor.

Mr. Trasher briefly reviewed the project noting it would be constructed on the former 5 acre Roth Steel site and adjacent to Marsellus Commons also redeveloped by the Ranalli's. He said the Company intended to construct an 80,000 sq. ft. warehouse and distribution center to address the expansion needs of United Auto Supply.

Mr. Ranalli advised the Board members that at completion the company expected to hire 43 additional employees for the distribution center.

Mr. Brown noting he had grown up in that area said he wanted to commend the Company for all the work they had done in the neighborhood.

Mr. Frame then asked two more times if anyone wished to speak in favor of the Project.

No one else spoke.

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

Aggie Lane of the Urban Job Task Force spoke. Ms. Lane said while she liked the idea of 42 new jobs she still had concern about the amount of the tax exemptions being approved.

Ms. Murphy asked Ms. Katzoff to explain the PILOT. Ms. Katzoff replied the Company was eligible for a 15 Year Priority /Commercial PILOT under the Agency's Uniform Tax Exemption Policy (UTEP) due to job creation. She also noted additionally it was located in the City's Neighborhood Revitalization Strategy Area (NRSA)

Mr. Frame then asked two more times if anyone else wished to speak in opposition of the project.

No one spoke.

Mr. Frame closed the Public hearing at 8:24am.

II. Call Meeting to Order

Mr. Frame called the meeting to order at 8:24 a.m.

III. Roll Call

Mr. Frame acknowledged all Board members were present.

IV. Proof of Notice

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

V. Minutes

Mr. Frame asked for a motion approving the minutes from the June 18, 2019 Board of Directors meeting. Ms. Murphy made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE JUNE 18, 2019 BOARD OF DIRECTORS MEETING.**

VI. Committee Report

Finance Committee

Mr. Frame reported the Finance Committee met on July 8, 2019. A copy of his report is attached to the minutes.

VII. New Business

Ranalli ALA, LLC

Ms. Katzoff noting a Public Hearing had just concluded on the Project and a cost benefit analysis had been included in the Agenda packet for the Board's review requested the members consider resolutions authorizing the Agency to undertake the Project.

She said the first resolution for consideration was a SEQRA resolution and advised the Project was considered an unlisted action with no significant impact.

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 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 FOR THE PROJECT.**

Ms. Katzoff then asked the Board to approve an Inducement resolution for the Project.

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 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 requested the Board approve a PILOT resolution for the Project again noting it qualified for a 15 Year PILOT under the Agency's UTEP.

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 APPROVING 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.**

Ms. Katzoff then asked approval of 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. Kinsey 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.**

Geharz Equipment

Ms. DeLaney noting a copy of both a supplemental application and correspondence from the Company was included in the agenda packet, advised the members a request from the owner to increase the amount of the sales tax exemption by \$124,800.00 approved for the Project was received by the Agency. She said the Board approved the Project in July of 2018 with closing in November 2018 and since that time as the Project has gotten underway there has been an unexpected increase in the cost of construction. She said as Mr. Frame had previously noted this Project was discussed the Finance Committee meeting of July 8, 2019 and the Committee requested staff invite the owners to the next Finance Committee meeting (8-19-19) to further discuss the Project

She further advised as the request for the additional exemption exceeded \$100,000.00 a Public Hearing was required and requested the Board approve a resolution authorizing same.

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 AUTHORIZING A PUBLIC HEARING WITH RESPECT TO A REQUEST FOR ADDITIONAL FINANCIAL ASSISTANCE.**

Alan Byer Auto Sales Inc.

Ms. Katzoff, as Mr. Frame noted previously said the Company met with the Finance Committee on July 8, 2019 to clarify changes in the Project relative to issues with the properties involved. As noted originally when approved it was thought only one parcel encompassing the improvements was involved. After a review of the improvements to be made on the now three parcels (dealership, repair shop, used car facility), a discussion of employment opportunities, and the inter relationship of the properties, the Committee recommended the Board approve an amended inducement resolution and a temporary sales tax extension until September 13, 2019 to give the Agency time to work out issues with a restructured PILOT and the Company time to close.

After a brief discussion, Mr. Frame asked for a motion to approve an amended inducement resolution. Ms. Murphy made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION 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 AMENDED AGREEMENT BETWEEN THE AGENCY AND THE COMPANY.**

Ms. Katzoff then asked the members to consider a resolution approving a temporary sales tax extension until September 13, 2019.

After a brief 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 APPROVING A RETROACTIVE EXTENSION OF THE TEMPORARY SALES TAX APPOINTMENT OF ALAN BYER AUTO SALES, INC. AND ALAN I BYER FAMILY TRUST AS AGENTS OF THE**

AGENCY UNTIL SEPTEMBER 13, 2019; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS.

Mr. McAuliffe, counsel for the Project also asked about a waiver from the Agency's Local Access Policy regarding vendors the Volvo Corporation requires its dealers to use to purchase certain materials and equipment. He said none of those vendors are located in the local MSA. Mr. McAuliffe was advised to send a letter to the Agency requesting consideration of the waiver.

Property Insurance

Ms. DeLaney advised the members the Agency was in receipt of a new proposal for property insurance for 327 Montgomery Street and requested approval. She said as the building was now vacant the Agency's current policy was cancelled and three quotes were requested for vacant property insurance. Noting the attached proposal for \$7340.42 was included in the Agenda packet she said it was the lowest of the three quotes received and was also reviewed and approved by the Agency's counsel.

There being no discussion Mr. Frame asked for a motion to approve the proposal. Mr. Brown made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A PROPOSAL FOR THE PURCHASE FOR VACANT PROPERTY INSURANCE FOR PROPERTY AT 327 MONTGOMERY STREET IN AN AMOUNT NOT TO EXCEED \$7340.42**

VIII. Executive Session

Mr. Frame asked for a motion to enter into Executive Session for the purpose of a discussion on property acquisition. Mr. Brown made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ENTER INTO EXECUTIVE SESSION AT 8:43 a.m.**

Mr. Frame made a motion to authorize the Executive Director to spend up to \$5000.00 to acquire appraisals on several parcels of land the Agency may be interested in acquiring. The motion was seconded by Mr. Thompson. The motion was unanimously carried.

Mr. Frame asked for a motion to adjourn from Executive Session at 9:10 a.m. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN FROM EXECUTIVE SESSION AT 9: 10 a.m.**

IX. Adjournment

There being no further matters to discuss Mr. Frame asked for a motion to adjourn the meeting. Mr. Thompson made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 9:11 a.m.**

