

SDODC

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

SPECIAL DISTRICT OPERATIONS AND DEVELOPMENT COMMITTEE MEETING

January 17, 2012

CenterState CEO Board Room
572 South Salina Street

3:00 pm

Meeting Minutes

Attendance

- Members: Chairman Breuer; Ms. Littlejohn; Messrs. Carroll, Carter, Doucette, Fiorito, Fisher, Koolakian, Maxwell, and Robbins.
- Ex-Officio Mr. Simpson
- Staff: Mss. Carrington, Erno, Pivovarova, Reed, Romeo, Sonne and Treier; Messrs. DeJesus, Marcon and McFadden.
- Guests: Brian Balash and Chris Westfall – Pyramid Brokerage
Tony Ortega – MOST & Armory Square Association
Sarah Stephens and Vita DeMarchi – Synapse
Anthony Catsimatides – Open Atelier & Cathedral Square Neighborhood Association
Melody Scalfone – Scalfone Law
Ron Tascarella – M&T Bank
Darren Ressler – Flaum Management
David Holder – Syracuse Convention & Visitors Bureau
Nader Maroun – Syracuse Common Council
Jake Barrett – Syracuse Common Council
Khalid Bey – Syracuse Common Council

I. WELCOME AND MINUTES OF NOVEMBER 22, 2011

a. Introduction of New Board Members

Chairman Breuer welcomed the Board members and guest present. He welcomed new Board member Mr. Tim Carroll, Director of Mayoral Initiatives of the City of Syracuse. He also welcomed back reappointed Board members Ms. Littlejohn, Mr. Doucette, and Mr. Fisher.

b. Approval of Minutes

Chairman Breuer asked for a motion to approve the minutes of November 22, 2011. Mr. Koolakian moved and Mr. Maxwell seconded. The motion was unanimously carried.

II. FINANCIAL STATEMENT AS OF DECEMBER 31, 2011

Ms. Treier stated that the December 31st statement represents the halfway point of the organization's fiscal year. Income is running ahead of budget. All income from the Farmer's Market and Arts & Crafts Festival are in for the year. Ms. Treier commented that interest income continues to run behind projections, as well as the income from the Herald Place parking lot.

Ms. Treier stated that there are a number of programs that are running below budget. Marketing is currently below budget but expects that to be on budget as the expenses for the Holiday programming are not in the December financial statement. Operational and Administrative is significantly below budget compared to last year as the Audit has not been completed. Environmental Maintenance is also below budget due to a change in staffing. Special Projects, which includes streetscape replacement, has not incurred expenses but this will change as items will be ordered this quarter to be placed once the snow melts. Economic Development is below budget due to a change in staffing. Expenditures from Retail and Office Recruitment have not started but this line will begin incurring costs within the next few months. In Transportation, a change in staffing is the reason for it running below budget. The Herald Place parking lot will start incurring more expenses in the second quarter of 2012 once events start again.

Mr. Koolakian asked if new signage will increase the number of people using the Herald Place lot. Ms. Treier responded that an increase in usage was seen once the signs were placed.

Ms. Treier asked for a motion to approve the December 31st financial statement, subject to audit. Mr. Fiorito moved and Mr. Robbins seconded the motion. The motion was unanimously carried.

III. DISCUSSION

a. Boundary Expansion

Ms. Treier reviewed the proposed expansion with the Board. She noted that after the November Board meeting, there were concerns from the Board that she would like to address:

1. The Downtown Committee did not want to be perceived as the Entity coming in and imposing a special assessment on property owners for maintenance of the Connective Corridor if they did not want it.
2. That an expansion of maintenance services for the Corridor would not dilute the Downtown Committee's attention or resources available for downtown.

Ms. Treier stated that in order to address the concerns a number of things were completed since the November Board meeting:

- Staff has met with the leadership of the East Genesee Regents Association who has asked us to move forward with this relationship. Ms. Treier will be attending their

February meeting where the topic will be presented to the entire association. There will also be ongoing property owner outreach.

- Syracuse University has also indicated support of the expansion.
- Staff met with the Mayor's Office and received their endorsement on the concept and the budget.
- Staff has been working with the City's Assessment Department to finalize the budget numbers.
- Staff has been having discussions with the City's Legal Department to ensure that we understand the timeline for implementation if the goal is to be established by July 1st, 2012.
- It is understood from the City's Budget Department that the budget from the Connective Corridor expansion must be included in the Downtown Committee's proposed budget submission to the City.
- Finally, staff has been briefing members of the Common Council on activities to date as ultimately, the Common Council has the power to amend our boundaries to allow for expansion activities on the Connective Corridor.

Included in the Board Members' binders is the budget. Ms. Treier stated that there are funds budgeted to hire additional staff to maintain the expanded area. These staff will be operating new equipment purchased by the Connective Corridor and will not dilute the current resources for downtown. Also, there is an administrative fee factored in which essentially frees up that amount of funds for the Downtown Committee to invest in other programming for the central business district.

Mr. Fiorito asked how the new equipment was being funded. Ms. Treier responded that the Connective Corridor has a \$500,000 budget for equipment and streetscape replacement.

Mr. Doucette asked when during the process of boundary expansion do the property owners vote. Chairman Breuer added that it would be beneficial to elaborate on the entire process. Ms. Treier stated that the Downtown Committee Board will need to make a recommendation to approve the boundary expansion and the \$200,000 budget specific to Connective Corridor maintenance. In February, the city begins its process of budget hearings and the Downtown Committee budget will be part of the process. By June, the budget will be finalized. The Common Council has to amend the legislation by June for the expansion to take effect July 1, 2012. During this process, the Common Council will hold a public hearing and the property owners will have an opportunity, at that time, to formally speak. She added that prior to that, there will be significant property owner outreach.

Mr. Doucette added that the Downtown Committee does have other programs, besides Environmental Maintenance and asked if the assessment the property owners pay in the expanded area will just cover that program or will the other programs be factored in. Ms. Treier responded that the Special Assessment in the new area is just for Environmental Maintenance.

Mr. Robbins inquired what the extent of the expansion is. Ms. Treier responded that it is only the buildings that have frontage on East Genesee Street and University Avenue, as well as a small portion of West Fayette Street west of the Onondaga Creek.

Mr. Koolakian asked when the Downtown Committee could have access to the \$200,000. Ms. Treier responded on that it could start to draw down on the funds July 1st.

Mr. Koolakian inquired when will the streetscape furniture be purchased or has it already been purchased. Ms. Treier responded that there are plans for certain number of benches (as an example) to be purchased for replacement purposes.

Mr. Simpson asked if Ms. Treier and the Board feel comfortable with what the scope of responsibility is for the Downtown Committee versus the Department of Public Works. Ms. Treier responded that throughout the process the responsibility has been clearly laid out as what is expected of each party.

Mr. Fiorito added that the Connective Corridor is a special project and the Downtown Committee has the expertise to maintain. Chairman Breuer added that this will not take away from the staff's current duties.

Chairman Breuer asked for a motion to recommend the expansion of the Downtown Committee's boundaries to include East Genesee Street, University Avenue and the Warehouse Node, as well as the proposed budget. Mr. Carter moved and Mr. Maxwell seconded a motion, the motion was unanimously approved.

IV. SPECIAL DISTRICT PROPOSED BUDGET 2012-2013

Ms. Treier informed the Board members that the proposed 2012-2013 budget were in their binders. The Special Assessment proposed for the Central Business District is unchanged from this current year's amount but a line has been added proposing the Special Assessment revenue for the Connective Corridor, which does increase the organization's overall budget.

Ms. Treier reviewed the proposed budget. On the income side, she expects the Parking Lot Revenue to increase due to events held at Dinosaur Bar-B-Que. She noted that the grant secured by Senator John DeFrancisco was not included in the budget due to the uncertainty in Albany. However, staff will pursue this grant and if awarded programming will be increased. Currently, the Downtown Committee has not secured any New York State Main Street Grants for the next fiscal year, however, staff will continue to pursue funding opportunities and if awarded, continue these programs.

On the expense side, Environmental Maintenance and Security show increase in the requested budget amount from this past year but are in line with where the expenditures have been in years past. The increase in funds available for programming is due to changes in staffing and reduced expenditures for health care benefits. These changes allow funds to be re-purposed into programming and services for property owners. Environmental Maintenance shows an increase to Special Projects for more beautification activities. Depreciation expense has also increased due to the planned purchase of a new plow blade. In Security expenses, it shows an increase in depreciation cost than what had been budgeted last year due to the improvements made at the Galleries Storefront. It also shows a change in the Salary/Fringe Line compared to this past year, which will bring it in line to where expenditures have been in years past and allows for some flexibility in future personnel decisions. The change in Economic Development expenses reflects changes in personnel and includes funding for retail and office recruitment activities.

Mr. Doucette stated that the budget should relate to the goals of the organization. He added that there should be a way to measure if the goals are being achieved. Ms. Treier stated that metrics are being developed and that the budget relates to the organization's strategic plan. The Downtown Committee does perform an annual constituent survey to receive feedback on programs. While metrics are being developed, a lot of what the Downtown Committee does is hard to measure because some of the outcomes are out of the organization's realm of control.

Ms. Littlejohn asked about the strategic plan. Mr. Simpson noted that the current plan is over two years old and suggested that a revolving time be set when the strategic plan will be reviewed. Also, that financial goals should be reviewed annually.

Mr. Fisher questioned why the budget had to be done so early and what process was used to come up with numbers. It is January but the fiscal year does not start until July. Ms. Treier responded that the accounting staff provides a monthly financial statement which is used to determine year end projections. The proposed budget is assembled based on the previous years budgets, adherence to strategic plan and plans for new or expanded programs. The reason why the process starts so early is because the City goes through a series of budget hearings starting in February and the Downtown Committee's budget is part of that process. Ms. Treier stated that next year she would like to approach the internal budget process differently.

Mr. Koolakian asked why there was an \$18,000 change in the Security budget. Ms. Treier responded that the difference will allow some flexibility in the Security Department to hire a part time office to help cover vacations, injuries and the Farmers' Market.

Ms. Treier stated that this is a balanced budget with no increase in the Special Assessment. She asked for a motion to approve the proposed budget. Mr. Robbins moved and Mr. Koolakian seconded a motion to approve the proposed budget. The motion was unanimously carried.

V. STAFF REPORT

a. New York State Main Street Program

Ms. Carrington provided an overview of the New York State Main Street grant program. The Clinton Street grant has been closed out. There are currently three grant programs still running (Salina Street, Warren Street, and Hanover Square). Ms. Carrington provided the Board members with a packet that showed the projects that were funded through the current grants. She stated that there is currently \$17,375 in unallocated funding and asked for volunteers from the Board to score the applications submitted for the remaining funds. Chairman Breuer, Mr. Doucette, and Mr. Robbins volunteered to serve on the committee and provide recommendations.

Mr. Robbins inquired if there was an oversight in the design process to keep areas looking in a similar fashion (architecture, signage, etc.). Ms. Carrington stated that all applicants go through the SHPO process but the Downtown Committee does not provide specific oversight or recommendations as far as design. Mr. Maxwell added that the City does have a Project Review Board. Ms. Treier commented that design guidelines would help strengthen the grant process.

b. AmeriCU Dining Week(s)

Ms. Reed stated that AmeriCU Dining Week(s) will be February 15 – 29. Once again there are a record number of restaurants participating in this event. AmeriCU is the title sponsor and will also be selling AmeriCU Dining Week(s) VISA gift cards in their Armory Square branch. A press conference has been scheduled for January 30th and she invited all Board members to attend. Promotion for this event will include TV and print ads, posters, direct mail, and all menus will be uploaded to the Downtown Committee's website.

Ms. Romeo added that in addition to the press conference, she will be reaching out to media outlets for feature stories in the weeks leading up to AmeriCU Dining Week(s). Social media will once again be used for promotions, which will include a behind the scenes blog and a Facebook photo contest. New this year will be a partnership with Foodspotting, which will allow users to create and follow restaurant guides and post photos and reviews of their meals.

c. Security

Officer Marcon reported that there are security concerns in downtown. There has been an increase in activity at Salina, Jefferson, and Bank Streets.

The Syracuse Police Department has assigned a patrol car from 1:00 pm – 4:00 pm at the corner of Salina and Jefferson Streets. Officer Marcon stated that there needs to be additional walking beat officers in this area (in addition to the two Downtown Committee Security Officers and two Syracuse Police Officers assigned to downtown), not just in a patrol car. He added that in 2009, two additional walking beat officers were brought in and dedicated to this block to address the increase of security concerns.

Ms. Treier added that this has been a growing concern and she has heard concerns voiced from several employers in the immediate vicinity. Downtown is the business anchor for the region. The block is starting to turn around given all of the recent investment at the Landmark Theatre, the Dey's Building, and others. However, as it is such a population hub, there is always potential for something to escalate. There needs to be a guarantee that there are dedicated police to this block who will be visible and serve as a proactive approach to deterring crime.

Mr. Simpson added that he has spoken with Officer Marcon and can see how the atmosphere in the area has changed in the past six months. Mr. Doucette added that a sense of order needs to be restored to the street.

Mr. Fisher inquired if business owners can be trained on how to handle these security issues. He added that at the library they are seeing an increase of people with mental health issues and they have trained the librarians how to handle these situations. Officer Marcon responded that what he, his partner, and the Syracuse Police Officers are seeing is an increase to the disregard of authority.

Officer Marcon recommended that the Board send a letter to the Mayor asking to have additional walking patrol officers placed in downtown. The motion was unanimously approved.

VI. UPDATE ON HOTEL SYRACUSE PROJECT

Mr. Fisher stated that Fundamental Advisors was supposed to purchase the Hotel Syracuse at a tax sale in December. At the last minute, one of the lien holders paid the 2008 and 2009 back taxes, leaving the 2010, 2011, and current year tax bill unpaid. Paying the 2008 and 2009 back taxes was enough to block the sale of the property to Fundamental Advisors.

The County is concerned that if movement is not made on this front that the grant funds could be swept away. The County Executive will have to make the decision in the next 30-60 days on if the money will be moved to another project.

Mr. Carter added that the Downtown Committee Board needs to make a statement about the importance of the Hotel Syracuse to downtown. Chairman Breuer noted that the Downtown Committee is willing to help make the case for the importance of renovating the Hotel.

VII. PUBLIC COMMENTS

Chairman Breuer opened the floor for public comments.

Councilor Maroun stated that Occupy Syracuse is being removed from their downtown location due to the illegal use of propane tanks for heating and other safety violations. He reiterated that the budget hearings begin in February for the City. He also stressed that there needs to be a significant percentage of property owners in favor for the boundary expansion to pass.

Councilor Barrett informed the Board that he has worked for the Catholic Charities shelter and offered to provide a presentation at a future meeting.

VIII. OTHER BUSINESS AND ADJOURN

With no other business to come before the Board, the meeting was adjourned at 4:46 pm.

Next Meeting: **Tuesday, March 20th at 3:00 pm**
Board Room, 572 South Salina Street