

Onondaga County Industrial Development Agency
Regular Meeting Minutes
December 15, 2015

The regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, December 15, 2015 at the OnCenter Complex, 800 South State Street, Syracuse, New York in meeting rooms 1, 2 & 3.

Chairperson Daniel Queri called the meeting to order at 8:00 am with the following:

PRESENT:

Daniel Queri
Victor Ianno
Patrick Hogan
Janice Herzog
Steve Morgan

ABSENT:

Jessica Crawford
Lisa Dell

ALSO PRESENT:

Julie Cerio, Executive Director	Peggy Chase
Honora Spillane, OCIDA, Secretary & Treasurer	Jay Subedi
Karen Doster, Recording Secretary	Peter Sarver
Steven Coker, Office of Economic Dev	Peter Knoblock
Tony Rivizzigno, Gilberti Law Firm	Rev Arnold
Kathy Alaimo, Syracuse Label	Dave Babcock
Joe Gerardi, COR Development Company	Barry Lentz
Kate Johnson, COR Development Company	Leslie Noble
Ed Kelly, CP850, LLC	Ben Kuebrick
Mark Cass	Nikeeta Slade
Christine Abate	David Pittman
Ann Tiffany	Micahel Rosenthal
Pat Moriarty	Linda Dintino
Karaline Rothwell	Reggie Seigler
Richard Breland	Vincent Moody
Eddie H. Brown	Marilyn Goulet
Anna Morris	Deloris Perry
Diana Green	Lionel Logan
Virginia Dolin	Peter King
Mike Irwin	Dhilia Drury
Bertha Dow	Claudette Walters
Bernice A. Jennings	Paster Chirs Kinnell
Helen Hudson	Rich Puchalski
Gwen Chaffiri	Jeffery Muray
Susan Hamilton	John Whitker
Cathy Middlesworth	Peter Polikarpenko

Dan Queri stated that the Board wants to be able to converse and he asks that they can do it politely and respectfully for one and other. He stated he is Dan Queri, Chairman of the Board and welcomed everyone to the meeting.

APPROVAL OF REGULAR MEETING MINUTES – NOVEMBER 10, 2015

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved the regular meeting minutes of November 10, 2015. Motion was carried.

TREASURER'S REPORT

Honora Spillane gave a brief review of the Treasurer's Report for the month of November 2015.

Upon a motion by Patrick Hogan, seconded by Victor Ianno, the OCIDA Board approved the Treasurer's Report for the month of November 2015. Motion was carried.

PAYMENT OF BILLS

Honora Spillane gave a brief review of the Payment of Bills Schedule #390.

Upon a motion by Victor Ianno, seconded by Patrick Hogan, the OCIDA Board approved the Payment of Bills Schedule #390 for \$16,310.76. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

SYRACUSE LABEL BOND ISSUANCE

Kathy Alaimo stated that Syracuse Label received approval from the Planning Board last night. She stated that they plan to start as soon as the snow ends, finish by October and move into the plant. She stated that everything is going well.

Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the issuance and sale of the issuer's tax exempt multi-modal revenue bonds, series 2015 (Syracuse Label Co. Inc. Project), in a principal amount not to exceed \$6,600,000 and the execution of related documents. Motion was carried.

FINGER LAKES RAILWAY CORP LEASE EXTENSION

Julie Cerio stated that we have tolled this agreement twice and she is asking for another tolling period. She stated that she is negotiating with 5 other counties to extend the lease agreement and they have yet to reach an agreement. She stated that it is an old agreement so it is a sale/leaseback and the various interested parties are looking to negotiate different rates with the different counties. She stated that instead of continuing to come back to the Board they want to extend it for a longer period of time but she thinks they will be ready within the next month or two.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing the Tolling, along with the execution by the Executive Director of a Tolling Agreement to memorialize same, the term of which shall be finalized by the Executive Director and Harris Beach, PLLC as special counsel to the Agency regarding the Lease. Motion was carried.

CP 850

Ed Kelly stated that when CP 850 filed the original application last summer they identified a plan to undertake 2 phases of expansion. He stated that the first phase is underway and is the construction of 3 apartment complexes scheduled to be completed sometime this September. He stated that the additional apartment units are to commence construction in May. He stated they are finishing final

design plans now and starting to line up contractors. He stated that they want to get going with that work to afford market rate affordable housing in the area.

Daniel Queri stated that this is the release of the 2nd phase. Ed Kelly agreed.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution describing the proposed CP 850 Final Expansion project and the financial assistance the Agency may provide and authorizing a public hearing of the project. Motion was carried.

Upon a motion Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the execution of the Agent Agreement outlining the responsibilities of the Developer and Agency for the Project. Motion was carried.

COR INNER HARBOR DEVELOPMENT

Joe Gerardi stated that the project is as set forth in the application and is a redevelopment of approximately 32 acres mixed use development on the Syracuse Inner Harbor. He stated that construction is under way on the first hotel which is not part of this application. He stated that they are continuing to work on various parts of the project and would like to be back before the Board later this month early next year to start their first building. He stated that they continue to work with not only the Board and the Board's local labor policy but they are also working with the SUNY Educational Opportunity Center and will continue through this project.

Daniel Queri asked for a description of the parcels. Joe Gerardi stated that under the disposition agreement with the City there is essentially 5 parcels that were transferred from the NY Canal Corporation to the City of Syracuse and COR has closed on all but one of the parcels. He stated that the parcel currently owned by the City is on Solar Street.

Steve Morgan asked Tony Rivizzigno for legal definition of the local labor provision within our jurisdiction of OCIDA. Tony Rivizzigno stated that the local labor required of the applicant is a 10 county area and they are required to use labor within the 10 county area.

Daniel Queri asked Joe Gerardi if COR understands that and they will adhere to it. Joe Gerardi stated yes.

Patrick Hogan stated that this was tax exempt land owned by the state and the City negotiated to get the property then COR went before the Common Council. He asked Honora Spillane about the taxes. Honora Spillane stated that there is an assessment on the land now and will remain in place. She stated that the taxes collected through any PILOT agreement the Agency may enter into will be based on that assessment even though they will be collected through the PILOT agreement. She stated they will remain in place and will be collected throughout the term of the PILOT.

Patrick Hogan stated that they will be collected by the Agency and distributed to the County and the City. Honora Spillane stated that they will be distributed in the exact proportion they would be distributed either with SIDA involvement or with no IDA involvement at all.

Steve Morgan stated that there was no PILOT request for the current hotel project. Joe Gerardi stated that they did not seek any PILOT on the current Aloft project.

Steve Morgan asked when that project will be complete. Joe Gerardi stated that the hotel will open in approximately June 2016. He stated that there was a standard 485b on the project but no PILOT.

Daniel Queri stated that when the work was first commenced the work there was a State grant provided for the remediation. Joe Gerardi stated yes.

Daniel Queri stated that it had a 20% MWB responsibility they had to adhere to as well and asked if that work is completed. Joe Gerardi stated the work is completed which was done with Empire State Development and the MWB requirements were complied with.

Daniel Queri asked Honora Spillane about the public hearing. Honora Spillane stated that the main topics people spoke were the Onondaga County IDA's involvement, the distribution of the PILOT fees if there is a PILOT in fact put in place, the fee the Agency receives for its services and what it could be used for, the use of local labor particularly the residents of the City of Syracuse and a community benefit agreement. She stated that there is no community benefit agreement either with the City or County. She stated that it is not something that is in place now nor has the City or

OCIDA ever entered into one. She stated that the PILOT distribution will be the exact same distribution as either through SIDA or if there was no IDA involvement. She stated that the City, the School District and the County will get their proportional share throughout the term of the PILOT. She stated that there are no taxes being taken away but increasing the value of the property and abating that value. She stated the fees that OCIDA collects support the Onondaga County Economic Development staff and operations which have been funded without sales or property tax support from Onondaga County for the past 5 years. She stated that in addition those fees from OCIDA and OCDC are reinvested in economic and workforce development programs in the City of Syracuse and throughout Onondaga County. She stated that some examples are acquisition of Roth Steel, Syracuse Land bank operational support, Work Train and Upstart Entrepreneurial and Workforce Development training. She stated that the Agency supported a workforce development program on North Salina Street and scholarship programs at OCC. She stated that just those 5 initiatives alone are almost \$2,000,000 worth of investment. She stated that the Board received the full minutes and all the written comments submitted to the office as they came in and then as a final packet.

Steve Morgan asked Joe Gerardi the number of permanent and construction jobs that will be created and what is estimated tax impact between the City, the County and School. He stated that the property is generating nothing now. Honora Spillane stated yes so it will generate more. She stated the current value on the assessment which is the total of 10 parcels involved is \$4,400,000 so they will pay through the PILOT the appropriate tax value on that assessment. She stated that the value as discussed on the PILOT will be based on agreed upon rates for the uses that put into the PILOT value.

Steve Morgan asked how much tax revenue will go back to the local governments. Honora Spillane stated that over the term of a 15 year PILOT about \$100,000,000.

Steve Morgan asked Joe Gerardi about the jobs created. Joe Gerardi stated that they are anticipating over time 1,000 construction jobs and 500 permanent jobs.

Steve Morgan stated that he is abstaining because of his business relationship with COR.

Upon a motion by Patrick Hogan, seconded by Victor Ianno, the OCIDA Board approved a resolution of the Board for SEQR purposes determining that the action to provide financial assistance for the Syracuse Inner Harbor Project, as modified by the 2015 changes, will not have a significant effect on the environment and requires no further environmental review. Steve Morgan abstained. Motion was carried.

Upon a motion by Victor Ianno, seconded by Patrick Hogan, the OCIDA Board approved an inducement resolution of the Board for a straight lease transaction for a project consisting of the development of mixed use commercial space in the City of Syracuse. Steve Morgan abstained. Motion was carried.

Upon a motion by Patrick Hogan, seconded by Janice Herzog, the OCIDA Board approved a resolution of the Board authorizing the terms, execution, and delivery of the Master Payment in Lieu of Tax Agreement for the COR Inner Harbor, LLC project. Steve Morgan abstained. Motion was carried.

Upon a motion by Janice Herzog, seconded Patrick Hogan, the OCIDA Board approved a resolution be it resolved that to the extent allowed by applicable laws, the OCIDA Board agrees to use its best efforts to reinvest a substantial portion of fees, generated by the Board in its normal activities, in Economic Development Projects in the City of Syracuse. Motion was carried.

LCPTRACKER SOFTWARE

Daniel Queri explained that the LCPTracker Software system is a program to help track jobs and wages. Honora Spillane stated that it is a potential tool to help keep track of who, where, how they were hired and the continuing employment which is reported to the State every year.

Janice Herzog asked if it would be applied to all the projects. Honora Spillane stated that it could be applied to every project going forward.

Janice Herzog asked if it would make it easier for businesses and people developing to report on their local labor hires. Daniel Queri stated that it could make it easier to track.

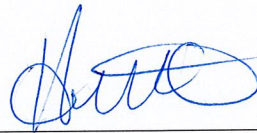
Upon a motion by Victor Ianno, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the Executive Director of the OCIDA Board to advertise by way of a Request for Proposal to purchase a type of LCPtracker Software System and B2Gnow Modules. Motion was carried.

APPROVAL OF A LETTER AGREEMENT FOR 6593 WEIGHLOCK DRIVE, LLC

Tony Rivizzigno stated that OCIDA is part of the mortgage on the 6593 Weighlock Drive property and this is really an IRS situation. He stated that they are asking us to verify that we are not involved in the swap and obviously we are not but they need something in writing.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Executive Director to sign the side letter for 6593 Weighlock Drive, LLC project. Motion was carried.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board adjourned the meeting at 8:22 am. Motion was carried.



Honora Spillane, Secretary