



**Greater Syracuse Land Bank**  
**2014 Annual Report to Onondaga County Legislature**  
 Delivered April 16, 2015

As required by section 1612 of the New York Land Bank Act:

*(c) In addition to any other report required by this chapter, the Land Bank, through its chairperson, shall annually deliver, in oral and written form, a report to the municipality. Such report shall be presented by March fifteenth of each year to the governing body or board of the municipality. The report shall describe in detail (1) the projects undertaken by the Land Bank during the past year, (2) the monies expended by the Land Bank during the past year, and (3) the administrative activities of the Land Bank during the past year. At the conclusion of the report, the chairperson of the Land Bank shall be prepared to answer the questions of the municipality with respect to the projects undertaken by the authority during the past year, the monies expended by the municipality during the past year, and the administrative activities of the municipality during the past year*

**(1) Projects undertaken in 2014**

The Land Bank acquired 340 properties in 2014. Most, although not all, were acquired subsequent to City foreclosure for tax delinquency.

Acquisition Type	Total Properties
Donation - Bank	5
Donation - Private	1
Purchased from SURA	24
Tax-Foreclosure – City	307
Tax-Foreclosure – County	3*
Total	340

\*Note the Land Bank acquired another six properties via County foreclosure in January 2015 (not reflected in this report’s 2014 figures).

The Land Bank sold 76 properties in 2014. These included:

Buyer’s Plan:	Type of Property			
	Commercial	Residential	Vacant Land	Total
Renovate for Owner-Occupancy		22		22
Renovate for Rental	2	22		24
AG Renovation		15		15
Affordable Housing		1	1	2
Operate a Business	1			1
Community Garden			1	1
Owner-Occupancy (as is)		4		4
Rental (as is)	1			1
Side-Lot			6	6

Proceeds from the sale of property totaled approximately \$965,000 in 2014. We estimate that the properties sold just in 2014, now returned to taxable status, will generate approximately \$147,000 annually in City and

County property taxes at their current assessment (and more once their assessments are updated to reflect buyers' improvements to the property). The buyers of these properties will invest approximately \$4.2 million in renovations. The Land Bank's strategy of acquiring properties and marketing them for buyers to renovate is successfully leveraging private investment. To date, the Land Bank has sold 118 properties and approximately 33 more sales are pending closing.

The Land Bank acquired 269 structures and 71 vacant lots in 2014. 32 of those structures were demolished or deconstructed, 50 were sold, another 25 are sold pending closing, and 48 are pending demolition – 57% of those structures acquired in 2014 have been addressed or identified as demolition candidates within a year of taking title. This pace of sales exceeded the Land Bank's own expectations for its first year of operations. Those not listed above are either 1) listed or will be listed for sale this spring, 2) are occupied and we are working with the tenants to purchase the property or allowing them time to move prior to listing the property for sale, or 3) they are in a geographic area in which we are working with the City Department of Neighborhood and Business Development and area stakeholders to develop a coordinated redevelopment strategy prior to listing properties for sale. Given the scale of site assembly enabled by this program, the community has an unprecedented opportunity to deliberately plan for the revitalization of whole neighborhoods and key corridors and the Land Bank is being careful not to squander that opportunity by quickly flipping houses in dense concentrations absent a strategic vision. This requires the Land Bank to balance the need to move properties quickly and reduce carrying costs with the opportunity to assemble and plan for properties' redevelopment – this is the challenge all effective land banks face.

After selling property the Land Bank holds an 'enforcement mortgage' secured by a lien against the property in order to ensure that buyers follow-through on their proposed scope of renovations and redevelopment of the property. This lien is discharged once the buyer's renovation plan is complete. The City historically had difficulties with buyers not following through on their promise to redevelop a property a certain way and this tool puts in place a mechanism for the Land Bank to either recapture the property or to financially penalize a buyer for failing to perform as promised. Another striking, but simple difference in the way foreclosed properties are now sold is the listing of properties with real estate agents. Simply placing a "for-sale" sign in the yard alerts far more potential buyers to the property's availability and the chance to compete to purchase.

Not all properties are sold in "as-is" condition, as many buyers require move-in ready housing and low-income buyers are better served by fully upgraded homes that will result in fewer unforeseen repair costs. In 2013 the Land Bank was awarded a \$3 million grant by the office of the NY Attorney General. These funds were to be spent over the course of 2014 and 2015 to complete 40 renovations in the City, 10 renovations in the County, and 20 demolitions. Last year 10 City renovations and 9 demolitions were completed; the remaining projects will be completed by the end of 2015. The Land Bank was awarded another \$1.9 million by the Attorney General's Office in 2014 and those projects will be completed over the course of '15 and '16. This \$4.9 million would not otherwise have been available for work in Onondaga County, as these funds were only available to New York land banks. Setting aside homes for these renovation projects generally generates less revenue for the Land Bank than if the property had sold in as-is condition, but significant financial support from the City enables the Land Bank to make decisions such as this to forego potential revenue in order to achieve outcomes that lead to a more sustainable long-term outcomes for the City's fiscal health and neighborhood revitalization.

Six of the nine OAG funded demolitions completed in 2014 were actually deconstructions, part of a pilot program made possible by County funding, which was used to bridge the gap between the cost of a

traditional demolition and the cost of deconstruction. The Land Bank exceeded its goal of recycling at least 50% of above-ground materials and more than a 60% diversion rate was achieved. This program helped the Land Bank to determine ways that deconstruction and salvage can be incorporated across the entire demolition program, minimizing materials sent to landfill and keeping valuable materials in the local economy where their processing and repurposing can create local jobs.

In addition, the Land Bank received in-kind contribution of demolition service from CNY Affordable Properties, funded by a grant from SIDA. This funding enabled the completion of 23 demolitions in 2014 – for a total of 32.

## **(2) Monies expended in 2014**

The Land Bank's 2014 year-end profit and loss statements and balance sheet are attached and the Land Bank's 2014 independent financial audit is available on our website: <http://syracuse.landbank.org/about/>. A condensed summary of monies expended in 2014 is attached (this is adjusted in order to summarize monies spent on a cash basis, while our audited financial reports are shown on an accrual basis).

The Land Bank spent approximately \$1.5 Million on property acquisition, stabilization, maintenance, carrying costs and overhead in 2014. In addition, the Land Bank spent \$830,000 on activities dictated by restricted grant funds. This is broken out in detail in the attached "GSPDC Significant 2014 Line Items adjusted to cash basis." Once the Land Bank acquires properties they are exempt from property taxes, but not exempt from special fees and assessments. The sewer use fees charged on vacant lots and vacant properties not using the sewer system represents a significant operating cost for the Land Bank. The Land Bank recently paid \$144,000 in special fees and assessments for 2014 and the first half of 2015 (this cash expenditure actually occurred in March 2015 and is not reflected on the summary of expenses attached). We expect this total liability could exceed \$250,000 annually by 2017.

Next year we expect acquisition expense to nearly double and deed recording fees to increase exponentially. Carrying costs are expected to rise due to an expanding inventory, but this will be offset by efforts to increase property sales and to reduce unit costs of services such as snow removal, debris removal, lawn maintenance, and periodic inspections via recent competitive bidding and contract renegotiation.

Grant funded renovations and demolition/deconstruction will comprise a larger percentage of overall expenditures as production increases – 40 renovations will be completed in 2015 as compared to 10 in 2014 and 30 demolitions are scheduled for 2015 as opposed to 9 completed in 2014 (counting only those paid for directly by the Land Bank and not SIDA funded demolitions). Looking toward future years and a backlog of properties blighted too deteriorated to market for private redevelopment, we must note that the Land Bank is badly in need of additional funding for deconstruction of blighted properties in inventory, the projected cost of which is beyond our current budget reality.

## **(3) Administrative Activities**

The attached recap of 2014 Performance Objectives outlines many of the Land Bank's recent accomplishments. These performance objectives were adopted by the Board of Directors in February 2014 and the attached reflection on 2014 accomplishments and short-comings was reviewed by the Board of Directors in January 2015 at their annual meeting. (In addition, performance objectives for 2015, adopted by the board of directors in January 2015, are attached.)

The Land Bank's willingness to accept foreclosed properties has enabled the City of Syracuse to overhaul its tax-collection system. We project that from the time this policy change was implemented in November 2012 through the end of this fiscal year the City will have enjoyed a \$7.6 million increase in collections of delinquent property taxes. Since the City collects County taxes within the City of Syracuse on the County's behalf, their enhanced collection efforts enabled by the Land Bank's willingness to accept foreclosed properties has resulted in increased collection of delinquent taxes and fees owed to Onondaga County. Per figures provided to the Land Bank in mid-2014 we estimated that the County had received a \$1.3 million in 2013 and projected that they would receive \$1.77 million in 2014 above typical rates of delinquent collections. The County should continue to financially benefit from this in 2015 as we observe the City's rates of delinquent collections have continued to exceed historical levels as this policy is fully implemented.

The Land Bank's acceptance of foreclosed properties provides immediate financial benefit to the foreclosing governmental units (City and County) in the form of delinquent taxes paid by property owners seeking to avoid foreclosure. As non-performing properties are removed from the tax rolls the levy is distributed across a higher percentage of performing properties, increasing the on-time collection rate each year as the City's enhanced collection policy is gradually fully implemented. Once properties are sold and returned to tax-paying status and productive use, this will grow the total taxable base allowing rates to be reduced. Their investment will also encourage neighbors to invest in their properties, helping to stabilize property values throughout the neighborhood. All of these activities will strengthen the financial position of the foreclosing governmental units (City and County).

Over the course of 2014 the board of directors continued to refine the organization's policies and procedures. As inventory expanded the Land Bank hired a Director of Property Management responsible for overseeing subcontractors in the field and ensuring the Land Bank's management procedures and procurement contracts are getting the best value for the Land Bank's expense. Results of this oversight and the Land Bank's growing operating experience include recent RFPs for snow removal, lawn maintenance, and debris removal in addition to renegotiating the price of periodic inspections of vacant property, all expected to dramatically reduce carrying costs.

In order to accommodate the volume of inquiries about how to purchase property through the land bank and administrative work accompanying a growing inventory, the Land Bank also hired an executive assistant in 2014. In 2015 we have hired a Director of Operations to address the need for additional business administration capacity in-house, growing our staff to four and necessitating, for the first time now in 2015, that we move to a larger office and incur rent expense.

The Land Bank contracted with Home Headquarters to plan and administer a revitalization strategy in the villages of Jordan, Elbridge, and Baldwinsville funded by the County's 2014 grant to the Land Bank. The Land Bank entered into this funding contract with Onondaga County in June 2014 and received title to County-foreclosed properties in those municipalities in January 2015. We expect to acquire other nearby properties and to market these properties for sale to well vetted buyers, fully expending the \$150,000 designated for this program in 2015.

All Board of Directors meetings are open to the public. The Board of Directors met frequently in 2014 in order to approve a large number of property sales, acquisition of additional properties, oversee contracts entered into, and procurement of services for the maintenance and redevelopment of Land Bank-owned properties.

- January 10 – Governance Committee
- January 21 – Annual Meeting
- February 7 – Hiring Committee
- February 18 – Regular Meeting
- February 27 – Hiring Committee
- March 10 – Audit Committee
- March 18 – Regular Meeting
- April 15 – Regular Meeting
- May 20 – Regular Meeting
- June 3 – Finance Committee
- June 17 – Regular Meeting
- June 25 – Special Meeting
- July 15 – Regular Meeting
- July 30 – Deconstruction RFP Committee
- July 31 – Finance Committee
- August 7 – Special Meeting
- August 18 – Governance Committee
- August 19 – Regular Meeting
- Sept. 10 – Deconstruction RFP Committee
- September 16 – Regular Meeting
- September 30 – Special Meeting
- October 21 – Regular Meeting
- November 10 – Finance Committee
- November 18 – Regular Meeting
- December 10 – Governance Committee
- December 16 – Regular Meeting

I encourage you to review all the Greater Syracuse Property Development Corporation’s Policies and Procedures published at [www.syracuselandsbank.org](http://www.syracuselandsbank.org), which were all reviewed and readopted in January, 2015 unless otherwise noted.

As our organization grows and gains operating experience we are eager to continue reducing operating costs, increasing independent revenue sources, and selling a greater volume of properties each year. As we reduce costs and increase revenues it affords us the opportunity to hold properties in some areas so that thoughtful conversations with the neighborhoods can result in better-planned revitalization initiatives than might be possible without site control or site assembly. Simply by owning these properties our community is in a much better position to determine its own long-term fate than we were when abandoned properties were out of our control. We are eager to gain title to additional properties so that we can make these opportunities for site assembly and planning available as soon as possible and so that we can engage in preventive maintenance leaving more options on the table by avoiding costly demolitions.

Attachments:

- 2014 Performance Objectives, Jan 2015 recap
- 2014 Balance Sheet
- 2014 Profit & Loss Statement
- 2014 Major Expenses Adjusted to Cash Basis (Draft)



## 2014 Performance Objectives

Adopted by the GSPDC Board of Directors February 18, 2014

Review of Accomplishments to Date: January 20, 2015

*Preparation of annual performance objectives is required by Section 7.06 of the Intermunicipal Agreement creating the Land Bank.*

### **Capacity**

✓ Hire (staff) Property Manager

Hired in March 2014, position now vacant. Interviews complete and expecting to fill the Director of Property Management position in February/March 2015.

✓ Obtain additional administrative support

Hired Executive Assistant in July 2014.

✓ Launch website

[www.syracuselandbank.org](http://www.syracuselandbank.org)

✓ Secure a permanent location for the Land Bank's offices

We've continued to enjoy rent-free office space at 333 W. Washington Street, but with the hire of a fourth staff person will require more space. We are currently exploring options for a move in March/April 2015.

✓ Support the creation of a New York Association of Land Banks, communication between land banks, and ensure that the Greater Syracuse Land Bank is represented in both local and statewide dialogue on issues related to vacant and abandoned property or that otherwise relate to land banks' missions.

Katelyn Wright is now serving as the chairperson of the New York Land Bank Association. Under her leadership the association is incorporating and finalizing its first annual legislative advocacy agenda. The organization's monthly conference calls and online communication between members has delivered extensive technical guidance to start-up land banks across New York. The Association has retained Menter, Rudin, & Trivelpiece to conduct research and provide statewide guidance to land banks that might ensure consistent interpretation of the Land Bank act and other statutes that govern land banks' operations.

✓ Continue to seek funding derived from increased City and County tax-collections enabled by the Land Bank's acceptance of foreclosed properties.

In mid-2014 the City of Syracuse awarded an additional \$1.5 million to the Land Bank and in the fall Onondaga County awarded an additional \$500,000 to the Land Bank. This significant local support enabled a strong application for a second round of Office of the Attorney General funding in which the Land Bank was awarded nearly \$2 million for renovation work that wouldn't have otherwise been funded by local dollars.

✓ Plan for the organization's financial sustainability in light of the anticipated decline in delinquent collections once the City's new tax collection policies are fully implemented (2016 [now projected to occur in 2017]).

○ Staff is preparing to request the 50%/5 year split of property taxes generated by properties returned to the tax rolls by the Land Bank's actions,

- The Land Bank has begun to receive cash donations from banks when donating mortgage-foreclosed properties to the Land Bank,
- Revenues from sales are higher than anticipated and staff is researching strategies to maximize this revenue source.
- 2015 Property management contract renewals and a new approach to contracting out snow removal are expected to result in significant savings in the coming year and additional efficiencies will be identified as the Land Bank's operations develop.
- Statewide land banks are researching strategies to collectively advocate for additional sources of State and philanthropic aid.

### **Planning and Programming**

In our first full year of operations the Land Bank proved to lack sufficient capacity for needed planning and program development. Measures are underway to remedy this in 2015 with the hire of a Director of Operations who will alleviate some administrative burdens and allow the Executive Director to devote increased attention to some of the issues described below, but many of our goals for 2014 under this subject area remain unmet.

- Develop a framework for strategic, geographically targeted plans that, where needed, may supplement the Land Bank's countywide and citywide policies. Develop at least three geographically targeted strategic plans for Land Bank operations.

*The Land Bank strives to act in compliance with the adopted Comprehensive Plans of the municipalities in which it operates and has incorporated citywide guidance, developed by the Land Bank Citizens Advisory Board (CAB), regarding how it might best accomplish this within the City of Syracuse into its Disposition Policies. In addition, there may be instances that warrant the development of strategic, geographically targeted plans to guide the Land Bank's operations. These may be needed in areas where the Land Bank has acquired a dense concentration of properties in a distressed real estate market in order for the Land Bank to most effectively advance its mission. These plans will guide the Land Bank in strategic acquisition of additional properties, targeted capital investment, special incentive programs to attract buyers or certain types of development, and enhanced terms of sale. Such plans for Land Bank operations should be developed by the Land Bank, but should include consultation with the CAB, municipal planning staff, neighborhood residents, other relevant stakeholders, and existing neighborhood plans where they exist.*

Held a series of stakeholder meetings on the Butternut Street Corridor and participated in planning a volunteer litter cleanup along this corridor. Staff was unable to dedicate adequate attention to this work in 2014, but we expect increased staff capacity and increased clarity on what planning functions will be performed by the City and what planning functions will be performed by the Land Bank will enable increased attention to these matters in 2015.

- Launch pilot-programs for:

- Targeted Redevelopment Plans in the Towns/Villages

*Plan and begin acquisition & redevelopment for a targeted redevelopment plan in partnership with a Town/Village and the County*

Established relationships with Codes officials in Baldwinsville and Jordan/Elbridge and got them to begin gathering helpful data on vacant properties. Wasn't able to acquire properties here via County foreclosure until January 2015 and so detailed planning & implementation won't occur until 2015. Met with Village of East Syracuse officials in late 2014, laying the groundwork for collaboration with that village in 2015.

- Neighborhood-Based Property Maintenance Program

*Engage at least one neighborhood group to provide maintenance services for Land Bank owned lots*

Preliminary conversations were held with Jubilee Homes, one local church, and the Onondaga Earth Corps, but no maintenance agreements were finalized in 2014. As our inventory grows and properties are acquired in denser concentrations this may prove more feasible.

✓ Neighborhood-Organization Side-Lot Sales Program

*Engage at least one not-for-profit or neighborhood organization in marketing side-lots for sale*

The Land Bank entered into a contract with NEHDA to assist side-lot purchasers with the process of filling out the purchase application and then applying for resubdivision prior to taking title. NEHDA is in the process of assisting 13 purchasers through this process and has completed two. This engagement has added valuable customer-service capacity to the Land Bank's limited staff.

✓ Green Lots (Community Garden) Program

*Establish a standard lease and program guidelines to be published online; enter into at least one (1) lease of a vacant lot for a community garden or other "green" or community-oriented purpose*

Standard lease developed and one garden lease active in 2014. Currently working to incorporate [Syracuse Grows](#) into the process of testing soil and reviewing gardeners' plans to provide lessees with valuable guidance on what grows well in Central New York's climate and gardening safely in an urban environment that contains some soil contamination.

✓ Establish minimum home energy performance standards for investor renovations of residential properties purchased from the Land Bank

Landlord purchasers of Land Bank are now required to comply with minimum standards for energy efficiency upgrades. These measures are inspected prior to discharge of the Land Bank's enforcement mortgage.

✓ Evaluate funding available for energy efficiency upgrades

Have worked with the Central New York Regional Planning & Development Board to identify incentives and grant programs that our buyers may utilize. 2015 brokerage agreements will ensure that this information is provided to all prospective buyers.

✓ Endeavor for the Land Bank to become the default entity to assemble and hold for tax-foreclosed and surplus properties in order to 1) consolidate purchase processes to provide clarity to buyers, 2) to consolidate ownership under one entity to facilitate coordinated long-range planning and 3) to reduce property maintenance costs by utilizing the Land Bank's economy of scale.

✓ Continue to acquire tax-foreclosed properties via the City's tax-foreclosure process

The Land Bank acquired 307 properties subsequent to City tax foreclosure in 2014. If we are to successfully implement the City's new tax-collection procedures in a three year period this rate needs to more than double in 2015 and 2016.

✓ Promote the donation of other vacant properties in proximity to Land Bank properties in order to facilitate their redevelopment

Accepted the Land Bank's first five donations from banks and mortgage lenders and one from a private corporation. The Land Bank made some effort to encourage private donation, but we need to make a more aggressive attempt to attract donations in targeted, strategic geographic areas in 2015 now that the Land Bank has obtained 501c3 status and donors can more easily claim an income tax deduction.



- ✓ Evaluate and acquire ‘surplus’ property owned by other public entities (City, SURA, etc.) within the City of Syracuse

Acquired surplus inventory from SURA. The City has not advanced their surplus inventory yet.

### **Production**

- ✓ Approve property sales totaling \$500,000 (see 2014 budget)

The Land Bank closed on sales exceeding \$1 million in 2014 – a total of 76 properties. Approved sales yet to close at the time of this writing total approximately \$328,500 (removing the Addis building pending sales total \$171,025). The properties sold and returned to the tax rolls should generate approximately \$150,000 in property taxes annually and the buyers of these properties are pledging to invest nearly \$5 million in their renovations.

- Renovate five (5) properties using unrestricted Land Bank funds in order to sell “move-in ready” to owner-occupants

Ultimately the Land Bank decided that this activity did not fit our business model, as we were unable to ensure that these projects would not lose money or require an inordinate amount of staff time to administer.

- Complete twenty (20) residential renovations with Attorney General grant funds

Completed, in partnership with Home HeadQuarters, ten residential renovations. An additional twelve are underway with Home HeadQuarters and eight with Onondaga County. Home HeadQuarters has taken measures to ‘catch up’ with the OAG’s production goals in 2015 by hiring additional project management staff.

- ✓ Demolish or deconstruct twenty-five (25) blighted structures

- ✓ Establish standard work-specs and bid procedures for demolitions and deconstructions managed by the Land Bank

Standard specs for deconstruction utilized in 2014. Demolitions administered by HHQ using their standard spec. In 2015 we will seek to make all demolitions follow a ‘green’ spec including some deconstruction and salvage rather than track deconstructions and demolitions separately.

- ✓ Complete a pilot program of no less than six (6) deconstruction<sup>1</sup> projects

Six complete and five invoiced and paid.

- Ensure that, to the maximum extent feasible, all demolitions include architectural salvage of reusable materials prior to demolition.

The Land Bank sold salvage rights to one property in 2014, but ultimately it appears that the most value will be found in unpainted lumber and structural items that cannot be sold and ‘soft skimmed’ prior to demolition, but that must be salvaged during the demolition. These items are also the most likely to be re-milled and repurposed, creating local jobs, whereas soft-skimmed items don’t often require processing and are simply resold in their current condition. While salvage wasn’t widely implemented in 2014, it will be integrated into nearly all demolition projects in 2015 and will include both ‘soft skim’ and an effort to salvage structural items, milled stone, metal that can be scrapped, and unpainted structural lumber.

---

<sup>1</sup> Deconstruction includes recycle or sustainable disposal of all building materials

**Guiding Principles** – continued from 2013 Performance Objectives

1. Acquire and redevelop vacant and abandoned properties in Syracuse and Onondaga County, in a coordinated manner, consistent with local municipalities' Comprehensive Plans.
2. Support the revitalization of neighborhoods and enhance quality of life for neighborhood residents.
3. Encourage investment in business districts through the assembly and marketing of commercial and industrial properties for private development.
4. Hold and maintain landmarks and properties of interest to the community in order to enable a rational planning process for their redevelopment.
5. Acquire real property or an interest in real property in order to preserve land for future public use.
6. Lessen the burdens of government and act in the public interest.
7. Stabilize and grow the value of the real property tax base.
8. Enable the City to increase the property tax collection rate within the City of Syracuse, by acting as a receiver of foreclosed properties.



## 2015 Performance Objectives

*Preparation of annual performance objectives is required by Section 7.06 of the Intermunicipal Agreement creating the Land Bank.*

### **Capacity**

- Hire a Director of Operations.<sup>1</sup>
- Establish a permanent office location once made necessary due to staff expansion.
- Continue to seek funding from the City and County for the Land Bank's operations. Some level of public support will always be necessary for the Land Bank to effectively pursue its mission to eliminate vacant and abandoned properties, lessen the burdens they pose to local governments, improve quality of life in neighborhoods afflicted with this challenge in an effort to retain existing residents, attract new ones, and grow the value of the local property tax base.
  - Significant local support has enabled the Land Bank to successfully apply for and be awarded nearly \$5 million in funding from the Office of the NY Attorney General, funding things like renovations and demolitions that wouldn't otherwise be budgeted for at such levels.
  - Continue to seek funding derived from increased City and County tax-collections enabled by the Land Bank's acceptance of foreclosed properties. Prepare to request the 50%/5 year split of taxes generated by properties returned to the tax rolls and/or identify the myriad of other ways the Land Bank has reduced the City and County's expenses or increased revenues outside of delinquent collections and discuss other sources of public support for the Land Bank's work once delinquent collections decline.
  - Continue to plan for the organization's financial sustainability in light of the anticipated decline in delinquent collections once the City's new tax collection policies are fully implemented (now projected to occur in 2017).
- Continue to support the New York Land Bank Association and statewide advocacy for legislative tools and funding to address vacant and abandoned properties.

### **Planning & Programming**

- Develop and implement a detailed plan to spend County funds dedicated to acquisition and renovation of vacant properties in the villages of Jordan, Elbridge, and Baldwinsville and return properties acquired in these areas from the 2014 County Tax Auction to productive use. Dispose of the properties acquired via the 2014 County auction by the end of 2015.
- Continue efforts to consolidate 'surplus' property under the Land Bank's portfolio, creating a one-stop shop for buyers and developers and enabling better coordinated planning for the return of surplus property to productive use.
  - Continue to accept tax-foreclosed properties from the City of Syracuse as funds and resources allow.

---

<sup>1</sup> See job description in listing posted January 5, 2015

- Continue to accept donated properties as funds and resources allow.
  - Encourage donation in geographic areas where it is of strategic value to the Land Bank's mission.
  - Establish a formula for banks donating mortgage-foreclosed properties to ensure that cash donations accompanying these properties cover the Land Bank's costs.
- Identify and negotiate private purchase of properties whose acquisition is strategic to the Land Bank's targeted planning efforts.
- Work with the City of Syracuse to coordinate the Land Bank's targeted neighborhood planning efforts with the Department of Neighborhood & Business Development and targeted code enforcement for surrounding vacant properties that remain tax-current eluding the City's ability to foreclosure.

Programs to Increase Volume and Enhance Outcomes of Sales – define and unveil by March 2015.

- Develop a mini-grant program for owner-occupant purchasers of Land Bank properties to make post-purchase exterior improvements that will positively impact the surrounding properties.<sup>2</sup>
- Research past “\$1 Home” programs in Syracuse and elsewhere intended to encourage buyers to renovate “extreme fixer-uppers” for owner-occupancy. Identify strengths and weaknesses of past programs and work to design a similar program that might have positive results in Syracuse, (understanding that this type of program will likely appeal to a narrow subset of potential owner-occupant buyers – artists, historic architecture enthusiasts, etc.)
- Research and develop strategies to appeal to other types of buyers that might not be as attracted to homes needing repair work, such as grant programs and technical assistance for renovations at the time of purchase. Assess the types of properties the Land Bank is selling and compare to desired results and typical types of purchasers, analyzing what market segments are being missed.
- Design and unveil a “mow to own” program for side-lot purchasers. With a mix of OAG (round 2) and unrestricted Land Bank funds cover all transaction costs and provide a mini-grant for landscaping improvements for qualified buyers of eligible properties who demonstrate their dedication to maintain the property for a year. Buyers who take on responsibility for snow, lawn, and littler maintenance for a year will earn the property and a mini-grant at the conclusion of their one-year lease. Get at least 20 buyers to sign up for the program in 2015.
- Issue the Land Bank's first RFP for buyers wishing to renovate a historic property.
- Refine the scope of work for real estate brokers working for the land bank, competitively advertise brokerage contracts and enter into new brokerage contracts by March 2015.
  - Make sure that brokers are promoting use of the Landlord Loan Program for which the Land Bank has partnered with Home Headquarters, other financial incentives for redeveloping blighted properties, and the positive aspects of purchasing a property from the Land Bank.
- Continue to look for opportunities to partner with neighborhood groups and nonprofits interested in maintaining (for costs comparable to the Land Bank's maintenance contracts) or adopting (as volunteers) Land Bank properties in their neighborhood. This should become more applicable as the Land Bank's inventory expands.

---

<sup>2</sup> Coordinate with other incentive programs City-wide for maximum impact. We understand that the City plans to unveil a similar program for landlord purchasers. Attempt to ensure that similar incentives are available for all types of buyers.

- Support local efforts to expand reuse of existing buildings and, when the building cannot be renovated, building materials. Support efforts to locally recirculate materials coming out of Land Bank deconstructions.

### **Production**

- Generate \$1.5 million in sales proceeds and dispose of 120 properties.
- Demolish or deconstruct at least 40 blighted structures.
- Integrate materials salvage and deconstruction into all demolitions pursued by the Land Bank, based on lessons learned from 2014 Deconstruction Pilot Program.
- Complete Round 1 Attorney General Funded projects – 11 more demolitions/deconstructions (counted within the 40 above), 10 renovations in partnership with the Onondaga County Division of Community Development, and 30 renovations with Home Headquarters.
- Execute at least three “Green Lots” leases.
- Install site-improvements on five lots projected to be owned by the Land Bank for the long- to medium-term using Attorney General grant funds (Round 2).
- Approve sales to at least five purchasers under the Public Safety/Teachers Discount Program.
- Acquire at least one tax-current vacant property via negotiated purchase.

### **Guiding Principles** – carried over from 2013 Performance Objectives

1. Acquire and redevelop vacant and abandoned properties in Syracuse and Onondaga County, in a coordinated manner, consistent with local municipalities’ Comprehensive Plans.
2. Support the revitalization of neighborhoods and enhance quality of life for neighborhood residents.
3. Encourage investment in business districts through the assembly and marketing of commercial and industrial properties for private development.
4. Hold and maintain landmarks and properties of interest to the community in order to enable a rational planning process for their redevelopment.
5. Acquire real property or an interest in real property in order to preserve land for future public use.
6. Lessen the burdens of government and act in the public interest.
7. Stabilize and grow the value of the real property tax base.
8. Enable the City to increase the property tax collection rate within the City of Syracuse, by acting as a receiver of foreclosed properties.

# Greater Syracuse Property Development Corporation

## Balance Sheet

As of December 31, 2014

Accrual Basis

	Dec 31, 14
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
10000 · Checking	2,452,280.93
11000 · Savings	25.00
<b>Total Checking/Savings</b>	2,452,305.93
<b>Accounts Receivable</b>	
11001 · Accounts Receivable	1,600.00
<b>Total Accounts Receivable</b>	1,600.00
<b>Other Current Assets</b>	
12100 · Contract Receivable	666,666.67
12500 · Prepaid Insurance	39,238.54
12900 · Prepaid Expense	5,586.42
<b>Total Other Current Assets</b>	711,491.63
<b>Total Current Assets</b>	3,165,397.56
<b>Fixed Assets</b>	
13000 · Depreciable Rental Property	9,200.00
14000 · Computer	8,481.36
15000 · Furniture and Equipment	4,289.75
16000 · Software and Website	9,000.00
17000 · Accumulated Depreciation	-6,718.95
<b>Total Fixed Assets</b>	24,252.16
<b>Other Assets</b>	
18000 · Cost of Properties Held	534,329.03
<b>Total Other Assets</b>	534,329.03
<b>TOTAL ASSETS</b>	<b>3,723,978.75</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20000 · Accounts Payable	53,706.65
<b>Total Accounts Payable</b>	53,706.65
<b>Other Current Liabilities</b>	
20500 · Down Payment on Property Sale	3,350.00
21000 · 401(k) Payable	731.66
22000 · Accrued Expenses	114,049.27
<b>Total Other Current Liabilities</b>	118,130.93
<b>Total Current Liabilities</b>	171,837.58
<b>Long Term Liabilities</b>	
28000 · Deferred Grant Inflow	
28001 · AG Demo '14	15,568.49
28002 · AG Purch/Rehab '14	82,900.00
28003 · County Loan Guarantee '14	150,000.00
28004 · County Deconstruction '14	24,256.84
28005 · County Purch/Rehab '14	150,000.00
<b>Total 28000 · Deferred Grant Inflow</b>	422,725.33
<b>Total Long Term Liabilities</b>	422,725.33
<b>Total Liabilities</b>	594,562.91
<b>Equity</b>	
32000 · Unrestricted Net Assets	1,515,622.41
Net Income	1,613,793.43
<b>Total Equity</b>	3,129,415.84

**Greater Syracuse Property Development Corporation**  
**Balance Sheet**

As of December 31, 2014

Accrual Basis

	Dec 31, 14
	<hr/>
TOTAL LIABILITIES & EQUITY	3,723,978.75
	<hr/> <hr/>

# Greater Syracuse Property Development Corporation

## Profit & Loss

January through December 2014

Accrual Basis

	Jan - Dec 14
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>40000 · Government Grants</b>	
40010 · City of Syracuse	1,500,000.00
40020 · Onondaga Civic Develop. Corp.	83,333.33
40030 · Admin/Developer's Fee	66,400.44
40040 · Onondaga County	158,507.06
40060 · NY Attorney General	577,367.17
<b>Total 40000 · Government Grants</b>	2,385,608.00
41000 · Donated Property	185,405.50
42000 · REO Donated Funds	73,000.00
43000 · In-Kind Donation	628,744.76
48000 · Side Lot Application Income	375.00
49000 · Rental Income	121,464.73
49500 · Sale of Property	965,015.45
<b>Total Income</b>	4,359,613.44
<b>Cost of Goods Sold</b>	
<b>50000 · Cost of Sales</b>	
<b>500IS · Specific COS Inventorial</b>	
50010 · Property Purchase Cost	45,451.00
50015 · Donated Property Value	185,405.50
50020 · Recording Fees	8,431.50
50030 · Initial Inspections Commercial	15,830.50
50032 · Initial Inspections Residential	75,000.00
50040 · Board-Up	44,997.50
50050 · Debris Removal - Initial	45,545.61
50090 · Renovation	276,757.23
50100 · Stabilization	67,339.19
50115 · Environ. Assess. Inventorial	7,005.00
50140 · Title Insurance	1,968.02
50145 · Title Searches	325.00
50170 · Architectural Prof. Services	500.00
50180 · Land Survey Prof. Services	11,050.00
50200 · Property Appraisal	36,400.00
50990 · Impairment Loss	6,718.27
50999 · Specific Reclass to Inventory	-480,503.67
<b>Total 500IS · Specific COS Inventorial</b>	348,220.65
<b>500P · Period Cost of Sales</b>	
<b>500PA · Average COS Periodic</b>	
50031 · Periodic Inspections	136,000.00
50045 · Pest Exterminations	3,523.62
50060 · Re-Key	22,135.05
50080 · Snow Removal	41,893.25
50160 · Rental Management-Squatters	14,092.66
<b>Total 500PA · Average COS Periodic</b>	217,644.58
<b>500PS · Specific COS Periodic</b>	
50051 · Debris Removal - Periodic	60,919.87
50070 · Lawn Maintenance Specific	109,227.62
50110 · Demolition/Deconstruction	1,012,245.37
50117 · Survey/Abatement Pre-Demo	110,190.10
50130 · Utilities	14,940.09
50150 · Special Assessments	87,327.13
50190 · Evictions	17,882.76
50191 · Relocation Assistance	120.00
50205 · Legal & Closing Costs	47,054.80
50220 · Brokerage - Sale	66,014.90
50230 · Sale of Property Closing Costs	11,202.00
50800 · Period Reclass to Balance Sheet	14,770.36
<b>Total 500PS · Specific COS Periodic</b>	1,551,895.00
<b>Total 500P · Period Cost of Sales</b>	1,769,539.58
<b>530R · Rental Cost of Sales</b>	



# Greater Syracuse Property Development Corporation

## Profit & Loss

January through December 2014

Accrual Basis

	Jan - Dec 14
<b>500RA - Average COS Rental</b>	
53031 - Periodic Inspections	500.00
53032 - Initial Inspections Residential	2,100.00
53045 - Pest Exterminations	1,736.60
53050 - Debris Removal - Initial	3,658.21
53060 - Re-Key	1,150.00
53080 - Snow Removal	2,519.41
53160 - Rental Management	21,959.10
<b>Total 500RA - Average COS Rental</b>	33,623.32
<b>500RS - Specific COS Rental</b>	
53010 - Property Purchase Cost	453.00
53040 - Board-Up	165.00
53070 - Lawn Maintenance Specific	8,335.00
53090 - Renovation	3,416.86
53100 - Stabilization	34,129.65
53120 - Permits/Fees	1,200.00
53130 - Utilities	6,373.95
53145 - Title Searches	600.00
53150 - Special Assessments	8,629.74
53190 - Evictions	1,988.78
53200 - Property Appraisal	3,175.00
53205 - Legal & Closing Costs	1,650.00
53220 - Brokerage - Sale	2,100.00
53230 - Sale of Property Closing Costs	3,395.00
53999 - Rental Reclass to Fixed Assets	1,894.08
<b>Total 500RS - Specific COS Rental</b>	77,506.06
<b>Total 530R - Rental Cost of Sales</b>	111,129.38
<b>Total 50000 - Cost of Sales</b>	2,228,889.61
<b>Total COGS</b>	2,228,889.61
<b>Gross Profit</b>	2,130,723.83
<b>Expense</b>	
60000 - Accounting Fees	79,912.00
60100 - Automobile	2,172.43
60150 - Bad Debt	4,433.50
60200 - Depreciation	4,955.88
60300 - Legal Fees	85,216.00
60400 - Office Expense	6,643.28
60500 - Payroll	
60510 - Salary	136,138.03
60520 - Payroll Taxes	11,638.25
60530 - Employee Health Insurance	16,619.70
60540 - Employer 401(k) Match	4,535.00
60550 - Payroll Processing Fees	1,224.60
<b>Total 60500 - Payroll</b>	170,155.58
60600 - Professional Services	11,800.66
60601 - Environ. Assess. Pre-Purchase	1,200.00
60700 - Insurance	
60701 - Property	6,229.06
60702 - Liability	44,010.74
60700 - Insurance - Other	61,881.25
<b>Total 60700 - Insurance</b>	112,121.05
60800 - Telephone	3,552.56
61000 - Bank Service Charge	310.00
61100 - Repairs & Maintenance	512.85
61200 - License and Fees	2,301.00
61300 - Events & Marketing	3,941.36
61400 - Rent Expense	24,009.60
61500 - Interest Expense	6,802.65

**Greater Syracuse Property Development Corporation**  
**Profit & Loss**

January through December 2014

Accrual Basis

	<u>Jan - Dec 14</u>
Total Expense	520,040.40
Net Ordinary Income	1,610,683.43
Other Income/Expense	
Other Income	
70200 · Salvage Income	3,500.00
70300 · Rental Late Fee Income	60.00
Total Other Income	3,560.00
Other Expense	
80001 · Refund of Prior Sec. Dep.	450.00
Total Other Expense	450.00
Net Other Income	3,110.00
Net Income	<u><u>1,613,793.43</u></u>

## Intake Costs

Property Purchase Cost	\$ 45,904.00		
Recording Fees	\$ 8,431.50		
Intake Insepctions	\$ 92,930.00		
Board ups	\$ 45,100.00		
Re-Keying	\$ 23,485.00		
Stabilization	\$ 92,169.00		
Insurance	\$ 10,725.58		
		\$ 318,745.08	13.70%

## Carrying Costs

Rental Management	\$ 36,481.00		
Special Assessments	\$ 95,900.00		
Liability/Property Insurance	\$ 52,000.00		
Utilities	\$ 21,482.00		
Periodic Inspections	\$ 136,000.00		
Yard Maintenance	\$ 117,500.00		
Snow Removal	\$ 44,400.00		
Debris Removal	\$ 110,223.00		
Pest Extermination	\$ 5,200.00		
Insurance	\$ 22,195.71		
		\$ 641,381.71	27.56%

## Closing Costs

Land Surveys	\$ 11,000.00		
Appraisals	\$ 39,500.00		
Other Closing Costs	\$ 14,500.00		
Sales Commissions	\$ 68,000.00		
Legal Fees - Sales	\$ 48,700.00		
		\$ 181,700.00	7.81%

## Activities Funded by Restricted Grants

Demo	\$ 407,510.00		
Asbestos Survey/Abatement	\$ 111,390.00		
Renovation	\$ 280,174.00		
Insurance	\$ 28,644.09		
		\$ 827,718.09	35.57%

## Overhead Costs

Accounting	\$ 79,900.00		
Legal Fees	\$ 85,200.00		
Salary	\$ 136,138.03		
Payroll Taxes	\$ 11,638.25		
Employee Health Insurance	\$ 16,619.70		
Employer 401(k) Match	\$ 4,535.00		
Payroll Processing Fees	\$ 1,224.60		
Professional Services	\$ 11,800.66		

Telephone	\$	3,552.56		
Bank Service Charge	\$	310.00		
Repairs & Maintenance	\$	512.85		
License and Fees	\$	2,301.00		
Events & Marketing	\$	3,941.36		
			\$	357,674.01
				15.37%

TOTAL  
\$ 2,327,218.89