# City of Syracuse Industrial Development Agency

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# Minutes

# Board of Directors Meeting

# Tuesday, May 16, 2023

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**Board Members Present:** Kathleen Murphy, Kenneth Kinsey, Steven Thompson, Dirk Sonneborn

**Board Member Excused:** Rickey T. Brown

**Staff Present:** Eric Ennis,Susan Katzoff, Esq., Lori McRobbie

**Others Present**: Aggie Lane, Chuck Wallace, Genevieve Trigg, Paige Beyer

# Call Meeting to Order

# Ms. Murphy called the meeting to order at 8:00 a.m.

# Roll Call

Ms. Murphy acknowledged that all board members were present, except Rickey T. Brown who was excused.

# Proof of Notice

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

# Minutes

Ms. Murphy asked for a motion approving the minutes from the April 18, 2023 Board of Directors meeting, a copy of which was included in the Board's packet. Mr. Sonneborn made the motion. Mr. Kinsey seconded the motion. There being no discussion, **THE MOTION TO APPROVE THE MINUTES FROM THE APRIL 18, 2023 BOARD OF DIRECTORS MEETING WAS UNANIMOUSLY APPROVED.**

# New Business

# One Webster's Landing

# Ms. Katzoff said the project received approvals from the board November 2022. They have come back due to an increase in costs associated with undertaking the project.

# The company is requesting an increase in State and local sales and use tax by an additional $58,500 and an increase in the mortgage recording tax exemption by an additional $3,750. Because the aggregate amount of the additional financial assistance does not exceed 100,000, no new public hearing is required.

# Ms. Katzoff noted a representative from the company is in attendance for questions.

# Ms. Murphy reminded the board they approved the project last November and the increase being requested is due to increased project costs.

# Mr. Ennis reviewed the original benefit package. He noted that the total project cost was $6,845,000 and has increased to $8,970,000. The mortgage recording tax exemption benefit was $37,050 and has increased to $41,250. The State and local sales and use tax exemption was $131,500 and is increased to $190,000. Mr. Ennis noted that the payment in lieu of tax exemption has remained the same and that no increase in benefit was requested.

# Mr. Wallace, the company's representative, stated that they are well underway with design and scope changes. They are getting hard bids and estimates are costing more than they anticipated. They are working with lenders and tax credit investors with a goal to get construction started mid-July. The construction period will be 9-10 months.

There being no further discussion, Ms. Murphy asked for a motion to approve the resolution. Mr. Sonneborn made the motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION AUTHORIZING AN INCREASE IN THE AMOUNT OF FINANCIAL ASSISTANCE AWARDED TO THE PROJECT**

# 728 E Genesee St Property Owner, LLC

# Ms. Katzoff reported that the project was before board last year and was approved. They have come back due to increased costs. The company is making changes to the project, including reducing the number of parking spaces, removing parking stackers, increasing the building from 11 to 12 stories increasing units from 191 to 201 and reducing commercial space by 200 square feet.

# As a result of the changes, we are seeking to authorize to hold a new public hearing.

# Mr. Ennis reviewed the original benefit package. He noted that the total project cost was $57,723,000 and has now increased to $85,632,000. The mortgage recording tax exemption benefit was approximately $281,000 and has now increased to approximately $353,234. The State and local sales and use tax exemption was $1,920,000 and is now increased to $2,600,000. The payment in lieu of tax exemption (PILOT) PILOT was $2,967,624 and next month there will be full cost benefit analysis to analyze the PILOT as well.

# Mr. Ennis noted a representative from the applicant is in attendance for questions.

# Ms. Murphy reminded the board that this project includes the rotunda building, which will be retained.

# Mr. Sonneborn asked about decrease in number of parking spaces.

# Ms. Katzoff stated that parking stackers were being eliminated. Due to the advent of rezone coming and reduction of required spaces, the company is seeking a waiver from Planning Commission to reduce the number of parking spots. Rezone is being considered by Common Council at the beginning of June. If passed, there will be no parking requirements for the location. Ms. Katzoff said the waivers are in process.

# Mr. Ennis said the company has secured offsite parking which will increase spots from 125 to 150 spaces.

# Mr. Thompson asked where the offsite parking is located. Ms. Katzoff said it is east on Genesee Street. Mr. Ennis said exact details will be available at the public hearing next month.

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

**341 Peat Street/Former Syracuse Rigging Site**

# Mr. Ennis spoke about 341 Peat Street which is owned by the Agency. In 2018, the Agency was awarded a grant through the Department of Environmental Conservation's (DEC) Environmental Restoration Program (ERP) to remediate the site. Over time there have been a series of cost increases in total remediation work. The project is well underway and the project will be wrapping up this summer. The DEC is responsible for 90% of the remediation cost of the site and the Agency is responsible for 10%. The Agency's total allocation will increase to $310,000. The Executive summary explaining the cost increase and correspondence from the DEC requesting confirmation to proceed is included in the board's packet.

# Ms. Murphy reminded the board this is the site between Winkleman and DPW on Route 690, off Teal Avenue.

# Mr. Kinsey asked if the Agency has the funds available. Ms. Murphy said yes.

# Mr. Sonneborn asked if the site was being used by DPW and if it was the Agency's intention to market it for sale. Mr. Ennis said it was previously used by DPW and there are requirements as a part of the program that require reimbursement to the DEC for the DEC's 90% contribution if sold. The first priority is to get the property remediated.

# Mr. Ennis said staff will work with the board to explore the highest and best use of the property while staying within requirements of the program and the 10-year hold period.

# Ms. Murphy reported that the Agency is a party to an application for a very large remediation regarding the Winkleman site next door. It may lead to an ultimate combination of two very large parcels if that were to happen (13-14 acres).

# Mr. Ennis said this has been a multi-year project and it is almost complete.

# Ms. Katzoff stated it has been a great deal. The State took 90% of the cost and the Agency's 10% match of the costs of the cleanup is worth the benefit of having it remediated.

# There being no further discussion, Ms. Murphy asked for a motion to approve an increase of up to $310,000 in the Agency's participation in the remediation of 341 Peat Street. Mr. Sonneborn made the motion. Mr. Kinsey seconded the motion. ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION AUTHORIZING THE EXPENDITURE OF ADDITIONAL FUNDS IN ACCORDANCE WITH THE TERMS OF A NYSDEC GRANT RECEIVED BY THE AGENY TO FUND CERTAIN ENVIRONMENTAL REMEDIATION COSTS ON LAND OWNED BY THE AGENCY.

# TLSP Coda Project Update

# Ms. Murphy reported that with regards to the Minority and Women Owned Business Enterprises ("*MWBE*") participation, if we incorporated the six-county radius used for all other policies, there is almost $12,000,0000 in MWBE participation which computes to 56% of the total spend so far. If we look at only Onondaga County, as currently drafted, the MWBE participation is $9,000,000, computing to 46% of the project. The project currently calls for a 10% goal.

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# Regarding local hire (10% of workforce must be city of Syracuse residents), Ms. Murphy said as of now, there are 26 City workers on the project site. They anticipated workforce was 500 construction workers. The policy requirement is 50 of those to be City workers. They are early in the Project and she is hopeful they will exceed the goal.

# Staff is working on setting up a required reporting forms for each MWBE and local hire. Reporting will be done quarterly and compliance will be on the 10th of the month after it is required to be filed. That data will be shared with the board as it is received.

# Mr. Kinsey asked if there were any numbers on the breakdown between WBEs and MBEs for the TLSP Coda Project. Ms. Murphy said the numbers have been requested and the form asks for it.

# Ms. Katzoff said two meetings were held with a development team regarding the new policy. They were very accommodating with agreeing to provide information, including the bifurcation between MBEs and WBEs. Both were good meetings.

# SUNY EOC Job Fair Update

# The job fair was held April 27, 2023. They had a total of 26 people register for the job fair. 13 showed up and 7 people walked in. Three or four of the people would be able to translate quickly to hiring. Others had other questions/issues that needed to be explored. Eight sub-agents were present at the job fair. Jubilee Homes is planning a job fair for June. There is a lot of purposeful work going on in this phase.

# With respect to the job fair, Ms. Katzoff said understanding how challenging the events are for the organizers who are trying to figure out what can be done better and get more people to attend and make the required connections to improve future job fairs.

# Mr. Ennis said that Jubliee Homes is holding an expo fair on June 16th at the Hotel Syracuse. Huber Breuer is a participant as well as other general contractors in the area. Agency staff assisting, supporting and getting the word out about the event. They are taking those lessons learned from EOC's job fair to now incorporate them into this event. The flyer will be shared and will provide a detailed report to the board after the event.

# Ms. Murphy compile all of the data from projects and events - convene a meeting mid-September with all stakeholders to review the findings and all that has been learned up to that time and make sure everyone is on the same page regarding next steps to fill the gap. The board will be included in that event.

# Ms. Lane of Urban Jobs Taskforce requested the Agency connect with Syracuse Build, specifically, Kelsey who fills in their hiring software. It would be good to keep them in the loop. Ms. Murphy said she believes they were a co-sponsor of the EOC event and are connected to the Jubilee Homes event. She said that communication and data building will continue.

# Executive Session

# Ms. Murphy asked for a motion to move into Executive Session for the purposes of discussing personnel.

# At 8:36 a.m., Mr. Kinsey made a motion to enter executive session to discuss personnel. Mr. Thompson seconded the motion. ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN TO EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING PERSONNEL.

# Ms. Murphy asked for a motion to adjourn out of executive session. At 9:07 a.m., Mr. Kinsey made a motion to leave executive session. Mr. Thompson seconded the motion. ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN OUT OF EXECUTIVE SESSION.

# Adjournment

There being no further business to discuss, Ms. Murphy asked for a motion to adjourn the meeting. Mr. Sonneborn made a motion. Mr. Kinsey seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 9:09 AM.**