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# PILOT RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 21, 2023 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 roll being called, the following members of the Agency were:

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

**THE FOLLOWING PERSONS WERE ALSO PRESENT**: Staff Present: Eric Ennis, Susan Katzoff, Esq., Lori McRobbie; Others Present: Kathleen Bennett, Esq., Michael Lisson, Bryan T. Czarnecki, Wendy Lougnot, Esq., James Trasher, Michael O'Shea, Richard Kornbluth, Rick Moriarty

The following resolution was offered by Dirk Sonneborn and seconded by Kenneth Kinsey:

**RESOLUTION APPROVING A PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION THEREWITH**

**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, reconstructing, 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,** 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 by application dated January 18, 2023 (the "***Application***"), TLSP Coda LLC, or an entity to be formed (the "***Company***"), requested the Agency undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.97 acres of real property located at 1014-16 Fayette St. E. (Tax Map No. 048.-05-01); 1027-29 Genesee St. E. (Tax Map No. 048-05-04.1); 1001-19 Genesee St. E & Crouse Ave. (Tax Map No. 048.-05-05); 313-23 Crouse Ave. S. (Tax Map No. 048.-05-06); 309 Crouse

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Avenue S. (Tax Map No. 048.-05-07); and 301-07 Crouse Avenue S. (Tax Map No. 048.-05-08), all in the City of Syracuse, New York (such parcels to be resubdivided) (collectively, the "***Land***"); (ii)(a) the demolition of existing structures (excepting therefrom the Ward Wellington Ward home); (b) the renovation/preservation of Ward Wellington Ward home, including renovation of the exterior façade to historical standards and the interior into a retail space; and (c) the construction of an approximately 300,149 sq.ft., six-story residential apartment building containing approximately 282 units, consisting of approximately 103 studio units; 98 one-bedroom units and 69 two-bedroom units; and 12 three-bedroom units, to be located on a portion of the first floor and floors 2-6; a variety of amenities on the first floor including lounge, study, fitness areas and a public retail space, a few smaller common space areas on each floor for resident work-from-home and lounge areas; an exterior courtyard space at the center of the building which will include a year-round heated pool and dining patio; as well as a subsurface approximately 146 space parking garage and a surface approximately 29 space parking lot; all located on the Land (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 estate taxes, State and local sales and use tax and mortgage recording tax (in accordance with Section 874 of the General Municipal Law) (collectively the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation, construction, 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,** 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**, 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 with respect to the environmental impact of any "action" (as said quoted term is defined in SEQRA) to be taken by the Agency and the approval of the Project constitutes such an action; and

**WHEREAS,** the Company caused a Full Environmental Assessment Form ("***EAF***") to be prepared and submitted to the City of Syracuse Planning Commission (the "***Planning Commission***") to obtain approval for a project that is substantially similar to the Project being undertaken by the Agency; and

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**WHEREAS**, by correspondence dated September 23, 2022, the Office of Zoning Administration on behalf of the Planning Commission provided notice of the Planning Commission's determination that the Project constitutes a Type I Action and its intent to act as Lead Agency for review of the Project; and

**WHEREAS**, on December 12, 2022, the Planning Commission, as lead agency, and consistent with the procedures and criteria set forth in 6 NYCRR 617.7, analyzed the relevant areas of environmental concern using the SEQRA standards and ultimately determined that the project would not have a significant adverse impact on the environment, and adopted a Negative Declaration ("***Negative Declaration***"); and

**WHEREAS,** on March 21, 2023, the Agency resolved to take official action toward the acquisition, construction, renovation, equipping and completion of the Project (the "***Inducement Resolution***"); and

**WHEREAS,** as part of the Financial Assistance, the Company requested the Agency consider a 15-year payment in lieu of tax schedule, (the "***PILOT***"), as more fully described on **Exhibit** "**A**" attached hereto, which schedule conforms with the Agency's Uniform Tax Exemption Policy ("***UTEP***") established pursuant to General Municipal Law Section 874(4); and

**WHEREAS**, the Company is requesting incentives in the form of exemptions from sales and use tax, mortgage recording tax and real property taxes to help finance the Project, which has recently become very difficult due to changes in the capital market, including increasing interest rates, decreasing financing options for new construction and a pending recession. Second, the City approvals for the Project were obtained under the current zoning guidelines which required substantial parking requirements resulting in a decrease in the number of units originally anticipated and resulted in increased cost with and decreased revenue further stressing the feasibility of the Project. Given these factors, requested incentives are necessary for the Project to be financially feasible; and

**WHEREAS**, the Agency has given due consideration to the Application and to representations by the Company that the proposed PILOT, as part of the Financial Assistance: (i) will induce the Company to develop the Project Facility in the City of Syracuse; (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) undertaking the Project will advance job opportunities in the State and promote the general prosperity and economic welfare of the inhabitants of the City of Syracuse in furtherance of the purposes of the Act.

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

(1) Based upon the representations made by the Company to the Agency, and the reasons presented by the Company in support of its request for the PILOT schedule, and subject to

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the execution and delivery by the Company of the Lease Documents (as defined in the Inducement Resolution), the Agency hereby approves and the (Vice) Chair and Executive Director, acting individually, are each authorized to execute and deliver a PILOT agreement (the "***PILOT Agreement***") providing for the payment schedule attached as **Exhibit** "**A**" hereto, all in such form and substance as shall be substantially the same as approved by the Agency for other similar transactions and consistent with this Resolution and as approved by the Chair or Vice Chair of the Agency upon the advice of counsel to the Agency.

(2) The (Vice) Chair and/or Executive Director, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified herein and any and all such additional certificates, instruments, documents or affidavits, 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 as the (Vice) Chair shall approve, 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.

(3) No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to above 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.

(4) The Secretary and/or the Executive Director of the Agency are hereby authorized 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.

(5) This Resolution shall take effect immediately, but is subject to execution by the Company of the documents set forth in the Inducement Resolution, including but not limited to, the Lease Documents (as defined in the Inducement Resolution) and the PILOT Agreement and compliance with all other resolutions and other related documents adopted and/or approved by the Agency in conjunction with the Project and/or as set forth herein.

(6) Bousquet Holstein PLLC, as counsel to the Agency, is hereby authorized to work with the Company and others to prepare, for submission to the (Vice) Chair and/or Executive Director for execution and delivery, all documents necessary to effect the undertaking of the Project and the grant of Financial Assistance in connection with the Project.

(7) 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.

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

| | **AYE** | **NAY** |
|---|---|---|
| Kathleen Murphy | X | |
| Kenneth Kinsey | X | |
| Rickey T. Brown | X | |
| Steven Thompson | X | |
| Dirk Sonneborn | X | |

The foregoing Resolution was thereupon declared duly adopted.

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**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 March 21, 2023, with the original thereof on file on file in the office of the Agency, 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 3/29/2023.

City of Syracuse Industrial Development Agency

DocuSigned by:
65E35E032BE24D9...
Rickey T. Brown, Secretary

(S E A L)

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# EXHIBIT "A"

## PROPOSED PILOT SCHEDULE

**Total Annual Payment**

| *Year* | *Amount* |
|---|---|
| 1 | $338,499.46 |
| 2 | $345,269.45 |
| 3 | $352,174.84 |
| 4 | $359,218.33 |
| 5 | $366,402.70 |
| 6 | $373,730.75 |
| 7 | $381,205.37 |
| 8 | $388,829.48 |
| 9 | $396,606.07 |
| 10 | $404,538.19 |
| 11 | $695,633.38 |
| 12 | $998,210.57 |
| 13 | $1,312,612.59 |
| 14 | $1,639,191.41 |
| 15 | $1,978,308.34 |
| Total | $10,330,430.92 |

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