

**City of Syracuse Industrial Development Agency**  
201 East Washington Street, 6<sup>th</sup> Floor  
Syracuse, NY 13202  
(315) 473-3275

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Finance Committee Minutes  
Thursday, April 22, 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.**

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

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

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**I. Call Meeting to Order**

Ms. Murphy called the meeting to order at 8:02 a.m.

**II. Roll Call**

Ms. Murphy acknowledged all Committee members present.

**III. Proof of Notice**

Ms. Murphy noted that notice of the meeting had been timely and properly provided.

**IV. Minutes**

Ms. Murphy asked for a motion approving the minutes from the November 13, 2020 Finance Committee meeting. Mr. Brown made the motion. Mr. Kinsey seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES FROM THE NOVEMBER 13, 2020 FINANCE COMMITTEE MEETING.**

## V. New Business

### Agency Financials

Mr. Vavonese reviewed the first quarter financials with the board including current assets and liabilities. While 1<sup>st</sup> quarter project fees are down year over year, Ms. DeLaney indicated that the Agency has received several new applications and she anticipates that these projects will move forward this year and generate additional fees to the Agency. Those projects total investments of about \$31 million.

Ms. DeLaney also indicated that the Agency would be receiving approximately \$125,000 back from the Creekwalk Project (Hiawatha Blvd) as additional federal funds were allocated resulting in a refund to the Agency.

Ms. Murphy noted that the Agency is seeing the anticipated impacts from COVID (as anticipated by the grant program) and construction projects are difficult now given those impacts. She is pleasantly surprised that although we are off to a slow start, projects are coming along. People are hoping for stronger performance this summer.

Mr. Sonneborn inquired regarding staffing costs owed to the City. Mr. Vavonese explained that the City has been delayed in billing those and therefore the expenditure has not yet been reflected in the financials. There was some additional discussion regarding the financials relative to the impacts of COVID on the Agency's financial position. Mr. Vavonese and Ms. DeLaney indicated they would be available anytime Mr. Sonneborn or any member had additional questions or would like more information.

### 444 East Genesee Street LLC

Ms. DeLaney reported that the Agency received an application for financial assistance for a project located at 444 East Genesee Street and a public hearing is scheduled for April 27, 2021. The building is a vacant eyesore across from Firefighter's Memorial Park. The project consists of the conversion of the 27,000 sq. ft. building into a mixed-use facility with 24 residential affordable one-bedroom units on the upper three floors with the first floor dedicated to retail space, a lobby, and storage area. There will be 8 parking spaces. A portion of the project is being funded by NYS HCR and 100% of the apartment units are required to be income restricted not to exceed the area medium income (AMI) of 120%. Due to the Agency's restrictions, 20% of the units are restricted to the annual 65% AMI. The cost of the project is estimated to be \$4,100,000. The benefits being requested include a mortgage recording tax exemption of approximately (\$29,942), a sales and use tax exemption (\$151,400) and a 15-year Priority & Commercial PILOT schedule valued at \$529,699.00. Ms. DeLaney said that a cost benefit analysis was included with the meeting agenda.

Ms. DeLaney reported that in addition, by letter dated April 14, 2021 (a copy of which is attached to the agenda), the Company made a request to the Agency to waive their Local Access Policy with regards to one sub-contractor. Ms. DeLaney said that staff has reviewed the request and would recommend the waiver.

Mr. Sonneborn said he saw on the PACNY list serve questions regarding the parking and its impacts on the sidewalk. Ms. DeLaney saw the same thing and she had further discussions regarding same with Heather Lamendola. It appears that the Planning Commission has resolved those issues and the County Planning Board also said the county was satisfied with the resolution regarding parking.

There being no further discussion, Ms. Murphy asked for a motion for a recommendation to the Board of Directors to approve the financial assistance for the Project.

Mr. Brown made the motion. Mr. Sonneborn seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO MAKE A RECOMMENDATION TO THE BOARD OF DIRECTORS TO APPROVE THE REQUEST FOR FINANCIAL ASSISTANCE.**

Ms. DeLaney asked for a motion for a recommendation to the Board of Directors to approve of a waiver for the glazier and glass installation on the project located at 444 East Genesee Street. Mr. Brown made a motion. Mr. Sonneborn seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO MAKE A RECOMMENDATION TO THE BOARD OF DIRECTORS TO APPROVE THE COMPANY'S REQUEST FOR A WAIVER OF THE LOCAL ACCESS POLICY WITH REGARDS TO ONE SPECIFIC SUBCONTRACTOR.**

#### **JMA Tech Properties LLC & Ranalli/Taylor St. LLC**

Ms. DeLaney reported that the JMA Tech Project is well underway at the site of the former Coyne Textile building. The project, previously undertaken by the Agency, is a \$26,000,000 project to demolish a portion of the old Coyne Building and construct a new 40,000 sq. ft. addition. The Company has been working on certain additional improvements on the 100 block of South Clinton Street and along Cortland Street, all adjacent to, and as an enhancement to, the original project. The total cost of these additional improvements is approximately \$1,114,660 above and beyond the cost of the original project. Of that, \$740,000 is directly associated with certain improvements, including replacement, of approximately 1,300 feet of water main lines and slipping of adjacent sewer lines (the "Lines"). The Lines serve not only the original project, but also the University area, the hospitals and the South side neighborhoods

The Company requested the Agency participate in this project by providing certain assistance to the Company in an amount not to exceed \$230,000 as a percentage of the project costs. This would be a benefit to the residents in the Southside neighborhood as well as the university area and the hospitals. The City will likewise be partnering with the Company to provide materials and oversight. The Agency has provided this kind of assistance in the past to 800 N. Clinton and the Steri-Pharma project. This is a similar instance.

Ms. Murphy said she took a tour of the facility and it is very impressive. it is. All of the pipes in that particular location are 130-140 years old. The storm sewers were not separated between sanitary and rain run- off and all gets pushed to the waste treatment plants. When surges or terrible rain occur, the waste treatment plants get overwhelmed. This project will result in the replacement of the water mains and the valve structures and slip-line the sewers to separate sanitary and run-off. It is an enormous value for everyone going beyond that geographic footprint which is the Southside, the University area including the hospitals and other investments the Agency has made including the Salina 1<sup>st</sup> project. The public benefit is enormous. Community Health Center has been planning a major expansion on the Taylor Street side – this will also be an advantage to that redevelopment. Leverage the infrastructure investment.

Mr. Sonneborn asked who does the work and who gets billed? Ms. Murphy said the City is providing the piping and the engineering experts. The Company's contractors will do the work. Ms. DeLaney said the Company pays the contractors up front. After the work is completed and approved by the City, the Agency will reimburse them for a portion of it. Ms. DeLaney reviewed the budgets with City Engineer and with the Water Commissioner and they say the budgets are accurate.

Ms. DeLaney said there will be an Infrastructure Agreement to lay out the terms. Staff is asking the Finance Committee to make a recommendation to the Board on this, but it will not be on April 27, 2021 agenda because a public hearing needs to be held in May.

There being no further discussion, Ms. Murphy asked for a motion for a recommendation to the Board of Directors to review and recommend a request from the Company for assistance by entering into an agreement with the Agency for reimbursement of certain public infrastructure costs not to exceed \$230,000. Mr. Sonneborn made a motion. Mr. Thompson seconded the motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO MAKE A RECOMMENDATION TO THE BOARD OF DIRECTORS TO APPROVE THE COMPANY'S REQUEST TO ENTER INTO AN AGREEMENT WITH THE AGENCY TO REIMBURSE THE COMPANY FOR CERTAIN PUBLIC INFRASTRUTURE COSTS NOT TO EXCEED \$230,000.**

## **VI. Adjournment**

There being no further business to discuss Ms. Murphy asked for a motion to adjourn the meeting. Mr. Kinsey made a motion to adjourn. Mr. Sonneborn seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A MOTION TO ADJOURN THE MEETING AT 8:53 AM.**