GREATER SYRACUSE
LAND BANK

To: Vito Sciscioli, Mary Beth Primo, Jim Corbett

CC: Dwight Hicks, Dan Barnaba, John Sidd, Anna Wilson

From: Katelyn Wright

Date: December 23, 2013

Re: Governance Committee Meeting – January 10, 2014

The Greater Syracuse Property Development Corporation will hold a meeting of the Governance Committee on **Friday, January 10, 2014 at 8:00 A.M.** in the Syracuse/Onondaga County Economic Development Office conference room at 333 W. Washington Street, Syracuse, NY 13202.

I. Call to order

II. Roll Call

III. Proof of Notice – p. 2

IV. Minutes – November 25, 2013 meeting

V. New Business

Substantial amendments to exiting policies and the adoption of several new policies have been recommended by the Land Bank's legal counsel in preparation for the GSPDC's annual meeting (January 21, 2014) at which all GSPDC policies are to be readopted and in order to better comply with Public Authorities Law and guidance from the Authorities Budget Office.

- **Travel and Discretionary Funds Policy** (amendment to Travel Policy adopted on 9/11/2012) **- p. 6**
- **Compensation, Reimbursement, Attendance Policy** (New) **- p. 15**

VI. Discussion

Presentation on deconstruction by Rocci DeCaro and James Shattell of Reclaim Syracuse

VII. Adjournment

GREATER SYRACUSE
LAND BANK

PLEASE POST **PLEASE POST** **PLEASE POST**

PUBLIC MEETING NOTICE

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION

HAS SCHEDULED A MEETING OF THE GOVERNANCE COMMITTEE

FOR

Friday, January 10, 2014

AT 8:00 AM

IN

WASHINGTON STATION
333 West Washington Street, Suite 130
Syracuse, NY 13202

For more information, please contact Katelyn Wright at 315-422-2301 or kwright@syracuselandbank.org

GREATER SYRACUSE LAND BANK

MINUTES
Greater Syracuse Property Development Corporation
GOVERNANCE COMMITTEE MEETING
Monday, November 25, 2013 8:00 A.M.
333 W. Washington Street, Suite 130
Syracuse, NY 13202

Members Present: Vito Sciscioli, James Corbett, Mary Beth Primo
Others Present: Katelyn Wright, John Sidd, Anna Wilson

I. Call to order
Vito Sciscioli called the meeting to order at 8:05 A.M.

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

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

IV. Minutes
Mr. Corbett motioned to approve the minutes from the last meeting of the Governance Committee that was held on December 20, 2012. Ms. Primo seconded the motion. **ALL COMMITTEE MEMBERS PRESENT APPROVED THE MINUTES OF THE GOVERNANCE COMMITTEE MEETING HELD ON DECEMBER 20, 2012.**

V. New Business
Amendments to the Real Property Disposition Policy

There was some discussion of Section 4 of the proposed Policy and the procedures by which the Land Bank may sell property for less than appraised value or less than Fair Market Value in order to attract development consistent with the organization's mission. Mr. Sidd explained that all sales of Land Bank property in furtherance of the Land Bank's mission would fall under section 4g of the proposed Policy, even if in some instances the sales price was equal to or greater than appraised value.

Ms. Wright summarized proposed amendments to the Property Disposition Policy, which had incorporated feedback from elected officials, the Land Bank Citizens Advisory Board, and best practices followed by other Land Banks. She noted that the most significant amendment to the Policy was the addition of Section 5, which defines qualifications and disqualifications for purchasers, empowers Land Bank staff to develop purchase application forms and reject incomplete applications, outlines programs that discount the purchase price for certain types of development, and empowers the Land Bank to utilize financial instruments that act as enforcement mechanisms to ensure the completion of development per the plans presented in purchasers' applications and enforce other terms of sale.

There was some discussion of a sales price discount program intended to encourage energy efficiency upgrades in rental properties in order to promote rental affordability in circumstances in which tenants are responsible for utility costs. The Committee agreed it would be more effective and efficient to implement to strike this program from the Disposition Policy and implement it as a reimbursable grant program available to purchasers of Land Bank properties.

Ms. Wright noted that completion of a homebuyer education course by first-time homebuyers should probably be added to Buyer Qualifications per the Land Bank Citizen Advisory Board's recommendations and that this was missing from the draft presented to the Committee. All agreed that it should be added. There was some discussion of adding a clause allowing the Land Bank Board to add any other project requirements of a redevelopment, in addition to mere Code Compliance and the Committee asked that this clause be added. This was added to the Policy and counsel noted that any exceptions from the policy or additional requirements of sale could be addressed in the Resolution to dispose of a particular piece of the property at the time the Board votes on the disposition.

Ms. Wright suggested that while property owners with current tax-delinquencies are defined as disqualified per this Policy, the City of Syracuse would also like to see property owners who have been foreclosed on for tax-delinquency in the past to be disqualified. She expressed her concern that there was no accurate dataset to track this category of excluded potential buyers further back than when the new tax-collection policy was implemented in 2012 and that even this list would only include those owners whose properties were foreclosed on and transferred to the Land Bank, not owners of properties foreclosed upon and sold to some other third party. The Committee agreed this was better than no dataset at all and that the clause should be added excluding those whose properties were foreclosed on in the past from purchasing property from the Land Bank.

The Committee also requested that "immediate family" be defined, since immediate family of the property's prior owner would be disqualified from applying to purchase property from the Land Bank. There was also discussion about clarifying the requirement for a deposit versus an application fee and the Committee requested that this be amended to remove the requirement for an application fee when deposits are required, but to make a portion of the deposit non-refundable.

Ms. Primo noted that the program intended to encourage police, firefighters, and teachers to locate in the City should specify that the discount only applies to properties intended to be their primary residence. All agreed that this clarification should be added to the Policy.

Ms. Wright explained that Section 5e of the Policy as proposed leaves the Board's options open regarding an enforcement mechanism to ensure the completion of proposed development plans and other terms of sale, but that she and Mr. Sidd had much discussion regarding a mechanism that would achieve this goal in a manner similar to Cuyahoga County Land Bank's "Deed in Escrow" procedure, but that would be consistent with New York state law and would be less likely to jeopardize purchasers' mortgage or construction financing. Mr. Sidd explained that the most feasible option would be to require the purchaser to sign a promissory note secured by a mortgage against the property, which would be forgiven upon satisfaction of the terms of sale and completion of the redevelopment. This would enable the Land Bank to foreclose on the mortgage and reclaim the property if the redevelopment was not completed as promised at the time of sale. The mortgage would be subordinate to any mortgage or construction financing and, while it is not tied to an easily quantified financial obligation, should be of a high enough value that the purchaser is inclined to allow the foreclosure rather than repay the promissory note if faced with foreclosure. Mr. Sidd also stated that the Board would have the discretion to amend the terms of sale or grant an extension if the buyer failed to meet the terms of sale due to extenuating circumstances. All Committee members agreed that this kind of mechanism would be important to achieving the Land Bank's mission.

After some discussion, the Committee unanimously agreed to recommend the revised Property Disposition Policy, including the amendments described above, to the full Board of Directors for adoption at their December meeting, enabling the Land Bank to begin processing purchase applications and disposing of property.

VI. Discussion

Community Gardens

Ms. Wright mentioned that the City of Syracuse had expressed an interest in conveying all existing community gardens on City-owned property to the Land Bank, with some assurance that the Land Bank would allow them to continue operating. Ms. Wright supposed that the section covering community garden leases within the Property Disposition Policy just discussed would suffice and said that she would develop a flyer outlining standard terms for community garden leases that might be distributed to existing gardens, as well as to prospective gardeners.

Jim Corbett recommended that the gardens coordinate with Save the Rain for potential site improvements and rain water capture. Ms. Wright expressed optimism that consolidation of all 'surplus' vacant lots owned by the City and of public land potentially available for garden leases under single-ownership would provide consistency and predictability, so that the public might better understand the process, if well publicized via the Land Bank's website, to lease and operate a community garden. Mary Beth Primo, Vito Sciscioli, and Jim Corbett all agreed that the acquisition of existing gardens would be helpful for advertising the availability of other Land Bank properties for gardening purposes.

Ms. Wright also suggested that the Land Bank might generate interest in community garden leases by conducting a competition among existing or potential community garden lessees for mini-grants to fund site-improvements. Mary Beth Primo suggested perhaps Home Depot, Lowes, or another local store may donate supplies for such a competition.

VII. Adjournment

Jim Corbett motioned to adjourn the meeting. Mary Beth Primo seconded this motion. **ALL COMMITTEE MEMBERS PRESENT UNANIMOUSLY AGREED TO ADJOURN THE MEETING AT 9:13 A.M.**

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
TRAVEL AND DISCRETIONARY FUNDS POLICY

SECTION 1. PURPOSE AND APPLICABILITY. This Travel and Discretionary Funds Policy (the “Policy”) shall apply to every member of the Greater Syracuse Property Development Corporation (the "Land Bank) and all officers and employees thereof. The purpose of this Policy is to protect against the use of discretionary funds for purposes that do not advance the Land Bank's mission and purpose. This Policy is adopted in accordance with Public Authorities Law §2824(1)(b), which requires the Land Bank to adopt a policy governing travel, and the Authorities Budget Office Recommended Governance Practice encouraging all state and local authorities to adopt a policy on the proper use of discretionary funds that incorporates the legal principals set forth in Opinion No. 2007-F4 of the Office of the Attorney General.

SECTION 2. USE OF DISCRETIONARY FUNDS. The expenditure of Land Bank funds must relate to an enumerated power, duty or purpose of the Land Bank. Land Bank funds may not be spent in a manner that supports the private or personal interests of any member, officer or employee or benefits any member, officer or employee individually.

SECTION 3. PRIOR APPROVAL. Any expenditure of discretionary funds in excess of Fifty Dollars ($50.00) and all official travel for which a reimbursement will be sought shall be approved by the Executive Director prior to such expenditure and shall fall within the Land Bank’s current budget allocations. Provided, however, in the instance where the Executive Director seeks an expenditure of discretionary funds, such expenditure must be pre-authorized by the Chairman. The Executive Director or the Chairman, as the case may be, shall review the proposed expenditure and approve such expenditure only if it (i) primarily benefits the Land Bank as opposed to an individual member, officer or employee; (ii) advances a power, duty, or purpose of the Land Bank; and (iii) is reasonable and necessary.

SECTION 4. TRAVEL.

a. **Payment of Travel.** The Land Bank will reimburse all reasonable expenses related to meals, travel and lodging that were incurred by any director, officer or employee as a result of the performance of their official duties. All official travel shall be properly authorized, reported and reimbursed. Under no circumstances shall expenses for personal travel be charged to, or temporarily funded by, the Land Bank. It is the traveler’s responsibility to report his or her travel expenses in a responsible and ethical manner, in accordance with this policy.

b. **Travel Expenses.** Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi or using alternative transportation. The traveler will be reimbursed at a standard mileage reimbursement rate as set by the Internal Revenue Service. Travelers will use due diligence to obtain the lowest cost for travel expenses.

c. **<u>Documentation</u>.**

i. **Travel Expense Voucher**. A travel expense voucher reporting all expenses pertaining to a particular approved trip must be submitted to the Treasurer of the Land Bank within 45 days of the end of the trip. The travel expense voucher should include:

1. Date and time of departure from and return to the office of the Land Bank or traveler's residence;

2. Purpose of the travel or the nature of the business benefit derived as a result of the travel;

3. Whether or not the expenses incurred during the travel were pre-approved; and

4. The amount of each expenditure, listed by date and location.

ii. **Receipts**. The original of the following receipts must be submitted along with the travel expense voucher:

1. All travel tickets (i.e. airline tickets, train tickets, rental car agreement);

2. All meal receipts (i.e. signed credit card slips or payment stubs); and

3. All lodging receipts (i.e. hotel, motel receipts).

iii. **Final Approval**. The Treasurer shall review each travel expense voucher in order to ensure that the traveler has provided adequate substantiation and to determine whether the expenses listed therein are reasonable. The Treasurer may require a traveler to submit additional substantiation and, if the Treasurer finds a particular expense to be unreasonable (either as to amount or purpose), the Treasurer may deny reimbursement of the expense or reduce the amount of the reimbursement for such expense. In instances where the Treasurer seeks approval for his or her own travel expenses, the Chairman shall review the travel expense voucher and make the determinations set forth in this subsection (iii) of section 4(c).

SECTION 5. APPROPRIATE EXPENDITURE GUIDANCE.

A. **Membership Dues**. Membership dues paid by the Land Bank to belong to a professional peer organization are generally a permissible use of Land Bank funds. However, individual membership costs for board members, officers and employees to belong to a professional, social, or fraternal organization is an impermissible use of Land Bank funds.

B. **Charitable Contributions and Sponsorships**. The appropriateness of any sponsorship or charitable contribution will depend on whether it relates to the powers, duties and purposes of the Land Bank and whether such expenditure will advance the Land Bank's core mission and public purposes.

C. **Food and Beverages**. With the exception of food and beverage purchases during business travel as provided in the Land Bank's Travel Policy, purchases of food and beverages for the personal consumption of members, officers or employees shall not be considered an appropriate use of Land Bank discretionary funds. However, expenditures for food and beverages purchased for or during the conduct of Land Bank meetings and conduct of business with persons that do, or may do, business with the Land Bank may be an appropriate expenditure of Land Bank discretionary funds, provided the expense is reasonable in light of the circumstances surrounding the Land Bank activity and is approved as set forth herein.

D. **Professional Training and Conferences**. Paying the costs to attend training or professional conferences may be an appropriate expenditure of Land Bank discretionary funds, provided it is approved as set forth herein.

E. **Marketing**. Paying costs incurred in the course of marketing the Land Bank's properties to potential buyers and maintaining relations with existing industries, businesses and supporting partners in furtherance of the Land Bank's mission is an appropriate expenditure of Land Bank discretionary funds, provided it is approved as set forth herein.

SECTION 6. IMPROPER USES OF DISCRETIONARY FUNDS. Land Bank discretionary funds shall not be used for any expense intended to personally benefit a member, employee, or officer. Examples of improper uses of discretionary funds include the following: (i) purchases of alcohol or tobacco products; (ii) renewal of professional licenses for Land Bank employees; (iii) purchases of flowers, gifts, or cards for Land Bank members, officers, or employees; (iv) celebrations for special occasions that do not directly relate to a public purpose of the Land Bank; and (v) personal use of Land Bank vehicles, unless properly documented for tax purposes.

RESOLUTION NO. 15 OF 2012

The Greater Syracuse Property Development Corporation met in Regular Session at 333 West Washington Street, Syracuse, New York, on September 11, 2012, at 12:30 P.M.

The meeting was called to order. Upon the roll being duly called, the following members were:

PRESENT: Mary Beth Primo, Daniel Barnaba, James Corbett, Vito Sciscoli, and Dwight L. Hicks.

ABSENT:

The following Resolution was offered and duly seconded, to wit:

RESOLUTION TO ADOPT A TRAVEL POLICY

WHEREAS, Public Authorities Law § 2824(1)(e) requires the Board of the Greater Syracuse Property Development Corporation to establish a Travel Policy for reimbursement to Board members, officers, and employees for authorized and necessary travel expenses incurred in the pursuit of Corporate Business; and

WHEREAS, the proposed Travel Policy was reviewed and forwarded from the Governance Committee on August 29, 2012; and

WHEREAS, the Members of the Corporation have received the proposed Travel Policy, have had the opportunity to review it, and said proposed Travel Policy is attached to this Resolution as Appendix "A".

NOW, THEREFORE, BE IT RESOLVED by the Corporation that:

1. The Corporation hereby adopts the Travel Policy attached to this resolution as Appendix "A"

The question of the adoption of the foregoing Resolution was duly put to vote on a roll call, which resulted as follows:

Yes: Mary Beth Primo, Daniel Barnaba, James Corbett, Vito Sciscoli, and Dwight L. Hicks.

No:

The foregoing Resolution was thereupon duly adopted.

APPENDIX "A"

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
TRAVEL POLICY

Purpose & Applicability

This policy furnishes the requirements for obtaining reimbursement of authorized and necessary travel expenses incurred in the pursuit of Corporate business. These guidelines apply to members of the Corporation, staff employed directly by the Corporation, and officers of the Corporation when travel costs are directly reimbursed by the Corporation.

Requirements

Prior notice of at least ten (10) days must be given to the Chairman of the Corporation for any travel expenses for which reimbursement is or will be requested. A Statement of Travel Purpose and Expenses form signed by the individual shall be included with the notice and submitted in advance to the Chairman of the Corporation. Travel on behalf of the Corporation must be approved by the Chairman before any trip is taken.

Travel Expenses

Reimbursable expenses are considered to be those which are actual, necessary, and reasonable. The Corporation will reimburse members and employees for these expenses provided that the travel was approved by the Chairman prior to the trip being taken, and all required supporting documentation is presented with the reimbursement request.

A. Registration fees associated with meetings and conferences are reimbursable.
These fees may be paid in advance of the event if required. When a Corporation member or employee pays a registration fee a receipt must be presented at the time of reimbursement.

B. Transportation should be arranged in the most economic manner possible. Air travel should be by coach or economy accommodations and made in advance to take advantage of lower fare rates.

C. Privately owned vehicle mileage reimbursement is authorized when travel is performed in the pursuit of Corporation business and the conditions of the travel, including the convenience of Corporation members, make it either economical or equal to the cost of a common carrier. A car rental fee may prove to be more economical than reimbursement for mileage on privately owned vehicles, and shall be used if it results in a lower expense to the Corporation. Reimbursement of rental cars will be limited to the full size rate or lower. When privately owned vehicles are used, the mileage reimbursement rate will be at a rate allowed by the IRS. The rules of reason and necessity will be applied to travel routes.

D. Reimbursements for parking and tolls incurred on Corporation business will be allowed when receipts are provided to substantiate the charges.

E. Lodging rates must be actual and supported by an itemized, paid bill for reimbursement. If sales tax exemption applies (New York State), then a completed Tax Exemption Certificate must be presented when the employee registers. Reimbursement will not be made on sales tax paid.

F. Meal rates will be on a per diem basis unless restricted by other laws or regulations, or reimbursed as part of a conference or seminar up to a maximum per diem rate of $46.00. The per diem rate in Washington, D.C. and New York City will be based on the United States General Services Agency (GSA) per diem meal and incidental rates posted on its web site (www.gsa.gov). Other "major" cities will be considered for such indexed meal reimbursements on a situational basis.

Daily Maximum per Meal – Outside Washington D.C. and New York City
The Corporation will reimburse meals as follows:

Leave before 7:00am or return after 8:00am, breakfast will be allowed at an allowance of $7:00
Leave before 11:30am or return after 2:00pm, lunch will be allowed at an allowance of $11.00

Leave before 6:00pm or return after 7:00pm, dinner will be allowed at an allowance of $23.00

The above rates include gratuity and applicable taxes.

Meals associated with a conference or seminar can be reimbursed over the per diem rate provided that a flyer, brochure, or itinerary from the conference is attached as supporting documentation stating the cost of the meal, and the employee provides a paid receipt. This also applies to conferences and seminars that are held within Onondaga County.

Per diem rates for meals included in the registration fee and/or provided as part of a conference or seminar will not be reimbursed.

G. Tipping for meal service is included for in the per diem. Tipping for any activity or service rendered may not be claimed.

H. Telephone and postage charges relating to official business will be reimbursed provided a statement is furnished showing the service was rendered, as well as the date of service.

I. Non-reimbursable expenses include laundry, valet service, entertainment, alcohol, or personal items.

Submission for travel reimbursement shall be in written form and include the claimant's name, the date each item of expense was incurred and the places between which travel was performed, and a short explanation as to the purpose of the travel.

Except for meals, whenever receipts are available, claimant must provide them.

STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss.:

I, the undersigned, Dwight L. Hicks, Secretary of the Greater Syracuse Property Development Corporation, DO HEREBY CERTIFY:

That I have compared the foregoing extract of the minutes of the meeting of the Greater Syracuse Property Development Corporation including the resolution contained therein, held on the 11th day of September 2012, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Greater Syracuse Property Development Corporation and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Greater Syracuse Property Development Corporation had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Greater Syracuse Property Development Corporation present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Greater Syracuse Property Development Corporation this 30 day of November, 2012.

Dwight L. Hicks

Dwight L. Hicks, Secretary

Greater Syracuse Property Development Corporation
COMPENSATION, REIMBURSEMENT AND ATTENDANCE POLICY

The directors of the Greater Syracuse Property Development Corporation (the "Land Bank") shall serve without salary. Directors may be reimbursed for reasonable and necessary expenses incurred in the discharge of their duties, including travel expenses in accordance with the Land Bank's Travel and Discretionary Funds Policy, as such policy may be amended from time to time.

The employees of the Land Bank, if any, shall serve at the pleasure of the Land Bank at such compensation levels as may be approved by the Land Bank from time to time and may be reimbursed for reasonable expenses incurred in the performance of Land Bank duties, including travel expenses in accordance with the Land Bank's Travel and Discretionary Funds Policy, as such policy may be amended from time to time.

The directors of the Land Bank shall be available as required to perform the operations of the Land Bank as may be required by law and set forth within the By-Laws of the Land Bank, as may be amended, restated or revised from time to time. The directors shall put forth their best efforts to perform their respective duties as may be required by law and as outlined in the By-Laws of the Land Bank and any other directives, policies or procedures of the Land Bank. As a quorum is required for the Land Bank to conduct business, the directors, together with the Executive Director, are expected to attend all regular and special meetings of the Land Bank.

Adopted January __, 2013