

ONONDAGA CIVIC DEVELOPMENT CORPORATION
Regular Meeting Minutes
February 7, 2019

The Regular meeting of the Onondaga Civic Development Corporation was held on Thursday, February 7, 2019 at 333 West Washington Street, Syracuse, New York, 13202, in the large conference room on the 1st floor.

Ben Dublin called the meeting to order at 10:32 am with the following:

PRESENT:

Alison Miller
Matthew Marko
Michael LaFlair
Richard Zaccaria

ABSENT:

Ben Dublin
James Jordan

ALSO PRESENT:

Robert Petrovich, President/CEO
Brian Bartlett, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary
Chris Andreucci, Harris Beach
Kevin Randall, Crouse Hospital
Matt Wells, Bond Schoeneck & King
Jesse Pelinski, Hack Upstate LLC
David Knapp, Onondaga County Legislature

APPROVAL OF REGULAR MEETING MINUTES NOVEMBER 8, 2018

Michael LaFlair stated there was discussion about getting quotes for demolition cost for the Syracuse Label project and asked if that happened. Brian Bartlett stated they moved forward without it.

Upon a motion by Richard Zaccaria, seconded by Alison Miller, the OCDC Board approved the regular meeting minutes of November 8, 2018. Motion was carried unanimously.

TREASURER'S REPORT

Upon a motion by Michael LaFlair, seconded by Richard Zaccaria, the OCIDA Board approved the Treasurer's Report for the month of January 2019. Motion was carried unanimously.

PAYMENT OF BILLS

Richard Zaccaria asked what general legal fees are. Christopher Andreucci stated it is mostly the Hancock Airpark sale transactions that took place and are billed to a special fund that was created.

Michael LaFlair asked if there will be a final month billing or carried over to 2019. Nate Stevens stated it is usually done on an accrual basis.

Upon a motion by Michael LaFlair, seconded by Alison Miller, the OCDC Board approved the Payment of Bills scheduled #77 with General Expenses being \$30,035.05. Motion was carried unanimously.

CONFLICT OF INTEREST

The Conflict of Interest was circulated and there were no comments.

APPOINTMENT OF ROBERT PETROVICH AS INTERIM PRESIDENT/CEO OF THE CORPORATION

Matthew Marko stated he has had great experiences working with Bob Petrovich and is looking forward to working with him. He stated this Board does some great things and Bob will get quick action and success with this group.

Robert Petrovich stated he is happy to be here, appreciates the County Executive's confidence in him and we are trying to make things happen all across the Economic Development office including this Board. He stated he looks forward to working with everyone, it's going to be great and we are going to do some good things.

David Knapp stated on behalf of the County Legislature they share the County Executive's confidence in Bob and he's already doing a great job. He stated he is only going to see great things on the horizon.

Matthew Marko stated likewise great things from the new team at the County Executive's office and the Legislature.

Upon a motion by Michael LaFlair, seconded by Richard Zaccaria, the OCDC Board approved a resolution appointing Robert Petrovich as Interim President/CEO of the Corporation. Motion was carried unanimously.

CROUSE HEALTH HOSPITAL PROJECT AUTHORIZATION

Kevin Randall stated tax exempt bonds usually have a few years before having to do a renewal. He stated they are coming up on a renewal which gives them a chance to see how their current debt is structured. He stated they are heavy into Key Bank and they are trying to stratify their bank relationship to make sure they have more diverse bank relationships. He stated they also are looking into spreading out their MADS. He stated their current debt service is a wave now and they are trying to level it out to give them more cash flow for hospital reinvestments. He stated they look forward to working with Onondaga County and they are hoping to move forward with the bond refinancing. He stated it's not new money but a refinancing from Key to People's United.

Matthew Marko thanked Crouse for coming to OCDC and asked Chris Andreucci if there is anything the Board should be aware of. Chris Andreucci stated it is a straight refinancing taking out 5 series. He stated they are looking to close middle of March and have to close by end of March because 3 of the series have a mandatory tender on the 27th.

Richard Zaccaria asked for a background on People's United. Matt Wells stated Matt Heuber has a long history of working at Key Bank, First Niagara and Crouse Bank. He stated with Crouse having a couple Key Bank bonds coming due end of March, they put feelers out to various banks and People's came forth with best presentation. Kevin Randall stated People's used to be a bank and United used to be a bank and they merged to become People's United. He

stated they are out of Connecticut but Matt Heuber lives in New York and is trying to get a foot print in Upstate New York. He stated the will be moving their checking account to People's United as well.

Richard Zaccaria asked if a local or regional bank was considered. Kevin Randall stated yes and they exhausted all. Matt Wells stated Key Bank was also considered but they wanted to diversify their own holdings and not be so heavy within the hospital.

Upon a motion by Alison Miller, seconded by Michael LaFlair, the OCDC Board approved a resolution for the Crouse Health Hospital, Inc. project, authorizing a public hearing, authorizing the issuance of the Bonds in the amount not to exceed \$30,000,000, and the execution and delivery of the documents in connection therewith. Motion was carried unanimously.

Brian Bartlett stated the public hearing was held this morning and there were no comments.

HACK UPSTATE LLC

Jesse Pelinski stated thank you for the support last year and the event was a tremendous success. He stated he is a partner with Hack Upstate. He stated Hack Upstate started in January 2013 and set out to solve two problems. He stated the first one is the local colleges and universities across the region in Upstate New York produce some of the best stem talent but unfortunately they move to other regions. He stated they want to do whatever they can to help solve that so they helped facilitate dozens of job placements over the past 6 years. He stated they do what they can for internships and entry level positions with their perspective network. He stated it is up over 1,000 local technologists and universities. He stated the second problem is they don't see a lot of cross collaboration with other regions so they wanted to figure out a way to get folks collaborating more. He stated to solve these two problems they set out to have weekend long hack-a-thons which is a weekend long invention marathon. He stated a bunch of folks get together under one roof, share crazy ideas, form teams and build projects from those ideas. He stated a panel of judges decides on winners and they walk away with prizes. He stated they typically see anywhere between 175-200 signups for a single event and generally they will see about 100-150 folks come to the event. He stated from that demographic they see about 80% students mostly looking for employment opportunities. He stated 20% are local practitioners

using the event for a recruitment tactic for scouting out talent. He stated the next event is scheduled for April 6 and 7 at the Technology Garden. He stated the cost for executing a single event ranges between \$15,000 and \$17,000. He stated the event is free of charge for participants through sponsorships. He stated TCG Player and Raymour and Flanigan have sponsored them in the past and some other local companies. He stated the money raised for the event goes to feed the hackers 3 meals throughout the 24 hours and try to keep folks caffeinated. He stated some folks will stay up 24 hours hacking on the projects. He stated money also goes towards swag, transportation and prizes. He stated the ask here today is \$7,500 which is the same as last year. He stated last year's support has been tremendously helpful to having a successful execution for their event.

David Knapp stated he first became involved with Hack last year. He stated we see what is happening downtown with the various companies and they are looking to grow. He stated integral to growing is computer folks to help with the network. He stated he has met with them a couple times and this is great to bring folks in. He stated it is a job interview without the job interview. He stated it's a great event and he appreciates the support last year and hopes OCDC can do it again this year. He stated he knows budget wise OCDC is not flush right now but maybe the Crouse deal will help with that regard. He stated it is certainly a very worthy project.

Michael LaFlair asked if there is a mechanism in place to track the successes. Jesse Pelinski stated they send surveys to all of their sponsors asking how many folks they have lined up for interviews, how many interviews took place and if there were any placements. He stated he thinks they had about 15-20 interviews lined up from their last event but he can get exact numbers.

Michael LaFlair asked if there is a longer term plan. He stated a lot of times the Board sees the same groups coming in every year for the same amount of money and he would like to see a plan that eventually stops, decreases or show some net positives. Jesse Pelinski stated the money covers food but one thing they wanted to explore more is transportation and getting folks to their events. He stated universities have asked that buses be provided which could possibly double the numbers at their events.

Robert Petrovich stated he had a chance to talk to the Chairman of the Legislature and the County Executive who are very supportive of this particular initiative. He stated it is in line of what he would like to see in terms of economic development, technology and the future.

Matthew Marko asked if there is a revenue stream opportunity. Jesse Pelinski stated their events are free through their sponsors. He stated there are 3 tier packages; \$1,000, \$2,500 and \$5,000 and the sponsors pay that amount of money to facilitate recruitment for their event. He stated that has helped sustain these events for free over the past 6 years.

Matthew Marko asked who the sponsors are. Jesse Pelinski stated Raymour and Flanigan sponsored at the \$5,000 tier. He stated ITX Corp based in Rochester sponsored the year before. He stated TCG Player has pledged for this event as well. He stated the Syracuse I School has always been extremely supportive of their mission as well as Tarakeet, Cornell and LeMoyne.

Matthew Marko asked if the higher educations are participating financially. Jesse Pelinski stated they are contributing financially. He stated SUNY Oswego, LeMoyne, Syracuse I School, Cornell and few others.

Richard Zaccaria stated to Michael LaFlair's point, this sounds like a wonderful program and he is inclined to support it based on what he has heard but he wants to see what the results are and it is something the county wants to see. Jesse Pelinski stated having more folks come to the event is the number one driver for success to their event.

Richard Zaccaria stated he would like to see the growth model, the number of interviews and how many jobs that comes out of the event because that alone would be a good driver. Jesse Pelinski stated he will aggregate those numbers for the Board and will bring it for the next meeting. He stated he will get the sponsors to report back as well.

Matthew Marko stated this goes back to Michael LaFlair's original question of what are you measuring. He stated if you are not measuring that is a problem but the more you can measure the more you can report back on. Jesse Pelinski stated surveys were sent to everyone that went to the event. He stated they are happy to share all the information with the Board. He stated the past two events were the first to have the \$5,000 sponsorship and before that they had everyone

at the \$1,000 to \$2,500 range. He stated the sponsors realize the value of the events and want to support it more. He stated it has gone up in terms of participating.

Richard Zaccaria stated it appears Hack is heading in the right direction because they have more participation, more sponsorships, seeing job interviews and hopefully jobs coming from that. He stated he would like to see the actual numbers. Jesse Pelinski stated he is happy to share that information.

Brian Bartlett stated he will put in the contract that Hack will come back 3 months after the event to report to the Board.

Richard Zaccaria stated rather than have this conversation again next year he would like to see that progression and be able to say this is obviously a program that is working, it is sustainable and we might be able to support in different ways or more if we are seeing results.

Upon a motion by Alison Miller, seconded by Matthew Marko, the OCDC Board approved a resolution for Economic Growth Funds of \$7,500.00 for the Hack Upstate LLC project. Motion was carried unanimously.

Matthew Marko asked for a motion to go into executive session to discuss potential litigation.

Upon a motion by Michael LaFlair, seconded by Richard Zaccaria, the OCDC Board went into Executive Session at 11:01 am. Motion was carried unanimously.

Upon a motion by Michael LaFlair, seconded by Alison Miller, the OCDC Board adjourned executive session at 11:22 am. Motion was carried unanimously.

There were no actions taken in executive session.

Matthew Marko stated there is a concern with the Near Westside Initiative Inc. and breach of their contract. He stated he would like to introduce a motion to ask legal counsel and OCDC staff to terminate the contract with Near Westside Initiative based on breach of the terms and conditions of their contract and open a dialogue with them about future steps.

Upon a motion by Matthew Marko, seconded by Richard Zaccaria, the OCDC Board approved a resolution terminating the contract with Near Westside Initiative Inc. based on breach of the terms and conditions of their contract and open a dialogue with them for future steps. Motion was carried unanimously.

Upon a motion by Matthew Marko the meeting was adjourned at 11:24 am. Motion was carried unanimously.

Brian M. Bartlett, Secretary