

Onondaga County Industrial Development Agency  
Regular Meeting Minutes  
July 21, 2022

A regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, July 21, 2022 at 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Patrick Hogan called the meeting to order at 8:04 am with the following:

PRESENT:

Patrick Hogan  
Janice Herzog  
Victor Ianno  
Steve Morgan  
Susan Stanczyk  
Kevin Ryan

ABSENT:

Fanny Villarreal

ALSO PRESENT:

Robert M. Petrovich, Executive Director  
Nate Stevens, Treasurer  
Nancy Lowery, Secretary  
Karen Doster, Recording Secretary  
Alexis Rodriguez, Assistant Treasurer  
Jeff Davis, Barclay Damon Law Firm  
Amanda Fitzgerald, Barclay Damon Law Firm  
Samantha Podlas, Barclay Damon Law Firm  
Len Rauch, Office of Economic Development  
Matthew Pelligra, Office of Economic Development

APPROVAL OF REGULAR MEETING MINUTES – JUNE 14, 2022

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved the regular meeting minutes of June 14, 2022. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of June 2022.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved the Treasurer's Report for the month of June 2022. Motion was carried.

## PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #471

Upon a motion by Steve Morgan, seconded by Susan Stanczyk, the OCIDA Board approved the Payment of Bills Schedule #471 for \$1,458,920.59 and PILOT Payments to Onondaga County for \$59,551.91, City of Syracuse for \$47,051.64 and Syracuse City School District \$86,757.90. Motion was carried.

## CONFLICT OF INTEREST DISCLOSURE

The Conflict of Interest was circulated and there were no conflicts reported.

## STEWART HANCOCK PARTNERS LLC/DUNN TIRE LLC (3101-21-12A) MEETING TO MODIFY

Joseph Cattalani stated they have experienced crazy increases in costs of doing business and construction. He stated his electrical contract went up 50%. He stated what started as a \$4,000,000 project is now well over \$6,000,000 and he hasn't received asphalt prices yet. He stated when they got their estimate for asphalt it was \$50 a barrel and now it is over \$100 a barrel. He stated they have increases where they will easily surpass the first \$250,000 in benefit. He stated they are looking to increase that benefit to help them out with the rest of the expenses.

Nancy Lowery stated a public hearing was held and there were no comments.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing additional financial assistance in the form of an increase in the Sales and Use Tax Exemption for the Stewart Hancock Partners LLC/Dunn Tire LLC project. Motion was carried.

## DISTRICT EAST PROJECT PRESENTATION

Ryan Benz stated they are giving a presentation of the District East project today but not submitting a formal application, although they do expect to do so in the next couple weeks. He

stated Heuber Breuer, Dalpos Architects & Integrators and ReDev CNY make up a team called OHB Redev, LLC. He stated about a year ago they were awarded the RFP by the County for the redevelopment of Shoppingtown Mall. He stated the mall was built in 1954 and is now dilapidated. He stated the County took ownership of the property, issued an RFP and that's where they find themselves today. He stated the mall continues to be dilapidated and they are going to change that. He stated they are 3 local firms with one common mission. He stated they wanted to put together the strongest folks in this market that can do a project of this size. He stated they all have experience, not necessarily this scale in terms of mall redevelopment, but certainly in the residential, commercial, retail etc. world. He stated Dalpos flies under the radar but they are one of the preeminent mall repositioning entities nationally and they are based here in Syracuse. He stated they did Destiny USA but also work with Simon Malls, Westville Malls and general growth properties. He stated they were awarded the RFP 12 months ago and they have been meeting 3 or 4 times every week, often times more than that, in addition to neighborhood meetings. He stated it has been an active process and they hired an international design firm called CallisonRTKL where they wanted to challenge their thoughts and assessments. He stated they spent 3 days with them and asked for a design with a clean slate. He stated a lot of changes were taken out of that meeting with Callison and they believe it produced a better product because of that experience. He stated once the Board sees the application they will see all the SEQR reports. He stated they have done sound, site, environmental, asbestos, transportation studies and these are in the report. He stated they have actively engaged with neighborhoods. He stated they have held listening sessions and one of the comments was making sure the site is more connected, more engrained to the neighborhoods around it. He stated improving the walkability and creating a different level of experience makes a lot of sense. He stated they will work with the Town of DeWitt to improve some of the walkability factors across Erie Boulevard.

Andy Breuer stated the only negative comments were harboring back to Shoppingtown in its heyday when there was retail congestion especially around the holidays. He stated the density of retail and what they envisioned is probably 30% of the retail that had existed in the mall. He stated he thinks the balance of what is proposed will be neighborhood friendly.

Ryan Benz stated the Town of DeWitt has been part of the process for months and OHB Redev LLC wanted to make sure they had the Town's input so this is not a surprise to them. He stated an important real estate holder is tenants. He stated they have showed the plans to multiple

tenants, medical offices, grocers and movie theaters asking them if this is something that would attract them to this market and the answer was yes. He stated they have a lot of confidence that once they continue to advance these conversations they will have leases in place. He stated one of the requested benefits from this Board is related to the REA, Reciprocal Easement Agreement. He stated currently the Shoppingtown site is a 68 acre site that is on 6 different parcels. He stated the County acquired 3 of the 6 parcels. He stated they can handle 1 parcel without the need for this Board and that leaves 2 different parcels, Sears and Macy's. He stated Sears is owned by TransformCo and established by a gentleman named Eddie Lampert. He stated Eddie Lampert owned Sears and before Sears went bankrupt he transferred all the real estate assets to TransformCo which is a separate holding company owned by Eddie Lampert. He stated all the Sears that still remain active are owned by Seritage. He stated OHB has been negotiating with them for the last 4 months. He stated they made their first offer before they were awarded the RFP because if they were awarded the RFP they wanted to be ready to go. He stated they have gone back and forth and made 4 written offers including a cash offer. He stated TransformCO did counter them recently. He stated OHB is going to request the use of eminent domain where the Agency would step in to acquire the sites then turn them over to OHB to move this project forward. He stated the REA is so restricted that without consolidation of ownership no project can advance on this site. He stated the entire site will not have any development and fall into further disrepair unless the ownership is terminated. He stated the most important thing to advance this project is to consolidate the real estate. He stated Sear's is owned by TransformCo and Macy's is owned by Benderson Corporation. He stated Benderson Corporation is the largest private land owner in the United States. He stated they own Marshalls Plaza.

Ryan Benz stated Seritage sold that building for \$2.25 million which is \$15.31 a foot. He stated their last cash offer to them with a 90 day closing was over \$20 a foot at \$3,000,000 for their parcel. He stated they countered them at \$7.5 million. He stated they are not going to pay 5X what the market is. He stated they presented comps and will continue to present other comps in the market. He stated the comps for this kind of space is about \$10 to \$12 a foot. He stated when they did their offer they made it double what the market should support. He stated if successful with the IDA going through eminent domain proceedings, the value is determined by a judge. He stated the comp is \$10-12 a foot and they will pay \$15 a foot right now. He stated they need to be realistic about what this building is actually worth. He stated there has been multiple offers and multiple conversations with Benderson on how to make this deal happen and there has been no response. He stated when they met with Callison they wanted to create a

master plan community in a way that was sensitive to what the Town of DeWitt was looking for and appropriate for this market. He stated the Town of DeWitt has already done a rezoning to create what they call an MVE3 which is a natural use of a village. He stated they don't want a big box tenant. He stated they want mixed use and a significant residential component. He stated they want a village, a center heart of what the Town of DeWitt could be. He stated it has already established in their MVE3 and they will do a small amendment to allow various amenities but will not change the uses. He stated they want to create an experience. He stated there will be residences on site, employees, retailers and shoppers. He stated they have roughly 5 acres of parks, welcome pads, splash pads and other wonderful amenities with about an acre in the center where they envision outdoor movie theater, outdoor ice skating rink and food trucks. He stated their goal is to make it accessible and active all year round. He stated from a retail perspective one of the challenges of this market is the weather so they will have radiated sidewalks and heat lamps under awnings as you walk through which would be part of the experience. He stated they feel this site will be a fantastic spearhead at the tip of the Empire State Trail and one of the reasons they did their design the way they did was to work within the existing model of the Empire State Trail to bring it directly within the park. He stated adjoining their site is a senior development proposed to be 150 units. He stated what they are doing is taking their architectural drawings and understanding how the Empire State Trail would go through their site to come to the OHB site. He stated they believe this will be a significant anchor where people are using the trail and stop to change a tire, get lunch or those kinds of things. He stated there is a significant residential shortage in this market. He stated if the county is successful in attracting something at White Pine there will be an even greater challenge. He stated they are currently proposing over 500 units which includes market rentals, condos, affordable senior housing and townhouses. He stated they want to create an opportunity for multiple income levels to come to the site to enjoy the experience that is part of a neighborly perspective. He stated the number one thing people ask for is condos and without any marketing they get about 40-50 solicitations asking for condos. He stated when they designed it they wanted to engrain the different missions and different goals together. He stated there is a significant traditional residential component made up of townhouses and 3-4 story residential buildings, in the middle is the park and above the retail and restaurants. He stated they have about 170,000 sq. ft. of proposed letters of intent that can be turned into leases right now. He stated that means new buildings and repurposing the former Sears building. He stated they are going to demolish about 1/3 of the building to allow for a road to come around and try and include the Empire State Trail because it has 8.5 million visitors just to the trail itself across New

York. He stated it is a quality of life for people living on site to hopefully be more likely to use the Empire State Trail. He stated the park is intended to be pedestrian and vehicular but they will turn off the vehicular when it's busier like holiday season or weekends. He stated they spoke with movie theaters and it will not surprise him if Regal wants to continue their presence in the market. He stated they formally had this space and were successful. He stated they suspect they will reutilize the bulk of the existing theater to bring a movie theater back to this side of town. He stated it is not going to be a traditional theater, it is going to be a theatery concept. He stated 45% of AMC's business today comes from food and beverage. He stated the original mall was 1.1 million sq. ft. of retail and they are downsizing to about 250,000 sq. ft. He stated they are going to lease to a local institution of higher education who has been an active partner since day one. He stated they are looking for higher education, continuing education and masters level classes off their campus. He stated they are developing about 75,000 sq. ft. and they are negotiating how the parking deck will be better tied to this building so their students can park and easily walk to class. He stated the medical offices will be 750,000 sq. ft. and will take up the entire Sears building. He stated there will be an 8 story condo building with retail on the bottom and the proximity to the existing parking deck makes it an amenity rich building. He stated everything is inward facing to have the experience from within. He stated there is a potential grocer on the site as well and they have a few national high quality grocers not in this market that want to be.

Ryan Benz stated with the route 81 project they think that will be important for the tourism draw to the property.

Kevin Ryan stated the footprint for the grocer location is where Scotch & Sirloin is. Ryan Benz stated they talked to Mr. Tiffany, owner, and they have a lease that extends to early 2032. He stated the reality is the restaurant is dated and he recognizes that and thinks they will find a new home for him elsewhere in the site. He stated for them to bring anybody here they will have to negotiate with Mr. Tiffany. He stated he suspects it will cost them a lot of money to get him to relieve his lease. Andy Breuer stated it is not necessarily to say a grocer has to be in that spot.

Victor Ianno stated he thinks this is a tremendous plan and it is about time someone came up with something as clever as this.

Ryan Benz stated the project itself has been broken down into stages with Stage 0 being the infrastructure and will be about \$45 million. He stated as part of that there is a demolition of the existing mall, 170,000 square feet of new sidewalks and sewers. He stated the prep of the site has to be done first. Andy Breuer stated a lot of that will have to be in cooperation with the Town of DeWitt.

Patrick Hogan asked who will pay for the infrastructure costs. Ryan Benz stated OHB.

Patrick Hogan asked about maintenance. Andy Breuer stated they are chasing incentives for the infrastructure package. He stated they are hoping the Town of DeWitt will cooperate with them to make the blue streets on the map town streets.

Patrick Hogan asked how much parking is there including the garage. Ryan Benz stated 3,500 parking spaces.

Patrick Hogan stated he loves the park concept and the pedestrian accessibility. He stated this is something that will create a life center, a lifestyle that people want and it is a perfect vision.

Victor Ianno asked if the curb cuts are existing now or are they going to be new on Erie Boulevard. Andy Breuer stated they are currently showing new curb cuts on Kinney but the rest already exist. He stated the Loop Road largely still exist but for where people depart out to Kinney Road. He stated next to Chili's and across from Scotch & Sirloin already exist.

Victor Ianno asked if all the approvals are in place and how long do they anticipate it would take to complete. Andy Breuer stated it is a 5-7 year timeline. He stated it is going to be a function of how market forces affect them as well as how effective they are with the Phase 0 infrastructure package to make as much of the site shovel ready as possible from the start.

Patrick Hogan asked about financing. Ryan Benz stated they are working with ESD and others for some funding for Phase 0. He stated in conversations with ESD they show lines of credit from their lending institutions significant already. He stated there is also the realization that when you do these deals and bring in 170,000 sq. ft. of medical office it's easily underwritten. He stated with 500 residential units they have no problem being underwritten because of the high demand and banks are very comfortable with that.

Patrick Hogan asked if they will be asking for a PILOT. Andy Breuer stated they are submitting an application to the Agency for a PILOT as well as sales tax and mortgage recording tax and they hope to have that in by August 9 meeting.

Patrick Hogan stated this is a terrific vision for the Agency's mission.

Janice Herzog asked where the senior living center will be. Andy Breuer stated one of the sites in the yellow portion of the land use map would be a garden type style affordable senior living. He stated Housing Visions would likely be their partner to do that. Ryan Benz stated it is going through the Town of DeWitt approvals at this time.

Patrick Hogan stated there might be 3 generations living on this site. Andy Breuer stated he wanted the project to have longevity and cross appeal to different groups.

Kevin Ryan asked at what point they envision formally asking the Agency to pursue eminent domain against the two property owners. He asked if the Sears owner has offered an explanation as to why this property is valued so much higher. Ryan Benz stated at the next meeting they will be making a formal application which includes the use of eminent domain. He stated they have not received a response from TransformCo as to the higher price and they only received a response as to what they will accept. He stated they are more than willing to make an above market offer but they are not going to offer \$60 a square foot.

Kevin Ryan stated he understands that from a business perspective but there are other considerations pursuant to eminent domain for the Agency.

Victor Ianno stated with the advent of route 81 being done and 481 being the go through, has a hotel been considered. Ryan Benz stated yes. He stated there is an opportunity for a hotel and they believe from a tourist perspective that can be a great anchor to have a place to stay for folks coming off the trail. He stated this site projects about 3.5 million visitors and 25.6% of those visitors will be coming from outside the Central New York MSA which equals about 850,000 annual visitors contributing \$431,000,000 to the local economy. He stated there is probably a great market for a hotel. Andy Breuer stated the viability of the hotel is largely a function of



exactly where they end up with the institutional anchor piece as well as the medical and wellness piece. He stated they see an opportunity but not necessarily a flag branded hotel although they are willing to consider it.

Janice Herzog stated she thinks a lot of Township 5's visitor flow came from Costco. Andy Breuer stated that was their key part to the application as they were really appealing to the tourist factor. He stated a hotel is in parts of the application. He stated they have only had site control for 10 business days.

Janice Herzog stated it was mentioned they are not doing big box. Andy Breuer stated they would like to avoid it and he thinks the Town of DeWitt would prefer to avoid it. He stated if White Pine is successful it could put a tremendous strain on housing and they want to focus on all types of housing.

Patrick Hogan stated he would be amiss if he didn't mention the County Executive in this positive action regarding this issue.

#### EXECUTIVE SESSION

Jeff Davis stated he would like to take a motion by the Board to go into Executive Session under the New York Public Office's Law Section 105 for the purpose of discussing the proposed acquisition of land.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board went into Executive Session at 8:52 am to discuss the acquisition of real property. Motion was carried.

(Steve Morgan left meeting)

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board adjourned Executive Session at 9:15 am. Motion was carried.

RESCINDING SEQR DETERMINATIONS AND PURCHASE CONTRACT EXECUTION  
AUTHORIZATION RESCINDING PRIOR RESOLUTIONS OF THE BOARD ADOPTING  
SEQR DETERMINATIONS AND AUTHORIZING PURCHASE CONTRACT EXECUTION

Jeff Davis stated before the Board are two resolutions with regard to action item A and two resolutions with regard to action item B. He stated the two resolutions under action item A are rescinding resolutions authorizing the adoption of a SEQR determination and under Agency action B are rescinding resolutions that authorize the Executive Director to enter into certain purchase contracts. He stated 4 resolutions of the Board are being rescinded that were enacted at the July meeting.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution to rescind resolutions authorizing adoption of SEQR determinations. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution rescinding authorizing Executive Director to enter into purchase contracts and related documents with respect to parcels of property. Motion was carried.

PURCHASE CONTRACTS EXECUTION

Jeff Davis stated there will be 3 resolutions under agenda action item A and 3 resolutions under agenda action B. He stated there are 3 separate property acquisitions to be voted on. He stated the first one has a short form EAF for the acquisition of approximately 44 acres of land. He stated the EAF has been reviewed and completed a determination and the recommendation for the property acquisition at 8821 Brewerton Road is a negative declaration under SEQR. He stated the first action before the Board would be a resolution of the Board authorizing the adoption of a SEQR determination.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the adoption of SEQR determination. Motion was carried.

Jeff Davis stated the next resolution is an authorizing resolution where the Board would be authorizing the Executive Director to enter into a purchase contract and any related documents with respect to the property at 8821 Brewerton Road.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to enter into a purchase contract and any related documents with respect to the parcels of property. Motion was carried.

Jeff Davis stated the agenda action under number 4 deals with the acquisition of 3 parcels all owned by the same Board related entities so Counsel has looked at them as combined as required under SEQR review. He stated as a result it is 104 acres of review and a long form EAF has been prepared. He stated this property has been for sale by the land owner for quite some time. He stated they have reviewed the long form EAF. He stated parcels 5064 State Route 31, 5154 State Route 31 and 5170 State Route 31 SEQR review has been done for the purpose of acquisition. He stated any future development on those would be purely speculative at this time and should any development on those properties appear or be desired in the future that would be studied fully under SEQR for the exact development that could be proposed. He stated the Agency recognizes this is promoting economic development in terms of supporting the acquisition of these lands. He stated there is a SEQR resolution before the Board authorizing the adoption of a SEQR determination as a Type I action and issuing a negative declaration for the properties listed on State Route 31.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the adoption of a SEQR determination. Motion was carried.

Jeff Davis stated this is a resolution authorizing the Executive Director to enter into a purchase contract and any related documents with respect to parcels of property along State Route 31 addressed in SEQR.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the Executive Director to enter into purchase contracts and any related documents with respect to parcels of property.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the adoption of SEQRA determination. Motion was carried.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the Executive Director to enter into purchase contract and any related documents with respect to parcels of property. Motion was carried.

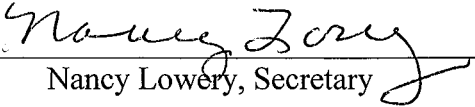
Jeff Davis stated the last resolution is in regard to property within the White Pine SEQR study area and the project included the acquisition of the subject property and such acquisition was included in the Agency SEQR review for the project including the evaluation of relevant impacts facts and conclusions associated with expansion of the park. He stated the Draft Supplemental GEIS, the Final Supplemental GEIS and Findings Statements that have been prepared by the Agency and adopted by the Agency, evaluated the relevant impacts, facts and conclusions associated with the acquisition of this additional acreage including the property that is subject to this resolution to accommodate the expansion of the park. He stated ultimately the Agency determined that the project among other feasible alternatives is the one which minimizes or avoids adverse environmental effects to the maximum extent practicable. He stated the acquisition would occur in accordance with the conditions and thresholds in the Final Supplemental GEIS and Findings Statements thus avoiding or mitigating any reasonable practicable adverse environmental impacts. He stated the resolution before the Board is authorizing the adoption of the SEQR determination.

Upon a motion by Janice Herzog, seconded by Susan Stanczyk, the OCIDA Board approved a resolution authorizing the adoption of SEQRA determination. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to enter into purchase contracts and any related documents with respect to parcels of property. Motion was carried.

#### ADJOURN

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 9:23 am. Motion was carried.

  
Nancy Lowery, Secretary