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

To: Board of Directors
City of Syracuse Industrial Development Agency

From: Judith DeLaney

Date: September 13, 2019

Re: Board of Directors Meeting Agenda – September 17, 2019

The City of Syracuse Industrial Development Agency will hold a Board of Directors Meeting on **Tuesday, September 17, 2019 at 8:00 a.m.** in the Common Council Chambers, 304 City Hall, 233 East Washington St., Syracuse, N.Y. 13202.

I. Call Meeting to Order – 1

II. Roll Call – 2

III. Proof of Notice –3

IV. Minutes – 4

Approval of Minutes from the August 20, 2019 Board of Directors meeting.

V. Executive Session –

IX. Adjournment –

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PUBLIC MEETING NOTICE

THE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

HAS SCHEDULED

A

BOARD OF DIRECTORS MEETING

FOR

TUESDAY SEPTEMBER 17, 2019

At 8:00 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, 6th Floor
Syracuse, NY 13202
Tel (315) 473-3275

Minutes
SIDA
Board of Directors Meeting
August 20, 2019

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

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

Others Present: James Trasher, Richard Pascarella, Aggie Lane, Mitch Lattimer, Eric Ennis, Jennifer Tifft, Joe Marua, Peter King, Lauryn LaBorde, Mark Olsen, Paul Reichel, Tom Las, Linda Malik, Gail Montplaisir, N.K Smith, Scott Gerharz, Tom Walton.

I. Public Hearing

Syracuse SOMA Project LLC

Mr. Frame opened the Public Hearing at 8:01 a.m. and asked Ms. DeLaney to read verbatim the Notice of the Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

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

James Trasher engineer for the Project and Richard Pascarella representing Granite Development spoke in favor. Mr. Trasher who displayed plans briefly reviewed the Project noting it was the third phase of the AMOS project to be built on the last section of the 200 block of West Water Street, currently a parking lot. He advised the Project would be nine stories to include 104 residential units, 1200 sq. ft. of commercial space, 72 parking spaces and an automatic parking lift at a cost of \$19,130,000.00. He noted the Project owner had worked for well over a year with City's Landmark Preservation Board and Planning Commission to accommodate requested design changes and both have now approved the final design. He said the tax abatements requested for the Project were needed to help offset the high cost of the design and construction.

Mr. Brown asked Mr. Pascarella about data on sub-contractors previously hired for other phases of the Project. Mr. Pascarella advised he requested the information from the Project's general contractor but had not received it by the time of this meeting.

After Mr. Trasher and Mr. Pascarella concluded their remarks Mr. Frame asked an additional two times if anyone else in attendance wished to speak in favor of the Project. No one else spoke.

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

Tom Walton introduced himself and asked whether a portion of the PILOT payments went to school taxes. Ms. Katzoff confirmed it did and explained the PILOT abated taxes only on improvements and PILOT payments by the Project owner would be made to the taxing jurisdictions including the City, School and County. Mr. Walton also questioned the assessment value. Mr. Thompson responded the numbers on the assessment were provided to the Agency by the City's assessor. Mr. Walton had several other questions including whether the Project had affordable units, would hiring be local, and was there an apprenticeship program.

Ms. Katzoff responded that 10% of the apartment units would be affordable and it was a requirement of Agency proved projects that all hiring be local. Mr. Frame also responded noting all Projects coming before the Agency for approval were subject to a comprehensive review including a cost benefit analysis. He indicated the information on each Project was available on line or at the offices of the Agency and staff would be happy to review and answer any further questions Mr. Walton might have.

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

Aggie Lane from the Urban Job Task Force spoke in opposition. Ms. Lane noted the Project was receiving \$4.6 million dollars in tax relief for a \$19 million dollar project with a cost benefit ratio was 5:1 (benefit to cost). She said she believed the ratio was too low for what she termed luxury apartments while the neighborhoods continued to need affordable housing. She also said she believed that 20% of the construction wages of this and any project approved by the Agency should go to residents of the City. She asked the Board of Directors to vote "no" on the Project.

Mr. Frame then asked again if anyone else in attendance wished to speak against the project.

Peter King from the Urban Task Force stepped forward to speak. Mr. King also said he was opposed to the Project and did not believe the Board of Directors should extend benefits to what he believed was a luxury apartment project and with no benefit to City residents.

Linda Malik who identified herself as a representative of "Transforming Syracuse" also spoke in opposition to the Project. Ms. Malik said she believed people were in desperate need of affordable housing and expressed the wish that developers work with the people. She said as an ambassador for housing it was time to stop the give a ways.

As no one else wished to speak, Mr. Frame closed the Public Hearing at 8:22am.

Alan Byer Auto Sales Inc.

Mr. Frame opened the Public Hearing at 8:22 a.m. and asked Ms. DeLaney to read verbatim the Notice of the Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

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

Mr. Frame asked two more times if anyone wished to speak in favor of the project. No one spoke.

Mr. Frame asked if anyone wished to speak on opposition of the project. No one spoke.

Mr. Frame asked two more times if anyone wished to speak in opposition of the project. No one spoke.

Mr. Frame closed the Public Hearing at 8:27am.

Gerharz Equipment Inc.

Mr. Frame opened the Public Hearing at 8:27 a.m. and asked Ms. DeLaney to read verbatim the Notice of the Public Hearing on the Project. A copy of the notice is attached and included in the minutes.

Scott Gerharz the owner of the Company spoke in favor. Mr. Gerharz noting he was not a developer said he acquired the building at Teall Avenue in November to relocate his business operations to that location. He said they had experienced cost overruns in renovating the building which was the reason for the request to increase the sales tax exemption amount.

Mr. Thompson asked about the cause of the cost overrun. Mr. Gerharz said the increase was due to a variety of issues including larger than anticipated asbestos issues. He invited the Board members to stop any time to take a tour of the building and Mr. Kinsey commented the exterior of the building looks great.

Mr. Frame then asked an additional two times if anyone else in attendance wished to speak in favor of the project.

Aggie Lane of the Urban Job Taskforce spoke saying she wished to encourage the owner to keep hiring local.

Mr. Frame then asked if anyone in attendance wished to speak in opposition of the project. No one spoke.

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

Mr. Frame closed the Public Hearing at 8:36 a.m.

II. Call Meeting to Order.

Mr. Frame called the meeting to order at 8:36am.

III. Roll Call

Mr. Frame acknowledged that all Board members were present.

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 amended minutes from the Board of Directors meeting of April 15, 2019. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE AMENDED MINUTES FROM APRIL 15, 2019 BOARD OF DIRECTORS MEETING.**

Mr. Frame then asked for a motion to approve the minutes from the July 20, 2019 Board of Directors meeting.

Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE JULY 20, 2019 BOARD OF DIRECTORS MEETING.**

VI. Committee Report

Mr. Frame reported the Finance Committee met on August 19th, 2019 at which time both the Gerharz Equipment Inc. Project and the Syracuse SOMA LLC project were reviewed by the Committee. In both cases the Project owners discussed and confirmed job numbers and MWBE participation for each. Additionally the Committee reviewed correspondence from the Onondaga Historic Association (OHA) relative to their interest in the acquisition of 327 Montgomery St. No decision has been made on the disposition of the building as of yet and that message was subsequently relayed to the OHA Director.

VII. Syracuse SOMA, LLC

Ms. Katzoff noting a Public Hearing had just concluded on the Project along with a prior review by the Finance Committee, again briefly reviewed it and requested the members consider resolutions for approval.

She said the first resolution for the Board's consideration was the Inducement resolution noting the City's Planning Commission had acted as Lead Agency for purposes of SEQRA and issued a negative declaration. She also said that as part of the Project the Company had agreed to a ten (10%) percent set aside of the residential units for residents making between thirty-five (35%) and forty (40%) percent of the City's area median income (AMI) and that stipulation was also included in the resolution and would be part of the Agency Agreement.

There being no discussion Mr. Frame asked for a motion to approve the resolution.

Ms. Murphy made the motion. Mr. Thompson seconded the motion. **BY A MAJORITY VOTE OF 3 TO 2, THE MEMBERS APPROVED A RESOLUTION AUTHORIZING THE UNDERTAKING, ACQUISITION, CONSTRUCTION, EQUIPPING AND COMPLETION OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, CONSTRUCTION, EQUIPPING AND COMPLETION OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY.** Mr. Frame, Mr. Thompson and Ms. Murphy voted in favor of the resolution. Ms. Brown and Mr. Kinsey voted against the resolution.

Ms. Katzoff then asked the Board to consider approval of a PILOT resolution for the Project noting the Company was forfeiting the benefits under the existing amended PILOT and would enter into a new ten year standard PILOT agreement for the Project.

There being no discussion Mr. Frame asked for a motion to approve the resolution.

Ms. Murphy made the motion. Mr. Thompson seconded the motion. **BY A MAJORITY VOTE OF 3 TO 2 THE MEMBERS APPROVED A RESOLUTION AUTHORIZING A PAYMENT IN LIEU OF TAX SCHEDULE AND AGREEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION THEREWITH.** Mr. Frame, Mr. Thompson and Ms. Murphy voted in favor of the resolution. Ms. Brown and Mr. Kinsey voted against the resolution.

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

There being no discussion Mr. Frame asked for a motion to approve the resolution.

Ms. Murphy made the motion. Mr. Thompson seconded the motion. **BY A MAJORITY VOTE OF 3 TO 2 THE MEMBERS 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.** Mr. Frame, Mr. Thompson and Ms. Murphy voted in favor of the resolution. Ms. Brown and Mr. Kinsey voted against the resolution.

Alan Byer Auto Sales Inc.

Ms. Katzoff, noting a Public Hearing had also just concluded on this Project along with a prior review by the Finance Committee, reminded the Board members they previously approved resolutions for it however as the Project description needed to be revised due to a discrepancy relative to the parcels involved, both the PILOT and Final resolutions agreement needed to be amended .

She said the first resolution for consideration was the PILOT Resolution noting the Project would enter into a 10 Year Standard PILOT agreement with the Agency. There being no discussion, Mr. Frame asked for a motion to approve the resolution.

Ms. Murphy made a motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT**

UNANIMOUSLY A RESOLUTION APPROVING AN AMENDED PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A PILOT AGREEMENT.

Ms. Katzoff then asked the members to consider a Final Resolution for the Project.

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

Ms. DeLaney advised the Board the Company had requested a waiver for certain materials and equipment they are required to purchase from vendors specified by the Volvo Corporation outside of the local labor MSA area. She said upon review she had approved the waiver and on file at the Agency's offices.

Gerharz Equipment (Sage Teall Properties LLC)

Noting a Public Hearing had just concluded on this Project along with a prior review by the Finance Committee, Ms. Katzoff asked the members to approve a resolution authorizing both an increase in the sales tax appointment by \$124,800.00 along with an extension of the sales tax appointment until September 30, 2020.

There being no discussion Mr. Frame asked for a motion to approve the resolution. Mr. Brown made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING AN INCREASE IN THE AMOUNT OF STATE AND LOCAL SALES AND USE TAX EXEMPTIONS AWARDED TO THE PROJECT; AND AN EXTENSION OF THE SALES TAX APPOINTMENT OF SAGE TEALL PROPERTIES, LLC AS AGENT OF THE AGENCY UNTIL SEPTEMBER 30, 2020 AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH AUTHORIZING BOTH AN INCREASE IN THE SALES TAX APPOINTMENT APPROVED FOR THE PROJECT AND AN EXTENSION OF THE APPOINTMENT UNTIL SEPTEMBER 30, 2020.**

327 Montgomery Street

Ms. DeLaney requested the Board approve a proposal for appraisal services in an amount not to exceed \$2450.00 to undertake an appraisal of Agency property at 327 Montgomery Street. She noted this was the lowest of three quotes she received for the service.

There being no discussion Mr. Frame asked for a motion to approve the request.

Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A PROPOSAL FOR APPRAISAL SERVICES FOR 327 MONTGOMERY STREET NOT TO EXCEED \$2450.00.**

Salina First (1081 South Salina St)

Ms. DeLaney advised the Board members the Agency was in receipt of a request from Salina First to remove trees from a parcel owned by SIDA at 1081 South Salina St. so that drilling equipment may be brought in to begin soil testing as part of the BCP program the Agency and Company entered into jointly for the site. She reminded the Board members the Agency has approved a Project for the site with the Company and has an accepted purchase offer to sell the parcel to them. She said both the sale and purchase are expected to be completed by December of this year.

She noted the City arborist has visited the site and has no issue with the tree removal. Ms. Katzoff advised the trees would be removed at the expense of the company and suggested if the December 31 deadline to close was not met the Company would be required to replace the trees and forfeit the \$5000.00 purchase deposit on the property.

Mr. Frame said he was in agreement based on Counsel's suggestion and asked for a motion to approve the request. Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO PERMIT REMOVAL OF TREES ON THE 1081 SOUTH SALINA STREET PARCEL AT THE COMPANY'S EXPENSE WITH THE CAVEAT THAT IF THE PROJECT AND SALE OF THE PARCEL DOES NOT CLOSE BY DECEMBER 31, 2019, THE COMPANY WILL BE RESPONSIBLE TO REPLACE THE TREES AND FORFEIT THE \$5000.00 PURCHASE DEPOSIT HELD BY THE AGENCY.**

IX. ADJOURNMENT

There being no further business to discuss Mr. Frame asked for a motion to adjourn the meeting. Ms. Murphy made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:55A.M.**