



James V. Breuer, Chair
Merike L. Treier, Executive Director

DOWNTOWN COMMITTEE OF SYRACUSE, INC.

September 21, 2011

Board Room, 572 South Salina Street

3:00 p.m.

Meeting Minutes

Attendance

- Members:** Chairman Breuer; Messrs. Carter, Doucette, Fiorito, Fisher, Koolakian, Maxwell, and Tripoli.
- Ex-Officio:** Mr. Simpson.
- Staff:** Mss. Carrington, Erno, Reed, Romeo, Pivovarova, and Sonne; Messrs. Mankiewicz, DeJesus and Marcon.
- Guest:** Anthony Ortega – Armory Square Association
Brian Balash – Pyramid Brokerage
Anthony Catsimatides – Cathedral Square Neighborhood Association
Nader Maroun – Syracuse Common Council
Elizabeth Dailey – Onondaga County Public Library
Menachem Friedfertig – NMF Properties
Nelson Cruz – NMF Properties
Matt Millea – Onondaga County
Larry Leatherman – MOST
Ellen Lahey – bc Restaurant
Bob Kukenberger – CDM

I. Welcome and Minutes of July 19th

Chairman Breuer welcomed guests and members present. Mr. Mankiewicz introduced two new Downtown Committee staff members. Ms. Alexandra Pivovarova is the Economic Development and Marketing Assistant and Ms. Heather Carrington is the Director of Economic Development.

Chairman Breuer asked for consideration of the minutes of July 19th. Mr. Koolakian moved and Mr. Fiorito seconded a motion to approve the minutes as distributed. The motion was unanimously carried.

II. Administration

a. Submission of Annual Report

Mr. Mankiewicz reported that a copy of the Annual Report was sent to Mayor Miner on August 15th. A copy of that report was distributed to the Board. The public copy will be distributed by the end of the year.

b. Update on District Expansion

Mr. Mankiewicz stated that Ms. Treier and he have had conversations with the Department of Assessment and Northside UP and North Salina Street business and property owners about possible expansion of the downtown BID to include several blocks of North Salina Street. The Northside's primary interest is in environmental maintenance services the BID provides. The Department of Assessment assists in the process by modeling the financial impact of the district. This way, every property owner can be given an estimate for the annual charge for the district before it is approved. The Common Council must approve any changes to the boundaries of the district. The Downtown Committee will also have to approve any change the boundaries of the current BID.

The Connective Corridor, the city and the Downtown Committee have also been in discussions about expanding the district along the Connective Corridor route. Again, their main interest in BID services is environmental maintenance. The conversation regarding expanding the BID along the Connective Corridor has just begun.

Mr. Mankiewicz stated that if the current boundaries were to be changed, it could not be implemented until July 1, 2012. Also, the Common Council would need to approve the expansion by December 31st of this year in order for an assessment to be imposed by July 1. Otherwise, the district expansion issue would be postponed for a year.

Mr. Tripoli asked if the Board needed to vote on the expansion before this topic would be voted on by the Common Council. Mr. Mankiewicz replied that this topic would not be brought to the Common Council unless the Downtown Committee Board was in favor.

Mr. Simpson stated that he has also received inquiries about expanding the district from Franklin Square. Each area's primary interest in services varies and the Downtown Committee, through its power to create sub-districts, can accommodate that. Mr. Simpson added that the community would be better served with a one BID which will avoid redundancy and reduce overhead costs.

Mr. Koolakian expressed concern regarding the impact of expansion on the existing district. Currently, the staff in security and environmental maintenance are very busy with tasks in downtown. Expanding the district would increase man hours needed and that there may need to be an increase in staff in these areas. Mr. Mankiewicz assured him that all of the budgets were being devised with additional staff to cover these areas. All costs associated with any expansion would have to be charged to the property owners within the expansion. None of those costs could be charged to downtown property owners.

III. Financial Report as of August 31st

Mr. Mankiewicz noted that this report is only two months into the current fiscal year. On the income side, the Farmers Market is generating revenues in excess of budget. There are more farmers who are coming in daily, who pay more for their spot than someone who has signed up for the season. Also, at the Market there is a token program where low income families can purchase tokens for a discount to buy fresh produce. As the final accounting for this program comes in, the surplus will be reduced slightly. The Arts and Crafts Festival was very successful and achieved its budget targets.

Under Transportation, revenue is being generated by the Franklin Street and Herald Place parking lots. The Franklin Street lot is doing very well. Currently, the lot's performance is ahead of this time last year. The Herald Place lot is new and the numbers should strengthen as the year progresses. Mr. Mankiewicz stated that the Herald Place lot just started selling monthly parking permits.

Mr. Mankiewicz asked for approval of the financial report of August 31st, subject to audit. Mr. Doucette moved and Mr. Carter seconded motion, the motion was unanimously carried.

IV. Economic Development

a. Carnegie Building

Mr. Fisher stated that the Carnegie Building which had been used by the Syracuse City School District for 15 years now belongs to Onondaga County. The district was using it for a program called VINTA. Mr. Mankiewicz reminded the Board that this program was for students who had violence issues or carried weapons to school. The Downtown Security Officers and Syracuse Police Officers faced many challenges from these students.

Currently, the County does not have a specific plan for the building but are interested in hearing from the City for ideas for it. Mr. Fisher added that the County would like to see this building sold to a private sector owner so it would become a property tax generating property.

b. Onondaga County Public Library

Mr. Fisher introduced Ms. Elizabeth Dailey, Executive Director of the Onondaga County Public Library. The library has been housed in the Galleries since 1988. When the library was first opened, it was a mixed use retail, library and restaurant space. The library was very busy during this time. Now the Galleries is mainly office space and the library has seen pedestrian traffic diminish.

Ms. Dailey provided the Board and guests a summary of what is planned for the library. She stated that the drivers for this project are changes in technology, staff, and the way in which the library is used. The library would retain the basement and 5th floor of its existing space. The library does not currently have street level space. With the project, the library would have a first floor entrance that would be separate from the Galleries. The 2nd level would consist of activities that do not require staff to present and also meeting rooms. The library would not use the 3rd and 4th floor.

Mr. Fisher added that with this plan for the library, the library will no longer be sharing an entrance with the Galleries. This will allow the library to have its own hours. The Galleries could then have a swipe card system so their tenants can get into the rest of the building. Mr. Fisher stated that if County Legislature passes the plan the project will begin in 2012.

c. Update on Hotel Syracuse

Mr. Mankiewicz reported that Fundamental Advisors met last week with the city, county and the Downtown Committee staff regarding the Hotel Syracuse. Laurence Gottlieb, Chairman and CEO of Fundamental Advisors, was present at this meeting. Fundamental Advisors is a financier and tend to specialize in financing for public capital projects (health care, stadiums, water treatment facilities, toll roads). Their investors are institutional (state pension funds, colleges and universities). They do have some hotel experience, but they do not manage them.

During the meeting, Fundamental Advisors stated that they have a financial model that works to renovate the hotel into 300 rooms and invest \$50 million into the hotel; however they stopped short of committing to the project, as they are continuing their due diligence. They have made an offer to the parties that control the historic hotel as a result of the action of the Israeli bankruptcy court. They are also approaching Hayner Hoyt with respect to the Tower and are also seeking the garage and the Addis Building.

Mr. Fisher added that the four buildings are all owned by different entities. The current owner is not interested in the properties. If Fundamental Advisors does not go forward with the Hotel Syracuse, the money the county has earmarked for this project would likely be transferred to the Convention Center Hotel project.

Mr. Koolakian inquired if there are tax obligations on the property. Mr. Fisher responded that the current owner has not kept the taxes current. Fundamental Advisors has submitted an application to the city to buy the properties at tax sale.

d. 499 South Warren Street Building

Mr. Menachem Friedfertig reported that he is the property owner of 499 South Warren Street. He has redone the building and has lowered the rent to attract young professionals. Currently there are 25 young professionals in the space. There is also a tenant from the Tech Garden that is looking at relocating to the 499 building. Mr. Mankiewicz added when the tenants of the graduating out of the Tech Garden the goal is to have them stay downtown.

Mr. Friedfertig is enthusiastic about the progress that is happening in downtown and also along Warren Street.

e. 300 Block of South Salina Street

1. Status of Pike Block

Mr. Mankiewicz reported that a date has been set with VIP for closing during the fall. Financing for the project is almost all together.

The Pike Block will have 78 units of residential housing and 25,000 feet of retail space, and open space in alley and back of the buildings to make the area more attractive. Construction should be completed in spring of 2013. VIP has started pre-construction activities. A more formal announcement of the beginning of the project will be made once closing has been completed.

2. Label Shopper

Ms. Carrington stated that former Label Shopper building, 317 South Salina Street, will be converted into 12 loft style apartments. The project is being supported by a \$1 million Restore New York grant. In addition, the ground floor is being renovated. The Downtown Committee has allocated \$29,200 in New York Main Street grant. These funds will be used for the removal of the Label Shopper sign, façade painting, and renovation of the 2,300 square foot retail space.

f. New York State Main Street Grant

Ms. Carrington reported that there have been four Main Street grants in the past six years totaling \$667,000 in funds. The Board was provided before and after pictures of projects that were completed with this funding.

Recently, Ms. Carrington met with the grant administrator from the New York State Office of Community Renewal to close out the Clinton Street grants, which were the first recipients of this grant. There were 12 projects that were funded that ranged from \$3,500 to \$40,000 for various improvements. The grant for this area totaled \$175,000 and resulted in \$4.5 million investment in downtown.

V. Marketing and Communications

a. Fashion Show

Ms. Reed stated that the Syracuse Style Fashion Show will be on Thursday, September 22nd at 7:30 pm. The fashion show will be on the 100 block of Walton Street and features downtown retailers.

b. Holiday Decoration

Ms. Reed reported that Able Events will be providing the holiday decorations in downtown again this year. There were some issues last year due to the timing of the approval of the agreement, the weather, and the upgrades to the display. Able Events has been provided with a punch list and deadlines to meet to ensure the decorations will all be up in time.

Chairman Breuer asked what the deadline was for all of the decorations to be installed. Ms. Reed responded that the decorations have to be installed the week of Thanksgiving so they are up for the Tree Lighting.

c. Farmers' Market

Ms. Romeo reported that the Farmers' Market season is winding down. The final day is Tuesday, October 11th. The market has had very good attendance this season and Mr. McFadden estimates that attendance is up over last year.

The Downtown Committee is exploring the creation of a shuttle service for next year's Market that would provide transportation for people at the south end of downtown. Ms. Romeo stated that a sponsor would be sought for the shuttle bus program. Mr. McFadden plans to meet with members of the Farmers' Market to gather feedback and any ideas for next year.

VI. Environmental Maintenance

a. Evaluation of Hanging Baskets

Ms. Romeo stated that the hanging flower basket program this year consisted of 72 hanging flower baskets on the 100 and 200 blocks of East Jefferson Street, the 300 and 400 blocks of South Warren Street, the 300 block of Montgomery Street, and the 200 block of East Onondaga Street. The maintenance crew watered the baskets three times a week throughout the summer and the maintenance cost was supplemented by the Cathedral Square Neighborhood Association. The baskets will be taken down for the season and returned to Oliver Pain Greenhouse for the winter. The brackets will remain on the poles.

She reported that the program was very well received by the neighborhood and the Downtown Committee is looking into possibly expanding the program into two additional neighborhoods

next year. If additional neighborhoods are added, they will have a different color flower to create distinction between the neighborhoods.

b. Update on Trolley Lot Construction & West Genesee Street

Mr. Kukenberger provided an update to the Board regarding the combined sewer overflow (CSO) construction and the sewer separation on West Genesee Street.

The Trolley Lot was closed on September 1st as construction began on the CSO. This is the six million gallon combined sewer overflow storage facility project. The contractor for this project is Jett Industries. The expected completion is December 2013. When the project is completed, the parking lot will be restored, and there will be two small buildings visible at either end.

The plan for the CSO Storage Facility has been changed significantly. Instead of tunneling under the Trolley Lot, an open cut will be made to build a single storage chamber. This will reduce the amount of noise (tunneling would have to be done 24 hours per day) and time for completion.

Mr. Kukenberger reported that last month a meeting was held at the Dinosaur Bar-B-Que regarding the sewer separation on West Genesee Street. The business owners had concerns regarding parking and traffic disruptions when the project was presented to them in February. He stated that they are coordinating the work with the city to minimize disruption in the area. The project will go out to bid in early October with construction to begin by end of year.

VII. Regional Economic Development Council Process and Discussion

The Governor has designated 10 regional economic development councils across the state. Mr. Simpson is the co-chair of the central New York council. Mr. Simpson stated that the council is charged with an enormous task with minimal time. A business plan has to be developed and submitted to the state by November 14th.

Mr. Mankiewicz added that Ms. Carrington had put together a list of downtown projects which have been submitted for consideration by the Council.

VIII. Public Comments

Chairman Breuer opened the floor for public comments.

Councilor Maroun expressed his appreciation for the information being presented at the meeting. This reinforces the impression that he has heard from constituents that progress is being made downtown.

IX. Other Business and Adjourn

With no further business before the Board, the meeting was adjourned at 4:40 pm.

Next meeting: **Tuesday, November 15th at 3:00 pm**
572 South Salina Street, Board Room