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

To: Board of Directors
City of Syracuse Industrial Development Agency

From: Judith DeLaney

Date: January 11, 2019

Re: Board of Directors Meeting Agenda – January 15, 2019

The City of Syracuse Industrial Development Agency will hold a Board of Directors Meeting on **Tuesday, January 15, 2019 at 8:00 a.m.** in the Common Council Chambers, 304 City Hall, 233 East Washington St., Syracuse, N.Y. 13202.

I. Public Hearing –

Commonspace Warren LLC – 1

Attachment:

1. Public Hearing Notice.

II Call Meeting to Order –

III. Roll Call –

IV. Proof of Notice –2

V. Minutes – 3

Approval of minutes from the December 18th , 2018 Board of Directors meeting.

VI. Committee Reports – 4

Finance Committee – Kathy Murphy

VII. New Business –

Commonspace Warren LLC. – Sue Katzoff – 5

Approval of resolutions authorizing the Agency to undertake the Project.

Attachments:

1. Cost Benefit Analysis.

2. SEQRA Resolution.

3. Inducement Resolution.

4. Final Resolution.

Deys Plaza LLC – Sue Katzoff – 6

Approval of resolutions authorizing the Agency to undertake the Project.

Attachments:

1. *Cost Benefit Analysis.*
2. *SEQRA Resolution.*
4. *Inducement Resolution.*
5. *Final Resolution.*

Addis Building, LLC – Sue Katzoff – 7

Approval of a resolution authorizing an extension of the Agency and Company leases and sales tax appointment through December 31, 2019.

Attachments:

1. *Correspondence.*
2. *Resolution.*

900 East Fayette Group, LLC – Sue Katzoff – 8

Approval of a resolution authorizing both participation in additional mortgage financing for the Project and a partial waiver of the Agency fee in the matter.

Attachments:

1. *Correspondence.*
2. *Resolution.*

VII. Adjournment –

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York General Municipal Law, will be held by the City of Syracuse Industrial Development Agency (the "Agency") on the 15th day of January, 2019, at 8:00 a.m., local time, at 233 East Washington Street, Common Council Chambers, City Hall, Syracuse, New York, in connection with the following matter:

Commonspace Warren, LLC, or an entity to be formed (the "Company"), requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition of an interest in approximately 17,788 sq. ft. of improved real property located at 349 South Warren St. ("349"); 351-53 South Warren Street ("351") and 357-59 South Warren St. ("357") , each in the City of Syracuse, New York (the "Land"); (ii) the reconstruction and renovation of: (i) an existing approximately 15,180 sq. ft. building located at 349 consisting of the renovation and reconstruction of approximately 5,400 sq. ft. on the 4th and 5th floors into modern office space and the renovation of approximately 5,400 sq. ft. on the 4th and 5th floors into common work space; (ii) an existing approximately 68,185 sq. ft. building located at 351 consisting of the renovation and reconstruction of approximately 22,500 sq. ft. on the 6th, 7th and 8th floors to accommodate approximately 44 apartment units; and the renovation of approximately 7,500 sq. ft. on the 2nd floor into common work space; and (iii) an existing approximately 30,800 sq. ft. building located at 357 consisting of the renovation and reconstruction of approximately 3,000 sq. ft. on the 2nd floor to accommodate new office space with two doorways connecting the 2nd floor to 351; and approximately 1,000 sq. ft. in the basement of 357 to create an access corridor with 351, all located on the Land (the "Facility"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, redevelopment, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

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

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

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

Dated: December 21, 2018

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

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

THE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

HAS SCHEDULED

A

BOARD OF DIRECTORS MEETING

TUESDAY JANUARY 15, 2019

AT

8:00 A.M.

IN THE

COMMON COUNCIL CHAMBERS
ROOM 304
233 East Washington St
Syracuse, NY 13202

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

Minutes
Board of Directors Meeting
Tuesday December 18, 2018

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

Excused Board Members: Steven Thompson

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

Others Present: Aggie Lane, Rich Puchalski, Tim Lynn, Sheila Sicilia, Jessica Maxwell, Jonathan Graham, Ryland Heagerty, Stephanie Pasquale, Ryan Benz, Philip Maguire, Suzanne Slack, Kenneth Smith, Ariel Halstead, Rahzie Seeks, Kevin McAuliffe, Rebecca Fuentes, M. Kelly

I. Public Hearing

Alan Byer Auto Sales LLC

Mr. Frame opened the Public Hearing at 8:30 a.m. and asked Ms. Spillane to read verbatim the Notice of Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

After Ms. Spillane read the notice, Mr. Frame asked if anyone in attendance wished to speak in favor of the Project. Kevin McAuliffe who represents the Company addressed the Board. Mr. McAuliffe noting the Company had been in business since 1973 at the same location said the Project would entail a complete cosmetic renovation of the dealership as specified by the Volvo Corporation. He said the estimated cost of the project was \$5 million dollars and the Company anticipated hiring 12 additional employees after the renovation was completed. He noted because of the timing involved in ordering required Volvo construction designed materials the Company was requesting a temporary sales tax appointment prior to closing.

Mr. Frame then asked if anyone else in attendance wished to speak in favor of the Project. No one spoke.

Mr. Frame asked one last time if anyone wished to speak in favor of the Project. No one else spoke.

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

Aggie Lane of the Urban Job Task Force (UJTF) spoke in opposition to the Project. She said while not being opposed to the Project itself she said the Board needed to implement a policy similar to the City of Syracuse guaranteeing City residents would get jobs associated with the project.

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

Rich Puchalski of Syracuse United Neighbors (SUN) also spoke against the project. He said the southwest and near Westside neighborhoods had a large number of vacant and unoccupied houses. He stated that SIDA pays no attention to this issue and that these properties need to be rehabilitated and returned to the tax rolls.

Mr. Frame asked one last time if anyone else in attendance wish to speak in opposition of the project. No one spoke.

Mr. Frame closed the Public Hearing at 8:50am

Acropolis Center LLC

Mr. Frame opened the Public Hearing at 8:30 a.m. and asked Ms. Spillane to read verbatim the Notice of Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

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

Ryan Benz an owner of the Project spoke in favor. Mr. Ryan said his company was in the process of acquiring two buildings at the corner of South Salina and Jefferson. He said the two phase project at an estimated \$10.5 million dollars will do much to revitalize this dilapidated neighborhood corridor with the inclusion of new restaurants and national chain retailers. He also said that some of the planned residential units would be rented as affordable low income units.

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

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

Rich Puchalski of SUN spoke. He said he wished to educate the SIDA Board about conditions in the neighborhood. He advised the Land Bank has over 900 vacant properties in its inventory. There are 190 vacant houses and lots on the Near West side, 46 vacant houses and lots in skunk City and 88 vacant houses and lots on South West side. He said many properties are in foreclosure and expressed his belief that tax breaks were only going to downtown. He said he did not believe the City administration had a long term plan for the benefit of the neighborhoods.

Aggie Lane of the UJTF also spoke. She noted she was please too see that 20% of the residential apartment in the building would be affordable housing. She also said she believed construction wages for

the Project

would not stay in the City but would be earned by people living in the suburbs.

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

Mr. Frame closed the Public Hearing at 8:50 a.m.

Deys Plaza LLC

Mr. Frame opened the Public Hearing at 8:50 a.m. and asked Ms. Spillane to read verbatim the Notice of Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

After Ms. Spillane read the notice, Mr. Frame asked if anyone in attendance wished to speak in favor of the project. No one spoke.

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

Sheila Sicilia from Syracuse Immigrant & Refugee Defense Network spoke in opposition. She said she was opposed to giving tax breaks to the owner of the building as the Immigration and Customs Enforcement Agency (ICE) was a tenant of the building.

Rebecca Fuentes also spoke in opposition. She said very frightened of the ICE office. She said her own family is required to go there to check into immigration and people are held there. People are being held there. She said a friend was being deported leaving behind a wife and five children. She questioned why the owner of the building was getting tax breaks and who was benefiting from those breaks.

Aggie Lane of UJTF noted she was happy there was no PILOT for this Project as she saw no commercial benefit to the City.

Rich Puchalski of SUN questioned why Downtown received all the benefits while the neighborhoods received none.

Jessica Maxwell said she supports the work of the UJTF and was dismayed at the activities of ICE in the building. She said what they were doing was not right and was an offense to the community.

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

Mr. Frame closed the Public Hearing at 9:10 a.m.

Towers Realty LR, Ltd.

Mr. Frame opened the Public Hearing at 9:10 a.m. and asked Ms. Spillane to read verbatim the Notice of Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

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

Tim Lynn identified himself as Counsel for the property owner and asked the Board members if any of them had questions on the Project. As there were no questions, Mr. Frame asked an additional two times if anyone else in attendance wished to speak in favor of the Project. No one else spoke.

Mr. Frame asked one last time if anyone wish to speak in favor of the project. No one spoke.

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

Aggie Lane of the UJTF said she was opposed to giving the Project another PILOT because the original PILOT was expiring. She also questioned whether the \$12 million dollars in construction wages for the Project would go to City residents in the form of jobs.

Rich Puchalski of SUN also was opposed and said that decisions on PILOTS should be voted on by the Common Counsel.

Mr. Frame then asked an additional two times if anyone else in attendance wished to speak in opposition to the Project. No one else spoke.

Mr. Frame closed the Public Hearing at 9:15 a.m.

II. Call Meeting to Order

Mr. Frame called the meeting to order at 9:15 a.m.

III. Roll Call

Mr. Frame acknowledged all board members present except for Steven Thompson who was excused.

IV. Proof of Notice

Mr. Frame acknowledged that notice had been given in a proper and timely manner.

V. Minutes

Mr. Frame asked for a motion approving the minutes from the November 20, 2018 Board of Directors meeting.

Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE NOVEMBER 20, 2018 BOARD OF DIRECTORS MEETING.**

VI. New Business

Towers Realty LR, Ltd

Ms. Katzoff reminded the Board members that in November a Public Hearing had been held on the Project and thereafter at the November Board meeting the members has authorized an inducement resolution. She said in the interim terms of a PILOT agreement had been negotiated. She then asked the members to consider a PILOT resolution authorizing a 15 year PILOT utilizing a "Priority Industry" schedule. She said recapture provisions would allow the Agency to terminate the agreement after two years if the Company if certain milestones were not achieved.

Ms. Murphy asked for clarification on the number of jobs to be retained. Ms. Spillane responded it was expected 1500 jobs would be retained as a result of the Project.

There being no further discussion Mr. Frame asked for a motion to approve the resolution. Ms. Murphy made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING A PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A PILOT AGREEMENT.**

He then asked for a motion to approve a Final Resolution for the Project. Ms. Murphy made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY.**

Alan Byer Auto Sales Inc.

Ms. Spillane advised before consideration of resolutions on this Project staff was requesting the Board members approve a waiver of a conflict of interest relative to the Project. She said the attorney representing the Project, Kevin McAulliffe was a partner in the Barclay Damon Law Firm. She reminded the Board that the Agency was also represented by Mark McNamara of Barclay Damon in other matters. She said the Company had already signed a conflict waiver interest in this matter.

There being no discussion, Mr. Frame asked for a motion. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A WAIVER OF A CONFLICT OF INTEREST IN THIS MATTER.**

Ms. Katzoff noting a Public Hearing had just concluded on the Project asked the Board members to consider resolutions approving the Project. She said the first resolution for the Board's consideration was an Inducement resolution, determining under SEQRA the Project was a "Type II" requiring no further action and outlining the benefits to be received including a sales tax exemption benefit of \$140,000.00 a mortgage tax exemption benefit of \$26,250.00. She said additionally the owner was requesting a temporary sales tax appointment.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED**

A RESOLUTION AUTHORIZING THE UNDERTAKING, ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY.

Ms. Katzoff then asked the Board to consider a PILOT resolution for the Project utilizing a 10 year standard schedule.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING A PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A PILOT AGREEMENT.**

Ms. Katzoff then asked the Board to approve a Final resolution for the Project.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY.**

Acropolis Center LLC

Ms. Katzoff noting a Public Hearing had also just concluded on the Project asked the Board members to consider resolutions approving it.

She said the first resolution for consideration was a SEQRA Resolution determining the Project to be a "type 1" action with no further action required.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. . **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A CERTAIN PROJECT AT THE REQUEST OF ACROPOLIS CENTER, LLC WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.**

Ms. Katzoff then asked the Board members to consider an inducement resolution noting the Project would be receiving a sales tax exemption benefit of \$373,696.00 and a mortgage tax exemption benefit of \$62,033.00.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING THE UNDERTAKING, ACQUISITION, CONSTRUCTION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A MIXED-USE FACILITY; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, CONSTRUCTION, RE-**

CONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY.

Mr. Katzoff then asked the members to approve a PILOT resolution for the Project advising the Company would be receiving a 15 year PILOT utilizing a Priority/Residential schedule as it had agreed to rent 20% of the residential units as “affordable units”.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING AN PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A PILOT AGREEMENT.**

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

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY.**

Deys Plaza LLC

Mr. Frame advised he would like to make a motion to table a decision on this Project until there could be further discussion with the owners.

There being agreement among the members, he asked for a motion. Mr. Kinsey made the motion. Ms. Murphy seconded. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO TABLE A DECISION ON THIS PROJECT PENDING FURTHER DISCUSSION WITH THE OWNERS.**

Commonspace Warren, LLC

Ms. Spillane advised the Board the Agency had received an application for financial assistance from the Company for a project to be located at 341-359 South Warren Street. (Application included in the Board’s agenda packet). She said the proposal included the redevelopment of two historic buildings partially vacant into a mixed use to include 44 residential units, a 12,900 foot expansion of the Co-Works space and the addition of 10 private offices. She said the cost of the project is estimated to be \$12,044,929.00 and will be financed partially thru the use of historic tax credits. The Company is requesting sales and mortgage benefits from the Agency. She then asked the Board to approve a resolution authorizing a Public Hearing.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A**

PROJECT; DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND AUTHORIZING A PUBLIC HEARING.

Joint School Construction Board

Ms. Spillane advised the Agency has received an application for bond funding from the JSCB to finance improvements at both Corcoran and Nottingham High schools in an amount not to exceed \$80,000,000.00. She noted a full description and application was included in the Board's agenda packet. She requested the Board approve resolutions authorizing both a Public Hearing and the appointment of the Agency as "Lead Agency" for purposes of SEQRA.

There being no discussion Mr. Frame asked for motions to approve both resolutions. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED AUTHORIZING A RESOLUTION AUTHORIZING A PUBLIC HEARING IN CONNECTION WITH THE UNDERTAKING OF A PROJECT BY THE AGENCY AND THE ISSUANCE BY THE AGENCY OF ITS SCHOOL FACILITY REVENUE BONDS (SYRACUSE CITY SCHOOL DISTRICT PROJECT), SERIES 2019A ON THE BONDS FOR THE PROJECT.**

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

321 South Salina Street LLC

Ms. Katsoff advised the Agency had received correspondence from the Company requesting approval of an extension of the Sales tax appointment on the Project until March 31, 2019. She said the Project is anticipated to be completed by that time, the Company has affirmed it has not exceeded the benefits originally approved and there is no request for additional benefits.

There being no discussion Mr. Frame asked for a motion to approve a resolution. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY AUTHORIZED A RESOLUTION APPROVING AN EXTENSION OF THE SALES TAX APPOINTMENT OF 321 SOUTH SALINA STREET, LLC AS AGENT OF THE AGENCY UNTIL MARCH 31, 2019; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS.**

900 East Fayette Street Group, LLC

Ms. Katsoff said the Agency had also received a request from this Company to approve an extension of the e Sales tax Appointment on this Project until April 15, 2019 to complete construction. She said the Company has affirmed it has not exceeded the benefits originally approved and there is no request for additional benefits.

There being no discussion Mr. Frame asked for a motion approving a resolution authorizing an extension.

Mr. Kinsey made a motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED RESOLUTION APPROVING AN EXTENSION OF THE SALES TAX APPOINTMENT OF 900 EAST FAYETTE GROUP, LLC AS AGENT OF THE AGENCY UNTIL APRIL 15, 2019; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS.**

State Tower Building LLC

Mr. Katzoff said the Agency has received a correspondence from the Company requesting an extension of Sales Tax Appointment and Agency Leases for the Project through December 31, 2019. She said the Company is requesting the extension to complete ongoing garage work and some tenant improvements. There is no request for increase in benefits. As the Agency Lease will also expire December 31, 2018 an extension of it until December 31, 2019 is also required.

There being no discussion Mr. Frame asked for a motion approving a resolution authorizing the request. Mr. Kinsey made the motion. Ms. Murphy seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING AN EXTENSION OF THE TERM OF THE LEASES BETWEEN THE AGENCY AND THE COMPANY AND THE SALES TAX APPOINTMENT OF STATE TOWER BUILDING, LLC AS AGENT OF THE AGENCY UNTIL DECEMBER 31, 2019; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS.**

BVSHSSF Syracuse LLC

Ms. Katzoff said the Company is requesting a retroactive extension of the sales tax appointment for the Project until June 1, 2019 due to delays in construction when the Project is slated for completion. She said the Sales tax Appointment and Agency lease on this project expired September 30, 2018 necessitating a retroactive approval of both. There is no request for an increase in benefits and the Company has affirmed it has not exceeded benefits already authorized.

There being no discussion, Mr. Frame asked for a motion approving a resolution authorizing the request. Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING AN EXTENSION OF THE TERM OF THE LEASES BETWEEN THE AGENCY AND THE COMPANY AND THE SALES TAX APPOINTMENT OF STATE TOWER BUILDING, LLC AS AGENT OF THE AGENCY UNTIL JUNE 1, 2019; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS.**

Maguire Family Limited Partnership

Ms. Katzoff advised the Agency had also received a request from this Company authorizing an extension of the Sales Tax appointment through August 1, 2020 when they anticipate the Project will be completed. She said the Project had encountered numerous preconstruction planning delays but was now on track to begin construction in the spring of 2019. She said the Company has not used any of the sales tax exemption benefit to this point and is not requesting any increase of benefits.

There being no discussion, Mr. Frame asked for a motion approving a resolution authorizing the request..

Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING A FURTHER EXTENSION OF THE SALES TAX APPOINTMENT OF MAGUIRE FAMILY LIMITED PARTNERSHIP AS AGENT OF THE AGENCY UNTIL AUGUST 1, 2020; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS .**

Open Counter Enterprise Inc.

Ms. Spillane asked the Board to approve an agreement between the Company and the Agency to provide consulting services to establish a “Business Portal” for the benefit of the City of Syracuse in an amount not to exceed \$77,500.00. Noting a description of the proposal was included in the Board’s agenda packet she said the portal would provide online tools to assist business concerns with Zoning and Permitting issues in the City. She noted the Company was the only provider of this type of software at this level of sophistication in the country.

Mr. Frame asked about feedback from the City departments. Ms. Spillane said there had been several meetings with City staff in the affected departments and the feedback had been very positive.

There being no further discussion Mr. Frame asked for a motion to approve the request. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE, EXECUTE AND DELIVER A CONTRACT NOT TO EXCEED \$77,500.00 TO ENGAGE OPENCOUNTER ENTERPRISES, INC. TO ASSIST IN THE DEVELOPMENT OF ONLINE TOOLS TO ENCOURAGE AND ENHANCE ECONOMIC DEVELOPMENT ACTIVITIES.**

2019 Board of Directors Meeting Schedule

Ms. Spillane distributed the 2019 Board of Directors meeting schedule noting the one change would be the meetings would begin at 8:00 am.

Mr. Frame asked for a motion approving the schedule.

Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE 2019 BOARD OF DIRECTORS SCHEDULE.**

VII. Adjournment

There being no further business to discuss, Mr. Frame asked for a motion to adjourn. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 9:40 A.M.**

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

EXECUTIVE SUMMARY

Agenda Item: 5

Title: Commonsplace Warren, LLC

Requested By: Sue Katzoff

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

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: The Agency has received an application for financial assistance from the Company for the redevelopment of two historic buildings at 351 So. Warren St. and the adjacent 349 South Warren St. (Pavone's Pizza). Currently the upper floors in the five story Pavone Building are vacant as are four floors in the eight story 351 building. The remaining floors in the 351 Building are commercially occupied with an estimated 70 employees. The redevelopment of the two buildings will include the addition of 44 residential units and a 12900 sq. ft. expansion of the CoWorks space with corridor connections to a third building 359 So, Warren already occupied by CoWorks.. The project will include updates to that building as well with the addition of 10 private offices. The cost of the project is estimated to be \$12,044,929 and will be financed partially with historic tax credits. The Company is requesting a mortgage tax exemption benefit (\$67,576) and a sales tax exemption benefit (\$180,071) from the Agency. A Public Hearing on the Project will be held immediately preceding the Board meeting of 1-15-19.

ATTACHMENTS:

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

REVIEWED BY:

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

Meeting: January 15, 2019

Prepared By: J. A. Delaney

Project Summary

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

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

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

7. Total Project Cost:	\$ 12,044,929
Land	\$ 3,275,000
Site Work	\$ 265,974
Building	\$ 6,434,696
Furniture & Fixtures	\$ 350,000
Equipment	\$ 500,000
Equipment Subject to NYS Production Exemption	\$ -
Engineering/Architecture Fees	\$ 327,303
Financial Charges	\$ 272,235
Legal Fees	\$ 10,000
Other	\$ 128,585

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

Cost Benefit Analysis:	Commonspace Warren LLC	
	Fiscal Impact (\$)	
Abatement Cost:		\$256,647
Sales Tax	\$189,071	
Mortgage Tax	\$67,576	
Property Tax Relief (PILOT) 10yr	\$0	
New Investment:		\$12,337,329
PILOT Payments 10yrs	\$0	
Project Wages (10 yrs)	\$573,194	
Construction Wages	\$489,713	
Employee Benefits (10 years)	\$0	
Project Capital Investment	\$11,152,973	
New Sales Tax Generated	\$0	
Agency Fees	\$121,449	
Benefit:Cost Ratio	48.07 :1	

SEQRA RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 15, 2019 at 8:30 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

EXCUSED:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

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

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT, DECLARING THE AGENCY LEAD AGENCY FOR PURPOSES OF AN UNCOORDINATED REVIEW THEREUNDER AND DETERMINING THAT THE ACTION WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

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

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

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

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

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

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

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

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

(a) The action constitutes an "Unlisted Action" (as said quoted term is defined in SEQRA);

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

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

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

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

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

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

AYE

NAY

The foregoing resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on January 15, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

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

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

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

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

EXHIBIT "A"

Project:

Date:

***Short Environmental Assessment Form
Part 2 - Impact Assessment***

Part 2 is to be completed by the Lead Agency.

Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept “Have my responses been reasonable considering the scale and context of the proposed action?”

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

Project:

Date:

Short Environmental Assessment Form Part 3 Determination of Significance

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

Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.

Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.

Name of Lead Agency

Date

Print or Type Name of Responsible Officer in Lead Agency

Title of Responsible Officer

Signature of Responsible Officer in Lead Agency

Signature of Preparer (if different from Responsible Officer)

INDUCEMENT RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 15, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

EXCUSED:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

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

RESOLUTION AUTHORIZING THE UNDERTAKING, ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

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

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

WHEREAS, Commonsplace Warren, LLC, or an entity to be formed (the “**Company**”), by application dated November 6, 2018 (the “**Application**”), requested the Agency undertake a project (the “**Project**”) consisting of: (A)(i) the acquisition of an interest in approximately: (a) 3,102 sq. ft. of real property located at 349 South Warren St., improved by an approximate 15,180 sq. ft. building (“**349**”); (b) 8,680 sq. ft. of real property located at 351-53 South Warren Street, improved by an approximate 68,185 sq. ft. building (“**351**”); and (c) 6,006 sq. ft. of real property located at 357-59 South Warren St., improved by an approximate 30,800 sq. ft. building (“**357**”), each in the City of Syracuse, New York (collectively, the “**Land**”); (A)(ii) the reconstruction and renovation of: (a) approximately 10,800 sq. ft. on the 4th and 5th floors of 349 into modern office space and common work space; (b) approximately 22,500 sq. ft. on the 6th, 7th and 8th floors of at 351 to accommodate approximately 44 apartment units; and the renovation of approximately 7,500 sq. ft. on the 2nd floor of at 351 into common work space; and (c) approximately 3,000 sq. ft. on the 2nd floor of 357 to accommodate new office space with two doorways connecting the 2nd floor of 357 to 351; and approximately 1,000 sq. ft. in the basement of 357 to create an access corridor with 351, all located on the Land (collectively, the “**Facility**”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “**Equipment**” and together with the Land and the Facility, the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, redevelopment, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, each 349 and 351 contain retail space on the first floors, respectively, which will not be renovated as part of the Project; and

WHEREAS, the Agency adopted a resolution on December 18, 2018 describing the Project and the then proposed financial assistance and authorizing a public hearing with respect thereto (“**Public Hearing Resolution**”); and

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

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

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

WHEREAS, the Agency has considered the policy, purposes and requirements of the Act in making its determinations with respect to taking official action regarding the Project; and

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

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

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

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

- (A) The Project constitutes a “*project*” within the meaning of the Act;
- (B) The Project is located in a “Highly Distressed Area” as defined in Section 854(18) of the Act.
- (C) The acquisition of a controlling interest in the Project Facility by the Agency and the designation of the Company as the Agency’s agent for completion of the Project will be an inducement to the Company to acquire, reconstruct, renovate, equip and complete the Project Facility in the City, and will serve the purposes of the Act by, among other things, advancing job opportunities, the standard of living and economic welfare of the inhabitants of the City;

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

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

Section 3. As a condition of the appointment of the Company as agent of the Agency, and the conference of any approved Financial Assistance, the Company and the Agency shall first execute and deliver: (i) a project agreement in substantially the same form used by the Agency in similar transactions (the “***Project Agreement***”); (ii) an agreement with the Agency setting forth the preliminary undertakings of the Agency and the Company with respect to the Project, the form and substance of the agreement is attached (as set forth as on **Exhibit “A”** attached hereto and presented at this meeting) (the “***Agreement***”); and (iii) the Lease Documents (as defined herein). The Chairman, Vice Chairman or Executive Director of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Project Agreement, the Agreement and the Lease Documents, with changes in terms and form as shall be consistent with this Resolution and as the Chairman or Vice Chairman shall approve. The execution thereof by the Chairman, Vice Chairman and/or Executive Director shall constitute conclusive evidence of such approval. Subject to the due execution and delivery by the Company of the Project Agreement, the Agreement and the Lease Documents, the satisfaction of the conditions of this Resolution, the Agreement, the Project Agreement, the Lease Documents and the payment by the Company of any attendant fees, the Company and its designees, are appointed the true and lawful agent of the Agency to proceed with the construction, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf. The amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved herein shall not exceed **\$189,071**.

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

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

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

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

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

Section 9. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing

any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

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

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

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

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

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

AYE

NAY

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on January 15, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

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

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

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

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

EXHIBIT "A"

AGENCY/COMPANY AGREEMENT

THIS AGREEMENT is between **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY** (the "**Agency**"), with an office at 201 East Washington Street, 6th Floor, Syracuse, New York 13202 and **COMMONSPACE WARREN, LLC**, with a mailing address of 201 East Jefferson Street, Suite 200, Syracuse, New York 13202 (the "**Company**").

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

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

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

1.03. The Company, by application dated November 6, 2018 (the "**Application**"), requested the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately: (a) 3,102 sq. ft. of real property located at 349 South Warren St., improved by an approximate 15,180 sq. ft. building ("**349**"); (b) 8,680 sq. ft. of real property located at 351-53 South Warren Street, improved by an approximate 68,185 sq. ft. building ("**351**"); and (c) 6,006 sq. ft. of real property located at 357-59 South Warren St., improved by an approximate 30,800 sq. ft. building ("**357**"), each in the City of Syracuse, New York (collectively, the "**Land**"); (A)(ii) the reconstruction and renovation of: (a) approximately 10,800 sq. ft. on the 4th and 5th floors of 349 into modern office space and common work space; (b) approximately 22,500 sq. ft. on the 6th, 7th and 8th floors of at 351 to accommodate approximately 44 apartment units; and the renovation of approximately 7,500 sq. ft. on the 2nd floor of at 351 into common work space; and (c) approximately 3,000 sq. ft. on the 2nd floor of 357 to accommodate new office space with two doorways connecting the 2nd floor of 357 to 351; and approximately 1,000 sq. ft. in the basement of 357 to create an access corridor with 351, all located on the Land (collectively, the "**Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in

connection with the acquisition, redevelopment, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

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

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

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

1.06. On January 15, 2019, the Agency adopted a resolution (the "**Inducement Resolution**") agreeing, subject to the satisfaction of all conditions precedent set forth in such Resolution, to designate the Company as the Agency's agent for the acquisition, reconstruction, renovation and equipping of the Project Facility and determining that the leasing of the same to the Company will promote further purposes of the Act. For purposes of that designation, the Agency authorized as part of the approved Financial Assistance, State and local sales and use tax exemption benefits in an amount not exceed **\$189,071**.

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

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

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

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

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

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

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

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

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

3.01. (a) The Company shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition of a controlling interest in, and reconstruction, renovation and equipping of the Project Facility (including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), whether such claims or liabilities arise as a result of the Company or Additional Agents acting as agent for the Agency pursuant to this Agreement or otherwise.

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

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

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

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

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

(g) The Company shall apply and diligently pursue all approvals, permits and consents from the State of New York, the City, the City Planning Commission and any other governmental authority which approvals, permits and consents are required under applicable law

for the development, reconstruction, renovation and equipping of the Project and any related site improvements. The Company acknowledges and agrees that the Agency's findings and determinations under SEQRA do not and shall not in and of themselves (except as specifically set forth in SEQRA) satisfy or be deemed to satisfy applicable laws, regulations, rules and procedural requirements applicable to such approvals, permits and consents.

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

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

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

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

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

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

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

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

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

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

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

Article 4. General Provisions.

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

4.02. (a) It is understood and agreed by the Agency and the Company that the grant of Financial Assistance and the execution of the Lease Documents and related documents are subject to: (i) payment by the Company of the Agency’s fee and Agency’s counsel fees; (ii) obtaining all necessary governmental approvals, permits and consents of any kind required in connection with the Project Facility; (iii) approval by the members of the Agency; (iv) approval

by the Company; and (v) the condition that there are no changes in New York State Law, including regulations, which prohibit or limit the Agency from fulfilling its obligations hereunder; and

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

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

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

4.04. If for any reason the Lease Documents are not executed and delivered by the Company and the Agency on or before **January 15, 2020**, the provisions of this Agreement (other than the provisions of Articles 1.04, 2.02, 2.04, 3.01, 3.02, 3.03, 3.05, 3.06, 4.02, 4.03, 4.04, 4.05 and 4.06, which shall survive) shall unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

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

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

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

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

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

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the 15th day of January, 2019.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Honora Spillane, Executive Director

COMMONSPACE WARREN, LLC

By: _____
Name:
Title:

FINAL APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 15, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

EXCUSED:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

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

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY

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

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

improved by an approximate 30,800 sq. ft. building ("357"), each in the City of Syracuse, New York (collectively, the "**Land**"); (A)(ii) the reconstruction and renovation of: (a) approximately 10,800 sq. ft. on the 4th and 5th floors of 349 into modern office space and common work space; (b) approximately 22,500 sq. ft. on the 6th, 7th and 8th floors of at 351 to accommodate approximately 44 apartment units; and the renovation of approximately 7,500 sq. ft. on the 2nd floor of at 351 into common work space; and (c) approximately 3,000 sq. ft. on the 2nd floor of 357 to accommodate new office space with two doorways connecting the 2nd floor of 357 to 351; and approximately 1,000 sq. ft. in the basement of 357 to create an access corridor with 351, all located on the Land (collectively, the "**Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, redevelopment, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, each 349 and 351 contain retail space on the first floors, respectively, which will not be renovated as part of the Project; and

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

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

WHEREAS, the Agency adopted a resolution on January 15, 2019 (the "**SEQRA Resolution**") entitled:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT, DECLARING THE AGENCY LEAD AGENCY FOR PURPOSES OF AN UNCOORDINATED REVIEW THEREUNDER AND DETERMINING THAT THE ACTION WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

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

WHEREAS, the Agency adopted a resolution on January 15, 2019 (the “*Inducement Resolution*”) entitled:

RESOLUTION AUTHORIZING THE UNDERTAKING, ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

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

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

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

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

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

(c) The commitment of the Agency to provide the approved Financial Assistance in accordance with the Inducement Resolution to the Company will enable and induce the Company to acquire, reconstruct, renovate, equip and complete the Project Facility;

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

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

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

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

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

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

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

determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution.

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

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

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

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

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

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

AYE

NAY

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on January 15, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

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

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

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

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

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

EXECUTIVE SUMMARY

Agenda Item: 6

Title: Deys Plaza LLC

Requested By: Sue Katzoff

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

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: The Agency has received a revised application from the Company requesting financial assistance with an additional buildout of the Deys Plaza building. Acquired by the owners in late 2009, the Building currently has 61 fully rented residential units (floors 4-8) and an estimated 65,000 sq. ft. of commercial space. Due to the loss of a commercial tenant, 77,000 sq. ft. of additional commercial is now vacant. The owners propose converting a portion of the vacant commercial space (40,000 sq. ft.) to 23 residential units on the third floor. Cost of the Project is estimated to be \$3,704,000.00. Benefits requested include a mortgage tax exemption valued at \$26,205.00 and a sales tax exemption valued at \$240,000.00. There is no PILOT. A Public Hearing on the Project will be conducted immediately preceding the Board meeting of December 18, 2018. The Project is estimated to generate another \$5,123,340 in investment over a ten year period. Cost Benefit ratio 19:24:1. This Project was held over from the December 2018 Board meeting. The Agency's Finance Committee will review the Project at its meeting of 1/14/19 and make a recommendation to the Board of Directors regarding same at the Board meeting of January 15, 2019.

ATTACHMENTS:

1. Application (Revised)
2. Cost Benefit Analysis.
3. SEQRA Resolution.
4. Inducement Resolution
5. Final Resolution

REVIEWED BY:

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

Meeting: January 15, 2019

Prepared By: J. DeLaney

Project Summary

1. Project: Deys Plaza LLC **2. Project Number:** 0

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

5. Tax Parcel(s): 101.8-7.0 **6. Type of Project:** Retail Auto Sales

7. Total Project Cost:	\$ 3,704,000
Land	\$ -
Site Work	\$ 112,000
Building	\$ 3,388,000
Furniture & Fixtures	\$ 67,000
Equipment	\$ -
Equipment Subject to NYS Production Exemption	\$ -
Engineering/Architecture Fees	\$ 75,000
Financial Charges	\$ 27,000
Legal Fees	\$ 30,000
Other	\$ 5,000

8. Total Jobs	100
8A. Job Retention	100
8B: Job Creation (Next 5 Years)	0

Cost Benefit Analysis:	Deys Plaza LLC	
	Fiscal Impact (\$)	
Abatement Cost:		\$266,250
Sales Tax	\$240,000	
Mortgage Tax	\$26,250	
Property Tax Relief (PILOT) 10yr	\$0	
New Investment:		\$5,123,340
PILOT Payments 10yrs	\$0	
Project Wages (10 yrs)	\$412,700	
Construction Wages	\$870,600	
Employee Benefits (10 years)	\$160,000	
Project Capital Investment	\$3,642,000	
New Sales Tax Generated	\$0	
Agency Fees	\$38,040	
Benefit:Cost Ratio	19.24 :1	

SEQRA RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 15, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

EXCUSED:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

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

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT, DECLARING THE AGENCY LEAD AGENCY FOR PURPOSES OF AN UNCOORDINATED REVIEW THEREUNDER AND DETERMINING THAT THE ACTION WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

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

WHEREAS, Deys Plaza, LLC, or an entity to be formed (the "**Company**"), by application dated September 5, 2018 (the "**Application**"), requested the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing approximately 235,000 sq. foot, eight-story building (the "**Existing Building**") located at 401 South Salina Street, in the City of Syracuse, New York (the "**Land**"); (ii) the reconstruction, renovation, conversion, equipping and completion of a portion of the third floor of the Existing Building to include approximately

31,000 square feet to house 23 apartment units consisting of 14 one bedroom and 9 two bedroom units ranging in size from approximately 700-2,000 sq. ft. (collectively, the “*Facility*”) all located on the Land; (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, conversion, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

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

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

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

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

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

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

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

(c) The action is designed to preserve the Facility and ensure its continued viability and will not have a significant effect on the environment, and the Agency hereby issues

a negative declaration pursuant to SEQRA, attached hereto as **Exhibit “A”**, which shall be filed in the office of the Agency in a file that is readily accessible to the public.

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

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

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

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

AYE

NAY

The foregoing resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on January 15, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

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

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

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

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

EXHIBIT "A"
NEGATIVE DECLARATION

Appendix B

Short Form Environmental Assessment Form

Instructions for Completing

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

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

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

Part 1 - Project and Sponsor Information				
Name of Action or Project: <div style="text-align: center; font-size: 1.2em; font-weight: bold;">Dey's Plaza - Phase III</div>				
Project Location (describe, and attach a location map): <div style="text-align: right; font-weight: bold;">401 South Salina Street, Syracuse, NY 13020</div>				
Brief Description of Proposed Action: <div style="text-align: center; font-weight: bold;">Redevelopment of the entire 3rd floor consisting of approximately 40,000 sf from office to residential use.</div>				
Name of Applicant or Sponsor: <div style="text-align: center; font-size: 1.2em; font-weight: bold;">Dey's Plaza, LLC</div>		Telephone: 315-422-5381 E-Mail: rdevito@rdrealty.com		
Address: <div style="text-align: center; font-size: 1.2em; font-weight: bold;">108 West Jefferson Street</div>				
City/PO: <div style="text-align: center; font-size: 1.2em; font-weight: bold;">Syracuse</div>		State: <div style="text-align: center; font-size: 1.2em; font-weight: bold;">NY</div>	Zip: <div style="text-align: center; font-size: 1.2em; font-weight: bold;">13020</div>	
1. Does the proposed action only involve the legislative adoption of a plan, local law, or ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval:			NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action?		1.81	acres	
b. Total acreage to be physically disturbed?		0	acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		100%	acres	
4. Check all land uses that occur on, adjoining and near the proposed action.				
<input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban)				
<input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input checked="" type="checkbox"/> Other (specify): <u>Residential Urban</u>				
<input type="checkbox"/> Parkland				

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: <u>Asbestos abatement</u>	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: <u>Richard DeVito, member</u>		Date: <u>12/4/18</u>
Signature: _____		

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

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

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

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

Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.

Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.

_____	_____
Name of Lead Agency	Date
_____	_____
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
_____	_____
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

PRINT

INDUCEMENT RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 15, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

EXCUSED:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

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

RESOLUTION AUTHORIZING THE UNDERTAKING, ACQUISITION, RECONSTRUCTION, RENOVATION, CONVERSION, EQUIPPING AND COMPLETION OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RECONSTRUCTION, RENOVATION, CONVERSION, EQUIPPING AND COMPLETION OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

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

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

WHEREAS Deys Plaza, LLC, or an entity to be formed (the “*Company*”), by application dated September 5, 2018 (the “*Application*”), requested the Agency undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing approximately 235,000 sq. foot, eight-story building (the “*Existing Building*”) located at 401 South Salina Street, in the City of Syracuse, New York (the “*Land*”); (ii) the reconstruction, renovation, conversion, equipping and completion of a portion of the third floor of the Existing Building to include approximately 31,000 square feet to house 23 apartment units consisting of 14 one bedroom and 9 two bedroom units ranging in size from approximately 700-2,000 sq. ft. (collectively, the “*Facility*”) all located on the Land; (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, conversion, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency adopted a resolution on September 18, 2018, describing the Project and the proposed Financial Assistance and authorizing a public hearing with respect thereto (“*Public Hearing Resolution*”); and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on December 18, 2018 pursuant to Section 859-a of the Act, notice of which was published on December 6, 2018, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated December 4, 2018; and

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

WHEREAS, by resolution adopted January 15, 2019 (the “*SEQRA Resolution*”), the Agency determined that the Project will not have a significant adverse effect on the environment; and

WHEREAS, the Agency has considered the policy, purposes and requirements of the Act in making its determinations with respect to taking official action regarding the Project; and

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

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

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

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

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

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

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

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

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

Section 3. As a condition of the appointment of the Company as the agent of the Agency, and the conference of any approved Financial Assistance, the Company and the Agency shall first execute and deliver: (i) a project agreement in substantially the same form used by the Agency in similar transactions (the “***Project Agreement***”); (ii) an agreement with the Agency setting forth the preliminary undertakings of the Agency and the Company with respect to the Project, the form and substance of the agreement is attached (as set forth as on **Exhibit “A”** attached hereto and presented at this meeting) (the “***Agreement***”); and (iii) the Lease Documents (as defined herein). The Chairman, Vice Chairman or Executive Director of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Project Agreement, the Agreement and the Lease Documents, with changes in terms and form as shall be consistent with this Resolution and as the Chairman or Vice Chairman shall approve. The execution thereof by the Chairman, Vice Chairman and/or Executive Director shall constitute conclusive evidence of such approval. Subject to the due execution and delivery by the Company of the Project Agreement, the Agreement and the Lease Documents, the satisfaction of the conditions of this Resolution, the Agreement, the Project Agreement, the Lease Documents and the payment by the Company of any attendant fees, the Company and its designees, are appointed the true and lawful agent of the Agency to proceed with the reconstruction, renovation, conversion, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf. The amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved herein shall not exceed **\$240,000**.

Section 4. Subject to the terms of this Resolution and the execution and delivery of, and the conditions set forth in, the Agreement and the Project Agreement the Agency will: (i) acquire an interest in the Land and Facility pursuant to a lease agreement (the “***Lease***”) to be entered into between the Company and the Agency; accept an interest in the Equipment pursuant to a bill of sale from the Company (the “***Bill of Sale***”); (ii) sublease the Project Facility to the Company pursuant to a sublease agreement (the “***Sublease***” and with the Lease and the Bill of Sale, the “***Lease Documents***”) to be entered into between the Agency and the Company; (iii) grant the approved Financial Assistance; and (iv) provided that no default shall have occurred and be continuing under the Agreement (as defined herein) and provided the Company has executed and delivered all documents and certificates required by the Agency in conjunction with the Agency’s undertaking of the Project, execute and deliver all other certificates and documents necessary or appropriate for the grant of the approved Financial Assistance or requested by the Agency, in form and substance acceptable to the Agency.

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

Section 6. The Company may utilize, and subject to the terms of this Resolution, the Agreement and the Project Agreement, is hereby authorized to appoint, a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, “***Additional Agents***”) to proceed with the reconstruction, renovation, conversion, equipping and completion of the Project, all with the same powers and the same

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

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

Section 8. The obligation of the Agency to consummate any transaction contemplated herein or hereby is subject to and conditioned upon the Company’s execution and delivery of, among other things, the Agreement, the Project Agreement and an Environmental Compliance and Indemnification Agreement in favor of the Agency in form and substance acceptable to the Agency and its counsel, in the discretion of the Chairman and/or Vice Chairman of the Agency.

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

Section 10. Should the Agency’s participation in the Project, or the appointments made in accordance herewith, be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to,

the fees and disbursement of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Project, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

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

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

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

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

AYE

NAY

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on January 15, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

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

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

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

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

EXHIBIT "A"

AGENCY/COMPANY AGREEMENT

THIS AGREEMENT is between **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY** (the "**Agency**"), with an office at 201 East Washington Street, 6th Floor, Syracuse, New York 13202 and **DEYS PLAZA, LLC**, with a mailing address of 108 West Jefferson Street, Suite 504, Syracuse, New York 13202 (the "**Company**").

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

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

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

1.03. The Company, by application dated September 5, 2018 (the "**Application**"), requested the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing approximately 235,000 sq. foot, eight-story building (the "**Existing Building**") located at 401 South Salina Street, in the City of Syracuse, New York (the "**Land**"); (ii) the reconstruction, renovation, conversion, equipping and completion of a portion of the third floor of the Existing Building to include approximately 31,000 square feet to house 23 apartment units consisting of 14 one bedroom and 9 two bedroom units ranging in size from approximately 700-2,000 sq. ft. (collectively, the "**Facility**") all located on the Land; (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, conversion, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a

bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

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

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

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

1.06. On January 15, 2019, the Agency adopted a resolution (the "***Inducement Resolution***") agreeing, subject to the satisfaction of all conditions precedent set forth in such Resolution, to designate the Company as the Agency's agent for the acquisition, reconstruction, renovation, conversion and equipping of the Project Facility and determining that the leasing of the same to the Company will promote further purposes of the Act. For purposes of that designation, the Agency authorized as part of the approved Financial Assistance, State and local sales and use tax exemption benefits in an amount not exceed **\$240,000**.

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

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

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

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

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

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

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

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

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

3.01. (a) The Company shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition of a controlling interest in, and reconstruction, renovation, conversion and equipping of the Project Facility (including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), whether such claims or liabilities arise as a result of the Company or Additional Agents acting as agent for the Agency pursuant to this Agreement or otherwise.

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

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

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

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

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

(g) The Company shall apply and diligently pursue all approvals, permits and consents from the State of New York, the City, the City Planning Commission and any other governmental authority which approvals, permits and consents are required under applicable law

for the development, reconstruction, renovation, conversion and equipping of the Project and any related site improvements. The Company acknowledges and agrees that the Agency's findings and determinations under SEQRA do not and shall not in and of themselves (except as specifically set forth in SEQRA) satisfy or be deemed to satisfy applicable laws, regulations, rules and procedural requirements applicable to such approvals, permits and consents.

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

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

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

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

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

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

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

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

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

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

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

Article 4. General Provisions.

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

4.02. (a) It is understood and agreed by the Agency and the Company that the grant of Financial Assistance and the execution of the Lease Documents and related documents are subject to: (i) payment by the Company of the Agency’s fee and Agency’s counsel fees; (ii) obtaining all necessary governmental approvals, permits and consents of any kind required in connection with the Project Facility; (iii) approval by the members of the Agency; (iv) approval

by the Company; and (v) the condition that there are no changes in New York State Law, including regulations, which prohibit or limit the Agency from fulfilling its obligations hereunder; and

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

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

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

4.04. If for any reason the Lease Documents are not executed and delivered by the Company and the Agency on or before **January 15, 2020**, the provisions of this Agreement (other than the provisions of Articles 1.04, 2.02, 2.04, 3.01, 3.02, 3.03, 3.05, 3.06, 4.02, 4.03, 4.04, 4.05 and 4.06, which shall survive) shall unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

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

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

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

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

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

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the 15th day of January, 2019.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Honora Spillane, Executive Director

DEYS PLAZA, LLC

By: _____
Name:
Title:

FINAL APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 15, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

EXCUSED:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

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

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY

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

WHEREAS, Deys Plaza, LLC, or an entity to be formed (the “*Company*”), by application dated September 5, 2018 (the “*Application*”), requested that the Agency undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing approximately 235,000 sq. foot, eight-story building (the “*Existing Building*”) located at 401 South Salina Street, in the City of Syracuse, New York (the “*Land*”); (ii) the reconstruction, renovation, conversion, equipping and completion of a portion of the third floor of the Existing Building to include approximately 31,000 square feet to house 23 apartment units consisting of 14 one bedroom and 9 two bedroom units ranging in size from approximately 700-2,000 sq. ft. (collectively, the “*Facility*”) all

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

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on December 18, 2018 pursuant to Section 859-a of the Act, notice of which was published on December 6, 2018, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated December 4, 2018; and

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

WHEREAS, the Agency adopted a resolution on January 15, 2019 (the “**SEQRA Resolution**”) entitled:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT, DECLARING THE AGENCY LEAD AGENCY FOR PURPOSES OF AN UNCOORDINATED REVIEW THEREUNDER AND DETERMINING THAT THE ACTION WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

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

WHEREAS, the Agency adopted a resolution on January 15, 2019 (the “**Inducement Resolution**”) entitled:

RESOLUTION AUTHORIZING THE UNDERTAKING, ACQUISITION, RECONSTRUCTION, RENOVATION, CONVERSION, EQUIPPING AND COMPLETION OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE

**ACQUISITION, RECONSTRUCTION, RENOVATION,
CONVERSION, EQUIPPING AND COMPLETION OF
THE PROJECT; AND AUTHORIZING THE
EXECUTION AND DELIVERY OF AN AGREEMENT
BETWEEN THE AGENCY AND THE COMPANY**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

AYE

NAY

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on January 15, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

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

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

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

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

EXECUTIVE SUMMARY

Agenda Item: 7

Title: Addis Building LLC

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing an extension of the Agency Lease and Sales Tax Appointment for the Project until December 31, 2019.

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: In December of 2016 the Board of Directors approved resolutions to undertake the Project. Mortgage and sales tax exemptions valued at \$32,500.00 and \$222,890.00 respectively were approved for the gut renovation of the former Addis Company Dept Store at 449-453 S. Salina St. The conversion is slated to be a mixed commercial/residential use facility containing two floors of commercial/retail space with the upper three floors to contain 18 one bedroom residential units at an estimated cost of \$5,572,246.00. The Project closed with the Agency in March of 2018 and has experienced a number of delays in construction. It is now estimated to be completed by December 31, 2019 and the Project owners are requesting both an extension of the Agency agreement and Sales Tax appointment now due to expire February 1 to that date. No increase in benefits is requested.

ATTACHMENTS:

1. Correspondence.
2. Resolution.

REVIEWED BY:

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

Meeting: January 15, 2019

Prepared By: J. A. DeLaney

ADDIS BUILDING LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202

January 9, 2019

Honora Spillane, Executive Director
Syracuse Industrial Development Agency
City Hall Commons, 6th Floor
201 East Washington Street
Syracuse, New York 13202

Re: Addis Building, 449 South Salina Street

Dear Nora:

We respectfully request an extension of the Lease and Agency agreement for the above-referenced project as well as the Sales Tax Appointment to December 31, 2019. Please be advised that this extension is required due to project delays. We anticipate that the project will be complete on or about December 31, 2019.

In 2018, the project used \$11,758.00 of the permitted exemption amount.

We appreciate your attention and assistance.

Very truly yours,

ADDIS BUILDING LLC



Timothy M. Lynn, Managing Member

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 15, 2019 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

EXCUSED:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

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

RESOLUTION APPROVING AN EXTENSION OF THE TERM OF THE LEASES BETWEEN THE AGENCY AND THE COMPANY AND THE SALES TAX APPOINTMENT OF ADDIS BUILDING LLC AS AGENT OF THE AGENCY UNTIL DECEMBER 31, 2019; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS

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

WHEREAS, at the request of Addis Building LLC (the “*Company*”), by resolution dated December 20, 2016 (the “*Inducement Resolution*”) the Agency agreed to undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 7,500 square feet of real property improved by an existing approximately 37,500 square foot building (the “*Building*”) located at 449-53 South Salina Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the Building as follows: (a) approximately 22,500 square feet containing approximately 18 one-bedroom apartment units on floors 3-5; (b) approximately

7,500 square feet of commercial space on the second floor; and (c) approximately 7,500 square feet of retail space on the first floor, all located on the Land (collectively, the "**Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (except as limited by Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, in March 2018, the Company and Agency entered into a lease transaction to effectuate the undertaking of the Project and the conference of the approved Financial Assistance (the "**Lease Transaction**"). As part of the Lease Transaction for purposes of undertaking and completing the Project Facility, the Company was appointed as the agent of the Agency through February 1, 2019 (the "**Appointment**"), and was awarded an amount not to exceed \$222,890 (the "**Original Exemption**") in exemptions from State and local sales and use tax; and

WHEREAS, by letter dated January 9, 2019, the Company advised that due to the need to obtain easements from neighboring properties with respect to ingress and egress, which resulted in the unexpected delays in construction, they are requesting the Agency approve an extension of their Appointment from February 1, 2019 to December 31, 2019 to provide them an opportunity to complete the Project (the "**Appointment Extension**"); and

WHEREAS, the Company has confirmed that no additional financial assistance is being requested and that they have not exceeded the amount of the Original Exemption; and

WHEREAS, in connection with the Extension, certain of the Lease Documents (as defined herein) may need to be amended to extend their term coterminous with the Appointment Extension (the "**Amendments**"); and

WHEREAS, the Appointment Extension and the Amendments are in furtherance of the Financial Assistance that was previously approved for the Project, which underwent an environmental review by the Agency pursuant to the State Environmental Quality Review Act ("**SEQRA**"), and the present sales tax appointment and document extension request is insubstantial and does not require reconsideration or further review by the Agency under SEQRA.

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

(1) Based upon the representations made by the Company to the Agency, including but not limited to there being no event of default under the Lease Documents (as defined herein), the Agency hereby makes the following findings and determinations:

(a) The granting of the Appointment Extension and Amendments do not require reconsideration or further review by the Agency under SEQRA.

(b) The Agency authorizes the Appointment Extension and the Amendments for purposes of completing the Project through and including December 31, 2019, conditioned upon the Company: (i) representing and warranting that there are no events of default under any of the documents executed and delivered by the Company in conjunction with the Lease Transaction, including but not limited to a company lease, an agency lease, a project agreement and an environmental compliance and indemnification agreement, each dated as of March 1, 2018 (collectively, the "**Lease Documents**"); (ii) confirming that all insurance executed and delivered in conjunction with the Project and the Lease Transaction remains in full force and effect and will submit to the Agency proof of insurance naming the Agency as an additional insured pursuant to the Agency's requirements under the Lease Documents; (iii) submitting to the Agency any applicable information requested by the Agency with respect to the Appointment Extension and the Amendments so that they can accurately track and report Project and Financial Assistance information as required under the Act; (iv) submitting any applicable administrative fees and all legal fees incurred by the Agency in exchange for the Agency's grant of the Appointment Extension and the Amendments; and (v) submitting any proof required by the Agency demonstrating that the Company has not realized State and local sales and use tax exemptions in excess of what was authorized for the Project.

(2) The Agency is authorized to execute all documents necessary to effectuate the Appointment Extension and the Amendments (collectively, the "**Extension Documents**") including but not limited to revisions or amendments of the Lease Documents, issuance of a new Sales Tax Appointment Letter and an amendment or extension of the appropriate "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for each of the entities; and each the Chairman, the Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the documents, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein as the (Vice) Chairman deems appropriate. The execution thereof by the Chairman, the Vice Chairman and/or the Executive Director constitutes conclusive evidence of such approval.

(3) The Company shall execute and deliver any and all documents required by the Agency in connection with the Appointment Extension and the Amendments and to carry out the intent of this Resolution; and

(4) The Company shall provide or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project and the Company shall, and cause each Additional Agent, to make such records available to the Agency and the State Commissioner of Taxation and Finance (the "**Commissioner**") upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project's receipt of, or benefit from, any State or local sales and use tax exemptions, the

Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request.

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

(6) The Secretary of the Agency is hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

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

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

AYE

NAY

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on January 15, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

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

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

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

City of Syracuse Industrial Development Agency

Rickey T. Brown, Secretary

(S E A L)

EXECUTIVE SUMMARY

Agenda Item: 8

Title: 900 East Fayette Group, LLC

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing both participation in additional mortgage financing for the Project and a partial waiver of the Agency fee in the matter.

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: In March of 2016 the Board of Directors approved an application for financial assistance from the Company for a Project to be located 900–924 East Fayette and 305 Irving Avenue. The Company proposed a gut renovation of the existing building (the Sylvester”) and construction of a second complimentary 35,000 sq. ft. building to contain 42 residential apartments and 13,000 sq. ft. of commercial space. The cost of the Project was estimated to be \$8,619,415.00. Project financing closed in November 2017 at which time a fee of **\$86,194.15** (1% of the Project) was paid to the Agency. In December 2018 the Board of Directors authorized an extension of the Agency agreement and sales tax appointment through March 31, 2019 in order to complete construction. The Agency has now received a request to participate in additional mortgage financing (\$849,112.00) for the Project. The additional mortgage tax benefit will be **\$6,368.34**. However in this case the Agency’s fee per its schedule would be **\$26,368.34** because of a refinance of the existing mortgage (\$7,150,888.00) the cost of which was included in the original fee charged to the Project and a 1% fee for new mortgage money although the mortgage tax benefit is now only reduced to .75%. Staff is requesting a reduction on the fee to WHAT AMOUNT due to the unusual nature of the transaction and the benefit to be received vs. the cost.

ATTACHMENTS:

1. Correspondence.
2. Resolution.

REVIEWED BY:

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

Meeting: January 15, 2019

Prepared By: J. A. DeLaney

ZENZEL LAW OFFICES

6320 Fly Rd. Suite 207
East Syracuse, NY 13057
Phone: (315) 701-1115 • Fax: (315) 431-9771
E-Mail: carol@zenzellaw.com

January 7, 2019

Honora Spillane
City of Syracuse
Industrial Development Agency
201 East Washington Street, 6th Floor
Syracuse, NY 13202

Re: 900 East Fayette Group, LLC
900 East Fayette St.

Dear Nora:

In accordance with my prior e-mail request, Chris Geiger has requested an increase in his construction loan with Five Star Bank) by \$849,112.00. The original funding was for \$7,150,888.00. We would like SIDA to sign off on the additional funding so that we can save on the mortgage tax and have the ability to consolidate the existing loan with the new money to form one loan in the amount of \$8,000,000.00. The mortgage tax savings is three quarters of one percent of the new money or \$6,368.34. Chris cannot close on this new financing without SIDA's participation. Ideally, we would have execution copies of the documents available for you at your meeting so they could be signed on the 15th in the event that Chris's request is granted by SIDA. If you have any questions or concerns, please do not hesitate to contact me or Chris.

Very Truly Yours,
ZENZEL LAW OFFICES



Carol A. Zenzel

RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 15, 2019 at 8:00 a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

EXCUSED:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

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

RESOLUTION APPROVING THE AGENCY'S PARTICIPATION IN A MORTGAGE, A CONSOLIDATION AGREEMENT AND ASSOCIATED DOCUMENTS AT THE REQUEST OF THE COMPANY IN CONNECTION WITH THE PROJECT FACILITY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH

WHEREAS, the City of Syracuse Industrial Development Agency (the "*Agency*") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "*State*"), as amended (the "*Enabling Act*") together with Section 926 of the General Municipal Law, as amended (said Section and the Enabling Act, collectively referred to as, the "*Act*"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, civic and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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

WHEREAS, by resolution adopted on March 9, 2016 (the "**Inducement Resolution**"), the Agency approved the undertaking of a project (the "**Project**") at the request of 900 East Fayette Group, LLC (the "**Company**") consisting of: (A)(i) the acquisition of an interest in approximately .5 acres of real property improved by an existing four story, approximately 18,400 square foot building (the "**Existing Building**") located at 900-16, 918 and 922-24 East Fayette Street and 305-07 Irving Avenue (to be known as 900-916 East Fayette Street), in the City of Syracuse, New York (the "**Land**"); the renovation of the Existing Building for use as a mixed-use complex including approximately 4,600 square feet of retail space on the first floor and approximately 13,800 square feet on floors 2-4 containing 12 oversized one-bedroom market-rate apartments; the construction of a new four story approximately 35,000 square foot building including approximately 8,500 square feet of retail space on the first floor and approximately 26,500 square feet on floors 2-4 containing approximately 30 market-rate apartments (the "**New Building**") and together with the Existing Building, the "**Facility**"; (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**") and together with the Land and the Facility, the "**Project Facility**"; (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (the "**Financial Assistance**"; (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, in November 2017, the Company and the Agency closed on the Project and executed the necessary lease transactional documents. As part of the Project approval, based upon the Application, the Company's exemption from mortgage recording tax was approximately \$71,000 (which represented 1% of the anticipated mortgage); and

WHEREAS, in conjunction with the undertaking of the Project, the Company and the Agency entered into a Construction Loan and Permanent Loan Mortgage dated as of November 2, 2017 in the amount of \$7,150,888.00 (the "**Initial Mortgage**") in favor of Five Star Bank ("**Five Star**") to secure the Company's obligation under a corresponding note in a like amount (the "**Initial Loan**"); and

WHEREAS, at the time of closing on the Initial Mortgage, due to a change in the Act, the Project only received $\frac{3}{4}$ of 1% of the mortgage tax exemption amount; or \$53,631.66 leaving \$17,368.34 in remaining approved exemption (the "**Unused Exemption**"); and

WHEREAS, by letter dated January 7, 2019, the Company has requested that the Agency participate in additional financing on the Project through Five Star (collectively, the "**Additional Financing**") consisting of the: (a) execution and delivery of an additional

construction loan mortgage and related documents in favor of Five Star in an amount not to exceed Eight Hundred Forty-Nine Thousand One Hundred Eleven Dollars (\$849,112.00) to secure gap construction financing (collectively, the "**Gap Mortgage**"); (b) execution and delivery of a Construction Loan and Permanent Loan Mortgage Consolidation, Modification and Extension Agreement in favor of Five Star in an amount not to exceed Eight Million Dollars (\$8,000,000.00) pursuant to which the Initial Mortgage and the Gap Mortgage will be consolidated (the "**Consolidated Mortgage**"); (c) confirmation or re-approval of so much of the Unused Exemption as necessary to cover, as permitted by the Act, the associated mortgage recording tax incurred with respect to the Gap Mortgage; and (d) execution and delivery of all other documents reasonably necessary, upon advice of Agency's counsel, to effectuate the Additional Financing and confirm and grant so much of the Unused Exemption as necessary to cover, as permitted by the Act, the associated mortgage recording tax incurred with respect to the Gap Mortgage (collectively with (a), (b) and (c) above, the "**Financing Documents**"); and

WHEREAS, the confirmation or re-approval of the Unused Exemption, as set forth above, does not constitute new Financial Assistance; and even if it was so considered, no public hearing is required as the Unused Exemption does not exceed \$100,000; and

WHEREAS, the Agency Lease dated as of November 1, 2017, executed by the Company and the Agency in connection with the Project (the "**Agency Lease**"), anticipated the Agency's participation in such Additional Financing; and

WHEREAS, the Additional Financing is in furtherance of the Financial Assistance that was previously approved for the Project, which underwent an environmental review by the Agency pursuant to the State Environmental Quality Review Act ("**SEQRA**"), and the present request for additional financing is insubstantial and does not require reconsideration or further review by the Agency under SEQRA.

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

(1) Based upon the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

(a) The Agency's participation in the Additional Financing and the execution and delivery of the Financing Documents will not result in a change to the Project as originally considered and therefore no further SEQRA review or action is required; and

(b) The Agency has the authority to, and hereby does, approve its participation in the Additional Financing, the execution and delivery of the Financing Documents and further confirms and approves of the award of so much of the Unused Exemption as necessary to cover, as permitted by the Act, the associated mortgage recording tax incurred with respect to the Gap Mortgage. The (Vice) Chairman and/or Executive Director of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the Financing Documents, or take any other action required to carry out the intent of, this Resolution upon the advice of counsel, and to

execute and deliver any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein as the (Vice) Chairman deems appropriate, and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution. The execution thereof by the (Vice) Chairman or Executive Director constitutes conclusive evidence of such approval.

(2) As a condition precedent to the Agency's participation in the Additional Financing, the providing of the Unused Exemption and the execution and delivery of the Financing Documents, all as set forth herein, the Company will submit to the Agency the appropriate administrative fee, including the Agency's legal fees associated with the Additional Financing, the Unused Exemption and the Financing Documents; the Company shall execute and deliver the Financing Documents and shall provide proof of insurance as required under the Agency Lease as well as any additional certificates or documents required by the Agency.

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

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

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

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

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

AYE

NAY

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the "**Agency**") held on January 15, 2019, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

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

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

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

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Rickey T. Brown, Secretary

(SEAL)