GREATER SYRACUSE
LAND BANK

Minutes
Greater Syracuse Property Development Corporation
Regular Meeting of the Board of Directors
8:30 AM Tuesday, October 16, 2018
431 E. Fayette Street, 3rd Floor Conference Room
Syracuse, NY 13202

Board Members Present: Vito Sciscioli, Daniel Barnaba, Julie Cerio, Jim Corbett, El Java Abdul Qadir
Others Present: John Sidd, Katelyn Wright, Meghan Craner, Terri Luckett, David Rowe, Chamar Otis, April Panek, Dan Hoosock, Rich Puchalski, Hilary Donohue, Jim Grooms, Jeanne Mitchell

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I. Call to Order
Vito Sciscioli called the meeting to order at 8:41 AM.

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

III. Proof of Notice
Mr. Sciscioli noted that public notice had been properly posted.

IV. Minutes
Jim Corbett moved to approve the minutes from September 18, 2018. Julie Cerio seconded this motion. All board members present voted unanimously to approve the minutes from September 18, 2018.

V. Financial Statements & Executive Summary
Ms. Wright noted that financial statements through the end of August were included in the packet.

VI. New Business

A. Authorize Sale of Multiple Properties
Ms. Wright described each of the properties for which offers were received. Julie Cerio moved to authorize the Land Bank to sell multiple properties with this amendment to the resolution. El Java Abdul Qadir seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE LAND BANK TO SELL MULTIPLE PROPERTIES.**

B. Authorize Sale of 416 Cannon Street
Ms. Wright described the circumstances of this sale and the Fair family, who has lived in the house for over 10 years. She referred the board to the resolution for a summary of their purchase offer and explained that it was being proposed as a noncompetitive sale because they were tenants living in the house at the time of foreclosure so under the Land Bank's Tenant to Homeowner policy they get the first opportunity to purchase. She noted that they qualified for a loan that was less than the appraised value of the home, but proposed that the difference be held as a deferred mortgage to be forgiven after they've lived in the home for five years, explaining that there was precedent for the Land Bank having made similar sales arrangements in the past. Mr. Barnaba asked, if they've been reliably paying $600/month rent, why doesn't the Land Bank hold the mortgage and sell it to them for the full appraised value? Ms. Wright and Mr. Sidd noted that while they have been reliable tenants, holding the mortgage would be a more complicated proposal. Failure to pay rent is cured with eviction, but failure to make a mortgage payment would require the Land Bank to undertake a costly and time-consuming foreclosure. Mr. Barnaba argued that it could be a

revenue generating opportunity for the Land Bank to hold the note in situations like this. Ms. Wright agreed it was worth looking into for future sales, but at this time the Fairs are eager to get title so that they can apply for County Lead funds to re-side the house.

Julie Cerio moved to authorize the sale of 416 Cannon Street. Jim Corbett seconded this motion. **DAN BARNABA ABSTAINED. ALL OTHER BOARD MEMBERS PRESENT VOTED TO PASS A RESOLUTION AUTHORIZING THE SALE OF 416 CANNON STREET.**

C. Authorize Sale of 129 Gere Ave.

Ms. Wright explained that the property had been sold prior to the foreclosure, that the proceeds of sale were supposed to pay off the delinquent taxes, and that the new owners were owner-occupants. However, due to a clerical error, the check for the taxes wasn't delivered to the City and the deed wasn't filed. Ms. Wright stated that in her estimation the buyers hadn't done anything wrong and shouldn't be penalized and since the amount of money in escrow for paying off the back taxes was still available, she proposed the Land Bank sell them the house for that amount. The law firm that made the clerical error would be liable for all the processing fees associated with this transaction.

Jim Corbett moved to authorize the sale of 129 Gere Ave. El Java Abdul Qadir seconded this motion. **ALL BOARD MEMBERS PRESENT VOTED TO PASS A RESOLUTION AUTHORIZING THE SALE OF 129 GERE AVE.**

D. Authorize the Acquisition of 215 Tully Street

Ms. Wright informed the board that she had obtained an extension of their due diligence period through 11/15/18. She turned their attention to the Phase II Environmental Site Assessment and let them know that Matt Walker from C&S Engineers was present to answer any questions they may have. There was some discussion of the Phase II report and what possible concerns were identified. Mr. Corbett asked about a soil disturbance that might be an underground tank. Mr. Walker stated that there was a change in density at that point, but that it likely indicated that the tank was removed and the change in density is caused by the fill. There was also some discussion of floor drains. Mr. Walker confirmed that we do not yet know at this point whether they lead to the sanitary sewer, but that was a possibility. They are clogged and all agreed it likely doesn't make sense to clean them out now until the rest of the building is cleaned out because additional material in the building would drain into the drains if they are cleared. After some discussion the board agreed that they would like to proceed with acquiring the building. John Sidd indicated that he'd ordered an abstract to review, but hasn't received it yet, so any board resolution should be contingent upon satisfactory review of title.

Jim Corbett moved to authorize the Land Bank to acquire 215 Tully Street. Julie Cerio seconded this motion. El Java Abdul Qadir abstained. **ALL OTHER BOARD MEMBERS PRESENT VOTED UNANIMOUSLY TO PASS A RESOLUTION AUTHORIZING THE LAND BANK TO PURCHASE 215 TULLY FOR $75,000 CONTINGENT UPON A FAVORABLE REVIEW OF TITLE.**

E. Authorize the Acquisition of Certain Properties from Onondaga County

Ms. Wright explained that each year the Land Bank works with Town and Village officials to select properties slated for County Auction and requests that a handful be diverted to the Land Bank instead. Local officials like the predictability they get from the Land Bank's sales process. She presented the board with a list and mentioned that the Town of Salina was potentially looking to add two commercial properties, as well: 1912 and 1919 Teall Ave.

Julie Cerio moved to authorize the Land Bank to acquire certain properties, as amended, from Onondaga County. El Java Abdul Qadir seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AS AMENDED AUTHORIZING THE LAND BANK TO ACQUIRE CERTAIN PROPERTIES FROM ONONDAGA COUNTY.**

F. Authorize Acquisition of Certain Properties from the City of Syracuse

Ms. Wright described Julie Cerio moved to authorize the Land Bank to acquire certain properties from the City of Syracuse. Jim Corbett seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE LAND BANK TO ACQUIRE CERTAIN PROPERTIES FROM THE CITY OF SYRACUSE.**

G. 2018 budget amendment

Mr. Barnaba explained that this amendment was just reviewed by the Finance Committee and expressed concern over the amount spent on debris removal in 2018 – approximately $500,000. He suggested that there are cases where the Land Bank would be better off listing houses still full of debris if the cost of debris removal won't likely be recouped in the sale. Ms. Wright noted that this proposed amendment brings the budget more closely in line with actual spending as they project through the end of the year and that while some line items have gone well over budget, others are well under and the amendment would represent a reduction in deficit spending, but given the $75,000 purchase of 215 Tully that pushes the year-end deficit higher than the previously adopted budget. Mr. Barnaba suggested this item and the next item could be voted on together.

H. Adopt 2019-22 budget

Ms. Wright explained that their 2019-22 budget needs to be submitted to the state's Authority Budget Office by 10/31/18 and that they adopt a budget for the upcoming four years each October. She noted that the budget is largely driven by the pace of the City's foreclosures and that while previous budgets shows the Land Bank depleting their fund balance in Q1 2021 this one shows them running out of cash in Q1 2022 because it assumes a slower pace of foreclosures. She notes that it does not count on any more funds allocated by the City or County beyond those years that have already been approved by their respective legislative bodies. Mr. Corbett expressed concern that this projection still shows the Land Bank depleting its fund balance absent other public financial support. Ms. Wright agreed that it's incredibly important that they secure this kind of support for long-term sustainability.

Dan Barnaba moved to amend the 2018 budget and adopt the 2019-22 budget. Julie Cerio seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION TO AMEND THE 2018 BUDGET AND ADOPT THE 2019-22 BUDGET.**

I. Contract for Snow Removal for 2018-19

Ms. Wright explained that they had put this service out to bid and reminded the board that in past years they've contracted with multiple vendors for snow removal so that in the event of a major storm they can quickly remove snow from the sidewalks at all of their nearly 1,000 properties. She explained that MNS Pro Companies has the capacity to do most of the Land Bank's inventory but that the other two vendors can each do several hundred properties. Since they cannot cover their whole inventory without MNS Pro's capacity, she recommended offering the rates quoted by MNS Pro to all three contractors and authorizing the Land Bank to contract with any who are willing to meet these prices. It would be slightly higher than what Mitchell's Construction Solutions bid, but Mitchell's can't cover the Land Bank's whole inventory alone. Catholic Charities would have to substantially lower their price if they want to participate.

Jim Corbett moved to authorize the Land Bank to contract with multiple vendors for sidewalk snow removal at the rates bid by MNS Pro Companies. Dan Barnaba seconded this motion. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY PASSED A RESOLUTION AUTHORIZING THE LAND BANK TO CONTRACT WITH MULTIPLE VENDORS FOR SIDEWALK SNOW REMOVAL AT THE RATES BID BY MNS PRO COMPANIES.**

J. 1800 Lodi Roof

Ms. Wright noted that the previous month the board approved starting asbestos removal here and that she has now obtained the quote for roof replacement, which is from Three Guys Roofing for $29,999. Starting some of this work prior to conveying title will not result in any net cost increase to the Land Bank. She noted that she was seeking the board's authorization to contract with Three Guys Roofing to re-roof 1800 Lodi for a cost not to exceed $29,999. Any change orders or cost overruns will be billed to the N4N grant. Jim Corbett moved to authorize the Land Bank to contract with Three Guys Roofing to re-roof 1800 Lodi for an amount not to exceed $29,999. Julie Cerio seconded this motion. **ALL BOARD MEMBERS IN ATTENDANCE VOTED UNANIMOUSLY TO PASS A RESOLUTION AUTHORIZING THE LAND BANK TO CONTRACT WITH THREE GUYS ROOFING TO RE-ROOF 1800 LODI FOR AN AMOUNT NOT TO EXCEED $29,999.**

K. 418 Seymour Street

Ms. Wright explained that this property was condemned by the City and that they were told they had to either take it down immediately or the City would do so and would bill the Land Bank. The Land Bank quickly put it out to bid, received only two responses, and awarded the job as an emergency procurement to Crisafulli Trucking. She explained that she is retroactively seeking the board's approval for this expense - $15,975 (she noted that one lower bid did come in after the deadline, but . Julie Cerio moved to retroactively approve this expenditure of $15,975. Jim Corbett seconded this motion. **ALL BOARD MEMBERS PRESENT VOTED UNANIMOUSLY TO APPROVE A RESOLUTION AUTHORIZING THE LAND BANK TO CONTRACT WITH CRISAFULLI TRUCKING FOR THE DEMOLITION OF 418 SEYMOUR STREET FOR AN AMOUNT NOT TO EXCEED $15,975.**

VII. Discussion

A. 2019 County Budget

Ms. Wright informed the board that the 2019 County Budget was adopted by the County Legislature with $250,000 included for the Land Bank, but that it remains to be seen whether the Legislature would put any restrictions on how those funds are to be used.

B. 437 N Salina Street

Dan Barnaba moved to enter executive session for the purpose of discussing potential litigation. EL Java Abdul Qadir seconded him. **ALL BOARD MEMBERS VOTED UNANIMOUSLY TO ENTER EXECUTIVE SESSION AT 9:26 AM.**

Jim Corbett moved to leave executive session. Dan Barnaba seconded him. **ALL BOARD MEMBERS VOTED UNANIMOUSLY TO LEAVE EXECUTIVE SESSION AT 9:31 AM.**

VIII. Adjournment

Jim Corbett moved to adjourn the meeting. El Java Abdul Qadir seconded him. **ALL BOARD MEMBERS PRESENT UNANIMOUSLY AGREED TO ADJOURN AT 9:32 AM.**