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

To: Audit & Finance Committee Members
City of Syracuse Industrial Development Agency

From: Judith DeLaney

Date: March 6, 2020

Re: Audit & Finance Committee Agenda – March 10, 2020

The City of Syracuse Industrial Development Agency will hold a joint **Audit & Finance Committee Meeting** on **Tuesday , March 10, 2020 at 8:15 a.m. in the 5th Floor Confernce Room, Room 500 City Hall Commons,** 201 East Washington St., Syracuse, N.Y. 13202. The Agenda is as follows:

I. Call Meeting to Order –

II. Roll Call –

III. Proof of Notice – 1

IV. Minutes – 2

Approval of the minutes from the March 14, 2019 Audit Committee meeting and the February 5, 2020 Finance Committee Meeting**.**

V. New Business –

<u>Agency Draft Financial Statements</u> – Michael Lisson – 3

Review of the Agency's draft financial statements and recommendation to the Board of Directors regarding same.

Attachments:
1. Presentation.
2. Draft Financial Statements.
3. Internal Control Letter.
4. Investment Compliance Letter.

<u>Dupli Associates LLC.</u> – Judith DeLaney – 4

Review and recommendation to the Board of Directors relative to a request from the Company to amend the Project.

Attachments:
1. Application for Financial Assistance. (Revised).
2. Cost Benefit Analysis.

<u>Maguire Family Limited Partnership</u> - Judith DeLaney – 5

Review and recommendation to the Board of Directors relative to a request from the Company to amend the Project.

Attachments:
1. Supplemental Application.

<u>341 Peat Street (Syracuse Rigging Site)</u> - Judith DeLaney – 6

Review and recommendation to the Board of Directors relative to request by Park Outdoor Advertising to enter into a new lease for a billboard structure owned by the Company located on property owned by the Agency.

Attachment:
1. Correspondence.
2. Current Lease.

<u>Hiawatha Boulevard Improvement Project</u> – Judith DeLaney – 7

Review and recommendation to the Board of Directors relative to a request from the City of Syracuse to consider a project involving certain improvements to the Onondaga Creekwalk located at the intersections of Hiawatha Boulevard with Van Rensselaer Street and Solar Street in the City and the funding of such improvements in an amount not to exceed $520,882.58 pursuant to a cooperation agreement between the City and SIDA.

Attachments:
1. Funding Request.

<u>Syracuse Surge</u> – Judith DeLaney – 8

Review and recommendation to the Board of Directors relative to a request from the City of Syracuse to enter into a two year contract with US Ignite and CenterState CEO to assist in the development of a program to provide increased internet connectivity across the City and identify new sources of investment in technology to advance the Syracuse Surge Initiative at a cost not to exceed $40,000.

Attachments:
1. Funding Request.

VI. Adjournment –

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

PLEASE POST **PLEASE POST** **PLEASE POST**

PUBLIC MEETING NOTICE

THE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

HAS SCHEDULED

A

JOINT AUDIT AND FINANCE COMMITTEE MEETING

ON

TUESDAY, MARCH 10, 2020

AT

8:15 a.m.

IN

City Hall Commons
5th Floor Conference Room
Room 500
301 East Washington St
Syracuse, NY 13202

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
SIDA Audit Committee Meeting
Thursday, March 14, 2019

Committee Members Present: Kenneth Kinsey, Kathleen Murphy.

Committee Members Absent: Rickey Brown.

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

Others Present: Michael Lisson

I. Call Meeting to Order

Ms. Murphy called the meeting to order at 8:17 a.m.

II. Roll Call

Ms. Murphy noted that all Committee Members were present with the exception of Mr. Brown who was absent.

III. Proof of Notice

Ms. Murphy noted notice of the meeting had been timely and properly provided.

IV. Minutes

Ms. Murphy asked for a motion to approve the minutes from the March 20, 2018 Audit Committee meeting.

Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO APPROVE THE MINUTES OF MARCH 20, 2018 AUDIT COMMITTEE MEETING.**

V. New Business

Agency Draft Financial Statements

Michael Lisson of Grossman St. Amour CPA's, the Agency's independent auditor reviewed the Agency's draft financial statements prepared by his firm.

Along with the draft statements included in the agenda packet, Mr. Lisson also distributed a separate presentation for the Committee members to review.

He advised the Committee the audit went well and the auditor's opinion is that it is "clean and unmodified". He noted the Agency's receivables decreased significantly because of the Board's approval of the SEDCO loan forgiveness associated with the Dey's project and that liabilities also 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 relative to the Hotel Syracuse.

After several questions and further discussion Ms. Murphy asked for a motion to recommend to the Board of Directors acceptance of the statements.

Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO RECOMMEND THE BOARD OF DIRECTORS ACCEPT THE STATEMENTS AS THE OFFICIAL STATEMENTS OF THE AGENCY.**

V. Adjournment

There being no further business to discuss Ms. Murphy asked for a motion to adjourn the meeting.

Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:57 A.M.**

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

Minutes
Finance Committee Meeting
Wednesday February 5, 2020

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

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

Others Present : Tim Lynn

I. Call Meeting to Order

Ms. Murphy called the meeting to order at 8:00 a.m.

II. Roll Call

Ms. Murphy acknowledged all Committee members were present.

III. Proof of Notice

Ms. Murphy noted notice of the meeting had been timely and properly provided.

IV. Minutes

Ms. Murphy asked for a motion approving the minutes from the January 10, 2020 Finance Committee meeting. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION APPROVING THE MINUTES OF THE JANUARY 10, 2020 FINANCE COMMITTEE MEETING.**

V. New Business

Dupli Associates LLC.

Ms. DeLaney told the Committee members the Agency has been advised by the current owners that they are in negotiations with new developers who are interested in undertaking a Phase 2 & Phase 3 of the Project to include the completion of the renovation of the Dupli Building (Merrill Soule) and the full gut renovation of the Syracuse Scale building. She said as part of a supplemental application to the

Agency the owners were requesting the consent of the Agency to assign the membership interests to FS Development Associates current members of the LLC who would complete the next two phases.

Tim Lynn, a member of the new development team was present and reviewed the Project for the Committee. He said the second phase of the Project would include 39 residential units, an expansion of the existing gym, 37,500 sf. of commercial space and 500 sf. of retail space in the Dupli Building with approximately 110,000 sf. of vacant space currently. He advised the third phase would concentrate on the vacant and deteriorating Syracuse Scale Building with an additional 20 residential units, 20,000 sq. ft. of commercial space and 9500 sf. of retail space. The Project is estimated to cost $19,748,000 and Mr. Lynn said his team was working with the National Park Service and SHPO in an effort to secure historic tax credit financing for the Project.

Ms. Murphy inquired about the rent rates for the residential units. Mr. Lynn said the rents would be at market rate. Mr. Brown suggested the development team look at affordable rent rates for the area and Mr. Lynn agreed to look at the rent structure for the Project.

After further discussion, Ms. Murphy asked for a motion to recommend to the Board of Directors authorization of a public hearing for the Project. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO RECOMMEND TO THE BOARD OF DIRECTORS AUTHORIZATION OF A PUBLIC HEARING ON THE PROJECT.**

VI. Adjournment

There being no further business to discuss Ms. Murphy asked for a motion to adjourn the meeting. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:50 a.m.**

City of Syracuse
Industrial Development Agency
201 East Washington Street
Syracuse, NY 13202
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EXECUTIVE SUMMARY

Agenda Item: 3

Title: Draft Financial Statements

Requested By: Michael Lisson

OBJECTIVE: Review of the Agency's 2019 draft financial statements and recommendation to the Board of Directors regarding same.

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: Attached.

ATTACHMENTS:

1. Presentation.
2. Draft Financial Statements.
3. Internal Control Letter.
4. Investment Letter.

REVIEWED BY:

☒Executive Director

☐Audit Committee

☐Governance Committee

☐ Finance Committee

Meeting: March 10, 2020
(Audit & Finance Committee)

Prepared By: J.A. DeLaney

grossman st. amour
CERTIFIED PUBLIC ACCOUNTANTS PLLC

City of Syracuse Industrial Development Agency

Mike Lisson, CPA,CITP Partner
March 10, 2020

110 West Fayette Street, Suite 900
Syracuse, New York 13202
315.424.1120 • www.gsacpas.com

Required Communications

- Our responsibility in relation to the financial statement audit
  - Form & express an opinion on management's financial statement
- Planned scope and timing of the audit
  - Engagement letter
  - Compliance with all ethics requirements regarding independence
  - Appropriate safeguards applied to eliminate / reduce identified threats to independence, which are primarily related to non-audit services provided which include the preparation of the financial statements and the recording of audit adjustments
- Qualitative aspects of the entity's significant accounting practices
  - Significant accounting policies
  - Significant accounting estimates
  - Financial statement disclosures (Note 4 – Investment in Properties; Note 6 – HUD 108 Bonds Payable, Note 12 – subsequent events)
- Significant difficulties encountered during the audit
  - None noted

Required Communications

- Uncorrected and corrected misstatements
  - None noted
- Disagreements with management
  - None
- Representations requested from management
  - Separate letter
- Management's consultations with other accountants
  - None that we are aware of
- Other significant matters, findings or issues
  - Closing process for books and records

Audit Reports

- **Auditor's Opinion**
  - Financial statements present fairly the financial position of SIDA in accordance with GAAP
  - Unmodified ("clean") audit opinion (pages 1-2)
- **The audit was conducted in accordance with U.S. GAGAS**
- **Audited Statements of Net Position, Statements of Activities and Changes in Net Position and Cash Flows** (pages 9-11)
- **Notes to financial statements** (pages 12-20)
- **Supplemental Schedule – Revenue bonds & other bonds** (pg 21-22)
- Financial statements are the responsibility of management
  - Auditor's responsibility is to express an opinion on the financial statements

Other Required Reports

Investment Policy Compliance

Required by NYS Public Authorities Law section 2925

Note the updated report compared to the previous year, due to Authorities Budget Office policy No. 18-02

- No non-compliance matters noted or identified

Report on Internal Control over Financial Reporting and on Compliance and Other Matters

- No material weaknesses or non-compliance matters noted

CITY OF SYRACUSE
INDUSTRIAL DEVELOPMENT AGENCY

(A component unit of the City of Syracuse, New York)

FINANCIAL STATEMENTS

December 31, 2019 and 2018

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
City of Syracuse Industrial Development Agency

Report on the Financial Statements

We have audited the accompanying basic financial statements of City of Syracuse Industrial Development Agency, a component unit of the City of Syracuse, New York as of December 31, 2019 and 2018, and for the years then ended, and the related notes to the financial statements, which collectively comprise the City of Syracuse Industrial Development Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City of Syracuse Industrial Development Agency's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Syracuse Industrial Development Agency as of December 31, 2019 and 2018 and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles general accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Other Information

Our audit was conducted for purpose of forming an opinion on the financial statements that collectively comprise the City of Syracuse Industrial Development Agency's basic financial statements. The supplemental schedule of revenue bonds and other bonds (conduit debt) is presented to supplement the basic financial statements.

The supplemental schedule of revenue bonds and other bonds (conduit debt) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule of revenue bonds and other bonds (conduit debit) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated March 10, 2020 on our consideration of the City of Syracuse Industrial Development Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Syracuse Industrial Development Agency's internal control over financial reporting and compliance.

Grossman St Amour CPAs

Syracuse, New York
March 10, 2020

As management of the City of Syracuse Industrial Development Agency ("SIDA"), we offer readers of this Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City of Syracuse Industrial Development Agency exceeded its liabilities at the close of its most recent fiscal year by $3,024,914 (net position). This amount may be used to meet the Agency's ongoing obligations to constituents and creditors in accordance with the Agency's fund designation and fiscal policies.

- The Agency's total net position decreased by $655,038 for the 2019 fiscal year.

- During 2019 the Agency received $1,012,738 for its role in various development projects. The top project fees received were $396,640 from 300 Spencer Street, LLC for the acquisition and construction of a new building for the corporate headquarters of Bankers Healthcare Group, $327,175 from the Joint School Construction Board Series 2019A Bond Project related to renovations at the Nottingham and Corcoran High Schools in the City of Syracuse, and $121,141 from Commonspace Warren LLC for redevelopment of the historic buildings at 351 South Warren Street.

- The Agency continued reducing its HUD-108 guaranteed bonds payable balance during 2019 by making $165,000 in principal payments. SIDA reduced its outstanding principal on these loans from $197,000 in 2018 to $32,000 in 2019.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements are comprised of two components: 1) agency-wide financial statements and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Agency-wide financial statements – The agency-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the Agency's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The Statement of Activities presents information showing how the Agency's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., accrued interest).

Both of the agency-wide financial statements report only business-type (proprietary) activities, since none of the Agency's activities are considered to be governmental activities supported primarily by taxes.

The agency-wide financial statements can be found on pages 9 through 11 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the agency-wide and fund financial statements. The notes to the financial statements can be found on pages 12 through 20 of this report.

Other information – In addition to the basic financial statements and accompanying notes, this report also includes certain supplemental information, which includes information concerning revenue bonds and other bonds (conduit debt). This supplementary information can be found on pages 21 through 22 of this report.

AGENCY-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Agency's financial position. In the case of the City of Syracuse Industrial Development Agency, assets exceeded liabilities by $3,024,914 as of December 31, 2019.

Cash and cash equivalents constitute the largest portion of the Agency's net position. This net position is available for future repayment of outstanding loans and for future economic development projects. All of the Agency's funds are treated as proprietary (business-type) funds.

The following are summarized versions of the agency-wide financial statements:

Statements of Net Position

	2019	2018	2017
Cash and cash equivalents	**$ 3,174,840**	$ 3,473,989	$ 5,707,888
Receivables	**2,961**	204,927	5,032,422
Other assets	**663,403**	1,030,220	1,147,834
Total assets	**$ 3,841,204**	$ 4,709,136	$11,888,144
Bonds payable	**$ 32,000**	$ 197,000	$ 351,000
All other liabilities	**784,290**	832,184	2,851,547
Total liabilities	**816,290**	1,029,184	3,202,547
Net position	**3,024,914**	3,679,952	8,685,597
Total liabilities and net position	**$ 3,841,204**	$ 4,709,136	$11,888,144

ASSETS

Major year over year changes with regard to the net decrease in cash is due payments of $165,000 made on debt, cash used in operations of $220,162 offset by cash received of $86,013 for the sale of properties in the current year. Cash used by operating activities was $233,649 in 2019 compared to cash used by operating activities of $2,084,899 in 2018.

BONDS PAYABLE

The Agency has HUD Section 108 guaranteed bonds payable as of December 31, 2019 of $32,000. During 2019, the Agency made principal payments of $165,000. The resources needed to repay these loans will come from operating funds of the Agency.

Statements of Revenues, Expenses and Changes in Net Position

	2019	2018	2017
Financing fees	**$ 1,012,738**	$ 5,576,342	$ 5,889,613
All other income	**25,132**	519,864	594,468
Total income	**1,037,870**	6,096,206	6,484,081
Destiny USA fee to City of Syracuse/Onondaga County	**-**	3,800,000	3,800,000
Interest expense	**4,220**	9,758	29,499
Public improvements	**156,272**	51,892	57,241
Legal fees	**138,862**	1,537,892	112,319
Professional fees	**1,077,346**	392,935	456,219
Debt forgiveness	**-**	4,790,184	-
Loss on disposal of property	**267,317**	-	-
All other expenses	**48,891**	519,190	243,629
Total expenses	**1,692,908**	11,101,851	4,698,907
(Decrease) Increase in net position	**(655,038)**	(5,005,645)	1,785,174
Net position – beginning of year	**3,679,952**	8,685,597	6,900,423
Net position – end of year	**$ 3,024,914**	$ 3,679,952	$ 8,685,597

FINANCING FEES

SIDA received monies for financing fees totaling $1,012,738 from developers and other projects undertaken by the Agency. Financing fees decreased $4,563,604 compared to 2018 primarily due to the completion of the fee arraignment with DestiNY, whereby $3,800,000 was received annually through the end of fiscal year 2018. In addition, there were fewer fees from developer projects in 2019 compared to 2018.

PROFESSIONAL FEES

Professional fees include economic development activities of the Agency and other activities to benefit the City of Syracuse. Professional fees included $331,250 of work related to the City owned AXA parking garage, $67,500 related to the zoning and residential permitting software for the city, $217,773 of salaries and benefits (allocated from the City of Syracuse), $120,098 related to the City of Syracuse's Bureau of Administrative Adjudication, $95,643 for the Downtown Committee of Syracuse related to a security and environmental maintenance program contract and $70,835 related to the NDC contract (provides assistance for economic and housing development professionals).

OTHER EXPENSES

The Agency spent $156,272 on various public improvements in the City in 2019, with the largest expense being $70,802 for tree and streetscape repair in the Franklin Square area of the City. In addition, the Agency sold parcels of property it has owned for a number of years and recognized a loss on disposal of $267,317 related to the difference between the original cost to acquire the properties and monies received for the parcels. The Agency received cash proceeds of $86,013 related to the sale of these parcels in 2019.

REQUEST FOR INFORMATION

This financial report is designed to provide readers with a general overview of the Agency's finances. If you have questions about this report or need additional information, contact the Agency's board at the City of Syracuse Industrial Development Agency, 201 East Washington Street, Room 605, Syracuse, NY 13202-1432. You may also visit their website at www.syrgov.net, and navigate to the Neighborhood and Business Development department for more information.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Net Position

	December 31,	
	2019	2018
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 3,174,840**	$ 3,473,989
Other receivables	**2,961**	204,927
Total current assets	**3,177,801**	3,678,916
Long-term Assets		
Investment in properties, at cost	**613,403**	980,220
Land and building, at cost, net of depreciation	**50,000**	50,000
Total long-term assets	**663,403**	1,030,220
Total assets	**$ 3,841,204**	$ 4,709,136
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts payable	**$ 48,922**	$ 94,290
Accrued interest payable	**-**	2,526
Grant payable	**735,368**	735,368
Bonds payable - HUD guaranteed, current portion	**16,000**	165,000
Total current liabilities	**800,290**	997,184
Long-term Liabilities		
Bonds payable - HUD guaranteed, long-term portion	**16,000**	32,000
Total long-term liabilities	**16,000**	32,000
Total liabilities	**816,290**	1,029,184
Net Position		
Net investment in capital assets	**50,000**	50,000
Unrestricted	**2,974,914**	3,629,952
Total net position	**3,024,914**	3,679,952
Total liabilities and net position	**$ 3,841,204**	$ 4,709,136

The accompanying notes are an integral part of these financial statements

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Revenues, Expenses and Changes in Net Position

	Year Ended December 31,	
	2019	2018
Revenue		
Financing fees	**$ 1,012,738**	$ 5,576,342
Interest income	**4,790**	92,521
HUD Section 108 income	**-**	371,593
Other rental income	**20,342**	55,750
Total revenue	**1,037,870**	6,096,206
Expenses		
Development costs -		
Destiny USA fee to City of Syracuse/Onondaga County	**-**	3,800,000
Lakefront projects	**29,493**	29,789
Forgiveness of loans receivable - SEDCO	**-**	4,790,184
Public improvements	**126,779**	22,103
Interest	**4,220**	9,758
Legal fees	**138,862**	1,537,892
Professional fees	**1,077,346**	392,935
Depreciation	**-**	112,614
Loss on disposal of property	**267,317**	-
Insurance	**18,118**	9,677
Taxes - nonexempt	**8,259**	18,743
Office and other	**22,514**	378,156
Total expenses	**1,692,908**	11,101,851
Change in net position	**(655,038)**	(5,005,645)
Net position - beginning of year	**3,679,952**	8,685,597
Net position - end of year	**$ 3,024,914**	$ 3,679,952

The accompanying notes are an integral part of these financial statements

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

	Years Ended December 31,	
Cash flows from operating activities:	**2019**	2018
Inflows -		
Interest received	**$ 4,790**	$ 92,521
Loan fees and grants	**1,217,665**	1,776,342
Rents and miscellaneous fees received	**20,342**	55,750
Related party payments	**-**	242,238
HUD Section 108 income	**-**	371,593
Destiny USA fee	**-**	3,800,000
Outflows -		
Due from other receivables	**(2,961)**	(204,927)
Payment to City of Syracuse - CDBG	**-**	(347,882)
Payment to City of Syracuse	**-**	(1,672,524)
Interest payments	**(6,746)**	(10,945)
Legal fees	**(152,349)**	(1,537,892)
Supplies and services	**(1,300,903)**	(849,173)
Destiny USA fee	**-**	(3,800,000)
Net cash (used) provided by operating activities	**(220,162)**	(2,084,899)
Cash flows from noncapital financing activities:		
Payments on bonds payable	**(165,000)**	(154,000)
Cash flows from capital and related financing activities:		
Sale of investment in properties	**86,013**	5,000
	86,013	5,000
Net increase in cash and cash equivalents	**(299,149)**	(2,233,899)
Cash and cash equivalents - beginning of year	**3,473,989**	5,707,888
Cash and cash equivalents - end of year	**$ 3,174,840**	$ 3,473,989
Reconciliation of change in net position to cash provided by operating activities:		
Change in net position	**$ (655,038)**	$ 1,785,174
Depreciation	**-**	112,613
Loss on disposal of property	**267,317**	-
Changes in assets and liabilities:		
Due from related parties	**-**	(242,238)
Loan receivable - SEDCO	**-**	99,664
Other receivables	**201,966**	-
Payable to City of Syracuse	**-**	34
Accounts payable	**(31,881)**	9,018
Interest payable	**(2,526)**	(2,451)
Net cash provided by operating activities	**$ (220,162)**	$ 1,761,814
Supplemental noncash activities		
Forgiveness of SEDCO loan repayments	**$ -**	$ 4,790,184

The accompanying notes are an integral part of these financial statements

1. Nature of the Organization and Significant Accounting Policies

Nature of the Organization

The City of Syracuse Industrial Development Agency (SIDA) is a public benefit corporation established in 1979 to enhance economic development activities in the city of Syracuse, NY (the "City"). SIDA was established by New York State General Municipal Law (GMU), Article 18-A, Title 2, paragraph 926, also known as the "New York State Industrial Development Agency Act." SIDA's programs include the issuing of revenue bonds and the making of loans under the HUD Section 108 Program, the Downtown Commercial Rehabilitation Loan Program and the SIDA Development Fund. SIDA is treated by the City as a component unit and is integral to the overall economic development plans of the City.

The basic financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. All of the Agency's funds are proprietary funds, and, therefore, include only business-type activities. There are no material differences between a) net position and fund balances, and b) changes in net position and changes in fund balances, and, therefore, no reconciliation schedules of these items are included in this report.

Basis of Presentation

Agency-wide financial statements – The agency-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the Agency as a whole. Individual funds are not presented in the agency-wide financial statements. The Agency has determined that all of its activities are business-type, which are predominantly or entirely financed with fees and loan repayments from external parties.

Net Position Classifications

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

1. Nature of the Organization and Significant Accounting Policies (continued)

Net Position Classification (continued)

Unrestricted - Consists of all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The agency-wide statements use the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. PILOT revenues are recognized in the year for which they are due while grants are recognized when grantor eligibility requirements are met.

Order of Use of Resources

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, and then use unrestricted resources as they are needed.

Fixed Assets

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets.

Allowance for Doubtful Accounts

SIDA uses the allowance method to report loans of doubtful collectability. There is no allowance as of December 31, 2019 and 2018.

Statement of Cash Flows

SIDA considers its lending activities as operating activities for purposes of the statement of cash flows. For the statement of cash flows, SIDA considers cash and cash equivalents to be all monies in banks and highly liquid investments with maturity dates of less than three months.

Investment Policy

SIDA's investment policy conforms to the requirements of the New York State General Municipal Law §858-a(3), §10 and §11. The objectives of SIDA's investment activities are to conform to all applicable federal state and other legal requirements, to adequately safeguard principal, to provide sufficient liquidity to meet all operating requirements and to obtain a reasonable rate of return.

1. Nature of the Organization and Significant Accounting Policies (continued)

Concentrations of Credit Risk

At various times during the year, SIDA's cash and cash equivalents balances exceeded the insured limits of the Federal Deposit Insurance Corporation. However, SIDA's accounts were fully collateralized by securities pledged by the depository bank.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Taxes

Generally SIDA is exempt from taxes. Section 874 of the New York State General Municipal Law authorized an exemption from real property taxation for any property acquired by an industrial development agency (IDA) or under its jurisdiction or control. To obtain such an exemption, section 412-a of the Real Property Tax law requires the IDA to file an exemption form with the tax assessor. Qualified IDA property is entitled to an exemption from all general taxes imposed by or on behalf of a county, city, town, village or school district, but not from special ad valorem (property) levies or special assessments.

2. Revenue Bonds/Other Financing

SIDA is empowered to finance the acquisition, construction or reconstruction of manufacturing, warehousing, research, commercial, industrial and pollution control projects. SIDA raises funds to accomplish these purposes by issuing negotiable tax-exempt or taxable revenue bonds and by participating in other financing arranged by/for the developers of the projects.

SIDA can provide up to 100% financing for an approved project including the cost of land, construction, equipment, planning and fees. Financing is generally provided at interest rates 1½ to 2% lower than conventional rates. SIDA finances individual projects by issuing revenue bonds in its own name. These bonds are secured by a mortgage on the property and a subsequent lease to the company. The company sells the bonds to banks at a rate lower than the conventional interest rate.

The bonds become an obligation of the company and are amortized by the revenue from the project. Typically, upon completion of a project, the facilities, improvements or equipment are leased to the company for a term equal to the term of the bond issue, which usually ranges from 10 to 25 years.

The annual lease payments equal the annual principal and interest due on the bonds. At the end of the lease term, the company has the option of purchasing the project for one dollar. The assets and liabilities of these projects are not reflected in the attached financial statements, since SIDA treats the projects and bonds as assets and liabilities of the individual developers.

3. Tax Abatement Programs

The Industrial Development Agency Act (the "Act") of New York State sets forth the powers that SIDA can carry out. In accordance with the Act, SIDA was created to promote, develop, encourage and assist industrial, manufacturing, warehousing, commercial, research and recreation facilities to advance job opportunities, health, and economic welfare of the people of the State of New York. SIDA carries out its mandate by offering financial incentives to attract, retain, and expand businesses within the City of Syracuse. SIDA's financial incentive assistance can include the issuance of low interest revenue bonds and exemptions from real property tax (through the use of payment in lieu of tax (PILOT) agreements), mortgage recording tax, and sales and use tax.

SIDA has instituted a Uniform Tax Exemption Policy ("UTEP") (last revised 6/21/16) which provides guidelines for the granting of real property, mortgage recording, and sales and use tax exemptions. To be eligible for financial assistance, the recipient of the financial assistance must abide by the requirements of this policy and complete an application process as instituted by SIDA. The governing board of SIDA is required to approve all financial incentive assistance requests by recipients in accordance with the UTEP.

In accordance with New York State General Municipal Law, SIDA has instituted a Recapture Policy (last revised 6/21/16) which allows for the recapture of financial incentive assistance provided to recipients for failure to comply with such Recapture Policy. New York State requires a mandatory recapture of the New York State portion of sales and use taxes for recipients for which the recipient was a) not entitled to; b) in excess of the amounts authorized by SIDA; c) for property or services not authorized by SIDA; and/or d) for a recipient that has failed to comply with material term or condition to use of the property or services in the manner required by any of the project documents between the recipient and SIDA. With respect to all other financial assistance provided to the recipient, SIDA shall have the right to suspend, discontinue, recapture or terminate financial assistance to any recipient to the extent that: a)for projects that utilized local sales and use tax exemptions, the project was not entitled to such exemptions, such exemptions were in excess of the amounts authorized by SIDA, and/or such exemptions were for property or services not authorized by SIDA; b) the recipient, upon completion of their project, fails to reach and maintain at least 85% of its employment requirements for job creation and/or retention; c) the total investment actually made with respect to the project at the project's completion date is less than 85% of its investment requirement; d) the recipient fails to provide annually to SIDA certain information to confirm that the project is achieving the investment, job retention, job creation, and other objectives of the project; or e) there otherwise occurs any event of default under any project document or material violation of the terms and conditions of any project document.

SIDA has not made any commitments as part of the agreements other than to reduce taxes. SIDA has chosen to disclose information about some of its tax abatement agreements individually. It established a quantitative threshold of 10% of the total dollar amount of taxes abated during the year.

3. Tax Abatement Programs (continued)

Information relevant to the disclosure of tax abatement programs induced for the fiscal year ended December 31, 2019 is as follows:

Tax abatement program	12/31/2019
Mortgage recording tax exemption	$ 702,633
Sale and use tax exemption	3,442,817
Payment in lieu of tax (PILOT)	18,190,808
Total taxes abated	$ 22,336,258

4. Investment in Properties

SIDA from time to time will purchase and hold title to properties for future sale and development by a third party. The investment in properties represents capital assets of SIDA which are reported at historical cost. SIDA periodically reviews its capital assets for impairments. Impairment is indicated when events or changes in circumstances suggest that the service utility of the capital asset may have significantly and unexpectedly declined.

Investment in properties is as follows:

Properties:	
309-311, 315-321 S. Warren Street	$ 323,100
341 Peat Street	176,044
1101-1111 S. Salina Street	85,180
Others	29,079
	$ 613,403

In addition, the property at Peat Street (also known as the City Crossroads project) has identified pollution concerns as identified in the record of decision by the New York State Department of Environmental Conservation (NYSDEC) dated March 2012. The NYSDEC recommends a remedy that includes excavation, petroleum recovery and site cover to remedy this property. The estimated cost of this pollution remediation is approximately $1,668,000. Any sales of this property to a third party would need to implement this pollution remediation remedy prior to the property being used by the third party. The Agency has not been compelled by the NYSDEC to take remediation action at this time, as such, no pollution remediation liability has been recognized in these financial statements. In July 2019, the Agency and the NYSDEC entered into the 2018 Environmental Restoration Program Agreement for the property, whereby the NYSDEC will begin to implement the pollution remedy in late fiscal year 2020. The Agency is required to contribute 10% of the costs to remedy the pollution in accordance with the agreement.

5. Land and Building

SIDA owns the Center Armory Garage Facility which consists of a parcel of land and the parking garage facility. The facility was being depreciated on a straight-line basis over an estimated useful life of twenty-five years. The following is a summary of the cost and accumulated depreciation of the facility for the years ended December 31, 2019 and 2018:

	Balance at 12/31/2018	Additions	Deletions	Balance at 12/31/2019
Capital assets at cost:				
Land	$ 50,000	$ -	$ -	$ 50,000
Buildings	2,815,320	-	-	2,815,320
Total	2,865,320	-	-	2,865,320
Accumulated decpreciation:				
Accumulated depreciation	(2,815,320)	-		(2,815,320)
Capital assets, net	$ 50,000	$ -	$ -	$ 50,000

6. HUD Section 108 Guaranteed Bonds Payable

The U.S. Department of Housing and Urban Development ("HUD") has a loan guarantee assistance program for community and economic development. Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program.

Under this section, HUD offers communities a source of financing for certain community development activities, such as housing rehabilitation, economic development, and large-scale physical development projects. As with the CDBG program, all projects and activities must meet CDBG's rules and requirements and meet the primary objective of CDBG programs whereby the use of 70% of funds must benefit low and moderate income persons and meet one of the following three national objectives: (a) principally benefit low and moderate income persons, (b) assist in eliminating or preventing slums or blight, or (c) assist with community development needs having a particular urgency. Under this program, SIDA and the City of Syracuse pledges its current and future CDBG funds as the principal for the loan guarantee.

Section 108 obligations are financed through underwritten public offerings. Financing between public offerings is provided through an interim lending facility established by HUD. As such, after the public offering, such loans are with a commercial financial institution, which is Bank of NY Mellon for SIDA's current HUD 108 outstanding loans. Although HUD may act as an intermediate lender, ultimately a 3rd party commercial financial institution is the lender.

The Section 108 program provides additional security to the lender in the form of a guarantee by HUD. Even though a guarantee is provided by HUD, the Agency continues to be subject to risk as any inability for the Agency to make payments would allow HUD to first use CDBG monies to pay the loans in default, which would reduce the amount of monies available to the Agency and the City of Syracuse through the CDBG program.

6. HUD Section 108 Guaranteed Bonds Payable (continued)

A summary of changes in the Agency's indebtedness is as follows:

		Interest Rate	Maturity Date	Balance at 12/31/18	Payments	Balance at 12/31/19	Due in One Year
HUD Section 108 Guaranteed bonds:							
Series 2002-A	B-99-MC-36-0108-A	5.8%	8/1/2021	$ 47,000	$ (15,000)	$ 32,000	$ 16,000
Series 2006-A	B-92-MC-36-0108	0.3%	8/1/2019	25,000	(25,000)	-	-
Series 2011-A	B-99-MC-36-0108-A	1.3%	8/1/2019	125,000	(125,000)	-	-
				$ 197,000	$ (165,000)	$ 32,000	$ 16,000

The following is a summary of the principal and interest payments outstanding at December 31, 2019:

	HUD Section 108 Guaranteed Bonds	
Due in:	Principal	Interest
2020	$ 16,000	$ 1,932
2021	16,000	972
	$ 32,000	$ 2,904

7. Brownsfields Economic Development Incentive (BEDI) Grants

In 1998 and 1999, SIDA received approval for (2) Brownfields Economic Development Incentive (BEDI) grants in the amounts of $1,000,000 and $875,000, respectively, for the City Crossroads project. As of December 31, 2019, SIDA had drawn down the following amounts on these grants:

	BEDI grant		
	1998	1999	Total
Grant dollars received	$ 1,000,000	$ 385,368	$ 1,385,368
Grant dollars earned:			
1998: $1,950,000 ÷ 3 =	650,000	-	650,000
1999: $-0- ÷ 2.5 =	-	-	-
Balance	$ 350,000	$ 385,368	$ 735,368

The remainder of the 1999 grant ($489,632) has not been drawn down by SIDA.

Each of the grants contains a provision which requires SIDA to enter into HUD-108 loans to development projects sited in the City Crossroads area. The required ratio of loans to grant dollars for the 1998 grant is $3 to $1, respectively, and $2.50 to $1 for the 1999 grant, respectively.

As of December 31, 2019, SIDA had made $1,950,000 of HUD-108 loans to City Crossroads projects. Additional HUD-108 loans in the City Crossroads area would be needed to meet the required ratios of loan dollars to grant dollars noted above.

7. Brownsfields Economic Development Incentive (BEDI) Grants (continued)

As of December 31, 2019, the grant funds which have been earned by the issuance of loans are as follows:

	BEDI grant		
	1998	1999	Total
Grant dollars received	$ 1,000,000	$ 385,368	$ 1,385,368
Grant dollars earned:			
1998: $1,950,000 ÷ 3 =	650,000	-	650,000
1999: $-0- ÷ 2.5 =	-	-	-
Balance	$ 350,000	$ 385,368	$ 735,368

SIDA has not met the requirements of the grant and does not have any immediate plans on meeting the grant requirements, as such, has recorded the $735,368 as a liability due to HUD as of December 31, 2019 and 2018. The ultimate payment terms will be negotiated with HUD in the future.

8. Conduit Debt Obligations

SIDA has the ability to provide financial assistance to businesses through the issuance of low interest Industrial Development Revenue Bonds and tax exemptions from real property tax, mortgage recording tax, and sales and use tax. Proceeds of the obligations as well as debt service payments are administered by the business through a trustee bank. The obligations are not obligations of SIDA; the primary function of SIDA is to arrange financing between the business and the bond holders. This is a financing arrangement and SIDA merely acts as the financing conduit. These transactions are considered conduit debt obligations. SIDA does not have any obligation to repay the principal and interest of such bonds; as such the bonds are not reflected as long-term obligations. As of December 31, 2019 and 2018, SIDA has issued bonds with an aggregate principal amount outstanding of $594,895,000 and $695,885,000, respectively. On March 1, 2020, SIDA issued school facility revenue bonds totaling $80,530,000 (Series 2020A) for the Syracuse City School District Project. This Series 2020A represents conduit debt for SIDA.

9. Related Party Transactions

The City of Syracuse, Syracuse Economic Development Corporation, and Syracuse Urban Renewal Agency are related entities of SIDA. Various transactions occur between SIDA and these entities during the ordinary course of business. The City of Syracuse allocates salaries and benefits for employees of the City that work on behalf of the Agency. These salaries and benefits are included in professional fees and totaled $217,773 and $193,548, respectively for the years ended December 31, 2019 and 2018. Amounts due to or from these entities are ordinarily settled in the current fiscal year.

10. Contingent Liabilities – Destiny USA Project

Pursuant to an agreement between SIDA and Pyramid Company of Onondaga (Pyramid), SIDA acquired certain real property interests in May 2006 – 2009 in furtherance of the Carousel Expansion Project (first phase of conversion of Carousel Center into Destiny USA and closure of Hiawatha Boulevard) from land owners in the vicinity of Carousel Center and certain tenants/condemnees at the Carousel Center (collectively condemnees) by use of eminent domain. Pursuant to State law, the condemnees are entitled to be paid just compensation by SIDA based on the value of the property interest acquired from them by SIDA, and SIDA has settled with most of the condemnees and made advance payment to all condemnees. Certain condemnees have filed claims seeking additional compensation. As part of the SIDA/Pyramid agreement, Pyramid has agreed to indemnify and hold SIDA harmless with regard to all claims and expenses associated with the eminent domain actions and real property acquisitions. Pyramid provided the funds used by SIDA to make the advance payments and funds to settle those compensation claims which have been settled to date. As of the date of this report, SIDA's attorneys are unable to express an opinion as to the likelihood of an outcome in any of these claims. The financial statements include no accrual for these potential contingent liabilities.

11. Amadeus Lien – Assignment of Judgment

Pursuant to Article 4 of the Eminent Domain Procedure Law, SIDA acquired certain real property and improvements during 2014. Amadeus Development, Inc. (Amadeus) asserted a claim for just compensation for the recovery of its judgment lien against the property in 2015. Upon execution of the agreement in 2018, Amadeus assigned to SIDA the lien in which SIDA paid Amadeus $1,375,000 in full satisfaction of the claim as of December 31, 2018.

12. Subsequent Events

In preparing the financial statements, management of SIDA has evaluated events and transactions for potential recognition or disclosure through March 10, 2020, the date the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in this financial statement except for the item described herein and in Note 8.

A supplemental order for distribution of advance payment was entered into from the State of New York Supreme Court dated February 5, 2020 pertaining to $830,295 of advance payment monies directing the New York State Office of the Comptroller to release this entire amount back to the Agency. The Agency has not yet received these monies as of March 10, 2020 and these financial statements do not reflect a receivable from the New York State Office of the Comptroller.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations)
For the Year Ended December 31, 2019

Project Purpose	Description of the Financing	Closing Date	Interest At Issuance	If Variable, Range	Principal of the Issue: Bonds Outstanding at January 1, 2019	Principal of the Issue: Incurred During 2019	Principal of the Issue: Developer Paid During 2019	Principal of the Issue: Bonds Outstanding at December 31, 2019	Term Ending Date
Civic Facility 31020303C	Crouse Health Hospital, Inc. Cardiology Project, Series 1997A	9/24/2003	3.200%	3.09%	$ 1,575,000	$ -	$ 1,575,000	$ -	1/1/2023
Civic Facility 31020303C	Crouse Health Hospital, Inc. Series 2003A, Multi-Mode Variable Rate Demand	9/24/2003	3.090%	3.44%	$ 8,135,000	$ -	$ 8,135,000	$ -	1/1/2023
Real Estate 31020707B	PILOT Revenue Bonds, Carousel Center Project, Series 2016A	10/19/2016	3.000%	3% - 5%	$ 198,840,000	$ -		$ 198,840,000	1/1/2036
Real Estate 31020707B	PILOT Revenue Bonds, Carousel Center Project, Taxable Series 2016B	10/19/2016	5.000%	-	$ 10,600,000	$ -	$ -	$ 10,600,000	1/1/2036
Real Estate 31020707B	PILOT Revenue Bonds, Carousel Center Project, Series 2007C	2/27/2007	5.693%	-	$ 87,600,000	$ -		$ 87,600,000	1/1/2028
Real Estate 31020705	Masonic Lofts Project Mortgage	10/1/2007	4.500%	1.59%	$ 3,565,000	$ -	$ 3,565,000	$ -	10/1/2039
Civic Facility 31020801	MESA of NY, Inc. Project Series 2008	1/29/2010	2.315%	1.55%	$ 3,485,000	$ -	$ 3,485,000	$ -	1/1/2033
School Facility 31020803	Syracuse City School District Project Series 2010	12/23/2010	3.000%	3.000%-5.000%	$ 21,355,000	$ -	$ 1,940,000	$ 19,415,000	5/1/2027
School Facility 31020803	Syracuse City School District, Tax exempt bonds Series 2011A	7/12/2011	3.000%	4.0% - 5.0%	$ 20,730,000	$ -	$ 5,770,000	$ 14,960,000	5/1/2020
School Facility 31020803	Syracuse City School District,Federally taxable bonds Series 2011B	7/12/2011	5.428%	5.428%	$ 15,000,000	$ -	$ -	$ 15,000,000	5/1/2027
School Facility 31020803	Syracuse City School District Project, School Facility Revenue Refunding Bonds Series 2017	4/20/2017	4.000%	3.0%-5.0%	$ 29,260,000	$ -	$ 1,980,000	$ 27,280,000	5/1/2024
School Facility 31020803	Syracuse City School District Project, School Facility Revenue Bonds Series 2018A	3/14/2018	5.000%	3.25%-5.0%	$ 67,265,000	$ -	$ -	$ 67,265,000	5/1/2034

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations)
For the Year Ended December 31, 2019

					Principal of the Issue				
Project Purpose	Description of the Financing	Closing Date	Interest At Issuance	If Variable, Range	Bonds Outstanding at January 1, 2019	Incurred During 2019	Developer Paid During 2019	Bonds Outstanding at December 31, 2019	Term Ending Date
School Facility 31020803	Syracuse City School District Project, School Facility Revenue Bonds Series 2018B	6/20/2018	5.000%	3.000%	$ 38,500,000	$ -	$ -	$ 38,500,000	5/1/2035
School Facility 31020803	Syracuse City School District Project, School Facility Revenue Bonds Series 2019A	4/1/2019	4.000%	4.000%-5.000%	$ -	$ 65,435,000	$ -	$ 65,435,000	5/1/2035
Civic Facility 31029910A	Syracuse University Capital Finance Series 1999A	12/8/1999	3.520%	.051%-.221%	$ 18,925,000	$ -	$ 18,925,000	$ -	12/1/2029
Civic Facility 31029910A	Syracuse University Capital Finance Series 1999B	12/8/1999	3.520%	.051%-.221%	$ 25,550,000	$ -	$ 25,550,000	$ -	12/1/2029
Civic Facility 31029910A	Syracuse University Capital Finance Series 2005A	12/1/2005	2.850%	.02%-.110%	$ 40,000,000	$ -	$ 40,000,000	$ -	12/1/2035
Civic Facility 31029910A	Syracuse University Capital Finance Series 2005B	12/1/2005	2.850%	.02% - .110%	$ 40,000,000	$ -	$ 40,000,000	$ -	12/1/2035
Civic Facility 31020813	Syracuse University Capital Finance Series 2008A-1	1/30/2008	0.100%	.02% - .110%	$ 15,500,000	$ -	$ 15,500,000	$ -	7/1/2037
Civic Facility 31020813	Syracuse University Capital Finance Series 2008A-2	1/30/2008	6.000%	.01% - .10%	$ 50,000,000	$ -	$ -	$ 50,000,000	12/1/2037
	Grand Total - Revenue Bonds and Other Bonds (Conduit Debt Obligations)				$ 695,885,000	$ 65,435,000	$ 166,425,000	$ 594,895,000	

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors of the
City of Syracuse Industrial Development Agency
Syracuse, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the business-type activities of City of Syracuse Industrial Development Agency (SIDA) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise SIDA's basic financial statements, and have issued our report thereon dated March 10, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered SIDA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SIDA's internal control. Accordingly, we do not express an opinion on the effectiveness of SIDA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether SIDA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Grossman St Amour CPAs

Syracuse, New York
March 10, 2020

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

POSITIVE ASSURANCE REPORT OVER INVESTMENT PRACTICES

December 31, 2019

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors
City of Syracuse Industrial Development Agency

We have examined management's assertion, herein, that the City of Syracuse Industrial Development Agency (the Agency) compliance with the New York State Public Authorities Law section 2925 applicable to the Agency's adoption of comprehensive investment guidelines for the year ended December 31, 2019. Management is responsible for the Agency's assertion. Our responsibility is to express an opinion on management's assertion about the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material misstatement of management's assertion, whether due to fraud or error. In making an assessment of the risks of material misstatement, the practitioner considered and obtained an understanding of internal control relevant to the subject matter in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, no such opinion is expressed. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Corporation's compliance with the specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements for the year ended December 31, 2019.

This report is intended solely for the information and use of management, the audit committee and Board of Directors, others within the Agency, and for compliance with the New York State Public Authorities Law and is not intended to be and should not be used by anyone other than these specified parties.

Grossman St Amour CPAs

Syracuse, New York
March 10, 2020

I) Designation of Depositories

The banks and trust companies authorized for the deposit of monies are designated through resolution by the Agency Board.

Management's Assertion:

The Agency complied with the requirement as of December 31, 2019.

II) Collateralizing of Deposits

In accordance with the provisions of General Municipal Law, §10 and 11, all deposits of the Agency, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

(A) By a pledge of "eligible securities" with an aggregate "market value", or provided by General Municipal Law, §10, equal to the aggregate amount of deposits; (B) By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the government of a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, in any; (C) By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

Management's Assertion:

The Agency complied with the requirement as of December 31, 2019.

III) Safekeeping and Collateralization

Eligible securities used for collateralizing deposits shall be held by a third party subject to security and custodial agreements.

Management's Assertion:

The Agency complied with the requirement as of December 31, 2019.

IV) Permitted Investments

- As authorized by General Municipal Law (GML), §11, the Agency authorizes the Agency Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments: (a) special time deposit accounts authorized to do business in New York State (b) Certificates of Deposit; (c) obligations of the United States of America; (d) obligations guaranteed by agencies of the United States of America, where the payment of principal and interest is guaranteed by the United States of America; (e) obligations of the State of New York; (f) obligations issued pursuant to Local Finance Law §24 or §25(with approval of the State Comproller) by any municipality, school district or district corporation other than the City of Syracuse; and (g) obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments; (h) certificates of participation (COPs) issued pursuant to General Municipal Law §109-b; and (i) Obligations of this local government, but only with any moneys in a reserve fund established pursuant to General Municipal Law §§ 6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-i, or 6-n.

IV) Permitted Investments (continued)

Management's Assertion:
The Agency complied with the requirement as of December 31, 2019.

V) Diversification
It is the policy of the Agency to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

Management's Assertion:
The Agency complied with the requirement as of December 31, 2019.

VI) Authorized Financial Institutions and Dealers
The Agency shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments, which can be made with each financial institution or dealer.

Management's Assertion:
The Agency complied with the requirement as of December 31, 2019.

VII) Purchase of Investments
The Agency Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, is authorized to contract for the purchase of investments accordance to policy.

Management's Assertion:
The Agency complied with the requirement as of December 31, 2019.

VIII) Operations, Audit and Reporting
The Agency treasurer, as Chief Fiscal Officer, for the City of Syracuse or his/her designee, having custody of money, shall authorize the purchase and sale of all securities and execute contracts for repurchase agreements and certificates of deposit on behalf of the Agency. Oral directions concerning the purchase, transaction, or sale of securities shall be confirmed in writing. The Agency shall pay for purchased securities upon deliver or book entry thereof.

Management's Assertion:
The Agency complied with the requirement as of December 31, 2019.

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

EXECUTIVE SUMMARY

Agenda Item: 4

Title: Dupli Associates, LLC

Requested By: Judith DeLaney

OBJECTIVE: Review and recommendation to the Board of Directors relative to a request from the Company to amend 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

See attached.

ATTACHMENTS:

1. Memo/ attachments
2. Cost Benefit Analysis.
2. Application for Financial Assistance. (Revised)

REVIEWED BY:

☒Executive Director

☐Audit Committee

☐Governance Committee

☐ Finance Committee

Meeting: March 10, 2020
(Audit & Finance Committee)

Prepared By: J. A. Delaney

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

March 10, 2020

Memorandum To: Finance Committee

From: Judy DeLaney

Re: Dupli Associates, LLC

As the members of the Finance Committee are aware in February the Agency received an amended application to expand the current Project owned by the above referenced company. The application was initially reviewed by the Finance Committee at its February 5th meeting and then a public hearing was authorized by the Board of Directors at its meeting of February 18th. That public hearing will be held immediately preceding the Board of Directors meeting of March 17th and the Board members will be asked to consider resolutions approving the amended project at that meeting.

The Finance Committee members are requested to review the Project with a recommendation to the Board relative to the request of the Company to assign membership interests to FS Development Associates, approve additional mortgage and sales tax abatements for Phase 2 & Phase 3 of the Project and approve an amended PILOT as outlined.

Below is a brief recap of the Project:

As background In May of 2017 (closed 7/31/17) the Agency Board of Directors approved a project the Company proposed for the Dupli Graphics building and adjacent property located at 600 Franklin Street in the Franklin Square neighborhood. "**Phase 1"**. The owners proposed a buildout of vacant space to house a 15,000 sq. ft. rock climbing gym and a 6,000 sq. ft. restaurant along with the acquisition of the adjacent former Syracuse Scale property for future development. The cost of the Project was estimated to be $3,562,000.00 and the Company received mortgage ($26,800) and sales tax exemption ($31,300) benefits along with a 10 Year PILOT agreement from the Agency valued at $259,688. While the acquisition of Syracuse Scale and the gym were completed the restaurant was not due to difficulty in locating a tenant and in February 2019 the owners were approved for an extension of the sales tax appointment through 1/31/20 for the purpose of completing said restaurant. The restaurant did not materialize, the gym however has been extremely successful with over a 1000 members. It should be noted the Company never made use of the sales tax exemption for any portion of the Project to date. **Final cost of the Project: $2,700,000.00**.

The applicant is now requesting the consent of the Agency to assign membership interests of the Company to FS Development Associates who proposes a significant new Project in two phases for the

buildings at a cost of **$ 19,747,799.00. Phase 2 & 3** of the Project will be funded with a mortgage of $15,300,000, a CFA grant of $1,000,000 awarded by the REDC and equity of $3,447,799 to include historic tax credit financing. **Phase 2** is proposed to be the complete renovation and rehab of the 160,000 sq. ft. Dupli building (Merrill Soule) - currently 110,000 sf is vacant - to include commercial office space (37,500 sf)) storage (25,000 sf), 39 residential units (45,000 sf) retail space (3500 sf) and an expansion of the popular climbing gym (8000 sf). **Cost: $8,992,896. Start Date: June 2020**. **Completion Date: October 2021** **Phase 3** to include the full rehab of the long vacant Syracuse Scale building (Amphion Piano Player Building) to include 24,000 sf of residential space (20 units), 20,000 sf of commercial and 9,500 sf of retail space. **Cost: $10,754.903.00 Completion Date: early 2022.**

The Company advises current FTE employment of 90 employees in the Dupli Building with a forecast of an additional 38 new FTEs at completion of both phases.

In addition to the assignment of membership interests, the Company further requests tax benefits from the Agency for Phase 2 & 3 of the Project to include a mortgage tax exemption valued at $114,750 a sales tax exemption valued at $897.912 and a PILOT utilizing a 15 year Priority Commercial & Residential schedule. The Company qualifies for the PILOT as it has agreed to incorporate and rent 20% of the Project's residential units at the annual 65% AMI rent limits for the City of Syracuse as designated by HUD and will be monitored for compliance over the life of the agreement.

As noted above the Project currently has a 10 Year PILOT with the Agency with seven years remaining as of July 1, 2020. As the Company is requesting a change in the assignment of membership interests, has agree to incorporate affordable rent limits into the Project and is committing a sizeable amount of investment to the two new phases, staff is recommending approval of the change in membership and the requested tax abatements to include in the case of the PILOT an amendment to the existing PILOT to a fifteen year schedule with twelve years remaining.

*** Please see the attached comparison of the existing and proposed PILOT schedule.

Estimated Regular Taxes

		Current Tax Rate/1000:	39.06
		Project Value	$2,560,000.00
Year	*PILOT %*	*Tax rate*	*Payment*
1	100%	39.8412	$101,993.47
2	100%	40.638024	$104,033.34
3	100%	41.45078448	$106,114.01
4	100%	42.27980017	$108,236.29
5	100%	43.12539617	$110,401.01
6	100%	43.9879041	$112,609.03
7	100%	44.86766218	$114,861.22
8	100%	45.76501542	$117,158.44
9	100%	46.68031573	$119,501.61
10	100%	47.61392204	$121,891.64
			$1,116,800.06

Estimated PILOT Payments

		Tax Rate/1000:	39.06
		Project Value	$710,000.00
Year	*Exemption %*	*PILOT rate*	*PILOT Payment*
1	100%	39.8412	$0.00
2	100%	40.638024	$0.00
3	100%	41.45078448	$0.00
4	100%	42.27980017	$0.00
5	100%	43.12539617	$0.00
6	100%	43.9879041	$0.00
7	100%	44.86766218	$0.00
8	75%	45.76501542	$8,123.29
9	50%	46.68031573	$16,571.51
10	25%	47.61392204	$25,354.41
			$50,049.22

Estimated Base Assessment Payments

		Current Tax Rate/1000:	39.06
		Project Value	$1,850,000.00
Year	*PILOT %*	*Tax rate*	*Payment*
1	100%	39.8412	$73,706.22
2	100%	40.638024	$75,180.34
3	100%	41.45078448	$76,683.95
4	100%	42.27980017	$78,217.63
5	100%	43.12539617	$79,781.98
6	100%	43.9879041	$81,377.62
7	100%	44.86766218	$83,005.18
8	100%	45.76501542	$84,665.28
9	100%	46.68031573	$86,358.58
10	100%	47.61392204	$88,085.76
			$807,062.54

Total Annual Payment

Year	*Amount*	
1	$73,706.22	7/1/2018
2	$75,180.34	7/1/2019
3	$76,683.95	7/1/2020
4	$78,217.63	7/1/2021
5	$79,781.98	7/1/2022
6	$81,377.62	7/1/2023
7	$83,005.18	7/1/2024
8	$92,788.57	7/1/2025
9	$102,930.10	7/1/2026
10	$113,440.17	7/1/2027
Total	$857,111.76	

Comparison	
Estimated 10 year Regular Taxes	$1,116,800.06
Estimated 10 year PILOT Payments	$857,111.76
Estimated 10 year Savings	$259,688.30

Estimated Regular Taxes

		Current Tax Rate/1000:	39.06
		Project Value	$9,184,000.00
Year	*PILOT %*	*Tax rate*	*Payment*
1	100%	39.8412	$365,901.58
2	100%	40.638024	$373,219.61
3	100%	41.45078448	$380,684.00
4	100%	42.27980017	$388,297.68
5	100%	43.12539617	$396,063.64
6	100%	43.9879041	$403,984.91
7	100%	44.86766218	$412,064.61
8	100%	45.76501542	$420,305.90
9	100%	46.68031573	$428,712.02
10	100%	47.61392204	$437,286.26
11	100%	48.56620049	$446,031.99
12	100%	49.5375245	$454,952.62
13	100%	50.52827499	$464,051.68
14	100%	51.53884049	$473,332.71
15	100%	52.56961729	$482,799.37
			$6,327,688.59

Estimated PILOT Payments

		Tax Rate/1000:	39.06
		Project Value	$7,334,000.00
Year	*Exemption %*	*PILOT rate*	*PILOT Payment*
1	100%	39.8412	$0.00
2	100%	40.638024	$0.00
3	100%	41.45078448	$0.00
4	100%	42.27980017	$0.00
5	100%	43.12539617	$0.00
6	100%	43.9879041	$0.00
7	100%	44.86766218	$0.00
8	100%	45.76501542	$0.00
9	100%	46.68031573	$0.00
10	100%	47.61392204	$0.00
11	80%	48.56620049	$71,236.90
12	60%	49.5375245	$145,323.28
13	40%	50.52827499	$222,344.62
14	20%	51.53884049	$302,388.68
15	0%	52.56961729	$385,545.57
			$1,126,839.06

Estimated Base Assessment Payments

		Current Tax Rate/1000:	39.06
		Project Value	$1,850,000.00
Year	*PILOT %*	*Tax rate*	*Payment*
1	100%	39.8412	$73,706.22
2	100%	40.638024	$75,180.34
3	100%	41.45078448	$76,683.95
4	100%	42.27980017	$78,217.63
5	100%	43.12539617	$79,781.98
6	100%	43.9879041	$81,377.62
7	100%	44.86766218	$83,005.18
8	100%	45.76501542	$84,665.28
9	100%	46.68031573	$86,358.58
10	100%	47.61392204	$88,085.76
11	100%	48.56620049	$89,847.47
12	100%	49.5375245	$91,644.42
13	100%	50.52827499	$93,477.31
14	100%	51.53884049	$95,346.85
15	100%	52.56961729	$97,253.79
			$1,274,632.39

Total Annual Payment

Year	*Amount*	
1	$73,706.22	7/1/2018
2	$75,180.34	7/1/2019
3	$76,683.95	7/1/2020
4	$78,217.63	7/1/2021
5	$79,781.98	7/1/2022
6	$81,377.62	7/1/2023
7	$83,005.18	7/1/2024
8	$84,665.28	7/1/2025
9	$86,358.58	7/1/2026
10	$88,085.76	7/1/2027
11	$161,084.37	7/1/2028
12	$236,967.70	7/1/2029
13	$315,821.93	7/1/2030
14	$397,735.54	7/1/2031
15	$482,799.37	7/1/2032
Total	$2,401,471.46	

Comparison	
Estimated 15 year Regular Taxes	$6,327,688.59
Estimated 15 year PILOT Payments	$2,401,471.46
Estimated 15 year Savings	$3,926,217.13

Project Summary

1. Project:	**Dupli Associates LLC**	**2. Project Number:**	**0**
3. Location:		**4. School District:**	SCSD
5.Tax Parcel(s):		**6. Type of Project:**	Commercial

7.Total Project Cost:	**$**	**19,747,799**
Land		
Site Work	$	1,625,489
Building	$	13,216,892
Furniture & Fixtures	$	22,282
Equipment	$	2,107,841
Equipment Subject to NYS Production Exemption	$	-
Engineering/Architecture Fees	$	442,596
Financial Charges	$	1,335,221
Legal Fees	$	370,000
Other	$	627,478

8. Total Jobs	128
8A. Job Retention	90
8B: Job Creation (Next 5 Years)	38

Cost Benefit Analysis:	Dupli Associates LLC	
	Fiscal Impact ($)	
Abatement Cost:		**$4,939,879**
Sales Tax	$898,912	
Mortgage Tax	$114,750	
Property Tax Relief (PILOT)15yr	$3,926,217.13	
New Investment:		**$29,496,394**
PILOT Payments 15yrs	$826,116.08	
Project Wages (10 yrs)	$0	
Construction Wages	$11,056,620	
Employee Benefits (10 years)	$80	
Project Capital Investment	$17,415,100	
New Sales Tax Generated	$0	
Agency Fees	$198,478	
Benefit:Cost Ratio	5.97 :1	

CITY OF SYRACUSE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
PROJECT APPLICATION INSTRUCTIONS

1. The person completing this application on behalf of the company/applicant shall be a person who is eitherthe CEO of the company/applicant or a person authorized to bind the company/applicant and each statement contained in this application shall be made by such a person. Fill in all blanks, using "none", "not applicable" or "not available" where the question is not appropriate to the Project, which isthe subject of this Application (the "Project"). If you have any questions about the way to respond, please call the City of SyracuseIndustrial Development Agency ("SIDA" or the "Agency") at (315)473-3275.

2. If an estimate is given as the answer to a question, put "(est.)" after the figure or answer, which is estimated.

3. If more space is needed to answer any specific question, attach a separate sheet.

4. When completed, return this application by mail or fax to the Agency at the address indicated below. A signed application may also be submitted electronically in PDF format to Judith DeLaney, Economic Development Specialist at jdelaney@syrgov.net.

An application will not be considered by the Agency until the application fee has been received.

5. The Agency will not give final approval for this Application until the Agency receives a completed NYS Environmental Assessment Form concerning the Project, which is the subject of this Application. The form is available at http://www.dec.ny.gov/permits/6191.html

6. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the SIDA (with certain limited exceptions) are open to public inspection and copying. If the Applicant feels that there are elements of the Project which are in the nature of trade secrets which, if disclosed to the public or otherwise widely disseminated, would cause substantial injury to the Applicant's competitive position, this Applicant must identify such elements in writing and request that such elements be kept confidential. In accordance with Article 6 of the Public Officers Law, the SIDA may also redact personal, private, and/or proprietary information from publicly disseminated documents.

7. The Applicant will be required to pay the Agency application fee and legal fee deposit upon submission. If accepted as a project of the agency, the Applicant is responsible for all administrative and legal fees as stated in Appendix D.

8. A complete application consists of the following 8 items:

- This Application
- Conflict of Interest Statement - Appendix A
- Environmental Assessment Form
- Verification - Appendix B
- A Project description, including a feasibility statement indicating the need for the requested benefits
  - Provide site plans, sketches, and/or maps as necessary
- 10 year pro forma operating budget, including funding sources
- A check payable to the Agency in the amount of $1,000
- A check payable to Bousquet Holstein PLLC in the amount of $2,500

It is the policy of the Agency that any Project receiving benefits from the Agency will utilize 100% local contractors and local labor for the construction period of the Project unless a waiver is granted in writing by the Agency.

Return to:
City of Syracuse Industrial Development Agency
201 East Washington Street, 6th Floor
Syracuse, NY 13202
Phone: 315-473-3275
jdelaney@syrgov.net

City of Syracuse Syracuse Industrial Development Agency
Application

I. APPLICANT DATA

A. Contact Information

Company Name:	Dupli Associates LLC ("Applicant")				
Mailing Address:	6761 Thompson Rd				
City:	Syracuse	State:	NY	Zip:	13211
Phone:	3152347241	Fax:	3154379913		
Contact Person:	J. Kemper Matt, Jr				
Email Address:	jkmattii@duplionline.com				
Industry Sector:					
NAICS Code:		Federal Employer Identification Number:	16-1545537		

B. Will the Applicant be the Project Beneficiary (i.e. Project tenant or owner/operator)

Yes ☒ No ☐ If No, Who will:

C. Principal Stakeholders

List principal owners/officers/directors owning 5% or more in equity holdings with percentage ownership. Public companies should list corporate officers.

Name	% Ownership	Business Address	Phone	Email
see attached				

D. Corporate Structure: Attach a schematic if Applicant is a subsidiary or otherwise affiliated with another entity.

☐ Corporation
☐ Private ☐ Public

Date and Location of Incorporation/Organization

☐ Partnership
☐ General ☐ Limited

If a foreign corporation, is the Applicant authorized to do business in the State of New York?

☐ Other ☐ Sole Proprietorship

☒ Limited Liability Company/Partnership

E. Applicant's Counsel:

Name:	Timothy M Lynn				
Firm:	Lynn D'Elia Temes & Stanczyk LLC				
Mailing Address:	100 Madison St - Suite 1905				
City:	Syracuse	State:	NY	Zip:	13202
Phone:	3157662118	Fax:			
Email Address:	tim@ldts-law.com				

F. Applicant's Accountant:

Name:	Karen A. Hovey				
Firm:	Dermody Burke & Brown, CPA's LLC				
Mailing Address:	443 North Franklin Street, Suite 100				
City:	Syracuse	State:	NY	Zip:	13204
Phone:	3154719171	Fax:			
Email Address:	kah@dbbllc.com				

G. Applicant History: If the answer to any of the following is "Yes", please explain below. If necessary, attach additional information.

1. Is the Applicant, its management, or its principal owners now a plaintiff or defendant in any civil or criminal litigation? ☐ Yes ☒ No

2. Has any person listed in Section 1(c) ever been convicted of a criminal offense (other than a minor traffic violation)? ☐ Yes ☒ No

3. Has any person listed in Section 1 (C) or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? ☐ Yes ☒ No

H. Has the Applicant, or any entity in which the Applicant or any of its members or officers are members or officers, received assistance from SIDA in the past? If yes, please give year, Project name, description of benefits, and address of Project.

☒ Yes ☐ No

see attached additional information

II. PROJECT INFORMATION

A. Project Location

Address:	1 Dupli Park Drive	Legal Address (if different)	
City:	Syracuse		
Zip Code:	13204		
Tax Map Parcel ID(s):	311500 118.-06-08.0 & 118.-06-01.0		
Current Assessment:	1850000	Square Footage /Acerage of Existing Site:	5 acres
Square Footage of Existing Building, if any:	149,000 & 62,800	Census Tract: (Please See Appendix E for Census Tracts)	1

B. Type (Check all that apply):

- ☐ New Construction
- ☐ Expansion/Addition to Current Facility
- ☐ Manufacturing
- ☐ Warehouse/Distribution
- ☒ Commercial
- ☐ Brownfield/Remediated Brownfield
- ☒ Residential/Mixed Use
- ☐ Other

C. Description of Project: Please provide a detailed narrative of the proposed Project. This narrative should include, but not be limited to: (i) the size of the Project in square feet and a breakdown of square footage per each intended use; (ii) the size of the lot upon which the Project sits or is to be constructed; (iii) the current use of the site and the intended use of the site upon completion of the Project; (iv) the principal products to be produced and/or the principal activties that will occur on the Project site; and (v) an indication as to why the Applicant is undertaking the Project and the need for the requested benefits (Attach additional sheets if necessary). Attach copies of any site plans, sketches or maps.

see attached

D. Is the Applicant the owner of the property?

☒ Yes ☐ No

If not, who is the owner and by what means will the site be acquired? If leasing, when does the lease end?

E. Infrastructure: Please indicate whether the following are onsite, need to be constructed, or need to be renovated/expanded:

Water	Onsite	Electric	Onsite
Sanitary/ Storm Sewer	Onsite	Private Roads	Onsite
Gas	Onsite	Telecommunication	Onsite

F. Zoning Classification: Please list the current zoning:

Current Zoning: Lake Front

G. Are variances needed to complete the Project?

☐ Yes ☒ No

If yes, please describe nature of variances and if municipal approvals have been granted:

H. Will the Project generate sales tax for the community?

☒ Yes ☐ No

If yes, what is the company's average annual sales or estimated annual sales?

Certain tenants and prospective tenants will be in the hospitality, tourism and fitness sectors

I. In accordance with N.Y. GML Sec. 862(1):

1. Will any other companies or related facilities within the state close or be subjected to reduced activity as a result of this Project? If so please list the town and county of the location(s):

☐ Yes ☒ No

2. Will the completion of the Project result in the removal of a plant or facility of the Applicant from one area of the State New York to another area of the State of New York?

☐ Yes ☒ No

3. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant located in the State of New York?

☐ Yes ☒ No

i. If any answer to questions 1, 2 or 3 above is yes, is the Project reasonably necessary to discourage the Applicant from removing such other plant or facility to a location outside the State of New York?

☐ Yes ☐ No

ii. If any answer to questions 1, 2 or 3 above is yes, is the Project reasonably necessary to preserve the competitive position of the Applicant in its respective industry?

☐ Yes ☐ No

4. Will the Project primarily consist of retail facilities?

☐ Yes ☒ No

i. If yes, will the cost of these facilities exceed one-third of the total Project cost?

☐ Yes ☐ No

J. Is the Project located in a distressed Census Tract?

☐ Yes ☒ No

see attached

Please see Appendix E for the map of distressed census tracts in the city of Syracuse.

K. Is the Project site designated as an Empire Zone?

☐ Yes ☒ No

L. Construction

1. Project Timeline (approximate):

Construction Commencement	06/01/2020	Construction Completion	09/30/2021	Date of Occupancy	10/01/2021

2. Please list any other key Project milestones: Phase 2 timeline in attachment

3. Has work begun? ☒ Yes ☐ No

If so, indicate the amount of funds expended in the past 3 years? Phase 1 complete, Phase 2 and 3 not begun

III. 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	see attached
Site Work/Demo	see attached
Building Construction & Renovation	see attached
Furniture & Fixtures	see attached
Equipment	see attached
Equipment Subject to NYS Production Sales Tax Exemption (Manufacturing)	see attached
Engineering/Architects Fees	see attached
Financial Charges	see attached
Legal Fees	see attached
Other	see attached
Management /Developer Fee	see attached
Total Project Cost	see attached

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

Amount of capital the Applicant has invested to date:	see attached
Amount of capital Applicant intends to invest in the Project through completion:	see attached
Total amount of public sector source funds allocated to the Project:	see attached
Identify each public sector source of funding:	see attached
Percentage of the Project to be financed from private sector sources:	see attached
Total Project Cost	see attached

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: 15,300,000 - Tompkins Trust/NBT Bank

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? 11,223,900

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: Historic

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:
☒	Real Property Tax Abatement (PILOT)	3,522,639
☒	Mortgage Recording Tax Exemption (.75% of amount mortgaged)	114,750
☒	Sales and Use Tax Exemption ($4% Local, 4% State)	897,912
☐	Tax Exempt Bond Financing (Amount Requested)	0
☐	Taxable Bond Financing (Amount Requested)	0

D. Company's average yearly purchases or anticipated yearly purchases from vendors within Onondaga County, subject to sales tax: 170,000

E. Estimated capital investment over the next 5 years, beyond this Project, if available: 0

IV. 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: TBD

B. Complete the following:

Estimate the number of full time equivalent (FTE) jobs to be retained as a result of this Project:	TBD
Estimate the number of construction jobs to be created by this Project:	254
Estimate the average length of construction jobs to be created (months):	annualized FTE
Current annual payroll at facility:	0
Average annual growth rate of wages:	0
Please list, if any, benefits that will be available to either full and/or part time employees:	0
Average annual benefit paid by the company ($ or % salary) per FTE job:	0
Average growth rate of benefit cost:	0
Amount or percent of wage employees pay for benefits:	0
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:	100

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	Annual Salary	Estimated Number of FTE Jobs After Project Completion					
			End of Year 1	End of Year 2	End of Year 3	End of Year 4	Total New Jobs After 5 Years	Total Retained Jobs After 5 Years
Professional/Managerial/Technical	TBD	unknown	0	1	3	3	7	TBD
Skilled	TBD	unknown	0	0	9	9	18	TBD
Unskilled or Semi-skilled	TBD	unknown	0	3	5	5	13	TBD

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 levesl (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:

V. Environmental Information

***An Environmental Assessment Form (EAF) MUST be completed and submitted along with this application. Please visit https://www.dec.ny.gov/permits/6191.html for the online EAF Mapper Application and EAF Forms.**

A. Have any environmental issues been identified on the property?

☐ Yes ☒ No

If yes, please explain:

B. Has any public body issued a State Environmental Quality Review Act determination for this Project?

☐ Yes ☒ No

If yes, please attach to this application.

VI. REPRESENTATIONS & AFFIRMATIONS BY THE APPLICANT

I hereby represent and warrant that I am [the CEO of the company/applicant] or [a person authorized to bind the company/applicant] and make the following representations and/or warranties and understand and agrees with the Agency as follows:

A. Jobs Listings: Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity of the service delivery area created by the Workforce Investment Act ("WIA") in which the Project is located.

B. First Consideration for Employment: In accordance with §858-b (2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in WIA programs who shall be referred by the WIA for new employment opportunities created as a result of the Project.

C. Other NYS Facilities: In accordance with §862 (1) of the New York General Municipal Law, the Applicant understands and agrees that projects which will result in the removal of an industrial or manufacturing plant of the Project occupant 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 Project occupant within the state is ineligible for Agency Financial Assistance, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the Project in its respective industry.

D. City Human Right Law: The Applicant agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law," which prohibits discrimination in employment based upon age, race, sex, creed, color, religion, national origin, sexual orientation, disability or marital status. The Applicant hereby agrees to adhere to this policy or equal opportunity employment in the requirement, hiring, training, promotion, and termination of employees.

E. City of Syracuse and MWBE Preference: The applicant understands and agrees that it is the preference of the Agency that the applicant provide, and use its best efforts to provide, opportunities for the purchase of equipment, goods and services from: (i) business enterprises located in the city of Syracuse; (ii) certified minority and/or women-owned business enterprises; and (iii) business enterprises that employ residents in the city of Syracuse. Consideration will be given by the Agency to the Project Applicant's efforts to comply, and compliance, with this objective at any time an extension of benefits awarded, or involvement by the Agency with the Project, is requested by the Project Applicant.

F. Local Labor Policy: The applicant understands and agrees that local labor and contractors will be used for the construction, renovation, reconstruction, equipping of the Project unless a written waiver is received from the Agency. Failure to comply may result in the revocation or recapture of benefits awarded to the Project by the Agency. For the purposes of the policy, "Local" is defined as Onondaga, Cayuga, Cortland, Madison, Oneida, and Oswego Counties.

G. Annual Sales Tax Filings: In accordance with §874(8) of the New York General Municipal Law, the Applicant understands and agrees that if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors

H. Annual Employment Reports and Outstanding Bonds: The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency on an annual basis, reports regarding the number of FTE at this Project site. The Applicant also understands and agrees to provide on an annual basis any information regarding bonds, if any, issued by the Agency for the Project that is requested by the Comptroller of the State of New York.

I. Absence of Conflicts of Interest: The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect in any transaction contemplated by this Application, except as hereinafter described in Appendix B.

J. Compliance: The Applicant understands and agrees that it is in substantial compliance with applicable local, state, and federal tax, worker protection, and environmental laws, rules, and regulations.

K. False or Misleading Information: The Applicant understands and agrees that the submission of knowingly false or knowingly misleading information in this Application may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemptions claimed by reason of Agency involvement in the Project.

L. GML Compliance: The Applicant certifies that, as of the date of the Application, the proposed project is in substantial compliance with allprovisions of NYS General Municipal Law Article 18-A, including but not limited to Sections 859-a and 862(1).

M. SIDA's Policies: The Applicant is familiar with all of SIDA' s policies posted on its website (http://www.syrgov.net/Syracuse_Industrial_Development_Agency.aspx) and agrees to comply with all applicable policies.

N. Disclosure: The Applicant has read paragraph 6 of the instructions contained on the cover of this Application and understands that the Applicant must identify in writing to SIDA any information it deems proprietary and seeks to have redacted.

O. Reliance: THE APPLICANT ACKNOLWEDGES THAT ALL ESTIMATES OF PROJECTED FINANCIALIMPACTS, VALUE OF FINANCIAL ASSISTANCE REQUESTED, AND OTHER INFORMATION CONTAINED IN THIS APPLICATION WILL BE RELIED UPON BY SIDA AND ANY CHANGES IN SUCH INFORMATION MUST BEMADE IN WRITING AND MAY IMPACT THE GRANT OF FINANCIAL ASSISTANCE TO THE PROJECT.

I am the CEO or a person authorized to bind the company/applicant, and have read the foregoing and agree to comply with all the terms and conditions contained therein as well as the policies of the City of Syracuse Industrial Development Agency.

Name of Applicant Company	Dupli Associates
Signature of Officer or Authorized Representative	J. Kemper Matt Jr.
Name & Title of Officer or Authorized Representative	J. KEMPER MATT JR./MEMBER
Date	2/4/2020

VI. HOLD HARMLESS AGREEMENT

Applicant hereby releases the City of Syracuse Industrial Development Agency and the members, officers, servants, agents and employees thereof (collectively the "Agency" from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend, and hold the Agency harmless from and against any and all liability arising from or expense incurred by: (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax-exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction, and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project, including without limiting the generality of the foregoing, all cause of action and attorney's fees and any other expenses incurred in defending any suits or action which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with respect to the Project, or the inability of the Applicant, for any reason, to proceed with the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of or in connection with the Application, including attorney's fees, if any.

Name of Applicant Company	Dupli Associates
Signature of CEO or a person authorized to bind the company/applicant	J. Kemper Matt Jr.
Name & Title of Officer or Authorized Representative	J. KEMPER MATT JR.
Date	2/4/2020

CITY OF SYRACUSE INDUSTRIAL DEVLEOPMENT AGENCY APPLICATION

APPENDIX A

CONFLICT OF INTEREST STATEMENT

Agency Board Members

1. Michael Frame
2. Kathleen Murphy
3. Steven P. Thompson
4. Rickey T. Brown
5. Kenneth J. Kinsey

Agency Officers/Staff

1. Judith DeLaney
2. John Vavonese
3. Debra Ramsey-Burns

Agency Legal Counsel & Auditor

1. Susan Katzoff, Esq., Bousquet Holstein, PLLC
2. Grossman St. Amour, PLLC.

The Applicant has received from the Agency a list of members, officers and staff of the Agency. To the best of my knowledge, no member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

None

Signature:

Authorized Representative: Duplin Associates

Title: Member

Date: 2/4/2020

City of Syracuse Industrial Development Agency
APPENDIX B
Agency Fee Schedule
(Revised 1/15/19)

Bond and Straight Lease Transactions:

Application & Processing Fee $1,000.00

Project Commitment/Legal Fee $2,500.00
(Due with fully executed Application; Amount applied to SIDA's counsel fee)

Administrative Fee:

Issuance of Bonds ..... 1% Project Cost
(Without regard to principal amount of bonds issued.)

Straight Lease/Agency Appointment ..... 1% Project Cost
(Exemption from one or more mortgage recording, real property or sales and use taxes)

Refunding of Bonds ..... 1% of Project Cost

New Money/Additional Financing on Existing Project:

Refinancing of project where no additional Financial Assistance is sought (other than MRTE) – ¼ of new money financed (exclusive of original mortgage amount).
Refinancing of project where additional Financial Assistance is sought (in addition to MRTE) – 1% of new money financed.

Post-Closing Items for Bond and Straight Lease Transactions:

Annual Administrative Reporting Fee $250.00
(Paid at time of closing and annually thereafter for duration of SIDA's interest in Project Facility)

Extension of sales tax exemption $500.00

Modification or Amendment of Closing Documents* $1,000.00

***including but not limited to refinancing of original mortgage**

Subsequent lender closing $250.00

In addition to the foregoing, Applicants are responsible for payment of all costs and expenses incurred by SIDA in connection with application or Project including without limitation publication, copying costs, SEQRA compliance and fees and costs to SIDA's attorneys, engineers, and consultants. SIDA reserves the right to require a deposit to cover anticipated costs. Application fees are payable at time application/request is submitted. All fees are non-refundable. Applicants for bond transactions are responsible for payment of Bond Issuance Charge payable to the State of New York. Applicants are also responsible for payment of post-closing fees and costs associated with the appointment of additional agents. SIDA reserves the right to modify the this schedule at any time and to assess fees and charges in connection with other transactions such as grants of easement or lease of SIDA-owned property.

APPENDIX B

Verification

STATE OF _____)
) SS.:
COUNTY OF _____)

J. REMPER MATT JR., deposes and says that s/he is the
(Name of Individual)

Member of Duplin Associates
(Title) *(Applicant Name)*

that s/he is the CEO or a person authorized to bind the company/applicant, and has personally completed and read the foregoing Application and knows the contents thereof and that thesame is true, accurate, and complete to the best of her/his knowledge, as subscribed andaffirmed under the penalties of perjury. The grounds of deponent's beliefs relative to allmatters in the said Application which are not stated upon her/his own personal knowledgeare investigations which the deponent has caused to be made concerning the subjectmatter of the Application as well as, if applicable, information acquired by deponent in thecourse of her/his duties/responsibilities for the Applicant and from the books and papers ofthe Applicant. The deponent also acknowledges the receipt of the schedules attached tothe Application, including but not limited to the Agency's fee schedule and assumesresponsibility for payment of any and all applicable fees as described therein. Deponentfurther acknowledges review and understanding of the Agency's published policies,including but not limited to the Agency's Recapture Policy, and agrees on behalf of theApplicant to be bound by and comply with, all such policies.

Applicant Representative's Signature

Member
Title

Subscribed and sworn to before me this

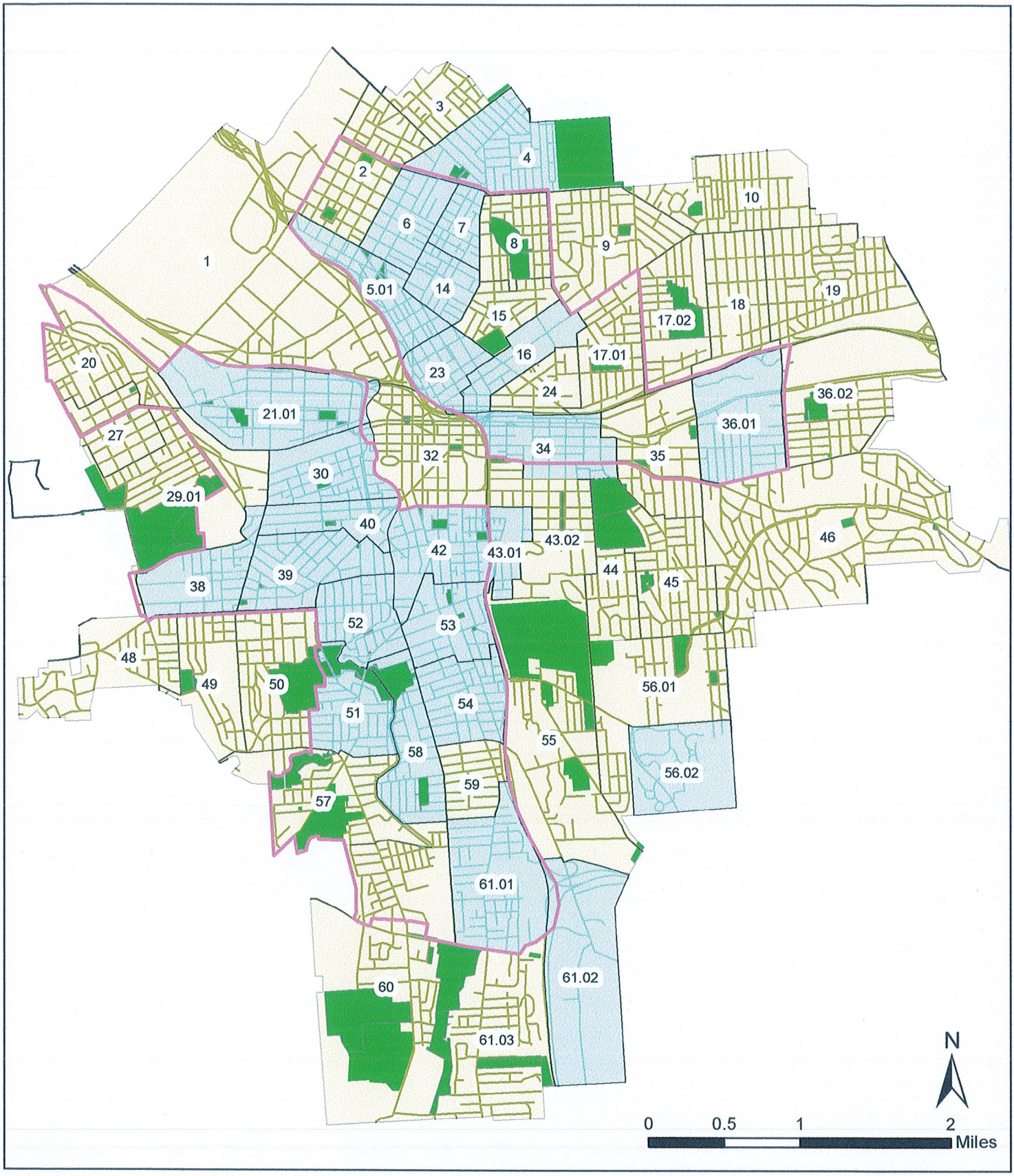
4TH day of February, 2020

Notary Public

JUDITH A. DELANEY
Notary Public in the State of New York
No. 4626821
Qualified in Onondaga County
My Commission Expires Dec. 31, 2022

Appendix C

Highly Distressed Census Tracts



Legend

- Highly Distressed Census Tracts (2016)
- 2010 Census Tracts
- Parks & Cemeteries
- NRSA Boundaries

Map created 7/12/2016.
This map is for planning purposes only.
The City of Syracuse cannot guarantee its accuracy.

III. 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	Phase 1 Costs (original)	Phase 1 Costs (actual)	Phase 2 Costs - Merrell Soule Rehabilitation	Phase 3 Costs - Amphion Piano Player Factory Rehabilitation	Totals
Land Acquisition	2,000,000	2,000,000	-	-	2,000,000
Site Work/Demo	600,000		550,000	1,075,489	1,625,489
Building Construction & Renovation	962,000	664,357	5,931,746	7,285,146	13,881,248
Furniture & Fixtures			10,000	12,282	22,282
Equipment			946,000	1,161,841	2,107,841
Engineering/Architect Fees			225,000	217,596	442,596
Financial Charges			840,221	495,000	1,335,221
Legal Fees			195,000	175,000	370,000
Other			294,929	332,549	627,478
Management/Developer Fee			-	-	-
Total	**3,562,000**	**2,664,357**	**8,992,896**	**10,754,903**	**22,412,156**

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

Amount of capital Applicant has invested to date:		2,664,357	-	-	2,664,357
Amount of capital Applicant intends to invest in the Project through completion:		-	8,492,896	10,254,903	18,747,799
Total amount of public sector funds allocated to the Project:		-	500,000	500,000	1,000,000
Identify each public sector source of funding:		-	ESD Grant	ESD Grant	ESD Grant
Percentage of the Project to be financed from private sector sources:		100%	94%	95%	96%
Percentage of the Project to be financed from public sector sources:		0%	6%	5%	4%

Summary of Sources Phase 1 and Phase 2

Bank Debt	15,300,000
CFA Grant	1,000,000
Equity	3,447,799

III. PROJECT COSTS & FINANCING
C. Type of Exemption/Abatement Requested:

PILOT Agreement - Priority Commercial & Residential

YEAR	EXEMPTION PERCENTAGE	TAX RATE	BASE ASSESSMENT	BASE PILOT PAYMENT	INCREASED ASSESSED VALUE	TAX ON INCREASED ASSESSMENT VALUE	TOTAL PILOT PAYMENT	PROJECTED SAVINGS
2021	100%	41.61643905	1,850,000	76,990.41	-	-	76,990.41	-
2022	100%	42.44876783	1,850,000	78,530.22	4,500,000	-	78,530.22	(191,019.46)
2023	100%	43.29774319	1,850,000	80,100.82	9,500,000	-	80,100.82	(411,328.56)
2024	100%	44.16369805	1,850,000	81,702.84	9,500,000	-	81,702.84	(419,555.13)
2025	100%	45.04697201	1,850,000	83,336.90	9,500,000	-	83,336.90	(427,946.23)
2026	90%	45.94791145	1,850,000	85,003.64	9,500,000	43,650.52	128,654.15	(392,854.64)
2027	80%	46.86686968	1,850,000	86,703.71	9,500,000	89,047.05	175,750.76	(356,188.21)
2028	70%	47.80420707	1,850,000	88,437.78	9,500,000	136,241.99	224,679.77	(317,897.98)
2029	60%	48.76029122	1,850,000	90,206.54	9,500,000	185,289.11	275,495.65	(277,933.66)
2030	50%	49.73549704	1,850,000	92,010.67	9,500,000	236,243.61	328,254.28	(236,243.61)
2031	40%	50.73020698	1,850,000	93,850.88	9,500,000	289,162.18	383,013.06	(192,774.79)
2032	30%	51.74481112	1,850,000	95,727.90	9,500,000	344,102.99	439,830.89	(147,472.71)
2033	20%	52.77970734	1,850,000	97,642.46	9,500,000	401,125.78	498,768.23	(100,281.44)
2034	10%	53.83530149	1,850,000	99,595.31	9,500,000	460,291.83	559,887.14	(51,143.54)
2035	0%	54.91200752	1,850,000	101,587.21	9,500,000	521,664.07	623,251.29	-
								(3,522,639.96)

I. APPLICANT DATA

C. Principal Stakeholders

The current owners holding 5% or more of Applicant are:

J. Kemper Matt	30%
J. Kemper Matt Jr.	20%
Matt Industries	20%
C Alexander Matt	10%
Julie Matt	10%
Stephen Elliott	10%

As part of this amended application, Applicant is requesting the Agency's consent to the assignment of the membership interests in Applicant to FS Development Associates LLC. The current owners of Applicant are not experienced in the development projects of the magnitude set forth in this amendment to the Project. Undertaking a project as significant as this is beyond the current owners' expertise. In order to move forward with restoring these historic community assets, the current owners believe it is best to bring in owners with experience in rehabilitating historic buildings and adapting such properties to modern use.

FS Development Associates LLC brings this needed expertise and capability. The members of FS Development Associates LLC are:

Mark Lane	66.67%
Joseph Gehm	27.78%
Timothy Lynn	5.56%

Mark Lane is the owner of W.H. Lane Construction and has extensive experience in the building industry both as a contractor and as a developer. Joe Gehm and Tim Lynn have extensive experience in adapting historic buildings and completing certified historic rehabilitations, including the C.G. Meaker Warehouse Rehabilitation and Oak Knitting Mill here in Syracuse. The change in the development team will ensure that these historic community assets are returned to full use while maintaining their historic character.

I. APPLICANT DATA
H. Prior SIDA Projects.

There is currently a SIDA project in effect for the property (being amended by this Application). As described in Part I(C) above, after the assignment of the membership interests in Applicant, the members will include Joseph Gehm and Timothy Lynn. Gehm and Lynn have had prior projects with SIDA: (1) 538 Erie Boulevard West – C.G. Meaker Warehouse; (2) 102 West Division Street – Oak Knitting Mill; and (3) 449-53 South Salina Street – The Addis Building.

II. PROJECT INFORMATION

C. Description of Project

Phase 1

The original project description submitted to and approved by the Agency was as follows:

> Our goal is to bring back to life a building that has been tremendously underutilized for the last 30 years. As a production facility much of the beauty of the building has been covered up. Our goal is to restore the historic beauty and create a vibrant, active environment. To do this, we have under contract the adjacent property at a very inflated price. Unfortunately the acquisition of this property is necessary to obtain parking that will enable us to activate the building.
>
> This specific project entails the acquisition of the adjacent property and the construction of two areas of our building. 1) 15,000 feet of our warehouse that will be converted into a climbing gym. 2) 6,000 feet of the northwest corner of the building that will become a restaurant. Both uses will cater to the younger, active community that is growing in Franklin Square.
>
> Upon completion of these two projects we will continue to develop roughly another 50,000 square feet of space left in the building.

Of this original project description, the first phase of the climbing gym has been completed. The Central Rock Gym occupies approximately 16,000 square feet in the Merrell Soule Building.[1]

The completed portion of the original application is referred to herein as Phase 1. The costs of Phase 1 are as follows:

Description of Cost Type	Phase 1 Costs (original)	Phase 1 Costs (actual)
Land Acquisition	2,000,000	2,000,000
Site Work/Demo	600,000	
Building Construction & Renovation	962,000	700,000
Furniture & Fixtures		
Equipment		
Engineering/Architect Fees		
Financial Charges		
Legal Fees		
Other		
Management/Developer Fee		
Total	**3,562,000**	**2,700,000**

[1] It has been a very successful startup operation, with strong membership and acting as a tourist draw. The success is evidenced by the desire to expand. As part of this Amended Application, as part of Phase 2, Central Rock Gym is expanding by approximately 7,000 square feet, adding additional climbing walls and studio space for yoga and classes. Completed, Central Rock Gym will cement its position as the region's premier climbing gym.

Phase 2

Phase 2 consists of a full certified historic rehabilitation of the Merrell Soule Nonesuch Mincemeat Company Building (a/k/a the Dupli Building). The rehabilitation will be certified by the New York State Historic Preservation Office and National Park Service.

Merrell Soule is an approximately 160,000 sf historic building located in Franklin Square (in fact, the building faces Franklin Park). It is currently underutilized with only approximately 50,000 sf occupied. The building is mostly vacant and is in a mostly unfinished condition. In Phase 2, Applicant will invest almost $9 million in a complete interior and exterior rehabilitation, all in compliance with New York State and National Park Service standards for rehabilitation of historic buildings. Applicant estimates the costs as follows:

Description of Cost Type	Phase 2 Costs - Merrell Soule Rehabilitation
Land Acquisition	-
Site Work/Demo	550,000
Building Construction & Renovation	5,931,746
Furniture & Fixtures	10,000
Equipment	946,000
Engineering/Architect Fees	225,000
Financial Charges	840,221
Legal Fees	195,000
Other	294,929
Management/Developer Fee	-
Total	**8,992,896**

When completed, the building will contain 37,500 sf of commercial office space, a 23,000 sf climbing gym and exercise/training facility, 25,000 sf of commercial storage, 45,000 sf in residential space (39 units) and 3,500 sf of retail space.

Phase 3

Phase 3 will be the rehabilitation of the Amphion Piano Player Company Building (a/k/a Syracuse Scale). Amphion is an historic 62,000 sf former factory. In a state of severe disrepair (the roof is failing an the interior is rotting and deteriorating, restoring this property will require a significant capital investment. Applicant's estimated costs are:

Description of Cost Type	Phase 3 Costs - Amphion Piano Player Factory Rehabilitation
Land Acquisition	-
Site Work/Demo	1,075,489
Building Construction & Renovation	7,285,146
Furniture & Fixtures	12,282
Equipment	1,161,841
Engineering/Architect Fees	217,596
Financial Charges	495,000
Legal Fees	175,000
Other	332,549
Management/Developer Fee	-
Total	**10,754,903**

When completed, Amphion will have approximately 24,000 sf of residential space (approximately 20 units), 20,000 sf of commercial office space, and 9,500 sf in retail space.

Schedule

Phase 1 is completed. To the extent the project described in the original application has not been completed, it is being replaced by the work being completed in Phase 2.

Phase 2 will begin on or about June 1, 2020 with a completion projected for October 2021. Phase 3 of the Project is subject to approval by SHPO and National Park Service. It is expected that these approvals will not be in hand until late 2020. It is expected that Phase 3 construction will not begin until early 2021 with a completion in early 2022.

Summary Information

Merrell Soule – approximately 160,000 sf
Tax Map ID: 118.-06-08.0
Lot Dimensions: 145.67 x 292.22
Current Use: 50,00 sf occupied for office and climbing gym use. 110,000 sf is vacant and in an unfinished condition.
Vacant space will be rehabilitated into a mix of residential, climbing gym and retail space.

Amphion – approximately 62,000 sf
Tax Map ID: 118.-06-01.0
Lot Dimensions: 334.35 x 260.97
Current Use: Vacant and unfinished
Will be converted into a mix of commercial/office, residential and retail use.

II. PROJECT INFORMATION

J. Distressed Census Tract.

Although Census Tract 1 is not delineated as distressed on the map of distressed areas attached to the form application, Census Tract 1, based upon information provided by Community Development Financial Institutions Fund at the U.S. Department of the Treasury, has a poverty rate of 22.80%, an unemployment rate of 10.40%, and is an eligible census tract for federal New Markets Tax Credits. Moreover, Census Tract 1 satisfies the requirements of distress for eligibility for the New York State historic tax credit. Based upon this information, Applicant believes that Census Tract 1 should be treated as distressed by the Agency in reviewing Applicant's Project.

City of Syracuse
Industrial Development Agency
333 West Washington St, Suite 130
Syracuse, NY 13202
Tel (315) 473-3275 Fax (315) 435-3669

EXECUTIVE SUMMARY

Agenda Item: 5

Title: Maguire Family Limited Partnership

Requested By: Sue Katzoff

OBJECTIVE: Review and recommendation to the Board of Directors relative to a request from the Company to amend 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 Board approved resolutions in December of 2016 for a Project to be located at the intersection of State Fair Blvd and Hiawatha Blvd. Benefits approved included mortgage and sales tax exemptions and a standard PILOT agreement. The project consisted of the acquisition and development of 7 parcels for new and used automobile sales and facilities to provide automobile service and repair. The Company forecasted retainage of 52 existing jobs and creation of an additional 57 jobs over a five year period. The cost of the project was estimated to be $15,783,742 and closed in December 2017. In December of 2018 the Agency approved an extension of the sales tax appointment through August 31, 2020. As outlined in its correspondence due to numerous pre construction problems over the past two years the Project has been substantially delayed and the Company has not used any of the benefits approved. Now as a consequence of issues beyond its control the Company advises it has made necessary changes to the original project and is requesting the Agency both amend the Project description and amend and extend the PILOT agreement to reflect its new timeline. There is no request for any additional benefits. Representatives of the Company will be on hand to discuss the Project with the Committee members.

ATTACHMENTS:

1. Correspondence.
2. Supplemental Application.

REVIEWED BY:

☒Executive Director

☐Audit Committee

☐Governance Committee

☐ Finance Committee

Meeting: March 10, 2020
(Audit & Finance Committee)

Prepared By: J.A. DeLaney

MAGUIRE
FAMILY OF DEALERSHIPS

PHILIP J. MAGUIRE
Authorized Representative
Maguire Family Limited Partnership
504 South Meadow Street
Ithaca, NY 14850
pmaguire@maguirecars.com
Phone: (607) 216-1268

March 3, 2020

VIA E-MAIL & REGULAR MAIL

Ms. Judith DeLaney
Executive Director
Syracuse Industrial Development Agency
City of Syracuse
201 East Washington Street, 6th Floor
Syracuse, NY13202

Re: Maguire Family Limited Partnership – Maguire Syracuse Project

Dear Judy:

On behalf of Maguire Family Limited Partnership and Maguire DRS LLC (collectively, "**Maguire**"), enclosed please find the requested Project Narrative and Supplemental Application and Verification (the "**Supplemental Application**"), the intent of which is to amend Maguire's current agreements with the City of Syracuse Industrial Development Agency ("**SIDA**") in order to accommodate the changes we have had to make to complete our new Syracuse automotive dealership. Ideally, we specifically request an amendment to the PILOT schedule set forth in Exhibit "A" to the current Payment in Lieu of Tax Agreement dated February 1, 2017, by and among Maguire and SIDA (the "**PILOT Agreement**"), that would allow us to fully realize the tax advantages we have had to forgo during these last few years of delay, together with any updated exemptions consistent with the updated project costs provided in the Supplemental Application. As we most recently discussed with you and SIDA counsel Susan Katzoff, we have had a number of setbacks that impaired our ability to complete the original project. However, we remain dedicated to investing resources necessary to complete this project and solidify a stronger presence in the Syracuse market.

As a quick summary of our challenges, subsequent to our submission of the construction documents we had then believed to be final, FEMA significantly increased the minimum height requirements for new construction projects. Accommodating these new requirements within the original plans involved cost-prohibitive changes and rendered much of our original plans unusable. Additionally, soil testing from alternate sites on the project parcels confirmed that the soil was unsuitable for the to-be constructed building design. And finally, corporate crises within the Nissan brand, our chosen manufacturer for this site, had negatively impacted sales volumes and global operations causing further delays.

To remedy the issues described, we amended the construction project plans to substantially expand the existing structures on the project parcels and eliminate the brand-new buildings. This allows us to avoid some of the issues related to FEMA's new construction height requirements, increase greenspace, and have a much smaller environmental impact overall. In addition, we will be completing substantial site work on a new section of the project parcels that will raise its elevation and prepare it to be a potential site for future development. We are on the cusp of finalizing manufacturer approval with Jeep in lieu of Nissan, which has resulted in an incredibly positive change on the entire process. The new plans have been submitted and very few revisions were required. In fact, we expect to have final manufacturer approval within a week or two of SIDA's and the City's approval of these changes.

With respect to construction, Maguire has commenced excavation and site preparation on the project parcels and hopes to commence follow-on construction activities by Summer 2020, as the approval process allows. Building construction is expected to be complete by March 2021, with any remaining site work to be completed the following summer.

We appreciate the past support shown to us throughout this process so far and greatly value our collaboration with SIDA on this project, which will contribute to the economic development of the City of Syracuse. We especially appreciate your consideration and guidance as we navigate this process, and we look forward to presenting our updated project to the SIDA Board and applicable committees in the near future. In the meantime, please do not hesitate to contact me with any questions or concerns.

Very truly yours,

Philip J. Maguire

Philip J. Maguire

Enclosures

cc: Susan R. Katzoff, Esq.

MAGUIRE
FAMILY OF DEALERSHIPS

Chrysler Dodge Ram + Jeep (CDR+J)

Summary

The revised site development plan eliminates the Showroom and Service building originally planned for the Nissan dealership.

The revised project consists of renovations to the Chrysler Dodge Ram building adding the "Jeep" brand including a service drive through addition, showroom renovations and expanded service and office areas for staff and service technicians.

The existing showroom building previously planned for demolition will be retained with modest repairs and improvements made to the building. This building will include a drive through service bay addition for vehicle reconditioning. Existing office areas will be upgraded to contemporary finishes and lighting upgraded to LED fixtures.

Site Summary

Given the site's location in a floodplain / floodway, we reconsidered the design of the parking area and we are utilizing green infrastructure accommodations based on previous encouragement received from the City of Syracuse.

With this new site plan design, we have added approximately 1/2 acre of greenspace to the site and the interior of the parking lots. The additional greenspace has allowed the opportunity to simplify costly stormwater treatment / retention systems.

The site area to the south of State Fair Boulevard is largely unchanged from previous design.

CDR+J Building Renovations and Additions:

This building includes approximately 9,550 sf of additions with a new modern exterior meeting corporate branding requirement. This building will also include the addition of a "Jeep" showroom and the Jeep corporate brand to the building. Key elements of this building are:

- Customer service drive-through
- New vehicle showroom Chrysler Dodge Ram
- New vehicle showroom for Jeep
- Interior finishes and modest renovations to the existing service areas.
- New second floor parts storage mezzanine.
- New office, break rooms, toilet rooms and employee areas.
- New Collision Center office and customer waiting area.
- Mechanical, Plumbing upgrades.
- Electrical renovations and rework of the existing main switchgear.
- Vehicle Display Tower addition.

Existing Used Car Showroom Building:
The interior of the existing showroom building will be renovated with modest interior finish and lighting upgrades. We are also planning a small 900 square foot addition to this building for vehicle reconditioning

Schedule:
Plans have been submitted for corporate review and approval and we are working on bidding documents and expect to release documents for bid in March with construction to start in the second quarter of 2020. Building construction is expected to be complete by February 2021 with site work completed later in the summer of 2021.

Site Lighting:
The site lighting design will be revised based on the new site design however it is very similar with the exception removal of pole lighting on the future development location. We are exploring site lighting control systems to reduce energy use. This will be bid as an alternate.

Site Signage:
Signage locations and lighting design are largely unchanged from the previous site plan with the exception of the removal of the Nissan branded signs and lighting on this area of the site.

Future Development Site:
Structural geo-technical testing will be performed on the former "Nissan" development site to determine if timber pile foundation systems can be utilized for future development instead of more costly foundation systems. We are currently exploring future development options for this location.

We have designed stormwater retention systems with this future development possibility in mind. This portion of the site will be raised to be above FEMA floodplain required elevations similar to previous project.

JOHN SNYDER
ARCHITECTS

City of Syracuse Industrial Development Agency
Supplemental Application and Verification

Project Name:

Maguire Syracuse Project

Date:

03/03/2020

III. 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	3,617,501
Site Work/Demo	3,100,000
Building Construction & Renovation	9,229,000
Furniture & Fixtures	728,398
Equipment	900,349
Equipment Subject to NYS Production Sales Tax Exemption (Manufacturing)	
Engineering/Architects Fees	500,000
Financial Charges	
Legal Fees	
Other	
Management /Developer Fee	
Total Project Cost	18,075,248

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

Amount of capital the Applicant has invested to date:	1,534,368
Amount of capital Applicant intends to invest in the Project through completion:	At least 20% to 25%
Total amount of public sector source funds allocated to the Project:	Not Applicable
Identify each public sector source of funding:	Not Applicable
Percentage of the Project to be financed from private sector sources:	100%
Total Project Cost	18,075,248

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: Chrysler Capital - 80% of completed appraisal value

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? 9,642,597

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: Standard

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:
☐	Real Property Tax Abatement (PILOT)	TBD
☐	Mortgage Recording Tax Exemption (.75% of amount mortgaged)	100,000
☐	Sales and Use Tax Exemption ($4% Local, 4% State)	771,408
☐	Tax Exempt Bond Financing (Amount Requested)	Not Applicable
☐	Taxable Bond Financing (Amount Requested)	Not Applicable

D. Company's average yearly purchases or anticipated yearly purchases from vendors within Onondaga County, subject to sales tax: 6,000,000

E. Estimated capital investment over the next 5 years, beyond this Project, if available: TBD - Substantial site work on parcels for future development

IV. 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: 73

B. Complete the following:

Estimate the number of full time equivalent (FTE) jobs to be retained as a result of this Project:	78
Estimate the number of construction jobs to be created by this Project:	45
Estimate the average length of construction jobs to be created (months):	8-12 months
Current annual payroll at facility:	$4,499,040
Average annual growth rate of wages:	5% (Years 1-5)
Please list, if any, benefits that will be available to either full and/or part time employees:	medical, dental, vision, 401k, 2% match life & disability ins.
Average annual benefit paid by the company ($ or % salary) per FTE job:	5% to 7%
Average growth rate of benefit cost:	3%
Amount or percent of wage employees pay for benefits:	5%
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:	98%+

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	Annual Salary	Estimated Number of FTE Jobs After Project Completion					
			End of Year 1	End of Year 2	End of Year 3	End of Year 4	Total New Jobs After 5 Years	Total Retained Jobs After 5 Years
Professional	11	45,000-302,000	13	13	14	14	3	12
Skilled	44	32,000-88,000	50	50	52	52	8	45
Unskilled or Semi-Skilled	18	26,000-37,000	22	22	24	24	6	20

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 levesl (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:

V. Environmental Information

***An Environmental Assessment Form (EAF) MUST be completed and submitted along with this application. Please visit https://www.dec.ny.gov/permits/6191.html for the online EAF Mapper Application and EAF Forms.**

A. Have any environmental issues been identified on the property?

☐ Yes ☒ No

If yes, please explain:

B. Has any public body issued a State Environmental Quality Review Act determination for this Project?

☒ Yes ☐ No

If yes, please attach to this application.

APPENDIX B

Verification

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

Philip J. Maguire, deposes and says that s/he is the
(Name of Individual)

Authorized Representative of Maguire Family Limited Partnership
(Title) *(Applicant Name)*

that s/he is the CEO or a person authorized to bind the company/applicant, and has personally completed and read the foregoing Application and knows the contents thereof and that thesame is true, accurate, and complete to the best of her/his knowledge, as subscribed andaffirmed under the penalties of perjury. The grounds of deponent's beliefs relative to allmatters in the said Application which are not stated upon her/his own personal knowledgeare investigations which the deponent has caused to be made concerning the subjectmatter of the Application as well as, if applicable, information acquired by deponent in thecourse of her/his duties/responsibilities for the Applicant and from the books and papers ofthe Applicant. The deponent also acknowledges the receipt of the schedules attached tothe Application, including but not limited to the Agency's fee schedule and assumesresponsibility for payment of any and all applicable fees as described therein. Deponentfurther acknowledges review and understanding of the Agency's published policies,including but not limited to the Agency's Recapture Policy, and agrees on behalf of theApplicant to be bound by and comply with all such policies.

Philip J. Maguire
Applicant Representative's Signature

Authorized Representative
Title

Subscribed and sworn to before me this

3 day of March, 20 20

Mary C. Fratamico
Notary Public

MARY C FRATAMICO
NOTARY PUBLIC STATE OF NEW YORK
QUALIFIED IN CORTLAND CO. NO. 01FR6332058
COMMISSION EXPIRES OCTOBER 28, 2023

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

EXECUTIVE SUMMARY

Agenda Item: 6

Title: 341 Peat Street (Syracuse Rigging Site)

Requested By: Judy Delaney

OBJECTIVE: Review of a request by Park Outdoor Advertising to enter into a new lease for a billboard located on Agency property.

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:
See attached.

ATTACHMENTS:

1. Memo.
2. Correspondence.
3. Current Lease.
.

REVIEWED BY:

☒Executive Director

☐Audit Committee

☐Governance Committee

☐ Finance Committee

Meeting: March 10, 2020
(Finance Committee)

Prepared By: J.A. DeLaney

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

March 10, 2020

Memorandum To: Finance Committee

From: Judy DeLaney

Re: 341 Peat Street – Park Outdoor Billboard Lease

Over a period of years the Agency has maintained a license agreement with Park Outdoor Advertising to lease a portion of Agency property at 341 Peat Street for a two panel billboard structure. The current lease expires in August of 2022. The rent schedule calls for an annual increase of 3% each year of the lease. This year the rent to the Agency is $20.950.00.

Park Outdoor has informed the Agency the current billboard needs to be replaced due to age and instability and would like to replace it with a new billboard structure. Prior to incurring the expense they are requesting approval of a new lease for 10 years at the expiration of the current lease with automatic renewals each year for an additional 10 years. As discussed at the February Board meeting, the Board members requested representatives of Park Outdoor meet with the Finance Committee to discuss the request further and the Company in response indicated they were anxious to do so before any final decision was made. Representatives will be present at the Finance Committee meeting of March 10, 2020.

Considerations for the Finance Committee:

1. Income to the Agency.

2. Terms of any lease would need to include a timelines on removal of the current structure along with a monitoring program as recommended by the structural engineer hired by the Agency (see attached) and its replacement and coordination with the NYSDEC (attached -see #3 also).

3. The site where the billboard is located (former Syracuse Rigging) is a designated Brownfield and is entered into the State's Environmental Restoration Program. The Agency has received a grant from the State for 90% of the cleanup of the site estimated to $1,667,778.00 and work is anticipated to start in the fall of 2020 with completion by the end of the year or early 2021. After the cleanup long term plans for the site would be to return it to a productive use which could include the sale of the property.

DeLaney, Judith

From: Rung, Benjamin W (DEC) <benjamin.rung@dec.ny.gov>
Sent: Thursday, February 6, 2020 12:05 PM
To: DeLaney, Judith
Cc: Kerney, Owen
Subject: RE: Syracuse Rigging - B00146

Hi Judith:

I have no immediate objections to the proposed work, based on our conversation this morning. The Department will be interested in how the contractor will handle soils and dewatering during excavation activities, some amount of characterization will be necessary; disposal if required may be able to coincide with the planned ERP project. Luckily, the area of the billboard is unlikely to be significantly impacted. I recommend that they be prepared to construct a roadway (fabric and gravel) on the eastern extent of the parcel to facilitate this work, and, if possible move the billboard to the northeast to both keep it out of potentially impacted soils, and to reduce impediment to future redevelopment (but that's your Department).

As you proposed, please keep me up to date as this develops.
Ben

Benjamin Rung P.E.
PE1 (Environmental), Division of Environmental Remediation
New York State Department of Environmental Conservation
625 Broadway, 12th Floor, Albany, NY 12233-7017
P: 518-402-9826 | Toll Free: 888-459-8667 | M: 518-703-3943
benjamin.rung@dec.ny.gov
www.dec.ny.gov | | |

From: DeLaney, Judith <JDelaney@syrgov.net>
Sent: Thursday, February 06, 2020 09:59 AM
To: Rung, Benjamin W (DEC) <benjamin.rung@dec.ny.gov>
Cc: Kerney, Owen <OKerney@syrgov.net>
Subject: RE: Syracuse Rigging - B00146

ATTENTION: This email came from an external source. Do not open attachments or click on links from unknown senders or unexpected emails.

Ben per our conversation of earlier – we have been advised that a billboard on the site (adjacent to Rte. 690) needs to be removed and replaced. Currently we lease space on the property to the Company (Park Outdoor) who owns the structure. Terms of any future lease will be a discussion with the SIDA Board, however relative to the ERP I wanted to bring this to your attention regarding any comments or concerns you may have going forward on this – as I said in the call if you would respond back to me by e-mail it would be helpful and if this does go forward as planned I will keep you up to date on any proposed schedule. Thanks, Judy

DeLaney, Judith

From: Ghaith Makhlouf <gmakhlouf@cscos.com>
Sent: Friday, January 31, 2020 3:04 PM
To: DeLaney, Judith; Haggerty, Kelly
Subject: RE: 341 Peat Street - Billboard
Attachments: IMG_1410.JPG; IMG_1411.JPG; IMG_1406.JPG

Judy,
I met with Ed DiTata and his coworker with Park Outdoor (PO) at the site.
Here is the summary of the observations and discussion with Ed:

1. The billboard structure tilts towards the south direction, away from the highway. See attached photos.
2. According to PO the structure had this tilt condition for many years however, they believe the structure is experiencing some additional recent movement.
3. PO has considered options to brace the tower as well as removing and replacing.
4. PO does not have asbuilt information from the existing structure to use for assessment.
5. My understanding the area adjacent to the structure is being used by City DPW.
6. The structure is over 40 years old and Park Outdoor are considering removing and replacing in lieu of saving the structure.
7. PO will be contacting you to present their plan to address the structure as soon as possible.

Visually the structure did not appear to be in imminent danger of falling at this time. However, we recommend the following:

1. PO to retain the service of a NYS licensed engineer to review the structure and provide a report with a plan to address the condition soon with a set date.
2. PO continue monitoring the structure regularly and barricade the area if additional movement is detected. Additionally, have their engineer provide/submit to City a monitoring program to follow until the structure is reinforced or replaced.

Please let me know if you have any questions or concerns.
Regards,

Ghaith N. Makhlouf, P.E.
Senior Principal
C&S Companies

gmakhlouf@cscos.com | office: (315) 455-2000 | direct: (315) 703-4261 | cell: (315) 263-5072
499 Col. Eileen Collins Blvd. | Syracuse, NY 13212

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PARK OUTDOOR ADVERTISING OF NEW YORK, INC.

CORPORATE HEADQUARTERS
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(607) 257-1477 • fax (607) 257-3020
ads@parkoutdoor.com • www.parkoutdoor.com

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Jordan
Elbridge

Otsego
Oneonta
Hartwick
Sidney
Springfield
Milford

February 10, 2020

Judith DeLaney
Syracuse Industrial Development Agency
201 East Washington Street 6th Floor
Syracuse, N.Y. 13202

Per our phone conversation of Wednesday, February 6, 2020, please see information below about the need for a new lease between **Park Outdoor Advertising** and the **Syracuse IDA**:

- Park Outdoor owns a billboard structure on property owned by the Syracuse IDA. The property address is listed as 341 Peat Street. The billboard owned by Park Outdoor is located on the property along Route 690.
- The Tax ID number is 032.1-01-05.3 – Land is 1.28-acre parcel that is part of a 7.61-acre parcel owned by the IDA
- Park Outdoor has had a lease in place with the Syracuse IDA since 2008 for the land the billboard is currently located on. That lease expires July 31, 2022.
- Prior to that, Park Outdoor had a lease with the previous landowner, Syracuse Rigging. That lease was from 1988 through 2008.
- The structure was erected in 1983
- The current structure is aging, almost 40 years old, and Park Outdoor would like to replace this structure with a new structure
- The cost to remove and rebuild structure is approximately $100,000.00

It is my understanding that the property has been labeled a "brownfield" and the city has received a grant from the State to clean up the area. That clean-up is slated to be done later this year. We could remove our structure prior to the clean up making it easier for the work to be done. We could then rebuild our structure once clean-up is complete. Before any of this can happen, Park Outdoor would need to get e new lease from the IDA. Industry standard leases are 10-year leases with auto renewals each year for an additional 10 years. Referred to as a 10/10 lease, in total a 20-year lease.

Once Park Outdoor and the Syracuse IDA reach agreement on a new lease, we would then seek approvals from the city zoning department for construction of the new structure.

Our timeframe needed for removal and construction would be 90 days.

Respectfully,

Stephen D. Frank
Leasing Executive
Park Outdoor Advertising

Oneida
Utica
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Alder Creek
Holland Patent
Waterville
Yorkville
Taberg
Woodgate
Boonville
Remsen
Sylvan Beach
Marcy
Forestport
Washington Mills
Westmoreland
Verona
Camden
Bridgewater
Sangerfield
Oriskany

Schuyler
Watkins Glen
Montour
Alpine Junction
Beaver Dams
Dix

Seneca
Ovid
Covert

Steuben
Corning
Bath
Hornell
Dansville
Coopers Plains
Hammondsport
Addison

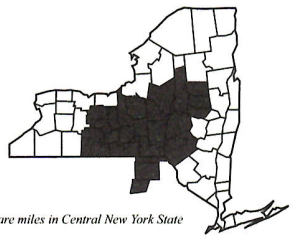
Tioga
Owego
Nichols
Campville
Apalachin
Newark Valley
Candor
Tioga
Willseyville
Barton
Waverly
Spencer

Tompkins
Ithaca
Dryden
Trumansburg
Groton
Lansing
Newfield
Slaterville
Danby

Yates
Penn Yan
Dundee

Susquehanna, Pennsylvania
Great Bend
New Milford
Hallstead
Montrose
Susquehanna
Bridgewater
Springville
Oakland
Lanesboro
Choconut
Friendsville
Dimock

Wyoming, Pennsylvania
Tunkhannock
Eaton
Lemon
Washington



Covering fifteen thousand square miles in Central New York State

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

EXECUTIVE SUMMARY

Agenda Item: 7

Title: Hiawatha Boulevard Improvement Project

Requested By: Judy DeLaney

OBJECTIVE: Recommendation to the Board of Directors relative to a request from the City of Syracuse to provide funding in the amount of $520,882.58 for improvements to the Onondaga Creekwalk.

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 has received a request from the City of Syracuse to fund a gap in funding for improvements to the Onondaga Creekwalk, at the bridge over Hiawatha Blvd between Van Rensselaer and Solar Street as described in the attached correspondence from the City Engineer. The source of Agency funds for this purpose has been identified from funding restricted and designated to be used for projects in the Lakefront Redevelopment area. The City Engineer, Mary Robison will be present at the meeting to discuss the Project.

ATTACHMENTS:

1. Correspondence.

REVIEWED BY:

☒Executive Director

☐Audit Committee

☐Governance Committee

☐ Finance Committee

Meeting: March 10, 2020
(Audit & Finance Committee Mtg.)

Prepared By: J.A. DeLaney

DEPARTMENT OF ENGINEERING

CITY OF SYRACUSE, MAYOR BEN WALSH

Mary E. Robison, PE
City Engineer

John Kivlehan
Design & Construction

Kelly Haggerty
Public Buildings

Marc Romano
Mapping & Surveying

TO: Judith DeLaney, Economic Development Specialist

FROM: Mary E. Robison, P.E., City Engineer

DATE: March 4, 2020

RE: Hiawatha Boulevard Sidewalk Improvement Project, Syracuse, NY, PIN 3755.84 Request for $520,882.00 in SIDA Lakefront Area Funds

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The project area is between the intersections of Hiawatha Boulevard with Van Rensselaer Street and Solar Street in the City of Syracuse, Onondaga County, New York. The Hiawatha Boulevard Bridge over Onondaga Creek is located 480 feet northeast of the intersection with the Van Rensselaer Street, and 735 feet southwest of the intersection with Solar Street in the City of Syracuse. The total length of the project is approximately 1,500 feet (see attached map).

The scope of this project is to improve the section of the Onondaga Creekwalk and the connection point to the future Erie Canal Trail along Hiawatha Boulevard. The existing Creekwalk exits from an elevated walkway from the west bank of Onondaga Creek directly on to Hiawatha Boulevard, traversing then along the easterly sidewalk of Hiawatha Boulevard over and across the Creek via the bridge before wrapping back around and continuing along the east bank of the Creek. This described section is composed of an asphalt walking surface with a concrete sidewalk on the bridge. The existing walk has limited width prohibiting the continuation of the multi-use function of the Creekwalk for this section. The objective of the project is to continue the 10 foot minimum and 13 feet desirable width of the Creekwalk along the south approach then over the bridge, requiring alteration to the bridge structure sidewalk to accommodate the wider path. This wider dimension will accommodate the continuation of the Creekwalk and improve the safety of the public along Hiawatha Boulevard between Van Rensselaer Street and Solar Street. Also, the project includes milling and paving of the roadway surface with some areas of full depth reconstruction; curbing and driveway work; upgrades to signs, traffic signals, and pavement markings; bridge joint replacement, isolated bridge deck surface repairs and drainage structure relocations.

On January 30th, 2020, three (3) bids were received and opened for the above referenced project. The names of the general contractors who submitted bids were Vector Construction Corporation, Slate Hill Constructors, Inc., & Dolomite Products Co., Inc. We have reviewed the bids and the apparent low bidder was Vector Construction Corporation in the amount of $2,463,965.00. The bids came in approximately $600,000 over our construction cost estimate.

The City is short approximately $600,000.00 in order to be able to award the project to Vector Construction Corporation since the Transportation Improvement Program (TIP) funding provided 80% of $2,472,000 towards this project and the project budget is now $3,072,000.00. We are hopeful that SIDA is able to fund $520,882.00 with the Lakefront Area

Dept. of Engineering
233 E. Washington St.
City Hall, Room 401
Syracuse, N.Y. 13202
Office 315 448-8200
Fax 315 448-8488

www.syrgov.net

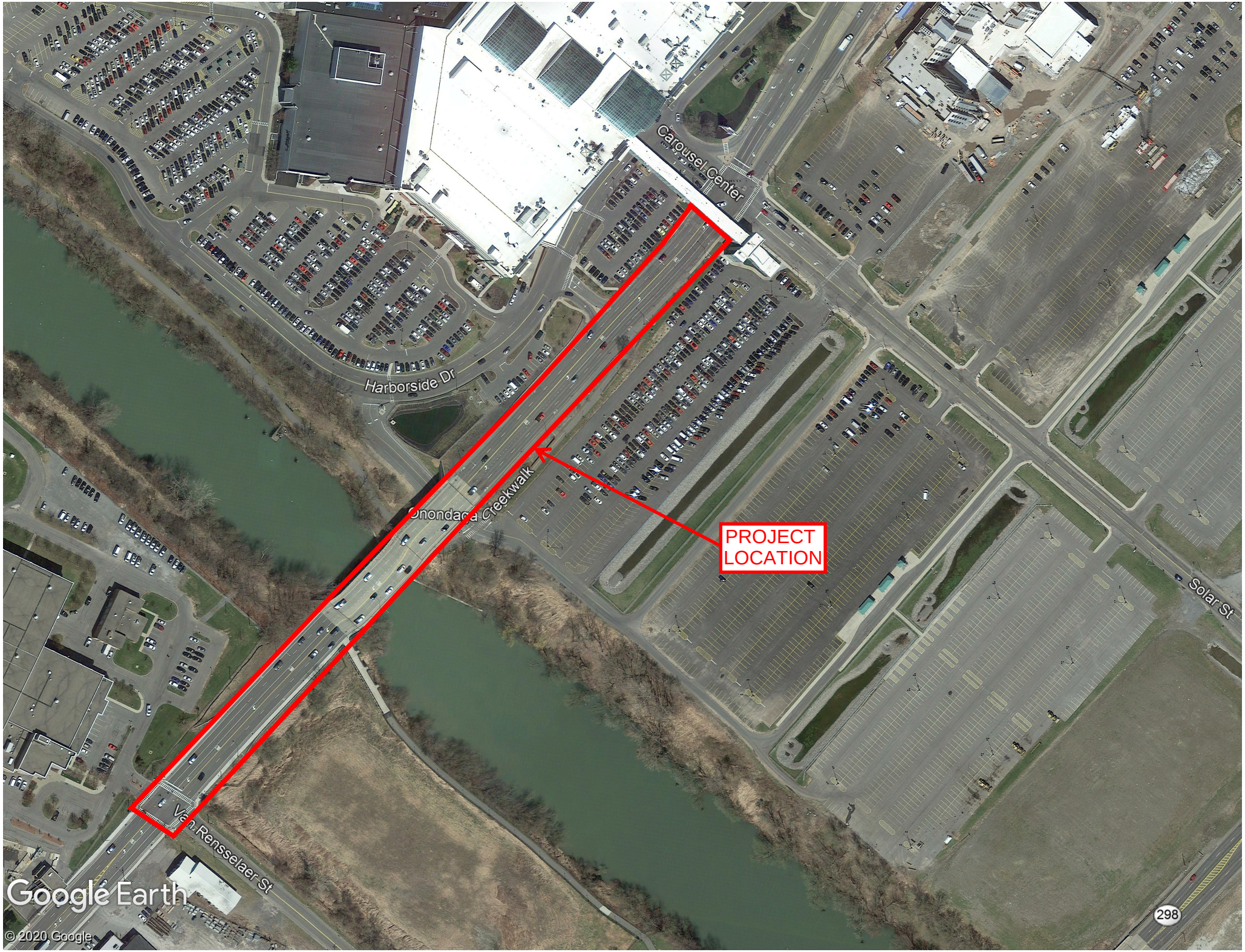
funds and the City will then incur the balance with local funds.

Please let me know if you have any questions relative to this request. Thank you for your consideration of funding money for this project.

Very truly yours,

Mary E. Robison

Mary E. Robison, P.E.
City Engineer


Carousel Center
Harborside Dr
Onondaga Creekwalk
PROJECT LOCATION
Solar St
Van Rensselaer St
298
Google Earth
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City of Syracuse
Industrial Development Agency
201 East Washington Street
Syracuse, NY 13202
Tel (315) 473-3275

EXECUTIVE SUMMARY

Agenda Item:8

Title: Syracuse Surge

Requested By: Sue Katzoff

OBJECTIVE: Review of a request to enter into a contract with US Ignite and CenterState CEO to assist in the development of a program to provide increased internet connectivity across the City and identify new sources of investment in technology to advance the Syracuse Surge.

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 has received a request from the City of Syracuse to enter into a two year contract with US Ignite and CenterState CEO at a cost not to exceed $40,000.to provide consulting services relative to a program to improve and increase the City's overall internet connectivity and identify new sources of investment technology. Jennifer Tifft, the Deputy Commissioner of Neighborhood and Business Development and the director of the Syracuse Surge Initiative will be on hand to review the project with the members. Please see attached correspondence.

ATTACHMENTS:

1. Correspondence.

REVIEWED BY:

☒Executive Director

☐Audit Committee

☐Governance Committee

☐ Finance Committee

Meeting: March 10, 2020
(Audit &Finance Committee)

Prepared By: J.A. DeLaney

DEPARTMENT OF NEIGHBORHOOD & BUSINESS DEVELOPMENT

CITY OF SYRACUSE, MAYOR BEN WALSH

Commissioner
Michael Collins

Deputy Commissioner
Jennifer Tifft

March 5, 2020

Ms. Judy Delaney, Executive Director
Syracuse Industrial Development Agency
City Hall Commons, 6th Floor
201 East Washington Street
Syracuse, New York 13202

RE: Syracuse Surge Consulting Project to Address Digital Divide & Smart City Solutions

Dear Judy,

As you know, the Syracuse Surge is our City's strategy for inclusive growth in the new economy. To be a growing city where all people can successfully pursue economic opportunities, we must enable greater access to higher speed internet connectivity and other technologies and related skills needed for the jobs of today and tomorrow.

To support growth in the new economy, the City of Syracuse respectfully requests that SIDA engage with US Ignite, a 501(c)(3), and CenterState CEO, to help the City develop a program for increased internet connectivity across the city and identify new sources of investment in technology to advance the Syracuse Surge.

US Ignite works with cities across the US to devise strategies for communications network advancement, and for innovation in smart city services that are powered by a new generation of technologies. US Ignite will work with CenterState and the City to provide research to help us better understand the size and scope of our connectivity gaps, especially in lower income neighborhoods and areas of historic disinvestment. They will also provide consulting and identify specific solutions to improve connectivity and equity across the city. As a part of this engagement, they identify additional partners from their extensive network of commercial, governmental, educational and philanthropic organizations that can support our community with investments in new technologies to help develop more smart city services.

The total budgetary support required by SIDA is $40,000 over two years, with an expected contribution of $20,000 contributed by CenterState CEO in the first year of the agreement (2021). The expected two year financial commitment is as follows:

Year 1 (2020)	
SIDA	$10,000
CenterState CEO	$20,000
Total Year 1	$30,000

Department of Neighborhood & Business Development
201 E Washington Street
Suite 600
Syracuse, NY 13202

Office 315 448 8100
Fax 315 448 8036

www.syrgov.net

Year 2 (2021)	
SIDA	$30,000
Total Year 2	$30,000
Total contract value	$60,000

Regular progress reports will be provided throughout the first year, with an evaluation at the end of the first year to ensure that the desired outcomes and deliverables are achieved.

Thank you for your consideration of this proposed engagement. I would be happy to answer further questions or provide additional information.

Sincerely,

Jennifer Tifft
Deputy Commissioner