



2015 Performance Objectives

Preparation of annual performance objectives is required by Section 7.06 of the Intermunicipal Agreement between the City of Syracuse and County of Onondaga, which jointly created the Land Bank.

Capacity

- ✓ Hire a Director of Operations.
 - Hired Pat Stanczyk to fill this role in March 2015.

- ✓ Establish a permanent office location once made necessary due to staff expansion.
 - April 2015 moved to the CNY Philanthropy Center.

- ✓ 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.
 - Secured a \$1.5 million contract with the City of Syracuse in 2015 for their 2015/16 budget year.
 - Secured a \$500,000 allocation from the County of Onondaga in their 2016 budget.

- ✓ Continue to support the New York Land Bank Association and statewide advocacy for legislative tools and funding to address vacant and abandoned properties.
 - S5777/A7911, passed by the NY Legislature in 2015 and signed into law by the Governor on October 27, 2015, exempts New York land banks from deed/mortgage recording charges and from Section 2897 of Public Authorities Law governing the disposition of property. This is already saving the Greater Syracuse Land Bank between \$6,000-9,000/month. The Disposition Policy will now be amended to better align with the questions the board must consider when awarding sales contracts most consistent with our mission and purpose and to use competitive bidding to define fair market value, rather than an appraisal for every sale. No longer requiring an appraisal for every sale will save an additional \$3,500 per month.
 - The NY Land Bank Association was formally incorporated this year and is increasing its focus on identifying state funding for land banks.
 - The ED of the Greater Syracuse Land Bank continues to serve as president of the NY Land Bank Association and has been able to attract attention to the Greater Syracuse Land Bank's work through a variety of statewide national trade publications and speaking engagements.

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.
 - Two properties in Baldwinsville have been sold to private investors who are currently redeveloping them. One property in Jordan has been demolished and is leased to a neighbor who intends to purchase the lot once its Assessment Classification reflects that it is now vacant land.

- ✓ 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.
 - Land Bank accepted title to 415 properties subsequent to City foreclosure for tax-delinquency in 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.
 - Land Bank accepted title to nine donated properties from banks and seven from private individuals or other organizations.
 - ✓ Establish a formula for banks donating mortgage-foreclosed properties to ensure that cash donations accompanying these properties cover the Land Bank’s costs.
 - The Land Bank’s standard request of banks donating REO properties is for them to provide the Land Bank with a fee title insurance policy and a cash donation sufficient to cover 1) all taxes that the Land bank will incur prior to exempt status taking effect and 2) anticipated cost to demolish or stabilize the property.

 - ✓ Identify and negotiate private purchase of properties whose acquisition is strategic to the Land Bank’s targeted planning efforts.
 - Land Bank purchased four properties adjacent to other Land Bank owned properties on Butternut Street for inclusion in Housing Visions’ application for Low Income Housing Tax Credits.

 - ✓ 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.
 - The Land Bank receives a recommendation from NBD for their desired outcome for each property conveyed to us by the City of Syracuse.

- In 2016 the City will proactively reach out to the owners of tax-current vacant properties letting them know they may have the option to donate their property to the Land Bank.
- Frequent communication with Code Enforcement allows us to respond to code violations such as illegal dumping on our properties in a timely manner and avoid charges for DPW clean-up.
- We will continue to encourage targeted Code Enforcement in areas where we have focused revitalization efforts and to encourage the City to utilize other tools available to them to seize blighted and abandoned properties that cannot be foreclosed upon for tax delinquency. The Land Bank frequently works with other land banks and allied organizations to research new legal tools available to hold negligent property owners accountable and to share this information with the City and other local Code Enforcement officers in towns and villages.

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.¹
 - Guidance from the ABO issued in early 2015 prohibits public authorities from making grants or loans. (The NY Land Bank Association is seeking a legislative amendment that would add the ability to make grants and loans to our powers enumerated in the Land Bank Act.)
- 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.)
 - While behind schedule, this program is currently under development in collaboration with the Near Westside Initiative and Home HeadQuarters and we plan to launch it in 2016.
- ✓ 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.
 - Working with Home HeadQuarters to address these needs, they are now more frequently issuing mortgages to owner-occupant purchaser to cover purchase and renovation expenses in excess of what could typically be financed via a 203k mortgage.
 - Home HeadQuarters has also found success this year with the Landlord Loan Fund for investor-purchasers of Land Bank owned properties. They have closed on seven loans under this program and have another two approved and eight new applications under review.

¹ 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.

- 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.
 - See above re: ABO guidance on grants and loans, which has temporarily stalled the roll-out of this program. The Land Bank now intends to make improvements to these properties before conveying title so as to comply with this ABO guidance. We will be issuing an RFP for sidewalk replacement early in 2016 and expect this to comprise the bulk of property improvements made under the program.

- ✓ Issue the Land Bank’s first RFP for buyers wishing to renovate a historic property.
 - RFP issued for Gothic Cottage and New Jerusalem Church.
 - Currently soliciting consultants to draft a nomination for the South Presbyterian Church’s listing on the National Register of Historic Places. We expect to issue an RFP for redevelopment of this property within the next 60 days.

- ✓ 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.
 - Subsequent to a Request for Proposals issued in early 2015, in May 2015 the Land Bank engaged two additional real estate brokers to sell land bank properties.

- 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.
 - We have yet to enter into an agreement with a neighborhood based nonprofit or neighborhood association for this type of work, but plan to more aggressively market this opportunity in 2016.

- 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.
 - See comments below on deconstruction. This hasn’t been a viable option in most cases due to the presumed presence of asbestos and lead in these properties, but we have directed the demolition contractor for the New Jerusalem Church to salvage and palletize as many of the bricks as possible. We hope this will be more viable in 2016 as we pursue a hybrid materials salvage model.

Production

- ✓ Generate \$1.5 million in sales proceeds and dispose of 120 properties.
 - The Land Bank closed on the sale of 169 properties in 2015, generating \$1,480,290.55² in gross proceeds of sale.
- ✓ Demolish or deconstruct at least 40 blighted structures.
 - 60 structures owned by the Greater Syracuse Land Bank were demolished in 2015 using a mix of grant funds from SIDA and the City's CDBG program to Home HeadQuarters, grant funds awarded to the Land Bank by the NY Attorney General's Office, and the Land Bank's unrestricted assets.
- Integrate materials salvage and deconstruction into all demolitions pursued by the Land Bank, based on lessons learned from 2014 Deconstruction Pilot Program.
 - While in January 2015 we were optimistic about this possibility, we found that the cost of abating all asbestos in these demolition candidates is not offset by revenues that can be captured from materials salvage and resale. We are working with a demolition contractor, asbestos survey company, and Syracuse Habitat for Humanity (which has experience in materials salvage and resale through their Restore retail operation) to pursue a hybrid model which would involve some testing and abatement facilitating limited salvage, prior to demolishing properties with the remaining asbestos in place. This new model has not yet been launched.
- ✓ Complete Round 1 Attorney General Funded projects – 11 more demolitions (counted within the 40 above), 10 renovations in partnership with the Onondaga County Division of Community Development, and 30 renovations with Home HeadQuarters.
 - The 11 additional demolitions were completed.
 - 7 of the 10 renovations with Onondaga County Community Development were completed; the remaining 3 will be completed by the end of the first quarter of 2016.
 - 28 of the 30 renovations with Home HeadQuarters were completed; the remaining 2 will be completed by the end of the first quarter of 2016.
- ✓ Execute at least three “Green Lots” leases.
 - Entered into leases for three new community gardens on W. Colvin St, Gifford, and Furman St.
- 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).
 - We have not yet identified vacant lots that would likely be owned by the Land Bank for the long- to medium-term and be good candidates to improve as publicly accessible open space. With the City's focus on transferring structures first our focus on vacant lots has been diminished. We

² Note: These are unaudited figures, as our 2015 books have not yet been closed.

intend to identify good sites for this in 2016 and to use AG funds for another round of the “Green Lots Grant” program.

- Approve sales to at least five purchasers under the Public Safety/Teachers Discount Program.
 - Staff reached out to the various unions covered by this discount program to promote it in early 2015, but we haven’t received any applications under this program until this month. We’re proposing expanding the program eligibility in 2016 and will work to more aggressively market it.
- ✓ Acquire at least one tax-current vacant property via negotiated purchase.
 - See above – purchased four tax-current properties on Butternut St.

Other 2015 Accomplishments

- We quantify the number of sales and sales proceeds above, but should also note the following:
 - Since inception and through the end of 2015 the Land Bank had acquired 909 properties and sold 245 properties.
 - Those 245 properties sold have returned over \$10 million in assessed value to taxable status; this generates approximately \$400,000 in local property taxes annually.
 - The buyers of those properties are investing \$8.23 million in private capital into renovations – enhancing the value of these properties, surrounding properties, and creating local jobs.
 - Since the Land Bank’s willingness to accept foreclosed properties has enabled the City of Syracuse to more aggressively collect delinquent taxes they have collected \$7.5 million in excess of historical levels of delinquent tax collection (measured from date of policy change in November 2012; this covers 2 ½ fiscal years).
- Completed a comprehensive audit of the Land Bank jointly conducted by the Onondaga County Comptroller and City Auditor and found that we concur with many of their findings, especially those regarding the financial sustainability of the organization.
- The Land Bank’s Director of Property Management spearheaded an effort to change the scope of work we bid out to outside property maintenance companies. The land bank has secured a contract for property preservation services at significantly lower rates than we were previously able to obtain. Changing our approach to property management and hiring one additional staff person to perform many maintenance and management functions in house is expected to avoid approximately \$500,000 in 2016 expenses that would have been incurred following the old fee schedule.
- The Land Bank’s Director of Operations worked with Bowers & Company to introduce an automated system in which our contractors doing a large volume of small jobs on many properties (for example lawn mowing, snow removal) submit an electronic invoice to us, which is then bulk uploaded into QuickBooks, arresting the constant increase in monthly accounting fees that would otherwise have grown each month along with the size of our property inventory. We will still see a spike in the beginning of each year related to closing out the prior year’s books, completing our audit, and preparing tax returns, but otherwise monthly accounting and bookkeeping costs have stabilized around \$4,000/month (from an average of \$7,000 in ‘normal’ months, although we experienced

some outlier months in 2015 with the independent audit and the Comptroller's audit that drove these expenses up in March and June/July 2015). The bulk of this monthly expense is related to reconciling the prior month's expenses and regular bookkeeping due to the volume of transactions. He is now looking for ways to further reduce this recurring expense.