

## Specialists' One Day Surgery

Public Hearing

January 5, 2018

The Public Hearing of the Onondaga County Industrial Development Agency, held on this day, Friday, January 5, 2018 at the Town Hall, Town of Cicero, 8236 Brewerton Road, Cicero, New York was called to order at 10:03 am by Public Hearing Officer Nathaniel Stevens.

### ATTENDEES:

Nathaniel Stevens, Public Hearing Officer  
Bob Antonacci, Onondaga County Comptroller  
Rick Moriarty, Post-Standard  
Don Keegan, NSCSD, Associate Superintendent  
TR Schepp, Onondaga County Comptrollers

The Public Hearing was conducted regarding the application and project described as follows:

Specialists' One Day Surgery      Enter into a straight lease transaction for a project consisting of renovating a vacant 52,800 sq. ft. building.

Location: 5801 East Taft Road  
Town of Cicero

NOTICE IS HEREBY GIVEN that a public hearing, pursuant to Article 18-A of the New York State General Municipal Law, will be held by the Onondaga County Industrial Development Agency (the "Agency") on Friday January 5, 2018 at 10:00 AM, local time, at the Town Hall, Town of Cicero, 8236 Brewerton, Cicero, New York, in connection with the following matters:

Specialist's One-Day Surgery LLC, (the "Applicant"), has requested that the Agency enter into a straight lease transaction for a project consisting of renovating a vacant 52,800 sq. ft. building located at 5801 East Taft Road in the Town of Cicero (the "Project"). The Project will be initially operated and/or managed by the Applicant. Specialist's One-Day Surgery LLC is requesting approximately \$552,790 in sales tax and \$1,723,776 in property tax exemptions.

The Agency contemplates that it will acquire an interest in the Project by accepting title to or leasehold interest in the Project and leasing the Project to the Applicant pursuant to a lease or installment sale agreement. The financial assistance to be provided will be exemptions from state and local sales taxes and Payment in lieu of Tax Agreement consistent with the policies of the Agency.

A representative of the Agency will be at the above-stated time and place to hear and accept written comments from all persons with views in favor of or opposed to the proposed financial assistance to the Applicant or the location or nature of the Project.

Public Hearing Officer Stevens asked if anyone had any comments in favor of the proposed project. There were none. He then asked if anyone wanted to speak in opposition to the proposed project.

Bob Antonacci – Thank you for your time today. I will note that there no members of the Agency Board of Directors here. That is something that I have continually stressed is a bad practice in my opinion and I would hope in the future that at last one board member would attend every public hearing. That being said I am here today not so much in opposition of Syracuse Orthopedic Surgeons who are a well-known and fantastic medical group. In fairness and in full disclosure a physician of that group actually performed a hip replacement on me approximately 4 years ago. It

was phenomenally well done and today I continue to be pain free and as good as shape as possible for a man at my age and activity level. I am here to speak out about granting tax exemptions to an existing enterprise already located within Onondaga County and specifically I draw the Agency and the Board of Directors attention to what is commonly referred to as the anti-piracy statute of General Municipal Law, Article 18A involving Industrial Development Agencies specifically Section 862 with restrictions on funds of the agencies. I won't read it word for word but basically again this is referred to as the anti-piracy statute and it basically does not allow the use of funds of the agency to be used in respect of any project if the completion there of would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state. And the statute goes on to say unless there is a fear that the project would leave the state. Well let me say something first about the work industrial, I believe that the IDA needs to put the word industrial back into its purpose. This is clearly not an industrial project nor are the hotels that have received exemptions so we need to get back to the focus of economic development being about attracting industry to Syracuse New York. That being said this is clearly a project that is moving from one section of Syracuse to another. There is no way that SOS can move to Tennessee. They can't transplant their patients from Syracuse, New York to Tennessee and perform those hip replacement surgeries. Therefore they are simply rearranging the deck chairs on the Titanic by moving from one part of the County to another in violation of this anti-piracy statute. So I would submit that the Board of Directors of the Agency needs to reject the tax exemption portion of this application because it violates Section 862 of the General Municipal Law. In closing we know that exemptions have been granted to shopping centers that have cannibalized other shopping centers. We now know that hotels that have received tax exemptions, not specific to those hotels, but that hotel average room night is going down in Onondaga County. Again an example of cannibalization. We've seen it with casino gambling, that cannibalization. So I don't believe that this is in the best interest of the tax payers of Onondaga County and therefore this property tax exemption should not be granted.

Public Hearing Officer Stevens asked if there are any other comments.

Don Keegan – I am the Associate Superintendent for the North Syracuse Central School District and let me first say very well said Mr. Antonacci. I concur with his comments completely. On behalf of the school district I am here really specifically to express a concern that with the difficult budgets that we have had and/or anticipated to have. We are very concerned about the loss of any school taxes that would diminish the programs of our students. I should further add though that with whenever we have a PILOT program like this granted what ends up happening is that their tax levy doesn't change so we end up basically taking the money that we would give SOS and spread it out over our other tax payers who are already concerned about their tax levy. So we are concerned about our tax payers and we are concerned about our students and we are opposed to the project on that basis.

Bob Antonacci – Mr. Stevens can I ask a quick question. Part of the process of the Board, do they know if there is an existing lease already. Is that a question that is asked by the Board.

Public Hearing Officer Stevens – What do you mean.

Bob Antonacci – A lease with SOS and the developer and/or owner of the building.

Don Keegan – Is Benderson still the owner.

Public Hearing Office Stevens – I don't think I can answer that at this hearing

Don Keegan – You don't know if Benderson is the owner.

Public Hearing Officer Stevens – I don't think I can answer that at this hearing. The role here is to simply accept the comments. It is not to have a discussion.

Bob Antonacci – Can I go back on the record with a comment about that. Would you be ok with that.

Public Hearing Officer Stevens – Please do.

Bob Antonacci – I would ask the Board to ascertain whether or not there is an existing lease and if in fact SOS has already made a deal with the existing owner and developer. My opinion would be is that if there is an existing lease, that deal is already cemented and thus this exemption is nothing more than a potential grab at the tax payer's pocket book. Thank you for letting me add that.

Public Hearing Officer Stevens stated at this time is there is anyone who would like to make general comments about the proposed project. There were none. The Public Hearing Officer Stevens also noted that no written comments concerning the project had been received as of January 5, 2018. The comments are kept on file and available for public viewing at 333 West Washington Street, Suite 130, Syracuse, New York.

The notice for Public Hearing has been read. The opportunity for comments for and against the proposed project has been noted. There being no further business, Public Hearing Officer Stevens closed the hearing at 10:11 a.m.

Dated: January 5, 2018

ONONDAGA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Nathaniel Stevens, Public Hearing Officer