

PILOT RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on December 9, 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 roll being called, the following members of the Agency 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:** Paul Reichel, Esq., Janice McKenna, Joe McNinch, Eli Sands, Tom Clifford, Kerry Quaglia, Lowell Niemetz, Barry Lentz, Rick Moriarty

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

RESOLUTION APPROVING A PAYMENT IN LIEU OF TAX ABATEMENT 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 November 5, 2024 (the “**Application**”), 800 South Wilbur Ave, Syracuse, LLC, or an entity to formed (the “**Company**”), requested the Agency undertake a project (the “**Project**”) consisting of: (A)(i) the acquisition of an interest in approximately 8.0 acres of a larger piece of land located at 800 S.

Wilbur Ave. Rear, (tax map no.: 098.2-01-05.2); and 802 S. Wilbur Ave (tax map no. 098.2-01-05.4); which parcels are located in the City of Syracuse, New York, with such acreage to be re-subdivided, in one or more lots from the larger parcel (the “**Land**”); the construction of two five story buildings, each containing approximately 130 units for an aggregate of approximately 261 residential units consisting of approximately: (34) studios, (112) one-bedroom units, (86) two-bedroom units and (28) three-bedroom units (all of which will meet or exceed the City of Syracuse's Zoning Ordinance for affordability and which will include a unit for an on-site superintendent and 20 units designed and fully adapted to meet ADA design requirements for households with individuals who have hearing, vision or mobility disabilities; amenity space for residents including: lobby, fitness center, community room, playroom, central laundry room, maintenance and management office, mechanical room, mail and package room and leasing office; outdoor spaces, including but not necessarily limited to, a park, a playground and surface parking sufficient for approximately 257 vehicles (collectively, the “**Facility**”) to support the Facility and the Condominiums (as defined herein); as well as approximately 27 condominiums for single family ownership which the Company will, or will cause to be, constructed and completed as part of the Project, but the costs of which are not subject to the Financial Assistance (as defined herein) being sought hereunder (the “**Condominiums**”); (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 and State and local sales and use tax with respect to the Project Facility (collectively, the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, 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, the Land has been owned by the State of New York and/or the City of Syracuse (the “**City**”) for more than one hundred years and has been vacant for at least the past 14 years before being seized through tax foreclosure by the City; and

WHEREAS, during that time, the Land generated zero dollars in ad valorem taxes to the taxing jurisdictions. The requested Financial Assistance will result in the receipt of over ten million (\$10,000,000) in revenue for the benefit of the taxing jurisdictions over the course of the proposed payment in lieu of tax abatement schedule; and

WHEREAS, the Land had become a blight on the neighborhood and has experienced illegal trespassing, property damage, and other forms of vandalism that has led to further worsening of the physical condition of the Land and a drain on other City resources; and

WHEREAS, the City, with the support of the Agency, caused a City-wide housing study to be completed which identified the breadth and scope of the housing crisis, spanning both affordability and conditions, in the City. In recognition of the housing crisis, the Agency and the City continue to coordinate investments, as and when applicable, to leverage resources, as

intentionally as possible, to maximize impact, and help to achieve our mutual goal of improving the overall housing market and conditions within the City; and

WHEREAS, the Project will result in hundreds of new affordable housing options for residents of the City at a time when the City is facing a housing crisis; and

WHEREAS, under the Act, the Agency is tasked, in part, with improving the health, general prosperity and economic welfare of the people it serves and improves their recreation opportunities, prosperity and standard of living; 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, 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 includes, in substantial form, the Project being undertaken by the Agency; and

WHEREAS, the Planning Commission provided notice of its 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 2, 2024, 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 determined that the project will not have a significant environmental impact; and

WHEREAS, on December 9, 2024, the Agency resolved to take official action toward the acquisition, construction, equipping and completion of the Project (the “**Inducement Resolution**”); and

WHEREAS, as part of the Financial Assistance, the Company requested the Agency consider a 30-year abatement schedule for payments in lieu of taxes, (the “**PILOT**”), as more fully described on **Exhibit “A”** attached hereto (the “**PILOT Abatement Schedule**”), which abatement schedule deviates from the Agency’s Uniform Tax Exemption Policy (“**UTEP**”) established pursuant to General Municipal Law Section 874(4); and

WHEREAS, the Project is being funded in part through NYS Homes and Community Renewal (“**HFA**”) which will provide tax credits for the Project (the “**HFA Financing**”). The HFA Financing requires the Project enter into a thirty year regulatory agreement and for the PILOT Abatement Schedule to run coterminous with the HFA regulatory agreement; and

WHEREAS, by correspondence dated November 25, 2024 and December 4, 2024, in accordance with Section 874(4)(c) of the General Municipal Law of the State of New York, notice of the deviation from the Agency's Uniform Tax Exemption Policy with respect to the Project was sent to the affected tax jurisdictions; and

WHEREAS, the Agency has given due consideration to the Application, the housing study, any and all comments received with respect to the proposed deviation from the UTEP, 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 in support of its request for the PILOT schedule, the HFA requirements, the housing study and any and all comments received with respect to the proposed deviation from the UTEP, 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 30-year PILOT Abatement Schedule attached as **Exhibit "A"** hereto, the PILOT Agreement to be in such form and substance as shall be substantially the same as approved by the Agency for other 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 subject to paragraph (2) hereof and compliance with the terms hereof and the Inducement Resolution.

(2) To satisfy the requirements of HFA and secure the necessary tax credits to finance the Project, following the execution of the Lease Documents (as defined in the Inducement Resolution), the abatement schedule shall commence and run coterminous with the regulatory period required by the HFA Financing for the Project.

(2) In accordance with the Agency's UTEP, the deviation and the PILOT Abatement Schedule is subject to the approval of the Common Council for the City.

(3) 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.

(4) 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.

(5) 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.

(6) This Resolution shall take effect immediately, but is subject to the PILOT Abatement Schedule's approval by the Common Council for the City and the 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.

(7) 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.

(8) 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)

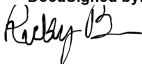
I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on December 9, 2024, with the original thereof 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 1/8/2025.

City of Syracuse Industrial Development Agency

DocuSigned by:

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Rickey T. Brown, Secretary

(S E A L)

EXHIBIT “A”

PROPOSED PILOT ABATEMENT SCHEDULE

Total Annual Payment	
<i>Year</i>	<i>Amount</i>
1	\$254,475.00
2	\$259,564.50
3	\$264,755.79
4	\$270,050.91
5	\$275,451.92
6	\$280,960.96
7	\$286,580.18
8	\$292,311.79
9	\$298,158.02
10	\$304,121.18
11	\$310,203.61
12	\$316,407.68
13	\$322,735.83
14	\$329,190.55
15	\$335,774.36
16	\$342,489.85
17	\$349,339.64
18	\$356,326.44
19	\$363,452.96
20	\$370,722.02
21	\$378,136.46
22	\$385,699.19
23	\$393,413.18
24	\$401,281.44
25	\$409,307.07
26	\$417,493.21
27	\$425,843.07
28	\$434,359.94
29	\$443,047.13
30	\$451,908.08
Total	\$10,323,561.96