

February 12, 2024

**VIA ELECTRONIC MAIL**

Mr. Robert M. Petrovich, Executive Director  
Onondaga County Industrial Development Agency  
335 Montgomery Street, Floor 2M  
Syracuse, NY 13202

Re: *District East Application*  
*Anticipated Retail Capital Expenditure*

Dear Mr. Petrovich:

This letter is provided in support of OHB Redev, LLC's (the "Applicant") application to the Onondaga County Industrial Development Agency (the "IDA") for tax benefits in connection with its proposal to redevelop approximately 69 acres of land on the site of the former Shoppingtown Mall (the "Project") in the Town of Dewitt (the "Town"). Public comments have raised the issue of whether the Project's anticipated capital expenditures for retail development will exceed the one third of total project cost limit set forth in General Municipal Law ("GML") § 862. This letter is intended to clarify the Applicant's intention to spend less than one third of the project cost on facilities that are primarily used to make retail sales.

**A. The Project's capital expenditure for the construction of retail space will not exceed one third of total project costs.**

The public comments that raised this issue mistake square footage for anticipated capital expenditure. While it is true that the Project plan estimates for combined square footage of retail, medical/office and grocery narrowly exceed the one third threshold (approx.. 35% as stated in the Whiteman letter dated November 13, 2023), my client's calculations indicate that the total capital expenditure for these uses will be less than one third of the total project cost (approx.. 30%). The discrepancy between the square footage and capital expenditure estimates is due to the cost of the build out of retail space being much lower than the cost of constructing space for residential and other non-retail uses.

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**B. The Applicant will continue to pursue exemptions from this requirement when appropriate.**

Public comments correctly point out that the Applicant may pursue exemptions from the above-mentioned capital expenditure limit in the future if the tourism destination or highly distressed area exemptions set forth in General Municipal Law §862 are available. The Applicant asserts that any determination on those exemptions at this time is pre-mature and reserves the right to pursue those exemptions at the appropriate time.

Sincerely,

BOND, SCHOENECK & KING, PLLC

A handwritten signature in blue ink, appearing to read "Brody D. Smith".

Brody D. Smith, Esq.  
Member