

DOWNTOWN COMMITTEE OF SYRACUSE, INC.

July 17, 2012

**CenterState CEO Board Room,
572 South Salina Street**

3:00 p.m.

Meeting Minutes

Attendance

Members: Chairman Breuer; Messrs. Carter, Doucette, Fiorito, Fisher, Fournier, Koolakian, Littlejohn and Tripoli.

Staff: Mss. Carrington, Pivovarova, Reed, Romeo, Sonne and Treier; Messrs. Marcon and McGann.

Guest: Bob Dougherty – Common Council
Nader Maroun – Common Council
Mary Kate Hartman – Landmark Theatre
Thomas Kamide – Bonadio Group
Tarky Lombardi – Gilberti Law Firm
David Nutting – VIP Structures
Paul Stemkoski – Bivens & Associates Architects

I. Welcome and Minutes of May 15th & June 28th

Chairman Breuer welcomed guests and members present.

Chairman Breuer asked for consideration of the minutes of May 15th and June 28th. Mr. Koolakian moved and Mr. Doucette seconded a motion to approve the minutes as distributed. The motion was unanimously carried.

II. Financial Report

a. Financial Report as of June 30th

Mr. Fournier shared the preliminary June 30th financial statement, stating that revenue had come in ahead of budget. This can be attributed to the success of the parking lots the Downtown Committee manages, as well as the Downtown Committee's events, including the Arts & Crafts Festival, Downtown Farmers' Market and Downtown Living Tour coming in ahead of budget. Environmental maintenance came in over budget due to the purchase of additional hanging flower baskets, trash cans and other street furniture. Ms. Treier stated that the hanging flower basket program had expanded from 70 baskets last year to 220 this year. Overall, the success of the events organized by the staff resulted in revenue exceeding expenses.

Mr. Fournier asked for a motion to approve the preliminary June 30th financial statement, subject to audit. Mr. Koolakian moved and Mr. Fiorito seconded the motion. The motion was unanimously carried.

III. Pike Block

Chairman Breuer introduced David Nutting, CEO of VIP Structures, to detail the Pike Block project.

Mr. Nutting described that by the time VIP became involved with the Pike Block project, other people and organizations had been working on the project for years. He credited Community Preservation Corporation (CPC,) First Niagara Bank, M&T Bank, MDF Properties and CenterState CEO for their commitment to the project. He described how CenterState CEO had been a constant presence with the project and how the former MDA had had the vision to assemble the buildings together to create the project. VIP Structures' development proposal was accepted on a competitive basis in March 2009. Since that time, rents have gone up 12% downtown and occupancy is currently at 99.3%.

The Pike Block will be comprised of 78 one-, two- and three-bedroom market rate units, as well as 25,000 square feet of commercial space. The commercial areas will utilize geothermal heating and cooling. The back third of the Bond Building was demolished recently to make way for a courtyard area. VIP has worked closely with historic preservation experts to maintain the historic character of the buildings. The goal of the Pike Block is to connect the Salina Downtown Historic District to the Armory Square Historic District. This will be accomplished by creating a passageway to Salina Street from Clinton Street. First floor retail space will be available on the back of the building as a result of the walkway.

VIP intends to create a sense of community in the building with features such as the outside rooftop garden for use by all residents, communal meeting areas and an apartment available for rent on a nightly basis for residents who have family or friends visiting. The residential access point will be the courtyard. Some apartments will have outside roofscapes. Historic elements have been preserved where possible including hardwood floors, tin ceilings and windows. The Pike Block website will highlight the living experiences offered in the building. VIP is working with EDR to come up with gateway concepts that will create a visually interesting entryway to the pedestrian walkway from Clinton Street.

Chairman Breuer applauded VIP's perseverance and the thought put into the project.

Mr. Koolakian inquired about security for the passageway. Mr. Nutting explained that those using the passageway would be able to see end to end when walking through. He also described that the presence of restaurants along the walkthrough, as well as adequate lighting would contribute to a safe feeling. He stated that VIP would adjust security measures in the walkthrough as needed once it was open.

Mr. Nutting described the intense interest the Pike Block was receiving from empty nesters and that he expected that trend to continue over the next five years. Mr. Doucette agreed that empty nesters are a big market, but cautioned that the perception of security and the lack of a large-scale grocery store had held some empty nesters back from moving downtown.

Mr. Kamide inquired where Pike Block residents would park. Mr. Nutting replied that parking was not included in the rent, but that 85 spots had been reserved in the nearby Clinton Street Garage.

Mr. Doucette inquired whether the cut-through would take pedestrian traffic away from Fayette and Jefferson Streets. Mr. Nutting stated that if critical mass was gained, people would be driven to all areas. He described that they had received a lot of inquiries so far for the retail space along the walkway.

Ms. Littlejohn inquired whether VIP was seeking LEED-certification for the Pike Block. Mr. Nutting replied that they would be seeking certification. VIP is working with the Save the Rain initiative and each unit would have its own heat controls and electric meters.

Mr. Nutting offered to take board members on a tour of the construction site at a later date.

IV. Economic Development

a. New York Main Street Application

Ms. Carrington reported that the latest round of competitive funding through the New York State Consolidated Funding Application had closed the previous day at 4 pm. Downtown Committee Staff had been available to assist developers in completing their applications, which provide a single point of access to economic development funds through 12 state agencies. In addition, the Downtown Committee submitted an application for \$250,000 in New York Main Street funding through the NYS Office of Homes and Community Renewal. This program is called the Jefferson-Warren Revitalization Program and the target area includes: the 100 and 200 blocks of East Jefferson Street; the 300 and 400 blocks of South Warren Street; the east side of the 300 block of S. Salina Street; Bank Street; and the former Sibley's Building. A map of the target area was included in the board members' binders, as is a list of the properties within the program boundaries.

As shown on the map, the target area connects and builds upon the successes of the Downtown Committee's two previous and two existing NY Main Street programs. The East Jefferson Corridor spans three national registered historic districts - the Montgomery Street/Columbus Circle District, the South Salina Downtown Historic District, and the Armory Square Historic District. This underutilized area suffers from a vacancy rate of 64% and is marked by deteriorated facades and significantly less pedestrian and business activity than the surrounding areas. If the application is successful, the Downtown Committee envisions utilizing the funds to support building renovations for six to nine properties and streetscape improvements in the amount of \$15,000.

b. Hotel Syracuse

Mr. Fisher reported that since the owner of the Hotel Syracuse had paid a portion of the back taxes in December to avoid the City seizing the property, two hotel groups had been exploring the property. The tower portion of the complex had been moved out of the Israeli company's hands to Hayner Hoyt. The County is in discussions with one of the hotel groups who has significant local connections. The hotel group is also looking at the garage and the other building in the complex. The County will know in 35 to 40 days whether a deal will be made. The County Executive remains committed to having the money for the convention center hotel allocated to a project involving the Hotel Syracuse. The Mayor remains supportive of the County's efforts. SMG, the new management for the Oncenter, is very excited as they feel that dining and

shopping options for conventioners could be better activated through the hotel. CenterState CEO will be asked to vet any potential budget to determine whether the project is feasible. The property could be in a position soon where the marketable title could be transferred.

c. Carnegie Building

Mr. Fisher reported that the County regained ownership of the Carnegie Building in December when the Syracuse City School District terminated their lease. With the City and County facing the lack of a growing tax base, the County Executive's priority is to put the property on the tax rolls. The County intends in the next quarter to put out an RFP for the building where priority will be given to a private enterprise owning and operating the building with collaborative opportunities available for academic institutions. In the interim, the building has been used for different uses, including the Media Unit's graduation ceremony. Mr. Fisher offered use of the space to the Downtown Committee for events.

V. Marketing & Communications

a. AmeriCU Syracuse Arts & Crafts Festival

Ms. Reed reported that the AmeriCU Syracuse Arts & Crafts Festival opens next Friday on the 27th. Ms. Reed described the festival as being in good shape financially and stated that in addition to AmeriCU Credit Union serving as the title sponsor again, the Downtown Committee received a grant from Senator DeFrancisco. 50,000 people are expected to attend the festival. Ms. Reed noted that after 42 years, the festival is still generating great crowds, still drawing artists from around the country, still drawing a profit for the Downtown Committee and has a launched a massive collaboration among arts organizations.

b. ArtsWeek

Ms. Reed reported that every downtown arts organization has scheduled an activity around the festival under the umbrella of ArtsWeek, including the Everson Museum, the OHA, the Erie Canal Museum, the 40 Below Public Arts Task Force, the Syracuse Public Arts Commission and dozens more. She described the festival as not only being a great event on its own merit, but that it had been a catalyst for an unprecedented collaboration for the arts in this community.

Chairman Breuer inquired about the number of artists in this year's show. Ms. Reed replied that there would be 160 artists in this year's show, slightly less than last year, due to artist feedback. The lower number allows for a concentration of high quality art.

VI. Security

Mr. Marcon reported that the 300 block of South Salina Street had been transformed into a much safer area since the stabbing incident on May 18th. The Syracuse Police Department has been conducting covert operations and reported a great deal of positive feedback regarding the SPD's efforts. He stated that he and Ms. Treier had met with senior members of the SPD and that they had been very attentive. Additional officers are present on the 300 block from noon to 5 pm every day. Mr. Doucette reported that a great deal of attention had been paid to the block. Mr. Koolakian reported he expected additional improvements to the block once the new Transit Hub opens.

VII. Environmental Maintenance

a. Hanging Flower Baskets

Ms. Romeo reported that the hanging flower basket program had been expanded this year to include over 200 baskets. She described that the prolonged heat had made this a tougher year to

maintain the baskets. In response to the extreme weather experienced this year, a second watering tank has been purchased, helping the crew to keep pace with the heat. The baskets continue to be very popular with downtown constituents and the maintenance staff continues to focus on this effort.

Mr. Koolakian commented that the baskets in Hanover Square were generating a great deal of positive feedback from the neighborhood and commended the Downtown Committee's maintenance staff for their frequent watering of the baskets.

Chairman Breuer inquired how the baskets were paid for. Mr. Tripoli explained that the Cathedral Square Neighborhood Association had wanted to implement a hanging flower basket program, but had run into permitting issues and had approached the Downtown Committee to overcome these issues. Ms. Treier explained that CSNA had helped to pay for the summer maintenance help to water the baskets, as was HSA this year. The baskets are purchased through special funds and grants. Ms. Carrington stated the maintenance cost per basket to be \$36 and that 50/50 funds and Downtown TNT funds had also been used to purchase the baskets. Chairman Breuer stated that he expected the Downtown Committee to get more inquiries for baskets based on how well-received the program had been.

VIII. Constituent Survey Review

Ms. Treier summarized that constituent satisfaction surveys were first distributed in 2008. The survey was sent out via regular mail to the Downtown Committee's mailing list, as well as distributed via email blasts and social media. 347 responses were received, with about a 28% response rate. Respondents could identify themselves as a retail store owner, restaurant owner, service business owner, not-for-profit, downtown employee, building owner, residential condo owner, residential tenant or none of the above, but interested in downtown. The two largest groups of respondents were those interested in downtown and downtown employees. When asked whether they felt downtown Syracuse was fundamentally strong and not likely to decline, 77% of respondents strongly or somewhat agreed with the statement, a significant increase from the last survey.

Large-scale development and economic development programs continued to be important as demonstrated from the five priority programs identified by respondents. When broken down by respondent type, property and business owners prioritized activities that affected their customer base, such as public spaces and pedestrian experience. Respondents were also given a list of 31 of the Downtown Committee's main functions and asked how aware they were of the programs. Respondents were most familiar with marketing and communications functions, as well as the hanging flower baskets, and least aware of the security and environmental maintenance functions. She described how the branding effort would be helpful to distinguish our staff from City counterparts. In an open-response question asking what other programs the respondent would like to see from the Downtown Committee, 15% wanted to see more events. In an open-response question asking how respondents would like to get involved in the Downtown Committee, 20% wanted to participate in volunteer opportunities, 13% felt they were sufficiently involved and 11% stated they wanted to help spread the word about the development happening downtown. Ms. Treier offered to send an executive summary to board members.

Mr. Tripoli stated that he felt information about what's happening downtown needs to be expanded as people currently aren't aware of all the events taking place.

Chairman Breuer suggested that the results of the survey be made public as he felt the information was useful.

Mr. Tripoli described the most salient information to be the number of respondents whose opinion of downtown's strength had increased.

Mr. Fisher commented that the strong interest in redeveloping vacant buildings could be addressed with the land bank. Ms. Treier added that the Downtown Committee worked with the City's Department of Neighborhood and Business Development twice a year to review tax delinquent properties in downtown Syracuse. Applying for grants and the existence of the land bank helps to package buildings for redevelopment.

Mr. Tripoli inquired whether the latest round of New York Main Street grants would require a 25% match by the applicant. Ms. Carrington stated that the required match was still 25%, but that the new round of funding also requires a 10% owner match and only allows for a \$15,000 streetscape award.

Councilor Dougherty stated that he felt that 423-HELP needs to be better publicized by the Downtown Committee to help constituents to feel more secure.

IX. Public Comments

Mr. Breuer opened the floor for public comments after complimenting the Downtown Committee staff on the successful annual meeting.

Councilor Maroun stated that he was working with the taxi cab representatives and Centro to identify an area for a taxi stand near the Transit Hub. He asked that any possible locations please be passed along to him. He added that he had asked DPW and Centro to ensure that the physical site of Common Center be restored to its previous state after the Transit Hub opened and that he had asked the City to explore what could be done at Perseverance Park.

Mr. Koolakian commented that since the Parks Department employee assigned to Hanover Square had retired, an additional staff person had not been assigned to maintain the area and that additional support was needed. Ms. Treier stated she would look into what the Downtown Committee could do to help. Ms. Carrington described that she had spoken with Glen Lewis of the Parks Department and that the City was looking into beautification efforts in Hanover Square.

X. Other Business and Adjourn

With no further business before the Board, the meeting was adjourned at 4:20 pm.

Next meeting: **Tuesday, September 18th at 3:00 pm**
572 South Salina Street, Board Room