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

To: Board of Directors
City of Syracuse Industrial Development Agency

From: Judith DeLaney

Date: April 12, 2019

Re: Board of Directors Meeting Agenda – April 16, 2019

The City of Syracuse Industrial Development Agency will hold a Board of Directors Meeting on **Tuesday, April 16, 2019 at 8:00 a.m.** in the Common Council Chambers, 304 City Hall, 233 East Washington St., Syracuse, N.Y. 13202.

I. Public Hearings –

Seneca Armory Associates LLC – 1

Attachment:

1. *Public Hearing Notice.*

Alan Byer Auto Sales Inc. – 2

Attachment:

1. *Public Hearing Notice.*

II. Call Meeting to Order –

III. Roll Call –

IV. Proof of Notice –3

V. Minutes – 4

Approval of minutes from the March 19, 2019 Board of Directors meeting.

VII. New Business –

Seneca Armory Associates LLC – Sue Katzoff –5

Approval of resolutions authorizing the Agency to undertake the Project.

Attachments:

1. *Cost Benefit Analysis.*

2. *SEQRA Resolution.*

3. *Inducement Resolution.*

4. *Final Resolution.*

Commonspace Warren LLC - Sue Katzoff – 6

Approval of a resolution authorizing an amendment to a Project previously undertaken by the Agency.

Attachments:

1. *Supplemental Application for Financial Assistance. (Amended)*
2. *Cost Benefit Analysis. (Amended)*
2. *Resolution.*

Rezone Syracuse Implementation - Nora Spillane – 7

Approval of a resolution authorizing a contract with Clarion Associates in an amount not to exceed \$80,000.00 to assist in the implementation of the City’s “Rezone Project”

Attachments:

1. *Proposal.*
2. *Resolution. (Under separate cover)*

Discussion –

VII. Adjournment –

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York General Municipal Law, will be held by the City of Syracuse Industrial Development Agency (the "Agency") on the 16th day of April, 2019, at 8:00 a.m., local time, at 233 East Washington Street, Common Council Chambers, City Hall, Syracuse, New York, in connection with the following matter:

Seneca Armory Associates, LLC, or an entity to be formed (the "Company"), requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition of an interest in approximately 13,640 sq. ft. of improved real property located at 239-245 West Fayette Street, in the City of Syracuse, New York (the "Land"); (ii) the reconstruction and renovation of an existing approximately 28,868 sq. ft. building for mixed-use consisting of approximately 7,369 sq. ft. of retail space on the ground floor; and approximately 14,124 sq. ft. on the second and third floors to contain approximately 20 class A apartment units and approximately 7,375 sq. ft. of common area, storage and mechanical areas in the building, all located on the Land (the "Facility"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company shall be the initial owner or operator of the Project Facility.

The Agency will at the above-stated time and place hear all persons with views with respect to the proposed Financial Assistance to the Company, the proposed owner/operator, the location of the Project Facility and the nature of the Project.

A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, are available for public inspection during the business hours at the office of the Agency located at 201 East Washington Street, 6th Floor, Syracuse, New York.

Dated: March 27, 2019

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York General Municipal Law, will be held by the City of Syracuse Industrial Development Agency (the "Agency") on the 16th day of April, 2019, at 8:00 a.m., local time, at 233 East Washington Street, Common Council Chambers, City Hall, Syracuse, New York, in connection with the following matter:

Alan Byer Auto Sales, Inc., Alan I Byer Family Trust, Stephen Gary Byer, d/b/a Byer Real Estate Enterprises and West Genesee Realty Associates, LLC (collectively, the "Company"), requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition of an interest in: (1) approximately 1.89 acres of improved real property bearing tax map number 108.1-02-19 and commonly referred to as 1232-36 West Genesee Street (also known as 1230 West Genesee Street) ("Parcel 1"); (2) approximately 3 acres of improved real property bearing tax map number 108.1-02-35.1 and commonly referred to as 1232 West Genesee Street (rear) ("Parcel 2"); and (3) approximately 2 acres of improved real property bearing tax map number 108.1-02-20 and commonly referred to as 1288 West Genesee Street ("Parcel 3"), each in the City of Syracuse, New York (collectively, the "Land"); (ii) there is an existing approximately 25,820 square foot building located on Parcel 1; an existing approximately 17,000-square foot building located on Parcel 2; and an approximately 34,802 square foot building located on Parcel 3, all of which are served by common driveways, parking, and pedestrian walkways, and all of which comprise the Alan Byer Volvo facility (collectively, the "Improvements"); (iii) the renovation to the Improvements including, but are not limited to, the interior showroom, sales offices and reception areas, external replacement of entry, new exterior wall finishes, updated signage, the existing basement, replacement of an area of deteriorating floor slab, refreshed directional pavement graphics and roof replacement (collectively, the "Facility"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company is or will be the initial owner or operator of the Project Facility.

A copy of the application and any supplements filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, are available for public inspection during the business hours at the office of the Agency located at 201 East Washington Street, 6th Floor, Syracuse, New York.

Dated: April 3, 2019

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

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

PLEASE POST

PLEASE POST

PLEASE POST

THE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

HAS SCHEDULED

A

BOARD OF DIRECTORS MEETING

TUESDAY April 16, 2019

AT 8:00 A.M.

IN THE

COMMON COUNCIL CHAMBERS

ROOM 304

233 East Washington St

Syracuse, NY 13202

And By Video Conference at

NanoFab East

257 Fuller Road

Albany, NY 12203

*****The Public is invited to attend the meeting at either location.**

For More Information, Please Contact the Office of the Agency at (315) 473-3275

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

Minutes
Board of Directors Meeting
Tuesday March 19, 2019

Board Members Present: Kenneth Kinsey, Kathleen Murphy, Rickey Brown.

Via Tele Conference: Michael Frame.

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

Others Present: Michael Lisson, Aggie Lane, Gail Montplaisir, Anthony Dipeso, Wendy Ricelli, M. Latimer, Fred Swayze, Richelle Brown, Kevin McAuliffe, Steve Hillebrand, Norman Smith, Deputy Mayor Sharon Owens, Lauryn LaBourde, Ebony Farrow, Peter King.

I. Public Hearing

Salina First LLC

Mr. Thompson opened the Public Hearing at 8:00 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. Thompson asked if anyone in attendance wished to speak in favor of the Project.

Gail Montplaisir an owner of the Project and Norman Smith the architect for Salina First LLC spoke in favor of the Project.

Mr. Smith displayed current drawings and reviewed plans for the construction. He noted the building will be five stories with two levels of residential units. Designed with a green roof he said the first floor would be lite industrial with second floor office space.

Ms. Montplaisir noted some modifications were made to the Project to add additional residential units and in answer to a question from Ms. Murphy said the decision to add more units was done from a cash flow perspective as there was a higher demand for residential space.

Mr. Thompson then asked if anyone else wish to speak in favor of the Project.

Aggie Lane representing the Urban Job Task Force spoke in favor of the project. She said she was delighted the project would be locating in the South Salina Corridor and said it appeared to have the

right components along with the opportunity for construction jobs in the right place.

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

Mr. Thompson then asked if anyone in attendance wished to speak against the Project. No one spoke.

Mr. Thompson asked an additional two times if anyone in attendance wished to speak against the Project. No one spoke.

Mr. Thompson closed the Public Hearing at 8:14a.m.

II. Call Meeting to Order

Mr. Thompson called the meeting to order at 8:14 a.m. noting Mr. Frame was present in Albany, NY via tele conference.

III. Roll Call

Mr. Thompson acknowledged all Board members were present with the exception of Mr. Frame who attended via tele conference.

IV. Proof of Notice

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

V. Minutes

Mr. Thompson asked for a motion approving the minutes from the February 19, 2019 Board meeting.

Mr. Frame made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE FEBRUARY 19, 2019 BOARD OF DIRECTORS MEETING.**

VI. Committee Reports

Finance Committee

Mr. Frame reported the Finance Committee met on March 4, 2019 and reviewed a request from the City of Syracuse to enter into a cooperation agreement between the City, the Syracuse Local Development Corporation (SLDC) and the Agency to provide project equity in amount not to exceed \$1,500,000.00 to facilitate the repair of the AXA Garage. Mr. Frame advised after review and discussion the Committee made a motion to recommend to the Board of Directors approval of the request.

Audit Committee

Ms. Murphy reported the Audit Committee met on March 15, 2019. She said Michael Lisson of Grossman St. Amour CPAs the Agency's independent auditor gave a presentation on the Agency's draft 2018 financial statements. After a discussion in which a few minor corrections were agreed to the Committee approved a motion to recommend to the Board of Directors acceptance of the financial statements as the official statements of the Agency with the revisions.

Mr. Thompson then asked for a motion to accept both the Finance Committee and Audit Committee reports. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ACCEPT BOTH COMMITTEE REPORTS.**

VII. New Business

2018 Financial Statements

Michael Lisson of Grossman St. Amour CPAs the Agency's independent auditor reviewed the Agency's Audit and presented the draft financial statements as approved by the Financial Committee.

Mr. Lisson said the audit went well and the Auditors opinion is that it is 'clean and unmodified'

He noted several highlights including receivables decreased significantly because of the SEDCO loan forgiveness and liabilities decreased significantly due to payments made to the City of Syracuse. He also noted legal expenses were unusually high due to work on the Amadeus transaction.

After he concluded his remarks and a brief discussion Mr. Thompson asked for a motion to accept the financial statements. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ACCEPT THE DRAFT FINANCIAL STATEMENTS AS THE OFFICIAL 2018 FINANCIAL STATEMENTS OF THE AGENCY.**

1081 South Salina Street

Ms. Katzoff advised the members a request had been received from the buyer of 1081 South Salina St. (Salina First) to amend the purchase agreement to extend the closing date until 12/31/19 in order to accommodate the additional approvals including entrance into the BCP program required to get the project underway.

There bring no discussion Mr. Thompson asked for a motion. Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING AN AMENDMENT AUTHORIZING AN AMENDMENT OF A PURCHASE AGREEMENT FOR AND THE SALE OF CERTAIN LAND LOCATED AT 1081 SOUTH SALINA STREET, CITY OF SYRACUSE.**

Salina 1st LLC

Noting a Public Hearing had just concluded on the Project and a cost benefit analysis was included in the Board Agenda's packet Ms. Katzoff briefly reviewed the Project and then asked the members to consider resolutions authorizing it.

She said the first resolution for approval was an amended Inducement resolution extending the Agency agreement thru 12/31/19 to assist the Company in finalizing various funding sources. She noted it also

referenced the changes in the Project construction as noted in the Public Hearing and approved a sales tax exemption of \$147,200 along with a mortgage tax exemption of \$ 40,444. 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 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 asked the Board members to approve a PILOT resolution for the Project noting the Company would be receiving a 15 year "Priority Commercial" PILOT due to its location in the Neighborhood Revitalization Strategy Area (NRSA).

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 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.**

Mr. Katzoff then asked the Board members to approve a Final Resolution for the Project.

There being no discussion Mr. Thompson asked for a motion to authorize approving the resolution.

Mr. Kinsey 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.**

Conflict Waiver (108 Madison Street Development (AXA Project Complex)

Ms. Spillane advised the members as Ms. Katzoff represented both SIDA and the SLDC there was a potential conflict of interest between the two agencies relative to the proposed cooperation agreement. She noted in this matter Barclay Damon would be representing the SLDC but wanted to bring it to the Board's attention.

There being no discussion Mr. Thompson asked for a motion to approve the waiver.

Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A WAIVER OF A CONFLICT OF INTEREST IN THIS MATTER.**

100 Madison Street Development (AXA Project Complex)

As discussed at the Finance Committee meeting, Ms. Spillane said there is a \$1.5m gap that the Agency is being asked to provide as equity towards the repair of the AXA Garage at a cost of over \$10 million dollars. She noted the City and the SLDC were working with the State to fund the balance of the cost of the repairs and requested the Board approve a resolution authorizing the Cooperation Agreement.

Sharon Owens, Deputy Mayor of the City addressed the Board and noted the importance of the AXA Towers complex as the Northern gateway of the "Syracuse Surge" project. She said because of the ownership structure of the garage and plaza it positions it be one of the first Syracuse Build Projects and will be prepared to work with the construction manager from design through scoping of the project to development once financing is in place and will engage the hiring of small businesses, local residents and MWBE enterprises.

After Ms. Owens concluded her remarks 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 AUTHORIZING THE AGENCY'S PARTICIPATION IN A COOPERATION AGREEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH AND THE EXPENDITURE OF FUNDS IN SUPPORT THEREOF.**

Seneca Armory Associates

Ms. Spillane advised the members the Agency was in receipt of an application for financial assistance (included in the Board's packet) from the Company and requested approval of a resolution authorizing Public Hearing on the Project. She said the owners propose a project at 239-245 West Fayette Street aka the Seneca Building located in the Armory Square neighborhood and intend a renovation of commercial upper floor vacant into 20 residential units and renovation of the first floor commercial space to house an additional restaurant /retail establishment. She said the cost of the Project is estimated to be \$2,872,000 and the owner was requesting mortgage and sales tax exemption benefits from the Agency.

There being no discussion Mr. Thompson 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 DETERMINING THAT THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT; DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND AUTHORIZING A PUBLIC HEARING.**

Northside Genesee Associates

Ms. Katzoff advised the Board they were being asked to approve a SEQRA resolution relative to the Project. She said that any time the Agency takes on a Project it is obligated to perform SEQRA and if there are other Agencies involved they have the right to comment. She said in this case several agencies sent letters to SIDA advising of their concerns. Noting an exhaustive review had been completed she said it had been determined that the Project would have no significant effect on the environment.

Mr. Thompson wanted clarification that the Board members would only be approving SEQRA not the Project itself. Ms. Katzoff confirmed SEQRA was the only action the Board was taking at this point.

There being no further discussion Mr. Thompson then asked for a motion approving the resolution.

Mr. Brown made a motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE UNDERTAKING OF A CERTAIN PROJECT AT THE REQUEST OF NORTHSIDE GENESEE ASSOCIATES, LLC WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.**

Alan Byer Auto Sales Inc.

Ms. Katzoff noting the Board members had approved this Project in December 2018 along with a temporary sales tax appointment said the Agency had been advised by the owners counsel there was a discrepancy regarding the number of parcels associated with the Project. She said the original approval referenced one parcel but in fact there appears to be three parcels involved with the Project. She said this change will require a new Public Hearing. Additionally a second resolution approving an extension of the temporary sales tax appointment through 5/31/19 will be needed while issues with the property parcels are resolved as the current appointment expires 3/31/19.

She then asked the Board to approve the two resolutions.

There being no discussion, Mr. Thompson asked for a motion to approve the sales tax extension resolution. Ms. Murphy made a motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING AN EXTENSION OF THE SALES TAX APPOINTMENT OF ALAN BYER AUTO SALES, INC. AND ALAN I BYER FAMILY TRUST AS AGENTS OF THE AGENCY UNTIL MAY 31, 2019; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS**

Mr. Thompson then asked for a motion to authorize a Public Hearing. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY RESOLUTION AUTHORIZING A PUBLIC HEARING WITH RESPECT TO MODIFICATIONS TO A PROJECT BEING UNDERTAKEN BY THE AGENCY.**

Commercial Corridor Study

Ms. Spillane advised an RFP for proposals for a commercial corridor study of multiple neighborhood business corridors and commercial areas in the City of Syracuse had been issued by staff and in response only two proposals were received.

Noting a copy of the RFP along with the two proposals received were included in the Board's agenda packet she said the study would be concentrated on both primary and secondary commercial and mixed use corridors and would include a primary block locations on North Salina, James St (Eastwood area) , Geddes St, and South Salina St.

After a review of the proposals Ms. Spillane advised the Board staff was recommending the Agency contract with Camoin Associates due to their expertise and familiarity with the area.

The members in agreement, Mr. Thompson asked for a motion to approve a contract with Camoin Associates to conduct the study. Mr. Brown made the motion. Ms. Murphy seconded the motion. **ALL**

BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION AUTHORIZING THE AGENCY TO ENTER INTO AN AGREEMENT WITH CAMOIN ASSOCIATES TO CONDUCT A COMMERCIAL CORRIDOR STUDY AS PROPOSED.

Annual Report

Ms. Spillane noting the Board members had received a copy of the Annual Report (2018) in their agenda packet briefly reviewed the year's accomplishments and noted the report would be posted on the Agency's website.

VI. Adjournment

There being no further business to discuss, Mr. Thompson asked for a motion to adjourn. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTIIN TO ADJOURN THE MEETING AT 8:56 A.M**

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

EXECUTIVE SUMMARY

Agenda Item: 4

Title: Seneca Armory Associates LLC

Requested By: Nora Spillane

OBJECTIVE: Approval of resolutions authorizing the Agency to undertake the Project.

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: The Agency is in receipt of an application from the Company for a project proposed for 239-245 West Fayette Street known as the "Seneca Building" located in the Armory Square neighborhood. Constructed in 1875 the upper floors of the three story building are currently vacant. There are 2,700 square feet of commercial space on the first floor, currently occupied by Mulrooney's Bar. The owners advise after unsuccessful efforts for over a year to lease the vacant commercial space on the upper floors they are proposing a conversion of the space to 20 residential units and a renovation of the first floor commercial space to house an additional restaurant/retail establishment. Due to the historic nature of the building, the expense (\$4,025,000.00) to renovate is unusually high. The owner is seeking benefits from the Agency to assist in the Project in the form of exemptions from Mortgage (\$20,813.00) and sales tax (\$100,000.00). There is no request for a PILOT. A Public Hearing on the Project will be held immediately preceding the Board meeting of 4-16-19.

ATTACHMENTS:

1. Cost Benefit Analysis.
2. Inducement Resolution.
3. Final Resolution

REVIEWED BY:

- Executive Director
- Audit Committee
- Governance Committee
- Finance Committee

Meeting: April 16, 2019

Prepared By: J. A. DeLaney

Project Summary

1. Project: Seneca Armory Associates LLC **2. Project Number:** 0

3. Location: Syracuse **4. School District:** SCSD

5. Tax Parcel(s): 101.-4-02.0 **6. Type of Project:** Mixed Use

7. Total Project Cost:	\$ 2,872,400
Land	\$ -
Site Work	\$ 62,929
Building	\$ 2,279,860
Furniture & Fixtures	\$ 80,000
Equipment	
Equipment Subject to NYS Production Exemption	\$ -
Engineering/Architecture Fees	\$ 88,500
Financial Charges	\$ 127,100
Legal Fees	\$ 25,000
Other	\$ 209,011

8. Total Jobs	35
8A. Job Retention	18
8B: Job Creation (Next 5 Years)	17

Cost Benefit Analysis: Seneca Armory Associates LLC

	Fiscal Impact (\$)
Abatement Cost:	\$120,813
Sales Tax	\$100,000
Mortgage Tax	\$20,813
Property Tax Relief (PILOT) 10yr	\$0
New Investment:	\$3,001,564
PILOT Payments 10yrs	\$0
Project Wages (10 yrs)	\$0
Construction Wages	\$544,125
Employee Benefits (10 years)	\$0
Project Capital Investment	\$2,422,789
New Sales Tax Generated	\$0
Agency Fees	\$34,650
Benefit:Cost Ratio	24.84 :1

SEQRA RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on April 16, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by _____ and upon the roll being duly called, the following members were:

PRESENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by _____ and seconded by _____:

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

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, Seneca Armory Associates, LLC, or an entity to be formed (the "**Company**"), by application dated March 8, 2019 (the "**Application**"), requested the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 13,640 sq. ft. of real property located at 239-245 West Fayette Street, in the City of Syracuse, New York (the "**Land**") and improved with an approximately 28,868 sq. ft. mixed-use building consisting of approximately 7,369 sq. ft. of retail space on the ground floor, approximately 14,124 sq. ft. of vacant office space on the second and third floors and approximately 7,375 sq. ft. of common area, storage and mechanical areas; (ii) the reconstruction and renovation of the existing improvements to convert the second and third floors to approximately 20 apartment units and restore the exterior façade, all located on the Land (the "**Facility**"); (iii) the acquisition and installation in and at the

Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination with respect to the environmental impact of any “action” (as defined by SEQRA) to be taken by the Agency and the Project constitutes such an action; and

WHEREAS, to aid the Agency in determining whether the action described above may have a significant adverse impact upon the environment, an Environmental Assessment Form (the “*EAF*”) was prepared, a copy of which is on file at the office of the Agency; and

WHEREAS, the Agency has examined and reviewed the EAF in order to classify the action and make a determination as to the potential significance of the action pursuant to SEQRA; and

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

(1) Based upon an examination of the materials provided by the Company in furtherance of the Project, the criteria contained in 6 NYCRR §§617.6 and 617.7(c), and based further upon the Agency’s knowledge of the action and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations pursuant to SEQRA:

(a) The Facility is located in the Armory Square historic district designated on the National Register of Historic Places. The Project involves interior renovations and restoration of the exterior façade and is designed for preservation of the Facility and to ensure its continued viability;

(b) The action constitutes an “Unlisted Action” (as said quoted term is defined in SEQRA);

(b) The Agency declares itself “Lead Agency” (as said quoted term is defined in SEQRA) with respect to an uncoordinated review pursuant to SEQRA;

(c) The Agency hereby determines that the action will not have a significant effect on the environment and hereby issues a negative declaration pursuant to SEQRA, attached hereto as **Exhibit “A”**, which shall be filed in the office of the Agency in a file that is readily accessible to the public.

(2) A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

(3) This Resolution shall take effect immediately. The Secretary and/or Executive Director of the Agency is hereby authorized to distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(4) The Agency hereby authorizes Agency staff to take all further actions deemed necessary and appropriate to fulfill the Agency’s responsibilities under SEQRA.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

AYE

NAY

The foregoing resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) **SS.:**
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on April 16, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this ____ day of April, 2019.

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

EXHIBIT "A"

Appendix B

Short Form Environmental Assessment Form

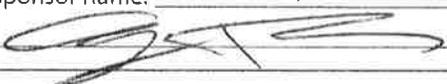
Instructions for Completing

Part 1 - Project Information. The applicant or Project sponsor is responsible for the completion of Part 1 Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification.

Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information. The NYS DEC provides an interactive EAF form at its website <http://www.dec.ny.gov/eafmapper/>, which may substitute for this form.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information		Seneca Building Armory Square					
Name of Action or Project:		Seneca Building Residential Conversion					
Project Location (describe, and attach a location map):		239-245 W. Fayette Street, Syracuse, Onondaga					
Brief Description of Proposed Action:							
Redevelopment of vacant office space into mixed use commercial and multifamily apartments in downtown Armory Square.							
Name of Applicant or Sponsor:		Telephone: 3154404921					
Seneca Armory Associates, LLC		E-Mail: tjdipeso@gmail.com					
Address: 5067 Bergenfield Way							
City/PO: Fayetteville		State: NY	Zip: 13066				
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">NO</th> <th style="width: 50%;">YES</th> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	NO	YES	<input checked="" type="checkbox"/>	<input type="checkbox"/>
NO	YES						
<input checked="" type="checkbox"/>	<input type="checkbox"/>						
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval:			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%;">NO</th> <th style="width: 50%;">YES</th> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> </table>	NO	YES	<input type="checkbox"/>	<input checked="" type="checkbox"/>
NO	YES						
<input type="checkbox"/>	<input checked="" type="checkbox"/>						
3.a. Total acreage of the site of the proposed action?		0.21	acres				
b. Total acreage to be physically disturbed?		0	acres				
c. Total acreage (project site and any contiguous properties owned or controlled by the applicant or project sponsor)?		0.31	acres				
4. Check all land uses that occur on, adjoining and near the proposed action.							
<input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban)							
<input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____							
<input type="checkbox"/> Parkland							

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____ _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ Yes pursuant to DEC EAF Mapper _____	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: Seneca Armory Associates, LLC		Date: 3/8/19
Signature: 		

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2 Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing: a. public / private water supplies?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3 For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
<input type="text"/>	<input type="text"/>
Name of Lead Agency	Date
<input type="text"/>	<input type="text"/>
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
<input type="text"/>	<input type="text"/>
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

PRINT

INDUCEMENT RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on April 16, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by _____ and upon the roll being duly called, the following members were:

PRESENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by _____ and seconded by _____:

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 AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**") to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, lease and sell real property and grant financial assistance in connection with one or more "projects" (as defined in the Act); and

WHEREAS, Seneca Armory Associates, LLC, a New York limited liability company, or an entity to be formed (the “*Company*”), by application dated March 8, 2019 (the “*Application*”), requested the Agency undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 13,640 sq. ft. of real property located at 239-245 West Fayette Street, in the City of Syracuse, New York (the “*Land*”) and improved with an approximately 28,868 sq. ft. mixed-use building consisting of approximately 7,369 sq. ft. of retail space on the ground floor, approximately 14,124 sq. ft. of vacant office space on the second and third floors and approximately 7,375 sq. ft. of common area, storage and mechanical areas; (ii) the reconstruction and renovation of the existing improvements to convert the second and third floors to approximately 20 apartment units and restore the exterior façade, all located on the Land (the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency adopted a resolution on March 19, 2019, describing the Project and the proposed Financial Assistance and authorizing a public hearing with respect thereto (“*Public Hearing Resolution*”); and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on April 16, 2019 pursuant to Section 859-a of the Act, notice of which was originally published on March 28, 2019, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated March 27, 2019; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination whether the “action” (as said quoted term is defined in SEQRA) to be taken by the Agency may have a “significant impact on the environment” (as said quoted term is utilized in SEQRA), and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, by resolution adopted April 16, 2019 (the “*SEQRA Resolution*”), the Agency determined that the Project constitutes an “Unlisted Action” as defined under SEQRA and will not have a significant adverse effect on the environment and issued a negative declaration; and

WHEREAS, the Agency has considered the policy, purposes and requirements of the Act

in making its determinations with respect to taking official action regarding the Project; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in the City of Syracuse (the “*City*”); (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) the Project will serve the purposes of the Act by advancing job opportunities and the economic welfare of the people of the State and the City and improve their standard of living.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 2. Based upon the representations and projections made by the Company to the Agency, the Agency hereby and makes the following determinations:

(A) Ratifies the findings in its Public Hearing Resolution and SEQRA Resolution;

(B) The Project constitutes a “*project*” within the meaning of the Act;

(C) The Project is located in a “Highly Distressed Area” as defined in Section 854(18) of the Act;

(D) The acquisition of a controlling interest in the Project Facility by the Agency and the designation of the Company as the Agency’s agent for completion of the Project will be an inducement to the Company to acquire, reconstruct, renovate, equip and complete the Project Facility in the City, and will serve the purposes of the Act by, among other things, advancing job opportunities, the standard of living and economic welfare of the inhabitants of the City;

(E) The Project will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project

Facility located in the State, except as may be permitted by the Act;

(F) The Financial Assistance approved hereby includes an exemption from State and local sales and use taxes and mortgage recording taxes and the appointment of the Company as agent of the Agency as further set forth herein.

Section 3. As a condition of the appointment of the Company as agent of the Agency, and the conference of any approved Financial Assistance, the Company and the Agency shall first execute and deliver: (i) a project agreement in substantially the same form used by the Agency in similar transactions (the “**Project Agreement**”); (ii) an agreement with the Agency setting forth the preliminary undertakings of the Agency and the Company with respect to the Project, the form and substance of the agreement is attached hereto at **Exhibit “A”** (the “**Agreement**”); and (iii) the Lease Documents (as defined herein) unless otherwise approved by the Agency. The Chairman, Vice Chairman or Executive Director of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Project Agreement, the Agreement and the Lease Documents, with changes in terms and form as shall be consistent with this Resolution and as the Chairman or Vice Chairman shall approve. The execution thereof by the Chairman, Vice Chairman and/or Executive Director shall constitute conclusive evidence of such approval. Subject to the due execution and delivery by the Company of the Project Agreement, the Agreement and the Lease Documents, the satisfaction of the conditions of this Resolution, the Agreement, the Project Agreement, the Lease Documents and the payment by the Company of any attendant fees, the Company and its designees, are appointed the true and lawful agent of the Agency to proceed with the reconstruction, renovation, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf. The amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved herein shall not exceed **\$100,000**.

Section 4. Subject to the terms of this Resolution and the execution and delivery of, and the conditions set forth in, the Agreement and the Project Agreement the Agency will: (i) acquire an interest in the Land and Facility pursuant to a lease agreement (the “**Lease**”) to be entered into between the Company and the Agency; accept an interest in the Equipment pursuant to a bill of sale from the Company (the “**Bill of Sale**”); (ii) sublease the Project Facility to the Company pursuant to a sublease agreement (the “**Sublease**” and with the Lease and the Bill of Sale, and all other documents required by the Agency for similar transactions, including but not limited to, an environmental compliance and indemnification agreement, collectively, the “**Lease Documents**”) to be entered into between the Agency and the Company; (iii) provide the approved Financial Assistance; and (iv) provided that no default shall have occurred and be continuing under the Agreement or the Project Agreement and provided the Company has executed and delivered all documents and certificates required by the Agency in conjunction with the Agency’s undertaking of the Project, execute and deliver all other certificates and documents necessary or appropriate for the grant of the approved Financial Assistance, in form and substance acceptable to the Agency.

Section 5. The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Company shall agree to such terms as a condition precedent to receiving or benefiting from an exemption from State and local sales and use tax

exemptions benefits.

Section 6. The Company may utilize, and subject to the terms of this Resolution, the Agreement and the Project Agreement, is hereby authorized to appoint, a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, “***Additional Agents***”) to proceed with the reconstruction, renovation, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf, provided the Company execute, deliver and comply with the Agreement. The Company shall provide, or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project and the Company shall, and cause each Additional Agent, to make such records available to the State Commissioner of Taxation and Finance (the “***Commissioner***”) upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project’s receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request. for purposes of exemption from New York State (the “***State***”) sales and use taxation as part of the Financial Assistance requested, “sales and use taxation” shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

Section 7. The Chairman, Vice Chairman and/or the Executive Director of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified herein and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred herein as the (Vice) Chairman deems appropriate, and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution, the Agreement and/or the Project Agreement.

Section 8. The obligation of the Agency to consummate any transaction contemplated herein or hereby is subject to and conditioned upon the Company’s execution and delivery of the Lease Documents and the documents set forth in Section 3 hereof.

Section 9. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 10. Should the Agency's participation in the Project, or the appointments made in accordance herewith, be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Project, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

Section 11. Bousquet Holstein PLLC, as counsel to the Agency, is hereby authorized to work with the Company and others to prepare for submission to the Agency, all documents necessary to effect the grant of Financial Assistance and consummate the Lease Documents.

Section 12. The Secretary and/or the Executive Director of the Agency are hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 13. This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

AYE

NAY

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on April 16, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this ___ day of April, 2019.

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

EXHIBIT “A”

AGENCY/COMPANY AGREEMENT

THIS AGREEMENT is between **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY** (the “*Agency*”), with an office at 201 East Washington Street, 6th Floor, Syracuse, New York 13202 and **SENECA ARMORY ASSOCIATES, LLC**, with a mailing address of 5067 Bergenfield Way, Fayetteville, New York 13066 (the “*Company*”).

Article 1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this agreement are the following:

1.01. The Agency is authorized and empowered by the provisions of Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, and Chapter 641 of the Laws of 1979 of the State (collectively, the “*Act*”) to designate an agent for constructing, renovating and equipping “projects” (as defined in the Act).

1.02. The purposes of the Act are to promote, attract, encourage and develop recreation and economically sound commerce and industry in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes, including the power to acquire and dispose of interests in real property and to appoint agents for the purpose of completion of projects undertaken by the Agency.

1.03. The Company, by application dated March 8, 2019 (the “*Application*”), requested the Agency undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 13,640 sq. ft. of real property located at 239-245 West Fayette Street, in the City of Syracuse, New York (the “*Land*”) and improved with an approximately 28,868 sq. ft. mixed-use building consisting of approximately 7,369 sq. ft. of retail space on the ground floor, approximately 14,124 sq. ft. of vacant office space on the second and third floors and approximately 7,375 sq. ft. of common area, storage and mechanical areas; (ii) the reconstruction and renovation of the existing improvements to convert the second and third floors to approximately 20 apartment units and restore the exterior façade, all located on the Land (the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the

acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

1.03(a). All documents necessary to effectuate the Agency's undertaking of the Project and the granting of the approved Financial Assistance between the Agency and the Company, including but not limited to, a project agreement, a company lease agreement, an agency lease agreement, a bill of sale and an environmental compliance and indemnification agreement, shall be collectively referred to herein as the "***Lease Documents***".

1.04. The Company hereby represents to the Agency that undertaking the Project, the designation of the Company as the Agency's agent for the reconstruction, renovation, equipping and completion of the Project Facility, and the use and appointment, as necessary, by the Company of a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "***Additional Agents***"): (i) will be an inducement to it to reconstruct, renovate and equip the Project Facility in the City of Syracuse (the "***City***"); (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or of any other proposed occupant of the Project Facility from one area of the State to another or in the abandonment of one or more plants or facilities of the Company or of any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) undertaking the Project Facility will promote, create and/or preserve private sector jobs in the State. The Company hereby further represents to the Agency that the Project Facility is not primarily used in making retail sales to customers who personally visit the Facility.

1.05. The Agency has determined that the acquisition of a controlling interest in, and the reconstruction, renovation and equipping of the Project Facility and the subleasing of the same to the Company will promote and further the purposes of the Act.

1.06. On April 16, 2019, the Agency adopted a resolution (the "***Inducement Resolution***") agreeing, subject to the satisfaction of all conditions precedent set forth in such Resolution, to designate the Company as the Agency's agent for the acquisition, reconstruction, renovation and equipping of the Project Facility and determining that the leasing of the same to the Company will promote further purposes of the Act. For purposes of that designation, the Agency authorized as part of the approved Financial Assistance, State and local sales and use tax exemption benefits in an amount not exceed **\$100,000**.

1.07. In the Resolution, subject to the execution of, and compliance with, this Agreement by the Company, the execution and delivery of a project agreement by the Company, and other conditions set forth in the Resolution and herein, the Agency appointed the Company as its agent for the purposes of reconstruction, renovation and equipping the Project Facility, entering into contracts and doing all things requisite and proper for reconstruction, renovation and equipping the Project Facility.

Article 2. Undertakings on the Part of the Agency. Based upon the statement, representations and undertakings of the Company and subject to the conditions set forth herein,

the Agency agrees as follows:

2.01. The Agency confirms that it has authorized and designated, pursuant to the terms hereof, the Company as the Agency's agent for reconstructing, renovating and equipping the Project Facility.

2.02. The Agency will adopt such proceedings and authorize the execution of such Agency documents as may be necessary or advisable for: (i) acquisition of a controlling interest in the Project Facility; (ii) designation by the Company of Additional Agents for reconstruction, renovation and equipping of the Project Facility subject to the terms hereof; and (iii) the leasing or subleasing of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

2.03. Nothing contained in this Agreement shall require the Agency to apply its funds to Project costs.

2.04. After satisfying the conditions precedent set forth in the Sections 2.05, 3.06 and 4.02 hereof and in the Inducement Resolution, the Company may proceed with the reconstruction, renovation and equipping of the Project Facility and the utilization of and, as necessary the appointment of, Additional Agents.

2.05. Subject to the execution of the Lease Documents and Section 4.02 hereof, the Company is appointed the true and lawful agent of the Agency: (i) for the reconstruction, renovation and equipping of the Project Facility; and (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for the reconstruction, renovation and equipping of the Project Facility, all with the same powers and the same validity as if the Agency were acting in its own behalf.

2.06. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof. The Agency may in accordance with Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "**SEQRA**"), undertake supplemental review of the Project. Such review to be limited to specific significant adverse environmental impacts not addressed or inadequately addressed in the Agency's review under SEQRA that arise from changes in the proposed Project, newly discovered information or a change in the circumstances related to the Project.

Article 3. Undertakings on the Part of the Company. Based upon the statements, representations and undertakings of the Agency and subject to the conditions set forth herein the Company agrees as follows:

3.01. (a) The Company shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services,

materials and supplies, including equipment, ordered or used in connection with the acquisition of a controlling interest in, and reconstruction, renovation and equipping of the Project Facility (including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), whether such claims or liabilities arise as a result of the Company or Additional Agents acting as agent for the Agency pursuant to this Agreement or otherwise.

(b) The Company shall not permit to stand, and will, at its own expense, take all steps reasonably necessary to remove, any mechanics' or other liens against the Project Facility for labor or material furnished in connection with the acquisition, reconstruction, renovation and equipping of the Project Facility.

(c) The Company shall indemnify and hold the Agency, its members, officers, employees and agents and anyone for whose acts or omissions the Agency or any one of them may be liable, harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned subsequent to the date hereof by any cause whatsoever in relation to the Project Facility, including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(d) The Company shall defend, indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on the non-disclosure of information, if any, requested by the Company in accordance with Section 4.05 hereof.

(e) The defense and indemnities provided for in this Article 3 shall survive expiration or termination of this Agreement and shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by statutory law.

(f) The Company shall provide and carry: (i) worker's compensation and disability insurance as required by law; and (ii) comprehensive liability and property insurance with such coverages (including without limitation, owner's protective coverage for the benefit of the Agency, naming the Agency as an additional insured on all policies of coverage regarding the Project; providing the coverage with respect to the Agency be primary and non-contributory; and contractual coverage covering the indemnities herein provided for), with such limits and which such companies as may be approved by the Agency. Upon the request of the Agency, the Company shall provide certificates, endorsements, binders and/or policies of insurance in form satisfactory to the Agency evidencing such insurance.

(g) The Company shall apply and diligently pursue all approvals, permits and consents from the State of New York, the City, the City Planning Commission and any other governmental authority which approvals, permits and consents are required under applicable law for the development, reconstruction, renovation and equipping of the Project and any related site improvements. The Company acknowledges and agrees that the Agency's findings and

determinations under SEQRA do not and shall not in and of themselves (except as specifically set forth in SEQRA) satisfy or be deemed to satisfy applicable laws, regulations, rules and procedural requirements applicable to such approvals, permits and consents.

(h) The Company shall complete a Local Access Agreement to be obtained from the City of Syracuse Industrial Development Agency and agrees to utilize, and cause its Additional Agents to utilize, local contractors and suppliers for the reconstruction, renovation equipping and completion of the Project unless a waiver is received from the Agency in writing. For purposes of this Agency Agreement, the term “*Local*” shall mean Onondaga, Oswego, Oneida, Madison, Cayuga and Cortland Counties. The Company agrees that such Local contractors shall be provided the opportunity to bid on contracts related to the Project Facility.

3.02. The Company agrees that, as agent for the Agency or otherwise, it will comply at the Company’s sole cost and expense with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Agency and/or Company with respect to the Project Facility, the acquisition of a controlling interest therein, reconstruction, renovation and equipping thereof, the operation and maintenance of the Project Facility, supplemental review of adverse environmental impacts in accordance with SEQRA and the financing of the Project. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full, including, but not limited to, Section 875 of the Act; and upon the request of either party, this Agreement shall be amended to specifically set forth any such provision or provisions.

3.03. The Company agrees that, as agent for the Agency or otherwise, to the extent that such provisions of law are in fact applicable (without creating an obligation by contract beyond that which is created by statute) it will comply with the requirements of Section 220 of the Labor Law of the State of New York, as amended.

3.04. The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.05. If it should be determined that any State or local sales or compensatory use taxes are payable with respect to the acquisition, purchase or rental or machinery or equipment, materials or supplies in connection with the Project Facility, or are in any manner otherwise payable directly or indirectly in connection with the Project Facility, the Company shall pay the same and defend and indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

3.06 The Company shall proceed with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility and advance such funds as may be necessary to accomplish such purposes. The Company may appoint Additional Agents as agents of the Agency in furtherance thereof. Any appointment of an Additional Agent is conditioned upon the Company first obtaining and providing the Agency the following:

- (1) A written, executed agreement, in form and substance acceptable to the

Agency, from each Additional Agent which provides for the assumption by the Additional Agent, for itself, certain of the obligations under this Agreement relative to the appointment, work and purchases done and made by each Additional Agent; (ii) a commitment to utilize local contractors and suppliers for the reconstruction, renovation and equipping of the Project (“local” being defined in Section 3.01(h) hereof); (iii) an acknowledgement that the Additional Agent is obligated, to timely provide the Company with the necessary information to permit the Company, pursuant to General Municipal Law §874(8), to timely file an Annual Statement with the Agency and the New York State Department of Taxation and Finance on “Annual Report of Sales and Use Tax Exemptions” (Form ST-340) regarding the value of sales and use tax exemptions the Additional Agent claimed pursuant to the agency conferred on it by the Company with respect to this Project; (iv) an acknowledgment by the Additional Agent that the failure to comply with the foregoing will result in the loss of the exemption; and (v) such other terms and conditions as the Agency deems necessary; and

(2) A completed “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (Form ST-60) for each Additional Agent appointed within fifteen (15) days of the appointment of each Additional Agent such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment of each such Additional Agent.

Failure of the Company to comply with the foregoing shall nullify the appointment of any Additional Agent and may result in the loss of the Company’s exemption with respect to the Project at the sole discretion of the Agency.

The Company acknowledges that the assumption by the Additional Agent in accordance with Section 3.06(1) above, does not relieve the Company of its obligations under those provisions or any other provisions of this Agreement with respect to the Project.

3.07 The Company ratifies and confirms its obligations to pay an annual administrative reporting fee in accordance with the Agency’s fee schedule to cover administrative and reporting requirements to comply with New York State reporting regulations on Agency assisted projects.

Article 4. General Provisions.

4.01. This Agreement shall take effect on the date of the execution hereof by the Agency and the Company and, subject to Section 4.04 hereof, shall remain in effect until the Lease Documents become effective. It is the intent of the Agency and the Company that, except as to those provisions that survive, this Agreement be superseded in its entirety by the Lease Documents.

4.02. (a) It is understood and agreed by the Agency and the Company that the grant of Financial Assistance and the execution of the Lease Documents and related documents are subject to: (i) payment by the Company of the Agency’s fee and Agency’s counsel fees; (ii) obtaining all necessary governmental approvals, permits and consents of any kind required in connection with the Project Facility; (iii) approval by the members of the Agency; (iv) approval by the Company; and (v) the condition that there are no changes in New York State Law, including regulations, which prohibit or limit the Agency from fulfilling its obligations

hereunder; and

(b) the Company, by executing this agreement, acknowledges and agrees to make, or cause its Additional Agents, to make, all records and information regarding State and local sales and use tax exemption benefits given to the Project as part of the Financial Assistance available to the Agency upon request, including but not limited to the Form ST-340 for itself and each Additional Agent; and

(c) the Company, by executing this Agreement, acknowledges and agrees to the terms and conditions of Section 875(3) of the Act as if such section were fully set forth herein and further agrees to cause all of its Additional Agents to acknowledge, agree and consent to same. Without limiting the scope of the foregoing the Company acknowledges that pursuant to Section 875(3) of the Act, and in accordance with the Agency's Recapture of Benefits Policy, the Agency shall, and in some instances may, recover, recapture, receive or otherwise obtain from the Company some or all of the Financial Assistance (the "**Recapture Amount**") including, but not limited to: (1) (a) that portion of the State and local sales and use tax exemption to which the Company was not entitled, which is in excess of the amount of the State and local sales and use tax exemption authorized by the Agency or which is for property or services not authorized by the Agency; or (b) the full amount of such State and local sales and use tax exemption, if the Company fails to comply with a material term or condition regarding the use of the property or services as represented to the Agency in its Application or otherwise; or (c) the full amount of such State and local sales and use tax exemption in the event the Company fails to execute and deliver the Lease Documents in accordance herewith or fails to complete the Project; and (2) any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise; and (d) the failure of the Company to promptly pay such Recapture Amount to the Agency will be grounds for the Commissioner to collect sales and use taxes from the Company under Article 28 of the State Tax Law, together with interest and penalties. In addition to the foregoing, the Company acknowledges and agrees that for purposes of exemption from New York State (the "**State**") sales and use taxation as part of the Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight. In addition to the foregoing, the Agency may recapture other benefits comprising the Financial Assistance in accordance with the Agency's Recapture Policy (a copy of which is on the Agency's website).

4.03. The Company agrees that it will, within thirty (30) days of a written request for same, regardless of whether or not this matter closes or the Project Facility is completed: (i) reimburse the Agency for all reasonable and necessary expenses, including without limitation the fees and expenses of counsel to the Agency arising from, out of or in connection with the Project, and/or any documents executed in connection therewith, including, but not limited to any claims or actions taken by the Agency against the Company, Additional Agents or third parties; and (ii) indemnify the Agency from all losses, claims, damages and liabilities, in each case which the Agency may incur as a consequence of executing this Agreement or performing its obligations hereunder, including but not limited to, any obligations related to Additional Agents.

4.04. If for any reason the Lease Documents are not executed and delivered by the

Company and the Agency on or before **April 16, 2020**, the provisions of this Agreement (other than the provisions of Articles 1.04, 2.02, 2.04, 3.01, 3.02, 3.03, 3.05, 3.06, 4.02, 4.03, 4.04, 4.05 and 4.06, which shall survive) shall unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses incurred by the Agency in connection with the acquisition, reconstruction, renovation and equipping of the Project Facility;

(b) The Company shall assume and be responsible for any contracts for the reconstruction, renovation or purchase of equipment entered into by the Agency at the request of or as agent for the Company in connection with the Project Facility; and

(c) The Company will pay the out-of-pocket expenses of members of the Agency and counsel for the Agency incurred in connection with the Project Facility and will pay the fees of counsel for the Agency for legal services relating to the Project Facility, Additional Agents or the proposed financing thereof.

4.05. The Company acknowledges that Section 875(7) of the New York General Municipal Law (“GML”) requires the Agency to post on its website all resolutions and agreements relating to the Company’s appointment as an agent of the Agency or otherwise related to the Project, including this Agreement; and Article 6 of the New York Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the Company feels that there are elements of the Project or information about the Company in the Agency’s possession which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the Company’s competitive position, the Company must identify such elements in writing, supply same to the Agency: (i) with respect to this Agreement, prior to or contemporaneously with the execution hereof; and (ii) with respect to all other agreements executed in connection with the Project, on or before the Closing Date, and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law. Failure to do so will result in the posting by the Agency of all information in accordance with Section 875 of the GML.

4.06 That every controversy, dispute or claim arising out of or relating to this Agreement shall be governed by the laws of the State of New York, without regard to its conflict-of-laws provisions that if applied might require the application of the laws of another jurisdiction; and that the Company irrevocably and expressly submits to the exclusive personal jurisdiction of the Supreme Court of the State of New York and the United States District Court for the Northern District of New York, to the exclusion of all other courts, for the purposes of litigating every controversy, dispute or claim arising out of or relating to this Agreement.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the 16th day of April, 2019.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Honora Spillane, Executive Director

SENECA ARMORY ASSOCIATES, LLC

By: _____
Name:
Title:

FINAL APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on April 16, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by _____ and upon the roll being duly called, the following members were:

PRESENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by _____ and seconded by _____:

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

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, Seneca Armory Associates, LLC, or an entity to be formed (the "**Company**"), by application dated March 8, 2019 (the "**Application**"), requested that the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 13,640 sq. ft. of real property located at 239-245 West Fayette Street, in the City of Syracuse, New York (the "**Land**") and improved with an approximately 28,868 sq. ft. mixed-use building consisting of approximately 7,369 sq. ft. of retail space on the ground floor, approximately 14,124 sq. ft. of vacant office space on the second and third floors and approximately 7,375 sq. ft. of common area, storage and mechanical areas; (ii) the reconstruction and renovation of the existing improvements to convert the second and third floors to approximately 20 apartment units and restore the exterior façade, all located on the Land (the

“*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on April 16, 2019 pursuant to Section 859-a of the Act, notice of which was originally published on March 28, 2019, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated March 27, 2019; and

WHEREAS, pursuant to Article 8 of the State Environmental Conservation Law, as amended and the regulations promulgated thereunder (collectively “*SEQRA*”), the Agency is required to make a determination with respect to the environmental impact of any “action” (as defined by SEQRA) to be taken by the Agency and the approval of the Project and grant of Financial Assistance constitute such an action; and

WHEREAS, the Agency adopted a resolution on April 16, 2019 (the “*SEQRA Resolution*”) entitled:

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

which resolution is in full force and effect and has not been amended or modified; and

WHEREAS, the Agency adopted a resolution on April 16, 2019 (the “*Inducement Resolution*”) entitled:

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 AGREEMENT
BETWEEN THE AGENCY AND THE COMPANY**

which resolution is in full force and effect and has not been amended or modified; and

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

Section 1. Based upon the representations made by the Company to the Agency and after consideration of the comments received at the public hearing, if any, the Agency hereby ratifies all of its prior resolutions adopted in conjunction with the Project, including but not limited to the SEQRA Resolution, the Inducement Resolution and all other action with respect to the Project and Financial Assistance taken by the Agency, and makes the following findings and determinations:

(a) The acquisition of a controlling interest in the Project Facility by the Agency, the granting of the Financial Assistance and the designation of the Company as the Agency's agent for completion of the Project will be an inducement to, and permit, the Company to develop and operate the Project Facility in the City of Syracuse, thus serving the public purposes of Article 18-A of the General Municipal Law of New York State by promoting and preserving the job opportunities, general prosperity, health and economic welfare of the inhabitants of the City of Syracuse (the "***City***") in furtherance of the purposes of the Act.

(b) The Project will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act.

(c) The commitment of the Agency to provide Financial Assistance to the Company will enable and induce the Company to reconstruct, renovate, equip and complete the Project Facility.

(d) The acquisition, reconstruction, renovation, equipping and completion of the Project Facility and the attendant promotion of the local economy will advance the job opportunities, health, prosperity and economic welfare of the people of the City and the granting of the Financial Assistance is a necessary component to the financing of the Project.

(e) The Project Facility constitutes a "project" within the meaning of the Act.

(f) It is desirable and in the public interest for the Agency to grant Financial Assistance in connection with the Project.

Section 2. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. The Project will serve the public purposes of Article 18-A of the General Municipal Law of the State of New York by advancing job opportunities and promoting economic development.

Section 3. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, reconstructing, renovating, improving, maintaining, equipping, furnishing and completing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 4. Subject to the conditions set forth in this and prior resolutions adopted by the Agency, the Project Agreement and the Agreement (each as defined in the Inducement Resolution), the Agency will: (A) acquire a controlling interest in the Project Facility; (B) lease the Land and Facility from the Company pursuant to a lease agreement between the Agency and the Company (the “*Company Lease*”); acquire an interest in the Equipment pursuant to a bill of sale from the Company (the “*Bill of Sale*”); and sublease the Project Facility to the Company pursuant to a sublease agreement (the “*Agency Lease*”); (C) secure the Company’s borrowings with respect to the Project Facility by joining in one or more construction or permanent mortgages on the Project Facility in favor of the Company’s lenders; (D) provide the approved Financial Assistance; and (E) execute and deliver any other documents necessary to effectuate the actions contemplated by and consistent with this Resolution upon the advice of counsel to the Agency.

Section 5. The Chairman, Vice Chairman and the Executive Director of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified in Section 4 of this Resolution as well as the Lease Documents (as defined in the Inducement Resolution) and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to in Section 4 of this Resolution, as approved by the Chairman or Vice Chairman, and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution.

Section 6. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 7. Bousquet Holstein, PLLC, as counsel to the Agency, is hereby authorized to work with the Company and others to prepare, for submission to the (Vice) Chairman and/or Executive Director for execution and delivery, all documents necessary to effect the undertaking of the Project and the grant of Financial Assistance in connection with the Project.

Section 8. The approvals provided for herein are contingent upon the Company's payment of all of the Agency's fees and costs, including but not limited to attorneys' fees.

Section 9. The Secretary and/or Executive Director of the Agency is hereby authorized to distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 10. This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

AYE

NAY

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) **SS.:**
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on April 16, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this ___ day of April, 2019.

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

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

EXECUTIVE SUMMARY

Agenda Item: 5

Title: Commonsplace Warren, LLC

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing an amendment to the Project..

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: In January 2019 the Board approved an application for financial assistance from the Company for the redevelopment of historic buildings at 351,349 and 359 So. Warren St. The Company proposed a project to convert the vacant upper floors of 349 and 351 into 44 residential units along with an expansion of 12,900 sq. ft. in Coworks space ,corridor additions to the 359 building and the addition of 10 private offices in that building already occupied by Coworks. The remaining floors in the 351 Building are commercially occupied with an estimated 70 employees. Benefits approved for the Project included mortgage and sales tax exemptions. The Company has advised the Agency of a change in the scope of the Project and will now construct an additional 11 residential units with the elimination of some planned office space. There will be no change in employment numbers. Cost of the project is now estimated to be \$12,114,112.00 an increase of approximately \$70,000.00. To accommodate the changes the Company is requesting an increase in its mortgage tax exemption (\$5961.00) and sales tax exemption (\$26,213.900) for a total of \$32,714.00.

ATTACHMENTS:

1. Cost Benefit Analysis. (Revised)
2. Approving Resolution (Amended)

REVIEWED BY:

- Executive Director
- Audit Committee
- Governance Committee
- Finance Committee

Meeting: April 16, 2019

Prepared By: J. A. Delaney

Project Summary

1. Project: Commonsplace Warren LLC **2. Project Number:** 0

3. Location: Syracuse **4. School District:** SCSD

5. Tax Parcel(s): 102.-01-10.0, 102.-01-11.0, 102 **6. Type of Project:** Mixed Use

7. Total Project Cost:	\$ 12,114,112
Land	\$ 3,275,000
Site Work	\$ 234,621
Building	\$ 6,957,188
Furniture & Fixtures	\$ 350,000
Equipment	\$ 500,000
Equipment Subject to NYS Production Exemption	\$ -
Engineering/Architecture Fees	\$ 327,303
Financial Charges	\$ 420,000
Legal Fees	\$ 10,000
Other	\$ -

8. Total Jobs	71
8A. Job Retention	70
8B: Job Creation (Next 5 Years)	1

Cost Benefit Analysis:	Commonspace Warren LLC	
	Fiscal Impact (\$)	
Abatement Cost:		\$289,001
Sales Tax	\$215,284	
Mortgage Tax	\$73,717	
Property Tax Relief (PILOT) 10yr	\$0	
New Investment:		\$12,828,468
PILOT Payments 10yrs	\$0	
Project Wages (10 yrs)	\$573,194	
Construction Wages	\$489,713	
Employee Benefits (10 years)	\$0	
Project Capital Investment	\$11,644,112	
New Sales Tax Generated	\$0	
Agency Fees	\$121,449	
Benefit:Cost Ratio	44.39 :1	

City of Syracuse Industrial Development Agency
Supplemental Application and Verification

Project Name:

Commonspace Warren

I. PROJECT COSTS & FINANCING

A. Estimated Project Costs

i. State the costs reasonably necessary for the acquisition, construction, and/or renovation of the Project:

Description of Cost Type	Total Budget Amount
Land Acquisition	3,275,000
Site Work/Demo	234,621
Building Construction & Renovation	6,957,188
Furniture & Fixtures	350,000
Equipment	500,000
Equipment Subject to NYS Production Sales Tax Exemption (Manufacturing)	
Engineering/Architects Fees	327,303
Financial Charges	420,000
Legal Fees	10,000
Other	
Management /Developer Fee	40,000
Total Investment	12,114,112

ii. State the amounts reasonably anticipated for the acquisition, construction, and/or renovation of the Project:

Amount of capital the Applicant has invested to date:	125,000
Amount of capital Applicant intends to invest in the Project through completion:	2,335,112
Total amount of public sector source funds allocated to the Project:	0
Identify each public sector source of funding:	0
Percentage of the Project to be financed from private sector sources:	80%
Percentage of the Project to be financed from public sector sources:	0

B. Financial Assistance sought (estimated values):

Applicants requesting exemptions and/or abatements from SIDA must provide the estimated value of the savings they anticipate receiving. **New York State regulations require SIDA to recapture any benefit that exceeds the amount listed in this application.**

i. Is the Applicant expecting that the financing of the Project will be secured by one or mortgages? Yes No

If yes, amount requested and name of lender:

9,829,000 Tompkins Trust

ii. Is the Applicant expecting to be appointed agent of the Agency for purposes of abating payments of NYS Sales and Use Tax? Yes No

If yes, what is the TOTAL amount of purchases subject to exemption based on taxable Project costs?

2,691,055

iii. Is the Applicant requesting a payment in lieu of tax agreement (PILOT) for the purpose of a real property tax abatement? Yes No

If yes, Category of PILOT requested:

iv. Is the Applicant requesting any real property tax abatement that is **inconsistent** with the Agency's UTEP?
 Yes No

If yes, please contact the Executive Director prior to submission of this Application.

v. Upon acceptance of this Application, the Agency staff will create a PILOT schedule and indicate the estimated amount of PILOT Benefit based on anticipated tax rates and assessed valuation and attach such information as Exhibit A hereto. At such time, the Applicant will certify that it accepts the proposed PILOT schedule and requests such benefit be granted by the Agency.

**** This Application will not be deemed complete and final until Exhibit A hereto has been completed and executed****

C. Type of Exemption/Abatement Requested:

Amount of Exemption/Abatement Requested:

<input type="checkbox"/>	Real Property Tax Abatement (PILOT)	
<input checked="" type="checkbox"/>	Mortgage Recording Tax Exemption (.75% of amount mortgaged)	73,717
<input checked="" type="checkbox"/>	Sales and Use Tax Exemption (\$4% Local, 4% State)	215,284
<input type="checkbox"/>	Tax Exempt Bond Financing (Amount Requested)	
<input type="checkbox"/>	Taxable Bond Financing (Amount Requested)	

D. Company's average yearly purchases or anticipated yearly purchases from vendors within Onondaga County, subject to sales tax:

E. Estimated capital investment over the next 5 years, beyond this Project, if available:

II. EMPLOYMENT AND PAYROLL INFORMATION

*** Full Time Equivalent (FTE) is defined as one employee working no less than 40 hours per week or two or more employees together working a total of 40 hours per week.**

A. Are there people currently employed at the Project site?

Yes

No

If yes, provide number of full time equivalent (FTE) jobs at the facility:

B. Complete the following:

Estimate the number of full time equivalent (FTE) jobs to be retained as a result of this Project:	1
Estimate the number of construction jobs to be created by this Project:	15
Estimate the average length of construction jobs to be created (months):	12 Months
Current annual payroll at facility:	0
Average annual growth rate of wages:	3%
Please list, if any, benefits that will be available to either full and/or part time employees:	Vacation
Average annual benefit paid by the company (\$ or % salary) per FTE job:	
Average growth rate of benefit cost:	
Amount or percent of wage employees pay for benefits:	
Provide an estimate of the number of residents in the Economic Development Region (Onondaga, Madison, Cayuga, Oneida, Oswego, and Cortland Counties) to fill new FTE jobs:	1

C. Complete the following chart indicating the number of FTE jobs presently employed at the Project and the number of FTE jobs that will be created at the Project site at the end of the first, second, third, fourth, and fifth years after the Project is completed. Jobs should be listed by title or category (see below), including FTE independent contractors or employees of independent contractors that work at the Project location. **Do not include construction workers.**

Current & Planned Full Time Occupations (Job Titles)	Current Number of FTEs	Salary (Annual or Hourly)	Estimated Number of FTE Jobs After Project Completion				
			Year 1	Year 2	Year 3	Year 4	Year 5
Building Manager/Skilled	1	50,000	1	1	1	1	1

For purposes of completing the chart, refer to the following definitions, in lieu of current titles:

- **Professional/Managerial/Technical** - includes jobs which involve skill or competence of extraordinary degree and may include supervisory responsibilities (examples: architect, engineer, accountant, scientist, medical doctor, financial manager, programmer).
- **Skilled** - includes jobs that require specific skill sets, education, training, and experience and are generally characterized by high education or expertise levels (examples: electrician, computer operator, administrative assistant, carpenter, sales representative).
- **Unskilled or Semi-Skilled** - includes jobs that require little or no prior acquired skills and involve the performance of simple duties that require the exercise of little or no independent judgment (examples: general cleaner, truck driver, typist, gardener, parking lot attendant, line operator, messenger, information desk clerk, crop harvester, retail salesperson, security guard, telephone solicitor, file clerk).

D. Are the employees of your company currently covered by a collective bargaining agreement?

Yes

No

If yes, provide the Name and Local:

III. PILOT Schedule

Attached as Exhibit A, if applicable.

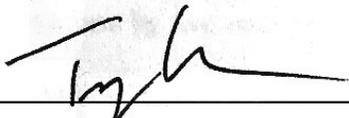
Verification

STATE OF New York SS.:

COUNTY OF Onondaga

deposes and says that s/he is the (Name of Individual) Troy Evans,
President of Commospace Warren, LLC
(Title) (Applicant Name)

that s/he has submitted the attached supplemental information (the "Supplement") intended to supplement the original application submitted by the Applicant on 4/10/19 (the "Original Application and together with the Supplement, collectively the "Application"); and has read the Application and knows the contents thereof and that the same is true, accurate, and complete to the best of her/his knowledge, as subscribed and affirmed under the penalties of perjury. The grounds of deponent's beliefs relative to all matters in the said Application, including but not limited to the Supplement, which are not stated upon her/his own personal knowledge are investigations which the deponent has caused to be made concerning the subject matter of the Application as well as, if applicable, information acquired by deponent in the course of her/his duties/responsibilities for the Applicant and from the books and papers of the Applicant. The deponent also acknowledges the receipt of the schedules attached to the Application, including but not limited to the Agency's fee schedule and assumes responsibility for payment of any and all applicable fees as described therein.



(Applicant)

By: Troy Evans, President
(Name) (Title)

Subscribed and sworn to before me this
10th day of April, 2019

ELIZABETH A. MADDEFORD
Notary Public, State of New York
Reg. No. 01MA6314604
Qualified in Onondaga County
My Commission Expires November 10, 2022

RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on April 16, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by _____ and upon the roll being duly called, the following members were:

PRESENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

The following resolution was offered by _____ and seconded by _____:

RESOLUTION AUTHORIZING AMENDMENT TO PROJECT PREVIOUSLY UNDERTAKEN BY THE AGENCY

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**") to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, lease and sell real property and grant financial assistance in connection with one or more "projects" (as defined in the Act); and

WHEREAS, Commonsplace Warren, LLC, or an entity to be formed (the "**Company**"), by application dated November 6, 2018 (the "**Original Application**"), requested the Agency undertake a project (the "**Original Project**") consisting of: (A)(i) the acquisition of an interest in approximately: (a) 3,102 sq. ft. of real property located at 349 South Warren St., improved by an approximate 15,180 sq. ft. building ("**349**"); (b) 8,680 sq. ft. of real property located at 351-53 South Warren Street, improved by an approximate 68,185 sq. ft. building ("**351**"); and (c) 6,006 sq. ft. of real property located at 357-59 South Warren St., improved by an approximate 30,800

sq. ft. building ("357"), each in the City of Syracuse, New York (collectively, the "**Land**"); (A)(ii) the reconstruction and renovation of: (a) approximately 10,800 sq. ft. on the 4th and 5th floors of 349 into modern office space and common work space; (b) approximately 22,500 sq. ft. on the 6th, 7th and 8th floors of at 351 to accommodate approximately 44 apartment units; and the renovation of approximately 7,500 sq. ft. on the 2nd floor of at 351 into common work space; and (c) approximately 3,000 sq. ft. on the 2nd floor of 357 to accommodate new office space with two doorways connecting the 2nd floor of 357 to 351; and approximately 1,000 sq. ft. in the basement of 357 to create an access corridor with 351, all located on the Land (collectively, the "**Original Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Original Equipment**" and together with the Land and the Facility, the "**Original Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Original Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, redevelopment, renovation, equipping and completion of the Original Project Facility; and (D) the lease of the Land and Original Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Original Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Original Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency conducted a public hearing with respect to the Original Project and the proposed Financial Assistance on January 15, 2019 pursuant to Section 859-a of the Act, notice of which was published on December 27, 2018, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated December 21, 2018; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "**SEQRA**"), the Agency is required to make a determination whether the "action" (as said quoted term is defined in SEQRA) to be taken by the Agency may have a "significant impact on the environment" (as said quoted term is utilized in SEQRA), and the preliminary agreement of the Agency to undertake the Original Project constitutes such an action; and

WHEREAS, by resolution adopted January 15, 2019 (the "**SEQRA Resolution**"), the Agency determined that the Original Project constitutes an "Unlisted Action" as defined under SEQRA and will not have a significant adverse effect on the environment and issued a negative declaration; and

WHEREAS, by resolutions adopted January 15, 2019 (collectively, the "**Resolutions**"), the Agency authorized the undertaking, acquisition, reconstruction, renovation, equipping and completion of the Original Project, the provisions of the Original Financial Assistance and the execution and delivery of an agency agreement by and between the Company and the Agency (as defined in the Resolutions, the "**Agreement**"); and

WHEREAS, the Company, by supplemental application dated April 10, 2019 (the

"*Supplemental Application*" and together with the Original Application, the "*Application*"), requested changes to the Original Project (the "*Project*") such that the new Project consists of: (A)(i) the acquisition of an interest in approximately: (a) 3,102 sq. ft. of real property located at 349 South Warren St., improved by an approximate 15,180 sq. ft. building ("*349*"); (b) 8,680 sq. ft. of real property located at 351-53 South Warren Street, improved by an approximate 68,185 sq. ft. building ("*351*"); and (c) 6,006 sq. ft. of real property located at 357-59 South Warren St., improved by an approximate 30,800 sq. ft. building ("*357*"), each in the City of Syracuse, New York (collectively, the "*Land*"); (A)(ii) the reconstruction and renovation of: (a) approximately 8,100 sq. ft. on the 4th and 5th floors of 349 into modern office space and common work space and approximately 2,700 sq. ft. on the 5th Floor to accommodate approximately 2 apartment units; (b) approximately 30,000 sq. ft. on the 5th, 6th, 7th and 8th floors of at 351 to accommodate approximately 53¹ apartment units; and the renovation of approximately 7,500 sq. ft. on the 2nd floor of at 351 into common work space; and (c) approximately 3,000 sq. ft. on the 2nd floor of 357 to accommodate new office space with two doorways connecting the 2nd floor of 357 to 351; and approximately 1,000 sq. ft. in the basement of 357 to create an access corridor with 351, all located on the Land (collectively, the "*Facility*"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "*Equipment*" and together with the Land and the Facility, the "*Project Facility*"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "*Financial Assistance*"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, redevelopment, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the modifications to the Original Project have resulted in an increase in the total project costs. As a result, the amount of the mortgage increased from approximately \$9,010,238 to \$9,829,000 and the amount of goods and services subject to State and local sales and use tax has also increased to \$2,691,055. Therefore, the Company is requesting that the Original Financial Assistance be increased by approximately \$6,141 with respect to the exemption from mortgage recording tax and by \$26,213 with respect to State and local sales and use tax exemption such that the amount of State and local sales and use tax exemption benefits awarded shall not exceed **\$215,284** (collectively, the "*Additional Financial Assistance*"). The aggregate amount of the Additional Financial Assistance is approximately \$32,354; and

WHEREAS, the requested changes to the Original Project do not exceed \$100,000 and therefore do not require a new public hearing; and

WHEREAS, the Original Project underwent an environmental review by the Agency pursuant to SEQRA, and the proposed changes to the Original Project are not substantial and do not require reconsideration or further review by the Agency under SEQRA; and

¹ The yellow highlighted section contains the new/revised portions of the Project.

WHEREAS, the Company has confirmed that the changes to the Original Project do not impact the job creation and/or retention at the Project Facility as reported in the Original Application; and

WHEREAS, the Agency has considered the policy, purposes and requirements of the Act in making its determinations with respect to the proposed changes to the Original Project; and

WHEREAS, the Company has confirmed that no other aspects of the Original Project or their Original Application have changed other than as outlined herein and as set forth in the Supplemental Application.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living. The Project will advance these goals.

Section 2. Based upon the representations and projections made by the Company to the Agency in connection with the Supplemental Application, the Agency hereby and makes the following determinations:

(A) The changes proposed to the Original Project are not a substantive change for purposes of SEQRA and the Agency hereby ratifies and confirms the SEQRA Resolution with respect to the Project;

(B) The Project constitutes a “*project*” within the meaning of the Act; and

(C) The changes to the Original Project as proposed herein do not have any impact on the job creation and/or job retention.

Section 3. All other terms and conditions of the Resolutions are hereby affirmed and all such terms and conditions set forth therein apply to the Project. The modifications to the Original Project, as set forth herein, are hereby incorporated into the Resolutions by reference as well as into the Agreement (as defined in and attached to the Resolutions). As a condition to undertaking the Project, the Agency is hereby directed to substitute the new Project description into the Agreement and any and all other documents related to the Project. The Agreement otherwise is affirmed in all respects.

Section 4. No covenant, stipulation, obligation or agreement contained in this

resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 5. Should the Agency's participation in the Project, or the appointments made in accordance herewith, be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Project, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

Section 6. Bousquet Holstein PLLC, as counsel to the Agency, is hereby authorized to work with the Company and others to prepare for submission to the Agency, all documents necessary to effect the grant of Financial Assistance and consummate the Lease Documents.

Section 7. The Secretary and/or the Executive Director of the Agency are hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 8. This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

AYE

NAY

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on April 16, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this ___ day of April, 2019.

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

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

EXECUTIVE SUMMARY

Agenda Item: 6

Title: Rezone Implementation

Requested By: Nora Spillane

OBJECTIVE: Approval of a resolution authorizing a contract with Clarion Associates in an amount not to exceed \$80,000.00 to assist in the implementation of the City's "Rezone Project"

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: In its 2019 budget, the Board of Directors authorized funding two phases of the implementation and marketing of the City's ReZone Syracuse project. Successful implementation is critical for the future economic development of the City of Syracuse. The proposal extends the contract of the current project consultant, Clarion Associates, and includes creation of an administrative manual to support the new zoning ordinance; preparation of new development applications; and ongoing consultation, plus facilitation of a post-adoption check-in roughly one year after adoption of the new ordinance to evaluate the ordinance's performance. Total cost of the scope of work will not exceed \$80,000

ATTACHMENTS:

1. Proposal
2. Resolution. (Under Separate Cover.)

REVIEWED BY:

- Executive Director
- Audit Committee
- Governance Committee
- Finance Committee

Meeting: April 19, 2019

Prepared By: J. A. Delaney

MEMORANDUM

TO: Owen Kerney, City of Syracuse
FROM: Matt Goebel and Tareq Wafaie, Clarion Associates
DATE: December 21, 2018
RE: Proposal for Assistance with ReZone Syracuse Implementation

Thank you for the opportunity to submit a proposal to assist the City of Syracuse in the completion of additional tasks to support the implementation of the new ReZone Syracuse zoning ordinance. This memorandum proposes a scope of work and budget in order for Clarion Associates to accomplish the following tasks:

- Creation of an **administrative manual** to support the new zoning ordinance;
- Preparation of new **development applications**; and
- Ongoing **consultation**, plus facilitation of a **post-adoption check-in** roughly one year after adoption of the new ordinance to evaluate the ordinance's performance and make appropriate revisions if necessary.

This memo sets forth our understanding of the additional work needed and a preliminary scope and budget. We are happy to walk through the proposed scope of work with you. Please let us know if you would like to schedule a call to discuss. The scope of work summarized in this memo can be completed within a not-to-exceed budget of \$78,510. All elements of this proposal are open to discussion and negotiation.

Draft Scope of Work

Task 1: Administrative Manual

Clarion will prepare an administrative manual to serve as a "users' guide" that explains the organization and key provisions of the zoning ordinance. Since the administrative manual is not part of the adopted zoning ordinance, it is intended to be updated in the future without public hearings and re-codification. The administrative manual will include details about the following, at a minimum:

- An introduction including "how to use" the new zoning ordinance
- Key contact information for various City departments
- Explanation of key zoning ordinance tables, such as allowed uses, parking, and procedures
- Description of the various development review procedures, including:
 - Pre-application conference expectations
 - Application review responsibilities
 - Timelines and schedules



- External referral procedures
- Public notice procedures, costs, and specifications
- Checklists for applications and design standards
- Examples of required materials (E.g., site plans, building elevations, public notices)
- Application fee schedules (to be provided by City)
- Fines for zoning ordinance violations (to be provided by City)
- Tree and plant species list and details (to be provided by City)

The manual will be structured as a companion document to the zoning ordinance in terms of page layout, colors, and fonts, and will include illustrations and diagrams (as appropriate). In our experience, these manuals and guides should be kept as short and focused as possible while including the materials necessary to use the ordinance efficiently and to know how to file an application or engage in the development review process. Efforts to collect all details of all possible procedures (no matter how rare) or to include engineering-level detail in these documents will make them so long and complex that few will use them.

Clarion will initiate this task by collecting relevant background information from staff via email and conference calls. We will attend one day of meetings in Syracuse to meet with staff to discuss document format, contents, and organization, including an in-person review and discussion of sample manuals from other communities. Based on the information collected, Clarion will prepare an initial outline and layout for the administrative manual. Based on City comments, Clarion will then prepare a staff draft of the manual. City staff will review the staff draft of the manual and provide one set of consolidated comments. Following review of staff comments, the team will conduct a conference call with staff to discuss the comments, make agreed-upon changes to the manual, and deliver both a hard copy and web-ready digital copy to the City.

	Clarion	City Staff
Task 1 deliverables	<ul style="list-style-type: none"> ● Initial outline and layout ● Staff draft administrative manual ● Public draft administrative manual 	<ul style="list-style-type: none"> ● Comments on initial outline and layout ● Consolidated comments on staff draft administrative manual ● Tree and plant lists ● Fee schedules ● Fine schedules
Task 1 meetings/trips	<ul style="list-style-type: none"> ● 1 one-night trip (Goebel and Wafaie) 	<ul style="list-style-type: none"> ● Schedule meetings and reserve meeting space
Timeline	<ul style="list-style-type: none"> ● Approximately four months from initiation to finalization of administrative manual (timed to coincide with preparation of development application forms) 	

Task 2: Development Applications

Based on initial conversations with City staff, Clarion will prepare new development application forms that are consistent with zoning ordinance requirements, the administrative manual, and national best practices in terms of submittal information. Clarion will provide two or three example forms to establish staff preference prior to preparing individual application forms. It is assumed a standard application form will be used for all applications, supplemented with more specific forms for certain types of applications, as appropriate. The application forms will be produced in a digital format, editable by staff and suitable for placement on the City's website.

At City staff discretion, Clarion can incorporate the development applications directly into the administrative manual, or provide the application forms as an appendix or as standalone files.

	Clarion	City Staff
Task 2 deliverables	<ul style="list-style-type: none"> • Example forms to establish staff preference • Staff draft application forms • Public draft application forms 	<ul style="list-style-type: none"> • Comments on example forms • Consolidated comments on staff draft application forms
Task 2 meetings/trips	N/A	N/A
Timeline	Approximately four months from initiation to finalization (timed to coincide with development of administrative manual)	

Task 3: Post-Adoption Check-In

Following adoption of the zoning ordinance, Clarion will be available on an as-needed basis by email and phone to provide clarifications, recommendations for implementation, and potential revisions to the adopted ordinance. This would be billed on an hourly basis up to a maximum amount established in the project budget. This task may include phone calls with internal stakeholders to identify any issues implementing the new ordinance, review potential solutions, and to develop approaches for integrating staff practices with the new ordinance. Should amendments to the ordinance be warranted following discussions with staff, Clarion can assist with drafting the updates and supporting materials for those updates.

Also, approximately one year following the effective date of the new ordinance, Clarion would attend and facilitate two days of meetings in Syracuse to meet with staff and stakeholders to evaluate the effectiveness of the ordinance and discuss possible revisions. Following those meetings, Clarion would prepare a summary memo of necessary revisions for city review. At the city’s direction, Clarion would then prepare line edits to the ordinance. City staff would carry forward these revised materials through the adoption process.

The budget for this task is limited, but additional services can be provided on a time-and-expenses basis if the Task 3 funds/hours are expended.

	Clarion	City Staff
Task 3 deliverables	<ul style="list-style-type: none"> • Provide clarification on issues with ordinance provisions • Provide recommendations for ordinance amendments as necessary • Attend and facilitate one-year check-in meetings in Syracuse • Draft ordinance amendments as necessary 	<ul style="list-style-type: none"> • Collect comments from various users of the ordinance • Identify potential ordinance amendments as necessary
Task 3 meetings/trips	<ul style="list-style-type: none"> • Participate on phone calls with staff as needed • One two-night trip (Goebel and Wafaie) 	<ul style="list-style-type: none"> • Schedule phone calls with Clarion • Schedule meetings and reserve meeting space
Timeline	<ul style="list-style-type: none"> • Ongoing consultation to begin immediately following adoption; one-year consultation meetings to be scheduled at staff direction 	

Preliminary Timeline

We provide above an initial general timeline for completing the additional work. We understand this work will likely begin in late spring or summer 2019, as the zoning ordinance and map approaches final adoption. We also understand that some of the timing of the work depends on the outcome of discussions with City officials during the adoption process.

Cost Proposal

The total cost of these services will not exceed \$78,510, unless a different limit is agreed upon in writing by both parties. A more detailed budget is provided below. Line items from the proposed budget may be shifted to other tasks depending on the level of effort required. We look forward to working with the City on these additional services.

Syracuse, NY - ReZone SYR Additional Implementation Services				
	Clarion Associates			
	Goebel	Wafaie	Graphics	TOTAL
Hourly Rate	\$210	\$130	\$85	
Task 1: Administrative Manual				
Initial outline and layout; staff workshop	16	20	2	\$6,130
Staff draft administrative manual	24	40	40	\$13,640
Public draft administrative manual	12	24	8	\$6,320
Hours	52	84	50	186
Labor Costs	\$10,920	\$10,920	\$4,250	\$26,090
Travel expenses (1 one-night trip)	\$1,200	\$1,200		\$2,400
Task 1 Subtotal				\$28,490
Task 2: Development Applications				
Staff draft application forms	16	32	8	\$8,200
Public draft application forms	8	16	8	\$4,440
Hours	24	48	16	88
Labor Costs	\$5,040	\$6,240	\$1,360	\$12,640
Travel expenses				\$0
Task 2 Subtotal				\$12,640
Task 3: Post-Adoption Check-In				
Ongoing consultation	40	40		\$13,600
Post-adoption check-in meetings (incl prep)	36	36		\$12,240
Draft ordinance amendments as needed following check-in	16	32	12	\$8,540
Hours	92	108	12	212
Labor Costs	\$19,320	\$14,040	\$1,020	\$34,380
Travel expenses (1 two-night trip)	\$1,500	\$1,500		\$3,000
Task 3 Subtotal				\$37,380
TOTAL				\$78,510