

Onondaga County Industrial Development Agency
Regular Meeting Minutes
December 12, 2016

The regular meeting of the Onondaga County Industrial Development Agency was held on Monday, December 12, 2016 at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Patrick Hogan called the meeting to order at 9:20 am with the following:

PRESENT:

Patrick Hogan
Janice Herzog
Victor Ianno
Steve Morgan

DELAYED:

Fannie Villarreal

ABSENT:

Kevin Ryan
Susan Stanczyk

ALSO PRESENT:

Julie Cerio, OCIDA, Executive Director
Nate Stevens, Treasurer
Isabelle Harris, Secretary
Steve Coker, Office of Economic Development
Karen Doster, Recording Secretary, Agency
Tony Rivizzigno, Gilberti Law Firm
Sara Wisniewski, Gilberti Law Firm
Dominic Robinson, CenterState CEO
David Silverman
Lauryn LaBorde, SCSD

APPROVAL OF REGULAR MEETING MINUTES – NOVEMBER 8, 2016

Upon a motion by Janice Herzog, seconded by Victor Ianno, the OCIDA Board approved the regular meeting minutes of November 8, 2016. Motion was carried.

TREASURER'S REPORT

Nate Stevens gave a brief review of the Treasurer's Report for the month of November 2016.

Janice Herzog stated 60% of the Hancock Airpark sales revenues go to OCIDA and asked where the other 40% goes. Nate Stevens stated 40% goes to OCDC into a subaccount for Hancock Airpark operating management funds.

Julie Cerio asked if we received the National Grid easement payment. Isabelle Harris stated yes for \$125,000.

Upon a motion by Victor Ianno, seconded by Steven Morgan, the OCIDA Board approved the Treasurer's Report for the month of November 2016. Motion was carried.

(Fanny Villarreal arrived at meeting)

PAYMENT OF BILLS

Nate Stevens gave a brief review of the Payment of Bills Schedule #400.

Janice Herzog asked if the rent changed when the City left the office. Nate Stevens stated the City never paid any rent for the office and OCDC paid the entire rent every month.

Julie Cerio stated there is a resolution on the agenda for this year and next year's rent. She stated OCDC used to do the lump share of the business so they paid a bigger percentage of the rent and now OCIDA has really picked. She stated staff is spending most of their time on OCIDA. She stated Tony Rivizzigno is going to draw up an agreement between OCIDA and OCDC. Tony Rivizzigno stated we will put something in writing what our relationship is with OCDC.

Patrick Hogan stated the city never paid any rent. Nate Stevens agreed.

Upon a motion by Janice Herzog, seconded by Victor Ianno, the OCIDA Board approved the Payment of Bills Schedule #401 for \$175,189.42. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

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

800 HIAWATHA BOULEVARD (ROTH STEEL PROPERTY)

Isabelle Harris stated a 7th task had to be added because some items in the initial scope we didn't know we had to do and DEC says we have to do them so we have no choice. She stated she asked Spectra for an estimate on what they thought would cover task #7. She stated DEC has been great working with us and things are moving along. She stated we bought the property, we have to do it, we need to keep moving forward and these things are coming up.

Janice Herzog asked if overall right now it is \$100,000. Isabelle Harris stated it is an additional task that we added that wasn't in the initial scope. She stated there was \$100,000 approved at the last meeting to move the piles so a total of \$200,000. She stated it could go up again depending on what they find as things develop,

Victor Ianno asked if the goal is to get it leveled and everything out of there. Tony Rivizzigno stated ultimately yes. He stated the County is coming through with a trail with a funding deadline they have to meet. Isabelle Harris stated they have funding to be used by a certain date.

Victor Ianno asked if there have been any inquiries. Tony Rivizzigno stated yes but nothing concrete. He stated it has 27 acres and has a lot of potential.

Isabelle Harris stated we have been applying for grants to help with the cleanup. Janice Herzog asked would it be more than what we already paid. Isabelle Harris agreed. She stated staff is writing a 2nd grant and it is a community site specific grant so if we were to get it in a year and we had sold Roth, we would still have that grant to help clean up a different property.

Patrick Hogan asked if the property is secure. Isabelle Harris stated yes.

Victor Ianno asked about the insurance on the property. Julie Cerio stated we have insurance.

Victor Ianno asked if it is part of the County or is it separate. Isabelle Harris stated we have separate policies.

Upon a motion by Victor Ianno, seconded by Janice Herzog, the OCIDA Board approved a resolution for an additional \$100,000 for additional remediation/reports not covered under the approved initial scope of work. Motion was carried.

435 NORTH SALINA STREET UPDATE – OFFICIALLY OPENED ON 12/2/16

Julie Cerio asked Nate Stevens to review the slide show of the before and after of 435 North Salina Street.

Julie Cerio stated the Agency purchased this dilapidated property from the Landbank and partnered with Dominic Robinson at CenterState and OCC to turn this into a restaurant/incubator for training for people who wanted to start their own restaurant. She stated they are going to cycle through every 6 months a different country and different program to train people to own their own business.

Dominic Robinson stated there are two purposes with one being CenterState runs a business incubation program targeting entrepreneurs that would be a good fit for business ownerships in our neighborhoods, primarily in the City, but looked at some of our towns and villages as well. He stated the lead actor will be the entrepreneur and resident who is working with them but the whole staff is being trained by OCC in comprehensive restaurant and hospitality management. He stated they will then be cycled out into jobs. He stated they worked with OCC to pull together about a dozen large scale corporate hospitality industry reps as well as smaller scale restaurants and did intensive feedback sessions asking what they would want from a program like this, what would their needs be and would they be willing to hire on the back end. He stated the expectation at OCC will be that as the program progresses they will bring in some of the employer to experience the restaurant, get a feel for the students so they are in the front of their mind when doing the hiring.

Victor Ianno asked if they are going to be taking the ethnic side to this. Dominic Robinson stated it's not just from different countries but could be under represented cultures. He stated we have a lot of good food that doesn't have representation in the restaurant community yet. He stated they are trying to identify those entrepreneurs who have the makings to be a restaurant owner, make great food and showcase them in that space.

Patrick Hogan stated what particularly impressed him was the adults that OCC is training to do almost anything and getting them back in the workforce.

Janice Herzog asked if it is certificate program. Dominic Robinson stated yes and part of the OCC Workforce Development Program.

Janice Herzog stated there are a lot of restaurants in Syracuse that tried to make a go of it and folded. She asked where the students come from for this program and if OCC needs students do they reach out to former restaurants that closed. Dominic Robinson stated they worked with a guy who started a food truck business about 5 years ago and he had been a chef in various restaurants. He stated the business folded but from that experience they were able to help him learn from his mistakes and become a successful business owner so he thinks there is something to be said for that concept for the restaurants that folded. He stated the premise for this was to see that all the great chefs are represented in our community but if you don't give them the right training up front it's doomed.

Dominic Robinson stated they are really grateful for the Agency's support on this because it is filling a niche need with a good impact.

437 NORTH SALINA STREET UPDATE

Julie Cerio stated we don't have pictures of 437 but it is next door. She stated it is 10 times worse than what 435 originally looked like.

Dominic Robinson stated the back story is when they were working with OCC and OCIDA to identify a site for the restaurant space, the Old Celebrity Den seemed fitting. He stated both buildings had same owner previously before going into tax delinquency and acquired by the Landbank. He stated when they approached the Landbank about the sale they agreed but they needed to sell both buildings together or the one will die on the vine. He stated they discussed it and the commitment CenterState and Northside UP made was to work with OCIDA diligently for a plan, figure out the financial strategy and put that building back into good use. He stated the primary objective to date is to use the space for business incubation. He stated if we don't have commercial space for entrepreneurs to land in or transition in, it doesn't work. He stated they are people who have the raw material for success but often have huge barriers. He stated

his team has been coordinating with a number of architects and contractors to do a preliminary survey of what is necessary to stabilize the property and ultimately to rehab it. He stated he knows there are resources in OCIDA and IDA; s are commissioned to stabilize these buildings. He stated this partnership represents a missing link for them because there are no good solutions for these buildings otherwise. He stated they would first figure out the rehab cost and ask OCIDA to continue to help stabilize the building with their resources. He stated they have an ESD grant through St. Joe's that they are willing to commit to share in the process. He stated once it is stabilized they would work with OCIDA to convey that property to one of two end users; St. Joe's Health as well as Home Headquarters, both of whom are willing to take the property long term and openly manage it as a business incubation space. He stated they have a contract almost ready for asbestos and other environmental testing. He stated when that comes back they will have a clear picture of the full scope of work and come back to OCIDA with a plan to do that collaboratively. He stated they will continue to invest in the soft costs and try to figure out a plan for hard costs and ultimately a good disposition for the property.

Julie Cerio stated she is not asking for decisions today and this is a discussion item. She stated there was indication the roof needed work and staff had someone look at the building. She stated something needed to be done immediately so a tarp was put on until we make concrete decisions. She stated solid figures will be provided to the Board to make some hard decisions about what we want to do but in the meantime there is tarp over it to protect it from further damage. She stated we haven't committed to anything other than the purchase of the building.

Victor Ianno asked if whoever put the tarp on the building is confident it will protect it. Julie Cerio stated for the time being yes but it can't be a long term solution. Isabelle Harris stated we need to make a decision fairly quickly.

Steve Morgan asked if there are structural issues at 437. Julie Cerio stated yes and will be addressed.

Victor Ianno asked if we own the 437. Julie Cerio stated yes and was a package deal with 435.

Victor Ianno stated it is not a wide building and would it make sense to open it up and let OCC use it. Julie Cerio stated she has talked with OCC and they are not interested in this particular building at this point.

Victor Ianno stated it's a small space and he thinks needs to be looked at before money is put into it. Julie Cerio stated those are the things that we will have to take a serious look at when they come back to us with the numbers.

Victor Ianno stated the natural use for this is OCC because of the size of it. Dominic Robinson asked if Mr. Ianno means in terms of being a part of what they are doing next door. Victor Ianno agreed. He stated it would be crazy to try and retrofit that small piece of property to another specific use that you would have to build. Dominic Robinson stated they work with a number of businesses who are trying to get started and need more traditional 500 sq ft of space. He stated it is 4500 square feet and 3 stories. He stated on the first floor he does see some value to looking at expanding the seating should that be of interest to OCC.

Patrick Hogan stated we need to see the numbers first.

Janice Herzog stated if you get a chance go to With Love Pakistan because it is great food and the students really love the experience serving and working with you. She stated they don't accept tips but if you do tip it goes back into the program.

Dominic Robinson stated they really appreciate the Agency's support on this. He stated it is a small building but a big project for the neighborhood.

WHITE PINE UPDATE

Isabelle Harris stated we are nearing the finish for the sewer line design. She stated she has information if the Board is interested. She stated we are moving along and things are getting done. She stated Nate Stevens will talk about the RFP that went out.

Victor Ianno asked what the RFP is for. Isabelle Harris stated there are different things we have to work on to make the property available. Nate Stevens stated over the past 2 months he and Isabelle spent a lot of time looking at the property and decided an RFP was the right next step. He stated the original RFP from 2009 to get a shovel ready site included defining wetlands so they built upon that. He stated since that time the IDA has tried to market the site and there has been stumbling blocks which included the wetlands. He stated great progress has been made in

the past 6 years from the 2009 RFP. He stated this RFP is to acquire an engineer to deal with those couple of things identified. He stated the RFP will also be worded in such a way as to give us flexibility to right change orders. He stated the vendor will help take us from where we are now to landing a company. He stated it is worded where they will be able to come in and help us build a pitch book that has technical specifications to forward to a company. He stated advanced manufacturing companies are investing millions of dollars and what matters is how quickly they can get it done and how quickly they can respond. He stated they don't want to hear things still need to be done to the property. He stated staff is focusing on taking it one step above where it is now and getting it a spot where someone can come in and start immediately.

Julie Cerio stated we need the design done so we know exactly what it would take to get the sewer lines from White Pine to Oak Orchard.

Victor Ianno stated that would be a cost to whoever buys the property. Julie Cerio agreed.

Victor Ianno stated we are looking for an engineering firm to give us a bid to take the work that is done and finish it up. Nate Stevens agreed.

Victor Ianno asked if there should just be a negotiation with CHA since they have all the information. Isabelle Harris stated an RFP is required. Tony Rivizzigno stated CHA can bid. Nate Stevens stated the RFP was sent out to about 10 vendors. He stated there are some great firms and some with experience doing this on other sites around NYS. Isabelle Harris stated some have worked on the property in the past.

ONONDAGA COUNTY ECONOMIC DEVELOPMENT OFFICE RENT PAYMENT 2016 AND 2017

Nate Stevens stated the rent is paid upfront every month by OCDC and OCIDA reimburses half. He stated there are two resolutions; one for 2016 and one for 2017.

Julie Cerio stated a resolution needs to be added to authorize herself to sign the documents required to facilitate.

Upon a motion by Victor Ianno, seconded by Fanny Villarreal, the OCIDA Board approved a resolution authorizing payment of 2016 rent in the amount of \$59,276.70 to the Onondaga Civic Development Corporation. Motion was carried.

Upon a motion by Victor Ianno, seconded by Fanny Villarreal, the OCIDA Board approved a resolution authorizing payment of the 2017 rent not to exceed \$60,000 to the Onondaga Civic Development Corporation. Motion was carried.

Upon a motion by Steve Morgan, seconded by Fanny Villarreal, the OCIDA Board Authorized Julie Cerio to sign the necessary documents. Motion was carried.

Upon a motion by Victor Ianno, seconded by Fanny Villarreal, the OCIDA Board adjourned the meeting at 10:04 am. Motion was carried.

A handwritten signature in black ink, appearing to read "Isabelle Harris", written over a horizontal line.

Isabelle Harris, Secretary