GREATER SYRACUSE
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Minutes
Greater Syracuse Property Development Corporation
BOARD OF DIRECTORS MEETING
Tuesday, August 13, 2013, 12:30 P.M.
333 W. Washington Street, Suite 130
Syracuse, NY 13202

Board Members Present: Vito Sciscioli, Dwight L. Hicks, Dan Barnaba, Mary Beth Primo, Jim Corbett
Others Present: Katelyn Wright, John Sidd

I. Call to order
Vito Sciscioli called the meeting to order at 12:36 P.M.

II. Roll Call
Mr. Sciscioli noted that all board members were present.

III. Proof of Notice
Mr. Sciscioli noted that proper notice of the meeting had been posted.

IV. Minutes

Jim Corbett motioned to approve the minutes from the Board of Directors meeting held on June 27, 2013. Mary Beth Primo seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON JUNE 27, 2013.**

Dan Barnaba motioned to amend the minutes from the Board of Directors meeting held on July 9, 2013 to reflect that all board members were present. Dwight Hicks motioned to approve the minutes, as amended, from the Board of Directors meeting held on July 9, 2013. Dan Barnaba seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON JULY 9, 2013.**

Dan Barnaba motioned to approve the minutes from the Board of Directors meeting held on July 18, 2013. Dwight Hicks seconded this motion. ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON JULY 18, 2013.

V. Old Business
Mr. Sciscioli recommended that the two personnel related items be left for last, to be discussed in executive session. All board members agreed.

<u>Insurance</u>
Katelyn Wright summarized the proposal for GL and Property Insurance and other business insurance policies provided by Brown & Brown, Empire State. Dan Barnaba motioned that the organization authorize the procurement of the Forced Placed Property Insurance and Forced Placed Commercial General Liability Insurance from Lloyds of London, One Million Dollars of Excess General Liability Coverage from Scottsdale Ins. Co., Construction Liability Insurance with NY Labor Law Coverage from Scottsdale Ins. Co., and One Million Dollars of Excess Construction Liability Coverage from Evanston Insurance Company contingent on his review of these policies and further discussion with staff from Brown & Brown, Empire State. Mary Beth Primo seconded this motion. **ALL BOARD MEMBERS PRESENT PASSED A RESOLUTION AUTHORIZING THE PROCUREMENT OF THE FORCED PLACED PROPERTY INSURANCE AND FORCED PLACED**

COMMERCIAL GENERAL LIABILITY INSURANCE FROM LLOYDS OF LONDON, ONE MILLION DOLLARS OF EXCESS GENERAL LIABILITY COVERAGE FROM SCOTTSDALE INS. CO., CONSTRUCTION LIABILITY INSURANCE WITH NY LABOR LAW COVERAGE FROM SCOTTSDALE INS. CO., AND ONE MILLION DOLLARS OF EXCESS CONSTRUCTION LIABILITY COVERAGE FROM EVANSTON INSURANCE COMPANY CONTINGENT ON THE TREASURER'S REVIEW OF THESE POLICIES AND FURTHER DISCUSSION WITH STAFF FROM BROWN & BROWN, EMPIRE STATE.

Doing Business As "Greater Syracuse Land Bank"

Ms. Wright summarized the discussion at July 18th meeting regarding the benefits doing business as the "Greater Syracuse Land Bank." Only three board members were present at this meeting and wished to discuss the idea with the full board. John Sidd explained that to do so would require approval from the New York State Department of Finance to use the word "bank" in the name. Dan Barnaba suggested that Sidd also research the cost of trademarking the name. Jim Corbett motioned to authorize the GSPDC to file a DBA in order to conduct business as the Greater Syracuse Land Bank. Dwight Hicks seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE GSPDC TO FILE A DBA IN ORDER TO CONDUCT BUSINESS AS THE "GREATER SYRACUSE LAND BANK."**

"Guidelines for Land Bank Management and Disposition of Real Property within the City of Syracuse"

Ms. Wright indicated that the Citizens Advisory Board had incorporated the changes in this document requested by Jim Corbett and Vito Sciscioli, softening the language in the introduction. John Sidd stressed that this would however, once adopted, be an official policy endorsed by the GSPDC, but that this also means it can be amended by the GSPDC as needed. Jim Corbett motioned that the GSPDC adopt the "Guidelines for Land Bank Management and Disposition of Real Property within the City of Syracuse" attached. Dwight Hicks seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO ADOPT THE "GUIDELINES FOR LAND BANK MANAGEMENT AND DISPOSITION OF REAL PROPERTY WITHIN THE CITY OF SYRACUSE."**

VI. New Business

Property Management

Ms. Wright explained that this will authorize her to enter into property management contracts with the service providers previously interviewed and recommended by the hiring committee. Mr. Barnaba asked whether the board would be involved in assigning specific properties to certain contractors. Ms. Wright explained that she did not think this would be logistically feasible, but that contractors would be assigned specific properties in geographic clusters per the preferences they expressed in their interviews and that those with commercial experience would be assigned the commercial properties. Ms. Wright and Mr. Sidd explained that the terms of the contract are being finalized, but reflect those described in the RFP for these services. Mr. Hicks motioned to authorize the execution of property management contracts with CNY Affordable Realty, Inc., Tempo Enterprises, LLC, Sutton Real Estate Company, LLC, and Willowbank Company, LLC. Mary Beth Primo seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE EXECUTION OF PROPERTY MANAGEMENT CONTRACTS WITH CNY AFFORDABLE REALTY, INC., TEMPO ENTERPRISES, LLC, SUTTON REAL ESTATE COMPANY, LLC, AND WILLOWBANK COMPANY, LLC.**

Opening of an Escrow Account for Rental Security Deposits

Ms. Wright explained the two options for maintaining accounts for the deposit of rents and maintenance expenditures were either to establish several separate accounts, one for each property management company with the GSPDC's regular signers and two staff persons from the property management company, enabling them to deposit collected rents here and withdraw funds for maintenance and repairs. These would be reconciled against the managers reports at the end of each month, but any fraud would be discovered after the fact. The preferred option would be to deposit all rents in the GSPDC's main account and have managers submit all invoices to GSPDC staff – those for less than $500 requiring no prior authorization, but any expenditure for $500 or more requiring prior authorization by GSPDC staff and furthermore complying with the GSPDC's procurement policy. All agreed that this is the best option for fraud-prevention. Mary Beth Primo motioned to authorize the opening of an escrow account for rental security deposits on which the Chair, Treasurer, and Executive Director be listed as signers. Dan Barnaba seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE OPENING OF A BANK ACCOUNT FOR RENTAL SECURITY DEPOSITS ON WHICH THE CHAIR, TREASURER, AND EXECUTIVE DIRECTOR BE LISTED AS SIGNERS.**

Procurement of eProperty Plus Property Management Software

Ms. Wright explained that all of the New York land banks have collectively researched what will be the ideal property management software to facilitate online listing of inventory, management of disposition and maintenance plans and property-related data, and assign and track the progress of jobs to outside service providers. eProperty Plus is the only property management database specifically designed for land banks and is cloud-based, which will enable access to the system to enter data while in the field. Centerstate CEO has pledged $13,000 to defray the cost of the GSPDC's implementation of this product, as it will serve as a pilot for other NY land banks. This puts the GSPDC's implementation cost at $5,000 and annual subscription cost for one user at approximately $3,000 (paid quarterly). Mary Beth Primo expressed some concern that annual subscription costs will increase as the number of employees expands in the future. Ms. Wright emphasized the importance of implementing such a system before the size of the organization's real estate inventory expands dramatically and makes management with an Excel spreadsheet or other improvised system impossible and that this will automate much work that would otherwise require additional employee hours.

Dwight Hicks motioned to authorize a contract with STR Grants LLC for the implementation of and subscription to eProperty Plus software. Dan Barnaba seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO AUTHORIZE A CONTRACT WITH STR GRANTS LLC FOR THE IMPLEMENTATION OF AND SUBSCRIPTION TO ePROPERTY PLUS SOFTWARE.**

Policy on Residential Occupant Relocation

Ms. Wright presented a draft relocation policy, explaining that many properties acquired subsequent to City of Syracuse foreclosure will be occupied and that some assurance is needed in order for tenants, owners, and social service agencies to plan accordingly, that the GPSDC will not necessarily evict all occupants upon acquisition. The proposed policy states that occupants at the time of acquisition may be offered a month-to-month lease at a market-rate recommended by the property manager, but allows for the ED to lower the rents based on tenant income if another more affordable unit cannot be found in a suitable amount of time. However, it also states that if the unit is not in suitable condition to be inhabited or if the occupant is unwilling to enter into a lease with the GSPD, that the tenants will be required to vacate the property. There was some discussion of whether the tenant's previous rent amount would be taken into consideration and whether the GSPDC might honor/refund security deposits provided to the previous owner. Mary Beth Primo suggested that the GSPDC should pay no heed to past leases or arrangements with past owners, but 'start fresh.' Vito Sciscioli noted that the GSPDC is not subject to the Uniform Relocation Act.

Ms. Wright noted that depending on experience in 2013, the GSPDC may budget for some relocation assistance in 2014, since offering relocation assistance may prevent otherwise necessary eviction expenses, but also noted that she is working with Catholic Charities and the City's Housing Vulnerable Task Force and seeks to utilize other publicly funded relocation resources whenever possible. All agreed that this would be discussed further at a later date.

Jim Corbett motioned to adopt the proposed Policy on Residential Occupant Relocation, with the removal of the underlined portions referencing past leases and security deposits. Dan Barnaba seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION ADOPTING THE POLICY ON RESIDENTIAL OCCUPANT RELOCATION AS AMENDED.**

Logo and Website Design

Ms. Wright explained that she solicited bids for the design of a logo and branding guidelines for the organization from three local graphic design firms. The three bids submitted were as follows: *Giansanti $5,200; Lock 49 $2,900; Crowley $3,500.* Ms. Wright recommended the GSPDC engage the services of the lowest bidder, Lock 49, for the design of a logo and branding guidelines. Mary Beth Primo motioned to contract with Lock 49 for the development of a logo and branding guidelines for the organization. Jim Corbett seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO CONTRACT WITH LOCK 49 FOR THE DEVELOPMENT OF A LOGO AND BRANDING GUIDELINES FOR THE ORGANIZATION.**

Ms. Wright explained that she solicited bids for the development of a website from three local web developers. The bids submitted were as follows: *Eric Barth $7,000-8,000; Crowley $7,500; Lock 49 $7,500.* Ms. Wright recommended the GSPDC engage the services of one of the lowest bidders, Lock 49, for the development of a website, given that they will also be doing the logo and branding guidelines and this would ensure some aesthetic consistency. Mary Beth Primo motioned to contract with Lock 49 for the development of a website. Dwight Hicks seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO CONTRACT WITH LOCK 49 FOR THE DEVELOPMENT OF A WEBSITE.**

<u>Policy Governing Acceptance of Donated Real Property</u>

Ms. Wright noted that property owners who are current on their taxes, but unable to afford property maintenance and management frequently call the City asking about how to donate their property. In some instances the GSPDC may find it advantageous to accept these properties, particularly if they are located in proximity to others already owned by the land bank and may facilitate site assembly or leverage other land bank investments. Furthermore, clear criteria for the types of properties the land bank will not accept via donation will help when these calls are directed to the GSPDC. Vito Sciscioli emphasized the importance of carefully analyzing any properties offered as donations to the land bank.

Dan Barnaba motioned to adopt the proposed Policy Governing the Acceptance of Donated Real Property. Dwight Hicks seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO ADOPT THE PROPOSED POLICY GOVERNING THE ACCEPTANCE OF DONATED REAL PROPERTY.**

<u>Resolution Authorizing the GSPDC to Enter into Real Estate Brokerage Agreements</u>

Ms. Wright explained that upon inspection and evaluation of each property's condition, many shall be listed for sale. Listing with licensed brokers will allow properties to be listed on the Multiple Listing Service and ensure that they are available for showings. Dan Barnaba motioned to authorize the Executive Director to enter into brokerage agreements on behalf of the GSPDC. Jim Corbett seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO BROKERAGE AGREEMENTS ON BEHALF OF THE GSPDC.**

<u>NY Attorney General Community Initiative funds</u>

Ms. Wright explained that the application for these funds is due on September 14th and that she is collaboratively developing an approach that will likely focus on home-ownership in consultation with Home HeadQuarters and the Onondaga County Department of Community Development. The Attorney General has indicated that funding awards will likely range from $1 to $3 million and that a second round of awards would be competitively awarded at a later date. Jim Corbett motioned to authorize the GSPDC to apply for NY Attorney General Community Initiative Funds. Mary Beth Primo seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE GSPDC TO APPLY FOR NY ATTORNEY GENERAL COMMUNITY INITIATIVE FUNDS.**

<u>Policy for Protecting Confidential and Personally Identifiable Information</u>

Ms. Wright explained that the Office of the Attorney General requires that all applicants for Community Initiative Funds have a policy such as this in place, which protects the personal information (such as social security numbers) of any purchase applicants or other clients which the GSPDC may maintain on file. Mary Beth Primo motioned to adopt the Policy Protecting Confidential and Personally Identifiable Information. Dwight Hicks seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO ADOPT THE POLICY PROTECTING CONFIDENTIAL AND PERSONALLY IDENTIFIABLE INFORMATION.**

VII. Discussion

<u>Meetings Schedule</u>

Ms. Wright requested that the September meeting be moved to September 17th due to a conflict with the Center for Community Progress's annual *Reclaiming Vacant Properties Conference* at which she has been asked to speak. Jim

Corbett noted that he is now required and no longer needs to meet at 12:30 PM, others expressed a preference for 8:00 AM meetings. All agreed to move the September meeting to September 17th at 8:00 AM.

<u>Phase II Acquisitions</u>

Ms. Wright noted that Phase II properties to be foreclosed upon by the City of Syracuse will be on the September agenda for the board to consider their acquisition.

<u>County Budget</u>

Ms. Wright reminded the board that Mr. Sciscioli sent a letter to the Mayor requesting an allocation for the land bank in the City's 2013-14 budget and that the County budget cycle is approaching. After some discussion all agreed that Mr. Sciscioli should send a similar request to the County Executive in anticipation of their 2014 budget.

<u>Title Insurance</u>

Mr. Sidd outlined the City's foreclosure process, indicating that a full title search is not completed as part of the foreclosure and that in some instances it may be beneficial to order title insurance in order to identify any title defects. He will continue to research the costs of this and inform the board of his recommendations.

<u>Other Policies Under Development</u>

Ms. Wright indicated that she is currently researching the following policies held by other land banks and that drafts will be developed for the board's review and consideration in coming months:

- Policy Governing Side-Lot Transfers
- Policy on Community Garden and Green Space Leases/Sales
- Policy Determining Consideration Due Upon Property Transfer

At 2:08 PM Mr. Sciscioli motioned to enter executive session for the purposes of considering the employment of a particular individual. Ms. Primo seconded this motion. All board members approved this motion.

At 2:30 PM Mr. Barnaba motioned to close executive session. Mary Beth primo seconded this motion. All board members approved this motion and reported that no action had been taken.

<u>Resolution Authorizing Hiring of Executive Director and Chief Financial Officer</u>

Mr. Barnaba motioned to approve the employment agreement with the Executive Director and Chief Financial Officer. Mary Beth Primo seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION APPROVING THE EMPLOYMENT AGREEMENT WITH THE EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER.**

<u>Resolution Approving a Personnel Policy</u>

Mary Beth Primo motioned to approve the Personnel Policy, as amended, with fringe benefits applicable to the executive director only. Dwight Hicks seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO APPROVE THE PERSONNEL POLICY, AS AMENDED, WITH FRINGE BENEFITS APPLICABLE TO THE EXECUTIVE DIRECTOR ONLY.**

VIII. Adjournment

The meeting was adjourned at 2:40 PM.