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

To: Finance Committee Members
City of Syracuse Industrial Development Agency

From: Judith DeLaney

Date: February 4, 2020

Re: Finance Committee Agenda – February 5, 2020

The City of Syracuse Industrial Development Agency will hold a **Finance Committee Meeting** on **Wednesday, February 5, 2020 at 8:00 a.m.** in in the Common Council Chambers, 304 City Hall, 233 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 January 10, 2020 Finance Committee Meeting.

V. New Business –

Dupli Associates LLC. – Judith DeLaney – 3

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

Attachment:

1. Application for Financial Assistance. (Revised).

VI. Adjournment –

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

PLEASE POST

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PUBLIC MEETING NOTICE

THE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

HAS SCHEDULED

A

FINANCE COMMITTEE MEETING

ON

WEDNESDAY FEBRUARY 5, 2020

AT

8:00 A.M

IN

City Hall
Common Council Chambers
304 City Hall
233 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

Finance Committee Meeting
Friday, January 10, 2020

Committee Members Present: Michael Frame, Rickey Brown.

Committee Members Absent: Kenneth Kinsey.

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

Others Present, Kathleen Murphy, Steven Thompson, Jake Dishaw.

I. Call Meeting to Order

Mr. Frame called the meeting to order at 8:02 a.m.

II. Roll Call

Mr. Frame acknowledged all Committee members were present.

III. Proof of Notice

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

IV. Minutes

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

V. New Business

Open Counter Enterprise Inc.

Ms. DeLaney reviewed a request from the Central Permit Office requesting the Agency pay a portion of the second year of a three year subscription in the amount of \$22,500.00 with Open Counter Enterprises for the provision of consulting and software technology services for the City's business portal.

She noted as discussed at the December Board meeting the Directors in 2018 approved the first year of the contract with the expectation the City would take over the final two years as part of the 2019-2020 budget. It recently came to the Agency's attention that due to an oversight the item never made it into last year's budget and the Agency was in receipt of a request to pay the second year subscription of \$45,000.00. She said the Board of Directors tabled the item and requested a Finance Committee meeting be scheduled to discuss the matter further and hear from the Central Permit Office.

Since that time in discussions with the Director of the Central Permit Office the request to the Agency has been modified to fund only the first six months of 2020 at a cost of \$22,500.00 with the balance of year two and year three to be paid by the City through the budgeting process.

She noted Jake Dishaw the Director of the Central Permit Office was present to talk more about the Project. Mr. Dishaw advised the technology services had been working well and was proving invaluable to residents making use of it. In response to a question from Mr. Brown he said his office has received positive feedback from contractors in general and noted the site continued to be very active. He also said his office has already added a request to have the remainder of the contract funded through this year's City's budget.

There being no further discussion Mr. Frame asked for a motion to make a recommendation to the Board of Directors on the request. Mr. Brown made the motion. Mr. Frame seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO RECOMMEND TO THE BOARD OF DIRECTORS APPROVAL OF A RESOLUTION EXPENDING AN AMOUNT NOT TO EXCEED \$22,500 PURSUANT TO CONTRACT WITH OPENCOUNTER ENTERPRISES, INC. RELATIVE TO THE DEVELOPMENT OF ONLINE TOOLS TO ENCOURAGE AND ENHANCE ECONOMIC DEVELOPMENT ACTIVITIES.**

VI. Adjournment

There being no further business to discuss Mr. Frame asked for a motion to adjourn the meeting. Mr. Brown made the motion. Mr. Frame seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:12AM.**

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: Sue Katzoff

OBJECTIVE: Review and recommendation of a request by 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 memo.

ATTACHMENTS:

1. Memo
2. Application for Financial Assistance. (Revised)

REVIEWED BY:

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

Meeting: February 5, 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

February 3, 2020

Memorandum To: Finance Committee

From: Judy DeLaney

Re: Dupli Associates, LLC

SIDA has received a request from Dupli Associates, LLC to amend the project it currently has with the Agency.

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. For purposes of this discussion we will refer to it as “**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 24000 sf of residential space (20 units), 20,000 sf of commercial and 9500 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 Historic schedule value to be determined after review by the Assessment Commissioner.

Relative to the PILOT as noted above the Board of Directors approved a 10 Year standard PILOT for what is now termed the Phase 1 portion of the project. That PILOT went into effect July 1, 2018 and is in its 3rd year. The Company is requesting the Agency approve a 15 year historic PILOT to be effective 7-1-21 at the current assessment (\$1,850.000) in essence extending a PILOT agreement for the Project for 18 years.

There are several caveats with this approach and as the Assessor has not had the time to review the revised application staff will provide further information to the members regarding options on this going forward.

For purposes of the Finance Committee meeting we are requesting the Committee review the request and make a recommendation to the Board of Directors to approve a public hearing on the Project. Project owners will be present to answer any questions.



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 either the 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 is the subject of this Application (the "Project"). If you have any questions about the way to respond, please call the City of Syracuse Industrial 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@dbllc.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):

- | | |
|---|---|
| <input type="checkbox"/> New Construction | <input checked="" type="checkbox"/> Commercial |
| <input type="checkbox"/> Expansion/Addition to Current Facility | <input type="checkbox"/> Brownfield/Remediated Brownfield |
| <input type="checkbox"/> Manufacturing | <input checked="" type="checkbox"/> Residential/Mixed Use |
| <input type="checkbox"/> Warehouse/Distribution | |
| <input type="checkbox"/> Other | <input type="text"/> |

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 activities 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	<input type="text" value="Onsite"/>	Electric	<input type="text" value="Onsite"/>
Sanitary/Storm Sewer	<input type="text" value="Onsite"/>	Private Roads	<input type="text" value="Onsite"/>
Gas	<input type="text" value="Onsite"/>	Telecommunication	<input type="text" value="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:

<input checked="" type="checkbox"/>	Real Property Tax Abatement (PILOT)	3,522,639
<input checked="" type="checkbox"/>	Mortgage Recording Tax Exemption (.75% of amount mortgaged)	114,750
<input checked="" type="checkbox"/>	Sales and Use Tax Exemption (\$4% Local, 4% State)	897,912
<input type="checkbox"/>	Tax Exempt Bond Financing (Amount Requested)	0
<input type="checkbox"/>	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 levels (examples: electrician, computer operator, administrative assistant, carpenter, sales representative).
- **Unskilled or Semi-Skilled** - includes jobs that require little or no prior acquired skills and involve the performance of simple duties that require the exercise of little or no independent judgment (examples: general cleaner, truck driver, typist, gardener, parking lot attendant, line operator, messenger, information desk clerk, crop harvester, retail salesperson, security guard, telephone solicitor, file clerk).

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

Yes No If yes, provide the Name and Local:

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 all provisions 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.

[Handwritten mark]

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.

[Handwritten mark]

O. Reliance: THE APPLICANT ACKNOWLEDGES THAT ALL ESTIMATES OF PROJECTED FINANCIAL IMPACTS, 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 BE MADE IN WRITING AND MAY IMPACT THE GRANT OF FINANCIAL ASSISTANCE TO THE PROJECT.

[Handwritten mark]

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	<i>[Handwritten Signature]</i>
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	<i>[Handwritten Signature]</i>
Name & Title of Officer or Authorized Representative	J. KEMPER MATT JR.
Date	2/4/2020

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT 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

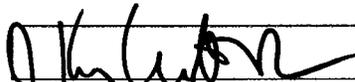
Agency Legal Counsel & Auditor

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:

Dupli 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
<u>*including but not limited to refinancing of original mortgage</u>	
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 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. R. EMPER MATT JR., deposes and says that s/he is the
(Name of Individual)

Member
(Title)

of Dupli Associates
(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 the same is true, accurate, and complete to the best of her/his knowledge, as subscribed and affirmed under the penalties of perjury. The grounds of deponent's beliefs relative to all matters in the said Application which are not stated upon her/his own personal knowledge are investigations which the deponent has caused to be made concerning the subject matter of the Application as well as, if applicable, information acquired by deponent in the course of her/his duties/responsibilities for the Applicant and from the books and papers of the Applicant. The deponent also acknowledges the receipt of the schedules attached to the Application, including but not limited to the Agency's fee schedule and assumes responsibility for payment of any and all applicable fees as described therein. Deponent further 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 the Applicant to be bound by and comply with, all such policies.

[Signature]
Applicant Representative's Signature

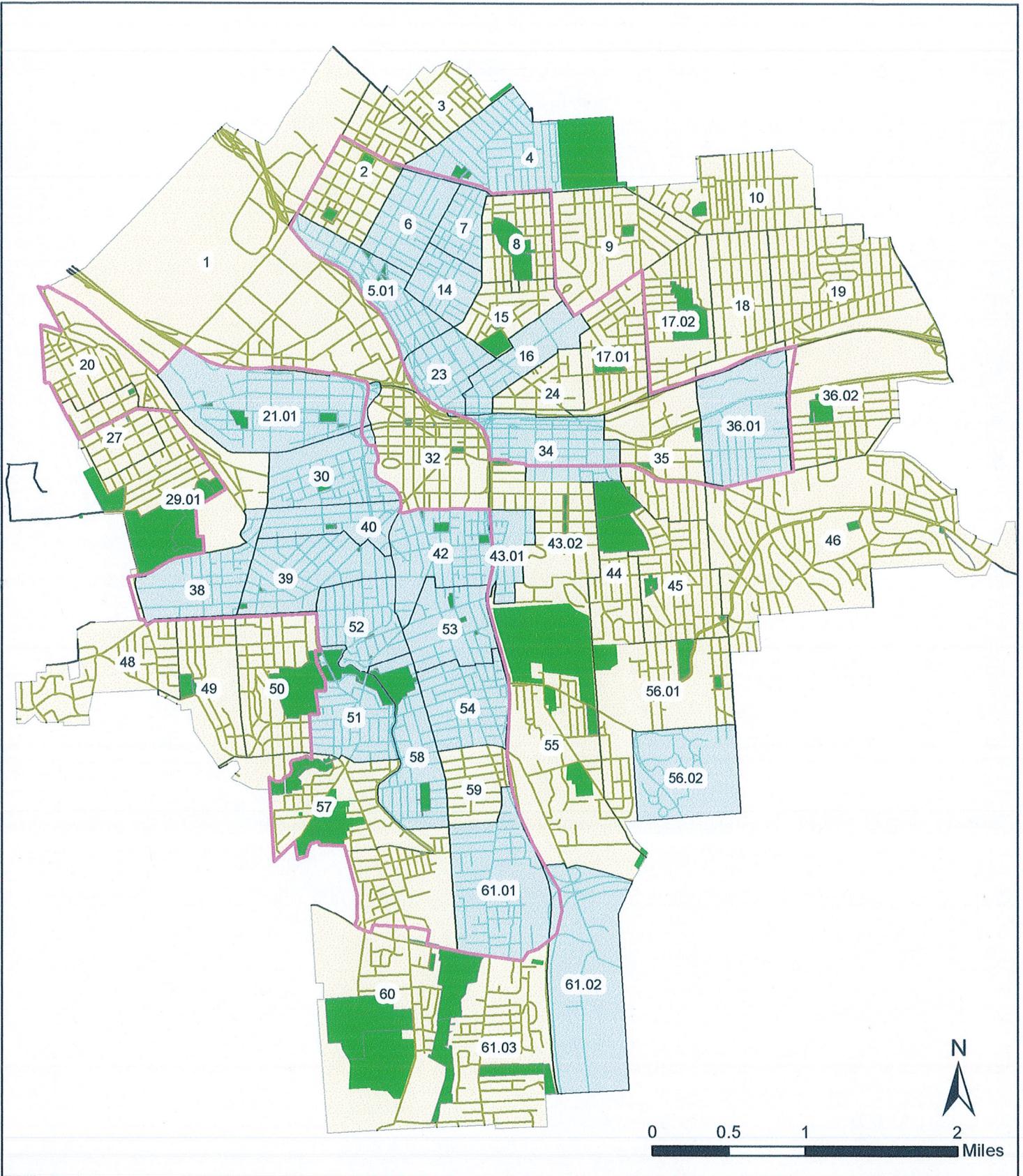
Member
Title

Subscribed and sworn to before me this

4TH day of February, 2020
[Signature]
Notary Public

JUDITH A. DELANEY
Notary Public in the State of New York
No. 4626821
Qualified in Onondaga County
My Commission Expires Dec. 31, 2020

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 Furniture & Fixtures	962,000		664,357		5,931,746		7,285,146		13,881,248
Equipment					10,000		12,282		22,282
Engineering/Architect Fees					946,000		1,161,841		2,107,841
Financial Charges					225,000		217,596		442,596
Legal Fees					840,221		495,000		1,335,221
Other					195,000		175,000		370,000
Management/Developer Fee					294,929		332,549		627,478
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	-	-	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%	100%	100%	94%	95%	96%	96%
Percentage of the Project to be financed from public sector sources:	0%	6%	0%	0%	6%	5%	4%	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%	45.04687201	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 and 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.