



Minutes

Greater Syracuse Property Development Corporation
BOARD OF DIRECTORS MEETING
Tuesday, April 21, 2015 8:00 A.M.
431 E Fayette Street, Suite 375
Syracuse, NY 13202

Board Members Present: Vito Sciscioli, Daniel Barnaba, Dwight L. Hicks, Julie Cerio and Jim Corbett

Others Present: Katelyn Wright, John Sidd, Kate Palermo, Ben Gray, Pat Stanczyk, Phil Berrigan, Jim Grooms, Gwen Battle, Kerry Quaglia, James Dread, Crystal Cosentino, Honorable Bob Dougherty, Anna Wilson, Kathleen Discenna, Stephanie Pasquale, Mohamad Galal, Khaled Doka, Bob Morris, Dionna Cassoni, Joshua Anderson, Sharon Sherman

I. Call to Order

Vito Sciscioli called the meeting to order at 8:08 A.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

Ms. Cerio moved to approve the minutes from March 18 and March 27. Dan Barnaba seconded this motion. **All board members present unanimously moved to approve the minutes from March 18 and March 27, 2015.**

V. New Business

A. Procure Directors & Officers' Insurance

Ms. Wright explained that the organization's current policy is up for renewal May 17 and that the Land Bank had initially obtained this policy through Haylor, Freyer, & Coon but that she'd enlisted Mr. Grooms of Brown & Brown Empire State to re-bid this policy for the Land Bank as he's recently obtained D&O coverage for several other NY Land Banks at rates lower than what the GSPDC is currently paying and Brown & Brown handles the organizations general liability and premises based liability insurance policies.

Mr. Grooms informed the board of directors that he'd obtained quotes from Darwin National Assurance, National Union Insurance Co. of Pittsburgh, and ACE and that the Land Bank's current provider, Darwin National, came in with the lowest rates, although it was a slight increase over last year's rates – from \$4,720 to \$4,831 (both with taxes/fees included).

He noted that one additional carrier had been queried, but hadn't responded yet. Ms. Wright noted that due to the renewal date the low bid from those already received could be approved now or the board could reconvene for a special meeting if a lower bid came in. Mr. Grooms explained that he'd done considerable research on how much coverage was appropriate and recommended \$1 million in coverage should be sufficient. Mr. Sidd suggested that the resolution could be worded in a way that might eliminate the need for a special meeting.

Dwight Hicks moved to authorize the executive director to procure a renewal of the organization's Directors' & Officers' liability insurance coverage from Darwin National, or to procure a comparable policy from a competitor,

should a lower bid should be received. Julie Cerio seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY AUTHORIZED THE EXECUTIVE DIRECTOR TO PROCURE A RENEWAL OF THE ORGANIZATION'S DIRECTORS' & OFFICERS' LIABILITY INSURANCE COVERAGE FROM DARWIN NATIONAL, OR A COMPARABLE POLICY FROM A COMPETITOR SHOULD A LOWER BID SHOULD BE RECEIVED.**

B. Authorize the Sale of Multiple Properties

Ms. Wright summarized the information provided in Schedule A to the resolution to sell multiple properties. She noted that the sale of 418 Sunset appeared to justify deviating from the standard policy to wait 60 days before accepting offers for less than 90 percent of asking price because of its extremely deteriorated condition and negative impact on neighbors' quality of life. She explained that the initial plan for this property had been to demolish it, but that Home Headquarters had been unable to get an architect to condemn the property (which would enable them to demolish with all of the debris inside (this home was a hoarder house and would require a \$3,000+ clean-out) by treating it as an asbestos variance case) and so sale in as-is condition to a buyer able to begin clean-out and renovation immediately would be the next quickest way to eliminate the hazard the property presents in its current condition.

Ms. Wright explained that the previously approved purchaser for 418 John Street had ultimately been unwilling to close and another adjacent owner had submitted a purchase offer so this was the second time this property was before the board. She also explained that the previously approved purchaser for 210 Delhi had asked to be released from their contract due to weather-related deterioration that occurred at the property after the board approved the sale and this was a second time this property was before the board, as well, this one willing and able to address the deteriorated foundation.

She also explained that 106 Upton was one of the Land Bank's first negotiated sales outside of the City and that she and Mr. Hicks had met with the Mayor and Codes Officer of East Syracuse to discuss their neighborhood revitalization priorities. She noted that she and land bank staff had been in continual conversations with the East Syracuse Code Enforcement staff about this building and received their assistance reviewing purchase offers and gotten their feedback on each potential buyer's track record with properties located in the village.

After some discussion, Jim Corbett moved to authorize the sale of multiple properties. Julie Cerio seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE SALE OF MULTIPLE PROPERTIES.**

C. Error in calculation of 2014 and 2015 County Specials owed (approve additional \$1,636.80 expense)

Ms. Wright noted that the previous month the board had approved the payment of the first two quarters of 2015 County special assessments, but that upon delivering the bills to be paid they were informed by Finance of an error in their calculations and she was now retroactively seeking approval from the board for an additional \$1,636.80 in expense.

Julie Cerio moved to approve this payment. Jim Corbett seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY MOVED TO APPROVE THIS PAYMENT.**

D. Pay final water bill at 163 Court Street

Ms. Wright explained that they had been unable to figure out whether this property had a leak or if someone had illegally turned on the water, but noted that the Water Department had already written off usage prior to eviction of the squatters who were occupying the building at the time of foreclosure. She explained that property managers have begun requesting written confirmation at the time of turn-off from the Water Department and that now, as a result of this case, they are physically inspecting the property after turn-off to confirm that the water is, in fact, shut off. It seems that there is going to be some degree of leakage or loss due to vandalism outside of the Land Bank's

control although they are looking into other ways to avoid these unforeseen costs. Julie Cerio moved to pay the bill. Dwight Hicks seconded this motion. **MS. CERIO, MR. HICKS, MR. CORBETT, AND MR. SCISCIOLI VOTED TO PASS A RESOLUTION AUTHORIZING PAYMENT OF THIS BILL. MR. BARNABA VOTED AGAINST THE RESOLUTION.**

E. 508-10 Midland Avenue – proposal to amend terms of sale

Ms. Wright explained that these previously approved buyers are having trouble obtaining traditional financing and are proposing that the Land Bank hold the mortgage. Mr. Sidd informed the board that the Authorities Budget Office has recently issued guidance instructing local public authorities that unless explicitly authorized to do so in the authority’s enabling legislation (in our case, the Land Bank Act), they are prohibited from making grants and loans. He’d do further research on whether this included a purchase money mortgage.

Jim Corbett moved to table this item. Julie Cerio seconded this motion. **ALL BOARD MEMBERS UNANIMOUSLY AGREED TO TABLE THIS ITEM UNTIL ADDITIONAL RESEARCH COULD BE COMPLETED.**

VI. Discussion

A. Amend Round 2 OAG Contract

Ms. Wright explained that the GPSDC had focused their Round 2 funding request on demolition, but that the City had recently requested that they redirect their focus toward 2016 renovations because Home HeadQuarters has expanded construction management capacity to complete AG renovations in 2014-2015 and will have capacity to do more renovations in 2016 than the budget currently allows for. Mr. Quaglia explained that the funds reallocated from demolition to renovation could be made up by a HHQ application for CDBG funds for demolition. Ms. Wright also noted that this would enable the Land Bank to continue to move a mix of fixer-upper and move-in ready housing onto the market through the end of 2016. Ms. Wright recommended the Land Bank apply for a budget amendment per the table below:

	Previously Approved	Amended Budget
Demolitions	38 @34,866 (\$1,324,908)	17 @33,818 (\$574,908)
Renovations	8 @75,000 (\$600,000)	18 @ \$75,000 (\$1,350,000)
Side-Lots	20 @ \$2,262.50 (\$45,250)	20 @ \$2,262.50 (\$45,250)
Total	\$1,970,158	\$1,970,156

After some discussion all board members agreed that this budget amendment appeared advisable and authorized the Ms. Wright to make this request of the Office of the Attorney General.

B. L. Frank Baum Foundation (re) applied for purchase of 678 W. Onondaga

Ms. Wright noted that this property was put back on the market in March after the contract with the L. Frank Baum Foundation expired without the buyer meeting the necessary contingencies and informed the board that the Foundation has re-applied to purchase, but that at this point their application is incomplete and land bank staff are continuing to gather additional information about their plan to manage and finance the project. Furthermore, the property has been back on the market for less than 60 days and the offer is lower than 90 percent of the asking price of \$18,000.

C. Green Lots Grants Program – three sites awarded

Ms. Wright informed the board that three strong applications were received – two of which gathered a diverse group of neighbors willing to volunteer and install/maintain community gardens on land bank properties and that the third was from the Onondaga Earth Corps, which provides summer jobs to local youth and they planned to install a fruit orchard on three adjacent land bank lots. A committee including land bank staff, Julie Cerio, and board members of

Syracuse Grows reviewed the applications and all recommended that all three be partially or fully funded. These community gardens will be located at 1675 W. Colvin Street, 610 Gifford/405 Ontario Street, and 261-67/271/273 Furman Street (at the corner of Midland and Furman).

D. Cost of Liability Insurance on Vacant Lots

Mr. Stanczyk shared a table outlining the annual projected cost of continuing to carry liability insurance on the Land Bank's vacant lots (which will grow as a share of the Land Bank's total inventory once the City finishes foreclosing on a backlog of tax-delinquent structures). Ms. Wright noted that Home Headquarters has chosen not to insure their vacant land, but that the Atlanta Land Bank does insure theirs (although liability insurance premiums are much lower outside of NY). She noted that they would continue to poll other land banks on this issue.

VII. Adjournment

Julie Cerio moved to adjourn the meeting. Jim Corbett seconded this motion. **All board members voted unanimously to adjourn the meeting at 9:23 AM.**