

2018 ANNUAL REPORT



**TROY COMMUNITY
LAND BANK**

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ATTACHMENTS

- 2018 Balance Sheet
- 2018 Profit & Loss Statement
- 2019 – 2020 Projected Budget



MISSION STATEMENT, GOALS AND TARGET AREA

Mission Statement:

The Troy Community Land Bank's ("TCLB") core purpose is to acquire and redevelop vacant, abandoned and under-utilized properties through community partnerships and strategic planning. Our overall goal is to encourage economic growth, long-term sustainability and new opportunities for all of Troy's residents and businesses so that together we can build stronger neighborhoods and enjoy a greater quality of life. The TCLB has strategically identified areas of the city where it will focus its efforts and apply funds from the New York State Attorney General grant for demolition, stabilization and rehabilitation activities.

Goals:

The goals of the TCLB are to involve community partners and stakeholders in the mission of the Land Bank; work collaboratively with the City of Troy to stimulate neighborhood development through the acquisition, rehabilitation and/or demolition of tax-foreclosed and vacant properties; develop, participate in or strengthen home ownership programs that complement current programs utilized by the City of Troy; and become a catalyst in the improvement of the quality of life for our residents.

Target Area:

Census Tract 404: TCLB's primary geographic focus. This tract is a highly distressed zone and is recognized as an Opportunity Agenda area by the Capital Region Economic Development Council. \$2.5 million in Community Development Block Grant funding in this tract has concentrated on infrastructure improvements and replacement. It is also an area that is contiguous to a developing commercial district with access to employment, training, education and transportation. With many large vacant structures in the neighborhood, redevelopment has been difficult due to safety concerns and aesthetic issues. Improvement to the surrounding streets and properties adjacent to these development projects will enhance the streetscape, improve property values and preserve our historic character. By working to improve housing options, access to employment and recreation, quality of life issues will be addressed and a highly distressed neighborhood can be diversified and stabilized. A highly distressed area—the most distressed in the Capital Region—the median income in Census Tract 404 is \$22,500 versus \$69,968 for New York State (NYS). The median age in this neighborhood is 28, 10 years younger than the median for NYS and the U.S. 74% of the neighborhood population (25 years and older) are high school graduates or less. 52% of the population lives below the poverty level as compared to 15% in NYS and the U.S. overall. There is much work to be done. Quality housing stock is imperative—60% of Census Tract 404's population is renting. Neighborhood services, walkability and access to transportation and education are imperative as over 50% of the population do not own private vehicles.

2018 BOARD OF DIRECTORS

Heather King - *Chair*
Dylan Turek - *Vice-chair*
Sharon Nichols - *Treasurer*
Brian Barker - *Secretary*
John Carmello - *Member*
Andrew Cooper - *Member*
John Cubit - *Member*
Bruce Dee - *Member*
Jeanette Nicholson - *Member*
Suzanne Spellen - *Member*

Corporation Staff

Tony Tozzi - *Executive Director*
Chris Brown - *Planning & Operations Manager*

Corporation Counsel

Catherine Hedgeman

Corporation Auditors

The Bonadio Group

Corporation Accountants

Bowers & Company CPAs, PLLC
(formerly Kumlander, Donofrio, Hay & Pehl, CPAs,
LLP & Luther Forest Wealth Advisors)

COMPENSATION SCHEDULE

No corporation employees were compensated in excess of one hundred thousand dollars (\$100,000) during Fiscal Year 2017.

2018 BOARD COMMITTEES AND MEMBERSHIP

Executive Committee

Heather King, Dylan Medlock-Turek, Sharon Nichols, Brian Barker

Finance Committee

Sharon Nichols, John Carmello, Bruce Dee, John Cubit

Audit Committee

Bruce Dee, Dylan Medlock-Turek, John Cubit

Hiring Committee

Suzanne Spellen, Heather King, Andrew Cooper

Acquisition-Disposition Committee

Heather King, Dylan Medlock-Turek, Brian Barker

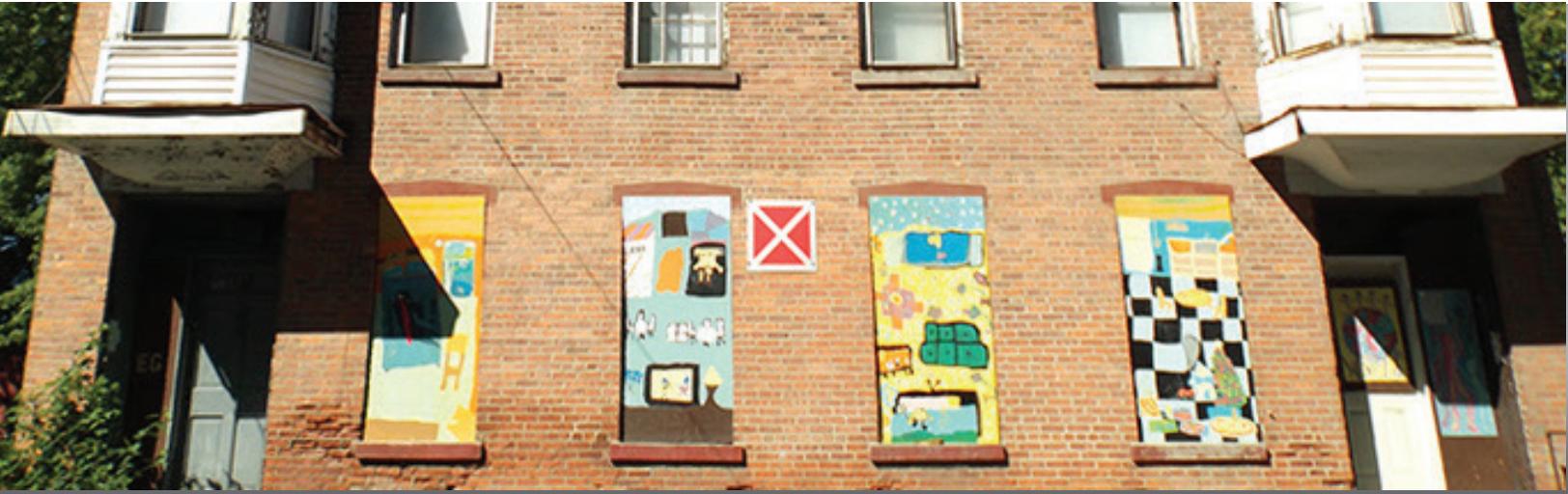
Marketing Committee

Suzanne Spellen, Jeanette Nicholson, Andrew Cooper
(formerly Dylan Medlock-Turek)

2018 BOARD OF DIRECTORS MEETINGS & ATTENDANCE

All Board of Directors meetings are open to the public.

- **January:** Heather King, Dylan Turek, Sharon Nichols, Brian Barker, Suzanne Spellen, Andrew Cooper, Jeanette Nicholson.
- **February:** Heather King, Dylan Turek, Sharon Nichols, Brian Barker, Suzanne Spellen, John Cubit, John Carmello, Jeanette Nicholson.
- **March:** Heather King, Sharon Nichols, Brian Barker, John Cubit, Bruce Dee, Andrew Cooper, Jeanette Nicholson.
- **June:** Heather King, Sharon Nichols, Brian Barker, John Cubit, Bruce Dee, Andrew Cooper, Jeanette Nicholson.
- **August:** Heather King, Dylan Turek, Sharon Nichols, Suzanne Spellen, John Cubit, John Carmello, Bruce Dee, Andrew Cooper, Jeanette Nicholson.
- **October:** Heather King, Dylan Turek, Sharon Nichols, Brian Barker, Suzanne Spellen, John Cubit, John Carmello, Bruce Dee, Jeanette Nicholson.
- **November – December (combined):** Heather King, Sharon Nichols, Brian Barker, Suzanne Spellen, John Cubit, John Carmello, Bruce Dee, Andrew Cooper, Jeanette Nicholson.
- **April, May, July and September:** Meetings not conducted for lack of business



2018

ACCOMPLISHMENTS

Property Acquisitions:

In 2018, TCLB acquired two parcels from private parties: 879 River Street property from Ms. Queen Conyers, and 288 Tenth Street from The Stewart's Corporation. The 879 River Street was acquired to add to the assemblage of parcels for the future redevelopment of a site situated at the northwest intersection of West Glen Avenue and River Street. The 288 Tenth Street property was donated to the TCLB following the physical relocation of the building from its former location at 284 Tenth Street, and the building will be reconnected to public utilities and marketed for sale.

Demolitions:

In 2018 the TCLB engaged the City of Troy to raze six buildings. Five of these properties were in severely deteriorated and unsafe conditions: 69 Rensselaer Street, 3235 Seventh Avenue, 881 River Street, 61-63 Ingalls Avenue and 443 Tenth Street. 879 River Street was also razed to advance actions necessary to assemble parcels for redevelopment at the northwest corner of West Glen Avenue and River Street.

Sales:

In 2018, the TCLBC sold more properties than the sum of all sold in prior years. Five buildings and two vacant lots were sold, all to new owners that either began total renovation or planning to do so soon. One building at 3319 Sixth Avenue was a former two-family sold to Media Alliance, Inc. for redevelopment of the property into an art and ecology center. One building at 48 Ida Street was sold to a father & son partnership, where the son recently graduated from Hudson Valley Community College's Construction Technologies curriculum, and will reside in the building following its full renovation. Two buildings were sold, 785 River Street and 836 River Street, to an owner who will undertake renovation of both properties simultaneously. One building, 836 River Street, was sold to an owner who began complete renovation of the three-dwelling units and one-commercial unit structure.

Two buildings that had been sold to Habitat for Humanity prior to 2018, as part of a co-development agreement, were also sold to owner-occupants and first time home-buyers at 71 Fifth Avenue and 3320 Sixth Avenue.

Staffing:

In 2018, the TCLB continued the same staffing capacity as it had at the end of 2017, with Tony Tozzi serving his first full year as Executive Director, and with Chris Brown continuing his role as Planning and Operations Manager. Chris served in this role, in part as a donation of staff services from the City of Troy, and in part as a contract employee by the TCLB.

2018

PROPERTY INVENTORY

Purchased from the City of Troy:

- 3 Cragin Ave Vacant Land (*since sold to private owner*)
- 16 Cragin Ave Vacant Land
- 186 Hill Street Vacant Land (*since sold to private owner*)
- 61-63 Ingalls Ave 4 Unit
- 9 Park Avenue Vacant Land
- 29 Park Ave 3 Unit
- 140 President Street Vacant Land
- 785 River Street 3 Unit (*since sold to private owner*)
- 790 River Street Vacant Land
- 791 River Street Mixed use
- 806-808 River Street Vacant Land
- 812 River Street Vacant Land
- 822 River Street 3 Unit (*since sold to private owner*)
- 836 River Street 3 Unit (*since sold to private owner*)
- 899 River Street 2 Unit
- 3032 Seventh Ave Vacant Land
- 3036 Seventh Ave 2 Unit
- 3209-3211 Seventh Ave Apartment
- 1029 Sixth Ave Vacant Land
- 3154 Sixth Ave Vacant Lot
- 3319 Sixth Ave 2 Unit (*since sold to private owner*)
- 76 Tyler Street Vacant Land
- 102 W. Glen Avenue Vacant Land

Purchased from Private Owners:

- 810 River Street Vacant Land
- 836 River Street 3 Unit (*since sold to private owner*)
- 409 Second Street Vacant Land
- 879 River Street 2 Unit

REO Bank Donation:

- 48 Ida Street 2 Unit (*since sold to private owner*)

Private Donation:

- 288 Tenth Street 2 Unit





2019 PERFORMANCE OBJECTIVES

Staff:

TCLB has no plans to add additional staff during 2018. The position of Planning and Operations Manager was eliminated effective December 31, 2018, as a result of a decision by the City of Troy to discontinue to provide the donation of staff, and a result of a decision by Chris Brown to resign that position as contract employee to TCLB.

TCLB plans to select a 'partnering' organization that can provide some services where operational capacity challenges exist. The 'partner' will further serve in assisting TCLB to plan and develop impactful activities, and to establish a sustainable organizational structure. Much of the 2018 performance objectives will be developed following the engagement with the 'partner' organization.

Property Acquisitions:

Currently, TCLB plans to acquire at least two additional properties during 2019 from the City of Troy. However, this goal is anticipated to be exceeded should actionable opportunities arise. The primary source of these acquisitions will continue to be the City of Troy tax foreclosure sale listings, and the area in which these properties are purchased will continue to be almost entirely within TCLB's focus area. There is a high desire to acquire two properties from private owners to complete the assemblage of parcels where two areas of redevelopment are planned.

Property Dispositions:

TCLB significantly redirected its programming of the disposition of properties in 2018 by attempting to renovate three to five properties along the River Street, with TCLB serving as a developer, and with plans to market renovated properties for sale. Towards this endeavor, TCLB conducted an assessment and planning exercise and, as a result, released an RFP to general contractors to completely renovate two properties along River Street. As bids were returned it became apparent that the gap between

the cost of renovation and the market value of each property was substantial, and not a sustainable financial model without the infusion of grants or other means to decrease the overall cost of renovation.

In 2019 TCLB and the 'partnering' organization it engages with will work together to develop a revised approach to dispose of properties. While no concrete programming can be undertaken until a 'partner' is engaged, future programming may include developing a more collaborative approach, seeking sources of short-term financing and grants, establish greater focus towards sales to owner-occupants by identifying long-term financial resources, and other measures to develop sustainable renovation programming.

TCLB will utilize a portion of remaining CRI III funding to raze 791 River Street and construct a new mixed-use building to replace it.

In 2019, a more deliberative effort will be made to complete the assemblage of parcels at two locations along River Street to set the stage for their redevelopment. If complete assemblage is attained, TCLB will take further actions to collaborate with other entities to facilitate redevelopment efforts with the objective to establish the highest and best practical use of these properties, and that should provide direct benefits to existing residents, such as establishing uses to provide services which do not presently exist in the neighborhood.

Demolition:

TCLB will continue to demolish buildings which cannot be rehabilitated or that pose a threat to general safety. Although no properties currently owned by TCLB are programmed for demolition in 2019, TCLB will consider properties it might acquire from the City. If TCLB can acquire a property needed to assemble parcels at a projected redevelopment area, building demolition will be taken.

COMMUNITY PARTNERS/STAKEHOLDERS

- **City of Troy:** The City of Troy is TCLB's most important partner, as it provides the land bank with property acquisitions and codevelopment agreements.
 - **TAP:** The Troy Architectural Program has provided a variety of services for TCLB. From assessments of TCLB real property acquisitions, providing the TCLB professional evaluations of and reports regarding stabilization, to renovation and/or demolition scopes of work and cost estimates. In 2019, TCLB will engage TAP to enhance the marketing of properties via high resolution digital video of conceptual building renovations.
 - **TRIP:** In 2019, TRIP will purchase vacant parcels from TCLB where unsafe buildings were demolished and TRIP will construct new affordable housing. In conjunction with New York State Homes and Community Renewal ("NYSHCR") and the State of New York Mortgage Agency ("SONYMA"), TRIP is participating in the New York State Neighborhood Revitalization Purchase Program, which provides up to \$20,000 in "gap financing" for home repairs to qualifying homebuyers. TCLB remains a key partner in the SONYMA program, identifying prospective buildings for homebuyers.
 - **Capital District Habitat for Humanity:** The local chapter of a well-established national nonprofit organization, Capital District Habitat for Humanity has entered into a co-development agreements with the TCLB that have, or will, result in the complete renovation or reconstruction of four buildings, and that have, or will, be sold to first-time homeowner-occupants. In 2019, TCLB will continue this collaborative relationship and seek to identify buildings for renovation and/or vacant parcels to construct new homes.
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The Troy Community Land Bank encourages economic growth, long-term sustainability and new opportunities for all of Troy's residents and businesses so that we can build stronger neighborhoods and enjoy a greater quality of life.

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TROY COMMUNITY LAND BANK CORPORATION

STATEMENT OF NET POSITION DECEMBER 31, 2018

ASSETS

Cash	\$	365,619
Accounts receivable		6,154
Prepaid expenses		<u>6,893</u>

Total current assets 378,666

Property held for sale		495,876
Capital assets, net		<u>1,184</u>

Total assets 875,726

LIABILITIES

Accounts payable and accrued liabilities		14,298
Unearned grant revenue		<u>141,224</u>

Total current liabilities 155,522

NET POSITION

Net investment in capital assets		1,184
Unrestricted - property held for resale		495,876
Unrestricted - available for operations		<u>223,144</u>

\$ 720,204

The accompanying notes are an integral part of these statements.

TROY COMMUNITY LAND BANK CORPORATION

**STATEMENT OF REVENUE, EXPENSES, AND CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2018**

OPERATING REVENUE

Sale of property	\$ 129,661
Other	<u>6,847</u>
Total operating revenue	<u>136,508</u>

OPERATING EXPENSES

Cost of property sold	419,206
Property maintenance	230,944
Salaries and benefits	105,297
Professional fees	51,147
Insurance	43,455
Office and administrative	8,603
Dues and subscriptions	2,096
Depreciation	401
Property taxes	<u>50</u>
Total operating expenses	<u>861,199</u>

Operating loss (724,691)

NON-OPERATING REVENUES

Grant revenue - Attorney General	514,111
Interest	<u>479</u>
Total non-operating revenues	<u>514,590</u>

OTHER ADDITIONS

Donated property	<u>60,000</u>
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CHANGE IN NET POSITION (150,101)

NET POSITION - beginning of year 870,305

NET POSITION - end of year \$ 720,204

The accompanying notes are an integral part of these statements.

Troy Community Land Bank
 Program Budget
 For the years 2019-2020

Total Budget including Round 3, Round 4, etc.

Activity	2019 Q1		2019 Q2		2019 Q3		2019 Q4		2020 Q1		2020 Q2		2020 Q3		2020 Q4	
	Total OAG	Total Other	Total OAG	Total Other	Total OAG	Total Other	Total OAG	Total Other	Total OAG	Total Other	Total OAG	Total Other	Total OAG	Total Other	Total OAG	Total Other
Carryover from Prior Year	115,000	209,000	324,000	324,000	115,000	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125	26,125
Revenues & Financial Sources:																
Grant Income	500,000	-	500,000	-	62,500	-	62,500	-	62,500	-	62,500	-	62,500	-	62,500	-
Sales of Properties	-	555,000	555,000	40,000	-	200,000	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financing/Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Income/Sources	615,000	764,000	1,379,000	66,125	62,500	226,125	62,500	26,125	62,500	26,125	62,500	26,125	62,500	26,125	62,500	26,125
Expenditures:																
Administration:																
Executive Director	-	190,000	190,000	-	-	23,750	-	23,750	-	-	-	-	-	-	-	-
Director of Operations	-	26,000	26,000	-	-	3,250	-	3,250	-	-	-	-	-	-	-	-
Project Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Program Administrator	70,000	-	70,000	-	8,750	-	8,750	-	8,750	-	8,750	-	8,750	-	8,750	-
Acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing	-	6,000	6,000	-	-	750	-	750	-	-	-	-	-	-	750	-
Legal	-	24,000	24,000	-	-	3,000	-	3,000	-	-	-	-	-	-	3,000	-
Bookkeeping	-	3,000	3,000	-	-	375	-	375	-	-	-	-	-	-	375	-
Accounting	-	15,000	15,000	-	-	1,875	-	1,875	-	-	-	-	-	-	1,875	-
Reactor	-	12,000	12,000	-	-	1,500	-	1,500	-	-	-	-	-	-	1,500	-
Misc Office	-	10,000	10,000	-	-	1,250	-	1,250	-	-	-	-	-	-	1,250	-
Operations:																
Demolition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Demolition	160,000	30,000	190,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Partial Demolition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rehabilitation	315,000	105,000	420,000	-	-	45,000	-	45,000	-	-	-	-	-	-	45,000	-
Stabilization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Renovation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Enviro/SHPO	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other																
Property Insurance	-	12,000	12,000	-	-	1,500	-	1,500	-	-	-	-	-	-	1,500	-
D&O Insurance	-	10,000	10,000	-	-	5,000	-	5,000	-	-	-	-	-	-	5,000	-
General Liability	-	70,000	70,000	-	-	35,000	-	35,000	-	-	-	-	-	-	35,000	-
Property Maintenance	70,000	-	70,000	-	8,750	-	8,750	-	8,750	-	8,750	-	8,750	-	8,750	-
Clean Outs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	615,000	513,000	1,128,000	37,250	62,500	37,250	62,500	77,250	62,500	77,250	62,500	62,500	62,500	37,250	62,500	37,250
Net Income (Loss)	-	251,000	251,000	28,875	-	188,875	-	(11,125)	62,500	(51,125)	62,500	(11,125)	(11,125)	26,125	(11,125)	(11,125)