

ONONDAGA CIVIC DEVELOPMENT CORPORATION
Regular Meeting Minutes
June 12, 2017

The Regular meeting of the Onondaga Civic Development Corporation was held on Tuesday, June 12, 2017 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 8:48 am with the following:

PRESENT:

Matthew Marko
Michael LaFlair
Ravi Raman
Alison Miller

ABSENT:

Ben Dublin
Dennis Duval

ALSO PRESENT:

Julie Cerio, President/CEO
Brian Bartlett, Secretary
Nate Stevens, Treasurer
Karen Doster, Recording Secretary
Isabell Harris, Office of Economic Development
Chris Andreucci, Harris Beach

APPROVAL OF REGULAR MEETING MINUTES APRIL 5, 2017

Upon a motion by Ravi Raman, seconded by Michael LaFlair, the OCDC Board approved the regular meeting minutes of April 5, 2017. Motion was carried unanimously.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of May 2017.

Upon a motion by Ravi Raman, seconded by Alison Miller, the OCIDA Board approved the Treasurer's Report for the month of May 2017. Motion was carried unanimously.

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #66.

Upon a motion by Alison Miller, seconded by Ravi Raman, the OCDC Board approved the Payment of Bills scheduled #66 with General Expenses being \$93,919.51. Motion was carried unanimously.

CONFLICT OF INTEREST

The Conflict of Interest will be circulated at next meeting but there were no comments.

LEGAL SERVICES RESOLUTION AND UPDATE ON RFP'S

Nate Stevens stated a legal services RFP was done and the respondents information is in packet.

Julie Cerio stated this was before the Board a couple months ago but there was no quorum to vote on it. She stated Chris Andreucci is a great attorney and he gets back to her immediately on any questions. She stated their bills are completely reasonable and never inflated. She stated he is very knowledgeable and staff's recommendation is to stay with Harris Beach.

Matt Marko stated they have all submitted proposals so the others would be selected as potential special counsel. Julie Cerio stated yes.

Upon a motion by Michael LaFlair, seconded by Matthew Marko, the OCDC Board approved a resolution reappointing Harris Beach, PLLC as Counsel. Motion was carried unanimously.

Upon a motion by Alison Miller, seconded by Ravi Raman, the OCDC Board approved a resolution reappointing Hancock & Estabrook, Barclay Damon, Bond Schoeneck & King, Mackenzie Hughes and Trespasz & Marquardt as Special Counsel. Motion was carried unanimously.

LANDSCAPING SERVICES RESOLUTIONS

Nate Stevens stated staff is proposing to award the work from June 1 to the end of the year. He stated a quote from Custom Lawn Scapes was received which is a local vendor based at Hancock Airpark. He stated a quote was received from J and R Lawns and Landscapes that was \$5,000 higher. He stated staff solicited Twin Oaks but they chose not to respond. He stated staff complied with the procurement policy by soliciting 3 firms.

Matt Marko stated the contract is for \$7,025 and asked if they did this last year. Nate Stevens stated yes.

Upon motion by Ravi Raman, seconded by Mike LaFlair, the OCDC Board approved a resolution appointing Custom Law Scapes to provide services for property managed by OCDC at the Hancock Airpark for a 1-year period. Motion was carried unanimously.

UPDATE ON HANCOCK AIRPARK

Julie Cerio stated that OCDC is a landlord, the buildings are old and there are constant issues. She stated one of the tenants is moving out and building on the other side of the airpark so we will have a vacant building soon and will need to decide what to do with it. She stated the other building, CES, is in total disrepair constantly. She stated the basement is flooding. She stated it is a County owned property and WEP is figuring out what needs to be done which will probably be costly problem to fix. She stated we have a contract with the County saying we will take in rents, keep money from sales and pay for costs associated with the airpark. She stated there is about \$200,000 in that account right now so we could probably fix it and we have another sale pending. She stated she reached out to the County because it is a big capital expenditure to pay for this and keep our money for the incidentals. She stated she thinks it is the best bet to get these properties off our plate and sell them. She stated the CES lease is ending in March and they pay very little rent. She stated we are going to have to renegotiate the terms of the lease. She stated at one point they were looking to buy it and we are going to encourage that again. She stated the other building needs to be sold and off our plate or it's just going to be a money drain. She stated we talked about it before and asked the company to do an appraisal of the building, they chose not too and moved out. She stated we put a heating system in and doesn't

seem like it is going to ever work because of the setup of the building. She stated Ben Dublin was concerned about getting fair market value for the property but we also need to think about continuing to pump money into these properties that are going to continue to have big problems. She stated it is definitely something the Board needs to think about and her preference is to get the properties sold. She stated the appraisals are really high for what these buildings are.

Ravi Raman asked what ones are vacant. Julie Cerio stated none of the buildings are vacant.

Ravi Raman stated he doesn't know much about the buildings but from what Julie Cerio has said it sounds like selling the buildings is the best route to take.

Matt Marko stated he hasn't seen the properties and maybe he should but it seems like a bad investment. He stated the next question is getting a fair sale transaction.

Julie Cerio stated we could do a lease and let them take care of their own property.

Alison Miller stated we are not in the leasing business or the landlord business so from what she remembers it was shifted to OCDC by default. She stated we should sell it.

Chris Andreucci stated in 1973 it was a grant to the County from the Army. He stated HFDC managed it through a lease with the County and HFDC got out of the business. He stated the County asked OCDC to take over.

Matt Marko asked if we would sell the property and the buildings. Julie Cerio stated yes. Chris Andreucci stated if it gets down to it, OCDC can have a conversation with the County saying you can take this back now.

Alison Miller stated there are only 2 structures OCDC owns and the rest of the parcels. Julie Cerio stated there is one in the pipeline right now being sold and one nice size parcel that still can be sold. She stated since OCDC has taken it over we have done a good job in getting parcels sold. She stated we got an appraisal and it is high but we don't have to go by the appraisal. She stated it was discussed getting it reappraised. She stated if someone is willing to buy it.

Ravi Raman asked about PAAA. Chris Andruecchi stated this is County property so notice to PAAA is not needed.

Matt Marko asked what the fair market would be and how do we get to the bottom of it. Chris Andrucci stated if it is sold through public auction there is a risk of selling it for \$1 but if the Board wanted to they could some kind of bidding process to see what people are willing to pay.

Alison Miller stated a public auction would be a last resort and ultimately it's what someone is willing to pay. She suggested engaging 2 or 3 realtors come in and tell us a listing price. She stated before we list it we should go to CES because they are a tenant.

Julie Cerio stated staff can approach CES and asking if they are interested in purchasing because we are moving forward. Matt Marko stated he agrees but he thinks Alison Miller's suggestion having realtors provide some guidance on the fair market value will be helpful. He stated whether or not we talk to the tenant we need to know whether or not their offer is reasonable.

Julie Cerio stated staff will wait to hear from WEP to see what the flooding issue is because she doesn't think we can get anything done unless we know if this is going to be a continuing problem. Matt Marko stated we should wait to hear what they have to say but if they can't provide a structure solution we may have to get somebody else's expertise.

Chris Andrucci asked if staff is going to secure bids for a broker. Julie Cerio stated yes and asked if a motion is needed. Chris Andrucci stated a formal motion is not necessary but a motion will be needed to accept a broker.

Upon a motion by Ravi Raman, seconded by Michael LaFlair, the OCDC Board adjourned the meeting at 9:13 am. Motion was carried unanimously.


Brian M. Bartlett, Secretary