# GREATER SYRACUSE LAND BANK

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Minutes
Greater Syracuse Property Development Corporation
BOARD OF DIRECTORS MEETING
Tuesday, October 8, 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, Ben Gray, John Ferguson, Robert Morris, Honorable Bob Dougherty

## I. Call to order

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

## II. Roll Call

Mr. Sciscioli noted that Dan Barnaba would be late.

## 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 of the September 17, 2013 board of directors meeting. Dwight Hicks seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY APPROVED THE MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON SEPTEMBER 17, 2013.**

## V. Discussion

### Title to properties acquired via tax foreclosure

Mr. Sciscioli noted that he'd received a number of inquiries about a perceived delay in closing on the first properties foreclosed upon by the City of Syracuse. Mr. Barnaba arrived at 12:39 P.M. John Sidd and Katelyn Wright explained that the first closing should take longer than normal due to the volume and number of questions that arise in standardizing the process. After some discussion Ms. Wright and Mr. Sidd recommended that the land bank conduct full title searches on particular properties after acquisition, depending on whether the land bank would invest in improvements to the property and the disposition strategy for certain properties which would affect whether buyers will likely obtain a mortgage to purchase the property. Mr. Sidd will continue to review the legal descriptions and deeds for properties transferred to the land bank. For properties for which the City previously sold liens, the notifications issued must be more closely scrutinized as well, in order to avoid later claims to the property and assure that all liens are extinguished at the time of foreclosure.

## VI. Chief Financial Officer's Report

### September Financial Statements

Ms. Wright explained that there was not much financial activity in the month of September, but that once properties are held profit and loss reports would be available by property as well as the organization as a whole and that she will keep running track of the monthly costs of maintaining certain types of property—vacant lots, vacant buildings, and occupied buildings. Ms. Primo suggested that the monthly cost of those property types should also be tracked by property manager. Ms. Wright agreed and also suggested that variability may be attributable to the different geographic territories assigned to each manager, between which the condition of properties would likely vary.

## VII. New Business

### Authorize Acquisition of Certain Parcels of Real Property

Ms. Wright explained that the properties included in the agenda packet, in addition to 19 Lock Street in the Village of Baldwinsville (an occupied, single-family rental property) were recommended for land bank acquisition by Bob Demore of the Onondaga County Community Development Office. She described the characteristics of each property and explained that the land bank might ask the Legislature to set these properties aside from the auction and transfer them to the land bank for a nominal fee, as they do for the Onondaga County Community Development Division, or that the land bank has the option to exercise a "trump bid" at the auction. The "trump bid" is enabled by a recent amendment to the land bank act allowing land banks to bid the amount owed to the municipality and prohibiting any competing bids. Some discussion was had over whether it would be better for the land bank to receive properties by competing at auction with this advantage or to ask for properties through the Legislature. After some discussion Dan Barnaba motioned to pass a resolution authorizing the executive director to acquire the four properties included in the agenda packet and 19 Lock Street in the Village of Baldwinsville for one dollar plus the County's cost of foreclosing. Mary Beth Primo seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ACQUIRE THE FOUR PROPERTIES INCLUDED IN THE AGENDA PACKET AND 19 LOCK STREET IN THE VILLAGE OF BALDWINSVILLE FOR NO MORE CONSIDERATION THAN ONE DOLLAR PLUS THE COUNTY'S COST OF FORECLOSING PER PROPERTY.**

### 2014 Budget

Ms. Wright explained that a budget for the next four fiscal years must be submitted to the Authorities Budget Office 60 days before the end of the fiscal year and that the attached budget is based on a number of assumptions regarding anticipated acquisitions of property and their maintenance costs and would likely require a substantial amendment in early 2014 once average costs of property maintenance were established. Other highlights from the budget include:

- Funding for relocation services in the event tenants are willing and need to be relocated from substandard housing upon acquisition
- Funding for the hiring of an administrative assistant in early 2014
- Funding for the hiring of a construction manager in mid-2014
- Funding for renting a permanent office starting in August 2014

Mr. Barnaba explained that, in his role as treasurer, he and Ms. Wright met and went over the budget and emphasized that the land bank's investment in the maintenance and renovation of buildings would be a business generator. Ms. Primo questioned whether this would really equate to bringing new money into the community. Mr. Barnaba suggested that these would be funds not otherwise spent by the property's owners, and not otherwise collected by the City and County as property taxes, if not for the threat of foreclosure.

There was some discussion of the need to budget for relocation of tenants in substandard housing. Ms. Wright suggested it is preferable to relying only on evictions, but that it appears it will have an increased cost. She indicated that property managers have given her the names of several social service agencies that provide these services and that the City contracts exclusively with Catholic Charities for this service. She will seek unit costs from the various agencies and contract on an as needed basis for the rest of 2013, but that an RFP for these services, depending on the volume of relocations needed, may be advisable. The board members present generally agreed.

Jim Corbett motioned to adopt the budget as presented. Mary Beth Primo seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION ADOPTING THE PROPOSED BUDGET FOR 2014.**

## VIII. Discussion

**Update on County budget hearings**

Ms. Wright explained that the County Legislature was anticipated to approve their 2014 budget that day, with $500,000 for the land bank held in contingency and that it would need to return to the legislature to approve disbursal of funds. She indicated that Bill Fisher stated that the County Law Department would begin drafting a contract regulating the use and disbursal of funds as soon as the budget was passed.

**RFP for Audit Services**

Ms. Wright explained that an independent audit, overseen by the Audit Committee, must be conducted and submitted to the ABO within 90 days of the start of the next fiscal year. Mary Beth Primo motioned to approve the draft RFP for audit services included in the agenda packet. Dwight Hicks seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO ISSUE AN RFP FOR AUDIT SERVICES.**

**Greater Syracuse Land Bank Logo**

Ms. Wright explained the changes made to the logo proposed based on feedback provided by the board at their September 17 meeting and that Lock 49 is finalizing the design of letterhead and business cards and that she'd be working with a sign company to develop signs featuring the logo to be placed on land bank buildings. Dwight Hicks motioned to adopt the logo as presented as the official logo of the Greater Syracuse Land Bank. Mary Beth Primo seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO ADOPT THE LOGO PRESENTED AS THE OFFICIAL LOGO OF THE GREATER SYRACUSE LAND BANK.**

**Establishing a pre-tax premium plan for 2013**

Mary Beth Primo motioned to establish this plan. Jim Corbett seconded the motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO ESTABLISH A PRE-TAX PREMIUM PLAN FOR PAYROLL DEDUCTIONS OF HEALTH INSURANCE PREMIUMS.**

**Procurement v. Co-Development – Attorney General Grant Application Development Partners**

Ms. Wright explained that when the board authorized application for $3 million in attorney general grant funds at the August meeting they discussed collaboratively applying with Home HeadQuarters and Onondaga County Community Development. Ms. Wright went on to explain that the application as submitted proposed partnering with Home HeadQuarters to renovate 40 units of single-family housing and sell them to income-qualified homeowners, 10 units of the same in partnership with Onondaga County Community Development, and that Home HeadQuarters would act as construction manager for approximately 20 demolitions.

In a follow-up call with the Attorney General, they asked what procurement process was followed to select these development partners. Ms. Wright did not interpret this as a procurement, but a partnership, since the land bank did not propose to directly pay either party for services performed. However, Mr. Sidd and Ms. Wright noted, that upon reviewing the procurement policy, the single-source provision did seem to apply to their choice of selection of each partner. Ms. Wright included a memo outlining their eligibility for consideration as single-source providers. Mr. Barnaba expressed that this should have been competitive and the land bank might have partnered with private developers. Ms. Wright explained that there were no other developers in the area with comparable experience with the development of income-restricted housing for owner-occupancy that could take on the quantity proposed in this grant application. Mr. Sciscioli concurred that they were clearly the logical partner for this type of project, having more experience and capacity than any other local entity. Ms. Primo pointed out that Mr. Hicks and Mr. Sciscioli are both on the board of directors of Home HeadQuarters and both agreed that they would abstain from a vote. Mr.

Barnaba asked whether they might have more time to consider the matter and Ms. Wright explained that the Attorney General's office would be announcing fund awards on October 15th.

Mary Beth Primo motioned to pass a resolution declaring that the land bank considers Home HeadQuarters as a State and City certified Community Housing Development Organization (CHDO), City-certified Community Based Development Organization (CBDO), one of two certified Community Development Financial Institutions (CDFIs) within Onondaga County, and the leading producer of income-restricted single-family homes for owner occupancy in the Syracuse area, able to manage 40 substantial renovations in a 24 month period and that Onondaga County Community Development, the sole recipient of County CDBG funds and leading developer of income-restricted housing for home-ownership in the County, uniquely qualified single-source providers for the purposes of this grant application and noting that the terms of a co-development agreement would be finalized at a later date. Mr. Corbett seconded the motion. **MR. CORBETT, MS. PRIMO AND MR. BARNABA VOTED TO ADOPT A RESOLUTION DECLARING THAT THE LAND BANK CONSIDERS HOME HEADQUARTERS AS A STATE AND CITY CERTIFIED COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO), CITY-CERTIFIED COMMUNITY BASED DEVELOPMENT ORGANIZATION (CBDO), ONE OF TWO CERTIFIED COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFIS) WITHIN ONONDAGA COUNTY, AND THE LEADING PRODUCER OF INCOME-RESTRICTED SINGLE-FAMILY HOMES FOR OWNER OCCUPANCY IN THE SYRACUSE AREA, ABLE TO MANAGE 40 SUBSTANTIAL RENOVATIONS IN A 24 MONTH PERIOD AND THAT ONONDAGA COUNTY COMMUNITY DEVELOPMENT, THE SOLE RECIPIENT OF COUNTY CDBG FUNDS AND LEADING DEVELOPER OF INCOME-RESTRICTED HOUSING FOR HOME-OWNERSHIP IN THE COUNTY, UNIQUELY QUALIFIED SINGLE-SOURCE PROVIDERS FOR THE PURPOSES OF THIS GRANT APPLICATION AND NOTING THAT THE TERMS OF A CO-DEVELOPMENT AGREEMENT WOULD BE FINALIZED AT A LATER DATE. MR. SCISCIOLI AND MR. HICKS ABSTAINED.**

## IX. Adjournment

Jim Corbett motioned to adjourn the meeting. Vito Sciscioli seconded this motion. All board members in attendance unanimously agreed to adjourn at 2:00 P.M