

B. Syracuse - RESTORE II – City Center Core Revitalization (W046)

October 22, 2009

Modification of the General Project Plan

Grantee: City of Syracuse

ESD Investment: \$4,500,000 Restore II Grant

Request for: Modification of the General Project Plan to incorporate the changes herein

Background

These materials refer to and include, in their entirety, the attached materials presented to and approved by the Directors on September 18, 2008 for a Restore grant to the City of Syracuse (the “City”) to aid in renovation/rehabilitation costs associated with seven buildings in downtown Syracuse.

Since the September 2008 approval, the developer for one of the buildings, 315-319 South Clinton Street, had to withdraw as changes in the credit market resulted in his inability to secure financing for the purchase and renovation/rehabilitation of this site. The property reverted back to the lender, Community Preservation Corporation (“CPC”). CPC solicited developers to acquire the property and complete the project as originally proposed and selected Balle 31, Inc. (“Balle 31”) as the new developer.

Modifications

Developer: Balle 31 is a Syracuse based property owner and developer since 2001. Balle 31 is also the developer for two other buildings included in the original Restore II City Center Core Revitalization project (121-125 West Fayette Street and 127-129 West Fayette Street). These two projects are currently 70% complete with project completion anticipated in the next 2 months. Balle 31 is an existing CPC customer and CPC is confident of its ability to complete the 315-319 South Clinton Street site as it will be using the same experienced team in place for the two other Restore locations mentioned above.

Description: The project continues to be the acquisition of the building and costs associated with the creation of six two-bedroom apartments and four large townhouse-style residential units on the upper four floors with the ground floor remaining as retail space. The new developers have included the installation of an elevator as part of the project. Total project costs are \$2,534,000, an increase of \$273,616 from the original budget. The project is expected to be completed in April 2010.

Equity: Balle 31 has secured \$1,650,000 in permanent financing from The Community Preservation Corporation. Balle 31 will be investing \$254,000 of its own resources. The \$30,000 grant from Main Street New York funding remains in place.

B. Syracuse – RESTORE II – City Center Core Revitalization (W046)

October 22, 2009

Revised Budget:

Financing Uses	Amount	Financing Sources	Amount	Percent
Building Acquisition	\$275,000	ESD Grant	\$600,000	24%
Residential Improvements	1,824,143	City Equity *	1,934,000	76%
Commercial Improvements	321,907			
Soft Costs	112,950			
Total Project Costs	\$2,534,000	Total Project Financing	\$2,534,000	100%

* Comprised of developer financing of \$1,650,000 from The Community Preservation Corporation; developer equity of \$254,000; and a \$30,000 grant from the Main Street New York program.

Financial Terms and Conditions:

1. **315-319 South Clinton Street** – up to \$600,000 will be disbursed to the Grantee upon completion of the project substantially as described in these materials as evidenced by a certificate of occupancy and documentation of project costs totaling \$2,534,000, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after January 15, 2008 to be considered reimbursable project costs. Previously expended funds may be applied toward match requirements.

Attachments: General Project Plan (September 18, 2008)

October 22, 2009

Syracuse (Onondaga County) – Syracuse – RESTORE II – City Core Center Revitalization –
Authorization to Adopt the Modified General Project Plan and to Take Related Actions

RESOLVED, that the Corporation does hereby adopt the Modified General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the Chairman and Chief Executive Officer-Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that the Chairman and Chief Executive Officer-Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the Chairman and Chief Executive Officer-Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *