

City of Syracuse Industrial Development Agency

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Minutes

Board of Directors Meeting
Tuesday, July 20, 2021

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

Board Member Excused: Kenneth Kinsey

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

Others Present: Aggie Lane, Joe Marusa, Peter King, Elmore Davis, Rick Moriarty

I. Call Meeting to Order

Ms. Murphy called the meeting to order at 8:03 a.m.

II. Roll Call

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

III. Proof of Notice

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

IV. Public Hearing

Beacon Armory LLC

Ms. Murphy opened the Hearing at 8:03 a.m. and asked Ms. DeLaney to read the Notice of Public Hearing on the project. A copy of the notice is attached and included in the minutes.

Ms. DeLaney read the notice that was published in the newspaper into the record. No written comments were received. Ms. Murphy asked if anyone had any comments in support of this project.

Aggie Lane with the Urban Jobs Task Force spoke. She said she is supportive that the company is not asking for a PILOT. But they are asking for almost \$225K in tax relief. Ms. Lane is

advocating to have SIDA require the company to provide some community benefits in exchange for such benefits. The Urban Jobs Taskforce ("UJT") is lobbying for two benefits. First, to make sure that a carve-out for Syracusans is put into the Local Labor Policy for the construction jobs. She went through 10,000+ payroll records through UserID and for the Joint School Construction data. 20% carve-out for Syracusans. She is going segregate the data and share it with Ms. DeLaney. UJT's position is that the local hiring requirement is needed to ensure those construction wages benefit City residents. That is the community benefit. By employing residents, communities become whole because they are working with halfway decent wages and be able to create a resume and career and not just a one-off. UJT says the capacity is there.

Second community benefit is affordable rent. The project in front of the board has no affordable component. UJT wants to see an affordable component across the board. What is happening downtown causes rents to rise in neighborhoods like her own which is right on the boarder and that is not good. Need to get some affordable rent and it should be based on Syracuse's metropolitan area not the wider county area, otherwise you are not going to get affordable rents downtown.

Ms. Murphy then asked if anyone wished to speak in support or against to the project. No one else spoke in support or against the project.

Ms. Murphy closed the Public Hearing at 8:13 a.m.

V. Minutes

Ms. Murphy asked for a motion approving the minutes from the June 25, 2021 Board of Directors meeting. Mr. Brown made the motion. Mr. Sonneborn seconded the motion. **THE MOTION TO APPROVE THE MINUTES FROM THE JUNE 15, 2021 BOARD OF DIRECTORS MEETING WAS UNANIMOUSLY APPROVED.**

VI. New Business

Salina 1st LLC

Ms. Katzoff advised that the Company is seeking an extension of the Agency Agreement due to a delay in their equity funding for the project.

Mr. Sonneborn asked about the status and the goal of equity funding needed by the Company. Ms. DeLaney said they have raised \$500,000 in loans and equity and that they are still working to raise \$1,000,000 to \$1,500,000.

There being no discussion, Ms. Murphy asked for a motion to approve the request an extension of the Agency Agreement through December 31, 2021. Mr. Brown made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING AN EXTENSION OF THE AGENCY AGREEMENT BETWEEN THE AGENCY AND THE COMPANY UNTIL DECEMBER 31, 2021; AND AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH.**

101 North Salina St. LLC

Ms. Katzoff advised that last month the board adopted resolutions to adopt this project (the Post Standard Building) and to confer benefits to the entity. The Company asked if the board would appointment them as your agent on a temporary basis. They are putting together the final pieces of their financing so they will be prepared to close by the end of August or beginning of September. They have commitments that need to be completed for some of their tenants and they have some long lead items such as HVAC and other equipment and they don't want to lose out on the construction period. They are asking for a temporary appointment through October 20, 2021 so they can take full advantage of this time. We have in the past appointed other companies with similar issues as your temporary agent. They will remit 25% of the Agency's administrative fee and associated legal fees in exchange for the early appointment and pay the balance at closing.

There being no discussion, Ms. Murphy asked for a motion to approve the request for a temporary sales tax appointment for the Project. Mr. Sonneborn made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION APPROVING THE TEMPORARY APPOINTMENT OF THE COMPANY AS AGENT OF THE AGENCY WITH RESPECT TO A PROJECT AND THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH.**

Carousel Center Company L.P.

Ms. Katzoff advised that the Agency received a request from the Bondholder Representative requesting the Agency execute an agreement relative to the appointment of UMB Bank, N.A. as successor Bond Trustee, PILOT Trustee, Paying Agent and Tender Agent for the project. This is being done pursuant to the transactional documents at the direction of a majority of the holders of outstanding bonds. UMB Bank, N.A. will step into the shoes of the existing trustees and other agents. There is no change to the structure of the transactional documents.

There being no discussion Ms. Murphy asked for a motion to approve the resolution. Mr. Brown made the motion. Mr. Thompson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT RELATIVE TO THE CHANGE IN TRUSTEES, PAYING AGENT AND TENDER AGENT AT THE REQUEST OF A MAJORITY OF THE OUTSTANDING BONDHOLDERS.**

National Development Council

Ms. DeLaney reported that the board is being requested to authorize renewal of a contract to provide consulting services to the Agency for the period of July 1, 2021 through July 30, 2022 in an amount not to exceed \$84,000. NDC Consultants provide consulting services to the Agency in furtherance of its purposes. An expense of \$80,000 for this contract was budgeted in the 2021 budget approved by the Board of Directors in October 2020. NDC is requesting an increase in the amount of their previous contract by \$4,000 for this contract period. Ms. DeLaney indicated NDC services are very beneficial to the Agency.

There being no 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 APPROVING AN AGREEMENT WITH THE NATIONAL DEVELOPMENT COUNCIL FOR SUPPORT SERVICES TO THE AGENCY IN AN AMOUNT NOT TO EXCEED \$84,000.**

Property Insurance

Ms. DeLaney reported that the Board is being asked to approve funding for property insurance for vacant property owned by the Agency and located at 327 Montgomery Street. This expense was budgeted in the 2021 budget approved by the Board in October 2020. As required by the Agency's Procurement Policy, staff requested and received three quotes for insurance on this property. The quote that approval is being sought for was the lowest of the three and is \$1,400 less than last year's policy for the same coverage.

Mr. Sonneborn asked if the insurance company knows the property is vacant. Ms. DeLaney said yes.

Mr. Thompson asked if coverage is comparable to the prior coverage. Ms. DeLaney said yes.

Ms. DeLaney reported that the Agency will be seeking approval to explore interest of sale of the property in the near future.

There being no further discussion, Ms. Murphy asked for a motion to approve a quote for insurance on property located at 327 Montgomery Street. Mr. Sonneborn made the motion. Mr. Brown seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MOTION TO APPROVE A QUOTE FOR PROPERTY INSURANCE POLICY IN THE AMOUNT OF \$6,424.14 FOR PROPERTY LOCATED AT 327 MONTGOMERY STREET.**

Lipe Art Park

Ms. DeLaney reported that the Agency currently has a maintenance contract to undertake basic landscaping upkeep such as mowing the park. The City Parks Department is still in discussion about taking over the park but an appraisal has not been done yet. Ms. DeLaney was made aware of a homeless person who was "living" at the park near some significant brush overgrowth. In conjunction with the City and other services, Ms. Delaney worked to have the homeless man removed from the park. In order to help address the situation which impacts the health and safety of the residents, Ms. DeLaney, in consultation with the Chair and in accordance with the Agency's procurement policy, approved an additional \$1,700 of landscaping maintenance under the existing contract to immediately address the overgrowth.

Mr. Sonneborn asked if there was an update as to who owns the art that is currently in the park. Ms. DeLaney said Rick DiStito thinks the Agency owns it. Staff will check in with the artists before taking any action with regards to the art currently in the park.

Ms. Murphy asked for further questions or comments. There were none.

VII. Adjournment

There being no further business to discuss Ms. Murphy asked for a motion to adjourn the meeting. Mr. Brown made a motion. Mr. Sonneborn seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:30 AM.**