City of Syracuse Industrial Development Agency

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Minutes
Board of Directors Meeting
Tuesday, February 16, 2021

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.

Board Members Present: Kathleen Murphy, Steven Thompson, Kenneth Kinsey, Rickey T. Brown and Dirk Sonneborn, all via tele/videoconference (in accordance with the Governor's Executive Order 202.1).

Staff Present: Judith DeLaney, Susan Katzoff, Esq., John Vavonese, Lori McRobbie, all via tele/videoconference (in accordance with the Governor's Executive Order 202.1).

<u>Others Present</u>: Aimee Durfee, Kevin Schwab, Alissa Tubbs, Jessica Barbuto, Wendy Lougnot, Esq., Jennifer Tifft, all via tele/videoconference (in accordance with the Governor's Executive Order 202.1).

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, Kenneth Kinsey, Rickey T. Brown 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 November 13, 2020 Special Board of Directors meeting and the January 19, 2021 Board of Directors Meeting. Mr. Brown

made the motion. Mr. Kinsey seconded the motion. THE MOTION TO APPROVE THE MINUTES FROM THE NOVEMBER 13, 2020 SPECIAL BOARD OF DIRECTORS MEETING AND THE JANUARY 19, 2021 BOARD OF DIRECTORS MEETING WAS UNANIMOUSLY APPROVED.

V. New Business

Ranalli ALA, LLC

Ms. Katzoff advised that the Ranalli ALA, LLC Project closed in April 2020 and is underway. The Company is requesting an increase in financial assistance due to the impacts of COVID on project costs (which have increased by over \$1,000,000) and in particular the cost of steel. The request is for an increase of \$85,224 in the amount of State and local sales and use tax exemption and an increase of approximately \$14,775 in the amount of mortgage recording tax exemption.

Ms. Katzoff further advised that the Company is requesting the Agency's participation in permanent mortgage financing and that such financing was contemplated by the leases. She said that counsel for the Company was in attendance and available for any questions.

There being no discussion Ms. Murphy asked for a motion to approve the resolution. Mr. Kinsey made the motion. Mr. Thompson seconded the motion. ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING THE AGENCY'S PARTICIPATION IN THE MODIFICATION OF CERTAIN FINANCING DOCUMENTS WITH REGARDS TO A PROJECT AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH.

Syracuse Build Initiative

Ms. DeLaney reported that the Agency received CenterState CEO's ("CenterState") January 2021 quarterly report outlining progress made on the Syracuse Build project. She also advised that the Agency received a request from CenterState to extend the term of the Cooperation Agreement, previously entered between the Agency and CenterState, from April 30, 2021 to December 31, 2021. Ms. DeLaney stated that representatives from CenterState were in attendance and available to discuss both the quarterly report and the extension request.

Aimee Durfee, CenterState's Director of Workforce Innovation reported that CEO/Work Train has accomplished a number of elements of the Syracuse Build project as outlined in their February 12, 2021 letter (a copy of which is attached).

This grant is leveraging funding from multiple public/private sources and organizations to develop and launch the Syracuse Build initiative ("Syracuse Build" or the "Initiative"). Syracuse Build is a coordinated effort to align construction training programs, union apprenticeship programs, construction employers and the public workforce system toward the goal of increasing the number of Syracuse women and people of color working on publicly contracted construction jobs, including Interstate 81.

Ms. Durfee said an extension under the Cooperation Agreement is being requested due to the challenges created by COVID-19, including to the reduced need for entry-level construction workers.

According to Ms. Durfee, their research showed a significant downturn in construction jobs with at least one month (November, 2020) showing zero positions available. Construction companies are experiencing cancelled projects and significant delays. These companies are trying to utilize their current workforce and are not hiring new employees.

During this time, CenterState has deepened its focus on pathway to apprenticeship.

SUNY EOC has agreed to provide test preparation for construction apprenticeship entry exams, as well as math and English tutoring, ESL, GED and digital literacy for students in construction training programs.

Ms. Durfee presented a slide presentation (see attached).

The Initiative's programming will resume in May with Pathways to Apprenticeship which is a pre-apprenticeship construction skills training program. CenterState is working in close collaboration with six CNY union apprenticeship programs. The purpose of the program is to provide training and preparation to increase access for Syracuse residents, women and people of color to successfully enter union apprenticeship. The program follows the Apprenticeship Readiness Program (ARP) model and will use the Multi-Craft Core Curriculum (MC3) in addition to tutoring in math skills. Classes will be taught by union trainers. The first cohort will start in May 2021.

In addition, CenterState will be convening the Syracuse Build Construction Industry Partnership round table in early March (the "Round Table"). The Round Table will bring together construction employers to better understand their needs and challenges to hiring diverse, local talent. These industry partnerships are a core element of the model, and CenterState is utilizing them across multiple sectors to design workforce programs and address diversity hiring issues.

CenterState is requesting an extension until December 31, 2021 to spend down funds to allow the focus to be on construction careers (not just training with no jobs to fill).

Mr. Brown inquired about non-traditional partnerships, specifically NaDonte Jones (master plumber, who runs a plumbers' apprenticeship program and provides on the job training). Mr. Brown said no efforts were made to join his program and the same partners are still at the table.

Ms. Durfee said she did speak to Mr. Jones regarding his apprentice program. The issue with Mr. Jones' program is he needs additional funding if he is going to train more people. She reached out to CNY Works to determine if they were able to allocate some of their federal funding geared at apprenticeships towards his program. Unfortunately, at this time CNY Works does not have the ability to redirect the funding. Notwithstanding, Mr. Jones' is a participant at the CenterState's spring Round Table discussions.

Mr. Brown said he is still struggling as he does not see a significant change in the structure of the approach and without addressing the apprenticeship opportunities (throughout the entire process) continuing to do entry level training will not address the problem. He is his concerned with outcomes. Unemployment is three times the national average for black residents. Mr. Brown works with Diversify New York and he is unaware of any conversations with the Initiative which is disconcerting.

Ms. Murphy asked if Mr. Jones needs additional funding to grow his business.

Mr. Brown said Mr. Jones can't find skilled workers. He needs 4th and 5th year journeymen out of the apprenticeship programs but those people do not exist because people of color are not advancing through the program due to a lack of opportunity. Therefore, Mr. Jones is left to train entry level persons which takes time and money. He needs additional resources to be able to expand the training. He also stressed that Mr. Jones needs to be at the table.

Ms. Durfee said Mr. Jones will be at the Round Table discussion. He is having the same problem as others. Short term training could have been done during this period of time but the Initiative recognized that without jobs the efforts would be fail. Ms. Durfee said the Initiative has been and will continue to work with the unions to address the apprenticeship opportunity concerns and she noted they have been receptive and are desirous of participating.

Mr. Brown said that since 1964 the same partners have been at the table and the same outcomes again and again.

Ms. Durfee said she is optimistic and agreed that change has been a long time coming but she is optimistic that they have the structures in place to make the necessary changes.

Mr. Sonneborn asked specifically what does Mr. Brown want to see?

Mr. Brown said he wants to see the engagement of Mr. Jones and have time at the table. He is a master plumber with a successful apprenticeship with 25 employees. Resources are not available to him. Mining unions for 4th and 5th year Journeymen is where the problem arises. Mr. Jones is training on the job. He needs resources to continue that work if the apprenticeship programs are not going to generate qualified minority candidates.

Mr. Durfee said to clarify, she has had two discussions with Mr. Jones and he is included in the Round Table group set to meet in March to discuss employment issues.

Ms. Murphy asked for a full report on the "Round Table" meeting, communications and relationships in the Initiatives quarterly reports.

Ms. Durfee and Mr. Brown discussed the fact that Mr. Jones runs a non-union apprenticeship.

Mr. Brown indicated that there are disadvantages to putting money into union training programs if those programs are not building the needed resources and not producing people of color with the necessary skills. Mr. Brown believes the problem is systemic and purposeful.

Ms. Durfee noted that the union is at the table because they recognize the need.

Ms. Murphy said this Initiative has to move the needle to increase opportunities for minorities and women. The Initiative must continue to press the priority. Hopefully all efforts will help move the needle. She reiterated that a report on the Round Table should appear in CenterState's next quarterly report.

Mr. Brown wants to see more specific information regarding the number of people of color progressing through the apprenticeship programs (e.g. getting all the hours required to complete and be certified). He believes the unions should be forced to acknowledge and address their deficiencies in this regard. Ms. Durfee said the Initiative's goals focus on entry level training and readiness and the allocated funds and agreements to put these trainings in place expire well before the later years of the apprenticeship program so they do not have the ability to track those numbers however she believes the opportunity for those data points to be tracked will come from other discussions with the State and the City currently underway relative to the I-81 project and others.

Ms. Murphy asked for final remarks.

Mr. Thompson asked how many people will be served under the Cooperation Agreement. Ms. Durfee said 36.

Ms. Murphy asked if that goal is achievable.

Ms. Durfee said yes.

Mr. Thompson inquired whether resources could be split to focus efforts (for e.g.) 1/3 on GED; 1/3 on folks in 3-4 year journeymen positions to ensure completion and 1/3 on folks in the middle?

Ms. Durfee said the dedicated funds from the various funding sources provides for front end/training people and the resources necessary to deploy same.

Ms. Murphy asked if there were any other comments or questions.

There being no further discussion, Ms. Murphy asked for a motion to approve the request to extend the grant with quarterly reports from CenterState to the Board. Mr. Thompson made the motion. Mr. Kinsey seconded the motion. A MOTION APPROVING EXTEND THE TERM OF THE CURRENT COOPERATION AGREEMENT REGARDING THE SYRACUSE BUILD INITATIVE FROM APRIL 30, 2021 TO DECEMBER 31, 2021.

Mr. Brown abstained from voting. All other board members voted in favor of the extension.

Mr. Thompson said he appreciates Mr. Brown keeping these issues on the front burner. Ms. Murphy agreed.

VI. Executive Session

Ms. Murphy asked for a motion to move into Executive Session for the purposes of discussing potential acquisition of property.

Mr. Sonneborn made the motion. Mr. Thompson seconded the motion. ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN TO EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING THE POTENTIAL ACQUISITION OF PROPERTY.

The Board entered executive session at 9:04 a.m.

Ms. Murphy asked for a motion to approve spending of up to \$7,500 to seek a property appraisal. Mr. Sonneborn made the motion. Mr. Brown seconded the motion. ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO APPROVE THE SPENDING OF UP TO \$7,500 FOR A PROPERTY APPRAISAL.

Ms. Murphy asked for a motion to adjourn out of executive session. Mr. Brown made the motion. Mr. Sonneborn seconded the motion. ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN OUT OF EXECUTIVE SESSION.

The Board exited executive session at 9:18 a.m.

VII. Adjournment

There being no further business to discuss Ms. Murphy asked for a motion to adjourn the meeting. Mr. Kinsey made a motion. Mr. Sonneborn seconded the motion. ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 9:18 AM.