



To: SEDCO Board of Directors
From: Vaughn Davis
Date: August 16, 2023
Re: SEDCO Board of Directors Meeting Agenda – August 17, 2023

The Syracuse Economic Development Corporation **Board of Directors Meeting on Thursday August 17, 2023, at 3:30 PM held in person in the iLab Conference Room in City Hall, 233 East Washington Street, Syracuse, NY 13202.**

I. Call Meeting to Order

II. Roll Call – 1

III. Proof of Notice - 2

IV. Minutes – 3

Approval of minutes from the June 1, 2023, Board meeting.

VI. New Business – 4

ARPA Small Business Assistance Fund Requests

Review and discussion of the loan financing requests submitted as part of the American Rescue Plan Act (ARPA) Small Business Assistance Fund for consideration.

1. COBRA Construction
2. Twisted Images

ARPA Community Impact Fund Requests

Review and discussion of the loan financing requests submitted as part of the American Rescue Plan Act (ARPA) Community Impact Fund for consideration.

1. Infinity Events, LLC
2. Shekinah Gloria Ministries Inc.
3. Teamwork Coatings, Inc

Organizational Updates

1. EPA Brownfield Conference 2023

VII. Adjourn



PLEASE POST

PLEASE POST

PLEASE POST

PUBLIC MEETING NOTICE

THE SYRACUSE ECONOMIC DEVELOPMENT CORPORATION

HAS SCHEDULED

A

BOARD OF DIRECTORS MEETING

ON

THURSDAY August 17, 2023

AT 3:30 PM

IN THE INNOVATION LAB (iLAB) CONFERENCE ROOM

LOCATED AT

SYRACUSE CITY HALL

233 E. WASHINGTON STREET, SYRACUSE, NY 13202

For more information, please contact Vaughntorrien Davis at VDavis@syrgov.net

Minutes

Syracuse Economic Development Corporation
Board of Directors Meeting
Thursday, June 1, 2023
3:30 – 4:30 PM

Meeting was held in-person at:
The iLab at City Hall
233 E. Washington Street
Syracuse, NY 13202

Board Members Present: Eric Ennis, Rita Paniagua, Stephen Gross, Sheena Solomon, Richard Driscoll, Ashanti Dickerson, Patrick Lannon, Andrew Fish, Calvin Corridors, Jr.

Board Members Excused: Karolina Marcinkowski, Mark Barbee,

Staff Present: Vaughn Davis, Suzanne Macpherson, Jakia Durham Kelly, Fred Marty, Esq.

I. Call Meeting to Order

Mr. Ennis called the meeting to order at 3:34 PM.

II. Roll Call

Mr. Ennis acknowledged that all Board Members were present except for Karolina Marcinkowski, Mark Barbee.

III. Proof of Notice

Mr. Ennis made note acknowledging proof of notice was sent out in a timely manner and the change of location.

IV. Minutes

Mr. Ennis reviewed the SEDCO Board meeting minutes from May 4, 2023, and asked for a motion for approval.

Mr. Fish made the motion. Ms. Paniagua seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MEETING MINUTES FROM MAY 4, 2023.**

V. New Business

1. ARPA Micro-Enterprise Assistance Fund Request:

- Parvenue Transportation Services

Mr. Davis provided an overview of the request from Parvenue Transportation seeking \$5,000 for a period of two (2) years and 2% interest. The funding was requested to purchase new kitchen equipment to assist with upgrading their kitchen space, as well as preparing them for future relocation.

Mr. Fish made the motion. Mr. Dickerson seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED.**

- M. Lemp Jewelers, Inc

Mr. Davis provided an overview of the request from M. Lemp Jewelers, Inc seeking \$3,775 for a period of two (2) years and 2% interest. The funding was requested for capital upgrades to the structure they're located in to enhance security and the exterior façade.

It was recommended by staff to grant Solutions \$4,000.00.

Mr. Driscoll made the motion. Ms. Paniagua seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED.**

2. Traditional SEDCO Financing:

- Mr. Davis provided an overview of the request from Miss Prissy's seeking \$200,000 for a period of nine (9) years (108 Months), 3% interest and an interest only period for the first eight (8) months to ensure that the applicant completes the project and begins generating revenue.
- A contingency was placed that requires the firm to produce an executed commitment from another traditional lending source in the amount no less than \$170,000 as well as enroll in Onondaga Community College's Small Business Development Center (SBDC).
- The funding was requested to assist with the buildout of their new location on S. Warrant Street

Mr. Dickerson made the motion, and it was suggested by the SEDCO Board that a twelve **(12) month period of interest only payments** would be more appropriate with assisting the applicant completes the project and begin operating. Ms. Solomon seconded the motion. **ALL BOARD MEMBERS PRESENT VOTED UNANIMOUSLY APPROVED THE REQUEST.**

VI. Adjourn

Mr. Gross made a motion to adjourn the meeting. Ms. Solomon seconded the motion. **ALL BOARD MEMBERS PRESENT VOTED IN FAVOR TO ADJOURN THE MEETING.**

The meeting was adjourned at 4:39PM.

SEDCO ARPA Lending Programs Application Summary
Financial Request Analysis
Fund Type: _____



PART I: APPLICANT INFORMATION					
Business Name	Business Address	Business/Industry Category:	Year Founded	Current # of employees	Total Amount Requested
					\$

PART II: BUSINESS LOCATION			
Neighborhood Location:		Located within ARPA-designated Census Tract?	<input type="checkbox"/> Y <input type="checkbox"/> N

PART III: BUSINESS OWNERSHIP					
Owner Name(s)	Residential Address:	% Owner	Credit Score	Total Covid-19 Assistance Received?	\$
				Previously Assisted by SEDCO/SIDA Covid Programs?	<input type="checkbox"/> Y <input type="checkbox"/> N
				Did the business experience a decline in 2020/21?	<input type="checkbox"/> Y <input type="checkbox"/> N

PART IV: USE OF ARPA FUNDS:		
Summary of the Requested Use of Funds:	Impact of Covid-19:	Efforts Taken Since March 2020:

PART V: BUSINESS FINANCIALS				
Business Financials			Supporting Documents Submitted	
	FY2022	FY 2023 (Interim)	The following documents were submitted with the request:	
Total Sales	\$	\$	Completed Application	
Total Income (Loss)	\$	\$	2021 Corporate Tax Returns	
Total Expenses	\$	\$	2021 Personal Tax Returns	
Net Profit (Loss)	\$	\$	2022 Interim Financials	
			Personal Financial Statement	
			NYS-45 Form	

PART VI: PROPOSED BUDGET + PERSONAL FINANCIALS					
Proposed SEDCO ARPA Budget			Personal Financial Statement		
Amount	Expense/Item	Purpose		Owner #1	Owner #2
\$			Total Assets	\$	\$
\$			Total Liabilities	\$	\$
\$			Net Worth	\$	\$
\$			Eligible for Forgiveness?		Y <input type="checkbox"/> N
\$			Staff Recommendation:		\$
\$					

Other Notes

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					\$

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Neighborhood Location:		Located within ARPA-designated Census Tract?	<input type="checkbox"/> Y <input type="checkbox"/> N

PART III: BUSINESS OWNERSHIP					
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\$			Total Assets	\$	\$
\$			Total Liabilities	\$	\$
\$			Net Worth	\$	\$
\$			Eligible for Forgiveness?	Y <input type="checkbox"/> N	
\$			Staff Recommendation:	\$	
\$					

Other Notes



August 17, 2023

Memorandum To: **SEDCO Board of Directors**
From: Vaughntorrien Davis
Re: Infinity Events, Inc | ARPA Community Impact Fund
Staff Recommendation: **\$199,500.00** in SEDCO ARPA loan Financing

Borrower:

Infinity Events, Inc. is a local firm established in 2013 that provides a venue that specializes in hospitality and food services for those who host events in the heart of downtown Syracuse. Owned by Kevin Samolis, Infinity Events, Inc. is located at 332 South Salina St. and has played a part in the revitalization efforts of S. Salina however, due to pandemic in 2020, quarantine, and the business has had to struggled to accommodate the reservations that were canceled or postponed and in need of rebooking while trying to take new reservations. This has resulted in a significant loss in revenue that was an obstacle that with time they were able to overcome.

Infinity Events, has weathered the storm of the COVID-19 Pandemic and is now in a stable condition to upgrade their event space, making it more energy efficient, aesthetically pleasing for their clients and additional services in the form of room and board for those who use the event space as a wedding reception. They have partnered with VIP Structures to develop the space behind the former Singer Building to use as an outdoor patio for additional event space. When the room is not reserved it will be available for rent through AirBNB, ensuring the ability to generate revenue from it is continuous throughout the year.

Proposed Project:

The funds requested are to assist with the completion of capital upgrades to the applicant's event space so that it is more energy efficient and providing services that will make them a more appealing location to host an event.

The funds they're requesting will go towards:

- The insulation of the ceiling, windows, and doors on the fifth floor.
- Replacing the carpet on the third floor.
- Repaving and development of the former Singer Building space.
- Construction of a living space to be rented to wedding reception clients, and those who are looking for accommodations during a brief stay in downtown Syracuse.

SEDCO Loan Request – \$199,773.00

Usage of Funds:

The funds received from SEDCO will be used to complete the buildout of an apartment and capital upgrades to the event space.

SOURCES & USES:

Project Budget:

a. Carpeting	\$46,892.00
b. Ceiling Insulation	\$3,375.00
c. Window Upgrades	\$9,583.00
d. HVAC System	\$27,500.00
e. Signage	\$15,000.00
f. Lighting & fencing	\$1,850.00
g. Equipment	\$33,971.00
h. Architect Fees	\$11,700.00
i. <u>Apartment Construction</u>	<u>\$205,000.00</u>
TOTAL	\$354,871.00

Project Sources:

a. SEDCO Community Impact financing	\$199,773.00
b. <u>Owner Equity</u>	<u>\$155,098.00</u>
TOTAL	\$354,871.00

Recommendation:

After consulting with the Loan Review Committee, staff recommends the SEDCO Board of Directors approve the loan amount of \$199,500 as presented to assist with the renovation and updates to the 332 South Salina Street event space and allow the applicant to reapply for Traditional SEDCO financing upon the completion of the construction project next door.

Based on the maximum terms available as part of the Community Impact Fund, SEDCO would structure the interest rate at 3.5% for this loan, with a term of ten (10) years (120 months) to reflect the term of the lease. The first six (6) months would be an interest-only period giving the applicant time to begin generating revenue.

Collateral:

SEDCO would seek to hold a subordinate lien on the 332 South Salina Street property as well a UCC filing on all the furniture, HVAC equipment and fixtures purchased with the funds for capital upgrades.

SEDCO will also secure personal guarantee from K. Samolis as the founder and director of the applicant entity.

Impact of Covid-19:

COVID-19 has caused the applicant a loss in revenue totaling up to approximately \$1.7million dollars and the loss of 2/3 of their staff.

The applicant has used this opportunity to raise the base pay for all employees, implemented a paid sick leave for staff as well as a Benefit package in hopes of attracting employees.



August 17, 2023

Memorandum To: SEDCO Board of Directors
From: Vaughntorrien Davis
Re: Shekinah Gloria Ministries Inc. DBA Hope Cafe | ARPA Community Impact Fund Request
Staff Recommendation: \$62,500.00 in SEDCO ARPA loan Financing

Borrower:

Shekinah Gloria Ministries Inc. DBA Hope Café was established in 2005 and is a local non-profit organization that helps provide meals and education to children from low-income families and owns the Hope Café. The restaurant is currently working on expanding to two new locations. One in Clay, NY and the other in the Syracuse, at 444 E. Genesee Street. They were in the process of expanding but due to the pandemic was forced to cancel their project and lose the \$100,000 already invested in the project. After a couple years of adjusting to the "new Normal" and some much-needed revamping they would like to begin working on expanding their brand and continuing to help feed local children from low income families and countries in S. America.

Proposed Project:

The applicant is requesting funds to fill the gap in completing the Buildout of their new restaurant location at 444 East Genesee Street. The expansion project will include:

- * Renovation of the site to accommodate food service
* New Kitchen Equipment
* New Furniture and Fixtures

SEDCO Loan Request – \$62,500.00

Usage of Funds:

The funds received from SEDCO will be used for the construction and renovation phase of the restaurant’s build out.

SOURCES & USES:

Project Budget:

Table with 2 columns: Item, Amount. Rows include Land & Property Acquisition (\$5,000.00), Building Construction & Renovation (\$60,000.00), Equipment (\$50,000.00), Furniture & Fixtures (\$15,000.00), Engineering/Architect Fees (\$6,000.00), Legal Fees (\$1,000.00), Permitting Fees (\$1,500.00), Contingency (\$5,000.00), and TOTAL INVESTMENT (\$143,500.00).

Project Sources:

Table with 2 columns: Item, Amount. Rows include SEDCO Community Impact financing (\$62,500.00), Owner Equity (\$81,000.00), and TOTAL INVESTMENT (\$143,500.00).

Recommendation:

After consulting with the Loan Review Committee, staff recommends the SEDCO Board of Directors approve the loan amount of \$62,500 as presented as the project is an opportunity to invest in the local food community as well as assist one of the City's Non-Profit organizations who assists with feeding and educating the children in our local community.

Based on the maximum terms available as part of the Community Impact Fund, SEDCO would structure the interest rate at 3.0% for this loan, with a term of five (5) years (60 months) to reflect the term of the lease. This is subject to change as the applicant is working with the landlord to extend the lease further.

The first 3 months would be an interest-only period for the project to fully get underway prior to principal and interest payments being collected.

Collateral:

SEDCO would seek to hold a UCC filing on all the furniture, fixtures and equipment purchased with the funds for the build out. SEDCO will also secure a personal guarantee from Matthew Cullipher as the founder and director of the applicant entity.

Impact of Covid-19:

N/A



August 17, 2023

Memorandum To: **SEDCO Board of Directors**
 From: Vaughntorrien Davis
 Re: Teamwork Coatings, Inc | ARPA Community Impact Fund Request
 Staff Recommendation: **\$175,000.00** in SEDCO ARPA loan Financing

Borrower:

Teamwork Coatings, Inc was established in 2021 and is a manufacturing company that specializes in coating metal equipment used for medical, military purposes. Owned by Gary Campbell and Ted Jeske the company currently has 8 full time employees that work in their warehouse, located at 116 Granger St., and would like to add additional employment opportunities as the business is looking to expand however, due to a roof that’s in need of repair, space that employees can work safely is severely limited.

Teamwork Coatings, Inc is rapidly growing and needs staff to fulfil their contractual obligations but will need to have the roof replaced so that the employees can work in areas that aren’t leaking when it rains or when the snow has melted.

Proposed Project:

The applicant is requesting funds to complete capital improvements to their 116 Granger St. location. The main workshop where the processing of parts and components occur, is approximately 5,800 sq.ft with a 16’8" high parallel chord long span design metal truss, flat roof, supported on peripheral cinder block constructed walls.

Currently a tar/paper style roofing surface layer is in service. With significant "ponding" during heavy rainfall and snow melt, leaks often manifest themselves in random areas. Other than the safety hazard created by these leaks, there is approximately a 20% reduction in working space thereby restricting both capacity and throughput.

SEDCO Loan Request – \$200,000.00

Usage of Funds:

The funds received from SEDCO will be used for the replacement of the roof of the Granger St. location.

SOURCES & USES:

Project Budget:

a. <u>Building Construction & Renovation</u>	<u>\$200,000.00</u>
TOTAL INVESTMENT	\$200,000.00

Project Sources:

a. SEDCO Community Impact financing	\$175,000.00
b. <u>Owner Equity</u>	<u>\$ 25,000.00</u>
TOTAL INVESTMENT	\$200,000.00

Recommendation:

After consulting with the Loan Review Committee, staff recommends the SEDCO Board approve a loan in the amount of \$175,000 as presented as the business needs assistance with replacing their roof to continue to operate and hire additional employees to continue to serve the local medical and industrial firms, along with the various medical, military, and industrial firms in other states.

Based on the maximum terms available as part of the Community Impact Fund, SEDCO would structure the interest rate at 3.0% for this loan, with a term of fifteen (15) years (180 months).

The first 6 months would be an interest-only period for the project to fully get underway prior to principal and interest payments being collected.

Collateral:

SEDCO would seek to hold a subordinate lien on the 116 Granger Street property in the amount of the award amount. SEDCO will also secure personal guarantees from T. Jeske and G. Campbell as the founders and directors of the applicant entity.

Impact of Covid-19:

N/A