

Talk CNY- Transcript for S1E10

Andrew Fish 0:06

Welcome to CenterState CEO's semi monthly podcast Talk CNY, presented by NBT Bank. CenterState CEO is Central New York's leading business leadership and economic development organization committed to creating a region where businesses thrive and all people prosper.

Kate Hammer 0:21

On Talk CNY we share the latest news and information from CenterState CEO on topics ranging from community and workforce development to policy and innovation. You'll get an inside look at the people projects and planning moving Central New York forward. Take a moment right now to subscribe in your listening app for new episode reminders every other Wednesday.

Ryan Benz 0:43

For us to be successful as a city and as a region moving forward, we need to make sure that our future housing stock is mixed with affordable, with residential, with condos, with a whole variety of different types of housing.

Andrew Fish 0:54

Growth across our community is driving up demand for housing. As we look out over the next two decades, the issue will reach a crisis point if the entire community doesn't begin to advance solutions. We are joined by local entrepreneur and developer Ryan Benz, who will talk to us about some of the development projects he has in the works that will help us meet this increasing need. I'm Andrew Fish, Senior Vice President of Member and Business Experience at CenterState CEO.

Kate Hammer 1:19

I'm Kate Hammer, business coach and member at CenterState CEO. We are your hosts for Talk CNY. Ryan, thank you so much for joining us today.

Ryan Benz 1:27

It's such an honor to be here. Appreciate you guys thinking of me.

Kate Hammer 1:29

Yeah.

Andrew Fish 1:30

It's exciting stuff. Ryan, before we dive into the conversation, we want to give our listeners a chance to get to know you a little better, right? So local kid from Liverpool, New York, owner of Oh, My Darling restaurant, I had spent a lot of money there myself.

Kate Hammer 1:41

Me too, me too.

Andrew Fish 1:41

And also ReDev CNY, a development company. What else should people know about you?

Ryan Benz 1:47

Oh, my gosh. I'm from from Liverpool, one of six kids, was born in this town early 80s. Always loved it always felt like, we never got the credit that I thought we deserved even then. And you know, my wife and I moved down to New York City for a long time. And we decided to come back because there was such a palpable energy, you know, to this town. And going back, you know, I mean, it's the energy has been over the last 10 or 15 years. But when we decided to come back, we said like we want to be part of that we came back opened Oh, My Darling, we started ReDev CNY, our development company. We've done a couple of wonderful projects and more in the pipeline there. We opened up Parthenon bookstore, we've got some other projects in the pipeline that we may or may not give hints to today.

Andrew Fish 2:24

All right, all right.

Ryan Benz 2:25

But yeah, we love this community, we think that the brightest days are ahead. We want to be an active participant to making sure that the future of Syracuse is just and equitable and affordable. And we have some ideas on how we can do that. And, and that's it. I also, I guess, I'll finish and say that I am on a bunch of not for profits and I just gotta give a shout out see the United Way of Central New York, new hat today. And along with Salvation Army and Red House and Center for Community Alternatives, and some other stuff too.

Ryan Benz 2:26

Very active participant in our community, and I appreciate it.

Ryan Benz 2:36

Yeah. Now, it seems like you have had a number of super successful projects that have helped to create a stronger Central New York community. And as we think about the future

of this community, we want to know how we have to address some challenges or some specific things we're looking at.

Andrew Fish 3:09

Yeah, absolutely. Housing challenges are a big part of that and you know, as CenterState CEO, we're really leaning into this issue. On our next episode, actually, we're going to have David Mankiewicz, from our team who's going to talk about how we're rallying business community around the housing challenges. But, you know, just to put a finer point on it, what we know just with the growth that we're going to be experiencing around the Micron project that as a community, we have to build 2500 units of housing annually to meet this need. Now, that doesn't sound like a tremendous amount. But when you look at the historical context, last year, and the year before, when we had continued, we've had some pretty good expansion in our in our housing market recently, that number was only around 800 or so units that we permitted, and we were building, so we got to triple that number moving forward. So we know that that's a big lift. And we're excited to start working on that,

Ryan Benz 3:56

Oh, there's so many thoughts there. First, of the 2500, we need to make sure that we have 2500, affordable single family or condo or in some sense of the word affordable, meaning that you can't build \$450,000 houses and expect our market to be successful. I'll also argue that I'm a huge proponent of homeownership, which, as somebody that owns rental properties, you know, maybe it's contradictory. But I'll add, though, that I really care about of the of the apartment complexes, we only have an affordable component, and there is an important component of that. But what we also need to do is build affordable houses and maybe they're smaller houses, you know. A model that we're looking at very close, you know, I'm going to compare to GI soldiers coming back post World War II, and you had 800 square foot starter homes, and they were like \$25,000 in 1950 money. But why can't we build an 800 to 1000 square foot two bedroom, a three bedroom home for 125,000 today? And I think that there's a huge opportunity to look at either stick build on a foundation with maybe no basement, but maybe what does the type of housing stock I'd like to make sure that it can be affordable.

Andrew Fish 5:01

Sure.

Ryan Benz 5:02

The benefits of homeownership cannot be understated. And you talk to higher qualities of education for the children. Housing stability, what does that do for the family for the long term success of the other family members? So it's critical that as we're thinking about 2500

opportunities on an annual basis, it needs to be contemplated. Yes, the the the engineers that are moving here, but there's also currently 6000 families that that take advantage of Section Eight housing vouchers, you know, in this market, right, so how do we get them to grow into that starter family home? And how do we make sure that there's a type of housing for everybody. I'll quickly add that there's a new program that we're really interested in right now, there's two programs that I'm gonna mention, both are, have an affordable component, but one in particular, it my bow and arrow set, you know, I look at this as like the Goldilocks program, and it's, it's administered through Homes and Community Renewal. It's called the Affordable Housing Opportunity Program. It's a brand new program. And this is for, for affordable single family owner occupied houses. And when and then what helps is that the grants that are administered through New York, subsidize the construction costs, so I can afford to build a quality house, but then sell it at a price that somebody that is affordable income can afford to pay. Yeah. And I think that's just a homerun concept. I'm so happy that the governor signed that in and he is administering that program now.

Andrew Fish 6:16
Absolutely.

Kate Hammer 6:17

Yeah, it is a remarkable challenge. But we do need to be thinking about, you know, what has happened in communities in the past, where housing demand drove the market above what the average person could afford. And so what you're talking about addressing that directly.

Ryan Benz 6:28

Yeah, you know, the other program, I think that is another home run on the rental side, you know, it's a program called the Participation Loan Program. It's a subsidy administered by HCR, again to developers, which I mentioned, because with the cost of construction, the cost of labor, you cannot afford to develop without some subsidy, unless you're going to build a \$450,000 single family residence, the math does not work. So what I love about that other program is it again, it helps those that maybe they're not ready to buy, but it's a it's a shorter, it's a rental property. But again, it's subsidizes the construction costs, because we need the housing, we need affordable quality housing that safe, that's lead free, that I think are gonna just another great tool, as we're trying to get to those kind of numbers we're chatting about.

Andrew Fish 7:09

You know, it's it's amazing to me, because you know, we really do need, you're speaking our language. First of all right, like, I mean, this is we need every different type of unit imaginable, because it's a continuum for people, right? It's not everyone's not ready to go

out and buy that single family home for 450, let alone 200,000. Right. And so, we need to think about this mix. We need to think about this growth in a smart way. I want to talk a little bit about some of your projects, you've got a lot of exciting stuff going on. I know you with ReDev CNY, you currently have over \$400 million worth of projects underway that you are part of, participating in, doing yourself decently when that's not the real question, but can you talk to us a little bit about what some of your projects are, that are kind of unique and cool, and why you're excited about them?

Ryan Benz 7:51

Well, I'll start by saying the downtown market has been wonderfully saturated with market residential housing for the last decade, mostly thanks to historic tax credits, which is mostly how this got funded. And then you think, well, where does downtown grow? And I do believe in a very strong downtown market and I'm okay, frankly speaking, if that's a rental because generally, if you can afford to rent in the \$3,000 a month apartment, you can afford to go by your home.

Andrew Fish 8:16

Choosing to do that as opposed to part of the market.

Ryan Benz 8:19

But then I think well, how does downtown grow? And I love the corridor between downtown and Tipp Hill as an example that does it east Fayette or Westvale.

Ryan Benz 8:27

Westvale. Yeah, so we just bought our first two buildings on that stretch. We are in for permits. Right now we're doing an additional 38 units that are kind of within that right there. We have another building that we own on that same block that we're contemplating doing residential for about 24 units. And then we have offers in on several others where we're, again, you have the vitality of Tipp Hill, and you have the vitality of downtown, but you kind of have this gray area. So we're really excited about that area there. There's a robust artistic flavor to that whole. Yeah, I love what Rick Destito has done and Rick is one of a lot of individuals that are just tremendous projects there. So that you know that's coming down the pipeline. We have that in development in for permits in design, depending on the projects, but really, really cool strategic infill to take into growing that area. The Penfield manufacturing building.

Andrew Fish 9:19

Yeah, so it's a unique project.

Ryan Benz 9:21

I don't have white in my beard when we started that one. That one so that was for anybody listening from the Syracuse region, it's the building across the street from Destiny USA that has the house on it.

Andrew Fish 9:30

Yep. The House on the roof.

Ryan Benz 9:32

Yeah.

Ryan Benz 9:32

Can't be missed.

Ryan Benz 9:33

Yes. No. Yeah, it's it literally was Santa Clause's workshop when he wasn't at the North Pole. That's where he stayed.

Kate Hammer 9:39

That's lore!

Ryan Benz 9:40

And we evicted them. No, I'm kidding.

Andrew Fish 9:42

Oh, my gosh.

Kate Hammer 9:43

Oh, no. Oh, no, Ryan's not the bad guy. Let's clear that up. Okay.

Ryan Benz 9:48

No, no, no. So just look from Liverpool. Right, like you drive past that building. And however long we've lived through that building has been a lot better. Yeah. So when we came back from New York, we did a couple buildings downtown. That one was like the, you know, how does somebody do that, and I gotta say, few partners could have handled that project in general, you know, nationwide. And thank God, one of them that's here was Housing Visions. Housing Visions is a beautiful gem in this market, instrumental to huge swaths of community development here. So when you know, there's something about having the the optimism to be to say, Oh, we can figure that out. But then thank God, you have like a phone call that you actually figure that out, because we could not have done it without them. So we call up our friends at Housing Visions, my partner, Steve Case, and I, we had a

lot of meetings, we had a lot of versions of what that pro forma looks like. Absolutely, it became a much bigger project than we expected it to be. I remember our original pro formas were less than half of what the final budget came in at. And again, that that project is going to be a beacon of hope. On the north side, I really believe it's redeveloping an entire block of the corner of Wall Street and North Salina Street. And what I love about it is that development spurs development. So right across the street, there was two additional historic structures that are now in contract, I think, I think they close they're in development, and there'll be additional housing right there. And I had a meeting earlier today with somebody from the parks department, they're putting a splash pad in Washington Square Park.

Andrew Fish 9:48

It's awesome.

Ryan Benz 9:57

So now all of a sudden, yeah, that was announced or not.

Kate Hammer 11:12

Now it has!

Ryan Benz 11:14

But, hashtag Don't blame me. But you know, all of a sudden, you have hope. And you have quality stable housing for 128 families. Yes. What we're building up there. So it's just incredible, close to the regional market, transportation, the mall for jobs and all great stuff. And then I look at North Salina Street is another one of those corridors. How do you infill from downtown to how does downtown grow? Yeah, I think North Atlanta streets a great artery. Other projects, we're doing Shoppingtown Mall.

Andrew Fish 11:42

Small one there.

Ryan Benz 11:43

Yeah. So one of our side jobs is that redevelopment, we're two years in that that is such a beast, because we're still going through the entitlement process. We're close to see we see though, we said like, we just have to drive the train through this elongated tunnel. But we have a fantastic again, set of partners and vision. And our friends at Huber Brewer, our friends at Housing Visions are friends at Delpos Architects, you know that that's a truly collaborative, and our friends of the county. Yeah, who, you know, God bless them. And they've been very supportive and patient.

Andrew Fish 12:12

There is no project without the county doing what they've done to get it there.

Ryan Benz 12:15

100% 100%. So, you know, that's another one we have. Geez, man, we've some other stuff, too. But that's what I'll tease for now.

Andrew Fish 12:22

That's that's only a small, little bit. You know, I mean, like you said, Those are, those are really needed projects. You know, we're excited to see what happens with Shoppingtown. Because, you know, it's one of those things where as we transform as a community, right? We have assets that used to be something and are no longer there. And how do you reengage them what you're doing with Penfield Manufacturing, what you guys are looking at doing the Shoppingtown, what you're doing on the Near West Side, all fantastic stuff,

Ryan Benz 12:45

You know, Shoppingtown to it's one of the it's almost a quagmire, because it's one in a beautiful area. And there's a need for housing over there. It's extremely expensive to build. So there's a risk, and that's what what is the appropriate speed at which you build and what is the appropriate use types. But again, I believe District East will be a walkable community, you know, we try to build things that have an architectural, neurological effect to them. Right. So how do you feel when you're when you're in a place.

Kate Hammer 13:13

Oh I love that.

Ryan Benz 13:14

And I think District East will have that feeling? I'll say that there's a reason Oh, My Darling is bright. When you walk in, you feel differently, when you go to The Fitz you feel differently, but every one of those is designed in that way. You know, Pennfield the same but But Shoppingtown from a retail presence. How do you when you're walking on the street? What's the music that you're going to listen to? What does the type of concrete? Are you walking on sidewalk pavers? Or is it a beautiful stone that has water? You know, waterfalls in the middle?

Kate Hammer 13:38

Yes.

Ryan Benz 13:41

Yeah, you know?

Kate Hammer 13:42

Yes, please.

Ryan Benz 13:43

And how does it inspire people to have hope and have a greater sense of pride in their community? And then we're very, we try to focus on that, for sure.

Kate Hammer 13:53

When you are making decisions about which projects you want to become connected to? What are you attracted to? What is drawing you in?

Ryan Benz 14:02

Yeah. Oh, my gosh. So we have a hierarchy that we chat about in the office? There's three things on it. One is community impact. Two is fun. And three does kind of make money, can it be sustainable? And can you finance it and go through that process? It's always been in those three things. I believe that that's how you create community change and needs to have this we personality to it. So we tried to kind of focus on there and there has to be fun, like, What the hell are you doing? You know?

Andrew Fish 14:25

You're going to spend a lot of time and energy, need to be enjoyable.

Ryan Benz 14:28

And you need great people to work with and all those things. And I think all kind of if I can tie that back to like Shoppingtown as an example.

Kate Hammer 14:34

Yeah.

Ryan Benz 14:34

Shoppingtown is is the quintessential Check, check, check on those three things. Well, we hope it's profitable. Right, right. The other two for sure, big checks, but again, from a community impact perspective, it's a great location, it ties to the Empire State Trail, you know, essentially right there. There's been fantastic investments along Erie Boulevard that can kind of tie downtown which I'm very conscientious that District East does not hurt downtown, right because you have to be sensitive there too. But it ties the universities to this area. Yeah, so as we're developing the concept, we said, well, how does how does housing play into this? And then if you have housing, what does that look like, in an equitable way? So we're currently this is all public knowledge proposing in excess of six 700

or plus units, you know, over there, yeah, residential units. But then if you're going to do that, you cannot have 100% the market rate, right. So you want to make sure that you have some kind of an affordable component. And then by the way, I can't wait because I want, you know, affordability needs to happen and outside of just the city proper. Sure. So you have fantastic educational opportunities. And then you have a robust environment community, you know, that has that has a residential opportunity, then that also supports the diversity that residential supports diversity in the retail offerings, with their proposed grocery that's over there. All these things sat together with a with a quality, experiential, livable retail, but just a living space. And we have five and a half acres of parks that we've that we've proposed over there. So all of these things tie together, that you're creating a diverse, equitable, little community, you know, and that was really important to us. And that again, like that's, that's fun, when you have an opportunity to create and design that that creates social value that inspires people, and that we hope will be profitable on the backside. It's a big risk. But that's like, that's all the box has been checked.

Andrew Fish 16:11

Sounds fantastic. Clearly, those boxes are checked. You said something there that I want to talk about a little bit, right. And it's sometimes can be the elephant in the room when you're thinking about development. But you talked about, hey, let's think about affordability outside of the city. And, you know, the there's some challenges to that, right? When it comes to making that kind of development happen in you know, let's be real, there are certain communities where that's embraced. And there are certain communities where there are literally zoning processes and permits and other things set up to make that less practical or less possible. Talk to us a little bit about some of the things that people don't understand when they're thinking about development in these communities. What makes it a little bit more challenging, what makes it a little bit more difficult, maybe in this region? And what are some of the ways as a developer, you'd like to see some of that get streamlined or take those barriers down?

Ryan Benz 16:59

It's an incredible, impossible question, because there's so many nuances from a zoning perspective, which I'm a huge proponent of not only ReZone, but also the county's initiative to relook at the zoning across the county. And I need to learn more about it, because I don't believe that also overlaps the existing site zoning there, too. So you're still gonna have some challenges in terms of how the local towns handled the zoning for large scale projects. Now, there's multiple ways to address housing when it doesn't need to be in an affordable house. And that kind of goes back to some of those subsidy programs I mentioned before. So as an example, if I utilize I called the AHOP program, the Affordable Housing Program, I can have single family houses, which might be compliant from a zoning perspective, and they're going to be next to a market rate, quote, unquote, market rate, single family tract of

land, and you're not going to know any difference. I would encourage anybody from a zoning perspective, what the hell are we afraid of? Right? What are we afraid of? You know, and we have a shortage in this community of quality housing. In fact, the dilapidation of the housing stock in the city is full of lead. If I have a choice of having affordable housing in my backyard, or having a kid to live in a lead base apartment, I probably shouldn't say what I would want to say to that person. Yeah. So I think that we need to have a revised sense of responsibility across this region to realize these are people that are trying to get by. And by the way, when you talk about affordability, there's different tiers within that, but the bottom line is these people are trying to survive. Yeah. So you know, I lived in New York City for a long time for 12 years, and total people are people. So I really, I would encourage zoning changes to allow for the density that we need in the future, and by the way, your community left behind from a taxing perspective and a property value taxing unless you take advantage of these programs. So I think it's a win win for everybody to be a little bit more sensible on the future housing opportunities.

Andrew Fish 18:43

It's really a great point about all of that, and hopefully we'll see a lot of that change happening. We'll be right back to continue this conversation with Ryan and we'll be digging deep into his creative brain around some development ideas. But first, a word from our presenting sponsor of Talk CNY, NBT Bank.

NBT Bank Sponsor 19:01

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Kate Hammer 19:32

This is Talk CNY and we are continuing our conversation with Ryan Benz and Ryan we just want to know what is one crazy project that you would really like to do or see done for this community?

Ryan Benz 19:44

Just one?

Andrew Fish 19:45

Just the craziest! Or no you can you can give us two.

Kate Hammer 19:50

Yeah. Yeah.

Ryan Benz 19:50

Well, I want to I want to tease a project that that's under development right now. We're in for permits on but this is not and like don't call Rick Moriarty at Syracuse.com quite yet.

Andrew Fish 19:58

Got it.

Ryan Benz 19:59

But we are are in development and building a beautiful, massive rooftop bar at the corner of Salina Street and Jefferson Street.

Kate Hammer 20:08

Yay!

Ryan Benz 20:07

It's ridiculous. It's probably overbuilt, I'll say that. It's about 12,000 square feet. It's about half enclosed. So it'll be open all year round. But it has beautiful skylights, beautiful glass railings. It's about 5000 square feet of outdoor space. And what I love about it, I've been up on that roof and as you overlook you see the the Landmark Theater marquee, and it's just a spectacular, I think would be a spectacular venue for events and just a higher quality metropolitan experience. So that's my first but if I could do any project, and I said this to the Mayor, I said Mayor Walsh, how? Because they go back to like that that neurological architecture. So how do you feel when you're walking down the street? And I said, like, why do you feel differently when you're walking down the street in New York, or in Montreal, Montreal has more snow than we do but they are you know, has a different tone to it. And I can't do much about the existing architecture. But I'm telling you, we need to add speakers to every light post that goes down Salina street or any any any street that has the 5G connectivity. And I want to play inspirational like Disney music like not like I'm not talking like Lion King. I'm talking like the soundtracks when you walk through their park.

Kate Hammer 20:10

The score.

Ryan Benz 20:16

The score.

Kate Hammer 20:18

Yeah.

Ryan Benz 20:18

Like classical inspirational music on the on the speakers as you walk through the city, if I can do anything. I think that would change the optimism, the energy, people would feel different when they're walking through. And so much of what we all try to do CenterState, the county, us at ReDev, we're trying to change hearts. We're trying to change perceptions of what Syracuse used to be, but what it is in the future. And when you change how people feel as you're walking around, all of a sudden, I'm walking in retail stores and you just feel different. That would go a long, long way. So that's my aspirational, I can't do it but I would love to do it, kind of a project.

Andrew Fish 21:49

I love that idea.

Kate Hammer 21:50

Yeah, you can't do it yet.

Ryan Benz 21:51

Yet. Yeah.

Kate Hammer 21:52

Yeah. Love that.

Andrew Fish 21:53

Ryan, thank you so much for being with us today. You're an inspiration. Honestly, the stuff that you're working on is fantastic. And I know you're a very humble guy and we're just so grateful that you know you and your family chose to come back here to your home and be a part of the change that we're seeing happened here.

Ryan Benz 22:08

Appreciate you guys very much. CenterState's the quarterback of everything we do. So appreciate you guys. Thanks.

Andrew Fish 22:12

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CenterState CEO's interactive digital chamber platform where our members connect, learn and receive support from our staff.

Kate Hammer 22:40

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