

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on December 17, 2024 at 8:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chair and upon the roll being duly called, the following members were:

PRESENT: Kathleen Murphy, Steven Thompson, Dirk Sonneborn, Rickey T. Brown, Kenneth Kinsey

THE FOLLOWING PERSONS WERE ALSO PRESENT: **Staff Present:** Eric Ennis, Susan Katzoff, Esq., Cole King, Lori McRobbie; **Others Present:** Timothy Lynn, Esq., Wendy Lougnot, Esq., Christine Stevens, John O'Brien, Antoinett Dufort

The following resolution was offered by Dirk Sonneborn and seconded by Rickey T. Brown:

RESOLUTION AMENDING THE FINANCIAL ASSISTANCE IN CONJUNCTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY

WHEREAS, the City of Syracuse Industrial Development Agency (the “*Agency*”) is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the “*Act*”) to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, lease and sell real property and grant financial assistance in connection with one or more “projects” (as defined in the Act); and

WHEREAS, 250 Harrison Street LLC, a New York limited liability company, or an entity to be formed (the “*Company*”), by application dated June 20, 2024 (the “*Application*”), requested the Agency undertake a project designed for the preservation of the existing building (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 7,200 square feet of land, improved by an approximately 36,684 sq. ft., 6-story building (the “*Building*”) located at 600 Montgomery Street & Harrison Street (Tax Map No. 095.-02-02.0), in the City of

Syracuse, New York (the “**Land**”); (ii) (a) the conversion and renovation of the Building to include: (a) approximately 26,000 sq.ft. on floors 2-5 containing approximately 35 residential units consisting of approximately five studio units, 25 one-bedroom units and 5 two-bedroom units (with a mix of 10% of the units rent restricted as required by the City's Zoning Ordinance for tenants earning at approximately 80% of the Area Media Income (AMI) limits); (b) approximately 5,184 sq.ft in the basement converted to amenity space and apartment storage space; (c) approximately 2,500 sq.ft. of the approximate 5,000 sq. ft of retail space on the first floor will be prepared for future tenancy¹; all of the foregoing with upgraded mechanicals, including but not limited to: HVAC, plumbing and electrical; installation of a modern elevator, LED, energy efficient lighting and wood flooring; and exterior work including installation of new windows to match historic appearance and general cleaning and minor masonry repair, as needed (collectively, the “**Facility**”); (iii) the acquisition and installation in and on the Land and Facility of furniture, fixtures and equipment (the “**Equipment**” and together with the Land and the Facility, the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively, the “**Original Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Original Financial Assistance consisted, in part, of payments in lieu of taxes which resulted in savings to the Company of \$1,520,341.61 (the “**PILOT Assistance**”) as well as \$67,000 in exemptions from mortgage recording tax (the “**Original MRT**”) and \$296,000 in exemptions from State and local sales and use taxes (the “**Original STE**”); and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Original Financial Assistance on July 23, 2024 pursuant to Section 859-a of the Act, notice of which was published on July 11, 2024, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated July 10, 2024; and

WHEREAS, by resolutions dated July 23, 2024, the Agency authorized the undertaking of the Project and the conference of the Original Financial Assistance (the “**Inducement Resolution**”); and

WHEREAS, on December 9, 2024, the Company submitted a supplemental application along with correspondence (collectively, the “**Supplemental Application**”) stating that: (i) they determined with input from the City of Syracuse Assessor's Office that the Project was eligible for a 485-a exemption under the NYS Real Property Tax Law (“**RPTL**”) which would provide greater benefits to the Project than the PILOT Assistance and therefore were withdrawing their

¹ The remaining approximately 2,500 sq.ft. on the first floor, which houses Ale 'n Agnus Pub will continue as-is and will not be part of the renovation.

request for the PILOT Assistance; (ii) the original calculation to determine the amount of sales tax due on the materials and equipment to construct and complete the Project included an incorrect labor allocation and therefore they need to request an increase in the amount of Original STE from an amount not to exceed \$296,000 to an amount not to exceed **\$405,232**; (iii) the lender has agreed to lend additional funds and therefore the Company is requesting an increase in the amount of Original MRT from the approximate amount of \$67,500 to **\$71,250**; and (iv) they are contracting with third party vendor for property management services and therefore will not be directly retaining employees for this purpose. As such, they amended their application to eliminate the previously reflected creation of two positions ((i), (ii), (iii) and (iv) collectively, the "**Project Amendments**"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "**SEQRA**"), the Agency is required to make a determination whether the "action" (as said quoted term is defined in SEQRA) to be taken by the Agency may have a "significant impact on the environment" (as said quoted term is utilized in SEQRA), and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, by resolution adopted July 23, 2024 (the "**SEQRA Resolution**"), the Agency determined that the Project will not have a significant adverse effect on the environment; and

WHEREAS, the Project Amendments do not alter the Agency's previous SEQRA analysis and/or its prior determination; and

WHEREAS, the Company is requesting the Agency's consent to the Project Amendments.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

(1) Based upon the Supplemental Application and the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

- (a) Except as amended hereby, the Agency affirms all prior resolutions;
- (b) The Project Amendments do not alter the Agency's prior SEQRA findings and remains consistent with the Agency's SEQRA analysis;
- (c) No new public hearing is required as the Project Amendments result in a *net reduction* in the Original Financial Assistance of \$1,407,359.61;
- (d) The Agency hereby approves the Project Amendments.

(e) The Chair, Vice Chair and/or the Executive Director of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to work with counsel to execute and deliver any and all documents and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution and all prior resolutions, including any documents necessary to evidence and confer the Financial Assistance.

(2) No covenant, stipulation, obligation or agreement contained in this Resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

(3) As additional conditions precedent to the authorization of the Project Amendments, the Company shall: (i) pay all fees associated with the Project and the Project Amendments including but not limited to any Agency fee, administrative fees and all legal fees; (ii) execute and deliver all required Lease Documents; and (iii) affirm the representations set forth herein.

(4) Bousquet Holstein, PLLC is counsel to the Agency and shall assist the Agency in carrying out the actions necessary pursuant hereto.

(5) The Secretary of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(6) This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
Kathleen Murphy	X	
Steven Thompson	X	
Dirk Sonneborn	X	
Rickey T. Brown	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)


I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on December 17, 2024, with the original thereof on file on file in the office of the Agency, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency on 1/8/2025.

City of Syracuse Industrial Development Agency

DocuSigned by:

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Rickey T. Brown, Secretary

(S E A L)