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

To: Governance/ Finance Committee Members
City of Syracuse Industrial Development Agency

From: Judith DeLaney

Date: September 8, 2022

Re: Joint Governance/ Finance Committee Meeting Agenda – September 15, 2022

The City of Syracuse Industrial Development Agency will hold a Joint Governance/ Finance Committee Meeting on **Thursday, September 15, 2022, at 8:00 a.m. via MICROSOFT Teams.** Members of the Public may participate. [Click here to join the meeting.](#)

I. Call Meeting to Order –

II. Roll Call –

III. Proof of Notice – 1

IV. Minutes – 2

Approval of the minutes from the August 10, 2022, Finance Committee meeting.

IV. New Business –

Governance Committee:

Uniform Tax Exemption Policy – Judy DeLaney – 3

Review and recommendation to the Board of Directors relative to revisions to the Agency's Uniform Tax Exemption Policy inclusive of a new Community Benefit Policy and revised Project Approval Policy.

Attachments:

- 1. Uniform Tax Exemption Policy. (revised)*
- 2. Community Benefit Policy. (new)*
- 3. Project Approval Policy. (revised)*

Finance Committee:

Review and recommendation to the Board of Directors relative to responses for a Request for Proposals for the sale of Agency property at 327 Montgomery Street.

Attachment:

1. RFP(s) – (under separate cover).

V. Adjournment –

City of Syracuse
Industrial Development Agency
201 East Washington Street, 6th Floor
Syracuse, NY 13202
315 448-8100

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PUBLIC MEETING NOTICE
THE SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
HAS SCHEDULED
A JOINT
GOVERNANCE & FINANCE COMMITTEE MEETING

THURSDAY SEPTEMBER 15, 2022

at 8:00 A.M.

VIA MICROSOFT TEAMS

MEETING LINK:

[Click here to join the meeting](#)

MEETING ID: 219 597 726 249

For More Information, Please Contact Judith DeLaney, Executive Director

[idelaney@syr.gov.net](mailto:idelaney@syr.gov)

City of Syracuse Industrial Development Agency
201 East Washington Street, 6th Floor
Syracuse, NY 13202
(315) 448-8100

Finance Committee Minutes
Friday, August 12, 2022

Due to the declaration of a public health emergency and the social distancing requirements imposed at the Federal, State and local level, this meeting was held in accordance with Executive Order 202.1 by video/telephone conference that was made available to the public.

Committee Members Present: Kathleen Murphy, Steven Thompson, Kenneth Kinsey, Rickey T. Brown, Dirk Sonneborn

Staff Present: Mike Lisson, Judith DeLaney, Susan Katzoff, Esq.

Other Present: Jacky Duong, Dave Mazur, Vaughn Davis

I. Call Meeting to Order

Ms. Murphy called the meeting to order at 8:02 a.m.

II. Roll Call

Ms. Murphy acknowledged all Committee members present.

III. Proof of Notice

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

IV. Minutes

Ms. Murphy asked for a motion approving the minutes from the June 16, 2022 Finance Committee meeting. Mr. Thompson made the motion. Mr. Brown seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE JUNE 16, 2022 FINANCE COMMITTEE MEETING.**

V. New Business

Equitable Financial Life Insurance Company

Ms. DeLaney said the Finance Committee is being asked to review and make a recommendation to the full Board of Directors to undertake a project. A public hearing was approved and will be held on August 16, 2022. Financial assistance is sought for the renovation of their offices in the AXA Towers. Reconstruction of the office space will accommodate a hybrid model renovation of an approximate 143,564 square feet area at an estimated cost of \$4.7 million. The company is requesting benefits from the Agency in the form of a sales and use tax exemption valued at approximately \$366,000.00. Equitable will retain 500 full time employees.

Ms. Katzoff advised and asked Mr. Mazur to confirm they are aware of Labor Law 220 obligations, which he did. He also stated they are very excited to get back into the office.

Mr. Sonneborn asked if full time employees would remain consistent. Mr. Mazur confirmed that they would.

There being no further discussion, Ms. Murphy asked for a motion for a recommendation to the Board of Directors to approve the application for financial benefits. Mr. Sonneborn made the motion. Mr. Thompson seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO MAKE A RECOMMENDATION TO THE BOARD OF DIRECTORS TO APPROVE THE APPLICATION FOR FINANCIAL BENEFITS.**

Agency Financial Reporting System

Ms. Delaney reported the Agency has been discussing transition of the Macola accounting software currently being used to Quickbooks. The Macola software is no longer serviced and requires patches and work arounds to keep afloat. Mr. Lisson spoke in favor of the change, stating that reporting is more intuitive and user friendly with Quickbooks. It also allows for more focus on specific numbers and a variety of reporting options. The online version of Quickbooks is what Mr. Lisson recommends as it automatically updates, making it the most current version, and is easily accessible to all users.

Mr. Thompson asked if it works with other City programs or if it is a stand alone program. Mr. Lisson answered it is a stand alone program as the IDA is separate from the City and has different state reporting obligations. Ms. Murphy stated PeopleSoft, the program used by the City, is far more complex and not suited to the Agency. Mr. Lisson confirmed.

Ms. Murphy asked Mr. Lisson to confirm his office will train and provide transition support to the Agency and staff. Mr. Lisson confirmed and added that Quickbooks also provides support and will help tailor the program to the Agency.

Mr. Sonneborn asked about the total cost of Quickbooks. Mr. Lisson said the Agency will pay 50% of the startup costs in the amount of \$6,750 which includes the \$2,500 annual fee which will be ongoing after the first year.

There being no further discussion, Ms. Murphy asked for a motion for a recommendation to the Board of Directors to approve the transition to Quickbooks software for SIDA accounting purposes and fund 50% of the startup costs in an amount not to exceed \$6,750 (which amount includes the annual fee of \$2,500). Mr. Sonneborn made the motion. Mr. Thompson seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO MAKE A RECOMMENDATION TO THE BOARD OF DIRECTORS TO PURCHASE ONLINE QUICKBOOKS SOFTWARE FOR THE TOTAL COST OF \$6750.00.**

VI. Adjournment

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

COMMUNITY BENEFIT POLICY

It is the desire of the City of Syracuse Industrial Development Agency ("**SIDA**" or "**Agency**") to promote and encourage project developers to undertake, complete and demonstrate one or more community benefits that inure to the benefit of residents and/or businesses of the City ("**Community Benefits**") as set forth herein.

In furtherance thereof, it is the policy of the Agency to require all project applicants and developers (collectively, the "**Applicant**") wishing to apply for an Enhanced PILOT Schedule under SIDA's uniform tax exemption policy ("**UTEP**") with respect to a Qualified Project (as defined in the Agency's UTEP) to undertake one or more Community Benefits all in accordance with the terms hereof.

A. Submission, Review and Approval.

1. Residential Project. For a Residential Project under the Agency's UTEP to qualify for an Enhanced PILOT Schedule thereunder, the Project applicant must, at the time of application for financial assistance, agree to incorporate and set aside an additional 20% of the Project's residential units to rent to tenants at or below 60% of the Area Median Income ("**AMI**") at applicable rent limits, including utilities, all as defined by US Department of Housing and Urban Development ("**HUD**") and locates in the NRSA or in a Distressed Census Tract (as those terms are defined in the Agency's UTEP) ("**Residential Community Benefit**").

2. Priority Project. For an Employment Project, a Commercial Project, a Historic Project or a NCAIS Project, all as defined under the Agency's UTEP, to qualify for an Enhanced PILOT Schedule, the Project applicant must, at the time of application for financial assistance, present to the Agency for approval, a detailed proposal setting forth the proposed Community Benefit(s) (as set forth herein) to be undertaken, the scope, timing, duration, costs and benefits ("**Community Benefit Proposal**").

SIDA, or any sub-committee or assignee so designated by SIDA, shall review each Community Benefit Proposal to determine if the proposal meets the intent and goals of this policy, SIDA's UTEP and SIDA's Project Approval policy. The approval of each Community Benefit Proposal is within the sole and absolute discretion of SIDA. The approval of each Community Benefit Proposal shall be made prior to SIDA adopting any final resolution with respect to a proposed project.

Subject to compliance with SIDA's UTEP and Project Approval policy, all Community Benefit Proposals approved pursuant hereto shall be entitled, at project completion, to receive an

Enhanced PILOT Schedule per SIDA's UTEP, as applicable.

If a Community Benefit Proposal was approved, the Project applicant must demonstrate compliance to the Agency at the times set forth herein, as applicable¹.

The aggregate value of the Community Benefits proposed and approved in accordance herewith must equal or exceed ten (10%) percent of the increased value to be received by the Applicant as a result of the Enhanced PILOT Schedule ("*Community Benefit Percentage*"). The Agency shall review such submission and determine, in its sole discretion, whether the totality of the proposed Community Benefits qualifies for the Enhanced PILOT Schedule under SIDA's UTEP.

B. Approved Community Benefits.

The following is a list of approved Community Benefits and the associated time frames for completion of same with respect to a Commercial Project, an Employment Project, a Historic Project or a NCAIS Project:

1. Benefits to be demonstrated at time of closing on the Enhanced PILOT Schedule with the Agency:

- Project contributes an amount equal to the Community Benefit Percentage to the Greater Syracuse Land Bank to provide for the demolition or stabilization of blighted properties;
- Project contributes an amount equal to the Community Benefit Percentage to the Syracuse Parks Conservancy to sustain, protect, restore, enhance and develop the City's parks, public lands and habitats for educational, recreational and wellness uses for City residents;
- Project contributes an amount equal to the Community Benefit Percentage to the Agency in its partnership with the City and Syracuse Surge to provide/promote/increase connectivity and/or access to wi-fi for underserved residents of the City; or
- Project contributes an amount equal to the Community Benefit Percentage to CNY Arts. *Such funds shall be used solely for public art in the City of Syracuse subject to the approval of the City's Public Arts Commission.*

2. Benefits to be demonstrated no later than sixty (60) days following the end of the second (2nd) year following Project Completion (as defined herein below) and annually thereafter in accordance with approved Community Benefit plan²:

¹ The duration of the Community Benefit and the attendant reporting period shall be determined by the Agency on a case by case basis.

² The duration of the Community Benefit and the attendant reporting period shall be determined by the Agency on a case by case basis.

- Project partners with City based not-for-profits such as Syracuse Build, CNY Works, recognized union apprenticeship programs or other Department of Labor approved programs to provide or support training/mentoring programs for City entrepreneurs, small businesses, veterans or MWBEs located within the City to start a business or learn a trade or vocation;
- Project agrees to hire, at minimum wage or higher, youth from the City's Summer Youth Employment Program;
- Project applicant develops and operates an internship program with the SCSD for on-job training for students; or
- Project partners with one or more justice re-entry programs to hire individuals to fill positions.

3. Miscellaneous:

- other community benefits presented by the Project applicant and approved by the Agency with a demonstration date to be determined by the Agency.

For purposes of this Policy, the term "***Project Completion***" shall mean the earlier of: (i) the date a certificate of occupancy was issued by the City for the project; or (ii) the completion date as defined under the lease documents entered into by the project applicant/company and the Agency to confer the exemption from real property taxes for the project.

C. Failure to Demonstrate Community Benefit.

If by the end of the third (3) year post Project Completion, project applicant, through no fault of its own but due to circumstances beyond its control³, is unable to complete its previously approved Community Benefits Proposal, project applicant may elect to notify the Agency and select to undertake one of the following as an alternate Community Benefit and complete same within thirty (30) days of such notification; but in all cases, the alternate Community Benefit must be completed by the end of the fourth (4) year post Project Completion:

- Project contributes an amount equal to the balance of the unrealized Community Benefit Percentage⁴, in cash or services or a combination thereof, to the Greater Syracuse Land Bank to provide for the demolition of blighted properties;
- Project contributes an amount equal to the balance of the unrealized Community Benefit Percentage, in cash or services or a combination thereof, to the Syracuse Parks Conservancy to sustain, protect, restore, enhance and develop the City's parks, public lands and habitats for educational, recreational and wellness uses for City residents; or

³ Such circumstances do not include financial hardship of the Company.

⁴ For purposes of this Section C, the project applicant shall submit proof satisfactory to the Agency of the amount of the unrealized Community Benefit Percentage.

- Project contributes an amount equal to the Community Benefit Percentage to Tomorrow's Neighborhoods Today.

If for any reason the Project applicant is not able to demonstrate compliance with its Community Benefits Proposal as set forth herein, Project applicant will nonetheless continue to benefit from the standard PILOT schedule set forth in its applicable PILOT agreement and as set forth in the UTEP. Failure to demonstrate compliance as provided for herein eliminates the ability of the project applicant to receive any Enhanced PILOT Schedule under the UTEP and to the extent the project did receive some or all of the benefits under an Enhanced PILOT Schedule, same shall be subject to recapture under the Agency's Recapture of Benefits Policy.

D. Amendment of Policy.

This Policy may be amended or modified at any time by the Board of Directors of the Agency.

E. Effective Date.

This Community Benefit Policy was adopted on the ____th day of September 2022 by the Board of the Agency and shall take effect on January 1, 2023.

UNIFORM TAX EXEMPTION POLICY

I. Purpose

The New York Industrial Development Agency Reform Act of 1993 (Chapters 356 and 357 of the Laws of 1993) created a new General Municipal Law Section 874 (4) that requires an Agency to establish a uniform tax exemption policy. This written policy shall constitute the City of Syracuse Industrial Development Agency's ("*SIDA*" or "*Agency*") uniform tax exemption policy ("*UTEP*") and shall provide guidelines for the granting of real property, mortgage recording, and State and local sales and use tax exemptions for qualified projects undertaken in accordance with the Agency's Project Approval Policy, Community Benefit Policy, this UTEP policy and the General Municipal Law (a "*Qualified Project*"). The Agency may deviate from the schedules and/or terms set forth herein on a case by case basis for a project expected to have significant economic impact on the City of Syracuse (the "*City*") as determined by the Agency members in accordance with this UTEP. Applicants must file an application ("*Application*") with the Agency to request applicable tax abatements and comply with the Agency's Project Approval Policy and Community Benefit Policy, as applicable.

II. REAL PROPERTY TAX ABATEMENTS

- A. Qualified Projects shall meet the criteria outlined in the Agency's Project Approval Policy, ***including but not limited to the Agency's City Hiring and MWBE Requirements*** (as set forth therein). If the project qualifies, and the Agency approves exemptions from certain real property taxes, the Agency and the Qualified Project owner shall enter into a payment in lieu of taxes ("*PILOT*") agreement, which provides for payments in lieu of taxes to the taxing jurisdictions generally in an amount less than what the real property taxes would be if Agency involvement did not cause the project to be tax exempt. **The Agency will not consider projects located on sites or facilities located on tax delinquent properties unless a tax payment plan is in effect between the property owner and the relative taxing jurisdiction.**
- B. The base assessment for valuation purposes of all property for which a PILOT agreement is sought, shall be the greater of: (i) the assessed value at time of application; or (ii) the purchase price of the site or facility. The Agency may, at the expense of the applicant, commission an independent appraisal of the subject property if, for any reason, the proposed value of the property is in question.
- C. Payments in lieu of taxes shall be described in detail in a written PILOT agreement between the Agency and the Qualified Project owner. Qualified Project owners shall pay to the Agency, or its designee, the amount calculated pursuant to the applicable PILOT agreement according to a schedule approved by the Agency. Payments received under all PILOT agreements shall be proportionally allocated among the affected taxing jurisdictions according to the amount of real property taxes the taxing jurisdiction would otherwise have received but for the Agency's involvement. Variations in the proportions

shall only be done with the consent of the affected taxing jurisdictions. The approved agreement shall take effect during the tax year immediately following the taxable status date (January 1 of each year) after the substantial completion date (as set forth in the lease documents executed by the Qualified Project owner in connection with the PILOT agreement (collectively, the "**Lease Documents**"). In no event shall the commencement date of PILOT agreement occur more than twenty-four (24) months following the date of the Lease Documents, unless otherwise consented to by the Agency in writing.

- D.** The Qualified Project shall make periodic payments in lieu of property taxes, in the amounts authorized under the approved PILOT agreement to the City of Syracuse (the "**City**"), or any other designee, for each year of the PILOT agreement.

Such payment shall be made within the period the City allows payment of taxes levied without penalty. The Qualified Project shall be entitled to receive receipts from the City for such payments. Unless otherwise agreed upon and authorized, the Agency or its designee shall submit to the Qualified Project owner semiannual statements specifying the amount and due date or dates of any payments due under the approved PILOT agreement. Statement shall be submitted to the Qualified Project owner (or to an agent designated in writing to the Agency by the Qualified Project owner) at the same time that tax bills are mailed by the City of Syracuse to the owners of privately owned property. If the Qualified Project owner shall fail to make any payment required under the PILOT agreement, its obligation to make the payment so in default shall continue as an obligation of the Qualified Project owner until such payment in default shall have been made in full, and the Qualified Project shall pay the same, together with interest thereon, to the extent permitted by law, the greater of (i) eighteen percent (18%) annually, or (ii) the annual rate which would be payable if such amounts were delinquent taxes, until so paid in full.

- E.** Notwithstanding the execution of any PILOT agreement, no Qualified Project shall be exempt from special assessments and special ad valorem levies lawfully levied and/or assessed against the facility premises.

III. DEFINED TERMS:

For purposes of this UTEP and the Agency's PILOT agreements, the following definitions shall apply:

"Commercial Project" means a project with less than 30% of the total square footage dedicated to residential units.

"Consent PILOT Agreement" means a PILOT Agreement for a Qualified Project where (i) the Agency and the Mayor consent to a proposed abatement schedule; or (ii) the City of Syracuse and the County of Onondaga consent to a proposed allocation of payments made under the PILOT agreement different than that provided for under applicable law by resolution of the governing body of each affected tax jurisdiction. A Consent PILOT Agreement does not constitute a deviation under this UTEP.

"Distressed Census Tract" shall have the meaning ascribed thereto by the applicable federal, state or local tax credit program applicable to the Qualified Project.

"Employment Project" means a project that retains 20 FTEs or creates 20 or more new permanent FTE jobs over 5 years.

"Historic Project" means a Commercial Project where at least 50% of the total sq. ft. of the project involves the restoration and renovation of a building designated as a Local Protected Site by the Syracuse Landmark Preservation Board, or properties eligible to be listed, or listed individually, or as part of a district on the National Register of Historic Places. Properties designated as a Local Protected Site must meet the requirements of New York State Real Property Tax Law, Section 444-a, and City of Syracuse Local Law No. 10-2010.

"NCAIS Project" means a project, the tenants of which are engaged in a North American Industry Classification System ("**NAICS**") as set forth in the Project Approval Policy **and** has less than 30% of its total square footage of the project dedicated to residential units.

"NRSA" means the Neighborhood Revitalization Strategy Areas as defined by the City of Syracuse Department of Neighborhood and Business Development Syracuse Consolidated Plan found at the following link: [http://www.syr.gov.net/uploadedFiles/Departments/Neighborhood and Business Development/Content/Consolidated%20Plan%202015-19%20Final%20-%202001-06-2016.pdf](http://www.syr.gov.net/uploadedFiles/Departments/Neighborhood%20and%20Business%20Development/Content/Consolidated%20Plan%202015-19%20Final%20-%202001-06-2016.pdf).

"Priority Employment Project" means a project that retains 50 FTEs or creates 50 or more new permanent FTE jobs over 5 years.

"Priority Project" means any Employment Project, Historic Project, NCAIS Project or Residential Project.

"Residential Project" means a project that has 70% or more of the total square footage of the project dedicated to residential units and includes 20% of the total units set aside to rent to tenants at or below 80% AMI¹ at applicable rent limits, including utilities², all as defined by US Department of Housing and Urban Development ("**HUD**").

¹ https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_IncomeLmts_State_NY_2022.pdf

² www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_NY_2022.pdf

IV. APPLICABLE PILOT SCHEDULES:

A. Standard PILOT Schedules:

Commercial Project = 10 year schedule as set forth below

Priority Project = 12 year schedule as set forth below

Priority Employment Project = 15 year schedule as set forth below

STANDARD PILOT SCHEDULE

YEARS	10 YEAR	12 YEAR	15 YEAR
1	100%	100%	100%
2	100%	100%	100%
3	100%	100%	100%
4	100%	100%	100%
5	100%	100%	100%
6	100%	100%	100%
7	100%	100%	100%
8	75%	100%	100%
9	50%	80%	100%
10	25%	60%	100%
11	0%	40%	80%
12	0%	20%	60%
13	0%	0%	40%
14	0%	0%	20%
15	0%	0%	10%
16	0%	0%	0%

B. Enhanced PILOT Schedules for Additional Community Benefits:

If a Commercial Project, Employment Project, Historic Project or NCAIS Project elects to comply with the Agency's Community Benefit Policy by engaging in, satisfying and demonstrating, in the sole and absolute discretion of the Agency, additional community benefits that inure to the benefit of residents and/or businesses of the City as set forth therein ("***Community Benefits*** ") the Qualified Project would benefit from an enhanced PILOT schedule as follows and as shown on chart below (an "***Enhanced PILOT Schedule***"):

- A Commercial Project with a 10 year PILOT schedule would go to 12 year PILOT schedule as set forth below.
- An Employment Project, a Historic Project or a NCAIS Project with a 12 year PILOT schedule would go to 15 year PILOT schedule as set forth below.

- A Residential Project with a 12 year PILOT schedule will go to a 15 year PILOT schedule ***but only if*** the project elects to locate in the NRSA or in a Distressed Census Tract ***and*** sets aside an additional 20% of the total units to rent to tenants at or below 60% AMI at applicable rent limits, including utilities, all as defined by US Department of Housing and Urban Development.
- No enhancement for a Priority Employment Project as such project is deemed to be a sufficient community benefit to warrant a 15 year PILOT schedule under IV(A) above.

ENHANCED PILOT SCHEDULE

YEARS	12 YEAR ENHANCED (previously a 10 Year Schedule)	15 YEAR ENHANCED (previously a 12 Year Schedule)
1	100%	100%
2	100%	100%
3	100%	100%
4	100%	100%
5	100%	100%
6	100%	100%
7	100%	100%
8	100%	100%
9	80%	100%
10	60%	100%
11	40%	80%
12	20%	60%
13	0%	40%
14	0%	20%
15	0%	10%
16	0%	0%

C. Consent PILOT Agreement.

The Agency may award a Consent PILOT Agreement at any time.

D. PILOT Deviations.

1. The Agency may deviate, on a case by case basis, from this UTEP policy.
2. Any deviations from this UTEP Policy shall require a written notification by the Agency to the chief executive officer of each taxing jurisdiction in advance of the meeting at which the proposed deviation will be considered.
3. Any deviations from this UTEP policy shall require approval by the Syracuse Common Council.

V. SALES TAX EXEMPTIONS

- A. The Agency's policy is to grant exemption of State and local sales and use taxes for all Qualified Projects. Such exemption would cover purchases of construction materials & equipment and of project related furniture, fixtures and equipment until the Qualified Project is completed, i.e. certificate of occupancy.

- B. Operating and maintenance expenses incurred by an Agent of the Agency for a Qualified Project of the Agency are not exempt from local and New York state sales and use tax.
- C. The Agency will file an "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60), which shall be valid for the specified period of time as determined by the Agency based upon the Qualified Project's construction schedule. Such appointment may be extended or renewed subject to a showing by the applicant of good cause and any restrictions and/or requirements imposed by the Agency or the State of New York upon such extension or renewal.

VI. MORTGAGE RECORDING TAX EXEMPTIONS

The Agency's policy is to grant exemption from the mortgage recording tax to all qualified and approved Commercial Projects and/or Priority Projects to the full extent of the law.

VII. RECAPTURE OF AGENCY BENEFITS

It is the policy of the Agency to recapture the value of PILOT payments, State and local sales and use tax and mortgage recording tax exemptions in accordance with the provisions contained in the Agency's Recapture Policy.

VIII. AMENDMENT OR MODIFICATION

The Agency, by resolution and upon notice to the taxing jurisdictions, may amend or modify the foregoing policy, as it may, from time to time determine, and in accordance to the Laws of the State of New York.

Adopted: September____, 2022
Effective January 1, 2023

City of Syracuse Industrial Development Agency

201 E. Washington Street, 6th Floor

Syracuse, New York 13202

Tel (315) 448-8100 Fax (315) 448-8036

PROJECT APPROVAL POLICY

I. STATEMENT OF PURPOSE

The City of Syracuse Industrial Development Agency (“**Agency**”) has adopted this Project Approval Policy (the “**Policy**”) in accordance with Section 859-a (5) of the New York State General Municipal Law. This Policy shall be consistent with and in compliance with the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “**Enabling Act**”) and Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (said Chapter and the Enabling Act being hereinafter collectively referred to as the “**Act**”), and any other applicable law.

II. PROJECT APPROVAL

A. Eligible projects for consideration hereunder shall include the following:

“**Commercial Project**” means a project with less than 30% of the total square footage dedicated to residential units.

“**Consent PILOT Agreement**” means a PILOT Agreement for a Qualified Project where (i) the Agency and the Mayor consent to a proposed abatement; or (ii) the City of Syracuse and the County of Onondaga consent by resolution of the governing body of each affected tax jurisdiction to a proposed allocation of PILOT payments made under the PILOT agreement different than that provided for under applicable law.

“**Distressed Census Tract**” shall have the meaning ascribed thereto by the applicable federal, state or local tax credit program applicable to the Qualified Project.

“**Employment Project**” means a project that retains 20 FTEs or creates 20 or more new permanent FTE jobs over 5 years.

“**Historic Project**” means a Commercial Project where at least 70% of the total sq. ft. of the project involves the restoration and renovation of a building designated as a Local Protected Site by the Syracuse Landmark Preservation Board, or properties eligible to be listed, or listed individually, or as part of a district on the National Register of Historic Places. Properties designated as a Local Protected Site must meet the requirements of New York State Real Property Tax Law, Section 444-a, and City of Syracuse Local Law No. 10-2010.

"NCAIS Project" means a project, the tenants of which are engaged in a North American Industry Classification System ("**NAICS**") as set forth in the Project Approval Policy **and** has less than 30% of its total square footage of the project dedicated to residential units.

"NRSA" means the Neighborhood Revitalization Strategy Areas as defined by the City of Syracuse Department of Neighborhood and Business Development Syracuse Consolidated Plan found at the following link: http://www.syrqov.net/uploadedFiles/Departments/Neighborhood_and_Business_Development/Content/Consolidated%20Plan%202015-19%20Final%20-%2001-06-2016.pdf.

"Priority Employment Project" means a project that retains 50 FTEs or creates 50 or more new permanent FTE jobs over 5 years.

"Priority Project" means any Employment Project, Historic Project, NCAIS Project or Residential Project.

"Residential Project" means a project that has 70% or more of the total square footage of the project dedicated to residential units and includes 20% of the units set aside to rent to tenants at or below 80% the Area Median Income ("**AMI**")¹, at applicable rent limits, including utilities², as defined by US Department of Housing and Urban Development ("**HUD**").

B. Each of the following must occur **prior** to the adoption of a resolution approving the grant of financial assistance for a project:

(i) Assessment

The members shall assess **all** material information included in connection with the application for financial assistance (the "**Application**") submitted by or on behalf of the company seeking such financial assistance (the "**Company**") in order to afford a reasonable basis for the decision by the Agency to provide financial assistance for a proposed project (the "**Assessment**"). As one part of their assessment of a proposed project, the members shall consider the priority industries and/or the North American Industry Classification System ("**NAICS**") sectors, all as set forth in **Exhibit "A"** attached hereto. No one factor qualifies or guaranties a project for approval or conference of any specific financial assistance. It is up to the Agency, in its sole and absolute discretion, to review, analyze and weigh all factors and policy initiatives when considering projects for approval.

(ii) Cost-Benefit Analysis

The members shall prepare or cause to be prepared a written cost-benefit analysis, including a ratio of abatement to new community investment (the "**Cost-Benefit Analysis**") identifying:

¹ https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_IncomeLimits_State_NY_2022.pdf

² www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_NY_2022.pdf

- the extent to which a Proposed Project will create and/or retain permanent, private sector jobs;
- the applicable priority industry and/or North American Industry Classification System ([NAICS](#)) sector as set forth on **Exhibit "A"** attached hereto, if applicable;
- the estimated value of any tax exemptions to be provided;
- the amount of private sector investment generated or likely to be generated by the Proposed Project;
- the likelihood of the Proposed Project being completed in a timely fashion;
- the extent to which the Proposed Project will provide additional sources of revenue for the municipality and school district; and
- other public and community benefits that might occur as a result of the Proposed Project.

(C) City Resident Hiring. *To qualify for any exemptions* under the Agency's Uniform Tax-Exempt Policy, every Project must commit to hiring 10% of its construction workforce, on a full-time basis, from residents of the City of Syracuse (the "**City**").

(D) MWBE Requirements. *To qualify for any exemptions* under the Agency's Uniform Tax-Exempt Policy, every Project must commit to all projects must incorporate MWBE vendor participation equal to a minimum of 10% of all SIDA abatements during the construction phase. MWBE vendors must be certified by the City and located within Onondaga County. Such hiring may be accomplished through CNY Works, Syracuse Build or other existing programs aimed at training and promoting local hiring.

During construction and following completion of construction, evidenced by the earlier of (i) the date a certificate of occupancy is issued for the Project by the City; or (ii) the completion date under the lease documents between the Proposed Project owner and the Agency to confer approved benefits, the Proposed Project owner must demonstrate to the satisfaction of the Agency compliance with each (c) and (d) above. Failure to do so shall give rise to an event of default under the lease documents and the Agency's ability to recapture benefits under its Recapture Policy.

The Proposed Project owner may seek a waiver of either (c) and/or (d) above, if and only if, such owner can demonstrate, to the sole satisfaction of the Agency, that notwithstanding all efforts, the owner was not able to find residents of the City able to fill the requisite number of construction jobs and/or an inability to hire the requisite number of MWBE vendors as set forth above. Any such request must, at a minimum, demonstrate the attempts made by the owner to satisfy the requirement.

Adopted: September____, 2022
Effective: As of January 1, 2023

EXHIBIT A

SELECTION CRITERIA BY PROJECT TYPE

High Tech, Manufacturing, Warehouse, Distribution

1. Wage rates (as compared to median wage for area)
2. Regional wealth creation (% sales/customers outside five county Central New York Region)
3. Regional purchases (% of overall purchases)
4. Research and development activities
5. Investments in energy efficiency
6. Location, land use, including use of brownfields or locally designated development areas
7. Support of existing local businesses
8. Use of LEED/renewable resources
9. Retention/flight risk
10. North American Industry Classification System (NAICS) Sectors:

Sector	Description
22	Utilities
31-33	Manufacturing
42	Wholesale Trade
48-49	Transportation & Warehousing
51	Information
811	Repair & Maintenance

Agricultural, Food Processing

1. Wage rates (as compared to median wage for area)
2. Regional wealth creation (% sales/customers outside five county Central New York Region)
3. Regional purchases (% of overall purchases)
4. Research and development activities
5. Investments in energy efficiency
6. Location, land use factors, proximity to local agricultural production
7. Use of LEED/renewable resources
8. Retention/flight risk
9. North American Industry Classification System (NAICS) Sectors:

Sector	Description
11	Agriculture, Forestry, Fishing & Hunting
311	Food Manufacturing
312	Beverage and Tobacco Product Manufacturing
3331	Agriculture, Construction, and Mining Machinery Manufacturing

Professional Services, Back Office, Data, Call Centers

1. Wage rates (as compared to median wage for area)
2. Regional wealth creation (% sales/customers outside area)
3. Regional purchases (% of purchases from local vendors)
4. Support of local business
5. Retention/flight risk
6. Use of LEED/renewable resources
7. North American Industry Classification System (NAICS) Sectors:

Sector	Description
52	Finance & Insurance
561	Administrative and Support Services
54	Professional, Scientific, & Technical Services
55	Management of Companies and Enterprises

Energy Production

1. wage rates (above median wage for area)
2. in region purchases (% of overall purchases, local construction jobs/suppliers)
3. advances renewable energy production/transmission goals
4. provides capacity or transmission to meet local demand or shortage

Adaptive Reuse, Community Development

1. Location within distressed census tract
2. Age of structure
3. Elimination of slum and blight
4. Building or facility vacancy
5. Redevelopment supports local community development plan
6. Environmental or safety issues
7. Use of LEED/renewable resources
8. Building or site has historic designation
9. Site or structure has delinquent property or other local taxes
10. Project developer's return on investment
11. Ability to obtain conventional financing

Tourism

1. Market study (documenting demand and impact on existing tourism and businesses)
2. Regional wealth creation
3. Proximity to and/or support of regional tourism attractions/facilities
4. Support of local official(s), convention visitors bureau
5. Regional purchases, support of local vendors
6. Use of LEED/renewable resources
7. Generation of additional local revenues (such as room occupancy taxes)

Retail

1. Meets all requirements of General Municipal Law Section 862
2. Market study documenting need
3. Goods or services not readily available
4. Impact on existing businesses
5. Regional wealth creation
6. Location within highly distressed census tract
7. Elimination of slum and blight
8. Alignment with local planning and development efforts

Senior Housing/Affordable

1. Market study (documenting unmet need and impact on existing housing facilities)
2. Location within a highly distressed census tract
3. Alignment with local planning and development efforts
4. Local official(s) support
5. Located in areas that provide support for below median income seniors
6. Location promotes walkable community areas
7. Project developer's return on investment
8. Ability to obtain conventional financing
9. Provision of senior-specific amenities (community rooms, health services, etc.)
10. Income level of potential residents (at or below median income)

Affordable Housing

1. Market study (documenting unmet need and impact on existing housing facilities)
2. Location within a highly distressed census tract
3. Alignment with local planning and development efforts
4. Local official(s) support
5. Located in areas that provide support for below median income individuals
6. Location promotes walkable community areas
7. Project developer's return on investment
8. Ability to obtain conventional financing
9. Income level of potential residents (at or below median income)

Miscellaneous Projects

1. Location within a highly distressed census tract
2. Alignment with local planning and development efforts
3. Support from local official(s) and the community
4. Promotion of transit-oriented or walkable community areas