



Greater Syracuse Land Bank 2022 Annual Report to Syracuse Common Council

Delivered April 10, 2023

As required by section 1612 of the New York Land Bank Act:

(c) In addition to any other report required by this chapter, the Land Bank, through its chairperson, shall annually deliver, in oral and written form, a report to the municipality. Such report shall be presented by March fifteenth of each year to the governing body or board of the municipality. The report shall describe in detail (1) the projects undertaken by the Land Bank during the past year, (2) the monies expended by the Land Bank during the past year, and (3) the administrative activities of the Land Bank during the past year. At the conclusion of the report, the chairperson of the Land Bank shall be prepared to answer the questions of the municipality with respect to the projects undertaken by the authority during the past year, the monies expended by the municipality during the past year, and the administrative activities of the municipality during the past year.

I. Introduction

The Greater Syracuse Land Bank is a local public authority created by the City and County in 2012 to acquire vacant and abandoned properties and facilitate their return to productive use. The Land Bank is the default recipient of properties foreclosed upon by the City of Syracuse for delinquent taxes. Our community already had strong not-for-profit affordable housing developers, but they can only do a limited number of projects each year based on available grant funds. The Land Bank was designed to complement their work and to take control of abandoned properties sooner in the cycle of abandonment:

- so we can address the scale of abandoned properties with “interim” strategies such as preventive maintenance
- take these properties off the rolls temporarily so the City and County aren’t sending tax bills to properties they know don’t pay – immediately improves on-time collection rates
- by taking all the City’s foreclosures, we enable the City to make the threat of foreclosure real, improving their collection rate on delinquent taxes
- undertake site assembly (making bigger, more attractive sites available for development) and make site control available for these developers while they apply for grants, tax-credits, and other financing and hold properties tax exempt until they’re ready to start construction (allowing more grant funds to go into brick and mortar expenses; for example, on Housing Visions’ Butternut Street project this saved them nearly \$50k in carrying costs)
- hold title to hundreds of shovel-ready projects, improving our success rate applying for grants
- position properties to attract private purchasers – by taking title proactively we clean them out and draft specs, so buyers can use traditional financing and know what they’re getting into, enabling us to expand

the number of properties redeveloped each year to leverage private investment in renovations and return a greater number of properties to tax-paying status

- undertake environmental testing and, when necessary, remediation to make brownfields more attractive for redevelopment

It took decades of neglect and property abandonment for our neighborhoods to get this way, and we are making significant progress, but it will take a sustained effort, and sustained public investment, to reposition our local real estate market. The partnership between the Land Bank and the City is working:

- Since the City started issuing foreclosure notices to the ‘backlog’ of 4,000 seizable properties in 2012, they have collected ~\$21.4 million of overdue receivables over and above historic collection rates. Presumably, a corresponding \$14.3 million above historical levels has been collected on behalf of the County through this effort. This revenue is generated by the properties that pay and avoid foreclosure.
- In addition, we have sold over 1,240 properties post-foreclosure, leveraging over \$44.4 million in private renovation investment and those properties. Now returned to the tax rolls, these sold properties generate over \$1.9 million/year in local property tax.
- With \$9.25 million invested by the City of Syracuse and \$2.85 million from Onondaga County, each from their general funds, the Land Bank has been able to attract and leverage approx. \$48.4 million in other grants from federal, state & local sources. These funds support renovations, new construction, demolition, and other neighborhood revitalization activities.
- Of the 2,151 properties conveyed to us so far, we have addressed 75% via sale or demolition.
- The number of residential vacant properties in the City has decreased by 20% since the Land Bank was established.¹
- Over time, we’ve been able to assemble larger sites for new development and an inventory of buildable lots for infill construction. It often takes several years of foreclosures and property purchases to assemble larger sites that are better able to attract new development, but the Land Bank’s low carrying costs enable us to patiently go about this pre-development work. We’re ready to go with shovel ready sites for commercial and residential development – including at least five half-acre commercial sites and hundreds of buildable residential lots. This puts our community development and business development partners in a stronger position when applying for grants and other funding.
- The ~908 properties still held in our inventory used to be tax-delinquent and the City would cite property owners for neglected maintenance and then bill them for trash pickup, mowing, board-ups, etc. Post-foreclosure, responsibility for maintenance and cleanup is transferred to the Land Bank. While that doesn’t result in immediate renovation and beautification, it has transferred a significant maintenance obligation off the City’s books. The Land Bank is able to perform many of these tasks at a much lower unit cost than can be achieved by the City.

¹ According to data from the City’s Department of Neighborhood & Business Development.

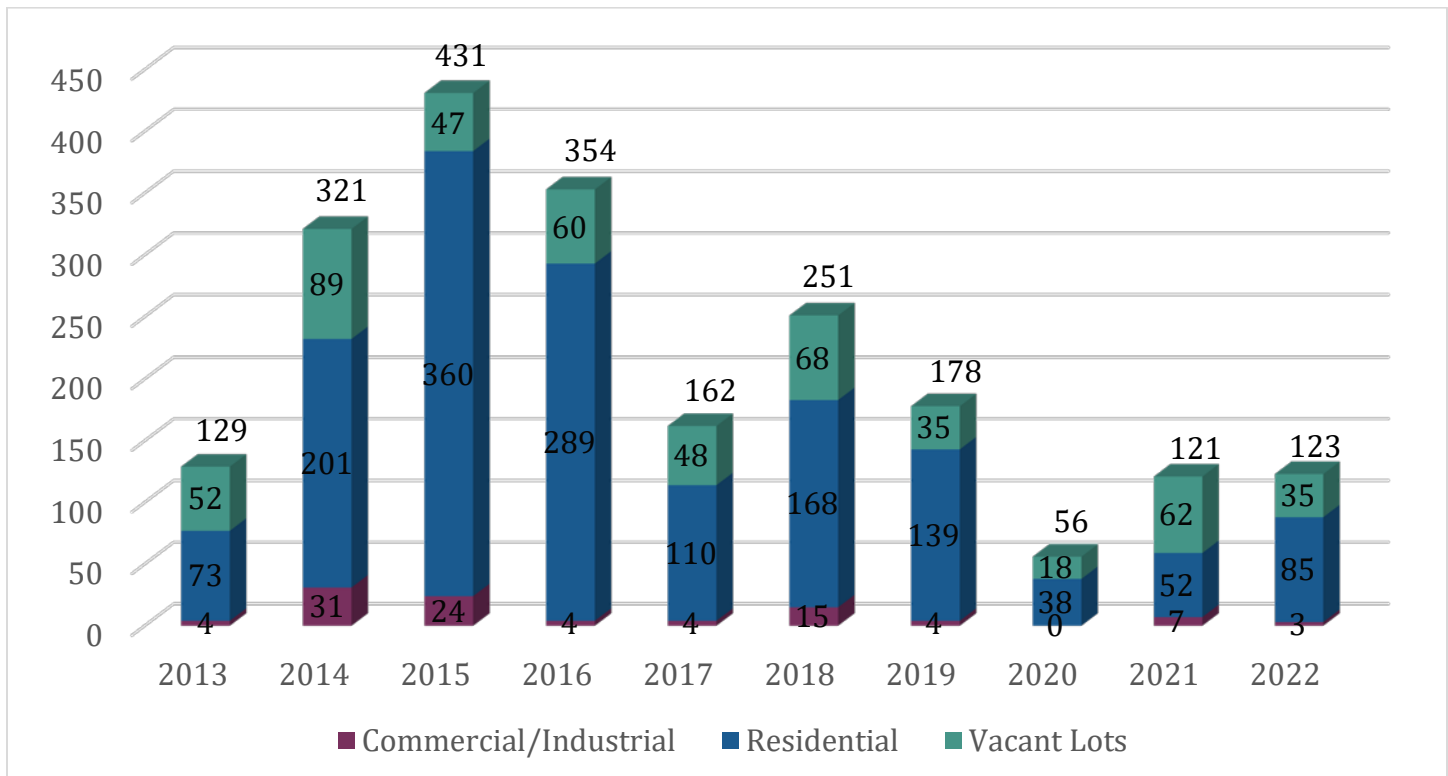
II. Annual Report

(1) Projects undertaken in 2022

A. Acquisitions

The Land Bank acquired 123 properties in 2022.

Acquisition Source	2021	2022
Tax-Foreclosure - City/County	87	108
Transfer - City-owned	11	0
Purchase	16	0
Donation - Private/Bank	3	1
Default on Enforcement Mortgage	4	14
Total	121	123



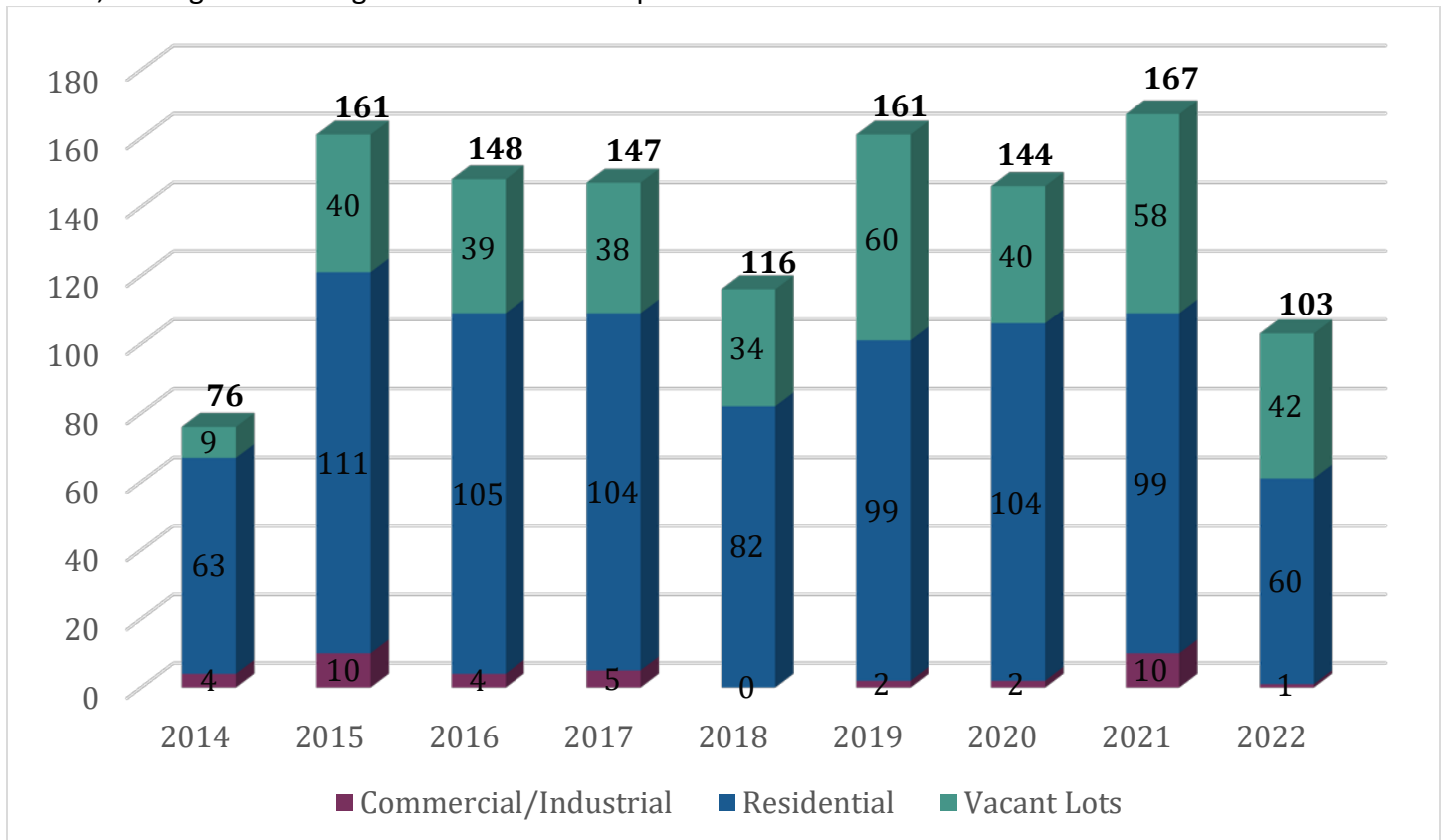
We have continued to voice concern about the slow pace of foreclosures. The City still hasn't issued a large batch of foreclosure notices since late 2019, and the backlog of seizable properties we endeavored to catch up with, is growing again. New properties become seizable every April. We anticipate at some point the pace of foreclosures will decrease because we're all caught up with the seizable backlog, but that is not currently the case. For the third year in a row, we are encouraging the City to quicken the pace of foreclosures for the following reasons:

- Now with Micron coming to Onondaga County, our existing affordable housing challenges will be further exacerbated. We are missing opportunities to assemble hundreds of construction sites with vacant lots that haven't yet been foreclosed upon. After we take title, it takes time for us to demolish blighted buildings and obtain resubdivisions (lot line adjustments) from the City necessary to make viable building sites. With unprecedented levels of investment coming from the Federal and State government making construction of more affordable housing possible, we need to be hustling to assemble shovel-ready construction sites for affordable and market-rate development

- More aggressive pace of foreclosures will benefit the City by improving collection of delinquent taxes paid by those who receive notices and pay to avoid foreclosure.
- More timely issuance of foreclosure notices will benefit homeowners who will be less delinquent at the time they receive a notice and more likely able to pay the redemption amount.
- Neighbors often inquire about seizable properties, eager for the Land Bank to stabilize the property and quickly get it on the market. We hate to leave them waiting and would like to return these to the tax rolls sooner rather than later.
- Customers complain that the quality of our listings has declined and there are fewer buildings in “good” condition to choose from.

B. Sales

The Land Bank sold 103 properties in 2022. In 2020, we had ~120 active listings at any given time. Since we’ve gotten very little new inventory into the Land Bank, during 2021 and 2022 we have been hovering around ~50 active listings at any given time. Buyers complain that we don’t have the quality of listings that we used to, and we urge the City to increase the pace of foreclosures so that we can get vacant seizable properties on the market sooner, leaving them sitting vacant for a shorter period of time.



2022 sales included:

Commercial	1*
Vacant Lots	42
Residential Structures	60

**this was a commercially zoned lot with a house on it. The house will be demolished to provide parking for the adjacent apartment building.*

To date, the Land Bank has sold 1,243 properties – 1,218 in the City of Syracuse. These are leveraging over \$45 million in private renovation investment, effectively crowdfunding revitalization:

TNT area	Buyer Investment	# sold
Downtown	\$4,823,953.00	2
Eastside	\$2,088,570.75	70
Eastwood	\$1,969,823.00	47
Lakefront	\$82,000.00	4
Northside	\$10,209,837.91	318
Southside	\$14,959,909.36	455
Valley	\$2,498,395.75	74
Westside	\$7,986,562.70	248
Outside of City	\$486,700.00	25
Total	\$45,105,752.47	1,243

Proceeds from the sale of property totaled ~\$1.2 million in 2022 and, due to significant financial support from the City for property maintenance expenses, we roughly broke even overall. The Land Bank's 2022 year-end fund balance is sufficient to cover approximately 9 months of operating expenses.

Year	Gross Sales Proceeds	Total Sold	Net Income*	Buildings Sold	Average Price Per Building Sold
2014	\$ 965,015	76	\$ 1,613,793	67	\$ 14,403
2015	\$ 1,481,447	161	\$ 1,232,923	121	\$ 12,243
2016	\$ 1,725,545	148	\$ 588,073	109	\$ 15,831
2017	\$ 1,378,313	147	\$ (198,085)	109	\$ 12,645
2018	\$ 1,014,853	116	\$ (806,619)	81	\$ 12,529
2019	\$ 1,559,798	163	\$ (110,267)	103	\$ 15,144
2020	\$ 1,035,660	148	\$ (840,726)	106	\$ 9,770
2021	\$ 1,330,596	176	\$ 144,490	117	\$ 11,373
2022	\$ 1,226,456	103	\$ 95,871	61	\$ 20,106

*Net income reflects the net of all revenue and expenses, not just sales proceeds.

The Land Bank's strategy of acquiring properties and marketing them in as-is condition for buyers to renovate is successfully leveraging private investment in neighborhood revitalization. To date, the Land Bank has sold over 1,243 properties and approximately 170² more sales are pending closing. **Cumulatively, properties sold by the Land Bank to date are generating approximately \$1.9 million per year in local property taxes and have leveraged over \$45 million in private renovation investment.**

Since the City started issuing foreclosure notices to the 'backlog' of 4,000 seizable properties in 2012, they have collected approx. \$21.4 million more of overdue receivables (delinquent taxes), and assuming a proportionate increase, the County should have received \$14.3 million from City properties above historic collection levels.

Buyers are required to complete the mandatory scope of renovations and sign an enforcement mortgage agreement at the time of purchase, which is not discharged until the renovations are complete. Of the ~1,243 properties sold to date, 29 have been taken back by the Land Bank due to a default on their enforcement mortgage – 2% of properties sold to date. Eight of these have already been re-sold and two are under contract. We do have a growing number of properties in default on their enforcement mortgages – several dozen – for which we are pursuing enforcement options including, but not limited to, foreclosure. This is in part because the properties we have had available to sell over the past three years have been lower quality and because we

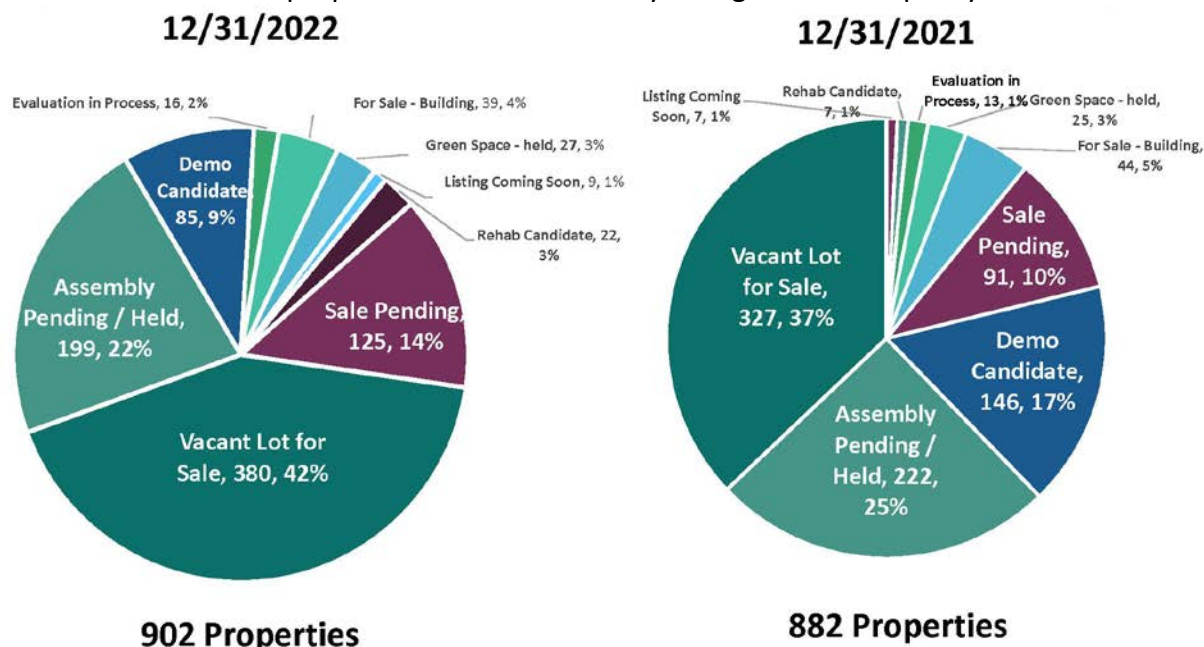
² This number is 70% higher than last year as plans for RNI infill sites are firmed up and we formally enter into sales contracts with HHQ, Housing Visions, Jubilee, and other affordable housing developers on a significant number of lots.

didn't aggressively push foreclosures in 2020 and early 2021 and are playing catchup. Most quickly come into compliance when they receive a default notice. Our goal in these situations is always for the buyer to complete the work in a satisfactory manner and we do whatever we can to match them up with additional resources to finish the project – grants, loans, and contractors. Foreclosure is only pursued when there appears to be no viable possibility of them completing the project. **The enforcement mortgage mechanism works and guarantees more predictable, better quality results than an auction, and enables us to get the property back if we don't see quality results in a timely manner.**

People are often surprised to learn that we hold very few structures in inventory that aren't demolition candidates, listed for sale, or sale pending with a buyer under contract Here we've broken them out by status as of 12/31/22:

Eval in Process	16	2%
Listing Coming Soon	9	1%
For Sale - Building	39	4%
Green Space, held	27	3%
Assembly Pending/Held (almost all vacant lots)	199	22%
Demo Candidate	85	9%
Rehab Candidate	22	2%
Sale Pending	125	14%
Vacant Lot for Sale	380	42%
	902	

Here you can see how status as a proportion of total inventory changed over the past year.



Number of demo candidates in our inventory down from 146 to 85

C. Renovations/New Construction

The Land Bank received just over \$9.6 million from the NY OAG's Community Revitalization Initiative (CRI) program, more than any other land bank in the state, largely because we proactively acquire properties and were able to show the funders that we had shovel ready projects. This funding enabled us to demolish 166

blighted buildings and to partner with Home HeadQuarters to build or renovate 89 single-family homes which were sold to income-qualified owner-occupants. This program has come to a close.

The NY Land Bank Association has persistently lobbied NYS for a sustained program like CRI that will provide capital funds for land banks across the state to demo, renovate, and build new homes. The state included \$50 million for NY Land Banks in their SFY22-23 budget and HCR is just getting those capital funds out the door. We are eager to receive those funds for 2023 demolitions and building stabilization. While the SFY23-24 budget hasn't passed yet, the Senate and Assembly both included additional land bank funding in their one-house budget resolutions.

The Land Bank continues to work diligently on assembling sites for new construction of single- and two-family homes planned for the City's Resurgent Neighborhood Initiative. Most of these construction sites involve a resubdivision making two lots into one site or three lots into two, etc. to make lots large enough for modern construction and living standards. We are working closely with the City, Home HeadQuarters, Housing Visions, Jubilee Homes, and other affordable housing developers to plan for infill construction under the umbrella of the City's Resurgent Neighborhoods Initiative (RNI).

Our process of acquiring, demolishing, and resubdividing lots resulted in the eight sites where Home HeadQuarters recently built on Baker, Woodland, and Garfield. We are working on similar clusters all throughout the area. Housing Visions is under contract to build a cluster of five two-family homes on the SW corner of Midland and Colvin and five more at the SE corner of Midland and Beard. They're also building two two-family homes on the 200 block of W Beard. HHQ is also building two single-family homes on the 200 block of W Beard, two more on Wood Ave, two two-family homes on S Salina between Kennedy and Kirk, five single-family homes on S State St where Woodland dead-ends, and one more on the 300 block of Baker. We have lined up an additional 10 sites for the County to fund a mix of single- and two-family homes on W Kennedy and Furman; they are currently seeking a developer for those homes.

On the block where Tucker Missionary Baptist Church is located, we're working with them, Jubilee, and Home HeadQuarters to set up a project that includes the church in the development and results in new homes that will be sold to members of their congregation.

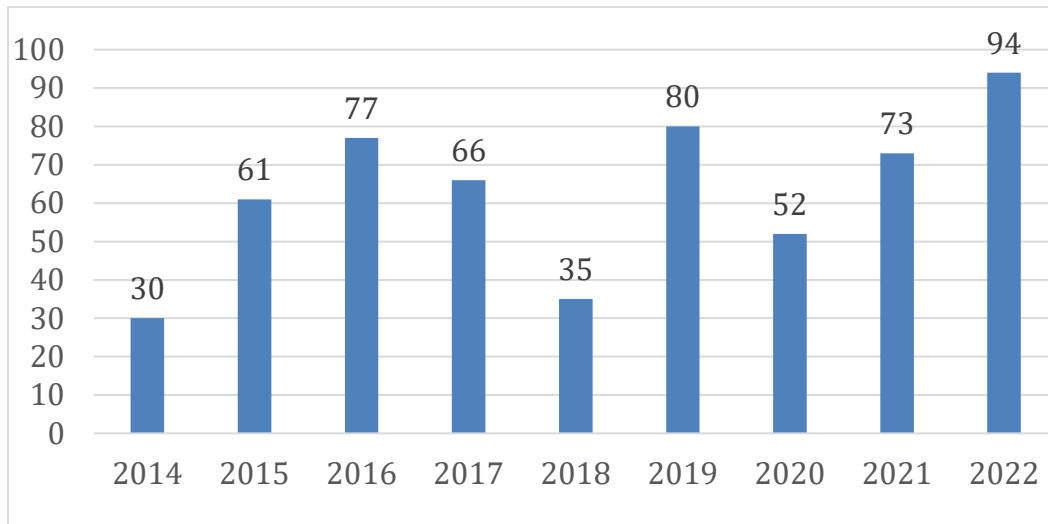
On Delaware Street, we've assembled 5 large clusters of properties ready for new construction of multi-family housing and we are under contract to purchase the church at the corner of Delaware and Dudley. We are working to assemble dozens of additional construction sites for single- and two-family homes in the surrounding Near Westside neighborhood.

As we see our private buyers increasingly struggle with the complexity of renovating long-vacant buildings, we look forward to RNI putting more move-in ready homes on the market, free of the lead paint hazards that plague older homes.

In 2022 we spent approximately \$1.2 million in ARPA funds to stabilize 19 structures. Most of these were single- or two-family homes that received some or all of the following treatments: foundation repair, new siding, new windows and doors, new roofs, structural repair, new driveways. The goal was to prevent the properties from becoming demolition candidates and to improve the exterior for the immediate benefit of the neighbors, leaving a stable shell for our buyers to complete the interior renovations.

D. Demolitions

The Land Bank completed a record number of demolitions in 2022, largely due to City-granted ARPA funding, and has completed 580 to date. Each year we do as many as grant funds allow and often must complete a few emergency demolitions with unrestricted cash:



To do so, the Land Bank has utilized over \$12 million to date in grant funds from a variety of sources:

Source	Total
CDBG	\$1,205,419
City	\$1,000,000
County	\$520,000
CRI (AG)	\$4,161,284
SIDA	\$1,000,000
County CARES	\$250,000
City CARES	\$513,225
City ARPA (spent in 2021)	\$1,024,657
City ARPA (spent in 2022)	\$2,492,070
buyers/donors	\$243,750
	\$12,166,655

In addition to the restricted funds listed above, in 2016 the Land Bank spent over \$1 million in unrestricted cash on demolitions. The average demolition costs ~\$27,000; prices have slightly increased due to increased cost of trucking and tipping fees stemming from fluctuating fuel prices. 38 ARPA demos were completed in 2021, 91 in 2022, and 12 in 2023. The number of demo candidates in our inventory is now below 100 for the first time in many years, but we anticipate as the City's pace of foreclosures picks back up again, we'll acquire many more demo candidates over the next few years.

Demolition of blighted buildings is a key part of our site assembly process, which is key to the Land Bank amassing shovel-ready sites. Removing the blighted buildings also removes a drag on surrounding property values and high-quality new construction will help increase property values in distressed areas, helping long-time homeowners in those neighborhoods grow home equity.

E. Brownfields

In 2022 we spent the last of our first \$600,000 Brownfields Assessment Grant from the USEPA. With these funds, we completed Phase I Environmental Site Assessments (ESAs) on 19 brownfields, as well as Phase II ESAs on 13 brownfields. As a result of the Phase I/II ESAs that have been completed to date, one brownfield has been sold, purchase offers have been received on six brownfields, and several other brownfields are on the market for disposition and reuse. Having spent all those funds down, we were able to apply for site-specific brownfield assessment technical assistance from the EPA on four sites that received Phase I ESAs from our initial grant, but needed Phase II ESAs: 917 Montgomery, 500 Hawley (Patrick's dry cleaners), 322-26 Delaware, and 541 Seymour (commonly known as Consolidated Industries). Site work at Montgomery, Hawley, and Delaware is done and those reports are being finalized. Site work at 541 Seymour should start in the summer of 2023. The value of these technical assistance grants is estimated at \$320,000 total.

In November 2022, we applied for a \$1,000,000 Brownfield Assessment Grant as a coalition with Blueprint 15 and NEHDA. We should hear whether that application was successful in the next four weeks.

F. Why engage in Land "Banking"?

Even without sufficient demolition funds secured to address the number of demolition candidates held in inventory, it still makes sense for the Land Bank to hold these properties until demo funds become available rather than leaving them on the seizable list for a prolonged period of time:

1. The City continues to send tax bills to the property until the foreclosure is completed and must make the SCSD whole during that time so the City loses money every quarter these properties remain taxable, but not yet foreclosed.

For example, the sum of assessed values at the time of acquisition for all demo candidates the Land Bank currently holds is approx. \$6.5 million. Prior to foreclosure, these properties would be issued City/School tax bills each year even though they were unlikely to pay. Those bills would total approx. \$209,779 of which the City collected \$0, but was still obligated to pay \$136,757 to the Syracuse City School District because the properties were still taxable. It doesn't make sense to postpone foreclosure and continue to bill properties that we know will not pay because not only does it mean \$0 collections for the City, leaving uncollectable properties on the rolls actually puts the City in the negative because they make SCSD whole.

2. The City maintains the property and bills the owner (who won't pay) for these services. Post-foreclosure the Land Bank can provide those services more cost effectively than the City can (\$54 v. \$12 to mow a lawn; \$200 v. \$30 to board a window) plus the Land Bank shovels the sidewalks, a service which the City does not provide on seizable properties.

There has been some discussion of whether the Land Bank is taking on too much inventory. This inventory of abandoned homes is here in our community and it's become the public's responsibility to maintain them whether or not they've been foreclosed on yet. The Land Bank can provide that service more cost effectively.

3. The Land Bank files a trespass affidavit against the property enabling the Syracuse Police Department to arrest people on the spot and we are a cooperative local owner willing to work with Codes, DPW, SPD, and SFD to address problems as they arise.
4. Holding demo candidates in inventory makes us very competitive grant applicant applicants. We have "shovel ready" demos whereas other land banks might take 9-12 months to take title before they can start demos. We've brought home more AG money than any other land bank and this is partly why.
5. Proactively foreclosing enables us to assemble more attractive sites for new development and, as those opportunities become apparent, we can prioritize demos to get these properties to market.

Properties acquired over the past eight years are now providing the site control needed for the City's Resurgent Neighborhoods Initiative, which will include the construction of 200 new units of affordable housing.³ Land banking is making thoughtful planned development possible, although when they started taking title to these properties they only knew that the Land Bank could be a better interim steward than their tax-delinquent property owners and that public site-control would be useful in the long-term.

(2) Monies expended in 2022

Our final, audited, 2022 Profit & Loss Statement and Balance Sheet as of 12/31/22 are attached.

Our balance sheet estimates the value of properties held at ~\$637,000, but this does not reflect long-term liabilities associated with maintaining these properties.

The Land Bank's work generates a wide array of benefits: making the City a more effective collector of delinquent taxes for them and the County, properties returned to the rolls pay previously uncollectable on-time taxes, private renovation investment leveraged, grant funds leveraged, quality of life improvements for people living next to land bank homes that are either sold and renovated or demolished – but all of those benefits are external to our organization. The only benefit captured internally is sales revenue. In order to keep generating these externalized benefits that accrue to the City, County, neighboring property owners, and Onondaga County residents, we need assistance from local and state government.

(3) Administrative Activities

A. Staff and Operations

The Land Bank's staff remained stable in 2022 at 8 full-time employees. Operations are generally unchanged from prior years. We continue to list properties for-sale-by-owner with in-house sales staff.

B. Board of Directors

All Board of Directors meetings are open to the public. The Board of Directors met frequently in 2022 in order to approve a large number of property sales, property acquisitions, oversee contracts and the procurement of services for the maintenance and redevelopment of Land Bank-owned properties.

- January 27 – Annual Board Meeting
- February 15 – Regular Board Meeting
- March 15 – Regular Board Meeting
- March 29 – Audit Committee Meeting
- March 29 – Special Board Meeting
- April 19 – Regular Board Meeting
- April 26 – Special Board Meeting
- May 17 – Regular Board Meeting
- June 21 – Regular Board Meeting
- July 19 – Regular Board Meeting
- August 16 – Regular Board Meeting
- September 20 – Regular Board Meeting
- October 18 – Regular Board Meeting
- November 15 – Regular Board Meeting
- December 20 – Regular Board Meeting

I encourage you to review all the Greater Syracuse Property Development Corporation's Policies and Procedures published at www.syracuselandbank.org, which were all reviewed and readopted in January 2023.

Attachments:

- 2022 Balance Sheet and Profit & Loss Statement
- 2022 Audited Financial Statements

³ <https://www.syracuse.com/news/2020/01/syracuse-to-revive-neighborhoods-with-200-new-homes-for-low-income-buyers-renters.html>

Greater Syracuse Property Development Corporation
Profit & Loss YTD Comparison CY vs. PY
January through December 2022

	Jan - Dec 22	Jan - Dec 21
Ordinary Income/Expense		
Income		
49600 · Dev. Enfor. Mortg. Foreclosures	64,557.00	0.00
40041 · The Castle Project		
40041.8 · Individual Donations	-766.00	8,200.00
40041.6 · J.M McDonald Foundation	-10,000.00	10,000.00
40041.5 · National Trust	15,000.00	0.00
40041.4 · Gifford Foundation	0.00	45,000.00
40041.3 · Reisman Foundation	3,595.50	19,800.00
40041.2 · Allyn Foundation	0.00	25,000.00
40041.1 · CNY Community Foundation	39,855.00	0.00
40041 · The Castle Project - Other	0.00	1,500.00
Total 40041 · The Castle Project	47,684.50	109,500.00
40000 · Government Grants		
40048 · LBI Phase 1	100,000.00	0.00
44000 · Save America's Grant		
44000.1 · Save America's Admin/Dev. Fees	0.00	7.83
44000 · Save America's Grant - Other	0.00	550.00
Total 44000 · Save America's Grant	0.00	557.83
40110 · CNY Lead		
40190 · CNY Community Lead Grant #2		
40190.1 · CNY Lead#2 Admin/Developer Fees	0.00	1,265.23
40190 · CNY Community Lead Grant #2 - Other	0.00	17,451.50
Total 40190 · CNY Community Lead Grant #2	0.00	18,716.73
Total 40110 · CNY Lead	0.00	18,716.73
40160 · EPA_Brownfield_Petroleum		
40160.1 · EPA BP - Admin/Developer Fees	295.73	684.09
40160 · EPA_Brownfield_Petroleum - Other	1,496.97	22,802.57
Total 40160 · EPA_Brownfield_Petroleum	1,792.70	23,486.66
40150 · EPA_Brownfield_Hazardous		
40150.1 · EPA BH - Admin/Developer Fees	2,273.05	7,907.00
40150 · EPA_Brownfield_Hazardous - Other	76,334.03	263,567.01
Total 40150 · EPA_Brownfield_Hazardous	78,607.08	271,474.01
40010 · City of Syracuse		
46000 · City CARES '21		
46100 · City CARES Admin/Dev Fees	1,077.91	40,622.94
46000 · City CARES '21 - Other	38,731.47	411,681.70
Total 46000 · City CARES '21	39,809.38	452,304.64
40043 · City ARPA '21 Demo		
40043.1 · City ARPA '21 Demo Adm/Dev Fees	243,856.20	81,893.91
40043 · City ARPA '21 Demo - Other	2,248,213.91	942,763.36
Total 40043 · City ARPA '21 Demo	2,492,070.11	1,024,657.27
40044 · City ARPA '21 Stab.		
40044.1 · City ARPA '21 Stab Adm/Dev Fees	63,705.16	16,965.00
40044 · City ARPA '21 Stab. - Other	720,881.24	244,871.27
Total 40044 · City ARPA '21 Stab.	784,586.40	261,836.27
41001 · City of Syracuse '19-'20	0.00	13,200.00
41004 · City of Syracuse '20-21	0.00	10,800.00
41005 · City of Syracuse '21-22	0.00	500,000.00
41006 · City of Syracuse '22-'23	219,417.27	0.00
Total 40010 · City of Syracuse	3,535,883.16	2,262,798.18
40030 · Admin/Developer's Fee	31,440.56	2,665.80
40040 · Onondaga County		
40300 · County CARES '21		

Greater Syracuse Property Development Corporation
Profit & Loss YTD Comparison CY vs. PY
January through December 2022

	Jan - Dec 22	Jan - Dec 21
40301 · County CARES Admin/Dev Fees	0.00	22,545.46
40300 · County CARES '21 - Other	0.00	227,454.57
Total 40300 · County CARES '21	0.00	250,000.03
40042 · County '21	121,010.88	103,987.40
41002 · County- Building Stabilization		
41002.1 · County-BS Admin/Developer Fees	44.33	0.00
41002 · County- Building Stabilization - Other	446.02	0.00
Total 41002 · County- Building Stabilization	490.35	0.00
40040 · Onondaga County - Other	0.00	12,235.51
Total 40040 · Onondaga County	121,501.23	366,222.94
40060 · NY Attorney General		
40060.5 · CRI 2020 Rehab	285,485.82	71,646.90
40060.4 · CRI 2020 Demo	0.00	18,422.97
40060.2 · CRI 2019 Demo	0.00	8,947.20
40060.1 · CRI Admin/Developer Fees	14,514.18	3,353.10
Total 40060 · NY Attorney General	300,000.00	102,370.17
Total 40000 · Government Grants	4,169,224.73	3,048,292.32
40950 · Community Donated Funds	0.00	4.00
41000 · Donated Property	151.00	66,065.00
48000 · Side Lot Application Income	825.00	775.00
49000 · Rental Income	33,950.00	37,651.00
49500 · Sale of Property	1,226,456.20	1,330,595.59
Total Income	5,542,848.43	4,592,882.91
Cost of Goods Sold		
50000 · Cost of Sales		
500VI · Vacant COS Inventorial		
50011 · Dev. Enfor. Mortg. Foreclosures	64,557.00	0.00
50010 · Property Purchase Cost	16,309.00	13,297.00
50015 · Donated Property Value	151.00	66,065.00
50050 · Debris Removal - Initial	155,962.30	148,885.45
50090 · Renovation Inventory	96,492.91	135,488.89
50095 · Sidewalk Replacement/Repair	0.00	18,205.00
50100 · Stabilization	662,731.71	294,357.20
50115 · Environ. Assess. Inventorial	0.00	720.00
50116 · Survey/Abatement Pre-Reno	10,550.00	0.00
50145 · Title Searches	0.00	7,258.40
50170 · Architectural Prof. Services	30,660.50	41,185.00
50180 · Land Survey Prof. Services	27,166.00	22,875.00
50200 · Property Appraisal	2,050.00	675.00
50990 · Impairment Loss	507,655.65	373,173.31
50999 · Spec Reclass to/from Inventory	-645,767.91	-218,391.77
Total 500VI · Vacant COS Inventorial	928,518.16	903,793.48
500PC · Periodic COS		
50025 · Property Materials and Supplies	12,477.70	10,516.82
50029 · General Inspections	17,757.50	19,771.50
50045 · Pest Exterminations	1,197.00	300.00
50051 · Debris Removal - Periodic	312,854.76	207,237.77
50070 · Lawn Maintenance	369,218.83	354,152.27
50080 · Snow Removal	19,914.00	22,753.00
50110 · Demolition/Deconstruction	2,067,331.28	1,364,198.00
50111 · Renovation Expensed	285,485.82	71,646.90
50117 · Survey/Abatement Pre-Demo	109,102.00	68,191.00
50120 · Permits/Fees	2,970.25	0.00
50130 · Utilities	63,361.22	142,102.56
50190 · Evictions	26,673.39	765.00
50205 · Legal & Closing Costs	70,317.84	23,005.60
50220 · Brokerage - Sale	3,500.00	10,667.00
50230 · Sale of Property Closing Costs	0.00	4,000.00

Greater Syracuse Property Development Corporation
Profit & Loss YTD Comparison CY vs. PY
January through December 2022

	Jan - Dec 22	Jan - Dec 21
53100 · Stabilization	7,090.50	915.00
Total 500PC · Periodic COS	3,369,252.09	2,300,222.42
Total 50000 · Cost of Sales	4,297,770.25	3,204,015.90
Total COGS	4,297,770.25	3,204,015.90
Gross Profit	1,245,078.18	1,388,867.01
Expense		
61002 · Square Fees	88.16	18.25
61001 · PayPal Fees	96.96	133.40
60604 · Admin/Developer's Fee	112.50	0.00
60000 · Accounting Fees	68,025.00	70,575.00
60100 · Automobile	10,147.44	7,392.46
60150 · Bad Debt	4,600.00	12,750.00
60200 · Depreciation	1,049.62	1,285.67
60250 · Amortization	26,940.00	0.00
60300 · Legal Fees	28,498.49	46,126.88
60400 · Office Expense	38,983.25	39,609.08
60500 · Payroll		
60535 · Employer 401(K) Match expense		
60540 · Employer 401(k) Match	24,001.41	24,984.52
Total 60535 · Employer 401(K) Match expense	24,001.41	24,984.52
60510 · Salary	508,428.19	520,523.13
60520 · Payroll Taxes	40,251.36	42,829.21
60530 · Employee Health Insurance	54,448.69	51,324.80
60550 · Payroll Processing Fees	13,471.31	10,237.90
Total 60500 · Payroll	640,600.96	649,899.56
60600 · Professional Services	103,867.16	306,617.86
60602 · Relocation Assistance Expense	40,544.00	13,003.33
60603 · Special Assessments Expense	369.65	7,210.21
60700 · Insurance		
60701 · Property	-6,417.21	0.00
60702 · Liability	162,177.56	162,614.54
60700 · Insurance - Other	130,345.54	119,912.77
Total 60700 · Insurance	286,105.89	282,527.31
60800 · Telephone	3,778.35	4,288.09
60900 · Travel	6,744.67	0.00
60905 · Conference/Meeting	6,640.64	0.00
61000 · Bank Service Charge	15.00	-50.00
61200 · License and Fees	431.00	2,025.00
61300 · Events & Marketing	9,670.66	15,413.88
61400 · Rent Expense	1,796.00	33,321.28
61500 · Interest Expense	653.79	0.00
Total Expense	1,279,759.19	1,492,147.26
Net Ordinary Income	-34,681.01	-103,280.25
Other Income/Expense		
Other Income		
74000 · Sales Tax Vendor Credit	9.39	7.84
73000 · PPP Forgiveness of Debt	0.00	120,095.00
70700 · Interest Income - 1800 Lodi St	6,343.22	6,012.38
70200 · Salvage Income		
70202 · Non-Taxable Sales	2,562.27	6,034.89
70201 · Taxable Sales	3,926.30	3,746.95
Total 70200 · Salvage Income	6,488.57	9,781.84
70400 · Forbearance Income	0.00	12,500.00
70500 · Defaulting on Residency Req.	0.00	8,190.00
70600 · Project Extension Fees	119,010.00	80,302.00

Greater Syracuse Property Development Corporation
Profit & Loss YTD Comparison CY vs. PY
January through December 2022

	Jan - Dec 22	Jan - Dec 21
71000 · Reimbursement Income		
71001 · Insurance Reimbursement	449.66	213.80
71000 · Reimbursement Income - Other	0.00	1,698.28
Total 71000 · Reimbursement Income	449.66	1,912.08
72000 · Forfeited Down Payment on Sale	3,100.00	13,705.00
79000 · Misc. Income	1.40	65.71
Total Other Income	135,402.24	252,571.85
Other Expense		
80002 · Salvage Labor	4,850.00	4,800.00
Total Other Expense	4,850.00	4,800.00
Net Other Income	130,552.24	247,771.85
Net Income	95,871.23	144,491.60

Greater Syracuse Property Development Corporation

Balance Sheet

As of December 31, 2022

	Dec 31, 22	Dec 31, 21
ASSETS		
Current Assets		
Checking/Savings		
10000 · Checking	4,121,079.36	4,615,792.06
Total Checking/Savings	4,121,079.36	4,615,792.06
Accounts Receivable		
11001 · Accounts Receivable	400.00	1,000.00
Total Accounts Receivable	400.00	1,000.00
Other Current Assets		
12901 · Lease Asset- Office Space	60,615.00	0.00
12400 · Note Receivable - Lodi Street	82,325.84	84,751.25
12001 · Undeposited Funds	15,605.14	7,159.00
12100 · Contract Receivable		
12128 · CNYCF Lead Grant #3	75,000.00	0.00
12127 · City of Syr. 22-23	375,000.00	0.00
12126 · LBI Phase 1	100,000.00	0.00
12125 · CRF '22-23	12,666.67	0.00
12124 · City of Syracuse '21-22	0.00	250,000.00
12123 · City ARPA '21	0.00	2,500,000.00
12121 · The Castle Project		
12121.1 · CNY Community Foundation	0.00	50,000.00
Total 12121 · The Castle Project	0.00	50,000.00
12120 · City CARES '21	0.00	64,636.22
12117 · Save America's Treasures	499,218.91	499,218.91
12111 · EPA_Brownfield_Petroleum	0.00	2,499.80
12110 · EPA_Brownfield_Hazardous	0.00	153,460.09
Total 12100 · Contract Receivable	1,061,885.58	3,519,815.02
12500 · Prepaid Insurance	57,340.81	54,026.88
12900 · Prepaid Expense	12,576.18	15,123.72
Total Other Current Assets	1,290,348.55	3,680,875.87
Total Current Assets	5,411,827.91	8,297,667.93
Fixed Assets		
14000 · Computer	13,399.86	13,399.86
15000 · Furniture and Equipment	6,381.08	6,381.08
16000 · Software and Website	13,050.00	13,050.00
17000 · Accumulated Depreciation	-32,638.17	-31,588.55
Total Fixed Assets	192.77	1,242.39
Other Assets		
18000 · Cost of Properties Held	664,236.67	526,124.41
19500 · Accumulated Amortization	-26,940.00	0.00
Total Other Assets	637,296.67	526,124.41
TOTAL ASSETS	6,049,317.35	8,825,034.73
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20000 · Accounts Payable	68,836.37	529,665.38
Total Accounts Payable	68,836.37	529,665.38
Credit Cards		
20002 · M&T Visa 7079	1,631.51	3,383.47
Total Credit Cards	1,631.51	3,383.47
Other Current Liabilities		
24902 · Lease Liab.- Office Space	33,675.00	0.00

Greater Syracuse Property Development Corporation

Balance Sheet

As of December 31, 2022

	Dec 31, 22	Dec 31, 21
24901 · Sales Tax Payable	268.99	142.65
20600 · FSA Liability	1,301.47	481.00
20900 · 401(K) Liability		
21000 · 401(k) Payable	1,858.70	2,340.42
Total 20900 · 401(K) Liability	1,858.70	2,340.42
20500 · Down Payment on Property Sale	28,877.00	18,500.00
22000 · Accrued Expenses	508,251.98	94,842.75
24100 · Prepaid Rental Income	3,850.00	3,850.00
Total Other Current Liabilities	578,083.14	120,156.82
Total Current Liabilities	648,551.02	653,205.67
Long Term Liabilities		
28000 · Deferred Grant Inflow		
29516 · CNYCF Lead Grant #3	75,000.00	0.00
29515 · City of Syr '22-23	530,582.73	0.00
29514 · LBI Phase 1	100,000.00	0.00
29513 · CRF '22-23	14,000.00	0.00
29511 · City ARPA '21 Stab.	153,577.33	938,163.73
29510 · City ARPA '21 Demo	283,272.62	2,775,342.73
29509 · County '21	225,001.72	96,012.60
29508 · The Castle Project		
29508.8 · National Trust- Consultant	4,000.00	0.00
29508.7 · J.M McDonald Foundation	10,000.00	0.00
29508.6 · Individual Donations	49,203.71	25,653.00
29508.5 · National Trust	0.00	15,000.00
29508.3 · Reisman Foundation	26,604.50	30,200.00
29508.1 · CNY Community Foundation	10,895.00	50,000.00
Total 29508 · The Castle Project	100,703.21	120,853.00
29507 · City CARES '21	21,110.98	60,920.36
29505 · Save America's Treasures	499,218.81	499,218.81
29504 · City of Syracuse '20-21	2,864.60	2,864.60
28024 · CRI 2020 Rehab	0.00	300,000.00
28023 · CRI 2020 Demo	5,999.99	5,999.99
29503 · Community Fou. Lead Grant #2	1,602.96	1,602.96
29020 · EPA_Brownfield_Petroleum '19-22	0.00	1,792.70
29010 · EPA_Brownfield_Hazardous '19-22	0.00	78,607.08
28006 · County Bank Purchase	139,663.91	139,663.91
28019 · County- Building Stabilization	0.00	490.35
28020 · County-Purchase of Vacant Prop.	4,506.15	4,506.15
28021 · City of Syracuse '19-'20	5,583.00	5,583.00
Total 28000 · Deferred Grant Inflow	2,162,688.01	5,031,621.97
29500 · Parks Conservancy Grant	3,000.00	1,000.00
Total Long Term Liabilities	2,165,688.01	5,032,621.97
Total Liabilities	2,814,239.03	5,685,827.64
Equity		
32000 · Unrestricted Net Assets	3,139,207.09	2,994,715.49
Net Income	95,871.23	144,491.60
Total Equity	3,235,078.32	3,139,207.09
TOTAL LIABILITIES & EQUITY	6,049,317.35	8,825,034.73

**GREATER SYRACUSE PROPERTY DEVELOPMENT
CORPORATION d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of
Syracuse, New York)**

**Financial Statements as of
December 31, 2022 and 2021
Together with Independent Auditor's Report**

Bonadio & Co., LLP
Certified Public Accountants

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

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INDEPENDENT AUDITOR'S REPORT

March 30, 2023

To the Board of Directors of the
Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land Bank:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land Bank (the Corporation), a discretely presented component unit of the City of Syracuse, New York (the City), as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2022 and 2021, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Corporation's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2023 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Other Reporting Required by New York State General Municipal Law

In accordance with New York State General Municipal Law, we have also issued our report dated March 30, 2023, on our consideration of the Corporation's compliance with Section 2925(3)(f) of the New York State (NYS) Public Authorities Law. The purpose of that report is to describe anything that came to our attention that caused us to believe the Corporation failed to comply with the Corporation's Investment Guidelines, the NYS Comptroller's Investment Guidelines and Section 2925 of the NYS Public Authorities Law (collectively, the Investment Guidelines).

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This section of the Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land Bank (the Corporation or Land Bank), a discretely presented component unit of the City of Syracuse, New York (the City) annual financial report presents discussion and analysis of the Corporation's financial performance during the fiscal years ending December 31, 2022 showing 2021 and 2020 for comparison. Please read it in conjunction with the Corporation's financial statements and accompanying notes.

Overview of the Financial Statements

This annual financial report consists of two parts: this section, the Management's Discussion and Analysis (MD&A) and the basic financial statements. The Corporation is a self-supporting entity and follows business-type activity reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Business-type activity statements offer short-term and long-term financial information about the activities and operations of the Corporation. This annual report consists of the financial statements and notes to those statements. The Statements of Net Position, Statements of Revenues, Expenses and Change in Net Position, the Statements of Cash Flows and related notes provide a detailed look at the specific financial activities of the Corporation and generally provide an indication of the Corporation's financial health. The Statements of Net Position include all of the Corporation's assets and liabilities, using the accrual basis of accounting. The Statements of Revenues, Expenses and Change in Net Position report all of the revenues and expenses during the time period indicated. The Statements of Cash Flows report the cash provided and used by operating activities, as well as other cash sources such as investment income and cash payments for debt.

FINANCIAL HIGHLIGHTS

- Below are the Corporation's total net position, total current assets, total current liabilities, and current ratio at December 31, 2022, December 31, 2021, and December 31, 2020, respectively:

	2022	2021	2020
Total Net Position	\$ 3,235,077	\$ 3,139,206	\$ 2,994,716
Total Current Assets	\$ 4,873,438	\$ 5,547,869	\$ 3,393,275
Total Current Liabilities	\$ 1,745,620	\$ 2,492,424	\$ 398,559
Current Ratio	2.8	2.2	8.5

The current ratio provides an idea as to the Corporation's ability to pay back its short-term liabilities. The higher the current ratio, the healthier the company. This ratio indicates the Corporation is more than able to meet and pay its current liabilities.

- Below are the Corporation's operating revenues, operating expenses, and operating income at December 31, 2022, December 31, 2021, and December 31, 2020, respectively:

	2022	2021	2020
Operating Revenues	\$ 5,660,657	\$ 4,750,769	\$ 3,685,924
Operating Expenses	\$ 5,572,898	\$ 4,683,463	\$ 4,600,375
Operating Income (Loss)	\$ 87,759	\$ 67,306	\$ (914,451)

- Revenues – Budget to Actual:** The Land Bank's 2022 budget anticipated revenues of \$5,918,284 and our actual revenues were \$5,660,657, a variance of \$257,627. This variance is explained by grant deliverables (such as demolition, renovation, and stabilization projects) completed later than anticipated (income is booked at the time the expense is incurred). Since the expense for these projects has been delayed into 2023, associated income will not be booked until 2023.
- Expenses – Budget to Actual:** The Land Bank's 2022 budget anticipated \$6,367,666 in expenses and our actual expenses totalled \$5,572,898, a variance of \$794,768 or about 12.5% under budget. This is due to certain grant funded projects being delayed, and the associated expense not being incurred until 2023.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Below is an analysis of the assets, liabilities, revenues and expenses of the Corporation.

Summary of Assets, Liabilities, and Net Position

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Assets:			
Current assets	\$ 4,873,438	\$ 5,547,869	\$ 3,305,996
Capital assets	33,868	1,242	2,528
Other noncurrent assets	80,126	82,519	84,751
Total assets	<u>4,987,432</u>	<u>5,631,630</u>	<u>3,393,275</u>
Liabilities:			
Current liabilities	1,745,620	2,492,424	398,559
Noncurrent liabilities	6,735	-	-
Total liabilities	<u>1,752,355</u>	<u>2,492,424</u>	<u>398,559</u>
Net position:			
Net investment in capital assets	193	1,242	2,528
Unrestricted	3,234,884	3,137,964	2,992,188
Total net position	<u>\$ 3,235,077</u>	<u>\$ 3,139,206</u>	<u>\$ 2,994,716</u>

CURRENT ASSETS

Current assets at December 31, 2022 were comprised mostly of cash, restricted grant funds, and inventory. Cash on hand less any liabilities and plus contract receivables at the end of 2022 totaled \$1,921,376, sufficient to cover more than nine (9) months of operating expenses (not inclusive of demolitions or other expenses such as renovations and stabilization that are typically only undertaken using restricted grant funds).

INVENTORY

The fair market value of real estate held as inventory by the Corporation is not generally reflected in the Corporation's financial statements until it is sold. Generally accepted accounting principles require inventory be booked at cost or fair market value, whichever is less. Costs, not including period costs or routine maintenance which are expensed when incurred, are only booked as expenses once a property has been sold. Since the Greater Syracuse Land Bank acquires most properties for \$151 each, subsequent to municipal foreclosure, costs will in most cases be less than fair market value.

In 2022, the Land Bank acquired 123 properties; these include 108 via City of Syracuse foreclosure proceedings, fourteen (14) deeds in lieu of foreclosure, and one (1) private donation. For donated properties, which are acquired at no cost, an estimated fair market value is booked to inventory at the time of acquisition.

CAPITAL ASSETS

Capital assets at December 31, 2022, December 31, 2021 and December 31, 2020, were comprised of property, furniture and equipment that was purchased and capitalized during the years in accordance with the Corporation's capitalization policy.

CURRENT LIABILITIES

Current liabilities are comprised of current obligations (accounts payable, accrued liabilities and other liabilities) that are due currently, or in the next 12 months as well as advances of grant and government subsidy revenue that have not yet been earned.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Summary of Revenues, Expenses, and Change in Net Position

	<u>2022</u>	<u>% of Total</u>	<u>2021</u>	<u>% of Total</u>	<u>2020</u>	<u>% of Total</u>
OPERATING REVENUES:						
Grant and government subsidy revenue	\$ 4,216,909	74.50%	\$ 3,157,793	66.47%	\$ 2,435,358	66.07%
Sale of property	1,226,456	21.66%	1,330,596	28.01%	1,035,660	28.10%
Rental revenue	29,350	0.52%	24,901	0.52%	30,450	0.83%
Other revenue	4,375	0.08%	37,082	0.78%	28,868	0.78%
Project extension fees	119,010	2.10%	80,302	1.69%	53,878	1.46%
Dev. enforcement mtg. foreclosures	64,557	1.14%	-	0.00%	-	0.00%
PPP forgiveness	<u>-</u>	0.00%	<u>120,095</u>	2.53%	<u>101,710</u>	2.76%
Total operating revenues	<u>5,660,657</u>		<u>4,750,769</u>		<u>3,685,924</u>	
OPERATING EXPENSES:						
Cost of sales	3,790,116	68.01%	2,830,843	60.44%	2,741,621	59.60%
Unrealized loss on inventory	507,656	9.11%	373,173	7.97%	447,542	9.73%
Relocation	40,544	0.73%	13,003	0.28%	26,210	0.57%
Special assessment	370	0.01%	7,210	0.15%	21,370	0.46%
General & admin expenses	50,767	0.91%	46,073	0.98%	42,300	0.92%
Professional services	200,390	3.60%	423,320	9.04%	346,066	7.52%
Salaries, wages and related expenses	640,600	11.50%	649,900	13.88%	619,453	13.47%
Advertising	9,671	0.17%	15,414	0.33%	11,100	0.24%
Insurance	286,107	5.13%	282,528	6.03%	303,767	6.60%
Rent	1,796	0.03%	33,321	0.71%	30,862	0.67%
Travel	16,892	0.30%	7,392	0.16%	7,705	0.17%
Depreciation & amortization	<u>27,989</u>	0.50%	<u>1,286</u>	0.03%	<u>2,379</u>	0.05%
Total operating expenses	<u>5,572,898</u>		<u>4,683,463</u>		<u>4,600,375</u>	
OPERATING INCOME (LOSS)	<u>87,759</u>		<u>67,306</u>		<u>(914,451)</u>	
NON-OPERATING INCOME (EXPENSES):						
Miscellaneous	<u>7,961</u>		<u>11,115</u>		<u>1,734</u>	
CONTRIBUTIONS	<u>151</u>		<u>66,069</u>		<u>71,990</u>	
CHANGE IN NET POSITION	<u>\$ 95,871</u>		<u>\$ 144,490</u>		<u>\$ (840,727)</u>	

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

OPERATING REVENUES

Operating revenue is mostly comprised of grant and government subsidies awarded to the Corporation to aid in meeting the objectives of the Corporation and revenue from the sale of property.

OPERATING EXPENSES

Operating expenses in 2022 are mostly comprised of cost of sales, salaries and wages, insurance and professional services.

Cost of sales includes property acquisition and stabilization costs as well as the ongoing expenses associated with property maintenance. The number of full-time staff remained at eight (8) in 2022.

OPERATING RESULTS

Below are the Corporation's operating income (loss), non-operating income (loss), contributions, change in net position, and net position at December 31, 2022, December 31, 2021, and December 31, 2020, respectively:

	2022	2021	2020
Operating Income (Loss)	\$ 87,759	\$ 67,306	\$ (914,451)
Non-Operating Income (Loss)	\$ 7,961	\$ 11,115	\$ 1,734
Contributions	\$ 151	\$ 66,069	\$ 71,990
Change in Net Position	\$ 95,871	\$ 144,490	\$ (840,727)
Net Position	\$ 3,235,077	\$ 3,139,206	\$ 2,994,716

CAPITAL ASSET ADMINISTRATION

Below are the Corporation's investment in capital assets (net of accumulated depreciation) at December 31, 2022, December 31, 2021, and December 31, 2020, respectively. This investment includes furniture, equipment, computer hardware, and small amounts of software.

	2022	2021	2020
Capital assets, being depreciated, net:			
Furniture and equipment	<u>\$ 193</u>	<u>\$ 1,242</u>	<u>\$ 2,528</u>
Lease assets, being amortized, net:			
Office space	<u>33,675</u>	<u>-</u>	<u>-</u>
Deduct:			
Short-term portion of lease liabilities	(26,940)	-	-
Long-term portion of lease liabilities	<u>(6,735)</u>	<u>-</u>	<u>-</u>
Total deductions	<u>(33,675)</u>	<u>-</u>	<u>-</u>
Net investment in capital assets	<u>\$ 193</u>	<u>\$ 1,242</u>	<u>\$ 2,528</u>

REQUEST FOR INFORMATION

This financial report is designed to provide the reader with a general overview of the Corporation's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Executive Director, 431 E Fayette Street, Suite 375, Syracuse, NY 13202.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Statements of Net Position
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 3,029,030	\$ 2,779,882
Accounts receivable	400	1,000
Grant and government subsidy receivable	-	326,411
Note receivable, current portion	2,200	2,232
Inventory	664,237	526,124
Prepaid expenses	69,917	69,151
Restricted cash	<u>1,107,654</u>	<u>1,843,069</u>
Total current assets	<u>4,873,438</u>	<u>5,547,869</u>
NONCURRENT ASSETS:		
Note receivable, net of current portion	80,126	82,519
Capital assets, net	<u>33,868</u>	<u>1,242</u>
Total assets	<u>4,987,432</u>	<u>5,631,630</u>
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	70,468	533,048
Accrued expenses	510,111	97,183
Lease liability, current portion	26,940	-
Grant and government subsidy revenue advance	1,107,654	1,843,069
Other liabilities	<u>30,447</u>	<u>19,124</u>
Total current liabilities	<u>1,745,620</u>	<u>2,492,424</u>
NONCURRENT LIABILITIES:		
Lease liability, net of current portion	<u>6,735</u>	<u>-</u>
Total liabilities	<u>1,752,355</u>	<u>2,492,424</u>
NET POSITION		
Net investment in capital assets	193	1,242
Unrestricted	<u>3,234,884</u>	<u>3,137,964</u>
Total net position	<u>\$ 3,235,077</u>	<u>\$ 3,139,206</u>

The accompanying notes are an integral part of these statements.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Statements of Revenues, Expenses and Change in Net Position
For the years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES:		
Grant and government subsidy revenue	\$ 4,216,909	\$ 3,157,793
Sale of property	1,226,456	1,330,596
Rent revenue	29,350	24,901
Project extension fees	119,010	80,302
Paycheck Protection Program forgiveness	-	120,095
Development enforcement mortgage foreclosures	64,557	-
Other revenue	<u>4,375</u>	<u>37,082</u>
Total operating revenues	<u>5,660,657</u>	<u>4,750,769</u>
OPERATING EXPENSES:		
Cost of sales	3,790,116	2,830,843
Unrealized loss on inventory	507,656	373,173
Relocation assistance	40,544	13,003
Special assessment	370	7,210
Salaries, wages and related expenses	640,600	649,900
Insurance	286,107	282,528
Professional services	200,390	423,320
General and administrative expenses	50,767	46,073
Rent	1,796	33,321
Advertising	9,671	15,414
Depreciation and amortization	27,989	1,286
Travel	<u>16,892</u>	<u>7,392</u>
Total operating expenses	<u>5,572,898</u>	<u>4,683,463</u>
OPERATING INCOME (LOSS)	<u>87,759</u>	<u>67,306</u>
NON-OPERATING INCOME:		
Miscellaneous income	<u>7,961</u>	<u>11,115</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS	<u>95,720</u>	<u>78,421</u>
CONTRIBUTIONS:		
Cash contributions	-	4
Inventory contributions	<u>151</u>	<u>66,065</u>
Total contributions	<u>151</u>	<u>66,069</u>
CHANGE IN NET POSITION	95,871	144,490
NET POSITION - beginning of year	<u>3,139,206</u>	<u>2,994,716</u>
NET POSITION - end of year	<u>\$ 3,235,077</u>	<u>\$ 3,139,206</u>

The accompanying notes are an integral part of these statements.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Statements of Cash Flows
For the years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from grant and government subsidies	\$ 3,807,905	\$ 4,726,182
Cash received from property sales	1,228,881	1,332,678
Cash received from rent	29,950	29,151
Cash received from other revenue	4,375	37,082
Cash received from project extensions	119,010	80,302
Cash received from PPP loan forgiveness	-	120,095
Cash paid for inventory	(4,331,807)	(2,568,186)
Cash paid for general and administrative expenses	(66,245)	(43,540)
Cash paid for professional services	(262,486)	(377,307)
Cash paid for salaries, wages and related expenses	(640,725)	(642,645)
Cash paid for advertising	(9,671)	(15,414)
Cash paid for insurance	(286,873)	(292,454)
Cash paid for rent	(1,796)	(33,321)
Cash paid for relocation assistance and special assessment	(40,914)	(20,213)
Cash paid for travel	(16,892)	(7,392)
Net cash from operating activities	<u>(467,288)</u>	<u>2,325,018</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from cash contributions	-	4
Cash payments for principal portion of lease liability	(26,940)	-
Net cash for capital and related financing activities	<u>(26,940)</u>	<u>4</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net miscellaneous income (expense)	<u>7,961</u>	<u>11,115</u>
Net cash from investing activities	<u>7,961</u>	<u>11,115</u>
CHANGE IN CASH	(486,267)	2,336,137
CASH - beginning of year	<u>4,622,951</u>	<u>2,286,814</u>
CASH - end of year	<u>\$ 4,136,684</u>	<u>\$ 4,622,951</u>
RECONCILIATION OF CASH TO THE STATEMENT OF NET POSITION:		
Cash	\$ 3,029,030	\$ 2,779,882
Restricted cash	<u>1,107,654</u>	<u>1,843,069</u>
Total	<u>\$ 4,136,684</u>	<u>\$ 4,622,951</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating income (loss)	\$ 87,759	\$ 67,306
Adjustments to reconcile operating income (loss) to net cash flow from operating activities:		
Depreciation and amortization	27,989	1,286
Inventory acquired through contributions	151	66,065
Changes in:		
Accounts receivable	600	4,250
Grant and government subsidy receivable	326,411	(54,692)
Note receivable	2,425	2,082
Inventory	(138,113)	154,782
Prepaid expenses	(766)	(9,926)
Accounts payable	(462,580)	438,509
Accrued expenses	412,928	50,570
Grant and government subsidy revenue advance	(735,415)	1,623,081
Other liabilities	<u>11,323</u>	<u>(18,295)</u>
Net cash from operating activities	<u>\$ (467,288)</u>	<u>\$ 2,325,018</u>

The accompanying notes are an integral part of these statements.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Notes to Basic Financial Statements
December 31, 2022 and 2021

1. ORGANIZATION

The Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land Bank (the Corporation) was formed in 2012 to address the problems of vacant, abandoned, or tax delinquent property in the City of Syracuse, New York (the City or primary government) and the County of Onondaga, New York (the County) in a coordinated manner through the acquisition of real property. The mission of the Corporation is to return that property to productive use in order to strengthen the economy, improve the quality of life, and improve the financial condition of the municipalities, through the use of the powers and tools granted to land banks by New York State (NYS).

The Corporation is considered a discretely presented component unit of the City based upon the fact that the Corporation is fiscally dependent on the primary government and there is a financial benefit/burden relationship between the primary government and the Corporation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The basic financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), which is the primary standard-setting body for establishing governmental accounting and financial principles.

Measurement Focus and Basis of Accounting

The Corporation operates as a proprietary fund. Proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net position.

The Corporation utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or an economic asset is used.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Notes to Basic Financial Statements
December 31, 2022 and 2021

Income Tax Status

The Corporation was organized as a not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code.

Cash

Custodial credit risk related to cash deposits is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits.

The Corporation had a bank balance of \$4,148,036 at December 31, 2022 of which \$250,000 was insured by the Federal Deposit Insurance Corporation (FDIC) and \$3,898,036 was collateralized with securities held by the pledging financial institution in the Corporation's name. A bank balance of \$4,617,888 was held at December 31, 2021 of which \$250,000 was insured by the FDIC and \$4,367,888 was collateralized with securities held by the pledging financial institution in the Corporation's name.

Restricted Cash

Certain amounts of cash are classified as restricted because their use is restricted by grant agreements. Restricted cash balances have been offset by grant and government subsidy revenue advances at December 31, 2022 and 2021.

Grant and Government Subsidy Receivable

Grant and government subsidy receivable represents funds earned but not yet received by the Corporation related to grant and government subsidy revenue. Management does not believe a reserve for uncollectible receivables is necessary at December 31, 2022 and 2021.

Note Receivable

The Corporation holds a note receivable related to a property sale. See Note 4 for more information. Management does not believe an allowance for doubtful accounts is necessary.

Inventory

Inventory consists of vacant, abandoned, or tax delinquent property in the City and County purchased by the Corporation. Inventory is valued at the lower of cost or market. Market value is defined as ½ the assessed value of the property except for vacant lots and demolition candidates, which are valued at \$151, properties listed for sale, which are valued at listing price, and properties under contract that have not yet closed, which are valued at their contract sales price. Cost includes but is not limited to, property purchase cost, appraisal, inspection and recording fees, renovation costs and professional services.

Prepaid Expenses

Prepaid expenses consist primarily of amounts paid for the portion of insurance policies that provide coverage for the following fiscal year.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Notes to Basic Financial Statements
December 31, 2022 and 2021

Capital Assets

Capital assets include furniture and equipment and are defined by the Corporation as assets with an initial individual cost of more than \$1,000 and having an estimated useful life in excess of one year. Assets will be depreciated using the straight-line method.

Capital assets also include lease assets with a term greater than one year. The Corporation does not implement a capitalization threshold for lease assets. Lease assets are amortized on a straight-line basis over the term of the lease.

Grant and Government Subsidy Revenue Advance

In certain instances, the Corporation receives grant and government subsidy revenue prior to meeting the definition of earned. Such amounts are reflected as a liability, grant and government subsidy revenue advances, until amounts are deemed earned and then recognized as revenue.

Operating and Non-Operating Revenues and Expenses

As a business-type activity, the Corporation distinguishes operating revenues and expenses from non-operating items. Operating revenues are mostly comprised of grant and government subsidy revenue resulting from exchange transactions associated with the principal activities of the Corporation. Other sources of operating revenues include sales of property, rental revenue, project extension fees, and development enforcement mortgage foreclosures. Operating expenses generally result from the acquisition, demolition and renovation of properties, and general and administrative expenses in accordance with the Corporation's mission. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Development Enforcement Mortgage Foreclosures

A majority of properties the Corporation sells come with an enforcement mortgage that requires the buyer to complete renovations within a certain period of time, usually twelve months. When a project is not completed in time, the Corporation may either charge project extension fees to allow for more time, or pursue a default on the enforcement mortgage. In these instances where the property deed is transferred back to the Corporation, the Corporation records revenue equal to the market value of the property.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Notes to Basic Financial Statements
December 31, 2022 and 2021

Unrealized Loss on Inventory

Deterioration, damage, changing prices, and other factors have caused certain inventory's cost to exceed its market value. In accordance with GAAP, inventory has been reduced to market value and an unrealized loss has been recognized in both December 31, 2022 and 2021.

Contributions

The Corporation received contributions of property (recorded as inventory contributions equal to the market value of the property) and cash during the fiscal years ending December 31, 2022 and 2021. These amounts are reflected in the statements of revenues, expenses and change in net position.

Net Position

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - capital assets including restricted capital assets, net of accumulated depreciation and amortization, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - net position with constraints placed on their use either by (1) external groups such as creditors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Corporation does not have restricted net position at December 31, 2022 and 2021.
- c. Unrestricted net position - all other net position that does not meet the definition of net investment in capital assets or restricted net position.

It is the Corporation's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Notes to Basic Financial Statements
December 31, 2022 and 2021

3. CAPITAL ASSETS

The Corporation's capital assets activity for the year ended December 31, 2022 was as follows:

	Balance at January 1	Additions	Deductions	Balance at December 31
Capital Assets, being depreciated:				
Furniture and equipment	\$ 32,831	\$ -	\$ -	\$ 32,831
Total Capital Assets, being depreciated	32,831	-	-	32,831
Less Accumulated Depreciation for:				
Furniture and equipment	(31,589)	(1,049)	-	(32,638)
Total Accumulated Depreciation	(31,589)	(1,049)	-	(32,638)
Total Capital Assets, being depreciated, net	1,242	(1,049)	-	193
Lease Assets, being amortized:				
Office space	-	60,615	-	60,615
Total Lease Assets, being amortized	-	60,615	-	60,615
Less Accumulated Amortization for:				
Office space	-	(26,940)	-	(26,940)
Total Accumulated Amortization	-	(26,940)	-	(26,940)
Total Lease Assets, being amortized, net	-	33,675	-	33,675
Capital Assets, net	\$ 1,242	\$ 32,626	\$ -	\$ 33,868

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Notes to Basic Financial Statements
December 31, 2022 and 2021

The Corporation's capital assets activity for the year ended December 31, 2021 was as follows:

	Balance at January 1	Additions	Deductions	Balance at December 31
Capital Assets, being depreciated:				
Furniture and equipment	\$ 32,831	\$ -	\$ -	\$ 32,831
Total Capital Assets, being depreciated	32,831	-	-	32,831
Less Accumulated Depreciation for:				
Furniture and equipment	(30,303)	(1,286)	-	(31,589)
Total Accumulated Depreciation	(30,303)	(1,286)	-	(31,589)
Capital Assets, net	\$ 2,528	\$ (1,286)	\$ -	\$ 1,242

4. NOTE RECEIVABLE

On November 1, 2020, the Corporation entered into a note receivable agreement for \$87,000 to be paid back in monthly installments of \$675, including interest at 7% through November 1, 2040. The note receivable balance was \$82,326 and \$84,751 at December 31, 2022 and 2021, respectively.

Maturities of the note receivable at December 31, 2022 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,201	\$ 5,219	\$ 7,420
2024	2,567	5,527	8,094
2025	2,752	5,342	8,094
2026	2,951	5,143	8,094
2027	3,164	4,930	8,094
2028-2032	19,604	20,869	40,473
2033-2037	27,790	12,681	40,471
2038-2040	21,297	4,220	25,517
Total	\$ 82,326	\$ 63,931	\$ 146,257

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Notes to Basic Financial Statements
December 31, 2022 and 2021

5. INTERMUNICIPAL AGREEMENT

Within the parameters of the New York Land Bank Act of Article 16 of the New York Not-for-Profit Corporation Law, any one or more foreclosing governmental units are permitted to enter into an intergovernmental cooperation agreement to establish a land bank. In 2012, the County and the City entered into an intermunicipal agreement for the creation of the Corporation to exercise the powers, duties, functions, and responsibilities of a land bank under the Land Bank Act.

6. TRANSACTIONS WITH PRIMARY GOVERNMENT

The Corporation and the City entered into various grant agreements in 2022 and 2021. The Corporation recognized \$3,535,882 and \$2,262,798 of grant and government revenue for the years ended December 31, 2022 and 2021, respectively. Related to these agreements, \$250,851 was due from the City to the Corporation at December 31, 2021. No such amounts were due at December 31, 2022. These amounts are included in grant and government subsidy receivable on the statements of net position.

7. LOAN GUARANTEE PROGRAM

The Corporation entered into an agreement with Home HeadQuarters, Inc. for a Loan Guarantee Program to encourage the purchase and rehabilitation of properties within the City of Syracuse owned by the Corporation. Under the program, Home HeadQuarters, Inc. provided \$1,500,000 into mortgages, of which the Corporation provided a guarantee up to \$150,000. The Corporation is under obligation for ten years after the last loan is issued. The last loan was issued on October 14, 2016.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Notes to Basic Financial Statements
December 31, 2022 and 2021

8. PAYCHECK PROTECTION PROGRAM ARRANGEMENT

In January 2021, the Corporation entered into a promissory note payable to M&T Bank in the amount of \$120,095. The note was entered into as part of the U.S. Small Business Administration's Paycheck Protection Program (PPP) under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

The PPP provided for this borrowing, or a portion of the borrowing, to be forgiven to the extent the Corporation met defined requirements related to expenditure of the funds and management of the personnel complement. During the year ended December 31, 2021, the Land Bank satisfied all requirements and obtained a notice of forgiveness for the PPP loan from the bank. As a result, the amount of \$120,095 was recognized in revenue in 2021, and no liability remained for the year ended December 31, 2021.

9. RECLASSIFICATIONS

Certain amounts in the 2021 financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements. The reclassifications did not have any effect on total net position or change in net position as previously reported.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

March 30, 2023

To the Board of Directors of the
Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land Bank:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land Bank (the Corporation), a discretely presented component unit of the City of Syracuse, New York, (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements and have issued our report thereon dated March 30, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

March 30, 2023

To the Board of Directors of the

Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land
Bank:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Greater Syracuse Property Development Corporation's d/b/a Greater Syracuse Land Bank (the Corporation), a discretely presented component unit of the City of Syracuse, New York, (the City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Corporation's major federal programs for the year ended December 31, 2022. The Corporation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Corporation's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Schedule of Expenditures of Federal Awards
For the year ended December 31, 2022

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Assistance Listing</u>	<u>Agency or Pass-Through Number</u>	<u>Federal Expenditures</u>	<u>Provided to Subrecipients</u>
U.S. Department of Housing and Urban Development				
CDBG - Entitlement Grants Cluster				
Pass-through City of Syracuse, New York:				
COVID-19: Community Development Block Grant	14.218	N/A	\$ 39,809	
Total U.S. Department of Housing and Urban Development			39,809	
U.S. Department of the Treasury				
Pass-through City of Syracuse, New York:				
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	3,276,656	
Total U.S. Department of Treasury			3,276,656	
U.S. Environmental Protection Agency				
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	BF-96251919	1,793	
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	BF-96251719	78,607	
Total Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements			80,400	
Total U.S. Environmental Protection Agency			80,400	
Total Expenditures of Federal Awards			\$ 3,396,865	

The accompanying notes are an integral part of this schedule.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Notes to Schedule of Expenditures of Federal Awards
December 31, 2022

1. BASIS OF PRESENTATION

Pass-Through Programs

Where the Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land Bank (the Corporation) receives funds from a government entity other than the federal government (pass-through), the funds are accumulated based upon the Assistance Listing (AL) number when advised by the pass-through grantor. Identifying numbers, other than AL numbers, which may be assigned by pass-through grantors, are not maintained in the Corporation's financial management system. The Corporation's management has identified certain pass-through identifying numbers and included them in the schedule of expenditures of federal awards (SEFA).

2. BASIS OF ACCOUNTING

The SEFA is presented in accordance with accounting principles generally accepted in the United States of America and is derived from the Corporation's general ledger. Federal expenditures are recorded when an allowable cost is incurred under the applicable program and is due and payable. For programs with funding ceilings and caps, federal expenditures are only recorded and presented in the SEFA up to such amounts.

3. INDIRECT COSTS

Indirect costs are included in the reported expenditures to the extent such costs are included in the federal financial reports used as the source for the data presented. The Corporation has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

4. MATCHING COSTS

Matching costs, i.e., the Corporation's share of certain program costs, are not included in the reported expenditures.

GREATER SYRACUSE PROPERTY DEVELOPMENT CORPORATION
d/b/a GREATER SYRACUSE LAND BANK
(A Discretely Presented Component Unit of the City of Syracuse, New York)

Schedule of Findings and Questioned Costs
For the year ended December 31, 2022

Part I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the Corporation's financial statements were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiencies identified?

☐ Yes ☒ None reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

☐ Yes ☒ No

Significant deficiencies identified?

☐ Yes ☒ None reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, 2 CFR Section 200.516(a)?

☐ Yes ☒ No

The dollar threshold to distinguish between Type A and B programs was \$750,000.

The major federal program of the Corporation for the year ended December 31, 2022 was as follows:

U.S. Department of the Treasury

COVID-19: Coronavirus State and Local Fiscal Recovery Funds (21.027)

The Corporation was not considered a low-risk auditee for the year ended December 31, 2022.

Part II - Financial Statement Findings

None reported.

Part III - Federal Award Findings and Questioned Costs

None reported.

**REPORT ON SECTION 2925(3)(f) OF THE NEW YORK STATE PUBLIC AUTHORITIES
LAW**

March 30, 2023

To the Board of Directors of the

Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land
Bank:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Greater Syracuse Property Development Corporation d/b/a Greater Syracuse Land Bank (the Corporation), a discretely presented component unit of the City of Syracuse, New York (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated March 30, 2023.

In connection with our audit, nothing came to our attention that caused us to believe that the Corporation failed to comply with the Corporation's Investment Guidelines, The New York State (NYS) Comptroller's Investment Guidelines and Section 2925 of the NYS Public Authorities Law (collectively, the Investment Guidelines), which is the responsibility of the Corporation's management, insofar as they relate to the financial accounting knowledge of noncompliance with such Investment Guidelines. However, our audit was not directed primarily towards obtaining knowledge of noncompliance with such Investment Guidelines. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Corporation's noncompliance with the Investment Guidelines.

This report is intended solely for the information and use of management of the Corporation, the Board of Directors of the Corporation, and the Office of the State Comptroller of the State of New York. It is not intended to be, and should not be, used by anyone other than these specified parties.

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