

**ONONDAGA CIVIC DEVELOPMENT CORPORATION**  
**Regular Meeting Minutes**  
**September 11, 2014**

The Regular meeting of the Onondaga Civic Development Corporation was held on Thursday, September 11, 2014 at 333 West Washington Street, Syracuse, New York, 13202, in the large conference room on the first floor.

Matt McAnaney called the meeting to order at 8:32 am with the following:

**PRESENT:**

Cydney Johnson  
Thomas Bezigian  
Len Manfrates  
Scott Koldin  
Matt McAnaney

**ABSENT:**

James Farrell

**ALSO PRESENT:**

Julie Cerio, Office of Economic Development, Director  
Honora Spillane, Secretary  
Kristi Smiley, Treasurer  
Linda McShane, Office of Economic Development  
Karen Doster, Office of Economic Development  
Christopher Andreucci, Harris Beach  
Troy Evans, Syracuse CoWorks  
John Talarico, Syracuse CoWorks  
Maira Grimes, Schneider Packaging  
Bob Kocik, CNY TDO  
James Mahaney, County Legislature

**APPROVAL OF REGULAR MEETING MINUTES – June 12, 2014**

Upon a motion by Thomas Bezigian, seconded by Scott Koldin, the OCDC Board approved the regular meeting minutes of June 12, 2014. Motion was carried unanimously.

**APPROVAL OF SPECIAL MEETING MINUTES – JUNE 17, 2014**

Upon a motion by Cydney Johnson, seconded by Leonard Manfrates, the OCDC Board approved the special meeting minutes of June 17, 2014. Motion was carried unanimously.

### TREASURER'S REPORT

Kristi Smiley gave a brief review of the Treasurer's Report for the months of July and August 2014.

Upon a motion by Scott Koldin, seconded by Leonard Manfrates, the OCDC Board approved the Treasurer's Report for the months of July and August 2014. Motion was carried unanimously.

### PAYMENT OF BILLS

Kristi Smiley gave a brief review of the Payment of Bills Schedule #042.

Cydney Johnson asked if July was the last payment for Item #2. Kristi Smiley stated yes because they paid out early.

Matt McAnaney asked if it is a pass through. Kristi Smiley stated yes so it never hits the books. She stated that they have paid in full to the County.

Upon a motion by Thomas Bezigian, seconded by Scott Koldin, the OCDC Board approved the Payment of Bills, Schedule #042 with General Expenses being \$237,621.74 and Marketing being \$15,576.00. Motion was carried unanimously.

### CONFLICT OF INTEREST

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

### SYRACUSE COWORKS

Troy Evans stated that Syracuse CoWorks kicked off two years ago and was a 40 Below initiative. He stated that it is a worldwide concept where they thought bringing one to Syracuse would be a cool idea. He stated that there is space rented out in the back of the Tech Garden with almost a cafeteria type of feel to it. He stated that it is a small room that fits about 10

people and going in they didn't know if there would be a demand for it or not. He stated that it started two year, instantly 10 people signed up, basically filled the space and has maintained that for the past two years. He stated that he started sitting there when it opened and it changed his business completely. He stated that he was introduced to people through the connections he has met there, through John Talarico and other folks that had a diverse background. He stated that it complete changed his business sand got him introduced to 200-300 people through the tree of connections that these 10 people introduced him to over the past two years. He stated as he was going through the learning experience of working in the Co Work space he was fascinated by it and wanted to replicate this for other people. He stated that they came together and decided it needed to take it to the next level. He stated that New York City and Chicago have 50 to 60 Co Working spaces and they are decked out like Google offices. He stated that they are inspiring places that make you want to sit down and work. He stated that they have very affordable memberships being \$50 up to \$1,000 in Manhattan can get a seat in these places. He stated that there are waiting lists and there is a huge demand for it in those markets. He stated that it hasn't been done that well in an upstate city yet. He stated that Buffalo, Rochester and Albany all have Co Work spaces similar to ours but no one has taken it to the next level.

Troy Evans stated that himself, John Talarico and another gentleman wanted to get together and find a way to take this to the next level and that is why they are here today. He stated that the new space is block down from the Tech Garden and they are partnering with the Tech Garden and 40 Below. He stated that they are forming a new nonprofit just around Syracuse CoWorks. He stated that they wanted to make it nonprofit to keep the culture and it is not a money making grab but a way to create space in downtown Syracuse where anybody can come get connected. He stated that they want to make it the connection hub of Syracuse. He stated that if you work 9 to 5 and want to start a business or you are a freelancer, there are 14,000 freelancers in Syracuse area which is a little under the worldwide average, they want to get those people out of their homes that are working in solitude and get them into the new space. He stated that the new space can hold 50 to 100 members. He stated that they want to get those people together and work together to create that culture that has helped himself and Mr. Talarico so much.

Matt McAnaney asked if there are any committed grants and/or contracts from other entities. Troy Evans stated that he is the landlord of the space and is donating the space very cheap at \$6.00 a square foot and putting in \$50,000 for build out. He stated that they have a Main Street



grant from Downtown Committee for \$20,000. He stated that they have a \$190,000 budget. He stated that Ben Sio who is head of 40 Below has been a huge part of this and has been committing 40 Below money up to \$50,000 but he is out getting commitments for that money as well. He stated that they are slowly progressing. He stated that they are supposed to hear back from the Gifford Foundation soon as well. He stated that those are the definites right now.

Scott Koldin stated that the concept is fascinating. He asked when people come, is it a temporary place for them or potentially a permanent place where they will be working. Troy Evans stated that it is whatever they want it to be. He stated that if they want to grow their business it can be just temporary space where they graduate into the Tech Garden or a place like that. He stated that they don't want to solely focus on tech because labeling it tech turns a lot of people off that don't think they would belong there. He stated that they want to gear it towards everybody. He stated that there will be people that will stay for 3 months and some that may stay for 10 years.

Scott Koldin asked if people will be sharing support staff. Troy Evans stated that it will not be a secretary. He stated that it is not so much focused on the office space as much as creating this community. He stated that they are going to create technology to manufacture connections to people. He stated that there will be an app that will tell who is in the space, who they are and a red light green light thing where you can say what you want to talk about like permits or starting their own business. He stated that it is an ice breaker kind of thing.

Scott Koldin asked if it is a place to network with other people or a place to get out of your house or both. Troy Evans stated that it is both. John Talarico stated that he has a software company. He stated that there are three people and he is located in Syracuse, his coworker is in Indiana and an employee in Indiana. He stated that they have a virtual company and he does not want to work at his home so he goes to the space to make connections. He stated that all of his business leads and connections are through Co Working spaces. He stated that they don't spend any money on marketing anymore because it is all word of mouth. He stated that they use Skype connections, go to meetings and have a virtual office in the Co Work space. He stated that it is not just about starting a business. He stated that his business has been going for 3 years.

Cydney Johnson asked if this fits into OCDC's guidelines. Honora Spillane stated yes.

Scott Koldin asked if when someone walks in are there tables, does everyone have cubicles. Troy Evans stated that there will mostly be single person tables set out in circles, there will be 3 glass partitioned conference rooms, 4 break out phone booths to take private calls and not a lot of long tables.

Honora Spillane stated that it allows for a lot of flexibility in terms of space, creating space, conference space and the privacy of the phone booths. She stated that the vision for the space is quite interesting.

Troy Evans stated that they want to make it an events space for events. He stated that he is flying to Kansas City for a meeting and he is going to run it with another coworker where every Wednesday morning at 9:00 the business community is invited and anyone else that wants to come and two local businesses pitch to the community about anything that is challenging to them, what they are working on or wanting to take their business to the next level. He stated that it is a huge feedback session that a business can use to get better or whatever they want to use the feedback session for. He stated that it has been hugely successful in other cities. He stated that up to 100 people come to Kansas City every week. He stated that they want to bring a chapter of that here and run it out of the new space and other events like that.

Matt McAnaney asked Julie Cerio what her perspective of this request from the Economic Development Office. Julie Cerio stated that it fits well within our mission and it is a great addition to what is going on downtown in moving things that way and starting up new businesses. She stated that it is a great way for young entrepreneurs to get their foot in the door and go on to do bigger and better things and hire more people. She stated that she thinks it fits well in OCDC's mission.

Matt McAnaney stated that if OCDC signs a service contract and is off and running and successful how do they self-sustain. Troy Evan stated that is why they went with the nonprofit route. He stated that they established a 9 person board that will be rotating. He stated that there will always be five Co Workers on the board and some other representatives of the Tech Garden or 40 Below. He stated that the Board is in charge in sustaining the space so they are confident. He stated that he and Mr. Talarico want to kick this off but he is sure they won't want to run it for 20 years so they created the sustainable model that will be a rotating group that runs it.



Matt McAnaney stated that financially they will continue to look for funding. Troy Evans stated that they will charge for membership. He stated that all projections lead to them being self-sustainable and hopefully getting extra money to continuously invest in the space.

Scott Koldin stated that if they are at full membership they will self-sustain. Troy Evans agreed and said that full membership is only about 22 people and right now they have 12.

Honora Spillane stated that the co-working space at the Tech Garden started out very small and has already expanded within the past year. She stated that it is at capacity and there definitely is a demand.

Cydney Johnson stated that the nice thing is since the Tech Garden has moved out of the University realm it is really starting to percolate. She stated that it is finally its place where it was meant to be which is a place for incubator and gathering. She stated that this is nicely aligned to them.

Chris Andreucci stated that it sounded that all the grants are not committed yet. Troy Evans agreed.

Chris Andreucci asked if they want the money to go in only when those grants are committed or anytime. Troy Evans stated that the grants are all at different cycles. He stated that the Gifford one will be this week and National Grid will probably be another month. He stated by end of October they should hear.

Chris Andreucci asked if half upon execution of the agreement and the other half upon showing commitment. Troy Evans agreed.

Upon a motion by Cydney Johnson, seconded by Scott Koldin, the OCDC Board approved a resolution authorizing the signing by an officer of the Corporation of the service contract and all other related documents with Syracuse CoWorks. Motion was carried unanimously.

## SCHNEIDER PACKAGING EMPLOYEE PRODUCTIVITY PROGRAM

Moira Grimes stated that Schneider Packaging has been in business for more than 40 years and they are located in Brewerton, NY. She stated that they design and build packaging machinery. She stated that whatever manufacturing that's needs to get out the door, Schneider designs and builds machines for that. She stated that they have been successful for more than 40 years but they are looking to continue the success through the TWI program for their employees as well as Leadership training for their employees. She stated that they believe very strongly that by going through and really implementing the TWI process they will improve their efficiencies, be able to bring in more business and be more successful with their processes.

Matt McAnaney asked Bob Kocik if CNY TDO will be doing the training. Bob Kocik stated that CNY TDO is the training provider. He stated that TWI is actually a DBA of TDO. He stated that the TWI Institute is located in Liverpool.

Honora Spillane stated that CNY TDO is not profit. Bob Kocik stated that they are a nonprofit MEP which is a Manufacturing Extension Partnership. He stated that they are part government funded and part sale of services funded. He stated that they are tied to NIST which is the National Institute of Standards Technology at the federal government level.

Matt McAnaney stated that the 23 employees are current employees that they are going to ramp up for new. Moira Grimes stated that the 23 employees are leaders in the organization, not necessarily managers but leaders of the organization. She stated that they are also asking for funding for train the trainer so that they will have a core group of people go through the TWI, have one individual trained and implement throughout the organization so that they are all on board and implementing the TWI processes. She stated that they hosted a group going through the training from TWI and they were able to sit in. She stated that they use some of their processes as examples in the TWI training and could definitely see how it will make an impact for their people and their processes.

Scott Koldin asked if the training will potentially cause Schneider Packaging to hire new employees or will it make them so efficient it will cause them to reduce the number of employees. Moira Grimes stated that it will not cause them to reduce the number of employees



but it will enable them to be more efficient and run things smoother, faster with quality in mind which will allow them to take on potentially more business. She stated that they did look at where implementing TWI can improve the key performance indicators. She stated that they will have more labor time to be able to accept more business.

Scott Koldin asked if they could result in more employees. Moira Grimes stated yes. She stated that Schneider Packaging owns additional land and if they are able to take on further business they have the land to build further capacity space if needed.

Scott Koldin asked if this meets with our mission because this is a private company and getting training to make that private company more efficient. Chris Andreucci stated that this is retaining jobs. Matt McAnaney stated that we want to retain the company that is here.

Scott Koldin stated that there is no question that this is within OCDC's mission. Chris Andreucci stated that there is no question that this is with the mission.

Thomas Bezigian stated that on the Proposed Method of Success Measurement has a lot of numbers and asked if savings is \$263,000 anticipated from implementing the training. Bob Kocik stated that it is the estimated savings based on those categories. He stated that they are aiming for a certain percentage of savings, then calculating that into dollars and bringing that down to \$263,000.

Thomas Bezigian asked if the total cost for training is \$43,000. Bob Kocik stated yes for all elements. He stated that this has been funded through WDI and it was split out. He stated that the other part is through OCDC.

Thomas Bezigian stated that it makes good business sense with or without OCDC. He stated that if it was \$200,000 savings it would still make good business sense. Bob Kocik stated yes.

Thomas Bezigian asked what Economic Development thinks about this. Julie Cerio stated that this is good and it is a good use of our resources. She stated that it is going to keep jobs here and hopefully grow some jobs. She stated that she thinks it fits within our mission.



Honora Spillane stated that point in fact is there is a gap in the market for training programs like this. She stated that they happen to be successful in getting WDI funding but the Employee Productivity Program as a whole is a unique program that fills the needs for these kinds of training opportunities. She stated that it is not available really anywhere around the State and is unique to Onondaga County.

Matt McAnaney stated that OCIDA used to fund these types of things. Kristi Smiley stated that both OCIDA and OCDC do this type of funding. Matt McAnaney stated that from his perspective supporting local manufacturing, training and retention of employees is good.

Honora Spillane stated that these dollars are usually a very small number and is never more than \$12,500 but the ROI goes in terms of the actual impacts to the companies is very large. She stated that to the business community as a whole to know these resources are available is incredible.

Scott Koldin asked how many employees are employed by Schneider. Moira Grimes stated that there are 163 full time.

Scott Koldin asked if this training is going to give the ability for future training and they are training people to train. Moira Grimes agreed and said they will be going through train the trainer and without continuing with all of their employees it won't be as impactful. She stated that they fully intend to roll out fully so that everyone is on board and implementing in their own particular field.

Kristi Smiley stated that this is one of the few tools that we have for our local companies. She stated that there are a lot of tools from the State for attraction projects and working with new companies. She stated that this is one of the few things we are able to do to help and assist our local companies for expansion. She stated that staff a lot of times has seen through OCIDA that a lot of companies that come with training request like this, are looking to expand a couple years later. She stated that it seems to be a trend that once we work with them on training we see expansions and further growth. She stated that it seems to be very helpful with companies and growth within our community.

Upon a motion by Scott Koldin, seconded by Leonard Manfrates, the OCDC Board approved a resolution accepting the Employee Productivity Service Contract for \$9,610 to Schneider Packaging to fund up to 50% of the cost of training 23 employees. Motion was carried unanimously.

#### ONONDAGA COMMUNITY COLLEGE BOND MODIFICATION

Chris Andreucci stated that OCDC did a transaction for OCC in 2011 for \$11,000,000 for the dorm project. He stated that the banker has come back and said they will reduce their interest rate. He stated that they are getting about 20 basis points dropped and to do that OCDC has to modify the definition of the bank purchase rate in the indenture. He stated that it will be done by drafting a supplemental indenture and modify the bonds to show the spread is now 2.3. He stated that it is simple and straight forward but the Board needs to approve it because it is the execution and delivery of the bonds. He stated that there are no other changes to the underlying transaction.

Scott Koldin asked if there is a downside. Chris Andreucci stated that there is no downside and it helps OCC.

Upon a motion by Leonard Manfrates, seconded by Thomas Bezigian, the OCDC Board approved a resolution authorizing the execution and delivery of first supplemental trust indenture and related documents with respect to the Onondaga Civic Development Corporation multi modal revenue bonds (Onondaga Community College Housing Development Corporation Project), Series 2011. Motion was carried unanimously.

Upon a motion by Scott Koldin, seconded by Thomas Bezigian, the OCDC Board adjourned the meeting at 9:06 am. Motion was carried unanimously.



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Honora Spillane, Secretary