

RESOLUTION

As a result of the public health emergency created by COVID-19, the Federal, State and local bans on meetings or gatherings, and pursuant to Governor Cuomo's Executive Order 202.1 issued on March 12, 2020, as amended from time to time, the City of Syracuse Industrial Development Agency (the "**Agency**") held a meeting on the 21st day of July, 2020, at 8:00 a.m., local time, electronically which was made available via Webex at: <https://syrgov.webex.com/syrgov/j.php?MTID=mac8013305c4c5b796666df78d9f7ba18> (or by accessing the link on the Agency's website) and using meeting number 129 282 2500 and password SIDA; or via telephone at (408) 418-9388 with access code: 129 282 2500, in conjunction with the matter set forth below.

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

PRESENT VIA TELE/VIDEOCONFERENCE (in accordance with the Governor's Executive Order 202.1): Kathleen Murphy, Steven Thompson, Kenneth Kinsey, Rickey T. Brown and Dirk Sonneborn

THE FOLLOWING PERSONS WERE ALSO PRESENT VIA TELE/VIDEOCONFERENCE (in accordance with the Governor's Executive Order 202.1): Staff Present: Judith DeLaney, Susan Katzoff, Esq., John Vavonese, Lori McRobbie; Others Present: Jennifer Tifft, Lauryn LaBorde, Jessica Barbuto, Alissa Tubbs, Aimee Durfee, Samuel Jackson, Richard Engel, Esq., Todd Reid, Shanelle Reid; Media Present: Rick Moriarty

The following resolution was offered by Steven Thompson and seconded by Rickey T. Brown:

RESOLUTION AUTHORIZING THE IMPLEMENTATION OF A GRANT AND LOAN PROGRAM IN ACCORDANCE WITH NEW YORK GENERAL MUNICIPAL LAW SECTIONS 858 AND 859 TO ADDRESS THE IMPACTS OF COVID-19

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, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, on January 30, 2020, the World Health Organization (“**WHO**”) designated the novel coronavirus (“**COVID-19**”), outbreak as a public health emergency of international concern; and

WHEREAS, on January 31, 2020, United States Health and Human Services Secretary (the “**U.S.**”) declared a public health emergency for the entire United States; and

WHEREAS, on or about March 11, 2020, the WHO formally declared the COVID-19 virus as a pandemic; and

WHEREAS, on March 7, 2020, by executive order 202, Governor Cuomo (the “**Governor**”) declared a disaster emergency for the entire State of New York through September 7, 2020 (unless further extended by order) (the “**State of Emergency**”); and

WHEREAS, by executive order 202.8, dated March 20, 2020, as amended, the Governor ordered all non-essential businesses to reduce their in-office workforce by 100% effective as of March 22, 2020; and

WHEREAS, by executive order 202.6, dated March 18, 2020, as amended, the Governor ordered the halting of all non-essential construction in the State of New York; and

WHEREAS, each of these executive orders and declarations have negatively impacted economic development in the City of Syracuse and have or could directly impact projects undertaken by the Agency; and

WHEREAS, on June 17, 2020, the Governor signed into law certain amendments to Article 18-A of the Act which permit an industrial development agency to undertake a program to provide grants and loans to small businesses and not-for-profit corporations in accordance with the terms of those provisions; specifically Sections 858 and 859 thereof (collectively, the “**New Legislation**”); and

WHEREAS, in an ongoing effort to help mitigate the impacts of the COVID-19 virus on the community it serves, and in accordance with the New Legislation, the Agency hereby seeks to undertake, implement and set forth the terms and conditions of its emergency loan and grant programs to be offered as part of its efforts to address the State of Emergency, which programs are by their nature and terms limited in duration and scope. The proposed programs are time sensitive in as much as the impacts of the State of Emergency have both occurred and continue to present imminent threat to businesses and not-for-profit corporations in the City; 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**”) and has determined that such action constitutes a “Type II” action as that term is defined under SEQRA, and therefore no further review is required.

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

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is amongst the Agency's purposes and powers to provide loans to small businesses and not-for-profit corporations in accordance with Section 859-c of the Act and to provide grants to small businesses and not-for-profit corporations in accordance with section 858 of the Act for the purpose of acquiring personal protective equipment or acquiring and installing fixtures necessary to prevent the spread of the coronavirus through the implementation of a loan and grant program in accordance with the Act.

Section 2. The actions taken hereunder constitute a "Type II" action under SEQRA and therefore, no further review is required; and

Section 3. The Agency hereby adopts the following policy:

It shall be the policy of the Agency to provide, in accordance with the terms hereof and the Act, *grants* starting at \$500 with a maximum limit of \$10,000 and loans starting at \$3,000 with a maximum limit of \$25,000 to eligible small businesses and not-for-profit corporations that have been negatively impacted by COVID-19 and which demonstrate, to the satisfaction of the Agency, a negative impact on the residents and/or community of the City of Syracuse (the "*City*"). Whether to award a loan or grant shall be in the sole discretion of the Agency based upon its review and assessment of the applications, eligibility requirements and impacts of the coronavirus on the eligible applicant as well as the eligible applicant's impact and importance on and to the City community.

Section 4. Based upon the foregoing, the Agency hereby authorizes the establishment of a loan program (the "*Loan Program*") and a grant program (the "*Grant Program*") and together with the Loan Program, collectively, the "*Programs*") in accordance with the terms of the Act and this Resolution and dedicates \$175,000 of its unencumbered assets to fund the Programs. The Programs shall be the only such programs of the Agency. To the extent a co-jurisdictional industrial development agency shall create a similar loan program, the Agency shall coordinate the distribution of loans under the Loan Program.

Section 5. Attached hereto at **Exhibit "A"** are general instructions/outlines of the Programs. Attached hereto at **Exhibit "B"** are copies of each the Loan Application and the Grant Application adopted by the Agency to be used by applicants. Such applications are posted at www.syr.gov.net/SIDA/HOME.aspx for access by prospective applicants. The instructions and the applications, which are incorporated herein by reference, together with this Resolution and the New Legislation shall constitute part and parcel of the Programs. The Agency hereby directs that the Agency's Finance Committee accept, review and analyze, in

accordance with this Resolution and the Act, all applications submitted under the Program during the submission period as set forth in the attachments, or as may be extended by subsequent resolution of the Agency, take public comment on same and make recommendations to the Board of Directors with respect to same.

Section 6.

A. In order to award a loan or grant to an applicant, the Agency must first determine whether:

- (i) The applicant is eligible (as set forth in the Act);
- (ii) The eligible applicant was financially viable prior to the State of Emergency;
- (iii) Is located and conducts business in the City; and
- (iv) Has been negatively affected by the State of Emergency.

B. (1) Assuming satisfaction of (6)(A) above, in analyzing any loan application, the Agency shall consider certain factors, which include but may not be limited to, the following:

- (i) Financial viability and creditworthiness of the applicant prior to the State of Emergency;
- (ii) the level of negative impact of the State of Emergency on the operations and finances of the applicant;
- (iii) applicant's proposed plan to use the funds received through this program;
- (iv) applicant's ties to their community and the impact of their work in the City;
- (v) applicant's assurance that efforts will be made to retain jobs during the State of Emergency; and
- (vi) other potential sources of funding available to the applicant.

The Agency shall give preference to loan applicants located in a Highly Distressed Area in the City as defined in the Act.

No loan applicant shall receive a loan from more than one industrial development agency. The total amount of loans received by an applicant under the Loan Program shall not exceed in the aggregate \$25,000.

(2) Assuming satisfaction of (6)(A) above, in analyzing any grant application, the

Agency shall consider certain factors, which include but may not be limited to, the following:

- (i) Financial viability and creditworthiness of the applicant prior to the State of Emergency;
- (ii) the level of negative impact of the State of Emergency on the operations and finances of the applicant; and
- (iii) Applicants proposed use the grant funds.

The total amount of grants provided by the Agency to an applicant under the Grant Program shall not exceed in the aggregate \$10,000.

For each grant and loan application, as set forth in the attachments hereto, the Agency shall require the applicant to submit, and the Agency shall review, all financial records, formation documents, resolutions or other materials (e.g. good standing certificates or other financial or organizational documents) the Agency deems appropriate and obtain/require credit or similar reports or searches it may deem necessary to accurately assess each application.

C. The terms of any agreement setting forth an approved loan under the Loan Program shall require, at a minimum:

- (i) That the loan shall be interest free;
- (ii) The maturity date of the loan shall be calculated as one year plus sixty (60) days following the date the State of Emergency ends;
- (iii) No payments shall be required during the first (60) days following the date the State of Emergency ends (the "**Grace Period**");
- (iv) The total amount of loans awarded to any one applicant shall not exceed \$25,000;
- (v) There shall be no prepayment penalty;
- (vi) Representations and warranties by the applicant as to its formation, eligibility, authority and all information provided by the applicant and relied upon by the Agency to make its determination as set forth herein as well compliance with terms and the Agency's policies;
- (vii) That collateral, satisfactory to the Agency, be provided. Examples of such include, but are not limited to, security interests in personalty as well as personal and corporate guaranties;
- (viii) The eligible entities cooperation with the Agency relative to any

State mandated reporting; and

- (ix) Any other terms or conditions determined by the Agency to be necessary or appropriate to carry out the intent of the Loan Program.

D. The terms of any agreement setting forth an approved grant under the Grant Program shall require, at a minimum:

- (i) That the proceeds shall be used solely for the acquisition of personal protective equipment or the acquisition and installation of equipment to prevent the spread of COVID-19;

- (ii) Representations and warranties by the applicant as to its formation, eligibility, authority and all information provided by the applicant and relied upon by the Agency to make its determination as set forth herein as well compliance with terms and the Agency's policies;

- (iii) The eligible entities cooperation with the Agency relative to any State mandated reporting; and

- (iv) Any other terms or conditions determined by the Agency to be necessary or appropriate to carry out the intent of the Grant Program.

E. Each Program applicant shall pay, as an administrative fee to the Agency, 1% of the total amount of the grant and/or loan awarded, as applicable, as well as any and all costs incurred by the Agency in conjunction with the award of the loan or grant. The Agency has the right to amend, upon the recommendation of the Finance Committee, such fees and costs.

F. The Agency shall have the discretion to determine whether proceeds of the Programs may be used to reimburse eligible entities for qualifying uses already expended.

Section 7. Upon approval by the Board of Directors of the Agency of any grant or loan, 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 execute, deliver and file, as applicable, any and all necessary documents and agreements to confer the grant and/or loan and to achieve the intent of this Resolution and to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein and to do and cause to be done any such other acts and things, as they determine, may be necessary or desirable to consummate the transactions contemplated by this Resolution and in accordance with the Act.

Section 8. The obligation of the Agency to consummate the transactions intended by this Resolution is subject to and conditioned upon the eligible entity's submission of all required documents and information and the execution and delivery of, any necessary documents and compliance with other provisions hereof.

Section 9. No new loan applications shall be accepted after the State of Emergency ends.

Section 10. 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.

Section 11. The Secretary and/or the Executive Director of the Agency are hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 12. 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	
Kenneth Kinsey	X	
Rickey T. Brown	X	
Dirk Sonneborn	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 July 21, 2020, with the original thereof on file in my office, and that the same (including any and 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 7/24/2020.

City of Syracuse Industrial Development Agency

DocuSigned by:

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Rickey I. Brown, Secretary

(S E A L)

EXHIBIT "A"

GENERAL INSTRUCTIONS/OUTLINES

EXHIBIT "B"

GRANT APPLICATION AND LOAN APPLICATION