



Greater Syracuse Land Bank

2015 Annual Report to Syracuse Common Council

Delivered March 1, 2016

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.

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(1) Projects undertaken in 2015

Acquisitions

The Land Bank acquired 442 properties in 2015. Most were acquired subsequent to City foreclosure.

Acquisition Type	Total Properties
Donation - Bank	9
Donation - Private	7
Private Purchase	4
Tax-Foreclosure – City	416
Tax-Foreclosure – County	6
Total	442

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 the 2015-16 fiscal year the City will have enjoyed an \$8.8 million increase in collection of delinquent property taxes. We suspect a corresponding increase in on-time collections.

Sales

The Land Bank sold 169 properties in 2015. These included:

Post-Purchase Plan	
Commercial	
Operate Business (as-is)	1
Renovate for Business	6
Parking for Adjacent Business	10

Residential	
New Construction	2
Owner-Occupy (as-is)	5
Renovate to Owner-Occupy	21
AG Funded Renovation	17
Renovate to Sell to Owner-Occupant	7
Renovate for Rental	69
Side-Lot	28
Other	
Renovate for Church	1
Renovate for Museum	1
Renovate for Rectory	1
Total	169

Proceeds from the sale of property totaled approximately \$1.48 million in 2015, up approximately 50% from \$965,000 in 2014.

	2014	2015
Total Sales Revenue	\$ 965,015.00	\$ 1,481,446.55
# of Properties Sold	76	169
less side lots and AG transfers	55	122
Average price per property	\$ 17,545.73	\$ 12,143.00

However, our average price per property sold (among market-rate structures) declined by 30%. Our real estate agents faced some difficulty establishing listing prices given that there are so few properties listed in comparable condition. The average sales price concerns us for two reasons:

- Our sales are distressed properties and sellers of move-in ready properties should not use them as comparable values when setting their listing prices and appraisers know not to use them as comparable values when completing an appraisal of a move-in ready property. Nevertheless, these transactions are *perceived* to drive down comparable sales prices because they are included in calculations of the average City sales price, such as those published in the Post Standard and on Zillow.
- We must be sure that the Land Bank is treating these properties as financial assets and capturing sales proceeds as best we can in order to reduce our reliance on government grants.

As we saw average sales prices decline over the course of the year we took steps to address this problem. We have worked more diligently to set higher initial listing prices and our board has recently amended our Disposition Policy, more clearly empowering staff to negotiate with potential buyers. As a result, the 22 structures for which sales have been approved since December have averaged \$20,170. The Land Bank has approved fewer sales per month over this three month period than we averaged over most of 2015, but if we maintain this volume of sales and average price, that would result in \$1.78 million in sales for 2016.

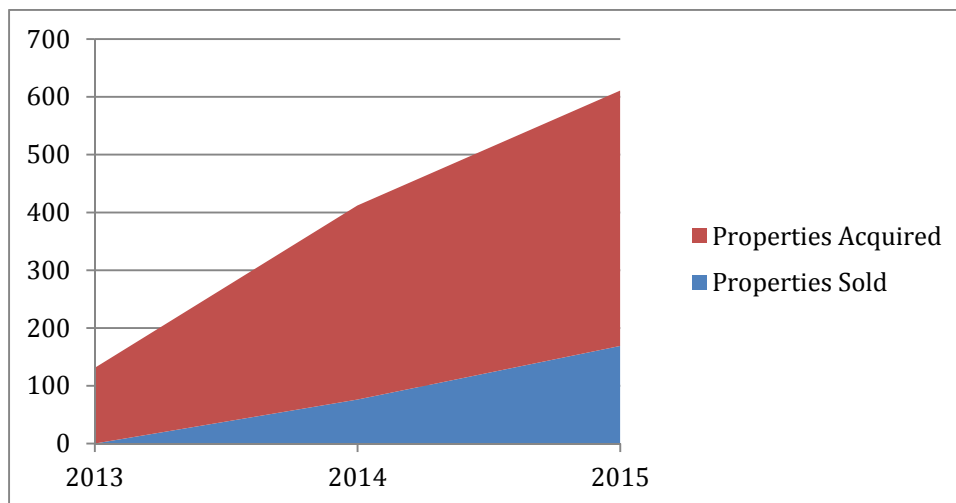
We estimate that the properties sold just in 2015, now returned to taxable status, will generate approximately \$253,000 annually in City and County property taxes. The buyers of these properties have pledged to invest approximately \$4 million in renovations. The Land Bank’s strategy of acquiring properties and marketing them in as-is condition for buyers to renovate is successfully leveraging private investment.

To date, the Land Bank has sold 258 properties and approximately 33 more sales are pending closing. Cumulatively, properties sold by the Land Bank in 2014 and 2015 are generating approximately \$400,000 per year in property taxes and have leveraged \$8.2 million in renovations.

While the Land Bank previously relied on buyers to propose a scope of renovations, we are now publishing required renovation specs with most of our listings, giving added focus to exterior improvements (we found that most landlords would to quality interior renovations, but little work on the exterior of most properties) so that neighbors will see that something positive is happening here and be encouraged to fix up their properties. We have begun to observe neighbors making exterior improvements to their properties in areas where demolitions have been completed, as well.

The Land Bank employs an ‘enforcement mortgage’ to ensure that buyers follow-through on their proposed scope of renovations and redevelopment of the property. A lien is placed against the property at the time of sale and only discharged once the work 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 attracts a broader pool of buyers. The opportunity to inspect prior to purchase allows buyers using traditional financing to acquire these properties, whereas the old process mostly attracted cash buyers.

The Land Bank’s rate of sales improved in 2015 over 2014 performance, as well. In March 2014 many Common Councilors expressed concern that properties were coming into the Land Bank’s inventory faster than they were being sold. We assured the Council that this was by design and allowed us to carry out site assembly and develop targeted revitalization plans, but also that we were just getting our feet under us as far as sales were concerned and that we expected the volume of sales in 2015 to grow larger. In May 2015 we engaged two additional real estate brokers to list Land Bank properties and increased our listings to average 50-60 available properties at any given time. You’ll see below that our rate of sales significantly improved in 2015.



Year	2013	2014	2015
Properties Sold	0	76	169
Properties Acquired	131	336	442
% of that year's acquisitions sold	0	22.62%	38.24%
% of total inventory sold		16.27%	20.29%

We do not necessarily expect this pace to be maintained, as we are now left with a large number of vacant lots and demolition candidates in inventory, but as long as we are able, we are continuing to maintain this volume of active listings at any given time. Over the past three months as our average sales price has significantly increased, as described above, but the volume of sales approved by the board each month has declined. We are constantly reevaluating and striving to find the right balance between these two factors: volume of sales and quality of sales.

Renovations

Not all properties are sold in “as-is” condition. Many buyers require move-in ready housing and low-income buyers are often better served by fully upgraded homes that will result in fewer unforeseen repair costs. In 2013 and 2014 the Land Bank was awarded a total of \$4.9 million by the NY Attorney General’s office, which is supporting 58 renovations of single-family homes for affordable home-ownership and 46 demolitions in the City (in addition to 10 renovations outside of the City), the last of which will be completed in 2016. This \$4.9 million would not otherwise have been available to Syracuse, as these funds were only available to New York land banks.

In 2014 the first 10 renovations and 9 demolitions in the City were completed. In 2015 an additional 20 renovations and 32 demolitions were completed.

Demolitions

A total of 67 Land Bank properties were demolished in 2015 (compare to 32 completed in 2014):

- 32 demolitions were completed with Attorney General grant funds (described above).
- 10 additional demolitions were completed with SIDA funds.

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, 10 in 2015, and the last funds partially covered the demolition of two properties in early 2016 (with the Land Bank funding the remainder of those jobs out of unrestricted funds).

- 15 demolitions of Land Bank properties were completed by HHQ using CDBG funds.
- 10 additional demolitions were completed by the Land Bank using unrestricted funds or funds donated by banks along with donated property for that purpose.

(2) Monies expended in 2015

The Land Bank’s 2015 audited financial statements are currently being finalized and a completed audit will be made available on March 29. The unaudited 2015 balance sheet, profit and loss statement, and budget-to-actual comparison are attached for your review. In addition, an attached spreadsheet breaks out which income and expenses were derived from restricted sources and which used unrestricted cash assets. We have also attached at 2016-19 budget projection that provides a sense of the Land Bank’s financial outlook.

As we discussed during the previous budget season, the Land Bank's business model is designed to run a surplus until we reach peak inventory (at this point projected to occur in 2017), after which we will draw down on our fund balance over several years of deficit spending before inventory is shrunk to a more manageable size and property maintenance costs are reduced accordingly.

The 2015 budget-to-actual shows that expenses were lower than anticipated in almost every expense category associated with property maintenance; this was due to the slower-than-anticipated pace of acquisitions through foreclosure.

Renovation, Demolition, and Attorney General grant income were adjusted downward in October 2015's budget amendment because our production of AG funded units was behind schedule. At the end of 2015 our co-developers finished a higher than expected volume of AG funded projects and so we are over budget in Renovation and Demolition as a result, but this corresponds to an increase in AG grant income, which is only booked as income when it is drawn from our restricted assets and booked as an expense. Our board also voted in October 2015 to fund the demolition of nine blighted structures out of unrestricted land bank assets and this ~\$148,000 was not reflected in our budget.

In 2015 the Land Bank competitively bid lawn maintenance and debris removal contracts and significantly reduced unit costs in both categories.

(3) Administrative Activities

The attached recap of 2015 Performance Objectives outlines many of the Land Bank's recent accomplishments. These performance objectives were adopted by the Board of Directors in January 2015 and the attached reflection on 2015 accomplishments and short-comings was reviewed by the Board of Directors in January 2016 at their annual meeting.

The Land Bank hired a Director of Operations in March 2015, addressing a need for additional business administration capacity in-house, growing our staff to four and necessitating, for the first time, that the Land Bank establish its own office and incur rent expense.

In late 2015 the Land Bank reevaluated the way it outsources property management advertised for a full-time Assistant Property Manager. Adding this staff position enabled the Land Bank to bring occupied property management, periodic inspections, minor repairs, and many other property management related tasks in-house. We were then able to competitively bid a narrower scope of property maintenance functions that do not require a brokers' license (as our last property management services RFP required) and to engage a lower-cost maintenance company to carry out intake inspections, board-ups, and re-keying of properties. The Assistant Property Manager position was filled in January 2016 and we shifted property maintenance contractors in January 2016. We estimate that this shift will save the land bank \$500,000 in 2016, compared to the previous service contract's fee schedule.

The Land Bank continued our partnership with the Northeast Hawley Development Association, whom we have engaged to assist side-lot purchasers required to resubdivide and combine the lot with their adjacent property. Their assistance has been invaluable, since these applications require a diligent steward to ensure that they progress through the City's multi-department review process in a timely manner. The Land Bank has utilized them to complete resubdivisions for many Land Bank owned properties, as well as

those being purchased by next door neighbors as side-lots. NEHDA assisted the Land Bank and our buyers with 22 resubdivisions in 2015.

All Board of Directors meetings are open to the public. The Board of Directors met frequently in 2015 in order to approve a large number of property sales, property acquisitions, oversee contracts and the procurement of services for the maintenance and redevelopment of Land Bank-owned properties.

- January 20 – Annual Meeting
- January 27 – Finance Committee Meeting
- February 17 – Regular Meeting
- March 18 – Regular Meeting
- March 27 – Audit Committee Meeting
- April 21 – Regular Meeting
- May 18 – Regular Meeting
- June 16 – Regular Meeting
- July 21 – Regular Meeting
- August 18 – Regular Meeting
- September 15 – Regular Meeting
- October 14 – Finance Committee Meeting
- October 20 – Regular Meeting
- November 17 – Regular Meeting
- December 15 – Regular Meeting

Our certified financial audits are posted to our website as soon as they are completed. We expect our 2015 audit to be completed on March 29th. This and our Annual Report to the NY Authorities Budget Office will be posted to our website and submitted the ABO by March 31st as is required annually. We are also required by the Land Bank Act to post a list of all sold properties and our current inventory on our website and maintain these inventories through weekly updates.

I encourage you to review all the Greater Syracuse Property Development Corporation's Policies and Procedures published at www.syracuselandbank.org, which were all reviewed and readopted in January, 2016 unless otherwise noted.

Attachments:

- 2015 Performance Objectives,
- Jan 2016 Review of 2015 Performance Objectives
- 2015 Unaudited Balance Sheet and Profit & Loss Statement
- 2015 Unaudited Budget-to-Actual
- 2015 restricted/unrestricted expenses comparison
- 2016-17 funding request submitted to Mayor Miner 2/26/16

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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.¹
- 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.

¹ 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.²
- 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.

² 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.



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.

Greater Syracuse Property Development Corporation
Balance Sheet

02/26/16

As of December 31, 2015

Accrual Basis

	Dec 31, 15
ASSETS	
Current Assets	
Checking/Savings	
10000 · Checking	3,751,318.49
Total Checking/Savings	3,751,318.49
Other Current Assets	
12001 · Undeposited Funds	53,022.69
12100 · Contract Receivable	1,395,902.84
12500 · Prepaid Insurance	41,980.76
12900 · Prepaid Expense	10,302.72
Total Other Current Assets	1,501,209.01
Total Current Assets	5,252,527.50
Fixed Assets	
14000 · Computer	9,558.36
15000 · Furniture and Equipment	4,289.75
16000 · Software and Website	9,000.00
17000 · Accumulated Depreciation	-12,150.05
Total Fixed Assets	10,698.06
Other Assets	
18000 · Cost of Properties Held	713,035.49
Total Other Assets	713,035.49
TOTAL ASSETS	5,976,261.05
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	597,527.55
Total Accounts Payable	597,527.55
Other Current Liabilities	
20500 · Down Payment on Property Sale	1,750.00
21000 · 401(k) Payable	1,047.44
22000 · Accrued Expenses	260,673.02
Total Other Current Liabilities	263,470.46
Total Current Liabilities	860,998.01
Long Term Liabilities	
28000 · Deferred Grant Inflow	
28002 · AG Purch/Rehab '14	269,379.00
28003 · County Loan Guarantee '14	150,000.00
28004 · County Deconstruction '14	16,910.17
28005 · County Geographic Targeted '14	116,635.31
28006 · County Bank Purchase	200,000.00
Total 28000 · Deferred Grant Inflow	752,924.48
Total Long Term Liabilities	752,924.48
Total Liabilities	1,613,922.49
Equity	
32000 · Unrestricted Net Assets	3,129,415.84
Net Income	1,232,922.72
Total Equity	4,362,338.56
TOTAL LIABILITIES & EQUITY	5,976,261.05

Greater Syracuse Property Development Corporation

Profit & Loss

02/26/16

Accrual Basis

January through December 2015

	Jan - Dec 15
Ordinary Income/Expense	
Income	
40000 · Government Grants	
40010 · City of Syracuse	1,500,000.00
40030 · Admin/Developer's Fee	136,471.36
40040 · Onondaga County	339,976.69
40060 · NY Attorney General	2,419,151.08
	4,395,599.13
Total 40000 · Government Grants	4,395,599.13
41000 · Donated Property	185,300.00
42000 · REO Donated Funds	149,817.00
43000 · In-Kind Donation	487,082.80
48000 · Side Lot Application Income	1,025.00
49000 · Rental Income	97,381.16
49500 · Sale of Property	1,481,446.55
	6,797,651.64
Total Income	6,797,651.64
Cost of Goods Sold	
50000 · Cost of Sales	
500VI · Vacant COS Inventorial	
50010 · Property Purchase Cost	206,651.22
50015 · Donated Property Value	185,300.00
50020 · Recording Fees	64,898.50
50030 · Initial Inspections Commercial	3,450.00
50032 · Initial Inspections Residential	102,125.00
50040 · Board-Up	63,042.33
50050 · Debris Removal - Initial	27,920.00
50100 · Stabilization	35,225.87
50115 · Environ. Assess. Inventorial	2,695.00
50170 · Architectural Prof. Services	4,645.00
50180 · Land Survey Prof. Services	9,895.00
50200 · Property Appraisal	41,670.00
50990 · Impairment Loss	133,702.13
50999 · Spec Reclass to/from Inventory	-312,408.59
53999 · Rental Reclass to Fixed Assets	-3,268.10
	565,543.36
Total 500VI · Vacant COS Inventorial	565,543.36
500PC · Periodic COS	
50025 · Property Materials and Supplies	1,284.98
50031 · Periodic Inspections	104,476.00
50045 · Pest Exterminations	4,438.40
50051 · Debris Removal - Periodic	93,715.26
50060 · Re-Key	36,670.22
50070 · Lawn Maintenance	83,633.88
50080 · Snow Removal	25,676.47
50110 · Demolition/Deconstruction	1,421,698.63
50111 · Renovation Expensed	1,615,687.98
50120 · Permits/Fees	95.00
50130 · Utilities	53,688.71
50160 · Rental Management	65,360.86
50190 · Evictions	43,859.58
50205 · Legal & Closing Costs	104,611.01
50220 · Brokerage - Sale	189,418.49
50230 · Sale of Property Closing Costs	1,875.08
53032 · Initial Inspections Residential	300.00
53040 · Board-Up	226.40
53100 · Stabilization	46,877.50
53200 · Property Appraisal	3,400.00
	3,896,994.45
Total 500PC · Periodic COS	3,896,994.45
Total 50000 · Cost of Sales	4,462,537.81
Total COGS	4,462,537.81
Gross Profit	2,335,113.83

Greater Syracuse Property Development Corporation

Profit & Loss

02/26/16

January through December 2015

Accrual Basis

	Jan - Dec 15
Expense	
60000 · Accounting Fees	90,180.00
60100 · Automobile	587.97
60150 · Bad Debt	3,175.81
60200 · Depreciation	5,688.34
60300 · Legal Fees	68,114.40
60400 · Office Expense	20,420.75
60500 · Payroll	
60510 · Salary	219,377.24
60520 · Payroll Taxes	17,758.85
60530 · Employee Health Insurance	18,152.67
60540 · Employer 401(k) Match	9,047.40
60550 · Payroll Processing Fees	1,419.47
Total 60500 · Payroll	265,755.63
60600 · Professional Services	39,487.19
60602 · Relocation Assistance Expense	54,696.37
60603 · Special Assessments Expense	272,943.60
60700 · Insurance	
60702 · Liability	186,296.86
60700 · Insurance - Other	77,185.46
Total 60700 · Insurance	263,482.32
60800 · Telephone	2,586.78
60900 · Travel	2,243.20
60905 · Conference/Meeting	850.00
61000 · Bank Service Charge	116.50
61100 · Repairs & Maintenance	110.00
61200 · License and Fees	1,515.00
61300 · Events & Marketing	8,116.53
61400 · Rent Expense	24,091.20
Total Expense	1,124,161.59
Net Ordinary Income	1,210,952.24
Other Income/Expense	
Other Income	
70000 · Investments	
70150 · Change in Forfeiture Acct.	119.50
Total 70000 · Investments	119.50
71000 · Reimbursement Income	
71001 · Insurance Reimbursement	20,100.98
71000 · Reimbursement Income - Other	0.00
Total 71000 · Reimbursement Income	20,100.98
72000 · Forfeited Down Payment on Sale	500.00
79000 · Misc. Income	1,250.00
Total Other Income	21,970.48
Other Expense	
89000 · 2015 County \$300k tracking	0.00
Total Other Expense	0.00
Net Other Income	21,970.48
Net Income	1,232,922.72



Anticipated year-end inventory (# of properties):	840 Adopted Budget	2015 689 Actual	Difference
Ordinary Income/Expense			
Income			
40000 · Government Grants			
40010 · City of Syracuse	\$ 1,500,000.00	\$ 1,500,000.00	\$ -
40030 · Admin/Developer Fees	\$ 92,492.00	\$ 136,471.36	\$ 43,979.36
40040 · Onondaga County	\$ 350,000.00	\$ 339,976.69	\$ (10,023.31)
40060 · NY Attorney General	\$ 1,577,797.00	\$ 2,419,151.08	\$ 841,354.08
40070 · 50%/5Year Split	\$ -		\$ -
Total 40000 · Government Grants	\$ 3,520,289.00	\$ 4,395,599.13	\$ 875,310.13
42000 · REO Donated Funds	\$ 145,300.00	\$ 149,817.00	\$ 4,517.00
43000 · In Kind Donations	\$ -	\$ 487,082.80	\$ 487,082.80
48000 · Side Lot Application Income	\$ 925.00	\$ 1,025.00	\$ 100.00
49000 · Rental Income	\$ 105,155.00	\$ 97,381.16	\$ (7,773.84)
49500 · Sale of Property	\$ 1,145,773.00	\$ 1,481,446.55	\$ 335,673.55
Total Income	\$ 4,917,442.00	\$ 6,612,351.64	\$ 1,694,909.64
Cost of Goods Sold			
50000 · Cost of Sales			
50010 · Property Purchase Cost	\$ 229,558.00	\$ 206,651.22	\$ (22,906.78)
50020 · Recording Fees	\$ 102,061.00	\$ 64,898.50	\$ (37,162.50)
50030 · Initial Inspections	\$ 147,550.00	\$ 105,875.00	\$ (41,675.00)
50031 · Periodic Inspections	\$ 84,551.00	\$ 104,476.00	\$ 19,925.00
50040 · Board-Up	\$ 82,729.00	\$ 63,268.73	\$ (19,460.27)
50045 · Pest Extermination	\$ 4,750.00	\$ 4,438.40	\$ (311.60)
50050 · Debris Removal	\$ 160,007.00	\$ 121,635.26	\$ (38,371.74)
50060 · Re-Key	\$ 42,855.00	\$ 36,670.22	\$ (6,184.78)
50070 · Yard Maintenance	\$ 80,630.00	\$ 83,633.88	\$ 3,003.88
50080 · Snow Removal	\$ 75,660.00	\$ 25,676.47	\$ (49,983.53)
50090 · Renovation	\$ 464,333.00	\$ 1,615,687.98	\$ 1,151,354.98
50095 · Sidewalk Replacement/Repair	\$ 7,500.00	\$ -	\$ (7,500.00)
50100 · Stabilization	\$ 108,268.00	\$ 83,388.35	\$ (24,879.65)
50110 · Demolition/Deconstruction	\$ 498,519.00	\$ 1,421,698.63	\$ 923,179.63
50115 · Environmental Services	\$ 12,395.00	\$ 2,695.00	\$ (9,700.00)
50120 · Permits/Fees	\$ -	\$ 95.00	\$ 95.00
50130 · Utilities	\$ 55,740.00	\$ 53,688.71	\$ (2,051.29)
50140 · Title Insurance	\$ -	\$ -	\$ -
50145 · Title Searches	\$ -	\$ -	\$ -
50150 · Special Assessments	\$ 300,000.00	\$ 272,943.60	\$ (27,056.40)
50160 · Rental Management	\$ 59,302.00	\$ 65,360.86	\$ 6,058.86
50170 · Architectural Prof. Services	\$ 3,250.00	\$ 4,645.00	\$ 1,395.00
50180 · Land Survey Prof. Services	\$ 20,400.00	\$ 9,895.00	\$ (10,505.00)
50190 · Evictions	\$ 43,305.00	\$ 43,859.58	\$ 554.58
50191 · Relocation Assistance	\$ 70,000.00	\$ 54,696.37	\$ (15,303.63)
50200 · Property Appraisal	\$ 49,595.00	\$ 45,070.00	\$ (4,525.00)
50205 · Legal Closing Costs	\$ 101,500.00	\$ 104,611.01	\$ 3,111.01
50220 · Brokerage - Sale	\$ 211,696.00	\$ 189,418.49	\$ (22,277.51)
50230 · Sale of Property Closing Costs	\$ 4,000.00	\$ 1,875.08	\$ (2,124.92)
50999 · Reclass to Balance Sheet		\$ (315,676.69)	\$ (315,676.69)
50000 · Cost of Sales - Other		\$ 133,702.13	\$ 133,702.13
Total 50000 · Cost of Sales	\$ 3,020,154.00	\$ 4,604,877.78	\$ 1,584,723.78
Gross Profit	\$ 1,897,288.00	\$ 2,007,473.86	\$ 110,185.86



Expense			
60000 · Accounting Fees	\$ 90,140.00	\$ 90,180.00	\$ 40.00
60150 · Bad Debt		\$ 3,175.81	\$ 3,175.81
60100 · Automobile	\$ 500.00	\$ 587.97	\$ 87.97
60200 · Depreciation		\$ 5,688.34	\$ 5,688.34
60250 · Amortization			\$ -
60300 · Legal Fees	\$ 45,685.00	\$ 68,114.40	\$ 22,429.40
60400 · Office Expense	\$ 14,878.00	\$ 20,420.75	\$ 5,542.75
60500 · Payroll			
60510 · Salary	\$ 221,052.08	\$ 219,377.24	\$ (1,674.84)
60520 · Payroll Taxes	\$ 19,461.87	\$ 17,758.85	\$ (1,703.02)
60530 · Employee Health Insurance**	\$ 24,328.50	\$ 18,152.67	\$ (6,175.83)
60540 · Employer 401(k) Match	\$ 11,052.60	\$ 9,047.40	\$ (2,005.20)
60550 · Payroll Processing Fees	\$ 1,528.88	\$ 1,419.47	\$ (109.41)
60500 · Payroll - Other			\$ -
Total 60500 · Payroll	\$ 277,423.93	\$ 265,755.63	\$ (11,668.30)
60600 · Professional Services	\$ 48,000.00	\$ 39,487.19	\$ (8,512.81)
60700 · Insurance			
60701 · Property	\$ -	\$ -	\$ -
60702 · Liability	\$ 136,951.00	\$ 166,195.88	\$ 29,244.88
60700 · Insurance - Other	\$ 65,431.69	\$ 77,185.46	\$ 11,753.77
Total 60700 · Insurance	\$ 202,382.69	\$ 243,381.34	\$ 40,998.65
60800 · Telephone	\$ 2,555.60	\$ 2,586.78	\$ 31.18
60900 · Travel	\$ 2,155.26	\$ 2,243.20	\$ 87.94
60905 · Conference/Meeting	\$ -	\$ 850.00	\$ 850.00
61000 · Bank Service Charge	\$ 128.66	\$ 116.50	\$ (12.16)
61100 · Repairs & Maintenance***	\$ 250.00	\$ 110.00	\$ (140.00)
61200 · License and Fees	\$ -	\$ 1,515.00	\$ 1,515.00
61300 · Events & Marketing	\$ 10,000.00	\$ 8,116.53	\$ (1,883.47)
61400 · Rent Expense	\$ 24,091.20	\$ 24,091.20	\$ -
Total Expense	\$ 718,190.34	\$ 776,420.64	\$ 58,230.30
OVERHEAD - Total expense less property-based (Total Expense + Cost of Sales)	\$ 515,807.65 14%	\$ 533,039.30 10%	\$ 17,231.65
Net Ordinary Income	\$ 1,179,097.66	\$ 1,231,053.22	\$ 51,955.56
Other Income/Expense			
Other Income			
79000 Misc. / Other Income	\$ -	\$ 22,100.16	\$ 22,100.16
70300 · Rental Late Fee Income	\$ -	\$ -	\$ -
Total Other Income	\$ -	\$ 22,100.16	\$ 22,100.16
Other Expense			
80000 · Unallocated	\$ -		\$ -
80001 · Refund of Prior Sec. Dep.	\$ -		\$ -
80002 · Teachers/Public Safety Employees and Affordable Home Ownership Grant Program	\$ -		\$ -
80003 · Land Bank Buyer Incentive Pilot Program (NWS \$ home program)	\$ -		\$ -
Total Other Expense	\$ -		\$ -
Net Other Income	\$ -	\$ 22,100.16	\$ 22,100.16
Net Income	\$ 1,179,097.66	\$ 1,253,153.38	\$ 74,055.72
Fund Balance at Year End	\$ 3,036,840.68	\$ 3,113,452.28	\$ 76,611.60
Fund Balance at Year End for 2014: \$1,857,743.02			



year-end inventory (# of properties):

689

Actual

Ordinary Income/Expense		Restricted	In Kind	Unrestricted Cash	Notes
Income					
40000 • Government Grants					County Income in 2015
40010 • City of Syracuse	\$ 1,500,000.00				\$ 300,000.00 unrestricted grant income
40020 • Onondaga Civic Develop. Corp.					\$6,612.00 deconstruction expense (restricted)
40030 • Admin/Developer Fees	\$ 136,471.36				Expenses Below from funds restricted to Jordan/Elbridge/Baldwinsville
40040 • Onondaga County	\$ 339,976.69	See Box (right):			\$ 19,181.08 Demolition 46 Hamilton
40060 • NY Attorney General	\$ 2,419,151.08	\$ 2,419,151.08			\$14,183.61 Partial Year taxes on properties acquired via foreclosure
40070 • 50%/5Year Split					
Total 40000 • Government Grants	\$ 4,395,599.13				
40050 • CenterState C.E.O.					
42000 • REO Donated Funds	\$ 149,817.00	Cash Donated with Bank Donated Properties			
43000 • In Kind Donations	\$ 487,082.80		\$ 487,082.80		CDBG/SIDA demos, in-kind rent
48000 • Side Lot Application Income	\$ 1,025.00				
49000 • Rental Income	\$ 97,381.16				
49500 • Sale of Property	\$ 1,481,446.55				
Total Income	\$ 6,612,351.64				
Cost of Goods Sold					
50000 • Cost of Sales					
50010 • Property Purchase Cost	\$ 206,651.22	\$151 each + \$147,066.22 in purchases on Butternut			
50020 • Recording Fees	\$ 64,898.50				
50030 • Initial Inspections	\$ 105,875.00				
50031 • Periodic Inspections	\$ 104,476.00				
50040 • Board-Up	\$ 63,268.73				
50045 • Pest Extermination	\$ 4,438.40				
50050 • Debris Removal	\$ 121,635.26				
50060 • Re-Key	\$ 36,670.22				



50000 · Cost of Sales con't					
50070 · Yard Maintenance	\$ 83,633.88				
50080 · Snow Removal	\$ 25,676.47				
50090 · Renovation	\$ 1,615,687.98	\$ 1,615,687.98			Drawn from AG grant funds
50095 · Sidewalk Replacement/Repair	\$ -				
50100 · Stabilization	\$ 83,388.35				
50110 · Demolition/Deconstruction	\$ 1,421,698.63	\$ 757,416.63	\$ 480,080.00	\$ 184,202.00	Restricted: All AG and 1 County; In-Kind: CDBG/SIDA
50115 · Environmental Services	\$ 2,695.00				
50120 · Permits/Fees	\$ 95.00				
50130 · Utilities	\$ 53,688.71				
50140 · Title Insurance	\$ -				
50145 · Title Searches	\$ -				
50150 · Special Assessments/Taxes	\$ 272,943.60	\$14,183.61		\$ 258,759.99	some drawn from County see above
50160 · Rental Management	\$ 65,360.86				
50170 · Architectural Prof. Services	\$ 4,645.00				
50180 · Land Survey Prof. Services	\$ 9,895.00				
50190 · Evictions	\$ 43,859.58				
50191 · Relocation Assistance	\$ 54,696.37				Contract with Catholic Charities
50200 · Property Appraisal	\$ 45,070.00				
50205 · Legal Closing Costs	\$ 104,611.01				
50210 · Brokerage - New Lease					
50220 · Brokerage - Sale	\$ 189,418.49				Sales Comissions
50230 · Sale of Property Closing Costs	\$ 1,875.08				
50999 · Reclass to Balance Sheet	\$ (315,676.69)				
50000 · Cost of Sales - Other	\$ 133,702.13				
Total 50000 · Cost of Sales	\$ 4,604,877.78				
Gross Profit	\$ 2,007,473.86				



Expense	
60000 · Accounting Fees	\$ 90,180.00
60150 · Bad Debt	\$ 3,175.81
60100 · Automobile	\$ 587.97
60200 · Depreciation	\$ 5,688.34
60250 · Amortization	
60300 · Legal Fees	\$ 68,114.40
60400 · Office Expense	\$ 20,420.75
60500 · Payroll	
60510 · Salary	\$ 219,377.24
60520 · Payroll Taxes	\$ 17,758.85
60530 · Employee Health Insurance**	\$ 18,152.67
60540 · Employer 401(k) Match	\$ 9,047.40
60550 · Payroll Processing Fees	\$ 1,419.47
60500 · Payroll - Other	
Total 60500 · Payroll	\$ 265,755.63
60600 · Professional Services	\$ 39,487.19
60700 · Insurance	
60701 · Property	\$ -
60702 · Liability	\$ 166,195.88
60700 · Insurance - Other	\$ 77,185.46
Total 60700 · Insurance	\$ 243,381.34
60800 · Telephone	\$ 2,586.78
60900 · Travel	\$ 2,243.20
60905 · Conference/Meeting	\$ 850.00
61000 · Bank Service Charge	\$ 116.50
61100 · Repairs & Maintenance***	\$ 110.00
61200 · License and Fees	\$ 1,515.00
61300 · Events & Marketing	\$ 8,116.53
61400 · Rent Expense	\$ 24,091.20
Total Expense	\$ 776,420.64

Liability on scattered real estate portfolio
CGL operations liability coverage (labor law)



OVERHEAD - Total expense less (Total Expense + Cost of Sales)	\$ 533,039.30 10%
Net Ordinary Income	\$ 1,231,053.22
Other Income/Expense	
Other Income	
70000 · Investments	
70100 · Interest-Savings, Short-term CD	
70000 · Investments - Other	
Total 70000 · Investments	
79000 Misc. / Other Income	\$ 22,100.16
70300 · Rental Late Fee Income	\$ -
Total Other Income	\$ 22,100.16
Other Expense	
80000 · Unallocated	
80001 · Refund of Prior Sec. Dep. and Affordable Home Ownership Grant Program	
80003 · Land Bank Buyer Incentive Pilot Program (NWS \$ home program)	
Total Other Expense	
Net Other Income	\$ 22,100.16
Net Income	\$ 1,253,153.38
Fund Balance at Year End	\$ 3,113,452.28



	2016 1400 Adopted	2016 1200 Amended	DIFFERENCE	2017 1600	2018 1475	2019 1360
Anticipated year-end inventory (# of properties):						
Ordinary Income/Expense						
Income						
40000 · Government Grants						
40010 · City of Syracuse	\$ 1,166,666.66	\$ 1,416,666.66	\$ 250,000.00	\$ 750,000.00	\$ -	\$ -
40030 · Admin/Developer Fees	\$ 153,849.00	\$ 70,502.00	\$ (83,347.00)	\$ -	\$ -	\$ -
40040 · Onondaga County	\$ 850,000.00	\$ 733,545.48	\$ (116,454.52)	\$ -	\$ -	\$ -
40060 · NY Attorney General	\$ 2,711,095.00	\$ 1,851,155.20	\$ (859,939.80)	\$ -	\$ -	\$ -
40070 · 50%/5Year Split	\$ -	\$ -	\$ -	\$ 210,718.00	\$ 275,000.00	\$ 300,000.00
Total 40000 · Government Grants	\$ 4,881,610.66	\$ 4,071,869.34	\$ (809,741.32)	\$ 960,718.00	\$ 275,000.00	\$ 300,000.00
42000 · REO Donated Funds	\$ 150,000.00	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
43000 · In Kind Donations						
48000 · Side Lot Application Income	\$ 1,000.00	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
49000 · Rental Income	\$ 100,000.00	\$ 60,000.00	\$ (40,000.00)	\$ 60,000.00	\$ 50,000.00	\$ 40,000.00
49500 · Sale of Property	\$ 1,500,000.00	\$ 1,500,000.00	\$ -	\$ 1,250,000.00	\$ 1,250,000.00	\$ 1,500,000.00
Total Income	\$ 6,632,610.66	\$ 5,782,869.34	\$ (849,741.32)	\$ 2,421,718.00	\$ 1,726,000.00	\$ 1,991,000.00
Cost of Goods Sold						
50000 · Cost of Sales						
50010 · Property Purchase Cost	\$ 213,420.00	\$ 290,600.00	\$ 77,180.00	\$ 215,515.00	\$ 158,890.00	\$ 119,630.00
50020 · Recording Fees	\$ 234,300.00	\$ -	\$ (234,300.00)	\$ -	\$ -	\$ -
50030 · Initial Inspections		\$ 26,400.00	\$ 26,400.00	\$ 6,875.00	\$ 4,400.00	\$ 4,400.00
50031 · Periodic Inspections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50040 · Board-Up	\$ 19,200.00	\$ 72,000.00	\$ 52,800.00	\$ 20,870.00	\$ 17,240.00	\$ 15,020.00
50045 · Pest Extermination	\$ 10,000.00	\$ 10,000.00	\$ -	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
50050 · Debris Removal	\$ 275,000.00	\$ 200,000.00	\$ (75,000.00)	\$ 350,000.00	\$ 350,000.00	\$ 300,000.00
50060 · Re-Key	\$ 6,750.00	\$ 19,200.00	\$ 12,450.00	\$ 23,680.00	\$ 26,800.00	\$ 800.00
50070 · Yard Maintenance	\$ 200,000.00	\$ 155,000.00	\$ (45,000.00)	\$ 236,520.00	\$ 290,160.00	\$ 270,540.00
50080 · Snow Removal	\$ 194,000.00	\$ 150,000.00	\$ (44,000.00)	\$ 235,000.00	\$ 338,000.00	\$ 332,000.00
50090 · Renovation	\$ 2,008,035.00	\$ 1,581,485.00	\$ (426,550.00)	\$ -	\$ -	\$ -

50000 · Cost of Sales con't						
50095 · Sidewalk Replacement/Repair	\$ 20,750.00	\$ 20,750.00	\$ -	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
50100 · Stabilization	\$ 110,000.00	\$ 110,000.00	\$ -	\$ 200,000.00	\$ 100,000.00	\$ 100,000.00
50110 · Demolition/Deconstruction	\$ 1,258,486.00	\$ 1,259,695.20	\$ 1,209.20	\$ -	\$ -	\$ -
50115 · Environmental Services	\$ 30,000.00	\$ 30,000.00	\$ -	\$ 50,000.00	\$ 30,000.00	\$ 30,000.00
50120 · Permits/Fees	\$ 15,000.00	\$ 15,000.00	\$ -	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
50130 · Utilities	\$ 80,500.00	\$ 80,500.00	\$ -	\$ 73,000.00	\$ 58,500.00	\$ 49,250.00
50140 · Title Insurance	\$ 5,000.00	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
50145 · Title Searches	\$ 1,000.00	\$ 1,000.00	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
50150 · Special Assessments	\$ 322,000.00	\$ 55,000.00	\$ (267,000.00)	\$ 65,175.00	\$ 85,000.00	\$ 85,000.00
50160 · Rental Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
50170 · Architectural Prof. Services	\$ 5,000.00	\$ 10,000.00	\$ 5,000.00	\$ 15,000.00	\$ 15,000.00	\$ 7,500.00
50180 · Land Survey Prof. Services	\$ 30,000.00	\$ 30,000.00	\$ -	\$ 30,000.00	\$ 25,000.00	\$ 20,000.00
50190 · Evictions	\$ 32,000.00	\$ 45,000.00	\$ 13,000.00	\$ 50,000.00	\$ 30,000.00	\$ 25,000.00
50191 · Relocation Assistance	\$ 94,852.00	\$ 94,852.00	\$ -	\$ 95,000.00	\$ 95,000.00	\$ 45,000.00
50200 · Property Appraisal	\$ 59,000.00	\$ 21,250.00	\$ (37,750.00)	\$ 20,000.00	\$ 20,000.00	\$ 17,500.00
50205 · Legal Closing Costs	\$ 150,000.00	\$ 150,000.00	\$ -	\$ 142,500.00	\$ 142,500.00	\$ 138,000.00
50220 · Brokerage - Sale	\$ 180,000.00	\$ 105,000.00	\$ (75,000.00)	\$ 37,500.00	\$ 37,500.00	\$ 22,500.00
50230 · Sale of Property Closing Costs	\$ 5,000.00	\$ 5,000.00	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
50999 · Reclass to Balance Sheet						
50000 · Cost of Sales - Other						
Total 50000 · Cost of Sales	\$ 5,559,293.00	\$ 4,542,732.20	\$ (1,016,560.80)	\$ 1,927,635.00	\$ 1,884,990.00	\$ 1,643,140.00
Gross Profit	\$ 1,073,317.66	\$ 1,240,137.14	\$ 166,819.48	\$ 494,083.00	\$ (158,990.00)	\$ 347,860.00
Expense						
60000 · Accounting Fees	\$ 72,000.00	\$ 72,000.00	\$ -	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
60150 · Bad Debt			\$ -			
60100 · Automobile	\$ 15,500.00	\$ 3,000.00	\$ (12,500.00)	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
60200 · Depreciation						
60250 · Amortization						

Expense con't						
60300 · Legal Fees	\$ 50,000.00	\$ 65,000.00	\$ 15,000.00	\$ 65,000.00	\$ 60,000.00	\$ 60,000.00
60400 · Office Expense	\$ 20,000.00	\$ 28,000.00	\$ 8,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
60500 · Payroll						
60510 · Salary	\$ 353,864.50	\$ 347,989.00	\$ (5,875.50)	\$ 371,557.73	\$ 390,135.61	\$ 409,642.39
60520 · Payroll Taxes	\$ 31,154.95	\$ 30,637.65	\$ (517.29)	\$ 32,712.69	\$ 34,348.33	\$ 36,065.74
60530 · Employee Health Insurance**	\$ 38,945.54	\$ 36,766.71	\$ (2,178.83)	\$ 39,862.85	\$ 41,856.00	\$ 43,948.80
60540 · Employer 401(k) Match	\$ 17,693.23	\$ 17,399.45	\$ (293.78)	\$ 18,577.89	\$ 19,506.78	\$ 20,482.12
60550 · Payroll Processing Fees	\$ 2,550.00	\$ 2,550.00	\$ -	\$ 2,677.50	\$ 2,811.38	\$ 2,951.94
60500 · Payroll - Other			\$ -			
Total 60500 · Payroll	\$ 444,208.21	\$ 435,342.81	\$ (8,865.40)	\$ 465,388.66	\$ 488,658.09	\$ 513,091.00
60600 · Professional Services	\$ 60,000.00	\$ 60,000.00	\$ -	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
60700 · Insurance						
60701 · Property						
60702 · Liability	\$ 310,465.00	\$ 255,000.00	\$ (55,465.00)	\$ 328,000.00	\$ 358,000.00	\$ 330,000.00
60700 · Insurance - Other	\$ 52,455.90	\$ 48,386.13	\$ (4,069.77)	\$ 25,000.00	\$ 30,000.00	\$ 26,125.00
Total 60700 · Insurance	\$ 362,920.90	\$ 303,386.13	\$ (59,534.77)	\$ 353,000.00	\$ 388,000.00	\$ 356,125.00
60800 · Telephone	\$ 4,955.60	\$ 4,955.60	\$ -	\$ 4,955.60	\$ 4,955.60	\$ 4,955.60
60900 · Travel		\$ 5,500.00	\$ 5,500.00	\$ 7,500.00	\$ 7,500.00	\$ 5,000.00
60905 · Conference/Meeting		\$ 3,000.00	\$ 3,000.00	\$ 4,000.00	\$ 4,000.00	\$ 2,500.00
61000 · Bank Service Charge	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
61100 · Repairs & Maintenance***		\$ -	\$ -			
61200 · License and Fees		\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
61300 · Events & Marketing	\$ 15,000.00	\$ 15,000.00	\$ -	\$ 15,000.00	\$ 12,500.00	\$ 10,000.00
61400 · Rent Expense	\$ 24,600.00	\$ 24,600.00	\$ -	\$ 25,092.00	\$ 25,596.00	\$ 26,112.00
Total Expense	\$ 1,069,184.71	\$ 1,022,284.54	\$ (46,900.17)	\$ 1,097,436.26	\$ 1,148,709.69	\$ 1,135,283.60
OVERHEAD - Total expense less property-based insurance costs/ (Total Expense + Cost of Sales)	\$ 706,263.81 11%	\$ 718,898.41 13%	\$ 12,634.60	\$ 744,436.26 25%	\$ 760,709.69 25%	\$ 779,158.60 28%
Net Ordinary Income	\$ 4,132.95	\$ 217,852.60		\$ (603,353.26)	\$ (1,307,699.69)	\$ (787,423.60)

Other Income/Expense						
Other Income						
79000 Misc. / Other Income	\$ -	\$ -		\$ -	\$ -	\$ -
70300 · Rental Late Fee Income	\$ -	\$ -		\$ -	\$ -	\$ -
Total Other Income	\$ -	\$ -		\$ -	\$ -	\$ -
Other Expense						
80000 · Unallocated	\$ -	\$ -		\$ -	\$ -	\$ -
80003 · Land Bank Buyer Incentive Pilot Program (NWS \$ home program)	\$ 140,000.00	\$ 40,000.00	\$ (100,000.00)	\$ -	\$ -	\$ -
Total Other Expense	\$ 140,000.00	\$ 40,000.00	\$ (100,000.00)	\$ -	\$ -	\$ -
Net Other Income	\$ (140,000.00)	\$ (40,000.00)		\$ -	\$ -	\$ -

Net Income	\$ (135,867.05)	\$ 177,852.60		\$ (603,353.26)	\$ (1,307,699.69)	\$ (787,423.60)
Fund Balance at Year End	\$2,977,585.23	\$3,291,304.88		\$2,687,951.62	\$1,380,251.93	\$592,828.33



Honorable Stephanie A. Miner
City Hall, 233 E. Washington Street
Syracuse NY, 13202

March 1, 2016

Mayor Miner,

I am writing to respectfully request an allocation for the Greater Syracuse Land Bank of \$1.5 million in the City's upcoming budget. We are excited to report the progress that has been made by this organization since we started acquiring properties in late-2013. To date, the Greater Syracuse Land Bank has acquired 940 properties, most of these subsequent to foreclosure by the City for back taxes. 258 properties have been sold and returned to productive use. We estimate that our buyers are investing over \$8 million in renovations, generating local economic activity, and that these properties are assessed at approximately \$10 million dollars and generate \$400,000 in local property taxes annually (City, School, and County).

In addition, the Land Bank has demolished over 90 blighted properties. However, we currently have more than 120 demolition candidates in our inventory. We plan to allocate \$700,000 in unrestricted cash assets toward demolitions in 2016 (which we are able to do because of some of the cost-savings strategies described below), but expect that will address less than half of the demolition candidates currently held in inventory and that at least as many more will be foreclosed on and transferred to the Land Bank over the course of 2016. Securing additional funding for demolitions is one of our highest priorities in the coming year.

The Land Bank board and staff agree with the City that this bold approach to land banking is the right thing to do in order to take control of abandoned properties and the long-term outcomes for our neighborhoods and the premise behind our business model - that this approach would be feasible because foreclosing and taking title to these abandoned properties would strengthen the City's performance as a tax-collector. The one-time influx of delinquent tax payments could be split between the taxing jurisdictions and the Land Bank, which would run a surplus in its early years while the influx of payments were coming in and our inventory was relatively small. As the volume of payments diminished and the backlog of seizable properties was reduced (because owners had either paid or been foreclosed upon) the Land Bank's inventory and operating costs would grow and we would run a deficit for several years while selling off and shrinking our inventory.

This basic model has underpinned our approach to developing the Greater Syracuse Land Bank and our capacity to accept the City's bold challenge and prepare to take responsibility for nearly 2,000 foreclosed properties. This projected business model assumed that citywide implementation (catching up with the backlog of seizable properties) would take three years and that the Land Bank would receive \$2 million/year for three years from the City and \$1 million/year for three years from the County. To date the Land Bank has been allocated \$4.5 million by the City and \$550,000 in unrestricted funds by the County (the

remaining County allocations are restricted to specific uses). Given the pace of foreclosures, it makes sense that this conceptual model is stretched over a longer implementation period.

The City continues to make progress foreclosing on a 'backlog' of seizable properties, but is only half way through the 2,000 foreclosures that we predicted would be necessary before a routine, annual process of foreclosing on tax delinquent properties and conveying them to the Land Bank as a better alternative to a traditional tax-auction process. We are optimistic that the pace of foreclosures will accelerate as the City completes foreclosures on structures and shifts focus to vacant lots in early 2017.

We are requesting another \$1.5 million in the City's 2016-17 budget so that we can continue to capture a portion of this short-term influx in delinquent payments, which likely won't be available in future years. We also think it is important that the next year's funding contract remove the recapture clause that has been included in previous contracts. This will be the last year in which we project a surplus, but without this level of City funding it will be the first year in which we experience an operating deficit and must start drawing down fund reserves that must last us for many years into the future if the Land Bank continues to accept properties at the rate that the City plans to foreclose on them. I should add, we believe that it is in the community's best interest to continue implementation at an aggressive pace, since it allows the Land Bank to assemble new foreclosures with properties already in our inventory and to achieve greater operating efficiencies as our inventory grows larger. We are eager to see implementation completed citywide so that vacant properties in every neighborhood are being addressed proactively.

Enclosed you will find a summary of the additional revenue collected by the City as a result of this partnership with the Land Bank. We project that through the end of this budget year the City of Syracuse will have collected \$8,856,048 in delinquent taxes above historic levels; to date the City has awarded \$4.5 million to the Land Bank to support our work.

In 2015, we finished assembling lots on Butternut Street enabling Housing Visions to apply for low income housing tax credits. If funded, this project will transform the look of this highly traveled corridor. We will continue to look for opportunities to consolidate adjacent abandoned properties under single-ownership in order to facilitate planned development in conjunction with strategies developed by the City and neighborhood partners. We can then pass along our lower (tax exempt) carrying costs to the developers, who can put more funding into actual redevelopment projects.

To date, the Land Bank has brought \$4.9 million in funding from the NY Attorney General's office, only available to Land Banks, to the Syracuse community. These funds have supported 68 renovations of single-family homes for affordable home-ownership and 46 demolitions, the last of which will be completed in 2016. We are optimistic that the NY Attorney General's office will make more funding like this available to land banks in 2016 and we are lobbying with the NY Land Bank Association for NY State to make other funding available for this important work, making the case that short-term investment in removing blighted structures will help to stabilize and grow the local property tax base making municipalities stronger and more self-reliant in the future. We have continued to play a leading role in the NY Land Bank Association, advocating for legislative amendments that have allowed land banks to operate more efficiently. An amendment to the Land Bank Act, sponsored by Senator Valesky and Assemblyman Magnarelli, was signed into law in October 2015 and we project these changes will save our organization approximately \$275,000 in 2016.

In addition, we are constantly seeking ways to cut operating costs. As the Land Bank has expanded we have grown more efficient at property maintenance. We have hired in-house maintenance and property management staff and found that contracting with a lower-cost property maintenance company for jobs that do not require a brokers' license will reduce operating costs by approximately \$500,000 in 2016. In addition, later this month our board will consider hiring in-house sales staff, which could reduce the cost associated with sales by \$300,000 over the next two years, when compared to our current system that includes real estate commissions for outsourced listing agents.

Our ultimate goal is to secure a long-term, annually recurring revenue source so that as our fund reserves are depleted we can continue to maintain a large inventory of vacant lots that have no short-term redevelopment potential. As we head into 2017 the Land Bank is expected to acquire more vacant land, which comes with a long-term maintenance obligation. Most of these lots are abandoned and currently mowed and maintained by the City, which is unable to recoup these costs from delinquent property owners. While we expect that the City will help the Land Bank cover those long-term maintenance costs, addressing this in the annual budget process requires the Land Bank to accept a long-term maintenance obligation without guaranteed revenues to support it. Without this type of longer term City/County funding to offset vacant lot maintenance the Land Bank would likely deplete its fund balance in 2020.

Furthermore, we suspect that with a guaranteed, recurring revenue source that was sufficiently large to subsidize long-term maintenance costs (mowing, snow removal, insurance on a large portfolio of properties) *and* debt service on a bond or loan, we could borrow now against future revenues in order to secure the short-term influx of cash needed for demolitions. In order to borrow against those future revenues, we would have to demonstrate a long-term, secure funding commitment. We have begun discussion these options with local lenders who are eager to be part of this solution to our community's property abandonment problem. We will continue to advocate for state and federal funding for demolitions, as well.

The City's bold approach so far has served as a model for other Legacy Cities and we are proud to be a part of the solution to the daunting challenge of blight and property abandonment. Another year of significant financial support from the City of Syracuse will enable us to continue to accept more foreclosed properties at an aggressive pace. Thank you for your continued support.

Sincerely,

Vito Sciscioli
Chair of the Board

cc: Syracuse Common Councilors
Greater Syracuse Property Development Corporation Board of Directors

Increased Delinquent Tax Collections Facilitated by Land Bank Acceptance of Foreclosed Property:

FY	Actual Collected	Exceeds Baseline by:	
2011-12	\$ 4,117,011.68	\$ 892,011.68	\$3,225,000 budgeted = baseline Land Bank incorporated June 2012
2012-13	\$ 5,546,698.00	\$ 2,321,698.00	“Phase I” 60-day notices issued November 2012
2013-14	\$ 6,227,305.33	\$3,002,305.33	Allocated \$1.5 mill to LB
2014-15	\$ 5,493,851.39	\$2,268,851.39	Allocated \$1.5 mill to LB
2015-16	\$4,598,576 (projection)	\$1,373,576.46	Allocated \$1.5 mill to LB
Cumulative Improvement in Delinquent Collections		\$8,856,048	\$4.5 million allocated to LB to date

*2015-16 projection based on actual collections from July '15 – Dec '15

Since the change in collection policy, taking effect in November 2012, we estimate that the City’s increased delinquent property tax collections from the 12-13 budget year through the 15 -16 budget year (using the 15-16 projection) will total \$8,856,048. Over the past three budget years \$4.5 million of that has been granted to the Land Bank to fund the cost of acquiring, stabilizing, maintaining and marketing vacant and abandoned properties. It is critical that while this windfall continues the Land Bank is adequately capitalized so it has the financial security needed to responsibly continue accepting foreclosed properties and assuming long-term liabilities that will remain on its books even after this spike in delinquent collections and financial support from the City and County decline.

In addition to the quantified increase in delinquent taxes collected:

- Properties sold are generating previously uncollected tax revenue and our buyers are investing significant private capital in renovations.
- We expect that the City is experiencing an increase on on-time collections as the new collections policy becomes commonly understood by Syracuse property owners and each year as non-performing properties are removed from taxable status each January the levy is applied across a higher percentage of performing properties.
- As the Land Bank takes ownership of vacant and abandoned properties it assumes responsibility for basic maintenance previously left up to the City. As we are able to benefit from bulk pricing on this maintenance, we are eager to explore bundled procurement so that the City might enjoy some of these cost savings where they are still carrying out these activities on properties not held by the Land Bank.