

SDODC

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

SPECIAL DISTRICT OPERATIONS AND DEVELOPMENT COMMITTEE MEETING

January 18, 2011

CNY Philanthropy Center

3:00 pm

Meeting Minutes

Attendance

Members: Mss. Littlejohn and Sayles; Messrs. Carter, Cowin, Fiorito, Doucette, Koolakian, Stoner, and Tripoli.

Ex-Officio Mr. Simpson

Staff: Mss. Erno, Reed, Romeo and Treier; Messrs. Mankiewicz, Marcon and McFadden.

Guests: Brian Balash – Pyramid Brokerage
Lindsey Speicher – City of Syracuse
Thomas Greenwood – Property Owner
Tony Ortega – MOST & Armory Square Association
Peter Dunn – Central New York Community Foundation
Jon Sayre – Pyramid Brokerage
Steve Buechner – Barton & Loguidice
Valerie Schiller – Henry Wilson Jewelers
Mark Pop – Gilberti Law

I. WELCOME AND MINUTES OF NOVEMBER 16, 2010

a. Minutes of November 16th

Mr. Fiorito welcomed Board members and guests present. He asked for a motion to approve the minutes of December 2, 2009. Mr. Stoner moved and Mr. Doucette seconded. The motion was unanimously carried.

b. Moment of Silence: Mayor William Walsh

Mr. Fiorito asked the members and guests present for a moment of silence to honor William Walsh who passed away. Mr. Walsh was a former Mayor of Syracuse, former member of Congress and a public servant for many years.

c. Introduction of Victoria Presher

Mr. Mankiewicz introduced Victoria Presher, new staff member of the Downtown Committee. Ms. Presher is the Downtown Ambassador. Prior to this position she worked for the National Park Service. In this position, Ms. Presher worked with tourists at Independence Hall and other National Parks. She will be very visible in downtown. This will be a great asset for all visitors coming to downtown, especially during the upcoming Women Bowlers Congress.

II. PUBLIC COMMENTS

Mr. Fiorito opened the floor for public comments.

Mr. Greenwood asked to lower the Special Assessment in the Salina area. He feels that he is paying the highest fees when the building values on Salina Street are falling. Ms. Treier responded that the Downtown Committee has been pursuing grants and during the past five years has brought in over \$13 million in grants to aid in private investment. Mr. Greenwood also added that access to parking is the biggest issue for his office space. He sees more issues with parking if the Sibley's garage is closed. He feels that access to affordable parking is critical to the downtown office market. Mr. Greenwood also commented that there is 1.4 million square feet of vacant commercial space downtown, largely concentrated on Salina and Warren Streets. He noted that in its best year, downtown absorbed 125,000 square feet of office space per year. That means there is a ten year supply of space available on the market now and the Downtown Committee needs to take the lead in addressing the future of that space.

Ms. Schiller noted that Henry Wilson Jewelers has written letters to the Editor about working with people in the community to use one of the smaller vacant spaces to create a reading center.

Mr. Greenwood hoped that there is some future vision for the 300 block of Salina Street after the bus transfer hub moves. He is concerned that some of the existing retail tenants that were fed by Centro's bus customers and may close when the transfer hub relocates. He suggested putting in diagonal parking on the east side of Salina Street or shortening the sidewalks. Ms. Treier responded that during the Downtown Parking Study, diagonal parking was suggested and she would check on that option for Salina Street.

III. FINANCIAL REPORT

a. Financial Report as of December 31, 2010

Mr. Mankiewicz stated that the December financial statement represents expenses for half of the year, but because December tends to be a high expenditure month some of those expenses will not show until January when the bills are received.

On the revenue side of the budget, he noted that interest income is lagging. The Arts and Crafts Festival has one outstanding donation, but it will do better than projected. The parking lot is running ahead of budget. Regarding expense, in Security there is depreciation on the van which was not anticipated when the budget was prepared. The Farmers' Market has broken even (there was more in expenses due to extra marketing regarding the relocation of the Market). Mr. Mankiewicz asked for approval of the financial report of December 31st, subject to audit. Mr. Fiorito motioned and Mr. Koolakian seconded a motion, the motion was unanimously approved.

b. Special District Proposed Budget 2011-2012

Mr. Mankiewicz presented the proposed budget for 2011-2012. Consistent with the legislation the SDODC needs to make a budget recommendation to the Mayor. He reviewed the proposed budget and noted the proposed Special Assessment is unchanged from this year's amount. Interest income will continue to decrease as interest rates remain flat and the reserve has been used to upgrade equipment. Parking revenue is continuing to increase. Mr. Mankiewicz noted that the Events Grant, secured by Senator John DeFrancisco, was not included in the budget due to uncertainty of its status given the financial challenge in Albany. However, staff will pursue this grant and if awarded we will increase programming. The New York Main Street grants provide a significant source of income to continue façade renovations and building improvements, but they generate no net revenue to the Downtown Committee. The Preserve America funds will be used for marketing and economic development programs.

There has been an across the board reduction in the benefits and salaries line due to veteran employees retiring and reductions negotiated in the costs of benefits. Expenditures for health care plans and 401(k) programs have been reduced as the programs are less generous to employees. These funds have been reinvested in services and projects for property owners. There is an anticipated increase in Environmental Maintenance and Operations due to higher gas prices. Money has been put aside for planter beautification efforts in Cathedral Square. Also, one of the tractors will need to be replaced. This will increase depreciation expense in environmental maintenance. In marketing, the Downtown Committee no longer prints the Calendar of Events. Therefore, there has been a reduction in printing expenses. Money has been put aside for additional marketing events and the branding effort. In Economic Development, additional money has been set aside for office and retail recruitment.

Mr. Mankiewicz noted that this is a balanced budget with no increase in the Special Assessment. He asked for a motion to approve the proposed budget. Mr. Stoner motioned and Mr. Koolakian seconded a motion to approve the proposed budget.

Mr. Greenwood stated that keeping the Special Assessment the same in this economic climate is unfair to the property owners since property values are dropping. Mr. Mankiewicz responded that as new buildings are built downtown, the Special Assessment is reduced for the existing property owners. With the completion of the 333 Washington Street building this year, there will be an assessment reduction for all other property owners if the Special Assessment is maintained at its current amount.

The motion to recommend the proposed budget was unanimously approved.

IV. STAFF REPORT

a. Landmark Theatre

Mr. Mankiewicz noted that construction is underway at the Landmark Theatre. All financing is in place and the project is on schedule to be completed by the theatre season in the fall.

b. Retail Report

Ms. Treier attended the ICSC Retail conference in New York City in early December. The goal of the trip was to meet with various retailers and establish a relationship with them, while also understanding their future expansion plans. Using demographic information as well as consumer spending pattern data, Downtown Committee staff compiled a marketing package describing Syracuse, including maps that showed available spaces within the district. From the meeting, staff qualified eight retailers that could be possible recruits for the center city area.

c. USBC Women's Bowling Championship Promotion

Ms. Reed reported that downtown is getting ready for the women bowlers. As she has reported at the previous meeting, the USBC will hold their championship tournament at the Oncenter from April through July. There will be 45,000 people attending the tournament, which is about 400 per day. While the bowlers are offered opportunities to leave downtown to go to Carousel Center, Turning Stone, and the Fingerlakes Mall, the Downtown Committee is working with the Convention and Visitors Bureau to encourage the bowlers to patronize downtown. The Downtown Committee is looking into showing videos in the buses that bring them downtown from their hotels and social media to build awareness of what downtown has to offer.

The USBC has also offered businesses advertising opportunities in coupon and program booklets. The costs of these ads are expensive and are out of reach for some of the businesses in downtown. The Downtown Committee has purchased three pages in the program book and received permission from the USBC to resell ad at a subsidized rate to make it more affordable to businesses. Ms. Reed reported that 18 ads were sold, so there will be a good representation of what is available downtown. Also, with the Downtown Committee purchasing these three pages, it ensures that downtown businesses will be grouped together and will make a bigger impact.

d. Dining Week

Ms. Reed reported that Dining Week will be February 15th through February 26th. She noted that there are 22 restaurants participating this year, which is more than last time. The offer is three courses for \$25 or less. This program has become very important to the restaurants participating because they can double or triple their normal business. AmeriCU has signed on again as the title sponsor, which helps with advertising costs. Both social and conventional media will be used to promote the program.

e. Communications

Ms. Romeo reported that the Downtown Committee has expanded its communications portfolio by introducing bi-weekly news and events email blasts. The Downtown Committee has purchased a subscription to Constant Contact. This program allows us to see how many people are opening the emails and what links they are clicking on. This information will help gauge the effectiveness of communications being sent via email. The emails that are being sent are intended to provide quick, continuous updates about downtown to keep it in the forefront of people's minds. Emails detailing downtown Syracuse news stories are sent out every other week and on alternate weeks emails highlighting upcoming events are sent. Copies were made available to the Board and guests presents.

The first news email featured a list of the top 10 downtown Syracuse highlights of 2010. Future news emails will feature 3-5 brief downtown news stores with links to additional information. Events emails direct readers to the Downtown Committee's online calendar. An effort is being made to highlight as many different downtown venues and organizations as possible. Currently emails are being sent to the Downtown Committee Board, CenterState CEO staff, downtown property owners, leasing agents, City staff, Common Council, County Legislators and anyone who signs up to receive emails from our Facebook page. People have the ability to forward the emails or share them through social media, which increases the audience. Once the emails are sent, copies are posted on the Downtown Syracuse Facebook page and Twitter feed to reach additional audiences.

f. Security – VINTA Program

Mr. Marcon reported on recent incidents that involved students from the Violence Is Not The Answer (VINTA) Program, which is operated by the Syracuse City School District in the Carnegie Building. He stated that last year there were no problems with these students but recently there has been an increase in incidents involving these students. On January 2nd and 3rd there were altercations involving VINTA students. Mr. Marcon stated he met with VINTA officials and showed photos of the students involved and they were identified as being a part of that program. These students are not bused to their program by the school system, instead Centro is their form of transportation and the students walk between the school and Common Center.

Mr. Marcon reported that on January 12th there were 12-15 VINTA students creating a disturbance at Common Center. The Syracuse Police Officers tried to pull one of the students aside when he was spotted carrying a knife. Mr. Marcon assisted in detaining the students during the altercation. During the altercation one of the students slapped a camera out of Mr. Marcon's hands and attempted to hit him. Since there has been an increase in altercations between these students, from 1:30pm – 2:00pm, the SPD, Mr. Marcon and Mr. Peak are all at the bus transfer station.

Mr. Mankiewicz stated that he has talked with Superintendent Lowengard regarding the VINTA program. During these conversations, Superintendent Lowengard has acknowledged that this program is not working the way it was intended. The Syracuse City School District's lease on the Carnegie Building is nearing its conclusion, so this is a good opportunity to help the School District find a new tenant for this building so that this program can be moved elsewhere. Currently, this program is tying up the resources of the SPD and Downtown Security in the afternoon.

Mr. Tripoli asked if the School District could extend their current lease. Mr. Mankiewicz responded that they can but if we can help them find someone for the building then they will move the program elsewhere. Mr. Tripoli asked why the program has not moved if it is causing issues and is not working. Mr. Mankiewicz responded that during his conversations with Superintendent Lowengard has noted that downtown is considered "neutral territory" among local gangs. VINTA students come from all of the city and from different gang territories, so the School District has seen that if program goes into one gang's territory other students are reluctant to attend. That is the reason why the program has stayed downtown.

Mr. Simpson suggested that the property owners in the area should send a letter to the Superintendent about the concerns of this program. Mr. Cowin also suggested that if a letter was written that the School Board should also be copied.

V. PROPOSAL ON THE FUTURE OF I-81

Mr. Mankiewicz stated that when the Board completed its strategic plan, the future of I-81 was one of the areas in which the Board wanted more involvement. Mr. Mankiewicz noted that the Board has had presentations from the Syracuse Metropolitan Transportation Council (SMTC) and the Onondaga Citizens League on this topic. Mr. Steve Buechner asked for an opportunity to present to the Board his proposal for the future of I-81.

Mr. Buechner stated that this proposal started with a conversation he had with Dick Case, of the Post Standard, about the revitalization of Warren Street. He stated that he was currently working on a study which would include Warren Street revitalization. During his study he inventoried vacant or underutilized buildings, which accounted for 57 acres. Also, he realized there was a need for safer pedestrian crossings, especially between SUNY Upstate's main campus and the property they are purchasing at Presidential Plaza for their downtown campus.

Mr. Buechner wanted to propose a different solution than what the Onondaga Citizens League had presented. He feels the volume of traffic carried by the elevated portion of I-81 is too high to be carried by an at-grade boulevard, and that this segment of I-81 should be placed underground. His solution is more pedestrian friendly and also includes a dedicated emergency vehicle lane. He proposes that a large "Central Park" be created over the underground tunnel. This will end the bisecting of Syracuse and will reunite the city. If this proposal is successful, he feels that it could be carried to the airport and to the South Side. He also proposes ramping down the major cross streets one story. With this, vehicle and pedestrian traffic will not intersect. Mr. Buechner realizes that with this proposal there would need to be cooperation of all property owners in the area of the highway. The proposal involves taking down some of the currently underutilized and vacant buildings and creating more green space. This green space would include two miles of hiking and biking trails, a pond and a park. All total, the green space is about 32 acres with buildings surrounding the space. A light rail system would also be included to bring employees into work, which would alleviate some of the traffic.

Mr. Buechner has not done a cost estimate for his proposal. He feels that Syracuse has a great opportunity to do something major, enhance its appearance, improve its transportation function and create additional open space. Mr. Mankiewicz thanked Mr. Buechner for his presentation. He stated that during the SMTC process it is critical that all alternatives are considered.

Mr. Carter commented that any de-densification of the urban core should be avoided. The community needs to see all of the alternatives together at one time, then from that they can decide on what the best alternative is for the future of I-81. Mr. Carter suggested having a session where all of the alternatives are shown so the Board can see

them all at once.

VI. CENTRAL NEW YORK PHILANTHROPY CENTER

Mr. Peter Dunn welcomed everyone to the Central New York Philanthropy Center. He provided background to the Board regarding the Central New York Community Foundation. Mr. Dunn stated that the CNY Philanthropy Center building came to them as an opportunity. The building renovation cost \$3 million and has a LEED Silver status. He stated that during the renovation process, they contracted with many vendors and that 13% went to MWBE vendors. The CNY Philanthropy Center offers collaborations with other foundations and not-for-profits, which are also the tenants.

VII. OTHER BUSINESS AND ADJOURN

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

Next Meeting: **Tuesday, March 15, 2011 at 3:00 pm**
Board Room, 572 South Salina Street