



To: SEDCO Board of Directors
From: Eric Ennis
Date: December 28, 2021
Re: SEDCO Board of Directors Meeting Agenda – December 29, 2021

The Syracuse Economic Development Corporation **Board of Directors Meeting on Wednesday December 29, 2021 at 12:00 PM held via Webex:** <https://syrgov.webex.com/syrgov/j.php?MTID=m0f30287642498e5df8de4589d59982c3>

I. Call Meeting to Order

II. Roll Call – 1

III. Proof of Notice - 2

IV. Minutes – 3

Approval of minutes from the November 1, 2021 Board meeting.

V. New Business –

Ambergate Holdings LLC – 4

Bridge loan request related to a historic adaptive reuse of a building at 701 North Salina Street receiving Restore New York funding from the City of Syracuse.

Attachment:

1. *Memo to Board of Directors*

American Rescue Plan Act (ARPA) Lending Programs Update – 5

Provide an overview of the launch and progress made to date on Round 1 of the SEDCO ARPA Lending Programs.

2022 Meeting Schedule – 6

Proposed meeting schedule for 2022 calendar year.

Attachment:

1. *Proposed 2022 Meeting Schedule*

Organizational Updates – 7

Provide an overview of updates and staffing activity with the corporation.

VI. Adjourn



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PLEASE POST

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PUBLIC MEETING NOTICE

THE SYRACUSE ECONOMIC DEVELOPMENT CORPORATION

HAS SCHEDULED

A

BOARD OF DIRECTORS MEETING

ON

WEDNESDAY, DECEMBER 29, 2021

AT 12:00 PM.

VIA WEBEX

Meeting Link:

<https://syrgov.webex.com/syrgov/j.php?MTID=m0f30287642498e5df8de4589d59982c3>

VIA Phone

+1-408-418-9388

Access Code: 2333 013 6524

For more information, please contact Eric Ennis at EEnnis@syrgov.net

Minutes
Syracuse Economic Development Corporation
Board of Directors Meeting
Monday, November 1, 2021
3:30 – 4:30 PM

Meeting was held via Webex
Syracuse NY 13202

Board Members Present: Jennifer Tifft, Sheena Solomon, Richard Driscoll, Nick Petragnani, Patrick Lannon, David Mankiewicz, Steve Gross, Hon. Michael Greene.

Board Members Excused: Ashanti Dickerson.

Staff Present: Eric Ennis, Fred Marty, Esq., Brianca Hill; Cole King; Vinita Armstrong.

I. Call Meeting to Order

Ms. Tifft called the meeting to order at 3:36 PM.

II. Roll Call

Ms. Tifft acknowledged that all Board Members were present except for Ashanti Dickerson, and was excused.

III. Proof of Notice

Ms. Tifft made note acknowledging proof of notice was out in a timely manner.

IV. Minutes

Ms. Tifft asked for a motion approving the minutes from the July 20, 2021 Board meeting.

Ms. Solomon made the motion. Mr. Driscoll seconded the motion. **ALL BOARD MEMBERS PRESENT WITH THE EXCEPTION OF MR. PETRAGNANI UNANIMOUSLY APPROVED THE MEETING MINUTES FROM JULY 20, 2021.**

V. New Business

American Rescue Plan Act (ARPA) Loan Programs Update

Mr. Ennis provided an update on the efforts being made in preparation to launch several new lending programs through the use of American Rescue Plan Act (ARPA) funds that were allocated to SEDCO from the City of Syracuse.

Mr. Ennis referenced the outline that was shared with the board in advance of the meeting, which explained the proposed structure of the 'Micro-enterprise Fund'; the 'Small Business Assistance Fund'; and the 'Community Impact Fund'.

Mr. Ennis also explained the process for seeking assistance, which will include completing an initial online questionnaire using software known as AirTable. Once the questionnaire has been completed, staff will connect with the interested applicant and help advise them on the program that is most appropriate to apply to. A fillable PDF and supporting documents will be submitted in order to be considered a complete funding request for consideration.

Ms. Tifft noted that the structure of this program and all eligible uses of funds must meet the federal requirements that have been set by the U.S. Department of Treasury, which have played a critical role in the use and design of programs that are being designed with ARPA funds.

Ms. Solomon completed the use of the intake questionnaire process, and inquired about a question of whether the funding is solely for businesses that were negatively impacted by Covid-19.

Mr. Ennis stated that the program will focus on those businesses which have been negatively impacted by the pandemic, but new businesses that were established after March of 2020 will also be included as eligible.

Mr. Ennis also noted that two review committees will be created to review requests, which will begin meeting once all initial requests have been submitted and all information has been compiled by SEDCO staff. He also discussed a communications strategy in order to inform and make small businesses and entrepreneurs aware of the funding that is being made available through SEDCO.

The board shared their appreciation for the outline that was presented, and stated they look forward to beginning the process when the programs are launched.

SEDCO 2022 Organizational Budget.

Mr. Ennis provided an overview of the proposed 2022 Organizational Budget, and noted that Mr. John Vavonese was unable to attend the meeting and has recently retired from his role with the City of Syracuse, but participated in developing the budget as proposed prior to his departure.

He noted that several recent funding efforts and programs are included in the budget from 2021 and for the coming year, including the Covid-19 grant program that was funded through Community Development Block Grant (CDBG) funds, as well as the ARPA funds that were discussed earlier in the meeting. The projections included as part of the 2022 budget are based upon estimates of how the funds are likely to be allocated from the City of Syracuse.

Mr. Gross stated that it would be helpful for the board to include a separate revenue line that is specific to the American Rescue Plan funds in order to specify these resources from other revenue items.

Mr. Ennis agreed and noted this would be reflected in the final budget.

Mr. Ennis also noted that the payment restructure for Dey's Plaza LLC is incorporated into this budget, as well as an overall increase in the SEDCO administrative and staffing expenses to address additional capacity needs due to the new funding and programs that will require additional staffing assistance.

Mr. Driscoll and Mr. Gross discussed whether the grant revenue being allocated from the City of Syracuse should be listed under the expenses portion of the budget.

Mr. Ennis stated that we generally seek to balance the budget both income and expenses for grant program allocations, since we anticipate that SEDCO will invest these dollars into projects. Any interest collected as part of a loan is strictly considered revenue.

Mr. Gross stated this is how SEDCO and the City of Syracuse have always tracked and listed these allocations.

Ms. Tiffet asked for a motion to approve the 2022 Organizational Budget for the corporation. Mr. Gross made the motion. Ms. Solomon seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE PROPOSED 2022 ORGANIZATIONAL BUDGET.**

Organization and Loan Portfolio Updates

Mr. Ennis shared that SEDCO has completed the restructure and refinance of the Dey's Plaza LLC loans with SEDCO, which will consolidate the two loans into one that has already collected interest-only payments.

He also stated that the renovations and improvements to the Landmark Theatre have continued and the new seating and marquee have been installed, and the theatre hosted its first performance of Charlie and the Chocolate Factory. He thanked the board for their assistance of this project.

Mr. Ennis also shared he has been working with each of the Covid-19 emergency loan borrowers to confirm their desire to restructure the loan terms so that these can collect immediate payment at a 5% discount that was approved by the board, or restructure the loan into month payments for a period of three years. He noted these discussions with borrowers continue, and all borrowers have until November 30 to state their preference on how they would like to proceed.

Mr. Ennis stated the final item of new business he was seeking the board to vote on is a request to execute the dissolution of an entity that is controlled by SEDCO following a merger in 2010. The entity, Rebuild Syracuse LLC was established to facilitate the Empire Zone program dating back to the 1980's, and was no longer needed as the program was phased out. At the start of the Miner Administration in 2010, the Rebuild Syracuse LLC entity was dissolved based upon board meeting minutes that were compiled. Following the vote however, the dissolution was never filed with the New York Department of State. For this reason, we are seeking board approval to codify approval of the dissolution and allow SEDCO to formally dissolve the entity following its merger with the corporation.

Ms. Gross made the motion to formally dissolve the Rebuild Syracuse LLC entity. Mr. Driscoll seconded the motion. **ALL BOARD MEMBERS PRESENT APPROVED TO DISSOLVE REBUILD SYRACUSE LLC.**

VI. Adjourn

Ms. Tifft asked for a motion to adjourn the monthly board meeting. Mr. Gross made the motion. Ms. Solomon seconded the motion. **ALL BOARD MEMBERS PRESENT APPROVED TO ADJOURN THE MEETING.**

The meeting adjourned at 4:38 PM.



December 28, 2021

Memorandum To: SEDCO Board of Directors
From: Eric Ennis
Re: Ambergate Holdings, LLC
SEDCO Bridge Loan Request – \$268,000.00

Background:

In 2018, Ambergate Holdings LLC was awarded grant funding from the City of Syracuse to renovate a mixed-use building located at 701-03 North Salina Street through the Restore New York initiative. The funds were awarded to the City by Empire State Development. Jamie Stevens, the owner of the property and Ambergate Holdings LLC, completed the redevelopment of the historic North Salina street property in 2020, after facing significant delays and cost increases due to the Covid-19 pandemic. In total, the total cost of the project was \$1.1 Million and resulted in the creation of fully renovated apartments on the 2nd & 3rd floors, as well as 6,000 square feet of commercial space. Mr. Stevens now resides in one of the apartments following completion of the renovation. The total funding awarded to the project by the City of Syracuse was \$400,316.

As the primary lender for the project, Solvay Bank committed in 2018 to provide a combination of construction and bridge financing to complete the project. This totaled \$600,995 in construction financing and \$267,016 in bridge loan financing. Solvay Bank increased its commitment due to cost overruns, exceeding \$150,000. Despite these challenges, the project was completed and received a certificate of occupancy in January 2021. Upon project completion, the construction loan was converted into permanent financing and a mortgage lien remains on the property. Solvay Bank provided the short-term bridge financing and agreed to await disbursement from the City of Syracuse in order to proceed with paying off the bridge loan. This disbursement was originally expected shortly after project completion. In addition to Solvay Bank, Home Headquarters provided the remaining \$133,300 needed to cover the full cost of the bridge loan, which still remains in place and has been granted previous extensions.

Due to the ongoing pandemic and delays experienced by other projects included as part of the Restore NY program, the City was delayed in its ability to submit the necessary paperwork for Empire State Development to begin the disbursement process and execute a grant disbursement agreement. The City has remained in communication with ESD throughout this period about the status of these delays, and expects to receive the awarded funds and begin making disbursements in 2022.

Solvay Bank has provided several extensions on project financing since the initial approval in October 2018, however the bank has communicated it is no longer willing to provide an extension on the bridge loan financing. The loan will achieve maturity on December 31, 2021 and has declined requests from Mr. Stevens for further extensions. This has resulted in Mr. Stevens being unable to pay the full loan maturity amount while awaiting the disbursement of grant funding, and requiring the developer/building owner to secure alternative financing to repay the bridge loan that was necessary to complete the renovation.

Proposed Project:

The applicant is seeking assistance from SEDCO to provide the capital necessary to maintain bridge financing for the Restore NY funds until the funding awarded to the redevelopment project can be disbursed by the City of Syracuse. The proposal would allow the applicant to repay the bridge loan financing owed to Solvay Bank, and SEDCO would execute a new bridge loan for a period of 12 months (1 year) as the City of Syracuse anticipates receiving the Restore funding from Empire State Development by December 31, 2022.

Loan Request:

Ambergate Holdings, LLC is requesting a bridge loan from SEDCO in the amount of \$268,000 in order to provide the financing necessary to address the maturity date being enforced by Solvay Bank, and providing a temporary extension to the bridge financing required that will be paid back upon disbursement of the Restore NY award.

Borrower:

Jamie Stevens is the 100% sole owner of Ambergate Holdings LLC, which owns 701-03 North Salina Street. Tax returns and a personal financial statement submitted by Mr. Stevens show total assets of approximately \$785,241 in total assets, which is largely held in real estate through two commercial properties. The applicant is an attorney by profession, and has student loan debt that makes up the majority of financial liability. Other outstanding liabilities include the outstanding mortgage balances repayments on the two aforementioned properties.

The applicant is already an existing borrower with SEDCO, and in 2019 was approved for financing for the acquisition of the property immediately adjacent to 701-03 North Salina located at 102 Lock Alley. Mr. Stevens has continually made on-time payments on his loan to SEDCO and has not had any history of delinquency.

Collateral:

SEDCO would seek a personal guarantee from Mr. Stevens as the sole owner of the borrowing entity.

Recommendation:

The Loan Committee met with the borrower to discuss the request, and has recommended approval of the loan amount as presented. SEDCO could seek to structure the loan with interest at a rate deemed appropriate by the board with a term of one (1) year (12 months) period. The City of Syracuse expects to receive the disbursement of \$400,316 in 2022, allowing Mr. Stephens to repay the short term loan within the 12 month period.

Due to unprecedented circumstances beyond the applicant's control, ranging from Covid-19 to the delays experienced by other Restore NY projects and Empire State Development, the proposed bridge loan would remove a financial hardship that is being created by the maturity of the existing bridge loan financing from the primary lender.



Board of Directors Meetings

2022 Schedule

Board of Directors Meeting

(Place of meeting to be determined)

January 25, 2022

February 22, 2022

March 22, 2022

April 26, 2022

May 24, 2022

June 21, 2022

July 26, 2022

August 23, 2022

September 27, 2022

October 25, 2022

November (To Be Determined)

December (To Be Determined)

Note: Agenda items and related documentation should be provided not later than **two (2) weeks** prior to each scheduled meeting date. Items should be sent to the attention of Eric Ennis by e-mail at [EEnnis@syr.gov.net](mailto:EEnnis@syr.gov) by mail at the address below:

Syracuse Economic Development Corporation
City Hall Commons
201 East Washington Street, 6th Floor
Syracuse, NY 13202

*** SEDCO Loan Committee Meetings will be scheduled on an as needed basis a week prior to a scheduled Board of Directors Meeting***