



Legacy Cities Access Program

We are looking to partner with minority contractors and real estate investors to apply to the NYS Homes and Community Renewal's Legacy Cities Access Program! This program creates partnerships between land banks and minority investors to:

- Help minority real estate developers generate return on investment and expand capacity
- Renovate vacant and abandoned buildings, improving our neighborhoods
- Sell high quality, low-maintenance, move-in ready homes to first-time, minority, low-income homebuyers, helping them grow wealth through home equity

How it works:

1. The Land Bank will sell clusters of distressed vacant properties to local minority developers. We have identified three clusters of five homes each for sale – visit <http://syracuselandbank.org/contractors/> to see available clusters. The developer/buyer must live in Onondaga County; preference shown for buyers who reside in the City of Syracuse.
2. The developer will fully renovate the homes and sell them to low-income homebuyers, with a preference for minority, first-time buyers with incomes below 80% of area median income.
 - Construction financing is available! Construction financing and grant funds will be administered by [Community Preservation Corporation](#). Estimated total redevelopment costs (including construction, acquisition, and soft costs) are \$1 – 1.3 million per cluster. Developer needs to show 6.25% equity. Feel free to contact us with questions about this. If needed, 2-3 contractors can pool their resources and form an LLC to tackle one cluster.
 - Developers will earn a 12% fee built into the total project budget, and HCR grant funding will supplement your construction loan and enable the developers to complete high-quality renovations, save properties that otherwise would not be financially viable renovation projects, and provide first-time homebuyers with affordable, high quality, low maintenance homes. For example, you might have a total project cost of \$210,000, but sell the home for \$130,000 using \$80,000 of grant money to fill the gap, while earning \$22,500 as a developer's fee.
 - The Land Bank will provide Technical Assistance for project management and grant compliance. You bring your construction expertise to the table and we can help with the rest!

Have questions? We'll hold a Q&A session via Zoom Thursday, June 24 at 5:30 PM

Join Zoom Meeting

<https://us06web.zoom.us/j/83302881516?pwd=M0tLWHByazE3TVh1d29FZHZXOVNhdz09>

Meeting ID: 833 0288 1516

Passcode: 001632

For more information, visit: <http://syracuselandbank.org/contractors/>

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www.syracuselandbank.org

To pre-qualify, submit the following:

- Affirm that you are a minority contractor or real estate investor
 - Attach state or local MBE certification or complete [demographic questionnaire](#)
- Attach written description of your experience with gut renovations/real estate investment. We are looking for buyers experienced with whole-house renovations – either as a contractor or as an investor who has one or more trusted contractors you work with
- Provide three references
- Proof of funds: Show that you have 6.25% equity on hand to qualify for CPC construction financing - \$62,500 - \$81,250 depending on the cluster

Once you are qualified, you can put together an offer to purchase one of these clusters. Buyers will develop their own detailed scope of renovations and project budget. Land Bank will work with the buyer to ensure that the project conforms to the HCR grant guidelines. Land Bank and developer must apply to HCR jointly for grant funding. HCR and CPC will review applications simultaneously as buyers must be approved for financing and grant funds to proceed with the program. Buyers will have approx. 2 years to renovate and sell the homes.

Each cluster is listed for sale for \$60,000.

Available Properties:

Cluster 1

346 W Kennedy St
113 Kirk Ave – 2-family
138-40 McLennan Ave
273 McLennan Ave
278 W Borden Ave

Cluster 2

118-20 E Borden Ave – 2-family
121 W Borden Ave
308 W Beard Ave
1404 Midland Ave
516 Garfield Ave

Cluster 3

103 Glahn Ave
102 Kirkwood Pl
522 W Colvin St
539 W Colvin St
112-14 Hatch St

Grant subsidy for a cluster can't exceed \$95,000/unit – may be slightly higher in some if lower in others. Total development costs minus sales price = grant funds needed; HCR won't provide more subsidy than needed for each project.

Sales price is also spread across the five properties in each cluster and the amount allocated to each address may vary to make the budgets work. Once we figure out what each house needs in terms of construction costs, we'll work with you to make the rest of the budget conform to the HCR grant guidelines.

Renovation Standards:

Keep in mind we want to create high quality, low-maintenance homes for low-income,¹ first-time homebuyers. We will work with you to develop the project budgets and calculate allowable sales prices that will be affordable to income-qualified buyers, but you should expect \$110,000 - \$140,000 depending on the size of the home. Investing more in the renovations increases your 12% developer's fee so there's no incentive to cut corners if the sales price and subsidy are sufficient to cover the work being done.

Renovations should include (or exceed) the following, in addition to whatever is needed to bring the property up to code and generally make it clean, new, and marketable:

- Tear-off and new roof (replace decking as needed). Include a 1" ridge vent. 220 lb. fiberglass asphalt, 3-tab shingle with a 25 yr. warranty.
- Install new 90+ gas fired forced air furnace with minimum AFUE rating of 90% or higher
- Install new glass lined, high recovery, insulated to R-7, gas water heater with a 10 year warranty
- Replace windows with double hung, double glazed, argon filled Low E window that meets the Energy Star standards for this climate for U value and SHGC
- Replace basement windows with glass block
- Install new exterior Energy Star insulated doors
- Gut kitchen and bath to the studs and replace with new fixtures and cabinetry
- LED light fixtures throughout
- Hard-wired interconnected smoke and carbon monoxide detectors
- Include Energy Star kitchen appliances in the sale
- If any exterior walls are opened up, the cavity must be filled with insulation
- Install R-49 attic insulation
- Must pass a lead clearance prior to sale

¹ At or below 80% of Area Median Income, although up to 100% may be allowed in certain cases. See attached income guidelines. These guidelines are updated each July 1, but we don't expect a dramatic shift.

Example Budget

	House A	House B	House C	House D	House E	total
<i>Property Purchase</i>						
Acquisition	\$ 1,000.00	\$ 28,500.00	\$ 28,500.00	\$ 1,000.00	\$ 1,000.00	\$ 60,000.00
Legal/Closing	\$ 650.00	\$ 650.00	\$ 650.00	\$ 650.00	\$ 650.00	
Abstract/Title Insurance	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	
Survey	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	
<i>Consultant Fees</i>						
Architectural	\$ 1,850.00	\$ 1,850.00	\$ 1,850.00	\$ 1,850.00	\$ 1,850.00	
Spec Writing	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	
Spec Verification	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	
Lead Clearance Inspection	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	\$ 380.00	
<i>Construction</i>						
Hard Cost total	\$ 150,000.00	\$ 110,000.00	\$ 120,000.00	\$ 148,000.00	\$ 160,000.00	
contingency 10%	\$ 15,000.00	\$ 11,000.00	\$ 12,000.00	\$ 14,800.00	\$ 16,000.00	
Sidewalks and curb cut	\$ -	\$ -	\$ -	\$ -	\$ -	
Driveway	\$ 500.00	\$ 2,000.00	\$ 2,000.00	\$ 8,000.00	\$ 2,000.00	
Water turn-on	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	\$ 140.00	
Appliances?	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	
Permit Fees	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	
<i>Carrying Costs</i>						
Taxes	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	\$ 1,600.00	
Insurance - liability	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	
Insurance - builders risk	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	
Electric and Gas	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	
Water	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	
Construction Loan Interest	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	
maintenance	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	
<i>Property Sale</i>						
Abstract Update	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	

Survey update	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	
Legal Fees	\$ 650.00	\$ 650.00	\$ 650.00	\$ 650.00	\$ 650.00	
Realtors' Commission 6%	\$ 7,200.00	\$ 6,000.00	\$ 6,900.00	\$ 7,500.00	\$ 8,100.00	\$ 35,700.00
<i>Developers Fee</i>						
Developers Fee 12%	\$ 22,676.40	\$ 20,732.40	\$ 22,160.40	\$ 23,348.40	\$ 24,284.40	\$ 113,202.00
Total Development Cost:	\$ 211,646.40	\$ 193,502.40	\$ 206,830.40	\$ 217,918.40	\$ 226,654.40	\$ 1,056,552.00
					equity required	\$ 66,034.50
Sources						
Buyer's Mortgage	\$ 120,000.00	\$ 100,000.00	\$ 115,000.00	\$ 125,000.00	\$ 130,000.00	
Legacy City Grant	\$ 91,646.40	\$ 93,502.40	\$ 91,830.40	\$ 92,918.40	\$ 96,654.40	\$ 466,552.00
	\$ 211,646.40	\$ 193,502.40	\$ 206,830.40	\$ 217,918.40	\$ 226,654.40	