
**GREATER SYRACUSE
PROPERTY DEVELOPMENT CORPORATION**

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Minutes

Greater Syracuse Property Development Corporation

BOARD OF DIRECTORS MEETING

Tuesday, November 13, 2012, 12:30 P.M.

333 W. Washington Street, Suite 130

Syracuse, NY 13202

Board Members Present: Daniel Barnaba, Vito Sciscioli, James Corbett, Mary Beth Primo, Dwight Hicks

Others Present: Thomas Babilon, Martin Murphy, Katelyn Wright, Durrie Bouscaren, John Ferguson, Lamont Mitchell, Councilor Bob Dougherty, Bob Antonacci, Travis Glazier, Paul Driscoll, Andy Obernesser, Bob Morris, Bill Fisher, Jonathan Logan, Ben Walsh, David Reed

I. Call to order

Vito Sciscioli called the meeting to order at 12:34 p.m.

II. Roll Call

Mr. Sciscioli noted that all board members were present.

III. Proof of Notice

Mr. Sciscioli noted that the public notice of the meeting had been timely and properly provided.

IV. Minutes

Mr. Sciscioli asked if there were any comments on or amendments to the minutes provided from the October 9, 2012 meeting of the board of directors. Hearing none he asked for a motion to approve the minutes. Mary Beth Primo motioned to approve the minutes from the October 9, 2012 Board of Directors meeting. Jim Corbett seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY ACCEPTED THE MINUTES FROM THE OCTOBER 9, 2012 BOARD OF DIRECTORS MEETING AS AMENDED.**

V. Committee Reports

Mr. Sciscioli summarized the activity of the November 2, 2012 Governance Committee meeting. At this meeting, the Governance Committee recommended the Procurement Guidelines and a minor revision to the Property Disposition Guidelines be forwarded for consideration by the full Board of Directors, which are included on today's agenda. In addition, Property Acquisition Policies were discussed, and guidance was given to Katelyn Wright for further research on policy preferences that might be incorporated into the guidelines in furtherance of the GSPDC's mission. These will be discussed in greater detail at the next Governance Committee meeting. An Investment Policy is also under consideration by the Governance Committee, which has requested that Mr. Babilon seek clarification from the state regarding the Board's ability to delegate investment decisions.

VI. New Business

Procurement Guidelines

Tom Babilon noted one typo that should be fixed on page one of the guidelines. Mary Beth Primo made a motion to pass a resolution adopting the Procurement Guidelines as amended. Dan Barnaba seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION TO ADOPT THE PROCUREMENT GUIDELINES AS AMENDED.**

Amendments to the Property Disposition Guidelines

Tom Babilon explained that section 5.2 was an addition to the previously adopted Property Disposition Guidelines. A requirement of Not-for-Profit Corporation Law that two-thirds majority of the board approve of all sales, mortgages, or leases of real property would, in this case, require four of the five board members approve all such transactions. In addition, a minor amendment was necessary to section 7.2 regarding an explanatory statement submitted 90-days prior to the disposal by negotiated sale of 1) personal property in excess of \$15,000, 2) real property in excess of \$100,000, 3) real property disposed of by lease if annual rents exceed \$15,000, or 4) real or personal property disposed of in exchange for real property.

Jim Corbett made a motion to pass a resolution adopting the Property Disposition Guidelines as attached. Mary Beth Primo seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED A RESOLUTION TO ADOPT THE PROPERTY DISPOSITION GUIDELINES AS ATTACHED.**

VII. Discussion

Commencement of Proactive Foreclosure

Katelyn Wright provided an update on the process used to determine which areas of the City would be included in Phase I of the new comprehensive foreclosures policy and the collaboration with the Land Bank Citizens Advisory Board to determine this process. She described the desire to send foreclosure notices in targeted clusters from a range of market-types and a random lottery. The first 200 noticed, selected using this methodology, will be sent on November 19, 2012. The foreclosure process is anticipated to take approximately six months, projecting land bank acquisition of the properties foreclosed on from among this group to occur in May 2013.

Katelyn provided information on the types of properties included in Phase I clusters and their occupancy/vacancy status. The City anticipates that 100-120 properties from this group will pay and avoid foreclosure. Ms. Wright indicated that Code Enforcement is pursuing interior inspection warrants on the 35 vacant buildings included in Phase I, so that the land bank board will have a better understanding of their condition prior to foreclosure. Mr. Barnaba asked if the Board would have the ability to refuse specific addresses and Ms. Wright indicated that yes, the Board would be asked to pass a resolution authorizing the acceptance of a specific list of addresses, but that the adoption to Property Acquisition Policy would be necessary first. Ms. Wright agreed to gather more information on the specific properties included in Phase I for the Board's review prior to their next meeting, and stressed that this review should entail that application of acquisition criteria designed to further the land bank's mission to this list.

Revenue-Sharing Proposal (update)

Vito Sciscioli summarized the revenue-sharing proposal currently being considered by the Common Council, including the following thresholds for splitting the increase in delinquent tax collections:

From \$3.2m to \$4.2m - 100% of amount over \$3.2m - up to \$1,000,000; (floor)

From \$4.2m to \$6.2m - 50% of amount over \$4.2m - up to \$1,000,000

From \$6.2m to \$7.2m - 25% of amount over \$6.2m - up to \$250,000 (ceiling)

The Common Council proposes sharing start at \$3.2 million—the average amount budgeted for Tax Fees and Penalties plus Prior Years' Tax Collection over the past five years—rather than the previously discussed \$3.1 million—the approximate budgeted amount for the '12-13 budget year.

Mr. Sciscioli explained that the current ordinance before Council makes this revenue-sharing available only after the depletion of a \$1million loan from the City of Syracuse and that there is some debate between the Common Council and the City Administration over whether those \$1million funds exist. Were these two items to be 'decoupled' and not dependent on one another the commitment of revenue-sharing from the City would facilitate the commitment of gap-funds needed to fund the land bank from February 2013 until approximately October 2013, when the revenue-sharing, a sustainable revenue source for the land bank's ongoing operations, would become available (after the close of the '12-13 fiscal year).

At this time, Bill Fisher recommended that Mr. Sciscioli and Katelyn Wright meet with the Chairman of the Onondaga County Legislature and request a similar revenue-sharing based on the County's anticipated increase in delinquent collections due to the City's comprehensive foreclosure strategy.

Fundraising Update

Vito Sciscioli and Katelyn Wright summarized their meetings with local foundations and staff from the Onondaga Civic Development Corporation on October 22. Local foundations present included the Gifford Foundation, Community Foundation, Reisman Foundation, and the Allyn Foundation. All expressed an interest in supporting the land bank's start-up, but stressed that they would want to see a commitment from the Common Council for ongoing funding of the organization before committing any funds. Alternatively, issuing a commitment contingent on Council funding was suggested by one funder present. A combination of loans and grants from those present and other local financial institutions was considered likely to fill the \$450,000 gap in operating revenues needed between February and October 2013.

Ms. Wright indicated that she made an informal presentation to the Board of the Onondaga Civic Development Corporation on November 8th and that the land bank's mission, its business model, and the anticipated economic development benefits of the land bank's redevelopment activities were well-received. The next step in acquiring some portion of the land bank's needed start-up capital from OCDC is a formal request for funding. The Board agreed it would be best to leave this until a commitment from Common Council for ongoing revenue-sharing was acquired.

Collaboration with the Citizens' Advisory Board

Katelyn Wright reported on having met with the Citizens Advisory Board and collaborated on the selection criteria for Phase I foreclosures. In addition, this group will be developing a set of city-wide policy guidelines for the holding and redevelopment of properties received by the land bank and they will look to include GSPDC board members in the development of this document.

Summary from the NY Land Banks' Mini-Summit

Katelyn Wright provided a brief summary of the discussion had by staffs from the first five land banks in New York, which convened in Syracuse on November 5, hosted by CenterState CEO. Land Bank staffs discussed development models, expected acquisitions and redevelopment projects in year one, funding models, and procedures for interacting with/receiving guidance from participating municipalities. Opportunities to pool resources for the acquisition of property management software and potential state legislative/regulatory lobbying issues were identified.

VIII. Other Business

Town Supervisors Meeting

Dan Barnaba reported that he and Travis Glazier had attended the Town Supervisors Meeting on October 16 and discussed what the land bank might be able to provide within their municipalities. He stressed that they'd be asking for a plan for properties from the Towns and that the GSPDC is not interesting in acquiring properties without the support of local officials. He indicated that no immediate projects were proposed, but that many indicated that they would consider how the GSPDC may be of assistance in their municipality.

Advertising for an Executive Director and Procuring Legal Services

Mary Beth Primo brought up the need to advertise for an Executive Director and RFP for legal services. She recommended that Katelyn Wright compile examples of other job listings for land bank directors, draft a listing for the GSPDC to consider, and provide this for their information at the next Governance Committee meeting.

In addition, Katelyn indicated that she'd obtained OCIDA's and OCDC's RFPs for legal services and would provide those for the Board's consideration in drafting and issuing their own RFP for legal counsel. Ms. Primo indicated that they'd want to draft it in such a way as to solicit pro bono representation until the organization obtains adequate funds.

IX. Adjournment

Mr. Sciscioli asked for motion to adjourn. Dwight Hicks motioned to adjourn the meeting. Dan Barnaba seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUS AGREED TO ADJOURN THE MEETING AT 1:51 P.M.**