

Minutes of the Syracuse City Redevelopment Agency Special Meeting, April 9, 2024.

Minutes of the Special Meeting of the Syracuse City Redevelopment Agency of April 9, 2024, at 7:05 p.m., held in a hybrid in-person/electronic format via Zoom, meeting ID 858 1259 7555, in-person in the City Council Chambers at 1979 W. 1900 S., and streamed on the Syracuse City YouTube Channel in accordance with House Bill 5002, Open and Public Meetings Act Amendments, signed into law on June 25, 2020.

Present:

Members:

Jennifer Carver
Brett Cragun
Julie Robertson (via Zoom)
Jordan Savage (via Zoom)
Paul Watson

Mayor Dave Maughan
City Manager Brody Bovero
City Recorder Cassie Z. Brown

City Employees Present:

Administrative Services Director Stephen Marshall
City Attorney Colin Winchester
Fire Chief Aaron Byington
Police Chief Garret Atkin
Parks and Recreation Director Kresta Robinson
Public Works Director Robert Whiteley
Communications Specialist Kara Finley

1. Meeting Called to Order/Adopt Agenda

Mayor Maughan called the meeting to order at 7:05 p.m. as a special meeting, with notice of time, place, and agenda provided 24 hours in advance to the newspaper and each Boardmember.

2. Approval of Minutes

The following minutes were reviewed by the City Council: Special Business Meeting of March 12, 2024.

BOARDMEMBER CRAGUN MADE A MOTION TO APPROVE THE MINUTES LISTED ON THE AGENDA AS PRESENTED. BOARDMEMBER WATSON SECONDED THE MOTION; ALL VOTE IN FAVOR.

3. Proposed amendment to Shadow Point Shopping Center Incentive Agreement between the Syracuse City Redevelopment Agency (RDA) and Shadow Point, LLC.

A staff memo from the Community and Economic Development (CED) Department explained The City entered into a Redevelopment Agency (RDA) incentive agreement with Shadow Point LLC on March 20, 2020. The purpose of the incentive was to facilitate the construction of a 'large gym facility'. The developer was to build a gym of at least 40,000 square feet, with a lap pool 25 yards long, half-court indoor basketball, sauna, hot tub, and childcare facilities. The City RDA agreed to return 75 percent of the property tax that the Agency receives from the project to the developer. The RDA agreed to such terms because it is believed that the construction of such a facility will breathe life into the shopping center that has struggled. Vacancy and turnover rates have historically been high at the property. The 'anchor tenant' of the center was never built, and the gym, while not a traditional retail anchor tenant, is believed to increase traffic to the center. It is anticipated that the added traffic will benefit the surrounding businesses and encourage development of the adjacent out parcel pads. Unfortunately, the project was delayed by COVID, which heavily affected gyms and other businesses that rely on in-person participation. After COVID, there was an increase in labor costs, material costs, financing interest rates, and other factors that added difficulty in delivering the project. Nevertheless, the developer was successful in getting site plan and building permit approval within two years of the agreement's execution as required in 6.1.2 of the agreement. After four years, the project still has not begun construction. The developer has requested from the city RDA to amend the agreement in two areas that reportedly will help get the project off the ground:

1. Additional time to complete the building. The requested completion and gym opening date deadline is January 1, 2026. If the project is not completed by this date, the agreement will be terminated.
2. An increased property tax rebate. The developer is requesting 100 percent of the property taxes attributable to the project. Currently the city has agreed to 75 percent of the property tax until 2041. With an assumed assessed value of 7.2 million, the building would pay about \$74,000 dollars in property taxes per year. The CDA receives only 60 percent of the property taxes, so an estimated \$44,000 per year from the building would go to the RDA. The two payment scenarios of 75 percent and 100 percent are as follows:
 - a. 100 percent of the 60percent assuming an annual payment of \$44,379.36 from 2026-2041 is approximately \$710,069.76.
 - b. 75 percent of the 60percent assuming an annual payment of \$33,284.52 from 2026-2041 is approximately \$532,552.32.

The difference between the two scenarios is approximately \$11,094.84 per year or \$177,517.44 over 15 years.

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On March 26, the Board discussed the issue and requested a start date for construction in addition to the completion date. The developer feels confident that November 1, 2024 is a feasible start date.

BOARDMEMBER WATSON MADE A MOTION TO AUTHORIZE ADMINISTRATION TO EXECUTE REIMBURSEMENT AGREEMENT WITH SYRACUSE FLEX, LLC FOR A FLEX/INDUSTRIAL PROJECT LOCATED NEAR STATE ROAD (SR) 193 AND 1000 WEST. BOARDMEMBER CARVER SECONDED THE MOTION, ALL VOTED AYE.

At 7:07 P.M., MAYOR MAUGHAN DECLARED THE MEETING WAS ADJOURNED.

Dave Maughan
Mayor

Cassie Z. Brown, MMC
City Recorder

Date approved: May 14, 2024