

SDODC

Special District Operations and Development Committee
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James V. Breuer, Chair

SPECIAL DISTRICT OPERATIONS AND DEVELOPMENT COMMITTEE MEETING

Meeting Minutes

January 20, 2015

CenterState CEO
115 West Fayette Street

3:00 pm

Attendance

Members: Chairman Breuer; Mss. Gagliano and Littlejohn; Messrs. Carroll, Doucette, Dunn, Fiorito, Fisher, Koolakian, Lemp and Tripoli

Staff: Mss. Finch, Holbrook, Reed, Sherlock, Treier; Messrs. Campanie, McFadden

Guests: Hon. Nader Maroun – Syracuse Common Council
Hon. Bob Dougherty – Syracuse Common Council
Mr. Ed Riley – Hotel Syracuse Restoration

I. WELCOME

a. Introduction of New Board Members

Chairman Breuer welcomed the Board members and guests present. He welcomed new Board member Mr. Peter Dunn, President and CEO of the Central New York Community Foundation and Mr. Don Lemp, owner of Lemp Jewelers.

b. Reappointment of Board Members

Chairman Breuer also recognized Board members who were reappointed this year: Mr. Ed Koolakian, Mr. Tony Fiorito, and himself. Chairman Breuer also noted that Mr. Howard adapt the role of Treasurer of the Board of Directors.

c. Welcome Guests

Chairman Breuer welcomed the Hon. Nader Maroun, Hon. Bob Dougherty and Mr. Ed Riley.

Chairman Breuer also welcomed back Mr. Campanie who has returned to his duties with Downtown Committee Security this month.

II. ADMINISTRATION

a. Approval of the Minutes of November 18, 2014

Chairman Breuer asked for a motion to approve the minutes of November 18, 2014. Mr. Fiorito moved and Mr. Doucette seconded. The motion was unanimously carried.

b. 2015 Meeting Dates

Ms. Treier distributed a list of the 2015 Board Meeting Dates. She noted that Ms. Sherlock will send out an Outlook calendar meeting invitation with these dates to the board members on Wednesday.

c. Conflict of Interest Policy

Ms. Treier distributed the annual Conflict Policy form for each board member to complete which will be kept in the Downtown Committee files.

III. FINANCIAL REPORT AS OF DECEMBER 31, 2014

Ms. Treier stated that the December 31 statement represents the halfway point of the organization's fiscal year. Income is ahead of expenses. Ms. Treier noted that the Transportation/Franklin Street Lot is performing well and is ahead of last year's revenue. She noted that the rate to park in that lot was increased to \$5. Ms. Treier asked the Board to review the Expense by Program information. She stated that under Administration, office rent is projected to come in lower than anticipated. Ms. Treier also called attention to the Marketing program, which is running below budget. She stated that this is not uncommon for this point in the year as the ad buy for the TV commercial campaign has not yet happened. She identified under Security that the Salaries & Fringe line is ahead of budget, but it does not yet account for the Workers Compensation reimbursement which will be reflected in the January 2015 statement. She also stated that the Board should expect the Security Insurance line to come in over budget as the program now has a new carrier, effective January 1, 2015, with an increased rate. Under Economic Development, she noted that funds allocated for Retail Recruitment activities will be repurposed due to an unsuccessful CFA application submission and staff is currently working on the plan for repurposing those funds.

Chairman Breuer made a motion to approve the December 31, 2014, Financial Statement, subject to audit. Mr. Fiorito moved and Mr. Tripoli seconded. The motion to approve was unanimously carried.

IV. SPECIAL DISTRICT PROPOSED BUDGET 2015-2016

a. Review and Approve

Ms. Treier stated that the Budget Committee has met to review, prepare, and recommend the budget to the Board and which upon Board approval will be recommended to the City as the 2015-2016 Downtown Special Assessment Budget. She thanked board members, Jim Breuer, Tony Fiorito, Ed Koolakian and Brian Howard for their contributions.

Ms. Treier presented the Analysis of Income Report. She reviewed the Historic Analysis of Income over the last 10 years: Special Assessment typically accounts for the largest percentage at 77%; Events income contributes 13% of the budget and represents events such as the annual Farmers' Market, Arts & Crafts Festival and Downtown Living Tour and Transportation (parking lots) has historically contributed 8% of the budget.

Ms. Treier reviewed the Breakdown of Annual Income graph since 2007 which shows the dollar amount allocated to each source. The chart includes grants that go directly towards support of the Downtown Committee's programs. Ms. Treier also reviewed the Percent Breakdown of Income by Source graph for the upcoming fiscal year in which 78% of income was derived from Special Assessment, 12% from Events, and 10% from Transportation.

Ms. Treier reviewed the Grant Income slides: she noted that these funds have typically gone to Environmental Maintenance, Economic Development or Marketing programs. 2013 was a big year for grants which was close to 10% of income due to the large Preserve America grant.

Ms. Treier reviewed the Historic Analysis of Expenses for the past 10 years. She noted the following trends in expenses: Administration at 21%, with Maintenance a little higher at 23%. Marketing averages about 18% of total yearly expenses, with Security at 14%, Economic Development at 10%, Events at 8%, and Transportation at 5%. Ms. Treier noted that there is typically only a 1% change each year in program expenses. The Budget Committee is recommending a \$35,000 increase to the Special Assessment budget to fund Security and Environmental Maintenance to keep up with the changing Downtown environment.

Ms. Treier discussed the Breakdown of Annual Expenses. She reported that expenses will increase 2% in Security and 1% in Environmental Maintenance.

Ms. Treier noted on the Percentage of Expenses for Marketing graph that the balance of special assessment funds after allocation to Administration, Security, Environmental Maintenance, and Economic Development programs is used to fund Marketing expenses. However, these funds do not cover all of the marketing expenses and the profit made on the events run by the Downtown Committee cover the remainder of the marketing programs. In 2016, there is a steady decline in special assessment money as it goes to pay for other services. The events allow the Downtown Committee to pay for all of its programs that the Special Assessment funds don't cover.

Ms. Treier reviewed the Analysis of Program Profitability slides which will provide a truer picture of how these events contribute to the Downtown Committee programs and budget:

- The Herald Place parking lot did not make money in 2012, but now it is generating a profit of \$3,000 with minimal staff oversight.
- Franklin St. parking lot - in 2012 and 2013 profits were higher due to construction that pushed street parking into the lot. In 2014-2015, the profit was more typical to what would be expected.
- Dining Week - the Downtown Committee will be making a profit this year as a new and larger sponsor, Renzi Foods has been secured. The Downtown Committee no longer has to subsidize this program with Downtown Marketing dollars.
- Farmers' Market - Ms. Treier noted that 2012 was a good year with around \$8,000 profit; 2014-2015 were more typical years with a profit of \$4,000-\$5,000 each year. Chairman Breuer commented that the reasonable booth fee for vendors has made it a great amenity for Downtown constituents while also helping the farmers.

- The Art Show typically brings in a profit of \$20,000-\$25,000.
- Downtown Living Tour –In order to expand on the opportunity to secure sponsorships for this event, the Downtown Syracuse Foundation as a 501(c)(3), will take over management of this event. The Downtown Syracuse Foundation will provide an annual grant to the Downtown Committee after each event.

Ms. Treier reviewed each of the program lines in the proposed budget for 2015-2016. She noted that the chart reflects the last three years of performance. The Downtown Committee will be asking for a \$35,000 increase to the Special Assessment budget. The primary reason for the increase is related to changes in the Security and Environmental Maintenance department programs.

Ms. Treier noted on the Environmental Maintenance proposed budget shows an increase in Salaries & Fringes to \$153,043 which will cover new seasonal help for the expanded beautification efforts. She noted that the flower basket watering expense was moved to the Downtown Syracuse Foundation in order to capitalize upon sponsorship opportunities for this program. The remaining \$6,500 budget covers the annual tree pit watering contract only.

Ms. Treier reported that there are no major changes in the Marketing proposed budget.

Ms. Treier discussed the changes in the Security budget proposal. There is an increase to \$130,141 in Salaries & Fringes in order to hire a new part-time security officer. The Depreciation budget line of \$17,670 reflects the security cameras the Downtown Committee will purchase. There will also be a Maintenance Contract of \$5,900 annually to pay for upkeep of the security camera program. She noted that this is the most cost-effective way to ensure performance.

Under Economic Development, Ms. Treier reported that the Downtown Committee is working with National Grid and other community partners on a new Geographical Information System (GIS) website which will provide tools to help retain, grow and attract new businesses to Onondaga County including promoting Downtown's available real estate. The website will be a source for demographic/real estate information and assist grant writing efforts. The data will be free and open to the public. Ms. Finch noted that the website is still under development. Ms. Treier added that the Downtown Committee will send an email to constituents to encourage them to use the new site once it is ready.

Chairman Breuer commented that projects coming on line for downtown, the special assessment payment should not change for property owners compared to last year. The increase will provide the Downtown Committee with funds needed to increase security and maintenance programs. Mr. Carroll added that this process starts with Administration, next to the Mayor for including in her budget and then to the Common Council. Mr. Maroun noted that the special assessment formula is complex to change. Mr. Breuer added that this is a catch-22 – Downtown develops and requires increased services, yet the budget remains flat making it difficult for the Downtown Committee to meet the demands placed on the district.

Chairman Breuer asked for a motion to approve the Downtown Committee's proposed budget for 2015-2016. Mr. Fiorito motioned and Mr. Doucette seconded. The motion was unanimously carried.

V. HOTEL SYRACUSE RENOVATION

Mr. Riley presented to the board the restoration project of the Hotel Syracuse. He noted that they have had the title to the property for six months and plan on renovating the entire structure. The sports bar will be moved to the corner of Harrison & Warren Streets. The main lobby will be restored and all the original finishes will be brought back. The Persian Terrace will also be restored, including restoration of its original maple floor. The guestrooms will be gutted and redone to include new bathrooms, and some of the historic rooms will be left in the existing configuration. When completed, they will have a total of 261 rooms (majority Doubles) and 26 suites. The Grand Ballroom on the 10th floor will be restored including all new audio visual equipment. The full-working kitchen on the 10th floor will be transformed into a finishing kitchen. They also plan on installing new restrooms on the 10th floor. The 11th floor will feature presidential and bridal suites as well as a spa and exercise room. The second floor and parts of the third floor will be shelled out and will be ready to be made into an additional 60 rooms if needed. The Imperial Ballroom will be redone to primarily host business events. The bingo hall will be converted into a business center.

Mr. Riley noted that cleanup will start on January 27, and he currently has bids out for the exterior work. The mechanical and electrical bids went out yesterday. The main renovation is slated to start April 1, and Haynor-Hoyt is the contracted renovator. Mr. Fiorito inquired about where the garage stands. Mr. Riley responded that he is in talks to acquire it. He noted that they can also go to the Harrison Street garage in which they will have to talk to the City. The hotel will be managed by Crescent Hospitality and Resorts. The flag will be announced in upcoming weeks. He anticipates a March 2016 grand opening. Mr. Fiorito noted that it will be exciting for Downtown Syracuse to have the hotel come back to life. Mr. Riley also added that the hotel will have a sales team in place in the next three months.

VI. MARKETING

a. Dining Weeks

Ms. Reed announced that the Downtown Committee's Dining Weeks are scheduled from February 16th through March 1st. As of today, 26 participating restaurants are participating which is more than ever. Renzi Foodservice out of Watertown has been secured as the major sponsor this year. Several downtown restaurants have also agreed to financially support the program. Ms. Reed noted that promotion and advertising for the event will begin in the next couple of weeks which will include a heavy social media component. The Downtown Committee is also looking at ways to communicate the impact with photos and videos. Mr. Tripoli asked if there are going to be posters distributed, which Ms. Reed responded there will be. Chairman Breuer inquired whether the Dining Weeks promotion will also affect retail sales in Downtown. Mr. Lemp responded that it most likely will not as most retail businesses are closed in the evening.

VII. PUBLIC COMMENT

Chairman Breuer asked for any public comments.

Mr. Dougherty asked for clarification on the hours of the police patrol. Ms. Treier responded that in addition to the regular Syracuse Police Department officers that are downtown 8:00 a.m. – 4:00 p.m. Monday-Friday and 3:00 p.m. – 11:00 p.m. Tuesday-Saturday, additional officers have been assigned to the 8:00 a.m.-3:00 p.m. shift and 3:00 p.m. - 7:00 p.m., Monday-Friday on a walking beat.

Mr. Maroun asked if there is any City trash pickup on the weekends and Mr. McFadden responded that there didn't appear to be.

Mr. Koolakian expressed a concern with snow not getting plowed in front of the Genesee Street near Warren Street. He feels this affects the pedestrian access. Mr. McFadden responded that he will have his staff keep an eye on that area to make sure it is kept clear.

Mr. Tripoli inquired about the electronic newsletter and how to make more people aware on how to "opt in." Ms. Treier responded that the Downtown Committee will send out the email again to gain more exposure and build the list.

VIII. OTHER BUSINESS AND ADJOURN

a. Update in Security / Homeless Efforts

Ms. Treier noted that the Downtown Committee continues to work with the City to address street issues pertaining to homelessness, mental illness, and substance abuse, and panhandling which is a major concern. Ms. Treier added that the Syracuse Police has stepped up their patrols in the Downtown area. The Syracuse Police has added an additional 4-5 officers to patrol downtown. They have been working with the evening beat (3:00 p.m. – 8:00 p.m.) to help determine the best places to patrol based on complaints Security has received.

Ms. Treier noted that the Downtown Committee is working with the City and the Office of Neighborhood Development. A task force has been formed to look at different delivery of services. The City currently has Mr. John Tumino under contract to head up the homeless outreach and build rapport with individuals. The goal is for the service providers to have a "go-to" person who will follow up with the individuals and be able to track them in the system. Chairman Breuer asked if the Downtown Committee will have contact information distributed to retail, restaurant and business establishments. Ms. Treier responded that the businesses will have a list of resources as well as the Downtown Committee's Security helpline phone number. The Downtown Committee will also be working with the SPD with the more frequent offenders with the goal of getting them into assistance programs.

Mr. Carroll noted that the County has been very helpful in this effort. Mr. Carroll commended Ms. Treier for the good job of looking at various panhandling approaches and driving the conversations to come up with solutions to solving these problems. Mr. Tripoli added that people who give money to panhandlers feel that they are helping when in fact they are not. Mr. Dunn mentioned that the Dolphin Change Program in Santa Monica, California has been successful as it is an opportunity for residents to help the homeless without giving money directly to the panhandlers. Ms. Treier mentioned the Campaign for Real Change project underway with an S.U. class and the Downtown Committee.

Ms. Littlejohn asked how business owners can be trained on diffusing any potential crisis situations. Mr. Carroll confirmed that Mr. Tumino will not be able to provide this training, however, Ms. Treier noted that the County Office of Mental Health has been helpful with training and the Downtown Committee could include these in their personal safety seminars.

Ms. Treier added that the last step of repurposing the grant funds has happened and the use of funds for security cameras has been approved, and staff is ready to order.

Chairman Breuer commended the County and Bob Long, Commissioner of Onondaga County Department of Mental Health for their contributions in addressing the street issues of the City.

b. Adjourn

With no further business, Chairman Breuer motioned to adjourn the meeting. Mr. Fiorito motioned and Mr. Doucette seconded. The meeting was adjourned at 4:15 p.m.

Next Meeting: **Tuesday, March 17th at 3:00 pm**
CCEO, 115 West Fayette Street