

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

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Minutes  
Board of Directors Meeting  
Tuesday August 21, 2018

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

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

**Others Present:** Lauryn LaBorde, Aggie Lane, Mitch Latimer, Mark Olsen, Bob Wilmott, Linda Malik, Rachel May, Gwen Cheffin, Lew Thomas, Mel Menan, Peter McCarthy, Ryan Benz, Pete King, Mike Irwin, Charlie Pierce-El, Emanuel Henderson, Mary Traynor, Loiose Poindexter, Kayla Kelchian, Rich Puchalski, Charlie Wallace, Dave Nutting, Scott Gerharz, Devonn Eure

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**I. Call Meeting to Order**

Mr. Frame called the meeting to order at 8:30 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. asked for a motion to approve the minutes from the July 17, 2018 Board of Directors Meeting.

Mr. Kinsey made a motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION APPROVING THE MINUTES FROM THE JULY 17, 2018 BOARD OF DIRECTORS MEETING.**

**V. Reporting Requirements**

Ms. Spillane reviewed the Agency's current reporting requirements relative to the projects it undertakes. She noted under NYS General Municipal Law the Agency is required to track the

performance of projects receiving financial assistance and said specifically this Agency wants to ensure the benefits awarded to Projects are also of benefit to the community.

She advised at Project closing the owners of the project enter into several agreements with the Agency requiring them to report yearly information for a minimum of five years on benefits received along with job creation and retention numbers. She said those documents also contain recapture remedies available to SIDA for non – compliance. SIDA staff monitors each Project via a reporting system and on an annual basis compiles a report required to be submitted to the NYS Authorities Budget Office on the data received - also available on the Agency’s website. Ms. Spillane further said any projects deemed insufficient or in default are referred to the Board of Directors for further action. Ms. Spillane said SIDA enters into various agreements job creation/job retention and benefits received. In addition, the Transactional Documents contain remedies available to SIDA in the event of non-compliance.

Additionally Ms. Spillane said staff also approves all requests for use of a sales tax exemption on a Project and noted that while Projects are required to use vendors located in the six county MSA in fact in 2017 more than 95% of vendors requesting approval were located in Onondaga County.

Ms. Katzoff advised the Agency currently does a substantial amount of monitoring and is in compliance with NYS municipal law.

Mr. Brown commented on the need for public transparency and delivery to the public of information in a format they understand. Ms. Katzoff advised that every project approved by SIDA was posted on the City’s website along with the Agency’s Annual Report and audited financial statements all available to the public.

Ms. Murphy said as a new Board member she appreciated the information and thanked Ms. Spillane for the presentation.

There being no further comments Mr. Frame asked for a motion to recess the meeting at 8:44 am to conduct two Public Hearings.

Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO RECESS THE MEETING AT 8:44AM TO CONDUCT TWO PUBLIC HEARINGS.**

## **VI. Public Hearings**

### **101 North Salina St. LLC**

Mr. Frame opened the Public Hearing at 8:44 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. Frame asked if anyone in attendance wished to speak in favor of the Project.

Dave Nutting who identified himself as Chairman of VIP Structures and an owner of the Project spoke in

favor. Mr. Nutting advised he and his partners purchased the building because they out grew the current office space the Company occupies. He indicated with the new space the Company would be able to locate to one floor said they anticipated hiring 30 additional employees in the next several years. He noted the Project entailed the addition of three new stories to the building with the upper two floors to be residential units including some with affordable rents. He also said his firm had worked with the Urban Job Task Force in the past and would do so with this project also.

Mr. Thompson asked about the portion of the building where the Post Standard continued to publish the newspaper. Mr. Nutting noted Advance Media had a five year lease on the space and should they not renew the Company had several ideas of how the space could be adapted for a different purpose.

Charlie Wallace President of VIP also spoke. Mr. Wallace thanked the Board for its consideration of the Project and noted the renovation of this under- utilized building would be a key improvement of downtown space.

Mr. Frame asked one more time if anyone wished to speak in favor of the project.

Deka Dancil President of the UTF (Urban Task Force), Aggie Lane and Emanuel Henderson also with the UTF and Linda Malik representing ACTs all spoke in favor of the Project. The speakers noted that local hiring on the projects was of critical importance to their organization.

Mr. Frame asked one last time 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 this project.

Rich Puchalski representing Syracuse United Neighbors spoke against the Project. Mr. Puchalski said as of 6/19/2018 the Land Bank had 904 vacant properties and lots in the Southwest neighborhoods. He said he believed that SIDA had a responsibility to the neighborhood and asked what it intended to do to rectify the situation.

Devonn Eure also spoke about the vacant housing and the need for action to address the situation.

Louise Poindexter also spoke saying she was not against new construction in the City however she expressed concern that there was no construction going on in the neighborhoods.

Mr. Frame asked for the last time if anyone else in attendance wished to speak in opposition to the Project.

No one else spoke.

Mr. Frame closed the Public Hearing at 9:05a.m.

#### Gerharz Equipment Inc.

Mr. Frame opened the Public Hearing at 9:05 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.

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

Scott Gerharz owner of the Project spoke in favor. He thanked the Board for their consideration of the Project and said his company was consolidating with another local company and needed additional space. He said he would be relocating 30 employees from his current location in Dewitt along with an additional 20 employees from the north side and intended to invest over \$5,000,000 into the Project. He said he was competing against the internet, wanted to continue to grow his business and create jobs and promised to be a good neighbor for the City.

Ms. Murphy asked if they intended to occupy the entire Teall Avenue space. Mr. Gerharz said the space was bigger than his company required so the intent was to renovate the additional space for other tenants.

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

No one spoke.

Mr. Frame asked for a final time if anyone else wished to speak in favor of the Project.

No one spoke.

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

Deka Dancil President of the UTF (Urban Task Force) said she was not opposed to the Project she just hoped the tenants would not see a raise in their rents.

Aggie Lane from the UTF said the organization was not against the project but the community wanted to see City residents be hired for jobs.

Charles Pierce El from South Side TNT spoke. He also spoke about the need for City residents to be considered for jobs.

Mitch Lattimer from the Carpenters Labor spoke. He suggested an apprentice program should be instituted as a way to help City residents access jobs.

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

No one spoke.

Mr. Frame asked a final time if anyone else in attendance wished to speak in opposition to the Project.

No one spoke.

Mr. Frame closed the Public Hearing at 9:24 a.m.

Mr. Frame said the recess has adjourned and the meeting will resume at 9:24 a.m.

## **VII. New Business**

**101 North Salina St. LLC**

Ms. Katzoff noting a Public Hearing had just concluded on the Project asked the Board to consider approval of a resolution authorizing the Agency to act as “Lead Agency” for purposes of SEQRA.

There being no discussion Mr. Frame asked for a motion to approve authorizing a resolution for the Agency to act as the Lead Agency in the Project.

Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION CLASSIFYING A CERTAIN PROJECT AS A TYPE I ACTION AND DECLARING THE INTENT OF THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY TO BE LEAD AGENCY FOR PURPOSES OF A COORDINATED REVIEW PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT.**

**Gerharz Equipment Inc.**

Ms. Katzoff noting a Public Hearing had also just concluded on this Project asked the Board to consider resolutions authorizing the Agency to undertake the Project.

She noted the first resolution was a SEQRA Resolution saying the Project was an unlisted action with no significant environmental impact.

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 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.**

Ms. Katzoff then asked the Board to consider an Inducement resolution for the Project approving both a sales tax exemption of \$96,000.00 and a mortgage tax exemption of \$37,500.

There being no discussion asked for a motion to approve the resolution.

Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED AUTHORIZING A RESOLUTION 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 noting staff had just distributed the PILOT schedule to the members asked them to consider a PILOT resolution for the Project noting that it was a 10 Year standard PILOT with no deviation.

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 AUTHORIZING A RESOLUTION APPROVING AN 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 the Board to approve a Final Resolution for the Project approving the execution and delivery of all documents.

There being no discussion Mr. Frame 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 AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY.**

### **RPS Hotel Holdings, LLC**

Prior to a discussion of the Project Ms. Murphy was excused due to a conflict of interest and left the meeting room.

Ms. Spillane then requested the Board approve a resolution authorizing a Public Hearing on the Project.

She reviewed the Project briefly noting the agency was in receipt of an updated application from the Company for a project to be located adjacent to St. Joseph's Hospital in the 400 block of Prospect Ave. She said the developers propose demolition of five vacant houses on Prospect Avenue and construction of a five story building to house a 53,673 sq. ft. 93 room extended stay hotel, 13 residential units, and a 63,442 sq. ft. parking garage with 126 spaces. She noted the Company had submitted an application for this Project in 2016 which was now being revised to eliminate additional commercial space and a larger amount of parking.

Mr. Kinsey asked if anyone was here to talk about the Project. Ms. Spillane said at the moment the owner was out of town and unable to make the meeting.

There being no further 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 DETERMINING THAT THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT; DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AUTHORIZING A PUBLIC HEARING; AND RATIFYING A PRIOR RESOLUTION.**

Ms. Murphy returned to the meeting.

### **321 South Salina Street LLC**

Ms. Spillane requested the Board of Directors approve a resolution authorizing a Public Hearing on the

Project. She reminded the Board members that in January of 2018 they had authorized benefits in the form of mortgage and sales tax exemptions for the Project located at 321-323 South Salina which is now underway. She said the Project initially proposed the rehab of two adjacent five story buildings and to maintain the buildings separately in order to continue a 485a exemption that benefited one of the two and would be lost in the buildings were combined. However, due to building code issues, to maintain the buildings separately will entail significant expense including but not limited to separate and new water and sprinkler services.

She said because of the building issues and costs the Company is now requesting additional assistance to the Project in the form of a 15 year PILOT agreement under the Agency's UTEP Policy (Historic Rehabilitation).

There being no discussion Mr. Frame 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 DESCRIBING THE ADDITIONAL FINANCIAL ASSISTANCE REQUESTED BY THE COMPANY IN CONJUNCTION WITH A COMMERCIAL PROJECT AND AUTHORIZING A PUBLIC HEARING WITH RESPECT THERETO.**

#### **VIII. Committee Report**

Ms. Murphy said the Finance Committee met this morning preceding the Board of Directors meeting and discussed two requests from staff relative to the former Syracuse Rigging Site at 341 Peat Street and 327 Montgomery St. and made motions on both to recommend the Board of Directors approve both requests.

#### **VI. New Business (Continued)**

##### **Former Syracuse Rigging Site – 341 Peat Street (City Crossroads)**

Ms. Spillane requested the Board members approve a resolution authorizing a lease between the Agency and the City of Syracuse on Agency for an annual rent of \$1.00 and further authorizing the submission of a grant application to the NYS Environmental Restoration Program (ERP) for funding in an amount not to exceed \$1,700,000.00 , including a 10% Agency match.

Ms. Spillane noted the Finance Committee met earlier and reviewed a memo (also attached in the Board's agenda) on the request and made a recommendation the Board approve the request as presented.

There being no discussion Mr. Frame 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 AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A LEASE WITH THE MUNICIPALITY FOR CERTAIN UNDEVELOPED LAND; AND AUTHORIZING THE EXECUTION AND SUBMISSION OF AN APPLICATION TO THE STATE FOR A GRANT TO FUND CERTAIN ENVIRONMENTAL REMEDIATION COSTS AND THE EXPENDITURE OF**

## **NECESSARY MATCHING FUNDS PURSUANT TO THE TERMS OF THE GRANT.**

### **327 Montgomery Street**

Ms. Spillane requested the Board approve a request authorizing an amendment to an existing lease between the Agency and the Media Unit for Agency property at 327 Montgomery Street and further approval to hire a consultant to provide an assessment of the building in an amount not to exceed \$10,000.00.

She advised the current lease for the tenant, the Media Unit expires December 31, 2018. She said after discussions with the tenant, staff was recommending the lease be extended on a month to month basis effective January 1, 2019 until the tenant can find another location. Additionally staff is requesting authorization to hire a consultant to make an assessment of the building. She noted this was also discussed at the Finance Committee meeting earlier this date (memo attached) and the Committee made a recommendation to the Board of Directors to approve the request.

After a brief 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 THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A LEASE; AND AUTHORIZING THE EXPENDITURE OF CERTAIN FUNDS TO PERFORM AN ASSESSMENT OF THE FACILITY.**

### **X. Executive Session**

Mr. Frame asked for a motion to be made to go into executive Session at 9:40 am for the purpose of Litigation.

Mr. Brown made the motion. Mr. Thompson seconded the motion.

Mr. Brown made a motion to authorize the strategy recommended by eminent domain counsel for the next phase of the eminent domain litigation involving the Marriot Hotel (fka Hotel Syracuse). Mr. Kinsey seconded the motion. Mr. Frame, Mrs. Murphy, Mr. Kinsey, Mr. Thompson and Mr. Brown each voted in favor of the motion. The motion was unanimously carried.

Mr. Frame asked for a motion to come out of executive session at 10:10a.m.

Mr. Brown made the motion. Mr. Kinsey seconded the motion. The motion was unanimously carried.

### **XI. Adjournment**

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

Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED TO ADJOURN THE MEETING AT 10:10AM.**