

A meeting of the Board of Directors of the Greater Syracuse Property Development Corporation ("GSPDC") was convened in public session at the offices of the GSPDC located at 333 West Washington Street, Suite 130, Syracuse, New York 13202 on August 19, 2014 at 8:00 a.m.

The meeting was called to order by the Chairman and, upon roll being called, the following directors of the GSPDC were:

PRESENT:

Vito Sciscioli, Chair
Daniel Barnaba, Treasurer
James Corbett
Julie Cerio

ABSENT:

Dwight L. Hicks, Secretary

FOLLOWING PERSONS WERE ALSO PRESENT:

Katelyn Wright	Executive Director
John P. Sidd, Esq.	GSPDC Counsel

The following resolution was offered by Julie Cerio, seconded by Jim Corbett, to wit:

Resolution No.: 29 of 2014

**RESOLUTION AUTHORIZING THE SALE OF
MULTIPLE PARCELS OF REAL PROPERTY**

WHEREAS, New York Not-For-Profit Corporation Law §1609(d) authorizes the GSPDC to convey, exchange, sell, or transfer any of its interests in, upon or to real property; and

WHEREAS, New York Not-For-Profit Corporation Law §1605(i)(5) requires that a sale of real property be approved a majority vote of the Board of Directors; and

WHEREAS, Section 4 of the GSPDC's Disposition of Real and Personal Property (the "Property Disposition Policy") permits the GSPDC to dispose of property for less than fair value by negotiation when the disposal is within the mission, purpose, or governing statute of the GSPDC, subject to obtaining such competition as is feasible under the circumstances; and

WHEREAS, Section 4 of the Property Disposition Policy also permits the GSPDC to dispose of property by negotiation when the fair market value of the property does not exceed Fifteen Thousand Dollars (\$15,000.00), subject to obtaining such competition as is feasible under the circumstances; and

WHEREAS, all disposals of GSPDC property must be made to qualified buyers pursuant to Section 5 of the Property Disposition Policy; and

WHEREAS, the GSPDC owns certain parcels of real property situate in the City of Syracuse, County of Onondaga, and State of New York and more particularly identified on the Properties List attached hereto as Schedule A (individually, a "Property" or collectively, the "Properties"); and

WHEREAS, each Property's appraised fair market value is set forth on the Properties List; and

WHEREAS, GSPDC staff, after evaluating all purchase offers received for the Properties in accordance with the Property Disposition Policy, have recommended that the GSPDC sell each Property to the corresponding Buyer identified on the Properties List (individually, a "Buyer" or collectively, the "Buyers") in accordance with the terms and conditions set forth therein; and

WHEREAS, GSPDC staff have determined that each Buyer is a qualified buyer; and

WHEREAS, the GSPDC has obtained such competition as is feasible under the circumstances for each Property by advertising the Property on its website and/or listing the Property with a licensed real estate broker; and

WHEREAS, if any Property with a fair market value exceeding Fifteen Thousand Dollars (\$15,000) is being disposed of by negotiation, whether or not the Property's purchase price exceeds its fair market value, GSPDC staff have determined that selling the Property to the proposed Buyer will benefit the public by increasing tax revenues, helping to enhance property values in the neighborhood in which the Property is located, and/or abating safety hazards that may be present at the Property; and

WHEREAS, as each Buyer's plans are consistent with the mission, purpose and governing statute of the GSPDC, the Property Disposition Policy permits the GSPDC to sell each Property to the corresponding Buyer by negotiation; and

WHEREAS, if any Property is being disposed of for less than fair market value, the Board of Directors (the "Board") has considered the information set forth in Section 4(g)(ii) of the Property Disposition Policy and has determined that there is no reasonable alternative to the proposed transfer that would achieve the same purpose of such transfer; and

WHEREAS, the GSPDC desires to sell each Property to the corresponding Buyer identified on the Properties List at the price which was offered by each Buyer, as set forth on the Properties List; and

WHEREAS, as may be noted on Properties List, the GSPDC shall require certain Buyers to execute and deliver a Development Enforcement Note and Mortgage to ensure that the Buyer fulfills its development and use commitments to the GSPDC.

NOW, THEREFORE, BE IT RESOLVED BY THE GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION AS FOLLOWS:

Section 1. The recitals above are hereby incorporated into this Resolution as if fully set forth herein.

Section 2. The Members of the Board hereby authorize the GSPDC to sell each Property to the corresponding Buyer identified on the Properties List and authorize the Executive Director to enter into a Contract to Purchase with the GSPDC as seller and the Buyer as buyer with respect to each Property. Each Contract to Purchase will be agreeable in form and content to the Executive Director and GSPDC counsel.

Section 3. The Chairman, Vice Chairman and the Executive Director of the GSPDC are each hereby authorized and directed to execute all documents on behalf of the GSPDC which may be necessary or desirable to further the intent of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 4. The other officers, employees and agents of the GSPDC are hereby authorized and directed for and in the name and on behalf of the GSPDC to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution.

Section 5. This Resolution shall take effect immediately.

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

Vito Sciscioli	VOTING	<u>Yes</u>
Daniel Barnaba	VOTING	<u>Yes</u>
Dwight L. Hicks	VOTING	<u>Excused</u>
James Corbett	VOTING	<u>Yes</u>
Julie Cerio	VOTING	<u>Yes</u>

The foregoing Resolution was thereupon declared and duly adopted.

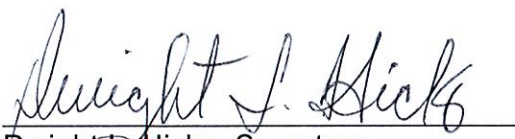
STATE OF NEW YORK)
COUNTY OF ONONADAGA) ss.:

I, the undersigned Secretary of the Greater Syracuse Property Development Corporation (the "GSPDC"), DO HEREBY CERTIFY, that I have compared the foregoing extract of the minutes of the meeting of the directors of GSPDC, including the Resolution contained therein, held on August 19, 2014 with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of GSPDC and of such Resolution set forth therein and of the whole of said original so far as the same related to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all directors of GSPDC had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the directors of GSPDC present through 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of GSPDC this ____th day of _____, 2014.


Dwight L. Hicks, Secretary

"Schedule A"



August 19, 2014 Sales Summary

1) 225 Malverne Drive – vacant single-family house

Date Acquired: 1/8/14

Asking Price: \$34,800

Listed: 6/26/14

Appraised Value: \$20,000

Broker: Willowbank Company

This property is included in the Home-Ownership Choice program. Based on the Land Bank's disposition policies I recommend sale to Theresa White with an enforcement mortgage to be forgiven once all proposed renovations are made and the home has been sold to and occupied by an owner-occupant.

225 Malverne Drive Purchase Offer	
Applicant	Theresa White
Offer	\$26,000
Plan	Renovate and Sell to an Owner-Occupant
Notes/Recommendations	Buyer has a thorough renovation plan and plans to invest more than \$47,000 in the property and will do new roof, windows, siding, furnace, kitchen, bathroom, and finishes throughout the home. Plans to sell in the high '80s.

2) 102 Elsner – vacant single-family house

Date Acquired: 3/26/14

Asking Price: \$54,000

Listed: 7/18/14

Appraised Value: \$35,000

Broker: Tempo Enterprises

The Stalwart Fund is a charitable organization assisting the Northside Learning Center in the renovations of the former Holy Trinity Church complex on Park Street and its conversion to a mosque to serve the many Muslim immigrants to the City's Northside. In addition to being a religious facility, the Northside Learning Center is utilizing the former school for English language and life-skills classes and after school activities for children and families. The former rectory is being converted to a community center. The group is interested in acquiring housing in the surrounding area to stabilize the neighborhood around this project and to provide quality housing for the families participating in their programs and using the Mosque. The proposal is adequately financed and their team includes many with construction experience. They plan to utilize the team of skilled contractors currently working on the Holy Trinity buildings and hope to provide on-the-job training to many neighborhood residents. Representatives of this group will be present to answer any questions. Their offer is contingent on all five properties being awarded to them. Despite the low purchase offers, these structures need extensive investment and there is low demand for them, pro forma analysis shows that they will be financially sustainable, but on a very narrow margin as a nonprofit venture.

This property is included in the Home-Ownership Choice program. Based on the Land Bank's disposition policies I recommend sale to the Stalwart Fund with an enforcement mortgage to be forgiven once all proposed renovations are made and the home has been sold to and occupied by an owner-occupant.

102 Elsner Purchase Offer	
Applicant	Stalwart Fund
Offer	\$20,000
Plan	Renovate and Sell to an Owner-Occupant
Notes/Recommendations	Buyer plans to invest more than \$47,000 in the property.

"Schedule A"

3) 107 Hartley Street – vacant single-family house

Date Acquired: 12/4/13

Asking Price: \$14,900

Listed: 1/7/14

Appraised Value: \$13,000

Broker: Tempo Enterprises

Based on the Land Bank's disposition policies I recommend sale to the Stalwart Fund with an enforcement mortgage to be forgiven once all proposed renovations are made.

107 Hartley Street Purchase Offer		
Applicant	Stalwart Fund	Noor Ahmed
Offer	\$5,000	\$1,000
Plan	Renovate and operate as a rental	Renovate and operate as a rental
Notes/Recommendations	Plans to invest \$51,000 in renovation	Plans to invest \$16,000 in renovation

4) 125 Carbon Street – vacant two-family house

Date Acquired: 11/20/13

Asking Price: \$15,299

Listed: 1/7/14

Appraised Value: \$11,000

Broker: Tempo Enterprises

Based on the Land Bank's disposition policies I recommend sale to the Stalwart Fund with an enforcement mortgage to be forgiven once all proposed renovations are made.

125 Carbon Street Purchase Offer		
Applicant	Stalwart Fund	Noor Ahmed
Offer	\$5,000	\$11,000
Plan	Renovate and operate as a rental	Renovate and operate as a rental
Notes/Recommendations	Plans to invest \$62,000 in renovation	Plans to invest \$19,000 in renovation

5) 242 Hier – vacant single-family house

Date Acquired: 3/12/14

Asking Price: \$30,000

Listed: 7/28/14

Appraised Value: \$18,000

Broker: Tempo Enterprises

Based on the Land Bank's disposition policies I recommend sale to the Stalwart Fund with an enforcement mortgage to be forgiven once all proposed renovations are made.

242 Hier Purchase Offer	
Applicant	Stalwart Fund
Offer	\$1,000
Plan	Renovate and operate as a rental
Notes/Recommendations	Buyer plans to invest more than \$44,000 in the property.

6) 104 Hier – vacant single-family house

Date Acquired: 3/12/14

Asking Price: \$24,900

Listed: 8/1/14

Appraised Value: \$7,000

Broker: Tempo Enterprises

Based on the Land Bank's disposition policies I recommend sale to the Stalwart Fund with an enforcement mortgage to be forgiven once all proposed renovations are made.

104 Hier Purchase Offer	
Applicant	Stalwart Fund
Offer	\$1,000
Plan	Renovate and operate as a rental
Notes/Recommendations	Buyer plans to invest more than \$44,000 in the property.

"Schedule A"

7) 404 Spring Street – vacant single-family house

Date Acquired: 2/13/14

Asking Price: \$39,000

Listed: 7/18/14

Appraised Value: \$24,000

Broker: Tempo Enterprises

This property is included in the Home-Ownership Choice program. Based on the Land Bank's disposition policies I recommend sale to the Claudio Inacio with an enforcement mortgage to be forgiven once all proposed renovations are made and the buyer establishes the home as their primary residence.

404 Spring Purchase Offer	
Applicant	Claudio Inacio
Offer	\$15,000
Plan	Renovate and owner-occupy
Notes/Recommendations	Buyer plans to invest \$9,000 in the property.

8) 537 Dewitt Street – partially occupied two-family house

Date Acquired: 12/4/13

Asking Price: \$80,000

Listed: 7/1/14

Appraised Value: \$78,000

Broker: Syracuse Realty Group (Sutton Company)

Based on the Land Bank's disposition policies I recommend sale to Valerie Roundtree with an enforcement mortgage to be forgiven once all proposed renovations are made and Ms. Roundtree has occupied the property.

537 Dewitt Street Purchase Offers					
Applicant	Joscelyne Wilson	Katrina Peluso	Valerie Roundtree	Leonard Brown	Calvin Howard
Offer	\$80,000	\$70,000	\$80,000	\$83,000	\$75,500
Plan	Owner Occupy	Owner Occupy	Owner Occupy	Owner Occupy	Owner Occupy
Renovation	No renovation plan	No renovation plan	Plans to invest \$25,000 in improvements	No renovation plan	No renovation plan
Financing	Mortgage financed; pre-qualified FHA	Mortgage financed; pre-approved FHA	Mortgage financed; approved FHA	Mortgage financed; pre-approved FHA	Mortgage financed; pre-qualified FHA
Other Notes	Would be contingent on homebuyer education course	Syracuse teacher would like to utilize this program		Would be contingent on homebuyer education course. Is a Syracuse Police Officer and would like to participate in this discount program.	Would be contingent on homebuyer education course

9) 1600 S. Geddes – vacant four-unit apartment building,

Date Acquired: 3/12/14

Asking Price: \$49,900

Listed: 7/1/14

Appraised Value: \$30,000

Broker: Sutton Real Estate Company

This is a unique property in that the former owner gutted it to the studs, installed new electrical and windows, and then walked away from the property. Located in a neighborhood that largely consists of single- and two-family homes, its use as a four-unit apartment building predates the zoning code and we have obtained written

"Schedule A"

confirmation from Zoning that this is a grandfathered use. The building's attic was converted to a fifth unit, but this is not legally rentable space.

Sutton recommended listing at \$50,000 and expected it would require \$60,000 of renovation – resulting in a capitalization rate of approx. 15%. MEM Development's offer and planned investment would result in a cap rate of 18% assuming no overages in the renovation costs. MEM Development is owned by Michael Mahoney, brother of County Executive Joanne Mahoney. Responsive to our Community's proposal would result in a cap rate of 2%, consistent with their nonprofit status. While their plan is consistent with the Land Bank's mission and focus on affordable housing is laudable, their proposal:

- lacks proof of funds sufficient to cover renovation costs or even closing costs and year1 carrying costs,
- their budget has indicated the use would be exempt from property taxes, but affordable rentals are typically taxable (with only a 2% cap rate this minor shift in the annual operating budget pushes the project precariously close to being unsustainable from an operating standpoint),
- anticipates it will take 19 months to renovate and gain a certificate of occupancy,
- because this affordable housing is purportedly not receiving federal or state subsidy that would subject it to any income-monitoring by a third party, the Land Bank would have to develop a process for annually auditing the property to ensure that it remains "affordable" (definition to be defined) for an appropriate period of time in exchange for the reduced sales price. The Land Bank's current disposition policy offers steep discounts for affordable housing developments where enforcement of an affordability period will be ensured by some other funder.

Note: We did receive an incomplete application for \$2,500 from a group wishing to renovate the house for market-rate rentals but meeting LEED standards for energy efficiency and utilizing cutting-edge technologies. They did not respond to my requests for follow up information and did not include the application form, purchase contract, deposit, a concisely itemized renovation budget, or proof of funds sufficient to complete the project.

Based on the Land Bank's disposition policies and application requirements I recommend sale to MEM Development, LLC with an enforcement mortgage to be forgiven once all proposed renovations are made.

1600 S. Geddes Purchase Offer		
Applicant	MEM Development, LLC	Responsive to our Community, Inc.
Offer	\$32,000	\$1
Plan	Renovate and operate as a market-rate rental	Renovate and operate as a rental for DSS/Section 8 recipients
Notes/Recommendations	Plans to invest \$63,000 in renovation	Plans to invest \$150,000 in renovation

10) 229-31 Glenwood – buildable, vacant residential lot

Date Acquired: 7/2/14

Asking Price: any offer will be considered Appraised Value: \$1,500

Listed: 7/2/14 – on LB website Broker: N/A

Based on the Land Bank's disposition policies I recommend sale to EDB Rentals, LLC, owner of the property next door, with transfer of title to occur upon purchaser's submission of a resubdivision application to the Syracuse Zoning Office to combine this lot with her adjacent property.

229-31 Glenwood Purchase Offer	
Applicant	EDB Rentals, LLC
Offer	\$155
Plan	Expand yard, fence and landscape
Notes/Recommendations	n/a

"Schedule A"

11) 318 Curtis Street – vacant single-family house

Date Acquired: 10/9/13

Asking Price: \$47,920

Listed: 5/6/14

Appraised Value: \$43,000

Broker: Syracuse Realty Group (Sutton Company)

Based on the Land Bank's disposition policies I recommend sale to Dynamax Realty, Inc. with an enforcement mortgage to be forgiven once all proposed renovations are made. The property has been on the market for more than three months and no other offers have been received. Was initially in the Home-Ownership Choice program, but that classification was removed after 90 days.

318 Curtis Street Purchase Offer	
Applicant	Dynamax Realty, Inc.
Offer	\$18,900
Plan	Renovate and operate as a rental
Notes/Recommendations	Buyer has already successfully renovated three properties purchased from GSLB and is completing the fourth. Plans to invest \$27,500 in this property. Dynamax did renovate a single-family home one block away with the intention of making it a rental, but sold it to an owner-occupant once an offer was made.

12) 130 Darlington Road – vacant single-family house

Date Acquired: 12/4/13

Asking Price: \$58,410

Listed: 5/28/14

Appraised Value: \$45,000

Broker: Syracuse Realty Group (Sutton Company)

Based on the Land Bank's disposition policies I recommend sale to Dynamax Realty, Inc. with an enforcement mortgage to be forgiven once all proposed renovations are made. The property has been on the market for 2 ½ months and no other offers have been received. Was initially in the Home-Ownership Choice program, but that classification was removed after 60 days.

130 Darlington Road Purchase Offer	
Applicant	Dynamax Realty, Inc.
Offer	\$25,900
Plan	Renovate and operate as a rental
Notes/Recommendations	Buyer has already successfully renovated three properties purchased from GSLB and is completing the fourth. Plans to invest \$19,000 in this property.

13) 678 W. Onondaga – vacant office building (converted from a historic single-family house)

Date Acquired: 7/2/14

Asking Price: \$29,900

Listed: 7/15/14

Appraised Value: \$16,000

Broker: Sutton Real Estate Company

678 W. Onondaga Street Purchase Offer	
Applicant	Lyman Frank Baum Foundation, Inc.
Offer	\$1,000
Plan	Renovate and operate as a Wizard of Oz museum, operating costs supported by rental units in the rear of the structure
Notes/Recommendations	See discussion below

Based on the Land Bank's disposition policies I recommend sale to Lyman Frank Baum Foundation, Inc. with closing contingent on the following information being provided within six months of today's date and subject to an

“Schedule A”

enforcement mortgage to be forgiven upon project completion and furthermore requiring that progress benchmarks for completion of income-generating units and for completion the total project be met.

Information that must be provided prior to closing:

- Itemized renovation budget
- Accurate operating budget
Must reflect taxes for year 1 carrying costs and for subsequent years either provide written confirmation from the Department of Assessment that the proposed use will be exempt and that this will take effect as of the next taxable status date OR include taxes throughout the remained of the operating budget.
- Proof of Funds (in hand) sufficient to cover Year 1 carrying costs
- Identify the specific source(s) of funds for Phase I: renovation of the income-producing units
The applicant intends to hold fundraisers and apply for certain grants. It is not clear that the renovation of income-generating units would be an allowable expense under any of those grants or if donors will be willing to fund the 'non-museum' portion of the project. Provide more detail on construction financing that will be used if necessary and specific source of funds to complete Phase I of the project: renovation of income-producing units.
- Authorization to Purchase
Meeting minutes or a written resolution by the Frank Baum Foundation Board of Directors authorizing purchase of the house