

City of Syracuse Industrial Development Agency

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Minutes

Board of Directors Meeting

Tuesday, August 17, 2021

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

Staff Present: Judith DeLaney, Susan Katzoff, Esq., Lori McRobbie and John Vavonese

Others Present: Bruce Smith, Esq., Dr. Benjamin McHone, Jason Evans, Matt Rayo, Rick Moriarty

I. Call Meeting to Order

Ms. Murphy called the meeting to order at 8:05 a.m.

II. Roll Call

Ms. Murphy acknowledged that in addition to herself, Board members Steven Thompson, Rickey T. Brown, Kenneth Kinsey and Dirk Sonneborn were present.

III. Proof of Notice

Ms. Murphy acknowledged that notice of the meeting had been duly and properly provided.

IV. Minutes

Ms. Murphy asked for a motion approving the minutes from the July 20, 2021 Board of Directors meeting. Mr. Brown made the motion. Mr. Sonneborn seconded the motion. **THE MOTION TO APPROVE THE MINUTES FROM THE JULY 20, 2021 BOARD OF DIRECTORS MEETING WAS UNANIMOUSLY APPROVED.**

V. New Business

Intrepid Lane ASC d/b/a Intrepid Land Endoscopy and Surgery Center, LLC

Ms. DeLaney reported that the Agency received an application for financial assistance from the Company for a project to be located at 190 Intrepid Lane off of Brighton Ave in the City's south east neighborhood consisting of a total renovation and repurpose of the 16,624 sq. ft. building

(former medical office) now vacant, to a multi-specialty ambulatory surgery center with four operating rooms specializing in endoscopy, urology and colorectal surgery. The project is located in one of the City's distressed census tracts. The center will be the first ambulatory surgery center specializing in urology in Onondaga County and will provide services to underserved populations by participating in fee for service Medicaid and Medicaid Managed Care Plans. New job creation at this site is estimated to be 20 new employees (these positions will not be transfers from other sites). Cost of the project is estimated to be \$5,122,000.00. The applicant is requesting an exemption from sales and use tax valued at \$288,000. There are no other requested benefits.

Dr. McHone spoke in favor of the project. There has been a shortage of service centers since the COVID pandemic. St. Joseph's which was located off Taft Road closed and with no alternatives, cases are now being sent to the hospitals. The project will provide a more cost-efficient option for patients and provide much needed additional space for these procedures thereby reducing delays in services.

Mr. Thompson asked if this is privately owned. Ms. Murphy clarified and asked if the Company owns the building vs. a hospital. Dr. McHone said the Company (not the hospital) has a lease to own. Mr. Smith said the original lease term is 15 years.

There being no further discussion, Ms. Murphy asked for a motion to approve a resolution for a public hearing. Mr. Thompson made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE ACQUISITION, RENOVATION, EQUIPPING AND COMPLETION OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT; DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND AUTHORIZING A PUBLIC HEARING.**

The Syracuse Flatiron, LLC

Ms. DeLaney reported that the Agency received an application for financial assistance from The Syracuse Flatiron, LLC for a project to be located at 530 North Salina Street in the City's "Little Italy" neighborhood. The Company proposes a full gut and rehabilitation of both the exterior and interior of the vacant and neglected historic building at a cost of \$2.2 million dollars. At completion the mixed use will contain two first floor commercial units and five residential units. The owner forecasts residential rents from 850 to \$1142 monthly. One commercial tenant has been identified with an expected job creation of five positions. The owner is requesting benefits from the Agency in the form of exemptions from mortgage tax (\$12,448), sales tax (\$72,448) and a 15-year Priority & Residential PILOT value to be determined. It should be noted the Project is eligible for the PILOT due to its location in a highly distressed census tract and the City's neighborhood Revitalization Area (NRSA). This building has long been an eyesore and the target of past efforts by both community activists and the City to encourage its revitalization.

There being no further discussion, Ms. Murphy asked for a motion to approve a resolution for a public hearing. Mr. Brown made the motion. Mr. Sonneborn seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE ACQUISITION, RESTORATION, PRESERVATION,**

RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A MIXED-USE FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT; DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND AUTHORIZING A PUBLIC HEARING.

Syracuse Bread Factory LLC

Ms. DeLaney reported that the Agency received an application for financial assistance from Syracuse Bread Factory LLC for a project to be located at 200 Maple Street in the City's near east side neighborhood, the abandoned site of the former Cooper Decoration company. The 100 year old historic building originally designed by Ward Wellington Ward as a commercial bread baking facility has been vacant for a number of years and has suffered substantial neglect and disrepair. The applicants propose the gut renovation of the 64,400 square foot building to a mixed residential commercial use to include 16,700 square feet comprised of 19 studio, one and two-bedroom residential units; and 27,500 square feet of commercial retail space. The remaining roughly 20,000 square feet will be comprised of common areas, a courtyard, and storage/mechanicals. There will also be surface parking for approximately 70 cars. Cost of the project is estimated to be \$16,090,000.00. The applicants are requesting benefits from the agency in the form of a mortgage tax abatement valued at \$63,000 and a sales tax abatement valued at \$666,880.

Ms. DeLaney indicated that Jason Evans and Matt Rayo, representing the Company, were present at the meeting.

Mr. Evans said the building has been vacant for 20 years. They are applying for historic tax credits. The project will consist of about ½ residential space and ½ commercial space.

Mr. Kinsey asked the cost of the project. Mr. Evans indicated the project cost is approximately \$16,000,000.

Mr. Sonneborn asked how the need for residential space is determined. Mr. Evans indicated they are still piecing together what is needed in the particular neighborhood and they hope the project will become a destination. Mr. Rayo added that there will be several commercial tenants. The Company will begin the application process for historic tax credits in the next year or so. It will be a one year process. The land was purchased from the Landbank. They hope to close on the project by the end of 2021.

Mr. Brown asked for the Company estimates receiving on historic tax credits. Mr. Evans said conservatively, \$4,000,000. Ms. Murphy said that is roughly 25% of the total Project costs.

Mr. Sonneborn asked about what other funding they are seeking. Mr. Evans said they received a \$1,000,000 grant from Empire State Economic Development. Mr. Evans said they have been talking to investors.

Ms. Murphy said the company will come before the Finance Committee to discuss the proforma in more detail.

There being no further discussion, Ms. Murphy asked for a motion to approve a resolution for a public hearing. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION DETERMINING THAT THE ACQUISITION, RESTORATION, PRESERVATION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A MIXED-USE FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT; DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND AUTHORIZING A PUBLIC HEARING.**

Ms. Katzoff asked the Board to consider the lead agency resolution for the project authorizing the Agency to act as Lead Agency for the purposes of SEQRA.

There being no discussion, Ms. Murphy asked for a motion. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION CLASSIFYING A CERTAIN PROJECT AS A TYPE I ACTION AND DECLARING THE INTENT OF THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY TO BE LEAD AGENCY FOR PURPOSES OF A COORDINATED REVIEW PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT.**

VI. Adjournment

There being no further business to discuss Ms. Murphy asked for a motion to adjourn the meeting. Mr. Kinsey made a motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:24 AM.**