
City of Syracuse
Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, NY 13202
Tel (315) 473-3275

To: Board of Directors - City of Syracuse Industrial Development Agency

From: Judith DeLaney

Date: March 16, 2018

Re: Board of Directors Meeting Agenda – March 20, 2018 **(Draft)**

The City of Syracuse Industrial Development Agency will hold a Board of Directors Meeting on **Tuesday, March 20, 2018 at 8:30 a.m.** in the Common Council Chambers, 304 City Hall, 233 East Washington St., Syracuse, N.Y. 13202.

I. Call Meeting to Order –

II. Roll Call –

III. Proof of Notice – 1a

Minutes – 1b

Approval of minutes from the January 16, 2018 Board of Directors meeting.

IV. New Business –

2017 Financial Statements – Michael Lisson – 2

Acceptance of the 2017 draft financial statements prepared by the Agency's independent auditor, Grossman St. Amour, CPA's.

Attachments:

1. *Presentation.*
2. *Draft 2017 Financial Statements.*

Annual Report – Honora Spillane – 3

Approval of the Agency's 2017 draft Annual Report.

Attachment:

1. *Draft 2017 Annual Report.*

State Tower Building LLC – Sue Katzoff –4

Approval of a resolution authorizing a Public Hearing with respect to a request for additional financial assistance relative to the Project.

Attachments:

1. *Correspondence.*

2. Resolution.

Joint School Construction Board – Sue Katzoff – 5

Approval of a resolution authorizing a Public Hearing relative to the Project.

Attachments:

1. Application for Financial Assistance.
2. Resolution.

Syracuse 727 LLC (Campus Plaza Project) – Sue Katzoff – 6

Approval of a resolution authorizing additional financial assistance to the Project.

Attachments:

1. Correspondence.
2. Resolution.

BVSHSSF Syracuse LLC (Peak Campus Project) – Sue Katzoff – 7

Approval of a resolution authorizing a Public Hearing with respect to a request for additional financial assistance relative to the Project.

Attachments:

1. Correspondence.
2. Resolution.

Paradise Companies 2, LLC – Sue Katzoff – 8

Approval of a resolution authorizing the execution and delivery of all necessary documents to terminate the Agency's interest in the Project.

Attachments:

1. Resolution.

Vanderbilt/Larned Civic Facility Bonds – Sue Katzoff – 9

Approval of a resolution authorizing the execution and delivery of certain documents to terminate the Agency's fee interest in the Project and certain, but not all, leasehold interests.

Attachment:

1. Resolution.

Salina/Montgomery Parcels (Salina 1st LLC) – Sue Katzoff – 10

Approval of a resolution authorizing the Executive Director of the Agency to execute all documents relative to the site to complete a cleanup under the NYSDEC Brownfield Cleanup Program.

Attachment:

1. Resolution.

Appointment of Executive Director as Authorized Signatory of the Agency – Sue Katzoff – 11

Approval of a resolution authorizing the Executive Director to execute documents on behalf of the Agency with respect to the termination of Projects following approval of the Board.

Center Armory Garage – Honora Spillane – 12

Approval of an agreement between the Agency (owner) and the City of Syracuse relative to a one year lease of the garage.

Attachments:

1. *City of Syracuse Ordinance.*
2. *Agreement.*

Empire Syracuse LLC – Sue Katzoff – 13

Discussion regarding \$110,888.74 mechanic's lien filed by MKS Industries, Inc. with respect to work performed or goods provided to the Empire Syracuse LLC Project located at 462-474 South Salina Street.

VI. Adjournment –

City of Syracuse
Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, NY 13202
Tel (315) 473-3275

PLEASE POST

PLEASE POST

PLEASE POST

PUBLIC MEETING NOTICE

THE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

HAS SCHEDULED

A

BOARD OF DIRECTORS MEETING

TUESDAY MARCH 20, 2018

At 8:30 a.m.

**IN THE
COMMON COUNCIL CHAMBERS
304 City Hall
233 East Washington Street
Syracuse, NY 13202**

City of Syracuse
Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, NY 13202
Tel (315) 473-3275

Minutes
Board of Directors Meeting
Tuesday January 16, 2018

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

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

Others Present: Stephanie Pasquale, Barry Lentz, Mitch Latimer, Mel Menon, Donna Harris, Alex Grant, Greg Loh.

I. Public Hearing

321 South Salina Street, 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 to those in attendance, she asked if anyone in attendance wished to speak in favor of the Project.

Ryan Benz who identified himself as an owner of the Project spoke in favor. Mr. Benz said the Project consists of the reconstruction of two adjacent buildings at 321 and 323 South Salina St. He said the owners intend to renovate the now vacant property into a mixed use containing 16 residential units and commercial space to include a restaurant and gym.

Mr. Kinsey asked about the cost of the Project. Mr. Benz responded the estimated cost was approximately \$4,200,000.00.

After Mr. Benz finished speaking, Ms. Spillane asked an additional two times if anyone else in attendance wished to speak in favor of the Project. No one spoke.

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

Mr. Frame closed the Public Hearing at 8:35 a.m.

II. Call Meeting to Order

Mr. Frame called the meeting to order at 8:35 a.m.

III. Roll Call

Mr. Frame acknowledged all Board members were present and asked, as this was the first Board meeting of the year, that the Board members to introduce themselves to those in attendance. Each Board member did so.

IV. Proof of Notice

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

V. Minutes

Mr. Frame asked for a motion to approve the minutes from the December 19, 2017 Board of Directors meeting.

Mr. Kinsey made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE DECEMBER 19, 2017 BOARD OF DIRECTORS MEETING.**

VI. New Business

Joint School Construction Board (JSCB)

Ms. Katzoff advised the Board members they were being asked to approve resolutions authorizing the issuance of School Facility Revenue Bonds (Syracuse City School District Project), Series 2018 in a principal amount not to exceed \$82,000,000.00.

She said the Agency received an application from the JSCB on behalf of the school district to issue one or more series of Tax –Exempt and Taxable School Revenue Bonds to fund improvements at Bellevue Elementary, Ed Smith K-8 School, Frazer PreK-8 School, and Grant Middle School. She noted the Agency’s Finance Committee met in session on November 16, 2017 and after review of the Project approved a motion to recommend to the Board of Directors approval of the request. She also advised a Public Hearing was held on the Project November 21, 2017.

She then advised the first resolution for the Board’s consideration was a SEQRA resolution and noted it had been determined the request would not have a significant effect on the environment.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Ms. Murphy made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE UNDERTAKING OF A CERTAIN PROJECT AT THE REQUEST OF THE SYRACUSE JOINT SCHOOL CONSTRUCTION BOARD WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.**

Ms. Katzoff then asked the Board members to approve an Inducement Resolution approving the undertaking of the Project.

There being no discussion, Mr. Frame asked for a motion to approve the resolution. Mr. Thompson made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING THE UNDERTAKING BY THE ISSUER OF A CERTAIN PROJECT CONSISTING OF THE ACQUISITION BY THE ISSUER OF AN INTEREST IN, AND CONSTRUCTION, RECONSTRUCTION, RENOVATING AND EQUIPPING OF EXISTING SCHOOL BUILDINGS AT THE REQUEST OF THE SYRACUSE JOINT SCHOOLS CONSTRUCTION BOARD AND THE ISSUANCE OF ONE OR MORE SERIES OF THE ISSUER’S TAX-EXEMPT AND/OR TAXABLE SCHOOL FACILITY REVENUE BONDS (SERIES 2018A) IN AN AGGREGATE AMOUNT SUFFICIENT TO FINANCE THE COST THEREOF, THE COSTS OF SUCH ISSUANCE AND FUNDING CAPITALIZED INTEREST AND A DEBT**

SERVICE RESERVE FUND, IF ANY AUTHORIZING THE INDUCEMENT RESOLUTION FOR THE RENOVATIONS OF THE THREE SCHOOLS.

Ms. Katzoff then asked the Board members to approve a Bond resolution authorizing the issuance and sale of the bonds.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Kinsey made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF THE ISSUER'S TAX-EXEMPT AND/OR TAXABLE SCHOOL FACILITY REVENUE BONDS (SYRACUSE CITY SCHOOL DISTRICT PROJECT), SERIES 2018A IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$82,000,000 AND THE EXECUTION OF RELATED DOCUMENTS.**

321 South Salina Street, LLC

Ms. Katzoff advising a Public Hearing had just concluded on the Project briefly reviewed it for the Board members noting its location in in the City's Downtown neighborhood and the owners plan to convert the two adjacent vacant buildings into a mixed use with 16 residential units on the upper floors, a first floor farm to table restaurant and a speakeasy bar and tenant gym in the basement.

She said the owners were requesting benefits from the Agency in the form of mortgage tax exemption valued at \$19,636.79 and a sales tax exemption valued at \$189,636.16. There is no PILOT.

She then asked the members to authorize resolutions to undertake the Project and advised the first resolution for their consideration was a SEQRA resolution noting that on review it had been determined the Project would have no significant effect on the environment.

There being no discussion Mr. Frame asked for a motion authorizing the SEQRA Resolution. Mr. Kinsey made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE ACQUISITION, DEMOLITION, CONSTRUCTION, EQUIPPING AND COMPLETION OF A CERTAIN PROJECT AT THE REQUEST OF 321 SOUTH SALINA STREET, LLC WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.**

Ms. Katzoff then asked the Board members to consider an Inducement Resolution for the Project

There being no discussion Mr. Frame asked for a motion to approve authorizing the resolution. Mr. Thompson made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING THE UNDERTAKING THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A COMMERCIAL FACILITY; 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 members to approve a final resolution noting this authorized the execution and delivery of all documents.

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

Ascension Gaming Network Inc.

Ms. Spillane advised the Board that the Agency had received an application for financial assistance from the Company (included in the Board's agenda packet) for a proposed project to be located at 441 South Salina St (the Galleries Office complex). She briefly reviewed the Project advising that the Company, a digital marketplace firm focusing on collectible gaming, is in an expansion mode and is consolidating its offices into one location at the Galleries. She said the owner was seeking benefits from the Agency in the form of exemptions from mortgage recording tax valued at \$17,250.00 and a sales tax exemption valued at \$104,000.00.

She then requested the Board members authorize a public hearing on the Project.

There being no discussion, Mr. Frame asked for a motion to approve a resolution authorizing the public hearing. Mr. Kinsey made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE ACQUISITION, 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.**

Agency Committee Appointments

Ms. Spillane requested the Board members approve resolutions appointing members to the Agency's Audit, Finance and Governance Committees relative to the recent changes in Board membership.

After a brief review and there being no further discussion Mr. Frame asked for motions to approve the following resolutions:

AUDIT COMMITTEE: Mr. Thompson made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPOINTING MICHAEL FRAME AND RICKEY T. BROWN AS MEMBERS OF THE AUDIT COMMITTEE.**

FINANCE COMMITTEE: Mr. Thompson made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPOINTING KATHLEEN MURPHY AND RICKEY T. BROWN AS MEMBERS OF THE FINANCE COMMITTEE.**

GOVERNANCE COMMITTEE: Mr. Kinsey made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPOINTING MICHAEL FRAME, RICKEY T. BROWN, AND KATHLEEN MURPHY AS MEMBERS OF THE GOVERNANCE COMMITTEE**

VI. Adjournment

There being no further business to discuss Mr. Frame asked for a motion to adjourn the meeting. Mr. Thompson made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:47 A.M.**

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

EXECUTIVE SUMMARY

Agenda Item: 2

Title: Agency Financial Statements FY 2017

Requested By: Michael Lisson

OBJECTIVE: Review and acceptance of the 2017 draft financial statements as prepared by the Agency's independent auditor, Grossman St. Amour, CPA's.

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: Michael Lisson of Grossman St. Amour CPA's will review the Agency's 2017 Draft Financial Statements for the Board of Directors.

ATTACHMENTS:

1. Presentation.
2. Draft Financial Statements
3. Management Letters.

REVIEWED BY:

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

Meeting: March 20, 2018

Prepared By: J. A. DeLaney



City of Syracuse Industrial Development Agency

Mike Lisson, CPA, Partner
March 20, 2018



Required Communications

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



Required Communications

- Uncorrected and corrected misstatements
 - A few minor entries recorded over course of audit, related to accruals
- Disagreements with management
 - None
- Representations requested from management
 - Separate letter
- Management's consultations with other accountants
 - None that we are aware of
- Other significant matters, findings or issues
 - **Closing process for books and records**



Audit Reports

- ❑ **Auditor's Opinion**
 - ❑ Financial statements present fairly the financial position of SIDA in accordance with GAAP
 - ❑ Unmodified ("clean") audit opinion (pages 1-3)
- ❑ **The audit was conducted in accordance with U.S. GAGAS**
- ❑ **Audited Statements of Net Position, Revenues, Expenses and Changes in Net Position and Cash Flows (pages 9-11)**
 - ❑ Financial statements are the responsibility of management
 - ❑ Auditor's responsibility is to express an opinion on the financial statements



Statements of Net Position (page 9)

	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	\$ 5,707,888	\$ 4,319,074
Receivables	5,032,422	4,889,849
Other assets	1,147,834	1,260,446
Total assets	<u>\$ 11,888,144</u>	<u>\$ 10,469,369</u>
Bonds payable	\$ 351,000	\$ 724,000
All other liabilities	2,851,547	2,844,946
Total liabilities	<u>3,202,547</u>	<u>3,568,946</u>
Net position	<u>8,685,597</u>	<u>6,900,423</u>
Total liabilities and net position	<u>\$ 11,888,144</u>	<u>\$ 10,469,369</u>



Statements of Net Position - Changes

- \$2,004,052 provided by operations compared to Cash used by operating activities was \$28,453 in the prior year. The increase in cash is attributable to lower expenses and increased revenues. The net increase in cash of \$1,631,052 is the result of cash provided by operations of \$2,004,052 and mandatory principal payments of \$373,000 on bond obligations.
- Loan receivable from SEDCO decreased \$103,722 due to ordinary loan payments. The loans are overdue at year end.
- Due from city increased \$242,238 due to rent payment from the City not received at year end.
- Bonds payable have decreased \$373,000 as principal payments have been made as they have come due.



Statements of Revenues, Expenses and Changes in Net Position (page 10)

Statements of Revenues, Expenses and Changes in Net Position

	<u>2017</u>	<u>2016</u>
Financing fees	\$ 5,889,613	\$ 5,003,767
All other income	594,468	487,617
Total income	<u>6,484,081</u>	<u>5,491,384</u>
Destiny USA fee to City of Syracuse/Onondaga County	3,800,000	3,800,000
Interest expense	29,499	41,024
Public improvements	57,241	1,325,663
All other expenses	812,167	944,974
Total expenses	<u>4,698,907</u>	<u>6,111,661</u>
(Decrease) Increase in net position	1,785,174	(620,277)
Net position – beginning of year	<u>6,900,423</u>	<u>7,520,700</u>
Net position – end of year	<u>\$ 8,685,597</u>	<u>\$ 6,900,423</u>



Statements of Revenues, Expenses and Changes in Net Position - Changes

- Total revenues increased \$992,697 primarily due to increase in the financing fees totaling 885,846. There were more projects in 2017.
- Total expenses decreased significantly in the amount of \$1,412,754, primarily due to public improvement spent in 2016 did not occur in 2017

**CITY OF SYRACUSE
INDUSTRIAL DEVELOPMENT AGENCY**

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

FINANCIAL STATEMENTS

December 31, 2017 and 2016

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying basic financial statements of City of Syracuse Industrial Development Agency, a component unit of the City of Syracuse, New York as of December 31, 2017 and 2016, and for the years then ended, and the related notes to the financial statements, which collectively comprise the City of Syracuse Industrial Development Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Syracuse Industrial Development Agency as of December 31, 2017 and 2016 and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles general accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance. New York State General Municipal Law, Article 18-A, Section 859

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated March 20, 2018 on our consideration of the City of Syracuse Industrial Development Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Syracuse Industrial Development Agency's internal control over financial reporting and compliance.

Syracuse, New York
March 20, 2018

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Management's Discussion and Analysis (unaudited) For the Year Ended December 31, 2017

As management of the City of Syracuse Industrial Development Agency ("SIDA"), we offer readers of this Agency's financial statements this narrative overview and analysis of the financial activities of the Agency for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City of Syracuse Industrial Development Agency exceeded its liabilities at the close of its most recent fiscal year by \$8,685,597 (net position). This amount may be used to meet the Agency's ongoing obligations to constituents and creditors in accordance with the Agency's fund designation and fiscal policies.
- The Agency's total net position decreased by \$1,785,174 for the 2017 fiscal year.
- During 2017 the Agency received \$5,889,613 for its role in various development projects. The majority of the development fees (\$3,800,000) came from the Destiny USA project. This amount was passed through by SIDA to the City of Syracuse/Onondaga County. In addition to the Destiny USA Project fees, SIDA received monies for financing fees of \$2,075,113 from other developers. The top project fees received were \$464,803 related to the State Tower Building, \$666,323 from BVSHSSF Syracuse LLC for its Peak Campus SU student housing project, and \$405,450 from Syracuse 727 LLC for Syracuse University student housing project at 727 Crouse Ave.
- SIDA continues to receive monies from a related entity, Syracuse Economic Development Corporation (SEDCO) related to loan from a third party. Principal payments of \$129,450 and \$148,809 of interest payments were received on this loan from SEDCO in 2016.
- The Agency continued reducing its HUD-108 guaranteed bonds payable balance during 2017 by making \$148,000 in principal payments. SIDA reduced its outstanding principal on these loans from \$499,000 in 2016 to \$351,000 in 2017.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Management's Discussion and Analysis (unaudited) For the Year Ended December 31, 2017

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

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

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

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

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the agency-wide and fund financial statements. The notes to the financial statements can be found on pages 12 through 22 of this report.

Other information – In addition to the basic financial statements and accompanying notes, this report also includes certain supplemental information, which includes information concerning revenue bonds and other bonds (conduit debt). This supplementary information can be found on pages 22 through 24 of this report.

AGENCY-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the Agency's financial position. In the case of the City of Syracuse Industrial Development Agency, assets exceeded liabilities by \$8,685,597 as of December 31, 2017.

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

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Management's Discussion and Analysis (unaudited)
For the Year Ended December 31, 2017

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

Statements of Net Position		
	2017	2016
Cash and cash equivalents	\$ 5,707,888	\$ 4,319,074
Receivables	5,032,422	4,889,849
Other assets	1,147,834	1,260,446
Total assets	\$ 11,888,144	\$ 10,469,369
Bonds payable	\$ 351,000	\$ 724,000
All other liabilities	2,851,547	2,844,946
Total liabilities	3,202,547	3,568,946
Net position	8,685,597	6,900,423
Total liabilities and net position	\$ 11,888,144	\$ 10,469,369

ASSETS

Major year over year changes with regard to the net decrease in cash are due to the payments on bonds and amounts received for loan fees and grants. Cash provided by operations was \$2,004,052 in 2017 compared to Cash used by operating activities was \$28,453 in 2016.

BONDS PAYABLE

The Agency has HUD Section 108 guaranteed bonds payable as of December 31, 2017 of \$351,000. During 2017, the Agency made principal payments of \$148,000. The resources needed to repay these loans will come from operating funds of the Agency.

The Agency also held bonds payable in the amount of \$225,000 for a parking garage in Armory Square in Syracuse which was repaid in 2017.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

**Management's Discussion and Analysis (unaudited)
For the Year Ended December 31, 2017**

Statements of Revenues, Expenses and Changes in Net Position		
	2017	2016
Financing fees	\$ 5,889,613	\$ 5,003,767
PILOT revenue	-	-
All other income	594,468	487,617
Total income	6,484,081	5,491,384
Destiny USA fee to City of Syracuse/Onondaga County	3,800,000	3,800,000
Interest expense	29,499	41,024
Public improvements	57,241	1,325,663
All other expenses	812,167	944,974
Total expenses	4,698,907	6,111,661
(Decrease) Increase in net position	1,785,174	(620,277)
Net position – beginning of year	6,900,423	7,520,700
Net position – end of year	\$ 8,685,597	\$ 6,900,423

FINANCING AND EXTENSION FEES

As reported earlier, SIDA receives a substantial development fee from the Destiny USA of \$3,800,000 each year as part of a twelve year fee structure, totaling \$60,000,000. The monies are passed onto the City of Syracuse and Onondaga County.

In addition to the Destiny USA Project fees, SIDA received monies for financing fees totaling \$2,075,113 from other developers.

GARAGE RENT REVENUE

During 2017, SIDA received \$242,238 for rent of the parking garage that they own. This rental income is a reimbursement from the City of Syracuse, New York which operates the garage. The lease between SIDA and the City of Syracuse (the City), New York expired on December 1, 2017. The term of the new lease is at no cost to the City for one (1) year with two one (1) year renewal options. The City will be responsible for maintenance and parking management.

PROFESSIONAL FEES

Professional fees are typically legal fees associated with the negotiations of financing, PILOT agreements and other activities of the organization.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

**Management's Discussion and Analysis (unaudited)
For the Year Ended December 31, 2017**

REQUEST FOR INFORMATION

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

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Net Position

	December 31,	
	2017	2016
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 5,707,888	\$ 4,319,074
Loans receivable - SEDCO	171,167	133,387
Due from related parties	242,238	-
Investment in properties, at cost	985,220	985,220
Total current assets	<u>7,106,513</u>	<u>5,437,681</u>
Long-term Assets		
Loans receivable - SEDCO	4,619,017	4,756,462
Land and building, at cost, net of depreciation	162,614	275,226
Destiny USA fees receivable	3,800,000	7,600,000
Destiny USA fees payable to City and County	<u>(3,800,000)</u>	<u>(7,600,000)</u>
Total long-term assets	<u>4,781,631</u>	<u>5,031,688</u>
 Total assets	 <u>\$ 11,888,144</u>	 <u>\$ 10,469,369</u>
LIABILITIES AND NET POSITION		
Current Liabilities		
Accounts payable	\$ 92,060	\$ 83,042
Accrued interest payable	3,713	6,164
Grant payable	735,368	735,368
Bonds payable - parking garage, current portion	-	225,000
Bonds payable - HUD guaranteed, current portion	154,000	148,000
Total current liabilities	<u>985,141</u>	<u>1,197,574</u>
Long-term Liabilities		
Payable to City of Syracuse - long-term portion	2,020,406	2,020,372
Bonds payable - parking garage, long-term portion	-	-
Bonds payable - HUD guaranteed, long-term portion	197,000	351,000
Total long-term liabilities	<u>2,217,406</u>	<u>2,371,372</u>
Total liabilities	<u>3,202,547</u>	<u>3,568,946</u>
Net Position		
Net investment in capital assets	162,614	50,226
Restricted for:		
Lakefront development	-	-
Parking mitigation	93,644	93,644
Unrestricted	8,429,339	6,756,553
Total net position	<u>8,685,597</u>	<u>6,900,423</u>
 Total liabilities and net position	 <u>\$ 11,888,144</u>	 <u>\$ 10,469,369</u>

The accompanying notes are an integral part of these financial statements

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

	Year Ended December 31,	
	2017	2016
Revenue		
Financing fees	\$ 5,889,613	\$ 5,003,767
Grant income	20,426	-
Interest income	151,718	153,133
Garage rent	242,238	237,920
Garage rent - supplemental	118,118	31,072
Other rental income	55,174	54,616
Other income	6,794	10,876
Total revenue	<u>6,484,081</u>	<u>5,491,384</u>
Expenses		
Development costs -		
Destiny USA fee to City of Syracuse/Onondaga County	3,800,000	3,800,000
Lakefront projects	30,618	45,296
Public improvements	26,623	1,280,367
Interest	29,499	41,024
Legal fees	112,319	78,105
Professional fees	456,219	513,471
Depreciation	112,613	112,613
Insurance	23,053	18,136
Taxes - nonexempt	8,022	8,322
Office and other	99,941	214,327
Total expenses	<u>4,698,907</u>	<u>6,111,661</u>
Change in net position	1,785,174	(620,277)
Net position - beginning of year	<u>6,900,423</u>	<u>7,520,700</u>
Net position - end of year	<u>\$ 8,685,597</u>	<u>\$ 6,900,423</u>

The accompanying notes are an integral part of these financial statements

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Statements of Cash Flows

	Years Ended December 31,	
	2017	2016
Cash flows from operating activities:		
Inflows -		
Interest received	\$ 151,717	\$ 153,133
Loan fees and grants	2,110,039	1,707,903
Rents and miscellaneous fees received	422,324	335,065
Loan repayments	99,665	163,453
Destiny USA fee	3,800,000	3,800,000
Outflows -		
Due from related parties	(242,238)	-
Interest payments	(31,950)	(43,272)
Supplies and services	(747,743)	(2,344,735)
Destiny USA fee	(3,800,000)	(3,800,000)
Net cash (used) provided by operating activities	<u>1,761,814</u>	<u>(28,453)</u>
Cash flows from noncapital financing activities:		
Payments on bonds payable	<u>(148,000)</u>	<u>(324,000)</u>
Cash flows from capital and related financing activities:		
Payments on bonds payable - Armory Garage	<u>(225,000)</u>	<u>(205,000)</u>
Net increase in cash and cash equivalents	1,388,814	(557,453)
Cash and cash equivalents - beginning of year	<u>4,319,074</u>	<u>4,876,527</u>
Cash and cash equivalents - end of year	<u><u>\$ 5,707,888</u></u>	<u><u>\$ 4,319,074</u></u>
Reconciliation of change in net position to cash provided by operating activities:		
Change in net position	\$ 1,785,174	\$ (620,277)
Depreciation	112,613	112,613
Changes in assets and liabilities:		
Due from related parties	(242,238)	-
Loan receivable	-	34,002
Loan receivable - SEDCO	99,664	129,451
Other receivables	-	504,136
Payable to City of Syracuse	34	34
Accounts payable	9,018	(186,164)
Interest payable	(2,451)	(2,248)
Net cash provided by operating activities	<u><u>\$ 1,761,814</u></u>	<u><u>\$ (28,453)</u></u>

The accompanying notes are an integral part of these financial statements

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

1. Nature of the Organization and Significant Accounting Policies

Nature of the Organization

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

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

Basis of Presentation

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

Net Position Classifications

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

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

- *Lakefront Development*: These funds are restricted to use for public improvement in the lakefront area.
- *Parking Mitigation*: These funds are restricted for use to alleviate parking situations in downtown Syracuse, New York.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

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

Net Position Classification (continued)

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Order of Use of Resources

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

Fixed Assets

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

Allowance for Doubtful Accounts

SIDA uses the allowance method to report loans of doubtful collectability. There is no allowance as of December 31, 2017 and 2016.

Statement of Cash Flows

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

Investment Policy

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

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

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

Concentrations of Credit Risk

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

Use of Estimates

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

Taxes

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

2. Revenue Bonds/Other Financing

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

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

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

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

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

3. Tax Abatement Programs

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

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

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

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

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

3. Tax Abatement Programs (continued)

SIDA has a tax abatement pertaining to two PILOTS totaling \$17,760,379 or 75% of total taxes abated related to super-regional shopping center located in the City of Syracuse. The PILOTS were entered into in 2006 and terminate at the earliest of (i) December 31, 2065, (ii) the date requested by the recipient pursuant to the terms of the PILOT agreement, and (iii) the date the term of year and financing arrangement with respect to the final phase of the project expires or is earlier terminated (currently January 1, 2036).

Information relevant to the disclosure of all tax abatement programs for the fiscal year ended December 31, 2017 is as follows:

Tax abatement program	12/31/2017
Mortgage recording tax exemption	\$ 1,164,552
Sale and use tax exemption	3,777,733
Payment in lieu of tax (PILOT)	18,774,362
Total taxes abated	\$ 23,716,647

4. Loan Receivable - SEDCO

The Agency has a loan receivable from a related party, Syracuse Economic Development Corporation (SEDCO) related to an economic development project that SEDCO undertook. SEDCO has since sold this project to a 3rd party developer and received mortgage notes totaling \$5,500,000. SEDCO has pledged all of the payments of principal and interest of this mortgage notes to SIDA.

The mortgage notes bears interest at 3% and is recorded as interest income by SIDA. Both notes mature on January 1, 2025 with a balloon payment on such date.

Principal payments began being made to be made by SEDCO in accordance with the terms and conditions of the mortgage agreement, which will in turn be paid to SIDA and reduce the principal balance of the loan receivable from SEDCO. A summary of the loan is as follows:

\$2,500,000 Note			\$3,000,000 Note			Combined Totals		
Due in	Principal	Interest	Due in	Principal	Interest	Due in	Principal	Interest
2018	77,803	64,007	2018	\$ 93,364	\$ 76,808	2018	\$ 171,167	\$ 140,815
2019	64,375	62,106	2019	\$ 77,250	\$ 74,528	2019	\$ 141,625	\$ 136,634
2020	66,333	60,148	2020	\$ 79,600	\$ 72,178	2020	\$ 145,933	\$ 132,326
2021	68,351	58,131	2021	\$ 82,021	\$ 69,757	2021	\$ 150,372	\$ 127,888
2022	70,430	56,052	2022	\$ 84,515	\$ 67,262	2022	\$ 154,945	\$ 123,314
2023	72,572	53,910	2023	\$ 87,086	\$ 64,691	2023	\$ 159,658	\$ 118,601
2024	74,779	51,702	2024	\$ 89,735	\$ 62,043	2024	\$ 164,514	\$ 113,745
2025	1,682,715	4,207	2025	\$ 2,019,255	\$ 5,048	2025	\$ 3,701,970	\$ 9,255
	\$ 2,177,358	\$ 410,263		\$ 2,612,826	\$ 492,315		\$ 4,790,184	\$ 902,578

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

5. Investment in Properties

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

Investment in properties is as follows:

Properties:

301, 309-311, 315-321 S. Warren Street	\$ 323,100
1081-1085 S. Salina Street	191,797
2100, 2101, 2103 Rear Coughlin	180,020
341 Peat Street	176,044
Others	114,259
	<u>\$ 985,220</u>

6. Land and Building

SIDA owns the Center Armory Garage Facility which consists of a parcel of land and the parking garage facility. The facility is being depreciated on a straight-line basis over an estimated useful life of twenty-five years. The following is a summary of the cost and accumulated depreciation of the facility for the years ended December 31, 2017 and 2016:

	<u>Balance at 12/31/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 12/31/2017</u>
Capital assets at cost:				
Land	\$ 50,000	\$ -	\$ -	\$ 50,000
Buildings	<u>2,815,320</u>	<u>-</u>	<u>-</u>	<u>2,815,320</u>
Total	<u>2,865,320</u>	<u>-</u>	<u>-</u>	<u>2,865,320</u>
Accumulated depreciation:				
Accumulated depreciation	<u>(2,590,095)</u>	<u>(112,612)</u>		<u>(2,702,707)</u>
Capital assets, net	<u>\$ 275,225</u>	<u>\$ (112,612)</u>	<u>\$ -</u>	<u>\$ 162,613</u>

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

7. Payable to City of Syracuse

SIDA has been designated by the City of Syracuse to receive, and subsequently loan for commercial use, funds collected by the City under a past tax amnesty program. Under this program, SIDA serves as a conduit between the loan recipient and the City of Syracuse. All earnings and potential losses from the activities are recorded in the fund titled "Development Fund" and such fund reverts back to the City, as such, SIDA has no net position in this fund.

The payable to the City does not bear any interest. At December 31, 2017 the balance due to the City of Syracuse was \$2,020,406.

8. Bonds Payable

Parking Garage Bonds

The Center Armory Garage Facility is owned by SIDA and is located in the Armory Square historic district in downtown Syracuse. The project was financed by SIDA with revenue bonds. Payments on the bonds are made on a bi-annual basis, with interest only payments made on June 1st and principal plus interest made on December 1st of each year through maturity.

SIDA leases the parking facilities to the Syracuse Economic Development Corporation (SEDCO), which subleases the facilities to the City of Syracuse (the City). The lease and sublease both expired on December 1, 2017. The term of the new lease is at no cost to the City for one (1) year with two one (1) year renewal options. The City will be responsible for maintenance and parking management.

HUD Section 108 Guaranteed Bonds Payable

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

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

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

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

8. Bonds Payable (continued)

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

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

		Interest Rate	Maturity Date	Balance at 12/31/16	Payments	Balance at 12/31/17	Due in One Year
HUD Section 108 Guaranteed bonds:							
Series 2002-A	B-99-MC-36-0108-A	5.8%	8/1/2021	74,000	(13,000)	61,000	14,000
Series 2006-A	B-92-MC-36-0108	0.3%	8/1/2019	75,000	(25,000)	50,000	25,000
Series 2011-A	B-99-MC-36-0108-A	1.3%	8/1/2019	350,000	(110,000)	240,000	115,000
Parking Garage Bonds	1992 A	6.75-7.55%	12/1/2017	125,000	(125,000)	-	-
Parking Garage Bonds	1992 B (taxable)	6.75-7.55%	12/1/2017	100,000	(100,000)	-	-
				<u>\$ 724,000</u>	<u>\$ (373,000)</u>	<u>\$ 351,000</u>	<u>\$ 154,000</u>

The following is a summary of the principal and interest payments outstanding at December 31, 2017:

Due in:	HUD Section 108					
	Parking Garage Bonds		Guaranteed Bonds		Total Bonds Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	-	-	154,000	8,911	154,000	8,911
2019	-	-	165,000	6,064	165,000	6,064
2020	-	-	16,000	1,932	16,000	1,932
2021	-	-	16,000	972	16,000	972
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 351,000</u>	<u>\$ 17,879</u>	<u>\$ 351,000</u>	<u>\$ 17,879</u>

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

9. Brownsfields Economic Development Incentive (BEDI) Grants

In 1998 and 1999, SIDA received approval for (2) Brownfields Economic Development Incentive (BEDI) grants in the amounts of \$1,000,000 and \$875,000, respectively, for the City Crossroads project. As of December 31, 2017, SIDA had drawn down the following amounts on these grants:

	BEDI Grant	
Received in:	1998	1999
2000	\$ 400,101	\$ -
2002	599,899	293,940
2003	-	91,428
Total drawn	\$ 1,000,000	\$ 385,368

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

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

As of December 31, 2017, SIDA had made \$1,950,000 of HUD-108 loans to City Crossroads projects. Additional HUD-108 loans in the City Crossroads area would be needed to meet the required ratios of loan dollars to grant dollars noted above.

As of December 31, 2016, the grant funds which have been earned by the issuance of loans are as follows:

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

SIDA has not met the requirements of the grant and does not have any immediate plans on meeting the grant requirements, as such, has recorded the \$735,368 as a liability due to HUD as of December 31, 2017 and 2016. The ultimate payment terms will be negotiated with HUD in the future.

10. Destiny USA Fees

SIDA has participated in the financing of the Carousel Center Mall, holds nominal title to the project, and continues to be active in the financing of the project as it attempts to transform from Carousel Center into Destiny USA. A \$60,000,000 project fee related to this transformation is being paid to SIDA over twelve years. The remaining project fee to be collected is \$7,600,000. There are two annual payments of \$3,800,000 remaining per the project fee agreement. This separate fee is being passed through by SIDA to the City of Syracuse, New York and the County of Onondaga, New York to be used for general economic development purposes.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

11. Conduit Debt Obligations

SIDA has the ability to provide financial assistance to businesses through the issuance of low interest Industrial Development Revenue Bonds and tax exemptions from real property tax, mortgage recording tax, and sales and use tax. Proceeds of the obligations as well as debt service payments are administered by the business through a trustee bank. The obligations are not obligations of SIDA; the primary function of SIDA is to arrange financing between the business and the bond holders. This is a financing arrangement and SIDA merely acts as the financing conduit. These transactions are considered conduit debt obligations. SIDA does not have any obligation to repay the principal and interest of such bonds; as such the bonds are not reflected as long-term obligations. As of December 31, 2017 and 2016, SIDA has issued bonds with an aggregate principal amount outstanding of approximately \$626,328,352 and \$660,183,352, respectively.

12. Contingent Liabilities – Destiny USA Project

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

13. Related Party Transactions

The City of Syracuse, Syracuse Economic Development Corporation, and Syracuse Urban Renewal Agency are related entities of SIDA. Various transactions occur between SIDA and these entities during the ordinary course of business. There are amounts due to and from these entities as more fully described throughout these financial statements.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Notes to Financial Statements

14. Subsequent Events

In preparing the financial statements, management of SIDA has evaluated events and transactions for potential recognition or disclosure through March 20, 2018, the date the financial statements were available to be issued. On March 2, 2018, the Agency issued School Facility Revenue Bonds, series 2018A totaling \$67,265,000. The Bonds are for the Syracuse City School Project and mature in May 2038 and bear interest ranging from 3.25% to 5.0%. The bonds are conduit debt obligations and similar to other conduit debt, the Agency has no responsibility for repayment of such bonds. The payment of such bonds are guaranteed by the Syracuse City School District and the City of Syracuse. There were no additional events or transactions that were discovered during the evaluation that required further disclosure.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations) – Unaudited
For the Year Ended December 31, 2017

Project Purpose	Description of the Financing	Closing Date	Principal of the Issue							Term Ending Date
			Interest At Issuance	If Variable, Range	Bonds Outstanding at January 1, 2017	Incurred During 2017	Developer Paid During 2017	Bonds Outstanding at December 31, 2017		
Civic Facility 31020303C	Crouse Health Hospital, Inc. Cardiology Project, Series 1997A	9/24/2003	3.200%	3.09%	\$ 2,105,000	\$ -	\$ 700,000	\$ 1,405,000	1/1/2023	
Civic Facility 31020303C	Crouse Health Hospital, Inc. Series 2003A, Multi-Mode Variable Rate Demand	9/24/2003	3.090%	3.44%	\$ 11,216,899	\$ -	\$ 1,370,000	\$ 9,846,899	1/1/2023	
Civic Facility 31029803B	Crouse Health Hospital, Inc. Series 2003A Refunding Bonds	9/24/2003	3.170%	0.03%	\$ 6,438,101	\$ -	\$ 750,000	\$ 5,688,101	1/1/2023	
Civic Facility 31029803B	Crouse Health Hospital, Inc. Series 2003B (Taxable) Refunding Bonds	9/24/2003	4.400%	0.15%	\$ 2,500,000	\$ -	\$ 300,000	\$ 2,200,000	1/1/2023	
Civic Facility 31020707A	Crouse Health Hospital, Inc. Series 2007A, Multi-Mode Variable Rate	12/10/2007	3.250%	0.034%	\$ 16,490,000	\$ -	\$ 16,490,000	\$ -	1/1/2033	
Civic Facility 31020707A	Crouse Health Hospital, Inc. Series 2007B, Multi-Mode Variable Rate	12/10/2007	3.410%	0.034%	\$ 1,345,000	\$ -	\$ 1,345,000	\$ -	1/1/2023	
Real Estate 31020707B	PILOT Revenue Bonds, Carousel Center Project, Series 2016A	10/19/2016	3.000%	3% - 5%	\$ 198,940,000	\$ -	\$ -	\$ 198,940,000	1/1/2036	
Real Estate 31020707B	PILOT Revenue Bonds, Carousel Center Project, Taxable Series 2016B	10/19/2016	5.000%	-	\$ 10,600,000	\$ -	\$ -	\$ 10,600,000	1/1/2036	
Real Estate 31020707B	PILOT Revenue Bonds, Carousel Center Project, Taxable Series 2007B	2/27/2007	5.660%	-	\$ 1,883,352	\$ -	\$ -	\$ 1,883,352	1/1/2018	
Real Estate 31020707B	PILOT Revenue Bonds, Carousel Center Project, Series 2007C	2/27/2007	5.693%	-	\$ 94,250,000	\$ -	\$ -	\$ 94,250,000	1/1/2028	

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations) – Unaudited
For the Year Ended December 31, 2017

Project Purpose	Description of the Financing	Closing Date	Interest		Bonds			Developer Paid During 2017	Bonds Outstanding at December 31, 2017	Term Ending Date
			At Issuance	If Variable, Range	Outstanding at January 1, 2017	Incurred During 2017				
Services	Jewish Home of Central NY First Mortgage									
31020101A	Revenue Bonds Series 2001A	3/15/2001	6.250%	7.375%	\$ 14,485,000	\$ -	\$ -	\$ 14,485,000	3/1/2031	
Real Estate										
31020705	Masonic Lofts Project Mortgage	10/1/2007	4.500%	1.59%	\$ 3,565,000	\$ -	\$ -	\$ 3,565,000	10/1/2039	
Civic Facility										
31020801	MESA of NY, Inc. Project Series 2008	1/29/2010	2.315%	1.55%	\$ 4,025,000	\$ -	\$ 210,000	\$ 3,815,000	1/1/2033	
School Facility	Syracuse City School District Project			3.000% -						
31020803	Series 2008A	3/26/2008	4.000%	5.250%	\$ 34,735,000	\$ -	\$ 34,735,000	\$ -	5/1/2030	
School Facility	Syracuse City School District Project			3.000%-						
31020803	Series 2010	12/23/2010	3.000%	6.000%	\$ 24,970,000	\$ -	\$ 1,775,000	\$ 23,195,000	5/1/2027	
School Facility	Syracuse City School District, Tax exempt									
31020803	bonds Series 2011A	7/12/2011	3.000%	4.0% - 5.0%	\$ 23,405,000	\$ -	\$ 2,675,000	\$ 20,730,000	5/1/2028	
School Facility	Syracuse City School District, Federally									
31020803	taxable bonds Series 2011B	7/12/2011	5.428%	5.428%	\$ 15,000,000	\$ -	\$ -	\$ 15,000,000	5/1/2027	
School Facility	Syracuse City School District Project,									
31020803	School Facility Revenue Refunding Bonds Series 2017	4/20/2017	4.000%	4.0%-5.0%	\$ -	\$ 29,260,000	\$ -	\$ 29,260,000	5/1/2024	
Civic Facility	Syracuse University Capital Finance Series			.051%-						
31029910A	1999A	12/8/1999	3.520%	.221%	\$ 18,925,000	\$ -	\$ -	\$ 18,925,000	12/1/2029	
Civic Facility	Syracuse University Capital Finance Series			.051%-						
31029910A	1999B	12/8/1999	3.520%	.221%	\$ 25,550,000	\$ -	\$ -	\$ 25,550,000	12/1/2029	

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
Supplemental Schedule of Revenue Bonds and Other Bonds (Conduit Debt Obligations) – Unaudited
For the Year Ended December 31, 2017

Project Purpose	Description of the Financing	Closing Date	Interest		Bonds			Developer Paid During 2017	Bonds Outstanding at December 31, 2017	Term Ending Date
			At Issuance	If Variable, Range	Outstanding at January 1, 2017	Incurred During 2017				
Civic Facility 31029910A	Syracuse University Capital Finance Series 2005A	12/1/2005	2.850%	.02%-.110%	\$ 40,000,000	\$ -	\$ -	\$ -	\$ 40,000,000	12/1/2035
Civic Facility 31029910A	Syracuse University Capital Finance Series 2005B	12/1/2005	2.850%	.02% - .110%	\$ 40,000,000	\$ -	\$ -	\$ -	\$ 40,000,000	12/1/2035
Civic Facility 31020813	Syracuse University Capital Finance Series 2008A-1	1/30/2008	0.100%	.02% - .110%	\$ 16,550,000	\$ -	\$ 525,000	\$ -	\$ 16,025,000	7/1/2037
Civic Facility 31020813	Syracuse University Capital Finance Series 2008A-2	1/30/2008	6.000%	.01% - .10%	\$ 50,000,000	\$ -	\$ -	\$ -	\$ 50,000,000	12/1/2037
Civic Facility 31029501	Vanderbilt/Larned Project Civic Facility Revenue Bonds – 1991 Series	3/30/1995	0.150%	.180% - .220%	\$ 2,705,000	\$ -	\$ 1,740,000	\$ -	\$ 965,000	4/1/2018
Grand Total - Revenue Bonds and Other Bonds (Conduit Debt Obligations)					\$ 659,683,352	\$ 29,260,000	\$ 62,615,000	\$ -	\$ 626,328,352	

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the City of Syracuse Industrial Development Agency (SIDA) compliance with the New York State Public Authorities Law section 2925 applicable to SIDA's investments for the year ended December 31, 2017. Management is responsible for SIDA's compliance with those requirements. Our responsibility is to express an opinion on SIDA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about SIDA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of SIDA's compliance with specified requirements.

In our opinion, SIDA complied, in all material respects, with the aforementioned requirements for the year ended December 31, 2017.

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

Syracuse, New York
March 20, 2018

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited the basic financial statements of the City of Syracuse Industrial Development Agency (SIDA) as of and for the years ended December 31, 2017 and 2016 and have issued our report thereon dated March 20, 2018. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of SIDA is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered SIDA's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SIDA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of SIDA's internal control over financial reporting.

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

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

Compliance and Other Matters

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

This report is intended solely for the information and use of management, audit committees, others within the entity, and the Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.

Syracuse, New York
March 20, 2018

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

EXECUTIVE SUMMARY

Agenda Item: 3

Title: Annual Report

Requested By: Nora Spillane

OBJECTIVE: Review and approval of the 2017 Annual Report for the Agency.

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 2017 Annual Report prepared by staff will be reviewed at the Board of Directors meeting.

ATTACHMENTS:

1. Annual Report

REVIEWED BY:

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

Meeting: March 21, 2018

Prepared By: J. A. DeLaney

City of Syracuse Industrial Development
Agency

Annual Report

2017

Syracuse Industrial Development Agency
201 E. Washington Street 7th Floor
Syracuse, NY 130202

Phone: 315-473-3275

Honora Spillane
Executive Director
hspillane@syrgov.net
www.business.syrgov.net

City of Syracuse
Industrial Development Agency

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City of Syracuse

Industrial Development Agency

MISSION STATEMENT

It is the mission of SIDA to enhance the City of Syracuse's economic development capabilities by 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 City of Syracuse; improve their recreation opportunities, prosperity and standard of living; and, prevent unemployment and economic deterioration. SIDA will achieve this mission by providing a variety of financial incentives to projects, including exemptions from property, sales, use and mortgage recording taxes, grants, and bond financing. SIDA conveys benefits in a strategic, consistent and transparent manner based on the City of Syracuse's collective economic development priorities.

PURPOSE AND DESCRIPTION

The Syracuse Industrial Development Agency ("the Agency") is a public benefit corporation of the State of New York pursuant to Article 18-A of the General Municipal Law. Industrial Development Agencies are authorized to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and improve their recreation opportunities, prosperity and standard of living. Agencies promote, develop, encourage, and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, recreational, education, cultural, railroad, and horse racing facilities.

STATUTORY BASIS

§ 926. City of Syracuse Industrial Development Agency

(a) For the benefit of the city of Syracuse and the inhabitants thereof, an industrial development agency, to be known as the CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY, is hereby established for the accomplishment of any or all of the purposes specified in title one of article eighteen-A of this chapter. It shall constitute a body corporate and politic, and be perpetual in duration. It shall consist of five members who shall be appointed by the mayor of the city of Syracuse and its chairman shall be designated by such mayor. It shall have the powers and duties now or hereafter conferred by title one of article eighteen-A of this chapter upon industrial development agencies. It shall organize in a manner prescribed by and be subject to the provisions of title one of article eighteen-A of this chapter. The agency, its members, officers and employees, and its operations and activities shall in all respects be governed by the provisions of title one of article eighteen-A of this chapter.

(b) The city shall have the power to make, or contract to make grants or loans, including but not limited to grants or loans of money, to the agency in such amounts, upon such terms and conditions and for such period or periods of time as in the judgment of the city and the agency are necessary or appropriate for the accomplishment of any of the purposes of the agency.

Reviewed: March 20, 2018

City of Syracuse

Industrial Development Agency

BOARD OF DIRECTORS

William M. Ryan (Chair)
Appointed: January 1, 2010

M. Catherine Richardson, Esq. (Vice Chair)
Appointed: January 1, 2010

Steven P. Thompson (Secretary)
Appointed: January 6, 2014

Donald Schoenwald, Esq. (Treasurer)
Appointed: March 1, 2011

Kenneth Kinsey
Appointed: January 13, 2016

***In January of 2018 the Mayor of the City of Syracuse appointed Michael Frame as Chairman of the Board, Steven Thompson as Vice Chairman, Kathleen Murphy as Treasurer and Rickey T. Brown as Secretary replacing William Ryan, M. Catherine Richardson and Donald Schoenwald who no longer serve on the Board.

***Board Members are appointed by and serve at the pleasure of the Mayor.

City of Syracuse

Industrial Development Agency

COMMITTEES (2017)

Audit Committee

William Ryan
M. Catherine Richardson
Kenneth Kinsey
Donald Schoenwald

Finance Committee

William Ryan
M. Catherine Richardson
Kenneth Kinsey
Donald Schoenwald

Governance Committee

M. Catherine Richardson
Steven Thompson
Donald Schoenwald
Kenneth Kinsey

EXECUTIVE MANAGEMENT

Honora Spillane

Executive Director
City Hall Commons
201 East Washington Street
Syracuse, New York 13202
Phone: (315) 473-3275
Email: hspillane@syrgov.net

John Vavonese

Chief Financial Officer
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Syracuse, New York 13202
Phone: (315) 448-8081
Email: jvavonese@syrgov.net

Agency Attorney

Barclay Damon, LLP
125 East Jefferson St
Syracuse, NY 13202
Phone: (315) 425-2700
Fax: (315) 425-2701
Website: barclaydamon.com

Agency Accountant

Grossman St. Amour CPA's, PLLC
110 West Fayette Street
One Lincoln Center, Ste. 900
Syracuse, New York 13202
Phone: (315) 422-1391
Fax: (315) 422-0829
Website: www.gsacpas.com

Board members and Executive management making more than \$100,000.00 in salary: **NONE**

City of Syracuse
Industrial Development Agency

2017 BOARD & COMMITTEE MEETINGS AND ATTENDANCE

Date	Board Members Present
January 24, 2017	Kinsey, Richardson Ryan, Schoenwald, Thompson
February 28, 2017	Kinsey, Ryan, Thompson
March 21, 2017	Kinsey, Ryan, Thompson
April 18, 2017	Kinsey, Richardson, Thompson
May 16, 2017	Kinsey, Richardson, Ryan, Thompson
June 20, 2017	Kinsey, Richardson, Ryan, Thompson
July 18, 2017	Kinsey, Richardson, Ryan, Thompson
August 15, 2017	Richardson, Ryan, Thompson
September 19, 2017	Richardson, Ryan, Thompson
October 10, 2017 (Audit & Finance Committee)	Kinsey, Richardson, Ryan, Thompson
October 17, 2017	Kinsey, Richardson, Ryan, Thompson
November 16, 2017 (Finance Committee)	Kinsey, Richardson, Ryan
November 21, 2017	Kinsey, Richardson, Ryan, Thompson
December 18, 2017	Kinsey, Richardson, Ryan, Thompson

Minutes are available at http://www.syr.gov.net/SIDA_Meetings.aspx

City of Syracuse

Industrial Development Agency REPORT ON OPERATIONS AND ACCOMPLISHMENTS

Description of Authority's Operations:

The City of Syracuse Industrial Development Agency (SIDA) is a public benefit corporation created to enhance the City of Syracuse's economic development capabilities. SIDA provides a variety of financial incentives to projects, including exemptions from property, sales, use and mortgage recording taxes, and bond financing.

The Agency has a five member board of directors who serve at the pleasure of the Mayor of the City of Syracuse. The board meets on a monthly basis, and also holds meetings for its audit, finance, and governance committees on an as needed basis. The board is charged with reviewing applications for financial assistance, as well as providing oversight of the staff, finances, and overall operations of the agency.

The Agency is staffed by an Executive Director, Chief Financial Officer, and additional support staff, who are also employees of the City of Syracuse Department of Neighborhood & Business Development. The Executive Director reports directly to the board and is charged with the administrative duties of the Agency. The Chief Financial Officer also reports directly to the board and is responsible for the financial oversight of the Corporation. The support staff reports to the Executive Director and assists in the day to day operations of the organization.

Material Changes to Operations and Programs:

During 2017 there were no material changes to operations and programs.

Accomplishments:

In 2017 SIDA approved 10 new projects, three sales tax increase requests, three mortgage recording exemption increase requests, and one bond issuance. These projects represent a capital investment of \$249,330,611.00. In 2017 seven projects previously approved and five approved in the Agency's fiscal year closed representing capital investment of \$199,864,947.

The 2017 approved and closed projects represented \$307,677,128.00 in capital investment, 507,593 sq. ft. of developed/redeveloped commercial space, and 1,028,947 sq. ft. of residential space containing 633 new residential units. Abatements approved by the Agency for approved and closed projects combined equaled \$21,586,658.00 representing \$14.25 of investment per \$1 of abatement.

The Agency, at the request of the Syracuse Joint School Construction Board, additionally approved tax free school facility revenue refunding bonds (2017 Series) in the amount of \$29,260,008.00, included in the capital investment figure above.

Recognizing the changing dynamic of Syracuse's downtown neighborhood in recent years to a 24 hour community, with a flourishing residential population and an additional 440 new hotel rooms, the Agency approved a service contract with the Downtown Committee of Syracuse to provide two year funding in the amount of \$ 436,000.00 to fund evening and weekend security along with security cameras and weekend maintenance of public space.

Further at the request of neighborhood stakeholders the Agency approved funding in the amount of \$75,000.00 to commission an economic development feasibility study for the South Avenue business corridor in order to further sustainable economic opportunities along the 1.5 mile route. The study is anticipated to be completed by the second quarter 2018 with key outcomes to provide the Agency and its partners an action plan including targeted sites with short and medium term development potential.

Industrial Development Agency

The Agency also supported and approved the sale of several vacant parcels of Agency land to a company whose majority ownership are local MWBE certified business owners. The project proposes the construction of a 51,000 sq. ft. mixed use building in one of the City's most highly distressed census tracts.

City of Syracuse

Industrial Development Agency **INTERNAL CONTROL STATEMENT**

The Agency certifies that management has documented and assessed the internal control structure and procedures of the Syracuse Industrial Development Agency for the year ending December 31, 2017. This assessment found the authority's internal controls to be adequate, and to the extent that deficiencies were identified, the authority has developed corrective action plans to reduce any corresponding risk. **(Appendix C).**

Assessment of the internal operations and controls of financial systems is included in the 2017 independent audit of the Agency, posted on the Agency website.

City of Syracuse

Industrial Development Agency

Project Name	Approval Date	Sales Tax Abatement	Mortgage Recording Tax Abatement	PILOT Abatement	Total Cost	Retained Jobs	New Jobs	Construction Jobs	Description
Rapid Response Monitoring Inc. (Sales Tax Increase)	1/24/17	\$500,000.00	\$0.00	\$0.00					
Joint School Construction Board Bonds (Series 2017)	1/24/17	\$0.00	\$0.00	\$0.00	\$29,260,000.00	0	0	0	Issuance of a series of Tax-Exempt and Taxable School Facility Revenue Refunding Bonds, in an aggregate principal amount not to exceed \$53,000,000 to refund all or a portion of the outstanding principal balance of the Agency's School Facility Revenue Bonds (Syracuse City School District Project), Series 2008A and/or Series 2010
BVSHSSF Syracuse, LLC (Peak Campus Project)	1/24/17	\$1,360,000.00	\$363,750.00	\$0.00	\$66,607,356.00	0	15	220	Construction of a student housing project to be located at 945 E. Genesee St. including 244 apartments (600 beds), 6000 sq. ft. of commercial space and 11000 sq. ft. of amenities including a fitness facility and bike storage with 244 basement and first floor parking spaces. The total project is anticipated to be 421,482 sq. ft. with 104,040 sq. ft. of associated parking.
CGUSL Ventures, LLC (Southside Genesee Associates)	1/24/17	\$1,440,000.00	\$272,250.00	\$0.00	\$46,380,320.00	0	7	200	Construction of a student housing project to be located at 1200 E. Genesee St. The six story 128,830 sq. ft. building will contain 126 residential units and an 846 sq. ft. café with 90 parking spaces.
300 Washington St., LLC	2/28/17	\$1,278,320.00	\$380,000.00	\$5,752,042	\$28,150,000.00	0	6	800	Redevelopment of the vacant 227,000 sq. ft. former NYNEX Bldg. The owner proposes conversion of the first three floors to retail (20,000 sq. ft.) and Class A office space (80,000 sq. ft.) and the upper (4-10) floors to 1-3 bedroom residential units.

City of Syracuse

Industrial Development Agency

Dupli Associates, LLC	5/16/17	\$26,800.00	\$31,300.00	\$259,688.30	\$3,562,000.00	0	0	0	Buildout of 21000 sq. ft. of empty space to house a rock climbing gym and restaurant in a 149,000 sq. ft. building in the Franklin Square neighborhood currently 80% vacant with the remaining vacancy to be redeveloped in the future.
Steri-Pharma, LLC	5/16/17	\$529,518.00	\$377,328.00	\$694,663.00	\$50,165,986.00	48	82	250	Construction of a new 18,500 square foot building addition to the existing 73,000 sq. ft. pharmaceutical manufacturing facility. Included will be the construction of new clean rooms, sterile production and filling rooms and warehouse space along with site improvements including stabilization of a retaining wall along Onondaga Creek, utility work and a covered corridor to connect the two buildings.
Syracuse Community Hotel Restoration LLC (Phase I) (Sales Tax Increase)	6/20/17	\$1,024,085.00		\$0.00					
Maguire Family Limited Partnership (MRTE Increase)	6/20/17	\$0.00	\$45,727.50	\$0.00					
CG USL (MRTE Increase)	6/20/17	\$0.00	\$3,450.00	\$0.00					
Syracuse Community Hotel Restoration LLC (Phase II)	7/18/17	\$265,627.00	\$60,000.00	\$0.00	\$8,082,292.00	0	56	62	Construction of an additional 60,000 sq. ft. of an estimated 54 guest rooms (second, third and eleventh floor) and 10,000 sq. ft. for use as two new restaurants in the existing hotel.

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Armory Boys LLC	8/15/17	\$60,000.00	\$11,250.00	\$0.00	\$1,281,000.00	0	1	20	Gut renovation of the three story 18000 sq. ft. Piper Phillips Bldg. in Armory Square. Constructed in 1872 the upper floors currently vacant will be converted to nine one bedroom residential units with two first floor storefronts .
C-Mand Development LLC (MRTE Increase)	8/15/17		\$36,000.00	\$0.00					
415 South Clinton Street, LLC	10/17/17	\$50,000.00	\$19,125.00	\$0.00	\$2,591,657.00	0	3	20	Gut renovation of the 21,000 sq. ft. building in the Armory Square neighborhood to a mixed use with a commercial component on the first floor and 12 residential units on the upper four floors of the building. Constructed in 1874 the upper floors of the building have been vacant more than 30 years and are uninhabitable.
Herald Commons LLC (Sales Tax Increase)	11/17/17	\$50,000.00	\$0.00	\$0.00					
Salina 1st LLC	11/21/17	\$147,200.00	\$35,400.00	\$0.00	\$6,450,000.00	26	13	70	Located on adjacent vacant parcels of land at Salina/Montgomery Streets, the Company proposes acquisition of the land (currently owned by the Agency) and the construction of a 51,000 sq. ft. three story building consisting of light manufacturing and retail space on the first floor, commercial incubator space on the second floor, and market rate commercial office space on the third floor.
Towers Realty LR, Ltd.	12/19/17	\$326,400.00	\$0.00	\$0.00	\$6,800,000.00	0	0	90	The owners of the AXA Towers propose a "Phase One" Project to consist of site improvements and structural repairs to the exterior Plaza along with comprehensive elevator modernization work at a cost of

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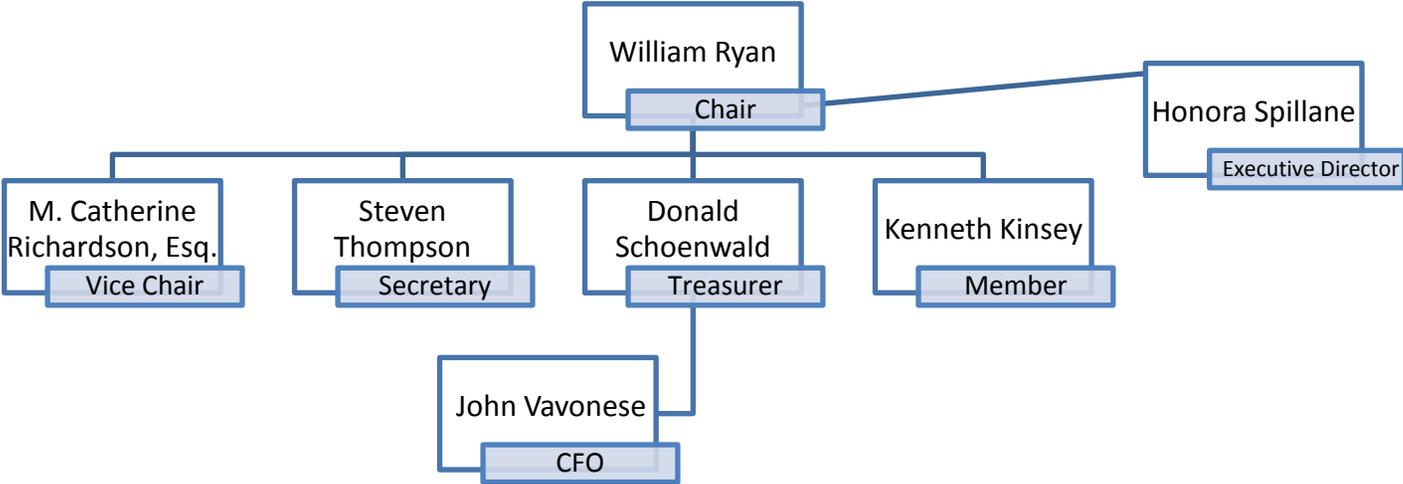
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									\$6,800,000.00. Additional phases are anticipated.
Totals		\$7,057,950.00	\$1,635,580.50	\$6,706,393.38	\$249,330,611.00	74	183	1,732	

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APPENDIX A

SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY (SIDA) ORGANIZATIONAL CHART (2017)



*Staff Services provided by the City of Syracuse Department of Neighborhood and Business Development

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APPENDIX B

AUTHORITY MISSION STATEMENT AND PERFORMANCE MEASUREMENTS AND GOALS

Name of Public Authority: City of Syracuse Industrial Development Agency (SIDA)

Public Authority’s Mission Statement:

It is the mission of SIDA to enhance the City of Syracuse’s economic development capabilities by 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 City of Syracuse; improve their recreation opportunities, prosperity and standard of living; and, prevent unemployment and economic deterioration.

SIDA will achieve this mission by providing a variety of financial incentives to projects, including exemptions from property, sales, use and mortgage recording taxes, grants, and bond financing. SIDA conveys benefits in a strategic, consistent and transparent manner based on the City of Syracuse’s collective economic development priorities.

List of Performance Goals:

The Board will utilize the following performance goals to measure SIDA’s success in achieving its mission:

A. Effectiveness

Measure	2017
Projects Induced	10
Capital Investment	\$249,330,611.00
Projected New Jobs (FTE)	183
Existing/Retained Jobs (FTE)	74

B. Efficiency

Measure	2017
Fee Income	\$5,889,613
Other Income	\$595,468
Operating Expense	\$4,698,907
Excess of Income over Operating Expense	\$1,785,174
Net Assets	\$8,685,597
Auditors Opinion	CLEAN

C. Transparency & Accountability

Measure	2017
Board Acknowledgment of Fiduciary Responsibility	Completed
Board Member Training	Completed
Board Meetings	12
Public Hearings	15

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Additional questions:

1. **Have the board members acknowledged that they have read and understood the mission of the public authority?** YES.
2. **Who has the power to appoint the management of the public authority?** *Bylaws – Section 6 – Additional Personnel: The Agency, with the consent of the Mayor, may appoint an Administrative or Executive Director to supervise the administration of the business and affairs of the Agency, subject to the direction of the Agency. The Agency may, from time to time, employ such other personnel as it deems necessary to execute its powers, duties, and functions as prescribed by the New York State Industrial Development Agency Act (General Municipal Law, Article 18-A), as amended, and all other laws of the State of New York applicable thereto.*
3. **If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?** YES.
4. **Briefly describe the role of the Board and the role of management in the implementation of the mission.**
The role of the Board is to make reasonable inquiry of management and others with knowledge and expertise to ensure the Agency is carrying out its mission. The role of management is to facilitate the delivery of assistance to qualified projects that advance the mission of the Agency.
5. **Has the Board acknowledged that they have read and understood the responses to each of these questions?** YES.

Date Revised: March 25, 2013 **Reviewed:** March 20, 2018

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APPENDIX C

INTERNAL CONTROL REPORT

FISCAL YEAR 2017 REPORT ON INTERNAL CONTROLS			
AGENCY ACTION	CONTROL	CONTROL PROCESS	FINDING
AGENCY CAPITAL PROJECTS			
Project Review	<ul style="list-style-type: none"> • Statute • Regulation • By-Laws • Policy • Local Access Policy 	<ul style="list-style-type: none"> • Written Application • Cost Benefit Analysis • Staff Review • Board Attorney Oversight • Board Review & Approval • Conflict of Interest Statement 	Adequate
SEQRA Determination	<ul style="list-style-type: none"> • Statute • Regulation • By-Laws • Classes of Projects Policy 	<ul style="list-style-type: none"> • Formal EAF Statement • Staff Review • Attorney Review • Board Review & Finding 	Adequate
Public Hearing	<ul style="list-style-type: none"> • Statute • Regulation • By-Laws 	<ul style="list-style-type: none"> • Board Approval • Written Minutes • Report on Public Hearing at Board Meeting 	Adequate
Project Inducement	<ul style="list-style-type: none"> • Statute • Regulation • By-Laws • UTEP • Local Access Policy 	<ul style="list-style-type: none"> • Written Application • Cost Benefit Analysis • Staff Review • Board Attorney Oversight • Board Review & Approval 	Adequate
Benefit Oversight	<ul style="list-style-type: none"> • Statute • Regulation • Agency Policies 	<ul style="list-style-type: none"> • Annual Survey of Companies • Staff Review • Exec Director Oversight • Board Review & Approval of Annual Reporting • Board Attorney Oversight 	Adequate
PILOT Benefits Oversight	<ul style="list-style-type: none"> • UTEP • Statute • Regulation 	<ul style="list-style-type: none"> • Review of comparable properties/assessment value • Review of cost of improvements • Review by Agency Attorney • Board Review & Approval • Review and approval by Mayor and Common Council in Instance of Deviation. 	Adequate
Sales Tax Exemption Oversight	<ul style="list-style-type: none"> • Statute • Regulation • Agency Policy • UTEP 	<ul style="list-style-type: none"> • Staff Review of Project documents • Attorney Review • Board review and approval 	Adequate
Recapture of Benefits	<ul style="list-style-type: none"> • Statute • Regulation • Agency Policy • Lease Documents • UTEP 	<ul style="list-style-type: none"> • Annual Survey of projects • Annual Employment Report • Staff Review of reported numbers versus application numbers • Explanations from Companies • Board Review & Approval of Report & Recommendations 	Adequate

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Agency Service Contracts	<ul style="list-style-type: none"> • Procurement Policy • Funding Policy 	<ul style="list-style-type: none"> • Review by Staff • Attorney Review • Board Review & Approval When Required • Annual Audit of Expenditures 	Adequate
Agency Fees	<ul style="list-style-type: none"> • Project Fee Policy • Legal Fee Policy 	<ul style="list-style-type: none"> • Staff Review • Board Review & Approval • Annual Audit • Attorney Review 	Adequate
PUBLIC ACCESS			
Documents & Administration	<ul style="list-style-type: none"> • Statute • Regulation • FOIL Policy 	<ul style="list-style-type: none"> • Staff Review • Attorney Review 	Adequate
Public Comment	<ul style="list-style-type: none"> • Statute • Regulations • Board By-Laws 	<ul style="list-style-type: none"> • Publication of Hearing Notices • Written Record of Proceedings • Report of public comments to the Board for each project 	Adequate
AGENCY ADMINISTRATION			
Understanding of Mission, Goals, Process & Controls	<ul style="list-style-type: none"> • Statute • Agency By-Laws • Agency Policies 	<ul style="list-style-type: none"> • PAAA Training • New Member Orientation • Annual Acknowledgement of Responsibilities 	Adequate
Ethics & Conflict of Interests	<ul style="list-style-type: none"> • Statute • Conflict of Interest Policy • Agency Code of Ethics 	<ul style="list-style-type: none"> • Annual review of Code of Ethics Policy 	Adequate
AGENCY FINANCES			
Financial Planning & Expenditures	<ul style="list-style-type: none"> • Statute • Regulation • Agency Policies • Procurement Policy 	<ul style="list-style-type: none"> • Annual Budget • Annual Independent Audit • Signature Authority by Chairman, Executive Director, and Treasurer 	Adequate
Financial Safeguards	<ul style="list-style-type: none"> • Statute • Procurement Policy • Travel Policy 	<ul style="list-style-type: none"> • Quarterly Review by Board of Agency Balance Sheet • Annual Independent Audit 	Adequate

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APPENDIX D BY-LAWS

(AS AMENDED August 18, 2009)

Article I THE AGENCY

Section 1. Name

The name of the agency shall be “City of Syracuse Industrial Development Agency”. And it shall be referred to in these by-laws as the Agency.

Section 2. Seal

The seal of the Agency shall be in such form as may be determined by the members of the Agency.

Section 3. Office

The principal office of the Agency shall be located in the City of Syracuse, New York, County of Onondaga, and State of New York. The Agency may have such other offices at such other places as the members of the Agency may, from time to time, designate by resolution.

Article II MEMBERS

Section 1. Members

(a) There shall be five members of the Agency. All references in these by-laws to members shall be references to Members of the Agency. The persons designated in the certificates of appointment filled in the office of the Secretary of State as members of the Agency and their successors in office and such other persons as may, from time to time, be appointed as Members of the Agency by the Mayor of the City of Syracuse, or by special act of the Legislature, shall constitute all the members.

(b) Members shall hold office at the pleasure of the Mayor and shall continue to hold office until his or her successor is appointed and has qualified. The Mayor may remove any Member at his discretion, with or without cause.

(c) Upon the resignation or removal of a Member, a successor shall be selected by the Mayor.

(d) Members may resign at any time by giving written notice to the Mayor and to the Chairman of the Agency. Unless otherwise specified in the notice the resignation shall take effect upon receipt of the notice by the Chairman or the Mayor. Acceptance of the resignation shall not be necessary to make it effective.

Section 2. Meeting of the Members

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(a) The Annual Meeting of the members shall be held on such date or dates as shall be fixed, from time to time, by the Members of the Agency. The first Annual Meeting of Members shall be held on a date within twelve (12) months after the filing of the Certificate of the Agency with the Secretary of State as required by General Municipal Law §856 (1) (a). Each successive Annual Meeting of Members shall be held on a date not more than twelve (12) months following the preceding Annual Meeting of Members.

(b) Regular meetings of the Agency may be held at such time and place as, from time to time, may be determined by the Members.

(c) Upon the written request of the Mayor, the Chairman or two (2) Members of the Agency, the Chairman of the Agency shall call a special meeting of the Members. Special meetings may be held on such date or dates as may be fixed in the call for such special meetings. The call for a special meeting may be personally delivered to each Member of the Agency or may be mailed to the business or home address of such Member. A waiver of notice may be signed by any Member failing to receive a proper notice.

Section 3. Procedure at Meetings of Members

(a) The Chairman shall preside over the meetings of the Agency. In the absence of the Chairman, the Vice-Chairman shall preside. In the absence of both the Chairman and Vice-Chairman, any Member directed by the Chairman may preside.

(b) At all meetings of Members, a majority of the Members of the Agency shall constitute a quorum for the purpose of transacting business. If less than a quorum is present for any meeting, the Members then present may adjourn the meeting to such other time or until a quorum is present. Except to the extent provided for by law, all actions shall be by a majority of the votes cast, provided that the majority of the votes cast shall be at least equal to a quorum.

(c) When determined by the Agency that a matter pending before it is confidential in nature, it may, upon motion, establish an executive session and exclude any non-member from such session.

(d) Order of Business

At all meetings of the Agency, the following shall be the order of business.

- (1) Roll Call;
- (2) Proof of Notice of Meeting;
- (3) Reading and approval of the minutes of the previous meeting;
- (4) Bills and communications;
- (5) Report of the Treasurer;
- (6) Reports of Committees;
- (7) Unfinished business;
- (8) New business;
- (9) Adjournment.

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The order of business may be altered or suspended at any meeting by the Members of the Agency.

(e) All resolutions shall be in writing and shall be recorded in the journal of the proceedings of the Agency.

Article III

OFFICERS AND PERSONNEL

Section 1. Officers

The officers of the Agency shall be Chairman or Co-Chairman, Vice-Chairman, Secretary and Treasurer and such other offices as may be prescribed, from time to time, by the Agency. The Chairman or Co-Chairman and other officers shall be appointed by the Mayor of the City of Syracuse and may be removed with or without cause at his discretion. Each officer shall be a Member of the Agency during his or her term of office.

Section 2. Chairman or Co-Chairmen

The Chairman shall be chief executive officer of the Agency, and shall serve as an ex officio member of all duly constituted committees, shall supervise the general management and the affairs of the Agency, and shall carry out the orders and resolutions of the Agency. Except as otherwise authorized by resolution of the Agency, the Chairman shall execute (manually and by facsimile signature) all agreements, contracts, deeds, bonds, notes or other evidence of indebtedness and any other instruments of the Agency on behalf of the Agency. The Mayor may from time to time appoint two Co-Chairmen in place of the Chairman. During their term of office the Co-Chairman shall share equally the duties, rights, powers and responsibilities of the Chairman. The action of either Co-Chairman or execution (manually or by facsimile signature) by either Co-Chairman of any agreement, contract, deed, bond, note or other evidence of indebtedness or any other instrument of the Agency on behalf of the Agency shall have the same force and effect as such action or execution by the Chairman.

Section 3. Vice-Chairman

The Vice-Chairman shall have all the powers and functions of the Chairman or Co-Chairmen in the absence or disability of the Chairman or Co-Chairmen, as the case may be. The Vice-Chairman shall perform such other duties as the Members of the Agency shall prescribe or as delegated by the Chairman or Co-Chairmen.

Section 4. Secretary

The Secretary shall keep the minutes of the Agency, shall have the custody of the seal of the Agency and shall affix and attest the same to documents when duly authorized by the Agency, shall attest to the giving of all notices of the Agency, shall have charge of such books and papers as the Members of the Agency may order, shall attest to such correspondence as may be assigned, and shall perform all the duties incidental to his office.

Section 5. Treasurer

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The Treasurer shall have the care and custody of all the funds and securities of the Agency, shall deposit such funds in the name of the Agency, in such bank or trust company as the members of the Agency may elect, shall sign such instrument as may require the Treasurer's signature, but only with the approval of the Chairman or Co-Chairman, as the case may be, shall at all reasonable times exhibit the books and accounts of the Agency to the Mayor or any Member of the Agency, and at the end of each fiscal year shall present an annual report setting forth in full the financial condition of the Agency.

Section 6. Additional Personnel

The Agency, with the consent of the Mayor, may appoint an Administrative or Executive Director to supervise the administration of the business and affairs of the Agency, subject to the direction of the Agency. The Agency may, from time to time, employ such other personnel as it deems necessary to execute its powers, duties and functions as prescribed by the New York State Industrial Development Agency Act (General Municipal Law, Article 18-A), as amended, and all other laws of the State of New York applicable thereto.

Section 7. Compensation of Chairman, Co-Chairmen, Members, Officers, and Other Personnel

The Chairman, Co-Chairmen, Members and Officers shall receive no compensation for their services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of their duties. The compensation of other personnel, including the Administrative Director, shall be determined by the Members of the Agency.

Article IV

AMENDMENTS

Section 1. Amendments to By-Laws

These by-laws may be amended or revised, from time to time, by a two-third (2/3) vote of the Agency, but no such amendment or revision shall be adopted unless written notice of the proposed action shall have been given by mail to each Member and the Mayor at least ten (10) days prior to the date of the meeting at which it is proposed that such action be taken; provided, however that this provision and other provisions relating to the appointment, renewal and terms of office of Members and officers may be amended only with the prior written approval of the Mayor.

Article V

MISCELLANEOUS

Section 1. Sureties and Bonds

In case the agency shall so require, any officer, employee or agent of the Agency shall execute to the Agency a bond in such sum and with such surety or sureties as the Agency may direct, conditioned upon the

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faithful performance of his or her duties to the Agency and including responsibility for negligence and for the accounting for all property, funds or securities of the Agency which may come into the hands of the officer, employee or agent.

Section 2. Indemnification

(a) Upon compliance by a Member or Officer of the Agency (including a former Member or Officer, the estate of a Member or Officer or a judicially appointed personal representative thereof) (referred to in this Section 2 collectively as “Member”) with the provisions of subdivision (i) of this Section 2, the Agency shall provide for the defense of the Member in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the Member was acting within the scope of the public employment or duties of such member. This duty to provide for a defense shall not arise where such civil action or proceeding is brought by or at the behest of the Agency.

(b) Subject to the conditions set forth in paragraph (a) of this subdivision, the Member shall be entitled to be represented by private counsel of the Member’s choice in any civil action or proceeding whenever the chief legal officer of the Agency or other counsel designated by the Agency determines that a conflict of interest exists, or whenever a court, upon appropriate motion or otherwise by a special proceeding, determines that a conflict of interest exists and that the Member is entitled to be represented by counsel of the Member’s choice, provided however, that the chief legal officer or other counsel designated by the Agency may require, as a condition to payment of the fees and expenses of such representation, that appropriate groups of such Members be represented by the same counsel. Reasonable attorney’s fees and litigation expenses shall be paid by the Agency to such private counsel from time to time during the pendency of the civil action or proceeding with the approval of a majority of the Members of the Agency eligible to vote thereon.

(c) Any dispute with respect to representation of multiple Members by a single counsel or the amount of litigation expenses or the reasonableness of attorneys’ fees shall be resolved by the court upon motion or by way of special proceeding.

(d) Where the Member delivers process and a written request for a defense to the Agency under subdivision (i) of this Section 2, the Agency shall take the necessary steps on behalf of the Member to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

(e) The Agency shall indemnify and save harmless its Members in the amount of any judgment obtained against such members in a State or Federal court, or in the amount of any settlement of a claim, provided that the act or omission from which such judgment or claim arose occurred while the Member was acting within the scope of the Member’s public employment or duties; provided further that in the case of a settlement, the duty to indemnify and save harmless shall be conditioned upon the approval of the amount of settlement by a majority of the Members of the Agency eligible to vote thereon.

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(f) Except as otherwise provided by law, the duty to indemnify and save harmless prescribed by this Section 2 shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the Member seeking indemnification.

(g) Nothing in this subdivision shall authorize the Agency to indemnify or save harmless any Member with respect to punitive or exemplary damages, fines or penalties; provided, however, that the Agency shall indemnify and save harmless its Members in the amount of any costs, attorneys' fees, damages, fines or penalties which may be imposed by reason of an adjudication that the Member, acting within the scope of the Member's public employment or duties, has, without willfulness or intent on the Member's part, violated a prior order, judgment, consent decree or stipulation of settlement enter in any court of the State or of the United States.

(h) Upon entry of a final judgment against the Member, or upon the settlement of the claim, the Member shall serve a copy of such judgment or settlement, personally or by certified or registered mail within thirty (30) days of the date of entry or settlement, upon the Chairman and the chief administrative officer of the Agency; and if not inconsistent with the provisions of this Section 2, the amount of such judgment or settlement shall be paid by the Agency.

(i) The duty to defend or indemnify and save harmless prescribed by this Section 2 shall be conditioned upon:

(i) delivery by the Member to the Chairman of the Agency and the chief legal officer of the Agency or to its chief administrative officer of a written request to provide for such Member's defense together with the original or a copy of any summons, complaint, process, notice, demand or pleading within ten (10) days after the Member is served with such document, and

(ii) the full cooperation of the Member in the defense of such action or proceeding and in defense of any action or proceeding against the Agency based upon the same act or omission, and in the prosecution of any appeal.

(j) The benefits of this section shall inure only to Members as defined in subdivision (a) of this Section 2 and shall not enlarge or diminish the rights of any other party.

(k) This Section 2 shall not in any way affect the obligation of any claimant to give notice to the Agency under section 10 of the Court of Claims Act, Section 880 of the General Municipal Law, or any other provisions of law.

(l) The Agency is hereby authorized and empowered to purchase insurance from any insurance company created by or under the laws of the State, or authorized by law to transact business in the state, against any liability imposed by the provisions of this Section 2, or to act as a self-insurer with respect thereto. The provisions of this Section 2 shall not be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

(m) All payments made under the terms of this Section 2, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

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(n) Except as otherwise specifically provided in this Section 2, the provisions of this Section 2 shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to or conferred upon any Member of the Agency by, in accordance with, or by reason of, any other provision of State or Federal statutory or common law. The benefits under this Section 2 shall supplement, and be available in addition to, defense or indemnification protection conferred by any law or enactment. This Section 2 is intended to confer upon Members of the Agency all of the benefits of Section 18 of the Public Officers Law and impose upon the Agency for costs incurred under the provisions hereof and thereof.

Section 3. Fiscal Year

The fiscal year of the Agency shall be fixed by the Members, subject to the applicable law.

Section 4. Powers of the Agency

The Agency shall have all the powers of an Industrial Development Agency authorized by Article 18-A of the General Municipal Law and shall have the power to do all things necessary or convenient to carry out its purposes and exercise the powers authorized herein.

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APPENDIX E

CODE OF ETHICS

The following standards have been adopted by the Syracuse Industrial Development Agency (the "Agency"):

1. Standards:

- A. No Member, officer or employee of the Agency should accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his official position or authority.
- B. No Member, officer or employee of the Agency should accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her official position or authority.
- C. No Member, officer or employee of the Agency should disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his personal interests.
- D. No Member, officer or employee of the Agency should use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or others.
- E. No Member, officer or employee of the Agency should engage in any transaction as representative or agent of the Agency with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his official duties.
- F. A Member, officer or employee of the Agency should not by his or her conduct give reasonable basis for the impression that any person can improperly influence him or her, or unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person.
- G. A Member, officer or employee of the Agency should abstain from making personal investments in enterprises which he has reason to believe may be directly involved in decisions to be made by him or her, or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest.
- H. A Member, officer or employee of the Agency should endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust.
- I. No Member, officer or employee of the Agency, nor any firm, corporation or association with which such a Member is affiliated, should sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by the state agency in which such Member, officer or employee serves or is employed.
- J. If any Member, officer or employee of the Agency shall have a financial interest, direct or indirect, having a value of ten thousand dollars (\$10,000.00) or more in any activity which is subject to the jurisdiction of a regulatory agency, he or she should file with the Chairman, or Executive Director, a written statement

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that he or she has such a financial interest in such activity. Such statement shall be open to public inspection.

Violations: In addition to any penalty contained in any other provision of law any such director or member who shall knowingly and intentionally violate any of the provisions of this section may be fined, suspended or removed from office or employment in the manner provided by law.

2. Conflicts of Interest

No Member, officer or employee of the Agency should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties in the public interest.

Adopted: August 12, 2010

Reviewed: March 20, 2018

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APPENDIX F INVESTMENT POLICY

Introduction

Pursuant to New York State General Municipal Law §858-a (3), General Municipal Law §10, and General Municipal Law §11 applicable to deposits and investments of funds for the Syracuse Industrial Development Agency (“the Agency”), the board of every public benefit corporation by resolution must adopt comprehensive investment guidelines which detail the corporation’s operating policy and instructions to officers and staff regarding investing, monitoring, and reporting of funds of the corporation. The investment guidelines shall be annually reviewed and approved by the board of the corporation (Public Authorities Law §2925 (1)).

1. Scope

This investment policy applies to all moneys and other financial resources available for investment on behalf of the Agency or on behalf of any other entity or individual.

2. Objectives

The primary objectives of the Agency’s investment activities are as follows:

- A. **Legal:** to conform with all applicable federal, state and other legal requirements,
- B. **Safety:** to adequately safeguard principal,
- C. **Liquidity:** to provide sufficient liquidity to meet all operating requirements, and
- D. **Yield:** to obtain a reasonable rate of return.

3. Delegation of Authority

Delegation of Authority to manage the investment program is granted to the Agency Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, who shall establish written procedures for the operation of the investment program consistent with these investment guidelines. Responsibility for the operation of the investment program is hereby delegated to the Executive Director, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy.

Such procedures should include references to:

- A. safekeeping,
- B. delivery vs. payment,
- C. investment accounting,
- D. repurchase agreements,
- E. wire transfer agreements, and
- F. collateral/depository agreements.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

4. Prudence

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Agency to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

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All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Agency.

5. Diversification

It is the policy of the Agency to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling. The following investment vehicles are authorized investments of the Agency:

- A. Certificates of Deposits issued by a bank or trust company as authorized to do business in New York State.
- B. Time deposit accounts in a bank or trust company authorized to do business in New York State.
- C. Authorized securities limited to U.S. Treasury obligations, Federal agencies, the principal and interest of which are guaranteed by United States, obligation of the State of New York or obligation of New York State local governments.
- D. Repurchase Agreements with a bank that is authorized to do business in New York State and primary dealer that are designated by the Federal Reserve.
- E. Securities purchased pursuant to repossession agreements shall be limited to U.S. Treasury Bills.

6. Internal Controls

It is the policy of the Agency for all moneys collected by any officer or employee of the government to transfer those funds to the Agency Treasurer's Office, within one business day or within the time period specified in law, whichever is shorter. Some of the entities that this provision is applicable to are as follows:

- A. Planning and Economic Development Office
- B. IDA Board

The Agency Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

7. Designation of Depositories

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

8. Collateralizing of Deposits

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

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- A. By a pledge of “eligible securities” with an aggregate “market value”, or provided by General Municipal Law, §10, equal to the aggregate amount of deposits.
- B. By an eligible “irrevocable letter of credit” issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.
- C. By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims- paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

9. Safekeeping and Collateralization

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

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events, which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with the Agency or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be co-mingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

10. Permitted Investments

As authorized by General Municipal Law, §11, the Agency authorizes the Agency Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- A. Special time deposit accounts authorized to do business in New York State;
- B. Certificates of deposit;
- C. Obligations of the United States of America;
- D. Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- E. Obligations of the State of New York;

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- F. Obligations issued pursuant to Local Finance Law §24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the City of Syracuse;
- G. Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments;
- H. Certificates of Participation (COPs) issued pursuant to General Municipal Law §109-b;
- I. Obligations of this local government, but only with any moneys in a reserve fund established pursuant to General Municipal Law §§ 6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-i, or 6-n.

All investment obligations shall be payable or redeemable at the option of the Agency with in such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Agency within two years of the date of purchase. The designated depository will confirm all purchases and transactions in writing to the Agency.

11. Authorized Financial Institutions and Dealers

The Agency shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments, which can be made with each financial institution or dealer. All financial institutions with which the local government conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Agency. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Agency Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually. The Agency Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, may use credit reporting agencies to determine the credit worthiness of trading partners.

Investments in time deposits and certificates of deposits are to be made with banks or trust companies. Their annual reports shall be reviewed by the Agency Treasurer as Chief Fiscal Officer to determine financial strength.

12. Purchase of Investments

The Agency Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, is authorized to contract for the purchase of investments:

- A. Directly, including through a repurchase agreement, from an authorized trading partner.
- B. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the Common Council.
- C. By utilizing an ongoing investment program with an authorized tracking partner pursuant to a contract authorized by the Agency Board.

All purchased obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in

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writing to the Agency by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, §10.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Agency, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the Agency a perfected interest in the securities.

13. Repurchase Agreements – Written Contracts

Securities purchased through a repurchase agreement shall be valued to market at period intervals by the Agency Treasurer or his/her designee. A repurchase agreement (REPO) is a transaction in which the Agency purchases from a trading partner authorized securities.

Simultaneously, the Agency agrees to resell and the trading partner agrees to repurchase the security at a future date. Prices and dates for the sale and resale are agreed upon at the time of the initial purchase by the Agency.

Collateral shall not be required with respect to the direct purchase of obligations of New York State, obligations of the United States, and obligations of Federal agencies, the principal and interest of which are guaranteed by the United States government.

Every repurchase agreement shall provide for payment to the seller only upon the seller’s delivery of obligations of the United States to the custodial bank agreed upon with the trading partner, or in the case of a book entry transaction, when the obligations of United States are credited to the custodian’s Federal Reserve Bank account. The seller shall not be entitled to substitute securities. Repurchase agreements shall be for a period of 30 days or less. The custodial bank shall confirm all transactions in writing to ensure that the Agency’s ownership of the securities is properly reflected on the records of the custodial bank.

Payment shall be made by or on behalf of the local government for obligations of New York State, obligations the principal and interest of which are guaranteed by the United States, United States obligations, certificates of deposits, and other purchased securities upon delivery thereof to the custodial bank, or in the case of a book-entry transaction, when the purchased securities are credited to the custodial bank’s Federal reserve System account. All transactions shall be confirmed in writing.

Therefore, it is the policy of the Agency to require:

- A. Written contracts for all repurchase agreements;
- B. Written contracts for all Certificates of Deposit; and
- C. Written contracts with the Custodial Bank.

14. Operations, Audit and Reporting

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

The Agency will encourage the purchase and sale of securities and certificates of deposit through a competitive or negotiated process involving telephone solicitations of at least three bids for each transaction.

At the time independent auditors conduct the annual financial audit of the accounts and affairs of the Agency, the auditors shall audit compliance with these Investment Guidelines.

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The Agency Board shall review and approve the Agency's investment policy on an annual basis. The provisions of these Investment Guidelines and any amendments hereto, shall take effect prospectively, and shall not invalidate the prior selection of any custodial bank or prior investment.

Adopted: August 12, 2010

Reviewed: March 20, 2018

City of Syracuse

Industrial Development Agency

APPENDIX G

DISPOSITION OF PROPERTY POLICY

1. **Definitions:**

- 1.1. "Act" shall mean Title 5-A of the New York Public Authorities Law, as amended from time to time.
- 1.2. "Agency" shall mean the City of Syracuse Industrial Development Agency.
- 1.3. "Board" shall mean the Board of Directors of the Agency
- 1.4. "Contracting Officer" shall mean the Executive Director of the Syracuse Industrial Development Agency (the "Agency") who shall be responsible for the disposition of property.
- 1.5. "Dispose" or "Disposal" shall mean transfer of title or any other beneficial interest in Property in accordance with these Guidelines, as defined below, and Section 2897 of the Public Authorities Law, as amended from time to time.
- 1.6. "Policy" shall mean this Disposition of Property Policy as amended from time to time by resolution of the Agency.
- 1.7. "Property" shall mean personal property in excess of five thousand dollars (\$5,000) in value, any real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party. For purposes of this Policy, Property shall not include the interest granted to the Agency in any project in connection with the provision of any financial assistance, to the extent that such project and interest granted to the Agency secure the project occupant's obligation to the Agency or any indebtedness obtained by or on behalf of the project occupant.

2. **Controlling Legislation**

- 2.1. The Public Authorities Accountability Act of 2005 requires the Agency to adopt by resolution comprehensive guidelines which detail the Agency's operative policy and instructions regarding the use, awarding, monitoring and reporting of contracts for the Disposal of Property and designate a Contracting Officer with responsibility for compliance with and enforcement of this Policy.
- 2.2. This Policy is intended to be consistent with and shall be construed in accordance with the Act. The Agency shall dispose of property in accordance with the Act and this Policy.
- 2.3. The Act requires the Agency to:
 - A. maintain adequate inventory controls and accountability systems for all property under its control;
 - B. periodically inventory such property to determine which property shall be Disposed of;
 - C. produce a written report of such property in accordance with section E. below;

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- D. transfer or Dispose of such property as promptly as possible in accordance with Section 2897 of the Public Authorities Law;
- E. publish, not less frequently than annually, a report listing all real property of the Agency. Such report shall consist of a list and full description of all real and personal property Disposed of during such period. The report shall contain the price received by the Agency and the name of the purchaser for all such property sold by the Agency during such period;
- F. deliver copies of such report to the Comptroller, the Director of the Budget, the Commissioner of General Services, and the Legislature; and
- G. review and approve these guidelines annually and file with the Comptroller a copy of the most recently reviewed and approved guidelines by March 31st of each year.

3. Duties of the Contracting Officer:

Except as otherwise provided herein, and in the Act, the Contracting Officer shall maintain supervision and direction over the Disposal of Property of the Agency, and shall monitor the Agency’s compliance with this Policy.

4. Agency Property:

4.1. Custody and Control.

The custody and control of the property of the Agency, pending its Disposal, and the Disposal of such property, shall be performed by the Agency or by the Commissioner of General Services when so authorized under the Act and this Policy.

4.2 Appraisal

Prior to Disposal, an appraisal shall be made by an independent appraiser of the value of any interest in real property, or any other Property which because of its unique nature is not subject to fair market pricing. Said appraisal shall be included in the Agency’s record of the transaction for the Property.

.3. Available Procedures for Disposition of Property.

A. Disposal by the Commissioner of General Services

When it shall be deemed advantageous to the Agency and the State of New York, the Agency may enter into an agreement with the Commissioner of General Services where under such Commissioner may Dispose of property of the Agency under terms and conditions agreed to by the Agency and the Commissioner of General Services. In Disposing of any such property of the Agency, the Commissioner of General Services shall be bound by the terms of this Policy and references to the Contracting Officer shall be deemed to refer to such Commissioner.

B. Disposal by Sealed Bid Process

The Agency may dispose of any Property, to any purchaser at the highest marketable price or rental after receipt of sealed bids pursuant to Public Authorities Law § 2897(6) provided that:

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1. the advertisement for bids shall be made at such time prior to the Disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Agency’s Property ; and
2. all bids shall be publicly disclosed at the time and place stated in the advertisement; and
3. the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Agency, price and other factors considered; provided, that all bids may be rejected by the Agency when it is in the public interest to do so.

C. Disposal by Negotiation or Public Auction

The Agency may dispose of Property by negotiation or public auction pursuant to Public Authorities Law § 2897(6)(c)when:

1. the personal property involved has qualities separate from the utilitarian purpose of such property , such as artistic quality, historical significance, rarity, or other quality of similar effect that would tend to increase its value, or if the personal property is to be sold in such quantity that if Disposed of by sealed bid, would adversely affect the State or local market for such property, and the estimated fair market value of such property and other satisfactory terms of Disposal can be obtained by negotiation;
2. the fair market value of the Property does not exceed fifteen thousand dollars (\$15,000.00);
3. bid prices after advertising therefore are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;
4. the Disposal will be to the state or any political subdivision, and the estimated fair market value of the property and other satisfactory terms of Disposal are obtained by negotiation;
5. the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the Property will remain with the government or any other public entity;
6. the purpose of the transfer is within the purpose, mission, or governing statute of the Agency.

5. Disposal of Property for Less than Fair Market Value

5.1 The Agency may dispose of real property for less than fair market value when:

- A. The disposal is to a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity; or when,

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B. the purpose of the disposal is within the purpose, mission, or governing statute of the Agency; or when

C. the disposal is not to a governmental entity, and the disposal is not consistent with the Agency’s mission, purpose or governing statute where the Agency has provided written notification of the disposal to the governor, the speaker of the assembly, and the temporary president of the senate, and the proposed transfer is not denied by the governor, the senate, or the assembly pursuant to Public Authorities Law § 2897(7)(iii).

5.2 Information to be provided to the Board: In the event that a below fair market value asset transfer is proposed, the following information must be provided to the Board and the public:

A. a full description of the asset; and

B. an appraisal of the fair market value of the asset and any other information establishing the fair market value sought by the Board; and

C. A description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the asset is situated as are required by the transfer; and

D. a statement of the value received compared to the fair market value; and

E. the names of any private parties participating in the transfer, and if different than the statement under subsection D of this section, a statement of the value to the private party; and,

F. The names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used.

5.3 Board approval of disposal of property for less than fair market value: prior to disposing of property for less than market value, the Board shall consider the information described in section 5.2 of these guidelines and make a written determination that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of such transfer.

6. Validity of Deed, Bill of Sale, Lease, or Other Instrument:

A deed, bill of sale, lease, or other instrument executed by or on behalf of the Agency, purporting to transfer title or any other interest in property of the Agency under these Guidelines shall be conclusive evidence of compliance with the provisions hereof insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to the closing.

7. Reports and Transmittals

7.1 Property Report

The Agency shall publish, not less frequently than once a year, a report listing all Property of the Agency. Such report shall consist of a list and full description of all real and personal Property to be Disposed of during such period. The report shall contain the price received by the Agency, and the name of the purchaser for all Property Disposed of by the Agency during such period. The Agency shall deliver copies

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of such reports to the Comptroller of the State of New York, the Director of the Budget of the State of New York, the Commissioner of General Services, and Legislature.

7.2 Explanatory Statements for Negotiated Disposals

An explanatory Statement when required under this section shall be transmitted to the comptroller, the director of budget, the commissioner of general services, the legislature, and the authorities budget office at least ninety days prior to the disposal. A copy of the explanatory statement shall also be preserved by the Agency. An explanatory statement shall be prepared when the circumstances of each disposal by negotiation of:

1. any personal property which has an estimated fair market value in excess of \$15,000;
2. any real property (other than by lease) that has an estimated fair market value in excess of \$100,000,;
3. any real property Disposed of by lease if the estimated annual rent over the term of the lease is in excess of \$15,000;
4. any real property or real and related personal property Disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.

7.3 Notice of Proposed transfer for less than fair market value to a non-governmental entity where the disposal would not be consistent with the Agency’s mission, purpose, or governing statutes:

Whenever the Agency proposes to transfer an asset for less than fair market value to a non-governmental entity where the disposal would not be consistent with the Agency’s mission, purpose, or governing statutes, the Agency shall provide written notification thereof to the governor, the speaker of the assembly, and the temporary president of the Senate, and such proposal shall be subject to denial by the governor, the senate, or the assembly.

8. Annual Review and Amendments of this Policy

This Policy is subject to modification and amendment at the discretion of the Agency in accordance with the Act, Title 18-A of the New York State General Municipal Law and Section 926 of the General Municipal Law. On or before March 31st of each year, the Agency shall review and approve this Policy annually, and shall include the name of the Contracting Officer. On or before March 31st of each year, the Policy most recently reviewed by the Agency shall be filed with the Comptroller of the State and posted on the Agency’s Website.

Adopted: August 12, 2010
Revised: September 17, 2013
Reviewed: March 20, 2018

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APPENDIX H
PROCUREMENT POLICY

I. Introduction

A. Scope:

In accordance with Article 18-A of the New York State General Municipal Law (GML), Section 104-b of the GML and the Public Authorities Reform Act of 2009, Syracuse Industrial Development Agency (the "Agency"), is required to adopt procurement policies which will apply to the procurement of goods and services paid for and for its own use and account.

B. Purpose:

The primary objectives of this Policy are to assure the prudent and economical use of public monies in the best interests of the taxpayers of the City of Syracuse, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption.

II. Procurement Officer

A. Designation

The Procurement Officer shall be the Executive Director of the Agency or such other officer or employee of the Agency designated by the Board to carry out the general and specific provisions of the policies and procedures set forth herein. In accordance with GML 104-b, this designation shall be updated biennially.

B. Competitive Bidding

As of the date of adoption of these policies and procedures, the Agency is not subject to the competitive bidding requirements of Section 103 of the General Municipal Law.

C. Duties

The Procurement Officer is hereby designated to be responsible for determining whether a procurement of goods or services is subject to or exempt from the competitive processes described herein. The Procurement Officer shall cause to be made, in writing, the basis and other facts and circumstances relevant to making such a determination.

III. Procedures:

A. Competitive Process

Except as otherwise set forth in this Policy, a competitive process is required for the procurement of the following contracts:

1. Public work contracts (services, labor or construction) involving an expenditure of more than \$1,500.
2. Purchase contracts (acquisition of commodities, materials, supplies or equipment) involving an expenditure of more than \$1,500.

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B. Authorization

If the cost of a public works or purchase contract is not more than \$1,500, the Executive Director may authorize the agreement. Public works or purchase contracts for an amount greater than \$1,500 shall require authorization by the Board.

C. Method of Purchase

1. General. The following competitive processes will be used when required by this policy in order to achieve the highest savings:

<u>Estimated Amount of Purchase Contract</u>	<u>Method</u>
\$1,501 - \$3,000	2 written/fax/e-mail quotations
\$3,001 and up	3 written/fax/e-mail quotations or written request for proposals

<u>Estimated Amount of Public Works Contract</u>	<u>Method</u>
\$1,501 - \$3,000	2 written/fax/e-mail quotations
\$3,001 and up	3 written/fax/e-mail quotations or written request for proposals

2. Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the Procurement Officer is unable to obtain the required number of proposals or quotations, the Procurement Officer will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement.

3. Documentation.

- (a) Documentation is required of each action taken in connection with each procurement.
- (b) Circumstances justifying an award to other than the lowest cost quoted:
 - i. Delivery requirements
 - ii. Quality requirements
 - iii. Quality
 - iv. Past vendor performance
 - v. The unavailability of three or more vendors who are able to quote on a procurement.
 - vi. It may be in the best interests of the Agency to consider only one vendor who has previous expertise with respect to a particular procurement.Documentation of the relevant circumstance(s) is required.

D. Procurements Exempt by Statute.

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Alternative proposals or quotations for goods and services shall be secured by use of written requests for proposals or written quotations, verbal quotations or any other method of procurement which furthers the purposes GML 104-b except for items excepted herein (see D, below), or procurements made pursuant to:

- a. GML, Section 103(3) (through county contracts), or
- b. GML, Section 104 (through state contracts), or
- c. State Finance Law, Section 175-b (from agencies for the blind or severely handicapped), or
- d. Correction Law, Section 186 (articles manufactured in correctional institutions).

E. Exceptions:

In the sole discretion of the Board, alternative proposals or quotations shall not be required for the following procurements:

1. Emergency Situation

An emergency exists if the delay caused by seeking competitive bids would endanger the health, welfare or property of the Syracuse Industrial Development Agency or of its citizens. Approval of the Executive Director is necessary, which shall be documented and shall also include a description of the situation that gave rise to the emergency.

2. Sole Source Procurements

Defined as a situation when there is only one possible source from which to procure goods and/or services and it is shown that the item needed has unique benefits, the cost is reasonable for the product offered and there is no competition available.

3. City of Syracuse Contracts

When the Agency is able to procure goods and services through City of Syracuse contracts, it will be unnecessary to obtain formal quotations or bids.

4. Insurance

All insurance policies shall be procured in accordance with the following procedures:

Premium Less than \$10,000 – documented telephone quotations from at least three agents (if available)

Premium Over \$10,001 – written quotations/fax or proposals from at least three agents (if available)

5. Professional Services

Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgment,

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integrity, continuity of service and moral worth. The natures of these services are such that they do not readily lend themselves to a competitive procurement process.

In determining whether a service fits into this category, the Agency shall take into consideration the following guidelines: (i) whether the services are subject to State licensing or testing requirements; (ii) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (iii) whether the services require a personal relationship between the individual and agency members. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); technical services of an engineer engaged to prepare plans, maps and estimates; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; marketing and promotional services (including real estate brokerage); and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

If the cost of a professional service is not more than \$10,000, the Executive Director may authorize the agreement and shall notify the Board of such contract. Professional service contracts for an amount greater than \$10,000 shall require authorization by the Board.

6. Goods or Services Under \$1,500.

The time and documentation required to purchase through this policy may be more costly than the item itself and would therefore not be in the best interests of the taxpayer. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.

7. Resolution Waiving the Competitive Process

The Agency may adopt a resolution waiving the competitive process whenever it is determined to be impracticable.

F. Miscellaneous Provisions

1. Local Preference and Minority and Women Owned Enterprises – It is the preference of the Agency to provide opportunities for the purchase of goods and services from (i) business enterprises located in the City of Syracuse and (ii) certified minority and/or women-owned business enterprises. To that end, the Agency will utilize available lists of M/WBE firms certified by the City of Syracuse and will solicit quotations and proposals from such businesses by notifying them of opportunities to submit proposals and quotations for goods and services. MBE and WBE businesses will be provided with sufficient time to submit proposals in response to solicitations.

2. Comments concerning the procurement policy shall be solicited from the members of the Board from time to time.

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3. The Agency shall annually review the policies and procedures herein. Amendments to these policies and procedures may be made at any time during the year.

4. Pursuant to Section 104-b of the GML, the unintentional failure to fully comply with the provisions of this policy shall not be grounds to void action taken or give rise to a cause of action against the Agency, or any member, officer or employee thereof.

Revised: March 27, 2013

Reviewed: March 20, 2018

APPENDIX I

Financial Statements begin on the next page.

EXECUTIVE SUMMARY

Agenda Item: 4

Title: State Tower Building, LLC

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing a Public Hearing with respect to a request for additional financial assistance relative to the Project.

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: The Agency has received correspondence from the Company requesting both an extension of the Sales Tax Appointment for the project through December 31, 2018 and an increase in the sales tax exemption amount by \$596,114.00 to \$1,400,000.00. The project approved by the Board of Directors in March of 2016 proposed the gut renovation and conversion of the 211,000 sq. ft. State Tower Building to a mixed-use property with floors with floors 9 through 21 converted into 59 residential units and floors 1-8 to updated office and retail space. Now nearing completion, the Company advises due to both the complexity of the renovation and unanticipated costs associated with it, the original budget of \$27,500,000.00 has increased to \$41,660,000.00. Further, the Company has reported separately to the Agency that at this point it has exhausted the amount of the exemption approved for the Project (\$803,886.00). As the request for the additional benefit is over \$100,000.00 staff is requesting the Board of Directors authorize a Public Hearing on the Project.

ATTACHMENTS:

1. Correspondence.
2. Resolution.

REVIEWED BY:

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

Meeting: March 20, 2018

Prepared By: J. A. Delaney

March 8, 2018

Honora Spillane
Executive Director, SIDA
City Hall Commons, 7th Floor
201 East Washington Street
Syracuse, New York 13202

Re: State Tower & Expressway (State Tower Building Project)

Dear Ms. Spillane

Pursuant to a resolution of the City of Syracuse Industrial Development Agency (SIDA) board adopted March 9, 2016 the above named project was granted a sales tax exemption of \$803,886. In May of 2017 we requested and received approval to extend the Sales Tax Appointment to June 2018.

At this time we respectfully request an extension of the expiration date related to the sales tax exemption component from June 30 to December 31, 2018. In addition, we are requesting an increase in the amount of the exemption to \$1,400,000 to accommodate the significantly greater project budget. Our original SIDA submitted budget was \$27,500,000 which included estimated hard costs of \$18,000,000 and estimated material costs of \$8,500,000. The currently revised budget is \$41,660,000 with hard costs of \$31,000,000 and estimated material costs subject to sales tax of \$17,500,000.

Since the construction costs increased through the issuance of change orders we were initially uncertain as to the allocation between labor and materials and how much would be subject to sales tax. Now we are in a position to make an informed estimate and believe that the requested increase will be sufficient to bring the project through completion.

Thank you for your consideration of this request and continued support of our efforts to restore this Syracuse icon.

Sincerely,



Mark W. Roney, CPA
Chief Financial Officer

Cc: S. Katzoff, M. Zell, J. Canfield



III. PROJECT COSTS & FINANCING

A. Estimated Project Costs

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

Description of Cost Type	Total Budget Amount
Land Acquisition	\$5,400,000
Site Work/Demo	\$817,000
Building Construction & Renovation	\$29,800,000
Furniture & Fixtures	\$301,000
Equipment	\$50,000
Equipment Subject to NYS Production Sales Tax Exemption (Manufacturing)	
Engineering/Architects Fees	\$860,000
Financial Charges	\$1,091,000
Legal Fees	\$341,000
Other	\$2,000,000
Management /Developer Fee	\$1,000,000
Total Investment	\$41,660,000

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

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

B. Financial Assistance sought (estimated values):

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

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

If yes, amount requested and name of lender:

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

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

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

If yes, Category of PILOT requested:

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March ____, 2018, at 8:30 o'clock a.m. in the in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the _____ 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 A PUBLIC HEARING IN CONNECTION WITH THE COMPANY'S REQUEST FOR AN INCREASE IN FINANCIAL ASSISTANCE

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 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 acquire, lease and sell real property and grant financial assistance in connection with one or more "projects" (as defined in the Act); and

WHEREAS, at the request of State Tower Building, LLC (the “*Company*”) the Agency, by resolution dated March 9, 2016 (the “*Inducement Resolution*”), agreed to 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 twenty-one (21) story, approximately 211,00 square foot building and garage (the “*Building*”) located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the “*Land*”); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, 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, among other things, pursuant to the Inducement Resolution, the Agency appointed the Company as an agent of the Agency for purposes of completing the Project and benefitting from the sales and use tax exemption (the “*Appointment*”) and authorized the Company to appoint Additional Agents (as defined in the Inducement Resolution); and

WHEREAS, the amount State and local sales and use tax exemptions originally approved by the Agency as part of the Financial Assistance was an amount not to exceed \$803,886.00 (the “*Original Sales Tax Exemption*”); and

WHEREAS, in March, 2016 the Agency and the Company closed on the lease transaction in connection with the Project and the Agency issued one or more Sales Tax Appointment Letter (“*Letters*”) to the Company and filed the necessary Forms ST-60 – IDA Appointment of Project Operator or Agency for Sales Tax Purposes with the New York State Department of Taxation and Finance (the “*ST-60s*”). The Letters and the Company’s appointment originally were set to expire on May 1, 2017; and

WHEREAS, by letter dated April 19, 2017, the Company advised that due to certain construction delays they were requesting the Agency grant an extension (retroactive) of their sales tax appointment agent status through and including December 31, 2017 to provide them an opportunity to complete the Project Facility (the “*First Extension*”). The Agency approved the First Extension by resolution dated May 16, 2017; and

WHEREAS, thereafter by letter dated November 3, 2017, the Company advised that the Project should be completed by December 31, 2017 but requested an additional extension of the appointment through and including June 30, 2018 in order to liquidate retainages and

miscellaneous expenses (the “*Second Extension*”). The Agency approved the Second Extension by resolution dated November 21, 2017; and

WHEREAS, by letter dated March 8, 2018, the Company requested a final extension of their appointment from June 30, 2018 through and including December 31, 2018 (the “*Third Extension*”) and further advised that the costs associated with the Project increased from \$27,300,000 to \$41,660,000 due to an increase in the remediation costs and various change orders associated with the Project. As a result of the increased Project costs, the Company is requesting an increase of **\$596,114** to the Original Sales Tax Exemption (the “*Additional Financial Assistance*”) such that the total award of State and local sales and use tax exemptions would total \$1,400,000 for the Project; and

WHEREAS, the grant of the Additional Financial Assistance to the Project is subject to, among other things, compliance with Section 875 of the Act; and the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State; and

WHEREAS, the Third Extension of the appointment of the Company as agent of the Agency for the purpose of completing the Project and the Additional Financial Assistance is in furtherance of the Financial Assistance previously approved for the Project, which underwent an environmental review by the Agency pursuant to the State Environmental Quality Review Act (“*SEQRA*”), and the requested Extension and Additional Financial Assistance is insubstantial and does not require reconsideration or further review by the Agency under SEQRA; and

WHEREAS, the Agency has not approved the granting the Additional Financial Assistance or the Third Extension.

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 Extension and the Additional Financial Assistance does not amount to a significant change in the Project from what was originally approved by the Agency, and therefore further review under SEQRA shall not be required; and

(b) The Additional Financial Assistance contemplated by the Company’s request consists of assistance in the form of an increase in the amount of exemptions from State and local sales and use taxation.

(2) The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the Additional Financial Assistance shall be scheduled with notice thereof published, and such notice, as applicable, shall be sent to affected tax jurisdictions within

which the Project is located. The Agency is not now making any determination relative to the Additional Financial Assistance or the Third Extension requested. As the Company's current appointment as agent of the Agency does not expire until June 30, 2018, the Agency will not take any further action on the request for the Extension or the Additional Financial Assistance until after the public hearing.

(3) 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.

(7) 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.

(8) 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 March 20, 2018, 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 _____, 2018.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
Ricky T. Brown, Secretary

(S E A L)

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

EXECUTIVE SUMMARY

Agenda Item: 5

Title: Joint School Construction Board – Series 2018 B

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing a Public Hearing on 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 Joint Schools Construction Board on behalf of the City of Syracuse School District to issue tax exempt school facility revenue bonds in an amount not to exceed \$70,000,000.00. The Bonds will be used to fund reconstruction /rehabilitation improvements planned at Huntington Pre K- 8, the Westside Academy at Blodgett and the Public Service Leadership Academy at Fowler High School. SIDA is the conduit issuer of the bonds. Staff is requesting the Board of Directors authorize a Public Hearing on the Project.

ATTACHMENTS:

1. Project Description.
2. SEQRA Resolution.
3. Inducement Resolution.
4. Bond Resolution.

REVIEWED BY:

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

Meeting: March 20, 2018

Prepared By: J. A. DeLaney



**CITY OF SYRACUSE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
PROJECT APPLICATION INSTRUCTIONS**

1. Fill in all blanks, using "none", "not applicable" or "not available" where the question is not appropriate to the Project, which is the subject of this Application (the "Project"). If you have any questions about the way to respond, please call the City of Syracuse Industrial Development Agency ("SIDA" or the "Agency") at (315)473-3275.
2. If an estimate is given as the answer to a question, put "(est.)" after the figure or answer, which is estimated.
3. If more space is needed to answer any specific question, attach a separate sheet.
4. When completed, return this application by mail or fax to the Agency at the address indicated below. A signed application may also be submitted electronically in PDF format to Honora Spillane, SIDA Executive Director at hspillane@syrgov.net. **An application will not be considered by the Agency until the application fee has been received.**
5. The Agency will not give final approval for this Application until the Agency receives a completed NYS Environmental Assessment Form concerning the Project, which is the subject of this Application. The form is available at <http://www.dec.ny.gov/permits/6191.html>
6. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the SIDA (with certain limited exceptions) are open to public inspection and copying. If the Applicant feels that there are elements of the Project which are in the nature of trade secrets which, if disclosed to the public or otherwise widely disseminated, would cause substantial injury to the Applicant's competitive position, this Applicant must identify such elements in writing and request that such elements be kept confidential. In accordance with Article 6 of the Public Officers Law, the SIDA may also redact personal, private, and/or proprietary information from publicly disseminated documents.
7. The Applicant will be required to pay the Agency application fee and legal fee deposit upon submission. If accepted as a project of the agency, the Applicant is responsible for all administrative and legal fees as stated in Appendix D.
8. A complete application consists of the following 10 items:
 - This Application
 - Conflict of Interest Statement - Appendix A
 - Environmental Assessment Form - Appendix B (Short Form)
 - Verification - Appendix C
 - A Project description, including a feasibility statement indicating the need for the requested benefits
 - Provide site plans, sketches, and/or maps as necessary
 - 10 year pro forma operating budget, including funding sources
 - A check payable to the Agency in the amount of \$1,000
 - A check payable to Barclay Damon, LLP in the amount of \$2,500

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

Return to:
City of Syracuse Industrial Development Agency
333 W. Washington Street, Suite 130
Syracuse, NY 13202
Phone: 315-473-3275
hspillane@syrgov.net

**City of Syracuse Syracuse Industrial Development Agency
Application**

I. APPLICANT DATA

A. Contact Information

Company Name:	Joint Schools Construction Board of the City and City School District ("Applicant")			
Mailing Address:	233 E. Washington St., 300 City Hall			
City:	Syracuse	State:	NY	Zip: 13202
Phone:	3154488406	Fax:	3154488381	
Contact Person:	Joseph W. Barry, III, Secretary			
Email Address:	jbarry@syrgov.net			
Industry Sector:				
NAICS Code:		Federal Employer Identification Number:	15-6010157 (City School District)	

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

Yes No If No, Who will:

C. Principal Stakeholders

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

Name	% Ownership	Business Address	Phone	Email
N/A				

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

Corporation
 Private Public Date and Location of Incorporation/Organization

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

Other Sole Proprietorship

Limited Liability Company/Partnership

E. Applicant's Counsel:

Name:	Theodore A. Trespasz, Jr., Esq.		
Firm:	Trespasz & Marquardt, LLP		
Mailing Address:	247 West Fayette Street, 3rd Floor		
City:	Syracuse	State:	NY Zip: 13202
Phone:	3154664444	Fax:	3154665555
Email Address:	ttrespasz@lawtm.com		

F. Applicant's Accountant:

Name:	Gregg Evans		
Firm:	The Bonadio Group		
Mailing Address:	432 N. Franklin St., #60		
City:	Syracuse	State:	NY Zip: 13204
Phone:	3154764004	Fax:	3154751513
Email Address:	gevans@bonadio.com		

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

1. Is the Applicant, its management, or its principal owners now a plaintiff or defendant in any civil or criminal litigation? Yes No
2. Has any person listed in Section 1(c) ever been convicted of a criminal offense (other than a minor traffic violation)? Yes No
3. Has any person listed in Section 1 (C) or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes No

David J. DelVecchio, CPA, Commissioner of Finance for the City of Syracuse is involved in a civil tax litigation case.

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

Yes No

Past bond financings for JSCB projects.

II. PROJECT INFORMATION

A. Project Location

Address:		Legal Address (if different)	
City:			
Zip Code:			
Tax Map Parcel ID(s):	Huntington, Fowler and Blodgett - see attached individual applications for each project		
Current Assessment:		Square Footage /Acerage of Existing Site:	
Square Footage of Existing Building, if any:		Census Tract: (Please See Appendix E for Census Tracts)	

B. Type (Check all that apply):

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

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

The Reconstruction/Rehabilitation of Huntington PreK-8 - 400 Sunnycrest Rd, Syracuse The exterior building work will include a new roof, window replacement and other minor exterior improvements. The existing bus drop off at the rear of the building is inadequate therefore site improvements to construct a new bus loop and repave parking lots is extensive. Interior renovations include ceiling, flooring and lighting replacement. Bathroom upgrades, pool and locker room renovations and security systems. The Westside Academy at Blodgett MS 312 Oswego St, Syracuse The Blodgett school requires extensive masonry facade repair and restoration. Select Roof Replacement and Structural Reinforcement. Primary electrical service replacement and site improvements. Safety, security and ADA upgrades will include bathroom improvements, elevator modernization, ADA ramp to the Gym and exterior lighting replacement. Classroom improvements are limited. Public Service Leadership Academy at Fowler HS 227 Magnolia St, Syracuse The majority of work will be primarily exterior site work on approximately 6 acres for new athletic fields, track and stadium. Approximately 231,000 sq ft of the 271,000 sq ft roof will be replaced with a new built up roof. The existing auditorium, pool and locker rooms will be renovated within the existing building.

D. Is the Applicant the owner of the property?

- Yes No

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

Syracuse City School District facilities are owned by the City of Syracuse.

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

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

F. Zoning Classification: Please list the current zoning:

Current Zoning

Commercial/School

G. Are variances needed to complete the Project?

Yes No

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

[Empty text box]

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

Yes No

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

[Empty text box]

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

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

Yes No

[Empty text box]

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

Yes No

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

Yes No

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

Yes No

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

Yes No

4. Will the Project primarily consist of retail facilities?

Yes No

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

Yes No

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

Yes No

See attached individual project apps.

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

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

Yes No

L. Construction

1. Project Timeline (approximate):

Construction Commencement

06/30/2018

Construction Completion

03/22/2020

Date of Occupancy

03/22/2020

2. Please list any other key Project milestones:

[Empty text box]

3. Has work begun? Yes No

If so, indicate the amount of funds expended in the past 3 years?

[Empty text box]

III. PROJECT COSTS & FINANCING

A. Estimated Project Costs

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

Description of Cost Type	Total Budget Amount
Land Acquisition	
Site Work/Demo	
Building Construction & Renovation	
Furniture & Fixtures	
Equipment	
Equipment Subject to NYS Production Sales Tax Exemption (Manufacturing)	
Engineering/Architects Fees	
Financial Charges	
Legal Fees	
Other	
Management /Developer Fee	
Total Investment	70,000,000

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

Amount of capital the Applicant has invested to date:	7,000,000
Amount of capital Applicant intends to invest in the Project through completion:	70,000,000
Total amount of public sector source funds allocated to the Project:	1,400,000
Identify each public sector source of funding:	SCSD Operating Budget
Percentage of the Project to be financed from private sector sources:	0
Percentage of the Project to be financed from public sector sources:	2%

B. Financial Assistance sought (estimated values):

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

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

If yes, amount requested and name of lender:

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

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

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

If yes, Category of PILOT requested:

iv. Is the Applicant requesting any real property tax abatement that is **inconsistent** with the Agency's UTEP?

Yes No

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

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

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

C. Type of Exemption/Abatement Requested:

Amount of Exemption/Abatement Requested:

<input type="checkbox"/>	Real Property Tax Abatement (PILOT)	
<input type="checkbox"/>	Mortgage Recording Tax Exemption (1% of amount mortgaged)	
<input type="checkbox"/>	Sales and Use Tax Exemption (\$4% Local, 4% State)	
<input checked="" type="checkbox"/>	Tax Exempt Bond Financing (Amount Requested)	70,000,000
<input type="checkbox"/>	Taxable Bond Financing (Amount Requested)	

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

\$0, SCSD is exempt from sales tax.

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

\$0 additional investment anticipated

IV. EMPLOYMENT AND PAYROLL INFORMATION

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

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

Yes

No

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

B. Complete the following:

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

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

Current & Planned Full Time Occupations (Job Titles)	Current Number of FTEs	Salary (Annual or Hourly)	Estimated Number of FTE Jobs After Project Completion				
			Year 1	Year 2	Year 3	Year 4	Year 5
TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD

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

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

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

Yes No If yes, provide the Name and Local:

11 total, refer to SCSD Employee Relations webpage for details

V. Environmental Information

***Please note an Environmental Assessment Form (EAF) MUST be completed and submitted along with this application. The Short Form EAF is included as Appendix B.**

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

Yes No

If yes, please explain:

The Fowler projects has contaminated soils

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

Yes No

If yes, please attach to this application.

VI. REPRESENTATIONS & AFFIRMATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency as follows:

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

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

Initial 

I have read the foregoing and agree to comply with all the terms and conditions contained therein as well as the policies of the City of Syracuse Industrial Development Agency.

Name of Applicant Company

Joint Schools Construction Board

Signature of Officer or Authorized Representative



Name & Title of Officer or Authorized Representative

David J. DelVecchio, Commissioner of Finance

Date

3-6-18

VI. HOLD HARMLESS AGREEMENT

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

Name of Applicant Company

Joint Schools Construction Board

Signature of Officer or Authorized Representative



Name & Title of Officer or Authorized Representative

David J. DelVecchio, Commissioner of Finance

Date

3-6-18

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY APPLICATION
APPENDIX A
CONFLICT OF INTEREST STATEMENT

Agency Board Members

1. William Ryan
2. M. Catherine Richardson, Esq.
3. Steven P. Thompson
4. Donald Shoenwald, Esq.
5. Kenneth J. Kinsey

Agency Officers/Staff

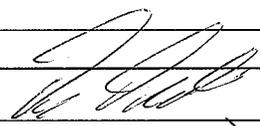
1. Honora Spillane
2. Judith DeLaney
3. Debra Ramsey-Burns

Agency Legal Counsel & Auditor

1. Susan Katzoff, Esq., Barclay Damon, LLP.
2. Grossman St. Amour, PLLC.

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

Signature:



Authorized Representative:

David J. DeVecchio

Title:

Commissioner of Finance

Date:

3-6-18

Appendix B SEQRA Performed by SIDA
(see attached)

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			
Syracuse Joint School Construction Board			
Name of Action or Project:			
Project Location (describe, and attach a location map):			
Brief Description of Proposed Action:			
Name of Applicant or Sponsor: David J. DelVecchio, Comm'r. of Finance		Telephone: 448-8304	
		E-Mail: ddelvecchio@syrgov.net	
Address: City Hall, 233 E. Washington St., Room 128			
City/PO:	Syracuse	State:	NY
		Zip:	13202
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input 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 type="checkbox"/>
3.a. Total acreage of the site of the proposed action?	n/a	acres	
b. Total acreage to be physically disturbed?	n/a	acres	
c. Total acreage (project site and any contiguous properties owned or controlled by the applicant or project sponsor)?	n/a	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"/> Forest	<input type="checkbox"/> Agriculture	<input type="checkbox"/> Aquatic	<input checked="" type="checkbox"/> Other (specify): <u>education</u>
<input type="checkbox"/> Parkland			

5. Is the proposed action, a. A permitted use under the zoning regulations?	NO	YES	N/A
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	NO	YES	N/A
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels? b. Are public transportation service(s) available at or near the site of the proposed action? c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places? b. Is the proposed action located in an archeological sensitive area?	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency? b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
16. Is the project site located in the 100 year flood plain?	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: _____	NO	YES	
	<input type="checkbox"/>	<input type="checkbox"/>	

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 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 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: _____ _____	NO	YES
	<input type="checkbox"/>	<input type="checkbox"/>
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: _____		Date: _____
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 type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input 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 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 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 type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:	<input type="checkbox"/>	<input type="checkbox"/>
a. public / private water supplies?	<input type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input 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 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 type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input type="checkbox"/>	<input type="checkbox"/>

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

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

PRINT

APPENDIX C

Verification

STATE OF New York)
) SS.:
COUNTY OF Onondaga)

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

Commissioner of Finance of City of Syracuse / JSCB
(Title) (Applicant Name)

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



Applicant Representative's Signature

Commissioner of Finance

Title

Subscribed and sworn to before me this

6th day of March, 20 18



Notary Public

DAVID S. ZEAFLA
Notary Public, State of New York
No. 01ZE600140
Qualified in Onondaga County
My Commission Expires Jan. 12, 2022

APPENDIX D
Agency Fee Schedule
(Revised (6/21/16))

Bond and Straight Lease Transactions:

Application & Processing Fee.....	\$1,000.00
Project Commitment/Legal Fee.....	\$2,500.00
(Due with fully executed Application; Amount applied to SIDA's counsel fee)	

Administrative Fee:

Issuance of Bonds.....	1% Project Cost
(Without regard to principal amount of bonds issued.)	
Straight Lease/Agency Appointment.....	1% Project Cost
(Exemption from one or more mortgage recording, real property or sales and use taxes)	
Refunding of Bonds.....	1% of Project Cost
All Other Refinancing of Existing Project.....	¼ of 1% of Mortgage Amount
New Money/Additional Financing on Existing Project.....	1% of Amount Financed
(Exemption from mortgage recording tax only if exemption from real property or sales and use tax also granted, fee is 1% Project cost.)	

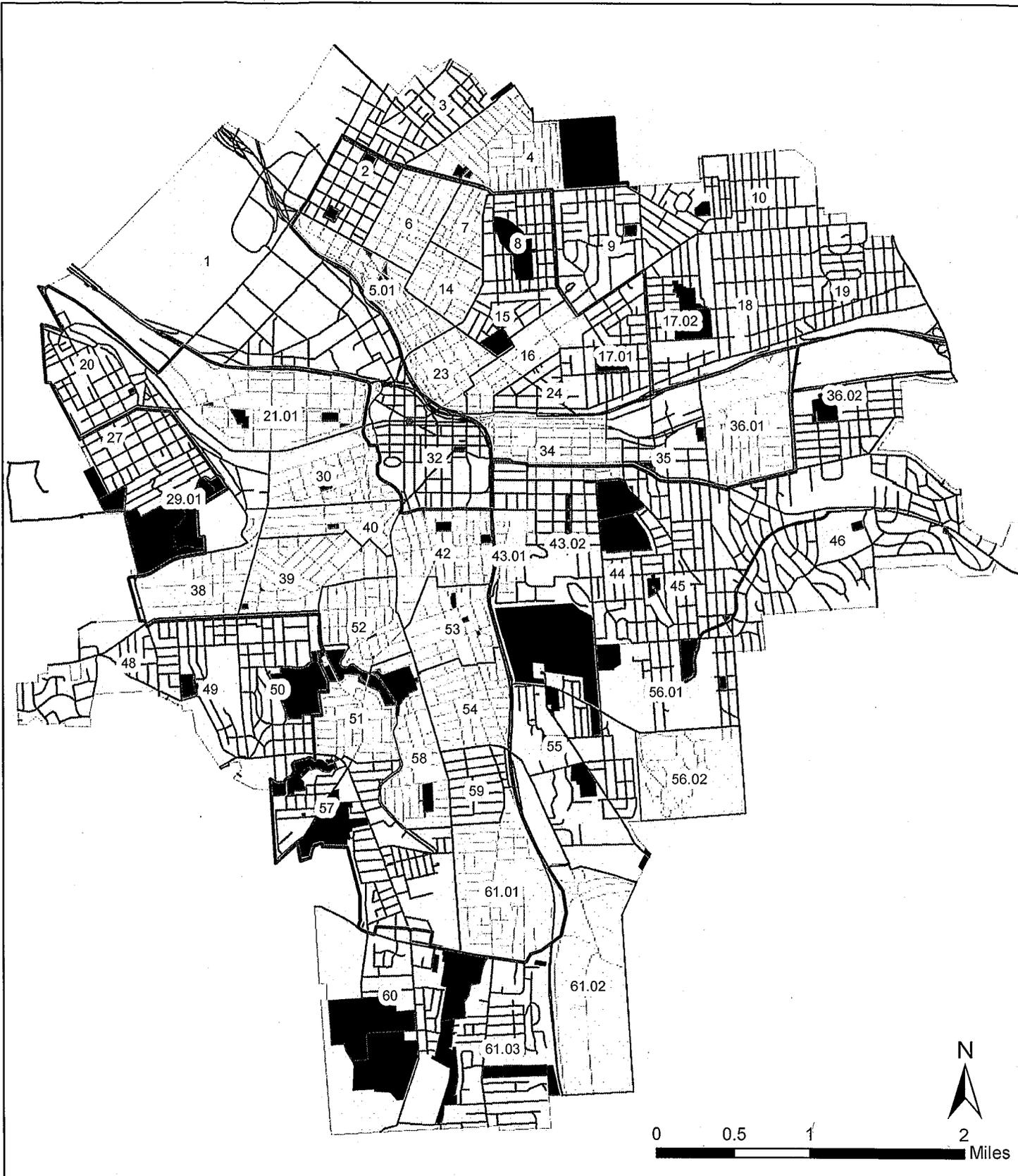
Post-Closing Items for Bond and Straight Lease Transactions:

Annual Administrative Reporting Fee.....	\$250.00
(Paid at time of closing and annually thereafter for duration of SIDA's interest in Project Facility)	
Extension of sales tax exemption.....	\$500.00
Modification or Amendment of Closing Documents.....	\$1,000.00
Subsequent lender closing.....	\$250.00

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

SIDA reserves the right to modify this schedule at any time and to assess fees and charges in connection with other transactions such as grants of easement or lease of SIDA-owned property.

Highly Distressed Census Tracts



Legend

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

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



RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 20, 2018, at 8:30 o'clock a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

EXCUSED:

THE FOLLOWING PERSONS WERE ALSO PRESENT: *Staff Present:*
_____; *Others Present:* _____; *Media:*

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

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 2018B

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, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant “financial assistance” (as defined in the Act) in connection with the acquisition, reconstruction and equipping of one or more “projects” (as defined in the Act); and

WHEREAS, Section 16(a) of Chapter 58 A-4 of the Laws of 2006 (the “*Syracuse Schools Act*”) of the State of New York (the “*State*”) provides that notwithstanding any

limitations contained in the Act, a “project” (as defined in the Syracuse Schools Act) undertaken pursuant to the Syracuse Schools Act shall be a “project” within the definition and for the purposes of the Act which may be financed by the Agency; and

WHEREAS, the Syracuse Joint School Construction Board (the “**JSCB**”) was established pursuant to the Syracuse Schools Act and an agreement dated April 1, 2004 by and between the City of Syracuse (the “**City**”) and the Board of Education of the City School District of the City of Syracuse (the “**School District**”); and

WHEREAS, the JSCB, pursuant to Section 16(a) of the Syracuse Schools Act, adopted a comprehensive plan, which included the undertaking of certain “projects” (as defined in the Syracuse Schools Act) in phases; and

WHEREAS, on March 15, 2018, the Agency issued its tax-exempt School Facility Revenue Bonds (“**Series 2018A Bonds**”) in an aggregate principal amount of \$67,265,000 at the request of the JSCB, on behalf of the City and the School District, to finance all or a portion of the costs of the first stage of Phase II of a project (known as the “**Series 2018A Project**”) consisting of: (A)(i) the acquisition or continuation by the Agency of an interest in the following existing school buildings known as Bellevue Elementary, Frazer Pre-K-8 School, Ed Smith Pre-K-8 School and Grant Middle School (collectively, the “**Series 2018A Buildings**”); (ii) the reconstruction, renovation, rehabilitation and improvements, including but not limited to some or all of the following at the Buildings: windows, roofs, bathrooms, mechanicals, plumbing, electrical, accessibility, security and site improvements, parking lots and landscaping; (iii) and the construction of an approximately 2,957 square foot addition to the Ed Smith Pre-K-8 School gymnasium; (B) the acquisition and installation in and around the Buildings of certain items of equipment, furnishings, fixtures, other incidental and appurtenant tangible personal property related site work, parking improvements and landscaping (the “**2018A Equipment**” and together with the Buildings, the “**2018A Facilities**”) necessary and attendant to the use of the Buildings as schools by the City and the SCSD; and

WHEREAS, by applications submitted in March, 2018 (collectively, the “**Application**”), JSCB, acting as agent of the City of Syracuse, New York (the “**City**”) and the City School District of the City of Syracuse (the “**SCSD**”), requested the Agency issue and sell one or more series of its tax-exempt and/or taxable School Facility Revenue Bonds (“**Series 2018B Bonds**”) in an aggregate principal amount not to exceed to \$80,000,000 to finance all or a portion of the costs of the second stage of Phase II of the project known as the “**Series 2018B Project**” consisting of: (A)(i) the acquisition by the Agency of an interest in the following exiting school buildings known as Huntington Elementary (“**Huntington**”), Public Service Leadership Academy at Flower High School (“**Fowler**”) and Westside Academy at Blodgett (“**Blodgett**”) (collectively, the “**Buildings**”); (ii) the reconstruction, renovation, rehabilitation and improvements, including but not limited to some or all of the following at the Buildings: windows, roofs, bathrooms, pools, locker rooms, lighting, mechanicals, elevators, plumbing, electrical, accessibility, ADA compliance, security and site improvements, façade work, parking lots, bus loop and landscaping; (iii) the construction of new athletic fields, a track and a stadium at Fowler; and (iv) anticipated cost overruns associated with the Series 2018A Project; (B) the acquisition and installation in and around the Buildings of certain items of equipment, furnishings,

fixtures, other incidental and appurtenant tangible personal property related site work, parking improvements and landscaping (the “*Equipment*” and together with the Buildings, collectively, the “*Facilities*”) necessary and attendant to the use of the Buildings as schools by the City and the SCSD; and (C) the financing of all or a portion of the costs thereof (including funding capitalized interest for the Series 2018B Project, financing certain costs of issuance and funding a debt service reserve fund, if any, associated with the Series 2018B Project) by the issuance of the Series 2018B Bonds; 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 said quoted term is defined in SEQRA) to be taken by the Agency and the approval of the Series 2018B Project constitutes such an action; and

WHEREAS, the Agency previously acted as lead agency for the coordinated environmental review of the Series 2018A Project and the anticipated Series 2018B Project (together, the “*Project*”); and

WHEREAS, the Agency determined that the Project will not result in any significant adverse environmental impacts and issued a negative declaration concerning the Project on January 16, 2018; and

WHEREAS, the Agency has not approved undertaking the Series 2018B Project or granting the Financial Assistance; and

WHEREAS, the grant of Financial Assistance to the Series 2018B Project is subject to, among other things, the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Series 2018B Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State.

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 makes the following findings and determinations:

(A) The Series 2018B Project constitutes a “project” within the meaning of the Act; and

(B) The Financial Assistance contemplated with respect to the Series 2018B Project consists of the issuance of the Issuer’s Series 2018B Bonds .

(2) The Agency hereby directs that pursuant to Section 859-a of the Act, a public

hearing with respect to the Series 2018B Project and Financial Assistance shall be scheduled with notice thereof published, and such notice, as applicable, shall further be sent to affected tax jurisdictions within which the Series 2018B Project is located.

(3) The Secretary or the Executive Director of the Agency is hereby authorized to and may 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.

(4) A copy of this Resolution 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 March 20, 2018, 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 _____, 2018.

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: Syracuse 727 LLC

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing additional financial assistance to the Project.

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: The Agency has received correspondence from the Company requesting an increase in the amount of the mortgage tax exemption approved for the Project. The student housing project located at 727 Crouse Avenue was approved for benefits by the Board of Directors in February 2017 and entails the construction of an eight story 168,000 sq. ft. building consisting of 16,800 first floor retail space, an 8000 sq. ft. basement housing residential amenities and 168 student living units on floors 2-8 (287 beds). The Project is well underway and the Company has advised the project cost has increased necessitating additional mortgage financing of \$3,500,000.00 and is requesting an increase in the mortgage tax exemption amount of \$26,250.00. Staff has reviewed this request and recommends the Board of Directors approve it.

ATTACHMENTS:

1. Correspondence.
2. Resolution.

REVIEWED BY:

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

Meeting: March 20, 2018

Prepared By: J. A. Delaney

Robert J. Smith*
Alicia S. Calagiovanni
James J. Gascon
Paul G. Ferrara**
Maureen G. Fatcheric
Timothy J. Conan
John R. Langey
Daniel P. Fletcher

Anthony R. Hanley
Robert W. Connolly**
Nicole Marlow-Jones
Donald S. DiBenedetto
Nadine C. Bell+
Wendy S. Lougnot
Melinda B. Bowe
Jennifer L. Wang



Christopher M. Millello
Richard J. Andino
Elizabeth A. Hoffman
Daniel R. Rose

Megan E. Grimsley
Alexandra L. Condon
Erin K. Skuce
C. Taylor Payne

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Carol C. Olech, Special Counsel
Jonathan P. McSherry, Special Counsel, CPA
Kevin P. Ryan, Special Counsel

* Also admitted in Texas
** Also admitted in Massachusetts
+ Also admitted in Pennsylvania

Kevin M. Gilligan, Senior Counsel
Donald L. Nicholas, Of Counsel
Warren W. Bader, Of Counsel
Peter J. Corrigan, Of Counsel
Scott W. Bush, Of Counsel
John M. DeLaney, Of Counsel
Michael E. O'Connor, Of Counsel
Michael A. Tremont, Of Counsel
Dennis P. Hennigan, Of Counsel

March 12, 2018

VIA ELECTRONIC MAIL

Honora Spillane, Executive Director
Syracuse Industrial Development Agency
City Hall Commons, 7th Floor
201 East Washington Street
Syracuse, New York 13202

Re: Syracuse 727 LLC

Dear Nora:

Syracuse 727 LLC is seeking a second mortgage with respect to their previously approved project. The additional financing is required in order to meet additional costs associated with the project. As such, we are requesting SIDA's approval of the additional financing and ask that this item be added to next week's SIDA meeting.

The amount of the additional financing is \$3,500,000.00. This will increase the total project cost from \$40,520,000 set forth in the original Project Agreement to \$44,020,000.00. In addition, the Mortgage Recording tax exemption for the new mortgage will be ¾% or \$26,250.00. As such, the Mortgage Recording Tax Exemption will increase from \$217,500.00 set forth in the original Project Agreement to \$243,750.00.

Thank you for your review of this matter. Please confirm that this matter is added onto next week's SIDA board meeting agenda. If you have any questions or require anything further, please feel free to contact me.

Very truly yours,

COSTELLO, COONEY & FEARON, PLLC

Handwritten signature of Wendy S. Lougnot in black ink.
Wendy S. Lougnot

WSL/

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 20, 2018 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 the _____ and upon the roll being duly called, the following members were:

PRESENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

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

RESOLUTION APPROVING THE AGENCY'S PARTICIPATION IN ADDITIONAL FINANCING BY THE COMPANY IN CONNECTION WITH THE PROJECT FACILITY; APPROVING AN INCREASE IN THE AMOUNT OF MORTGAGE RECORDING TAX EXEMPTION AWARDED TO THE PROJECT; 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, 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, Syracuse 727 LLC, a New York limited liability company, or an entity to be formed (the "*Company*"), by application dated December 28, 2016 (the "*Application*"), requested the Agency undertake a project (the "*Project*") consisting of: (A)(i) the acquisition of an interest in 2 parcels of land totaling approximately .6 acres improved by existing building(s) (the "*Existing Building*") located at 721-723, 727-729 South Crouse Avenue, in the City of Syracuse, New York (the "*Land*"); (ii) the demolition of the Existing Building and the construction of a new eight story, approximately 168,400 square foot mixed-use building consisting of approximately 16,800 square feet of retail and retail support space on the ground

floor; approximately 287 beds within a mix of approximately 168 residential units which include studio, 1 bedroom, 2 bedroom and 4 bedroom units) on floors 2-8; residential amenity space, fitness room, laundry room and storage in the partial basement; and various site improvements, including, but not limited to, new pedestrian corridor, site utilities and streetscape; 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, construction, 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 previously conducted an environmental review of the Project 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*”), and determined that the Project constituted an "Unlisted Action" and therefore no further review was required; and

WHEREAS, participation in the Financing Documents and the granting of the Additional Financial Assistance (both as defined herein) 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 requested Financing Documents and Additional Financial Assistance are insubstantial and do not require reconsideration or further review by the Agency under *SEQRA*; and

WHEREAS, the Company originally obtained an exemption from mortgage recording tax (“*MRTE*”) based upon a \$33,000,000 mortgage to secure the acquisition and construction of the Project Facility; and

WHEREAS, in conjunction with the undertaking of the Project, the Company and the Agency entered into a mortgage to secure the Company’s obligation to Bank of America, N.A. under a corresponding note (the “*First Mortgage*”) for purposes of acquiring the Facility; and the Agency then provided the Company with an exemption from the mortgage recording tax otherwise due on the First Mortgage; and

WHEREAS, the Company has now requested the Agency join in a Second Lien Building Loan Mortgage, Assignment of Rents, Security Agreement and Fixture Filing associated with the Project Facility securing a note in the amount of \$3,500,000 (the “*Additional Financing*”); and

WHEREAS, the Company is also seeking additional financial assistance in the form of an increase in the mortgage recording tax exemption (“*MRTE*”) to cover the Additional Financing which increase is estimated to be \$26,250 (the “*Additional Financial Assistance*”); and

WHEREAS, the MRTE does not exceed \$100,000 and therefore no new public hearing is required under the Act; and

WHEREAS, the Agency’s participation in the Additional Financing was contemplated at the time of the closing on the Project and is permitted pursuant to Section 4.5 of the Agency Lease Agreement, dated as of August 1, 2017 as amended from time to time, executed by the parties; and

WHEREAS, the Company is requesting that the Agency execute and delivery any and all necessary documents and certificates to effectuate the Additional Financing and the Additional Financial Assistance (the “*Financing Documents*”); 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, the Agency hereby makes the following findings and determinations:

(a) Participation in the Financing Documents and the granting of Additional Financial Assistance do not amount to a significant change in the Project from what was originally approved by the Agency, and therefore neither further review under SEQRA nor an amendment of the Agency’s prior SEQRA negative declaration shall be required.

(b) The Agency approves its the Additional Financing as set forth herein and the execution and delivery of the Financing Documents as well as the award of the Additional Financial Assistance; and

(d) The Agency is authorized to: (i) grant the Additional Financial Assistance; (ii) and execute and deliver the Financing Documents; and (iii) the Chairman, Vice Chairman and/or Executive Director of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Financing Documents, upon the advice of counsel to the Agency. The execution thereof by the Chairman, Vice Chairman and/or Executive Director constitutes conclusive evidence of such approval;

Section 2. The Company will submit to the Agency the appropriate fee in exchange for the Agency’s grant of the Additional Financial Assistance based on the amount of the new

mortgage, as well as any other applicable fees in accordance with the Agency's fee schedule, and shall remit directly to the Agency's counsel all reasonable attorneys' fees and costs associated with this transaction;

Section 3. Should the Agency's participation in the Financing Documents or the award of the Additional Financial Assistance 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 refinance, 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 4. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 5. This Resolution shall become effective immediately.

Section 6. The Secretary and/or the Executive Director of the Agency are hereby authorized to and may 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.

Section 7. 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 March 20, 2018, 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 _____, 2018.

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: 7

Title: BVSHSSF Syracuse LLC

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing a Public Hearing with respect to a request for additional financial assistance relative to the project.

DESCRIPTION:

Direct expenditure of fund: Yes No

Type of financial assistance requested

PILOT

Sales Tax Exemption

Mortgage Recording Tax Exemption

Tax Exempt Bonds

Other

SUMMARY: The Agency has received correspondence from the Company requesting an increase in the sales tax exemption authorized for the Project. In January 2017, the Board of Directors approved an application for financial assistance for the Project located at 945 E. Genesee Street. The Company proposed a new 421,482 sq. ft. building to contain student housing including 244 apartments (600 beds), 6000 sq. ft. of commercial space and 11000 sq. ft. of amenities including a fitness facility and bike storage with 244 basement and first floor parking spaces. The cost of the Project was estimated to be \$66,607,355.00 and benefits approved by the Board included a mortgage sales tax exemption valued at \$363,750.00 and a sales tax exemption valued at \$1,360,000.00. The Project is now under construction. The Company is requesting an increase in the sales tax benefit by \$359,919.36 to \$1,719,919.36 while advising there is no change in the total cost of the Project. As the increase in benefits request exceeds \$100,000.00 staff is requesting the Directors authorize a Public Hearing as required. In the interim staff has asked the Company to complete a supplemental application outlining current project costs.

ATTACHMENTS:

1. Correspondence.
2. Resolution.

REVIEWED BY:

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

Meeting: March 20, 2018

Prepared By: J. A. DeLaney

February 28, 2018

Ms. Honora Spillane
Syracuse Industrial Development Agency
City of Syracuse
201 East Washington Street
Syracuse, New York 13202

RE: SIDA Sales Tax Abatement Increase Request – BVSHSSF Syracuse, LLC (919 E. Genesee St.)

Dear Honora,

On behalf of the project sponsor, BVSHSSF Syracuse, LLC, we are requesting an increase to the Sales Tax Abatement per the SIDA Agreement dated May 1, 2017. The project has progressed very well since the commencement of construction in the spring of 2017. The parking structures are completed, the building is framed and enclosed and internal work in progressing for a July 2018 Certificate of Occupancy and turnover to the project sponsor.

The approved application and agreement previously requested the Sales Tax Abatement on purchases of goods and services subject to sales tax up to \$17,000,000 of the total project cost of \$66,607,355. The abatement approved by SIDA based upon the amount above equated up to \$1,360,000 of Sales Tax Abatement on the project.

Based upon final construction numbers, the total purchases of goods and services subject to sales tax has increased to \$21,497,729.50 thus equating to a need of \$1,719,919.36 of sales tax abatement, or an increase of \$359,919.36. The overall project cost in the initial application and agreement has remained at \$66,607,355.

The initial requested amount was determined by a typical percentage of sales tax based upon overall construction value. The revised amount and request is based upon contract values from suppliers and vendors on the project and inclusion of low voltage, security, and signage supplies and equipment now that these are known as a subset of the overall contracted amounts.

Should you have any questions related to the submission, please do not hesitate to contact me or James Trasher at 315-471-3920 or jtrasher@chacompanies.com

Very truly yours,



Jeff Githens

Cc: Mr. James Trasher, CHA
Mr. Robert Smith, CC&F

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March ____, 2018, at 8:30 o'clock a.m. in the in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the _____ 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 A PUBLIC HEARING IN CONNECTION WITH THE COMPANY'S REQUEST FOR AN INCREASE IN FINANCIAL ASSISTANCE

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 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 acquire, lease and sell real property and grant financial assistance in connection with one or more “projects” (as defined in the Act); and

WHEREAS, at the request of BVSHSSF Syracuse, LLC (the “*Company*”) the Agency by resolution dated January 24, 2017 (the “*Inducement Resolution*”) agreed to undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of a leasehold interest in approximately 93,200 square feet of improved real property located at 945 East Genesee Street (to be known as 919 E. Genesee Street), in the City of Syracuse, New York (the “*Land*”); (ii) the removal of the existing structures and the construction of a complex totaling approximately 421,482 square feet containing new four and five story buildings to be used as mixed-use student housing including: (i) approximately 600 beds across 244 apartment style units; (ii) approximately 5,770 square feet of retail and retail support space; (iii) approximately 9,000 square feet of ground floor amenities; (iv) approximately 2,000 square feet of bike storage facility; (v) an approximately 2,000 square foot fitness facility; and (vi) approximately 274 parking spaces, 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, construction, 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, among other things, pursuant to the Inducement Resolution, the Agency appointed the Company as an agent of the Agency for purposes of completing the Project and benefitting from the sales and use tax exemption (the “*Appointment*”) and authorized the Company to appoint Additional Agents (as defined in the Inducement Resolution); and

WHEREAS, the amount State and local sales and use tax exemptions originally approved by the Agency as part of the Financial Assistance was an amount not to exceed **\$1,360,000** (the “*Original Sales Tax Exemption*”); and

WHEREAS, in May, 2017 the Agency and the Company closed on the lease transaction in connection with the Project and the Agency issued a Sales Tax Appointment Letter (the “*Letter*”) to the Company and filed the necessary Form ST-60 – IDA Appointment of Project Operator or Agency for Sales Tax Purposes with the New York State Department of Taxation and Finance (the “*ST-60*”). The Letter and the Company’s appointment are set to expire on September 1, 2018; and

WHEREAS, by letter dated February 8, 2018, the Company advised that the costs associated with the Project increased from \$17,000,000 to \$21,497,729.50 based upon final construction numbers associated with the purchase of goods and services. According to the

Company, while the cost of goods and services increased, the overall cost of the Project remained the same. As a result of the increased in costs of goods and services, the Company is requesting an increase of **\$359,919.36** to the Original Sales Tax Exemption (the “***Additional Financial Assistance***”) such that the total award of State and local sales and use tax exemptions would total \$1,719,919.36 for the Project; and

WHEREAS, the grant of the Additional Financial Assistance to the Project is subject to, among other things, compliance with Section 875 of the Act; and the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State; and

WHEREAS, the Additional Financial Assistance is in furtherance of the Financial Assistance previously approved for the Project, which underwent an environmental review by the Agency pursuant to the State Environmental Quality Review Act (“***SEQRA***”), and the requested Additional Financial Assistance is insubstantial and does not require reconsideration or further review by the Agency under SEQRA; and

WHEREAS, the Agency has not approved the granting the Additional Financial Assistance.

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 Additional Financial Assistance does not amount to a significant change in the Project from what was originally approved by the Agency, and therefore further review under SEQRA shall not be required; and

(b) The Additional Financial Assistance contemplated by the Company’s request consists of assistance in the form of an increase in the amount of exemptions from State and local sales and use taxation.

(2) The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the Additional Financial Assistance shall be scheduled with notice thereof published, and such notice, as applicable, shall be sent to affected tax jurisdictions within which the Project is located. The Agency is not now making any determination relative to the Additional Financial Assistance.

(3) 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.

(7) 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.

(8) 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 March 20, 2018, 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 _____, 2018.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Ricky 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: 8

Title: Paradise Companies 2, LLC

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing the execution and delivery of all necessary documents to terminate the Agency's interest.

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's attorney has received a request from representatives of the Company to terminate the Agency's interest in the Project. The project, the gut renovation and reconstruction of the former Excellus building on Warren St. to a mixed use including 35000 sq. ft. of commercial space and 89 residential units at an estimated cost of \$20,500,000.00 is now complete and in accordance with the terms of the Agency's lease can be terminated

ATTACHMENTS:

1. Resolution.

REVIEWED BY:

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

Meeting: March 20, 2018

Prepared By: J. A. Delaney

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 20, 2018 at 8:30 a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

The following persons were **ALSO PRESENT:** Staff: _____; Others: _____; Media: _____

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

RESOLUTION APPROVING THE AGENCY’S EXECUTION OF COMPANY LEASE AND AGENCY LEASE TERMINATIONS AND THE TERMINATION OF RELATED DOCUMENTS

WHEREAS, the policy of the State of New York (the “*State*”) set forth in Title 1 of Article 18-A of the General Municipal Law of the State, as amended (the “*IDA Act*”), is to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation, economically sound commerce and industry through governmental action for the purpose of preventing unemployment and economic deterioration by the creation of industrial development agencies and to protect and promote the health of the inhabitants of the State and to increase trade through promoting the development of facilities to provide recreation for the citizens of the State and to attract tourists from other states; and

WHEREAS, the IDA Act further provides that the use of all the foregoing powers and rights is a public purpose essential to the public interest for which public funds may be expended; and

WHEREAS, City of Syracuse Industrial Development Agency (the “*Agency*”) constitutes an industrial development agency established under the IDA Act and Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (the “*Enabling Act*” and together with the IDA Act, the “*Act*”) and is thereby authorized and empowered 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, including industrial pollution control facilities, educational or cultural facilities, railroad facilities and certain horse racing facilities, thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, the Agency, by resolution adopted on October 20, 2015, agreed, at the request of the Paradise Companies 2, LLC (the “**LLC**”) and PC2 Development, Inc. (the “**Corporation**”) and collectively with the LLC, the “**Company**”) to undertake a project (the “**Project**”) consisting of: (A)(i) the acquisition of an interest in approximately 1.67 acres of improved real property located at 312-44 South Warren Street, in the City of Syracuse, New York (the “**Land**”) improved by an existing approximately 213,000 square foot building and the renovation and reconstruction thereof for use as a mixed-use complex consisting of approximately 35,000 square feet of commercial space, approximately 89 residential market-rate apartment units and on-site parking, all located on the Land (the “**Facility**”); (iii) the acquisition and installation in the 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 (the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, 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, the Agency acquired a leasehold interest in the Land and Facility from the Company pursuant to a Company Lease Agreement dated as of January 1, 2016 (the “**Company Lease**”), between the Company as landlord and the Agency as tenant and an interest in the Equipment pursuant to bills of sale each dated as of January 1, 2016 from the LLC and the Corp. (collectively, the “**Bill of Sale**”). The Agency subleased the Project Facility back to the Company, pursuant to an Agency Lease Agreement dated as of January 1, 2016 (the “**Agency Lease**”) between the Agency, as sublessor and the Company, as sublessee; and

WHEREAS, the Agency Lease and the Company Lease provide for termination upon the earlier of: (1) September 1, 2017; or (2) the issuance of a certificate of occupancy by the City of Syracuse, New York. The Company has requested, in accordance with the terms of the Agency lease, to terminate the Agency’s interest in the Project; and

WHEREAS, the Company has requested that the Agency terminate its interest in the Project in accordance with the terms of the Company Lease and the Agency Lease.

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

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

(a) The Agency has the authority to, and hereby authorizes, the execution and delivery of the termination of the Company Lease and the termination of the Agency Lease and any such additional certificates, instruments, documents or affidavits, including but not limited to, one or more bills of sale back to the Company with respect to its interest in the Equipment (collectively, the “**Termination Documents**”) upon review and advice of counsel. The Chairman,

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 Termination Documents and to make such other changes, omissions, insertions, revisions, or amendments to the Termination Documents 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 Chairman, Vice Chairman and/or Executive Director constitutes conclusive evidence of such approval.

(b) As a condition precedent to the Agency's participation in the execution of the Termination Documents, the Company shall remit any and all fees, administrative or otherwise, owing to the Agency, including but not limited to its legal fees and filing fees associated or incurred with respect to the Termination Documents.

(c) Should the Agency's participation in the execution of the Termination 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 execution of the Termination Documents, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to Company hereunder or otherwise.

(d) No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to above 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.

(e) The Secretary of the Agency is hereby authorized and may 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.

(f) 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 16, 2018, 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 March, 2018.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
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: 9

Title: Vanderbilt/Larned Civic Facility Bonds

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing the execution and delivery of certain documents to terminate the Agency's fee interest in the Project and certain but not all leasehold interests.

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 1991 the Agency issued civic facility bonds to undertake the construction and renovation of what is now known as the M&T Bank garage on Warren St. At that time it entered into a lease agreement and took fee title for both the garage parcel (Vanderbilt parcel) and two additional parcels (the bank's headquarters at 101 Salina - the On Bank property) and 140 E Genesee St (Larned Property). It in turn leased back to the bank the parcels with the exception of the parking garage parcel. The Bonds will mature on April 1, 2018 and terms of the lease agreement provide a termination date of March 31, 2018 for the two parcels with the sale of the property back to the Bank for \$1.00. The Bank is now requesting the Agency execute termination documents of the two parcels as contemplated originally and additionally the early termination of the parking garage lease, not due to expire until next year. The Agency's attorney will review this matter further with the Board of Directors and recommends early termination of the parking garage lease.

ATTACHMENTS:

1. Resolution.

REVIEWED BY:

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

Meeting: March 20, 2018

Prepared By: J. A. Delaney

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 20, 2018 at 8:30 a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

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

PRESENT:

The following persons were **ALSO PRESENT:** Staff: _____; Others: _____; Media: _____

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

RESOLUTION APPROVING THE AGENCY’S EXECUTION OF COMPANY LEASE AND AGENCY LEASE TERMINATIONS AND THE TERMINATION OF RELATED DOCUMENTS

WHEREAS, the policy of the State of New York (the “*State*”) set forth in Title 1 of Article 18-A of the General Municipal Law of the State, as amended (the “*IDA Act*”), is to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation, economically sound commerce and industry through governmental action for the purpose of preventing unemployment and economic deterioration by the creation of industrial development agencies and to protect and promote the health of the inhabitants of the State and to increase trade through promoting the development of facilities to provide recreation for the citizens of the State and to attract tourists from other states; and

WHEREAS, the IDA Act further provides that the use of all the foregoing powers and rights is a public purpose essential to the public interest for which public funds may be expended; and

WHEREAS, City of Syracuse Industrial Development Agency (the “*Agency*”) constitutes an industrial development agency established under the IDA Act and Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (the “*Enabling Act*” and together with the IDA Act, the “*Act*”) and is thereby authorized and empowered 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, including industrial pollution control facilities, educational or cultural facilities, railroad facilities and certain horse racing facilities, thereby advance the job

opportunities, health, general prosperity and economic welfare of the people of the State and improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, on or about April 1, 1991, the Agency entered into a lease agreement with **M&T Bank, fka OnBank (M&T)** whereby the Agency accepted a leasehold interest in portions of certain properties located at 140 Genesee St. E & Warren St (tax ID # 104-24-07.0) and 131 Salina St. South & Washington St. (tax ID # 104-24-08.0) (collectively the “**Parking Land**”) to be used as a parking garage (the “**Parking Garage Lease**”). Following the execution of the Parking Garage Lease, M&T transferred fee title (“**Title**”) to the Agency of three parcels of land, including the Parking Land, located at 101 Salina St. South & Water Street E (tax ID # 1043-24-09.0), 140 Genesee St. E & Warren St (tax ID # 104-24-07.0) and 131 Salina St. South & Washington St. (tax ID # 104-24-08.0) (collectively, the “**Land**”) **subject to** the Parking Garage Lease. After taking Title to the properties, the Agency leased to M&T portions of the Land including all spaces other than the Parking Land, back to M&T (the “**Retail Lease**”); and

WHEREAS, in conjunction with the foregoing, the Agency issued its Civic Facility Revenue Bonds (Community Development Properties – Vanderbilt/Larned Project), Series 1991 in the aggregate principal amount of \$12,000,000 (the “**Series 1991 Bonds**”) to undertake the renovation, construction and equipping of the properties (the “**Project**”). Thereafter, in or about March 1995, at the Company’s request, the Agency issued its Civic Facility Revenue Bonds (Community Development Properties – Vanderbilt/Larned Project), Series 1995 to refund the outstanding Series 1991 Bonds (the “**Series 1995 Bonds**”); and

WHEREAS, the Series 1995 Bonds mature on April 1, 2018 (the “**Maturity Date**”); and

WHEREAS, the Retail Lease provides for a termination on March 31, 2018 or upon the payment in full of the Series 1995 Bonds. The Retail Lease goes onto state “Contemporaneously with the termination of this Lease Agreement, upon expiration of the term of this Lease or otherwise, the Landlord shall sell and the Tenant shall purchase the Larned Property, the Vanderbilt Property and the On Bank Property, for the sum of One Dollar (\$1.00), subject, however, to the Parking Garage Lease Agreement”. For purposes of this Resolution, the Larned Property, the Vanderbilt Property and the On Bank Property comprise the Land; and

WHEREAS, upon the payment in full of the Series 1995 Bonds, the Agency, pursuant to the terms of the Retail Lease will be obligated to transfer fee title to the Land to M&T, *subject to the terms of the Parking Garage Lease* and to execute any and all certificates, instruments, documents or affidavits necessary to effectuate the transfer of fee title to the Land and to terminate the Retail Lease all as set forth herein and in the Retail Lease (collectively, the “**Termination Documents**”); and

WHEREAS, M&T has requested that the Agency execute and deliver the Termination Documents on or immediately following April 1, 2018 and has further requested the Agency consider the early termination of the Parking Garage Lease (the “**Parking Termination**”).

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

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

(a) The Agency has the authority to execute and deliver the Termination Documents in accordance with the terms hereof and the terms of the Retail Lease upon review and advice of counsel. The Chairman, 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 Termination Documents and to make such other changes, omissions, insertions, revisions, or amendments to the Termination Documents 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 Chairman, Vice Chairman and/or Executive Director constitutes conclusive evidence of such approval.

(b) As a condition precedent to the Agency's participation in the execution of the Termination Documents, the Company shall remit any and all fees, administrative or otherwise, owing to the Agency, including but not limited to its legal fees and filing fees associated or incurred with respect to the Termination Documents.

(c) Should the Agency's participation in the execution of the Termination 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 execution of the Termination Documents, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to Company hereunder or otherwise.

(d) The Agency is not making any finding, nor taking any action at this time, on the Parking Termination request. The Agency reserves the right to consider this request at a later time.

(e) No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to above 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.

(f) The Secretary and/or the Executive Director of the Agency are hereby authorized and may 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.

(g) 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 March 20, 2018, 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 _____, 2018.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
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: 10

Title: Salina /Montgomery Street Parcels

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution authorizing the Executive Director of the Agency to execute all documents with respect to the site relative to completion of a cleanup under the NYSDEC Brownfield Cleanup Program.

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 November of 2017 the Board of Directors approved a contract with C&S Companies to prepare and submit an application to the NYSDEC Brownfield Program for property owned by the Agency on Salina and Montgomery streets.. The NYSDEC application requires a formal resolution by the property owner, if not an individual, authorizing a representative to execute all documents relative to the application.

ATTACHMENTS:

1. Resolution.

REVIEWED BY:

Executive Director

Audit Committee

Governance Committee

Finance Committee

Meeting: March 20, 2018

Prepared By: J. A. Delaney

INDUCEMENT RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 20, 2018 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 the _____ and upon the roll being duly called, the following members were:

PRESENT: _____

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: _____.; Others Present: _____.; Media Present: _____.

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

RESOLUTION AUTHORIZING THE THE EXECUTIVE DIRECTOR TO EXECUTE AND DELIVERY DOCUMENTS NECESSARY IN CONJUNCTION WITH THE SUBMISSION OF CERTAIN AGENCY OWNED PROPERTY INTO THE NYSDEC BROWNFIELD CLEANUP PROGRAM.

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, 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 acquire, lease and sell real property and grant financial assistance in connection with one or more “projects” (as defined in the Act); and

WHEREAS, in November 2017, the Board authorized the execution and delivery of a contract with C&S Companies (“*C&S*”) to prepare and submit an application to the NYS Department of Environmental Conservation (“*NYSDEC*”) Brownfield Cleanup Program (“*BCP*”) for property owned by the Agency located at 1029-1111 South Salina Street and 1016-18, 1020, 1028 and 1030 Montgomery Street, in the City of Syracuse, New York (the “*Land*”);

and

WHEREAS, C&S has been working with Honora Spillane, Executive Director of the Agency to complete the BCP application. As part of the application, NYSDEC requires proof be submitted that the Executive Director is authorized by the Agency to execute and deliver all necessary documents required under and in conjunction with the BCP application to complete the necessary steps under the BCP agreement satisfactory to NYSDEC with respect to the Land, including but not limited to a Brownfield Cleanup Agreement and any required easements; and

WHEREAS, C&S is ready to submit the application but requires the aforementioned proof of authority.

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 made by C&S to the Agency, the Agency hereby authorizes and directs the Executive Director of the Agency to execute and deliver all necessary documents required under and in conjunction with the BCP application to complete the necessary steps under the BCP agreement satisfactory to NYSDEC with respect to the Land, including but not limited to a Brownfield Cleanup Agreement and any required easements.

Section 3 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 identified herein to consummate the transactions contemplated by this Resolution.

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

Section 5. Counsel to the Agency is hereby authorized to work with the Agency and others to prepare for submission to NYSDEC, all documents necessary to with respect to the

BCP application.

Section 6. 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 7. 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 March 20, 2018, 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 March, 2018.

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, 7th Floor, Syracuse, New York 13202 and **SALINA 1ST, LLC**, with a mailing address of 731 James Street, Suite 223A, Syracuse, New York (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 27, 2017 (the “*Application*”), requested the Agency undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 82,534 square feet of vacant land located at 1029-1111 South Salina Street and 1016-18, 1020, 1028 and 1030 Montgomery Street, in the City of Syracuse, New York (the “*Land*”); (ii) the construction of a new approximately 51,000 square foot 3 story building consisting of approximately 23,400 square feet of light manufacturing space and approximately 5,000 square feet of retail space on the first floor; approximately 11,250 square feet of commercial incubator space on the second floor and approximately 11,250 square feet of market rate office space on the third floor; and the remaining approximately 32,000 square feet to be used as a surface parking lot and green space; all located on the Land (the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment, including but not limited to green roofs, bio retention areas, solar panels (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) (collectively the “*Financial*”).

Assistance”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, construction, equipping and completion of the Project Facility; and (D) the lease or sale of the Land from the Agency to the Company pursuant to a lease or sale agreement; the lease of the Land from the Company to the Agency pursuant to a lease agreement; 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. In conjunction with the Project, the Company submitted a purchase offer dated October 9, 2017 with respect to the Land which is owned by the Agency, the terms of which must be negotiated and agreed to amongst the Company and the Agency, (the “*Sale of the Land*”); and

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

1.03. The Company hereby represents to the Agency that undertaking the Project, the designation of the Company as the Agency’s agent for the construction, 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 construct 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.

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

1.05. On November 21, 2017, 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, construction 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 **\$147,200**.

1.06. 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 construction and equipping the Project Facility, entering into contracts and doing all things requisite and proper for construction 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 constructing 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 construction 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 construction 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 construction 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 construction 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 construction 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, construction 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, construction 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 Contractor Status Report 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 construction, 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, construction and equipping thereof, the operation and maintenance of the Project Facility, supplemental review of adverse environmental impacts in accordance with SEQRA and the financing of the Project. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full, including, but not limited to, Section 875 of the Act; and upon the request of either party, this Agreement shall be amended to specifically set forth any such provision or provisions.

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

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

pursuance thereof.

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

3.06 The Company shall proceed with the acquisition, construction, 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 construction 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; (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; (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 **November 21, 2018**, 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, construction and equipping of the Project Facility;

(b) The Company shall assume and be responsible for any contracts for the construction 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 21st day November, 2017.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
William M. Ryan, Chairman

SALINA 1ST, LLC

By: _____
Name: _____
Title: _____

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

EXECUTIVE SUMMARY

Agenda Item: 11

Title: Agency Signatory

Requested By: Sue Katzoff

OBJECTIVE: Approval of a resolution appointing the Executive Director as an authorized signatory of the Agency.

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:

Authorize the Executive Director to execute project termination documents for transactions previously approved by the Agency Board of Directors.

ATTACHMENTS:

1. Resolution.

REVIEWED BY:

Executive Director

Audit Committee

Governance Committee

Finance Committee

Meeting: March 20, 2018

Prepared By: J. A. Delaney

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. The Agency hereby and makes the following determinations:

(A) The Executive Director of the Agency is hereby authorized to finalize, execute and deliver, on behalf of the Agency, *for actions approved by the Agency*, any and all termination documents necessary to reflect the termination of the lease or sale transactional documents at the end of the term of such lease and or installment sale agreement and the transfer of all necessary interest of the Agency in the project, including but not limited to the equipment.

Section 3. The Secretary 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 4. This Resolution shall take effect immediately. A copy of this Resolution 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 February 20, 2018, 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 March, 2018.

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: 12

Title: Center Armory Garage

Requested By: Nora Spillane

OBJECTIVE: Approval of an agreement between the Agency and the City of Syracuse relative to a one year lease of the garage.

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 as owner of the Center Armory Garage entered into a lease with the City of Syracuse for the operation and maintenance of the garage in 1992 at the time of the sale of facility bonds to construct it. The bonds were paid off in 2017 and the lease has expired. In October of 2017 the Board members directed staff to explore options to sell the garage at which time an independent appraisal was completed and an RFP issued. As responses to the RFP were not received the Agency requested an extension of the lease with the City of Syracuse for one year with two renewable options at the same terms.. The Common Council approved the extension by Ordinance on January 23, 2018.

ATTACHMENTS:

1. Ordinance.

REVIEWED BY:

Executive Director

Audit Committee

Governance Committee

Finance Committee

Meeting: March 20, 2018

Prepared By: J. A. Delaney

Mary E. Vossler
Director



OFFICE OF MANAGEMENT AND BUDGET

Ben Walsh, Mayor

February 1, 2018

Ms. Honora Spillane
Syracuse Industrial Development Agency
201 East Washington Street
City Hall Commons 7th Floor
Syracuse, New York 13202

RE: Center Armory parking Garage Agreement

Dear Ms. Honora:

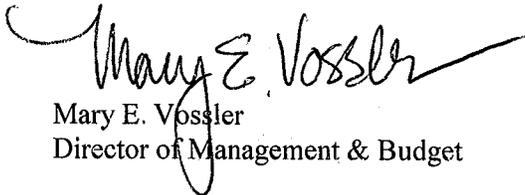
This letter is to advise you that based on the adoption of Ordinance #23-2018, it is the City of Syracuse's intent to award you Contract #18-117 relative to the Center Armory Parking Garage located at 218 West Jefferson Street at no cost to the City.

The term of this agreement will be for one (1) year, with two one (1) year renewal options, with the approval of the Mayor and the Common Council.

Enclosed for your files is a copy of **Ordinance #23-2018** adopted by the Common Council on January 22, 2018 and approved by the Mayor on January 24, 2018.

Corporation Council will prepare the lease agreement and forward to you for execution.

Sincerely,



Mary E. Vossler
Director of Management & Budget

MEV/jmb
cc: John O'Connor, III, Commissioner of Public Works
Catherine Carnrike, Assistant Corporation Counsel
File

City of Syracuse

CITY CLERK'S OFFICE

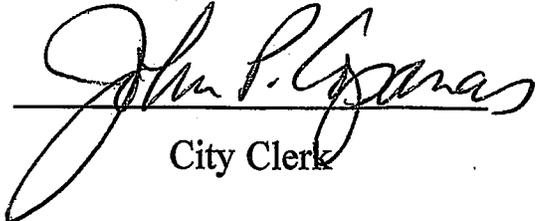
I, JOHN P. COPANAS, City Clerk of the City of Syracuse, New York do hereby certify that the attached is a true copy of an ORDINANCE:

Adopted by the Common Council on

January 22, 2018

Signed by the Mayor on

January 24, 2018


City Clerk

TO:

Mayor
Assessment Commissioner
Aviation Commissioner
Board of Elections
Bureau of Accounts
Citizen Review Board
City Auditor
City School District
Code Enforcement
Neighborhood and Business Development
Finance Commissioner
Corporation Counsel
United States Congressperson
Governor of New York State
New York State Senate
New York State Assembly
New York State Senator
Onondaga County Legislature

Management & Budget Director
Parks & Recreation Commissioner
Personnel & Labor Relations Dir.
Police Chief
Public Works Commissioner
Public Works/Bookkeeper
Purchase Department
Real Estate Division
Research Director
Water Department
Zoning Administration
United States Senator
Department of Engineering
Finance/Treasury
Finance (Water Bureau)
Fire Chief
Grants Management Director
Board of Education

ORDINANCE AUTHORIZING A LEASE AGREEMENT BETWEEN THE CITY OF SYRACUSE AND THE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY RELATIVE TO THE CENTER ARMORY PARKING GARAGE

WHEREAS, the Department of Public Works has requested that this Common Council authorize a lease agreement with the Syracuse Industrial Development Agency relative to the Center Armory Parking Garage located at 218 West Jefferson Street, Syracuse, New York; and

WHEREAS, this lease agreement shall be for a term of one (1) year with an option to renew for two (2) additional one (1) year periods subject to the approval of the Mayor and the Common Council; and

WHEREAS, pursuant to the lease agreement, the City will be responsible for maintenance and parking management for the Center Armory Garage, but there will be no additional monetary cost to the City for the lease; NOW, THEREFORE,

BE IT ORDAINED, that the Mayor, on behalf of the City of Syracuse, be and he hereby is authorized to execute a lease agreement under the following terms:

1. The lease agreement for the Center Armory Garage shall be for a term of one (1) year with an option to renew for two (2) additional one (1) year periods subject to the approval of the Mayor and the Common Council;
2. There shall be no monetary cost to the City for the lease for the term of the agreement;
3. Pursuant to the agreement, the City shall be responsible for the maintenance and for parking management services for the Center Armory Garage; and

BE IT FURTHER ORDAINED, that said lease agreement shall be subject to the approval of the Corporation Counsel as to terms, form and content.