



To: SEDCO Board of Directors
From: Vaughn Davis
Date: June 18, 2024
Re: SEDCO Board of Directors Meeting Agenda – June 20, 2024

The Syracuse Economic Development Corporation **Board of Directors Meeting on Thursday June 20, 2024, at 3:30 PM, held in One Park Place, 300 South State Street, Syracuse, NY 13202.**

I. Call Meeting to Order

II. Roll Call

III. Proof of Notice

IV. Minutes

Approval of minutes from the May 16, 2024, Board meeting.

V. New Business

ARPA Micro-Enterprise Fund – (1)

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

1. Byblos Café, LLC

ARPA Community Impact Fund Requests – (2)

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

1. Beach 994 Enterprises, LLC
2. Immobiliare Doggy Day Care, LLC

VI. Additional Funding Request – (2)

Review and discussion of the loan request(s) seeking an increase to their initial award balance.

1. Whiskey Coop, LLC
2. Edge Strength and Fitness

VII. Bridge Loan Request – (1)

Review and discussion of the Loan request(s) seeking short-term financing to provide immediate cashflow until grant funding has been disbursed.

1. Habitat for Humanity

VIII. City of Syracuse Open Data Day

Discussion and consideration for SEDCO to authorize an operating agreement with the City of Syracuse for Open Data Day planned for Fall 2024.

IX. Adjourn



PLEASE POST

PLEASE POST

PLEASE POST

PUBLIC MEETING NOTICE

THE SYRACUSE ECONOMIC DEVELOPMENT CORPORATION

HAS SCHEDULED

A

BOARD OF DIRECTORS MEETING

ON

THURSDAY, JUNE 20TH, 2024

AT 3:30 PM

IN THE BURNET EXECUTIVE CONFERENCE ROOM

LOCATED AT

CITY OF SYRACUSE OFFICES AT ONE PARK PLACE

300 SOUTH STATE STREET SUITE 700, 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 20, 2024
3:30 – 4:30 PM

Meeting was held in person at:
One Park Place, 300 South State Street, Suite 700

Board Members Present: Eric Ennis, Andrew Fish, Sheena Solomon, Steve Gross, Ashanti Dickerson, Rita Paniagua, Patrick Lannon

Board Members Excused: Mark Barbee, Karolina Marcinkowski, Calvin Corridors Jr.

Staff Present: Vaughn Davis, Brianca Hill

I. Call Meeting to Order

Mr. Ennis called the meeting to order at 3:37 PM.

II. Roll Call

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

III. Proof of Notice

Mr. Ennis made note acknowledging proof of notice was out in a timely manner.

IV. Minutes

Mr. Ennis reviewed the meeting minutes from the Aril 19, 2024, Board meeting. No further discussion was held regarding the minutes and the board members present recommended for approval.

Ms. Solomon made the motion to approve the request. Ms. Paniagua seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED.**

V. New Business

American Rescue Plan Act (ARPA) Community Impact Fund:

1. Birria QuesaTaco Syracuse

Mr. Davis provided an overview of the request for ARPA funding from Birria QuesaTaco. The application requested SEDCO provide a loan in the amount of \$139,873 to finance the buildout of a new Authentic Mexican Eatery on the Southwest Side.

Staff recommended that the Board approve the applicant in the amount of \$140,000 for a term of ten 10 years (120 months) at 3.0% interest, and an interest only period of 6 months.

The Board agreed to provide financing in the amount of \$164,000 for a term of ten 10 years (120 months) at 3.0% interest, and an interest only period of 6 months. The amount awarded was to finance the buildout (\$140,000), and a bridge loan of \$24,000 to use as immediate funds for a grant award to be paid back in full when the grant has been disbursed.

Mr. Fish made the motion to approve the request. Mr. Gross seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED.**

2. 809 Lounge & Restaurant, LLC

Mr. Davis provided an overview of the request for ARPA funding from 809 Lounge and Restaurant, LLC. The application requested SEDCO provide a loan in the amount of \$200,000 to finance the buildout of a Caribbean restaurant downtown.

Staff recommended the Board approve the application in the amount of \$200,000 for a term of 10 years (120 months) at 3.0% interest, and an interest only period of 6 months.

Mr. Fish made the motion to approve the request. Mr. Gross second the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED.**

SEDCO Bridge Loan Request:

1. All About Me Daycare

Mr. Davis provided an overview of a Bridge Loan Request from All About Me Daycare. The application requested SEDCO provide a Bridge Loan in the amount of \$100,000 to provide immediate cashflow to complete their buildout while waiting for disbursement from the Downtown Revitalization Initiative (DRI) Façade Improvement Program.

Staff recommended upon receipt of the applicant's DRI award letter the Board approve the request in the amount of 100,000 for a term of 1 year (12 months) at 3.0% interest. An interest-only period would apply during the term of the loan until the HCR funds are disbursed, or the loan has reached maturity, whichever is sooner.

VI. Adjourn

Mr. Ennis asked for a motion to adjourn the monthly board meeting. Ms. Solomon made the motion. Mr. Dickerson seconded the motion. **ALL BOARD MEMBERS PRESENT APPROVE TO ADJOURN THE MEETING**

The meeting adjourned at 4:10 PM.

SEDCO ARPA Lending Programs Application Summary
Financial Request Analysis
Fund Type: Micro-Enterprise



PART I: APPLICANT INFORMATION

Business Name	Business Address	Business/Industry Category:	Year Founded	Current # of employees	Total Amount Requested
Byblos Cafe, LLC	223 North Clinton Street	Food Service	2010	4	\$ 5,000

PART II: BUSINESS LOCATION

Neighborhood Location:	Downtown	Located within ARPA-designated Census Tract?	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N
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PART III: BUSINESS OWNERSHIP

Owner Name(s)	Residential Address:	% Owner	Credit Score	Total Covid-19 Assistance Received?	\$ 0.00
Fady Khabbaz	8288 Codys Corner	100	N/A	Previously Assisted by SEDCO/SIDA Covid Programs?	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N
				Did the business experience a decline in 2021/22?	<input type="checkbox"/> Y <input checked="" 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:
Byblos Cafe is requesting funding to complete needed updates to their business. They've requested funding to finance the purchase of a new Point of Sales System, New menu prints and an new freezer.	N/A	N/A

PART V: BUSINESS FINANCIALS

Business Financials			Supporting Documents Submitted	
	FY 2023	FY 2024 (Interim)	The following documents were submitted with the request:	
Total Sales	\$ 129,213	\$	Completed Application	<input checked="" type="checkbox"/>
Total Income (Loss)	\$ 86,253	\$ 22,710	2022 Corporate Tax Returns	<input checked="" type="checkbox"/>
Total Expenses	\$ 77,808	\$ 15,906.23	2022 Personal Tax Returns	<input checked="" type="checkbox"/>
Net Profit (Loss)	\$ 8,445	\$ 6,803.77	2023 Interim Financials	<input checked="" type="checkbox"/>
			Personal Financial Statement	<input checked="" type="checkbox"/>
			NYS-45 Form	<input type="checkbox"/>

PART VI: PROPOSED BUDGET + PERSONAL FINANCIALS

Proposed SEDCO ARPA Budget			Personal Financial Statement		
Amount	Expense/Item	Purpose		Owner #1	Owner #2
\$ 1,500	Square POS	SEDCO	Total Assets	\$ N/A	\$
\$ 1,000	Updated Menu	SEDCO	Total Liabilities	\$ N/A	\$
\$ 2,500	New Freezer	SEDCO	Net Worth	\$ N/A	\$
\$			Eligible for Forgiveness?		<input checked="" type="checkbox"/> Y <input type="checkbox"/> N
\$			Staff Recommendation:		\$ 5,000.00
\$					

Other Notes



June 18, 2024

Memorandum To: **SEDCO Loan Committee**
 From: Vaughn Davis
 Re: Beach944 Enterprises, LLC | SEDCO Community Impact Fund Request
 Staff Recommendation: **\$200,000.00**

Borrower:

Beach944 Enterprises, LLC was established in 2005, and is a local firm that owns one of downtown’s popular pubs Ale ‘n Angus and is in the process of expanding their business to another location downtown under the name the “Crooked Cattle”. The applicant’s request for funding is to finance the buildout of a new pub/eatery at 290 West Jefferson Street in Armory Square.

The new eatery will be a new dog-friendly space catering to those who work and live downtown by allowing their pets to enter and working in conjunction with the city to allow the patrons to utilize shot clock park.

Proposed Project:

The funding requested for this project will go towards:

- Construction and renovation of the space
- Equipment needed to operate
- Signage
- Marketing

SEDCO Loan Request: \$200,000.00

SOURCES & USES:

Project Budget:

a. Furniture	\$35,000.00
b. Signs	\$21,859.00
c. <u>Equipment</u>	<u>\$121,072.32</u>
TOTAL INVESTMENT	\$177,931.00

Project Sources:

a. <u>ARPA Community Impact Fund</u>	<u>\$177,931.00</u>
TOTAL INVESTMENT	\$177,931.00

Collateral:

SEDCO would seek a UCC filing on all the furniture, fixtures and equipment purchased with the funds for capital upgrades. SEDCO will also secure a personal guarantee from M. Beach as the founder and operator of the applicant entity.

Recommendation:

After a discussion with the Loan Review Committee Staff recommends the Board approves funding the request in the amount of \$178,000 as opposed to the full amount request. The applicant has received funding from NBT Bank in the amount of \$277,760 and a line of credit in the amount of \$25,000 to cover the cost of the buildout. Overall, the project will fill a vacant space in Armory Square and assist in the City's downtown revitalization efforts.

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). The first three 6 months would be an interest-only period to allow time for the completion of the project and time for the business to become established and generate revenue.

Monthly Payment:

Interest Only: \$519.17

Principal & Interest: \$1,760.17



June 18, 2024

Memorandum To: **SEDCO Loan Committee**
 From: Vaughn Davis
 Re: Immobiliare Doggy Day Care, LLC | SEDCO Community Impact Fund Request
 Staff Recommendation: **\$100,000.00**

Borrower:

Carm’s Doghouse was founded in 2015 and is a local pet store that’s adding a new location within the city limits in a mixed-use building located at 308 West Genessee Street (The Byrne Building). The first floor will be the main pet store where they will offer not only pet supplies and food but also have animals ranging from saltwater fish to lizards and birds for sale. The Basement will be a space designated for the new doggy daycare, boarding and grooming station. They’re also renovating three (3) apartments on the second floor that will be used as passive income to support the business.

Proposed Project:

The applicant submitted a request to finance the construction and renovation of the basement of their W. Genessee Street location so they can add a daycare facility for dogs and add a grooming room so that they can offer grooming and daycare packages for pet owners. The funding requested by the applicant will go towards:

- The purchase and installation of the metal lining needed to line the basement.

SEDCO Loan Request: \$100,000.00

SOURCES & USES:

Project Budget:

a. Construction/Renovations	<u>\$100,000.00</u>
TOTAL INVESTMENT	\$100,000.00

Project Sources:

a. ARPA Community Impact Fund	<u>\$100,000.00</u>
TOTAL INVESTMENT	\$100,000.00

Collateral:

SEDCO would seek a subordinate lien on the 308 West Genessee Street building. We would also seek a UCC filing on all the furniture, fixtures and equipment purchased with the funds for capital upgrades. SEDCO will also secure a personal guarantee from C. Cesta as the founder and operator of the applicant entity.

Recommendation:

After a discussion with the Loan Review Committee Staff recommends the Board approves funding the request in the amount of \$100,000 as presented. The applicant would be the only pet store in the downtown area that provides day care and grooming services.

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 ten (10) years (120 months). The first three 6 months would be an interest-only period to allow time for the completion of the project and time for the business to become established and generate revenue.

Monthly Payment:

Interest Only: \$250.00
 Principal & Interest: \$965.61



June 20, 2024

Memorandum To: **SEDCO Board of Directors**
From: Vaughntorrien Davis
Re: NY Craft Concessions, LLC (Whiskey Coop) | ARPA Community Impact Fund
Staff Recommendation: **\$125,000.00** in SEDCO ARPA loan Financing

Borrower:

NY Craft Concessions, LLC was founded in 2018 and is in the process of building out a new restaurant where Empire Brewing was once located at 120 Walton St, in the heart of Armory Square. They have two other restaurants; "The Hop Spot" also located on Walton Street in Armory Square and another Whiskey Coop in Sackets Harbor.

The applicants believe that their project will not only do well at it's location but will also help breath new life into Armory Square; so much so that they took out a traditional bank loan to complete phase 1 and are now looking to the City to fill the gap in funds needed to complete Phase 2 so that they are able to open their doors, provide a popular place for city residents to eat, and socialize and to contribute to the revitalization of downtown Syracuse.

Proposed Project:

The funds requested are for a project that has already begun Phase 1 of the build out and is requesting ARPA funding to complete Phase 2. The applicants have leased a space and are building out a whiskey bar/ restaurant in the space that Empire Brewing once occupied.

The funds they're requesting will go towards:

- The Renovation and site work that includes the installation a new Bar and a second flight of stairs located inside of the building providing a safer entrance into the restaurant.
- Purchasing new light fixtures and furniture.
- Purchasing new kitchen and bar equipment.

UPDATE - The borrower has an estimated \$120,000 gap in funds needed to complete the buildout of their eatery in Armory Square. Their timeline has been extended due to not gaining access to the premises until March of 2024. They've also learned that the plumbing quote for relocating the bar was substantially larger than anticipated. They initially had budgeted \$20-\$25,000 for this work and were quoted \$45,000. Furthermore, there were additional plumbing bills to repair damaged pipes from freezing temperatures in an unheated workspace, and upgrading kitchen drains to be indirect drains, per new building codes.

The borrowers were required to refinish the entire basement flooring after the property owners dug it up for an unrelated project. This was a wholly unanticipated cost that's still being negotiated between the borrower and the property owner. They are anticipating having to pay an additional \$35,000 in expenses due to this. In addition to this the wiring in the building was as old and outdated as the plumbing and has required a substantial investment to clean up- this is coming in around \$35,000

SEDCO Loan Request – \$185,000.00

Usage of Funds:

The funds received from SEDCO will be used to complete Phase 2 of their build out.

SOURCES & USES:

Project Budget:

a. Building Construction & Renovation	\$115,000.00
b. Equipment	\$75,000.00
c. Furniture & Fixtures	\$70,000.00
d. Architect Fees	\$10,000.00
e. Legal Fees	\$5,000.00
f. <u>Permitting Fees</u>	<u>\$5,000.00</u>
TOTAL INVESTMENT	\$280,000.00

Project Sources:

a. SEDCO Community Impact financing	\$80,000.00
b. Bank Loan	\$200,000.00
c. <u>Owner Equity</u>	<u>\$20,000.00</u>
TOTAL INVESTMENT	\$280,000.00

Recommendation:

Staff is recommending the Loan Committee approve the loan amount of \$60,000. The applicant has secured funding through a local lender who has approved the applicant for financing in the amount of 200k and is providing \$20k of their own equity leaving.

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 Eight (8) years (96 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.

Update- After a discussion with the loan review committee, staff recommends the Board approve the borrower's extension request to increase the loan amount by \$125,000 to ensure the unexpected expenses are paid for and the remainder of the project is completed. This will bring the total amount of SEDCO financing invested into the project to \$185,000.

Collateral:

SEDCO would seek to hold a subordinate lien through a UCC filing on all the furniture, fixtures and equipment purchased with the funds for capital upgrades. SEDCO will also secure personal guarantees from C. Chalf and S. Goodrich as the founders and directors of the applicant entity.

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		
	FY 2023	FY 2024 (Interim)	The following documents were submitted with the request:		
Total Sales	\$	\$	Completed Application		
Total Income (Loss)	\$	\$	2020 Corporate Tax Returns		
Total Expenses	\$	\$	2020 Personal Tax Returns		
Net Profit (Loss)	\$	\$	2021 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					



June 20, 2024

Memorandum To: **SEDCO Board of Directors**
 From: Vaughn Davis
 Re: Habitat for Humanity | SEDCO Bridge Loan Request
 Staff Recommendation: **\$100,000.00**

Borrower:

The Habitat for Humanity plans is in need of repairs to their building located at 514 W. Genesee Street. The repairs include replacement of the brick parapet at the third floor as well as a roof replacement for most of the building that will include the removal of hazardous materials. The applicant has been awarded an Empire State Development (ESD) Grant in the amount of \$100,000 that’s on a reimbursement basis and they’ve submitted an application to SEDCO to assist by way of a bridge loan to pay to provide working capital to complete their project until the funds from the ESD Grant are disbursed.

Proposed Project:

The scope of the project includes repairs to the brick parapet at the third floor as well as a roof replacement for most of the building. The brick parapet was in poor condition, exacerbated by the freeze/thaw cycles of the previous winters. The parapet appeared to be in danger of structural failure and was allowing water infiltration into the building. An emergency, short-term demolition was completed on part of the parapet to stabilize the parapet due to safety concerns, however additional work is still needed on the parapets. The roof is also in poor condition with cracks allowing water infiltration. At least a portion of the roof asbestos-containing and will require abatement.

Additional hazardous materials testing is in process and will be completed prior to the repair work. Architectural/engineering assessment will be completed, and construction documents procured to fully determine the scope of work. The expected outcome will be a new roof (approximately 2600 SF across multiple locations) with a 25-30 warranty and a new brick parapet that is structurally sound. This project will enable the organization to continue to provide our services to the community for many years to come.

SEDCO Loan Request: \$100,000.00

SOURCES & USES:

Project Budget:

a. <u>Building Construction and Renovation</u>	<u>\$172,000.00</u>
TOTAL INVESTMENT	\$172,000.00

Project Sources:

a. <u>SEDCO Bridge Loan</u>	<u>\$100,000.00</u>
b. <u>Owner Equity</u>	<u>\$ 72,000.00</u>
TOTAL INVESTMENT	\$ 172,000.00

Collateral:

SEDCO will seek to take a security interest in the grant award from Empire State Development. We are anticipating the ESD Grant will disburse the funds upon completion of the project. SEDCO will plan to wait to disburse funds until it has received verification from the applicant that they have secured all necessary funds to undertake the roof repairs.

Recommendation:

Due to our long-standing relationship with the applicant, our history of providing bridge loans to cover the expenses for projects that have been awarded federal/state funding and are awaiting their disbursement staff is recommending the Board of Directors approve the Bridge Loan in the full amount with the following terms: **\$100,000** at **1.0%** interest rate over a **one (1) year** (12 months) period. The City of Syracuse will receive the loan amount paid in full upon the disbursement of funds from their ESD Grant. We anticipate the fund disbursement by the end of 2025.

Contingency:

SEDCO will seek to withhold disbursements until proof of the remaining financing in the amount of approximately \$42,000 has been raised to go towards the building repairs.