

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on June 20, 2017, 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 Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, M. Catherine Richardson, Steven Thompson, Kenneth Kinsey

EXCUSED: Donald Schoenwald

THE FOLLOWING PERSONS WERE ALSO PRESENT: **Staff:** Honora Spillane, Judith DeLaney, Meghan Ryan, Esq., Susan Katzoff, Esq., John Vavonese; **Others:** Mitchell Latimer, Robert Wilmott, Shakir Thomas, Aggie Lane, Sawdeep Gawtum, Merike Treier, James Breuer, Richard Engel, Ed Riley, Al Gough, Alex Marion; **Media:** Rick Moriarty, Beth Cefalu, Tom Cunningham

The following Resolution was offered by M. Catherine Richardson and seconded by Kenneth Kinsey:

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, by resolution adopted on March 5, 2014 (the “*Inducement Resolution*”), the Agency approved the appointment of Syracuse Community Hotel Restoration Company 1, LLC (the “*Company*”) as the Agency’s agent for purposing of undertaking a project (the “*Original Project*”) at the request of the Company consisting of: (A)(i) the acquisition by the Agency of a leasehold or fee interest in an approximately 1.014 acre lot of improved real property located at 100-08 Onondaga St. E. and Warren Street in the City of Syracuse, New York (the “*Land*”) by negotiated purchase or by exercising its power of eminent domain consistent with the New York Eminent Domain Procedure Law, the General Municipal Law and all other applicable laws; (ii) the transfer by the Agency of its interest in the Land and Facility to the company by quit claim deed; (iii) the renovation and reconstruction of the existing approximate 413,000 square foot 11 story historic hotel (formerly known as the Hotel Syracuse) located on the Land for use as an approximate 261 room full service hotel with one or more restaurants, lobby, lounge and bar, with approximately 66,775 square feet of meeting space and approximately 35,000 square feet of retail/commercial space, together with landscaping and site improvements, all located on the Land and all to be designated as the “Convention Center Hotel” in connection with the Onondaga County OnCenter located near the Project (the “*Facility*”); (iv) the acquisition and installation thereon of furniture, fixtures and equipment (the “*Original Equipment*” and together with the Land and the Facility, the “*Original Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use taxation and mortgage recording tax (the “*Original Financial Assistance*”); (C) the appointment of the Company as an agent of the Agency in connection with the acquisition, renovation, reconstruction and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease or sale agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company and the Corporation¹ to the Agency; and the sublease of the Project Facility back to the Company and the Corporation pursuant to a sublease agreement; and

WHEREAS, in October 2015, the Agency and the Company closed on its transaction (the “*Closing*”) with respect to the Original Project and conferred the approved Original Financial Assistance; and

WHEREAS, at the time of its Application and through its approval process, the Company indicated that there would be space on one or more floors within the Facility that would be subject to future additional build-out for use as additional hotel rooms should demand dictate and that it was the Company’s intent to develop and build one or more restaurants within the Facility; and

¹ Corporation shall mean Syracuse Community Hotel, Inc., a corporation organized and existing under the laws of the State of New York having an address of 500 South Warren Street, P.O. Box 998, Syracuse, New York 13201 and its permitted successors and assigns.

WHEREAS, pursuant to a letter dated June 15, 2017, the Company advised that it is ready to proceed with the build-out of additional space within the Facility (the "**Project**"), and has requested the Agency consider providing additional financial assistance for the Project, which will consist of: (A)(i) the continuation of its interest in the Original Project Facility; (ii) the renovation and reconstruction of approximately sixty (60) thousand square feet amongst the second, third and eleventh floors of the Facility for use as an additional fifty-four (54) guest rooms and the renovation of approximately ten (10) thousand square feet within the Facility for use as two restaurants all located on the Land (the "**New Facility**"); (iii) the acquisition and installation thereon of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the New Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use taxation and mortgage recording tax (the "**Financial Assistance**"); (C) the appointment of the Company as an agent of the Agency in connection with the acquisition, renovation, reconstruction and equipping of the Project Facility; and (D) the continuation of its interest in the Land and Facility by the Agency pursuant to a lease or sale agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company and the Corporation² to the Agency; and the sublease of the Project Facility back to the Company and the Corporation pursuant to a sublease agreement; and

WHEREAS, the Company has advised the Project will result in the creation of approximately thirty (30) new permanent full time equivalent jobs; 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 Project constitutes such an action; and

WHEREAS, the Agency has not yet made a determination under SEQRA with respect to the Project; and

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

WHEREAS, the grant of Financial Assistance to the Project is subject to, among other things, 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.

² Corporation shall mean Syracuse Community Hotel, Inc., a corporation organized and existing under the laws of the State of New York having an address of 500 South Warren Street, P.O. Box 998, Syracuse, New York 13201 and its permitted successors and assigns.

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 Project constitutes a “project” within the meaning of the Act; and

(B) The Financial Assistance contemplated with respect to the Project consists of assistance in the form of exemptions from State and local sales and use taxation and mortgage recording tax.

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

	<u>AYE</u>	<u>NAY</u>
William Ryan	X	
M. Catherine Richardson	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

