
City of Syracuse
Industrial Development Agency
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Minutes
SIDA Finance Committee Meeting
Tuesday August 21, 2018

Committee Members Present: Kathleen Murphy, Ricky Brown, Kenneth Kinsey

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

Others Present: Michael Frame

I. Call Meeting to Order

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

II. Roll Call

Ms. Murphy noted that all Committee Members were present.

III. Proof of Notice

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

IV. Minutes

Ms. Murphy asked for a motion to approve the minutes of the April 17, 2018 Finance Committee meeting.

Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE APRIL 17, 2018 FINANCE COMMITTEE MEETING.**

V. New Business

Former Syracuse Rigging Site – 341 Peat Street (City Crossroads)

Ms. Spillane reviewed the history of property owned by the Agency at 342 Peat Street. She said the nine acre environmentally contaminated site was acquired by SIDA in 1999 and around that time the Agency using its own resources and federal funding cleaned a portion of the site and eventually sold it to a

commercial entity that continues to operate its business there today (CNY Commissary) . In 2003 the Agency also entered into an agreement with NYS for funding under the Environmental Restoration Program (ERP). In 2012 after substantial investigation the Agency received a “Record of Decision” (ROD) outlining a “selected remedy” to clean the site.

She said that the site has remained undeveloped and has been utilized in the past several years by the City of Syracuse DPW for its mulching operations. Noting the lease between the Agency and the City has expired, she said staff was requesting the Committee make a recommendation to the Board of Directors to renew the lease for another three years until September 2021 for an annual fee of \$1.00.

In conjunction with that it has come to the staff’s attention that the NYSDEC is offering an ERP grant opportunity for remediation, design and construction costs of municipally owned brownfield sites. The State is making \$10,000,000 available across the State and a key requirement is that a “Record of Decision” is in place, facilitating quick implementation of the remedy outlined in the ROD. The grant will pay 90% of the cost of the remediation and the Agency is eligible to apply for a grant in the amount of \$1,500,000.00. The Agency would be responsible for the 10% match. Ms. Spillane said staff was also requesting the Finance Committee make a recommendation to the Board authorizing the submission of a grant application to the NYSDEC and the expenditure of the necessary matching funds.

Mr. Kinsey asked how long it would take to clean up the site. Ms. Spillane responded it would be dependent on when the DEC awarded the grant funding. He also asked about DPW’s insurance coverage. Ms. Katzoff advised the City would carry any risk associated with the property and would be included in the lease documents.

Mr. Frame asked about the possibility of a developer being interested in the site prior to the lease expiring in 2021. Ms. Spillane responded it was possible but the remediation would need to be completed. Ms. Katzoff also advised the lease could be cancelled by either party with a 90 day notice.

There being no further questions, Ms. Murphy asked for a motion to recommend to the Board of Directors approval of both requests. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL COMMITTEE MEMBERS PRESENT APPROVED A MOTION TO RECOMMEND TO THE BOARD OF DIRECTORS APPROVAL OF A LEASE AGREEMENT WITH THE CITY OF SYRACUSE, TERMS AS DISCUSSED AND AN APPLICATION TO THE NYSDEC IN THE AMOUNT OF \$1,500,000.00 FOR GRANT FUNDING FOR REMEDIATION COSTS AND THE AGENCY EXPENDITURE OF 10% IN MATCHING FUNDS.**

327 Montgomery Street

Ms. Spillane reviewed a memo prepared by staff regarding the history of the Agency’s owner ship of the building and current status. She said the 8800 sq. ft. building has been owned by the Agency since 1996 and has been occupied by a single tenant “The Media Unit” during that time frame. She noted the current lease expires 12/31/18. She said the limited resources of the tenant have precluded it from making anything other than minimal repairs of the building during its occupancy. Exterior renovations paid for by the Agency were made in 2013 but the interior of the building requires substantial improvement.

She said staff along with members of the City’s administration has met with the tenant’s Board of Directors to discuss the non- profit’s future plans and the possibility of it relocating to different space.

She said recognizing the Agency's role to use its resources for economic development purposes staff is requesting the Finance Committee make a recommendation to the Board of Directors to continue with a month to month lease with the Media Unit and to hire an outside consultant to undertake a review of the building to assess its repair needs in an amount not to exceed \$10,000.00.

She said this should give the tenant time to find another location suitable to its needs.

Mr. Kinsey commented he thought \$10,000 seemed expensive for a review of the building's infrastructure. Ms. Spillane said staff had yet to get quotes but used that figure so it would not be necessary to come back for a second approval if the quotes came in higher than expected. She said she fully anticipated that quotes would come in lower than \$10,000.00.

Ms. Murphy asked if the Media Unit had been partners in these conversations. Ms. Spillane responded they were.

There being no further discussion, Ms. Murphy asked for a motion to recommend the Board of Directors approve the requests as presented.

Mr. Kinsey made a motion. Mr. Brown seconded the motion. **ALL COMMITTEE MEMBERS PRESENT APPROVED A MOTION TO RECOMMEND TO THE BOARD OF DIRECTORS EXTENSION OF THE LEASE WITH THE MEDIA UNIT ON A MONTH TO MONTH BASIS EFFECTIVE JANUARY 1, 2019 AND APPROVAL TO HIRE AN OUTSIDE CONSULTANT TO UNDERTAKE A COMPREHENSIVE REVIEW OF THE BUILDING TO ASSESS ITS REPAIR AND IMPROVEMENT NEEDS IN AN AMOUNT NOT TO EXCEED \$10,000.00.**

VI. Adjournment

There being no further business to discuss Ms. Murphy asked for a motion to adjourn the meeting. Mr. Kinsey made the motion. Mr. Brown seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:22 a.m.**