

## **E. Young Leaders Congress Initiative (X060)**

June 24, 2010

**Grantee:** Metropolitan Development Association of Syracuse and Central New York, Inc. (“MDA”)

**ESD Investment:** A grant of up to \$62,000, pending passage of the New York State budget, to be used for a portion of the cost associated with administering the Young Leaders Congress Initiative (the “Initiative”).

**Project Location:** Syracuse, Onondaga County

**NYS Empire Zone (or equivalent):** N/A

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**Project Completion:** December 31, 2010

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**Project Team:** Project Management Meg Paskins  
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### **Project Description:**

#### Background

The Initiative was announced in 2009 as a partnership between ESD and the New York State Young Leaders Congress (“YLC”) to address the rapid population decline among 20-24-year-olds (the “brain drain”) in some parts of New York State (the “State”). The YLC was formed as a result of the I Live New York Summit, which convened more than 600 key stakeholders at the State University of New York at Cortland in the Fall of 2007. The YLC is comprised of State-appointed young leaders from across New York who are dedicated and passionate about finding creative solutions to address the State’s net loss of young people, and to make the State a more attractive place to live, work, raise a family, and start a business.

The Initiative is an innovative program providing assistance in the form of grants to examine and address/reverse the brain drain from New York, with a particular emphasis on Upstate, where the demographic decline is significantly higher.

In February 2010, ESD issued a Request for Proposals (“RFP”) for organizations to run the Initiative. Of the two organizations that submitted proposals, the MDA, is being recommended for funding. Proposals were evaluated primarily on the basis of demonstrated track records and ability to address issues set forth in the RFP.

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The MDA, established in 1959, is a private, not-for-profit membership corporation representing the business leadership of the Central New York region (the “Region”). The MDA’s accomplishments represent the efforts of a diverse group of people who share one common goal: a better way of life in Central New York and enhanced opportunities for those who live there.

The MDA offers several services such as economic development, downtown and neighborhood redevelopment, regional strategic planning and real estate management which is targeted toward the Region. Throughout its history, the MDA has been focused on business retention, job creation, workforce development, urban planning, housing, community development and transportation. Additionally, the MDA serves and works with not only its member companies but also non-member firms in the Region including universities and colleges, public sector planning and development entities.

The MDA, the Program Administrator, will be required to provide or fund sources within YLC for technical and management assistance to local young professional organizations; and manage the Capacity Grant Program.

ESD will enter into an agreement with the MDA that will stipulate the manner in which program funds may be disbursed. In addition, the MDA will provide ESD with reports on the progress, expenditures and outcomes of the project for a period of time appropriate to the MDA’s use of the funds.

### The Project

The project is expected to begin in May 2010 with the following project activities:

- *Jobs and Internship Portal:* The statewide website [www.essentialnyjobs.com](http://www.essentialnyjobs.com), housed on MDA servers, targets the under 40 demographic and currently provides a comprehensive view of employment opportunities across the state. The site is broken down into ESD’s 10 regions. Funding will be directed towards site maintenance and any necessary site updates, marketing and outreach as well as continued web hosting and server space. On March 4, 2009, the ESD Board of Directors approved a \$28,000 UCDP grant (Project #W544) to the MDA to develop the Regional Jobs and Internship Portal. The project is in progress.
- *YPO Start-Up Program:* MDA will partner with Pipeline 4 Progress (“P4P”), a think tank in the Southern Tier Region, whose mission is to form policies and create initiatives that support the economy of the New York Pipeline. P4P will provide resources, best practices and customized training through a centralized networking portal. Additionally, P4P will provide face-to-face support to start ups and host training sessions to network and inform existing organizations throughout the state with an emphasis on the under 40 population.
- *Livable Communities Capacity Grant Program:* MDA will partner with the

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NYS Urban Council (“NYSUC”), a statewide membership not-for-profit organization created to facilitate and encourage the revitalization and development of central business districts in cities, towns and villages across New York State. Approximately 10-15 capacity grants to YPOs in the 10 ESD identified regions will be awarded. NYSUC will require the YPOs to show proof of a one-to-one match of the grant award. Programs targeted will include entrepreneurship, regional marketing, adaptive reuse, green space activities, public arts and culture programs, civic engagement, hosting conversations, summits and volunteerism.

Upon completion of the project, the Grantee will furnish a final report, describing the impact and effectiveness of the project.

Financing Uses	Amount	Financing Sources	Amount	Percent
Jobs and Internship Portal	\$23,500	ESD Grant	\$62,000	49%
YPO Start-Up Program	30,000	MDA Equity	29,402	23%
Livable Communities Capacity Grant	62,262	Sponsorships	15,000	12%
Administrative Costs including Salary and Fringe, Legal and Accounting	10,340	KeyCorp Foundation Grant	10,500	8%
		Federal HUD Grant	9,200	7%
<b>Total Project Costs</b>	<b>\$126,102</b>	<b>Total Project Financing</b>	<b>\$126,102</b>	<b>100%</b>

**Financial Terms and Conditions:**

1. The MDA shall pay a commitment fee of 1% of the \$62,000 grant (\$620) upon execution of the grant disbursement agreement.
2. The MDA will be obligated to advise ESD of a material adverse change in its financial condition prior to disbursement.
3. The MDA will contribute at least 10% in equity to the Project. Equity is defined as any non-debt source of capital, and should be auditable through MDA financial statements or MDA accounts, if so requested by ESD.
4. Up to \$62,000 will be disbursed to the Grantee in three installments as follows:
  - a) an Initial Disbursement of an amount equal to 50% of the grant (\$31,000) will be disbursed upon the execution of an Agreement by the Grantee and its delivery to

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ESDC, assuming all project approvals have been completed and funds are available;

- b) a Second Disbursement of 40% of an amount equal to the grant (\$24,800) will be disbursed approximately six months from the date of the Initial Disbursement, upon submission to ESDC of supporting documentation as ESDC may require for all Eligible Expenses actually incurred to date by the Grantee (must be at least 40% of the Grant) provided Grantee is otherwise in compliance with program requirements;
  - c) a Third Disbursement of an amount equal to 10% of the grant (\$6,200) will be disbursed upon completion of the project as outlined in these materials and documentation of \$62,000 in eligible expenses, provided Grantee is otherwise in compliance with program requirements.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$62,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the MDA and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

### **Environmental Review:**

ESD staff has determined that the project constitutes a Type II ministerial action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations for the New York State Department of Environmental Conservation. The recipient of fund disbursements will be responsible for complying with SEQRA as applicable. No further environmental review is required in connection with this authorization.

### **Statutory Basis – Empire State Economic Development Fund:**

1. The project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the State or would enhance or help to maintain the economic viability of family farms.  
As a result of this project, the MDA will provide vehicles to address the State’s net loss of young people, and to make New York State a more attractive place to live, work, raise a family, and start a business by providing access to jobs and internship opportunities across the state.
2. The project would be unlikely to take place in New York State without the requested assistance.  
ESD assistance is needed to fill a financing gap.
3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.
4. The requirements of Section 10(g) of the Act are satisfied.  
See cover memo.

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