

AGENDA



Rochester Land Bank Corporation

Annual Meeting Agenda

City Hall, Room 223B

30 Church St, Rochester, NY

September 19, 2024

3:00pm – 4:00pm

- 3:00: Call to Order
- 3:00-4:05: Approval of 8/15/24 Minutes
- 3:05-3:10: Treasurer’s and Cash Disbursements Reports
- 3:10-3:15: Election of Officers
- 3:15-3:20: Resolution No. 20 of 2024 to Authorize Sale of 268 Jefferson Terrace
- 3:20-3:25: Resolution No. 21 of 2024 to Authorize Sale of 83 Ridgeway Avenue
- 3:25-3:30: Resolution No. 22 of 2024 to Authorize Acceptance of ESL Community Impact Grant
- 3:30-3:35: Resolution No. 23 of 2024 to Re-adopt Approved Policies
- 3:35-3:45: Presentation and Approval of Audited Financial Statements
- 3:45-4:00: Presentation and Approval of Annual Report and constituent reports contained within it:
- Investment Report
 - Procurement Report
 - Mission Statement & Performance Measures Report
 - Operations & Accomplishments Report
 - Board Member Self-Evaluation Report
 - Establish Committee Memberships

AUGUST 15, 2024
BOARD MEETING
MINUTES

Rochester Land Bank Corporation
Meeting Minutes
August 15, 2024
City Hall, Room 223B
30 Church St, Rochester, NY 14614

Board Members Present: Erik Frisch, Carol Wheeler, John Fornof, Casmic Reid and Eric Van Dusen

Board Members Absent: LaShay Harris and James Smith

Non-Board Members Present: Paul Scuderi, Andrew Creary, Maritza Mejias, Rianne Mitchell and Cindy Castillo

The meeting was called to order at 3:05 pm by Erik Frisch.

Carol Wheeler made a motion to elect Eric Van Dusen as Secretary Pro-Tem; John Fornof seconded. The motion was approved by the Board at 3:07 pm.

Carol Wheeler moved that the minutes from the last meeting held July 18, 2024 be approved; Eric Van Dusen seconded. The motion was approved by the Board at 3:07 pm.

John Fornof presented the **Treasurer's Report and the Cash Disbursement Report for the month of July 2024**. The Treasurer's Report for the month of July classified the disbursements for the month and reported the revenue received for the month of July. John Fornof then presented the **Treasurer's Report and the Cash Disbursement Report for the month of August 2024**. The Treasurer's Report for the month of August classified the disbursements for the month and reported the revenue received for the month of August.

All reports were distributed to all members for review.

The first item on the agenda was **Resolution No. 16 of 2024 to Amend Policy Governing Acquisition of Real Property**. Rianne Mitchell presented and discussed the Resolution and provided the details and explanation for the amendment to the Policy.

Eric Van Dusen made a motion to approve Resolution No. 16 of 2024 to Amend Policy Governing Acquisition of Real Property; Casmic Reid seconded. The motion was approved by the Board at 3:17 pm.

The next item on the agenda was **Resolution No. 17 of 2024 to Accept a Donation of Real Property**. Paul Scuderi presented the Resolution and provided detailed information regarding the donation of the property and the preliminary plans for the property.

Eric Van Dusen made a motion to approve Resolution No. 17 of 2024 to Accept a Donation of Real Property; John Fornof seconded. The motion was approved by the Board at 3:22 pm.

The next item on the agenda was **Resolution No. 18 of 2024 to Amend Resolution No. 7 of 2024 Approving Sale of 376 Hague Street to Qualified Purchaser**. Rianne Mitchell presented the Resolution and Paul Scuderi provided the details and explanation for the amendment to Resolution No. 7 of 2024.

John Fornof made a motion to approve Resolution No. 18 of 2024 to Amend Resolution No. 7 of 2024 Approving Sale of 376 Hague Street to Qualified Purchaser; Eric Van Dusen seconded. The motion was approved by the Board at 3:24 pm.

The board discussed the items noted on the meeting agenda. None required board action.

The first item of Discussion on the agenda was the **Anticipated Affordable Homeownership Opportunity Application**. Rianne Mitchell provided details of the application process and a summary of the timeline and provided general information as to what will be included in the application.

The next item of Discussion on the agenda was the **RFP for Strategic Plan Development**. A draft copy was distributed to all members for review. Rianne Mitchell provided information as to the release of the RFP and what the expectations are from the RFP.

The next item of Discussion on the agenda was the **RFP for General Contractor List**. Rianne Mitchell advised that there was a last minute change in the process and advised the RFP will actually be to Bid the work to General Contractors. She provided the reason for such change and provided the details and expectations from the release of the RFP.

The final item of Discussion on the agenda was the **Preparation for Annual Meeting**. Rianne Mitchell provided a short synopsis of what is to come prior to and at the Annual Meeting. She advised the Board will be voting on various reports and asked that the Board review the policies and complete the Board Self-Evaluation form. A copy of the Board Self-Evaluation was distributed to all members. Rianne also provided the date of the upcoming Audit Committee meeting which will be held September 9, 2024.

Erik Frisch brought the discussion to a close. John Fornof made a motion to adjourn the meeting, Eric Van Dusen seconded, all were in favor.

The meeting was adjourned at 3:46 pm.

ATTEST: _____

, Secretary

TREASURER'S REPORTS

RESOLUTION 20

A meeting of the Board of Directors of the Rochester Land Bank Corporation (“Land Bank”) was convened in public session at Room #223B, City Hall, 30 Church Street, Rochester, New York 14614 on **September 19, 2024 at 3:00 p.m.**

The meeting was called to order and, the following directors of the Land Bank were:

	PRESENT:	ABSENT:
Erik Frisch, Chair		
Carol Wheeler, Vice-Chair		
John Fornof, Treasurer		
LaShay Harris, Secretary		
Casmic Reid		
James Smith		
Eric Van Dusen		

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Paul Scuderi

Executive Director

Andrew Creary, Esq.

Corporation Counsel’s office

The following resolution was offered by _____

Seconded by _____

Resolution No. 20 of 2024

APPROVING SALE OF 268 JEFFERSON TERRACE TO QUALIFIED PURCHASER

WHEREAS, Section 1607(a)(7) of the Land Bank Act grants the Land Bank the power to contract and execute other instruments necessary to performing its duties and exercising its powers;

WHEREAS, Section 1609(d) of the Land Bank Act grants the Land Bank the power to convey, exchange, sell, transfer, lease as lessor, grant, release and demise, pledge any and all interests in, upon or to its real property;

WHEREAS, in accordance with this Board’s Resolution No. 11 of 2023 and pursuant to the NYS Land Bank Act at Section 1616(i) of the Not-for-Profit Corporation Law, on November 9, 2023, the Land Bank used its priority bid to purchase eleven (11) real estate parcels at the City of Rochester Tax Foreclosure Auction;

WHEREAS, the property at 268 Jefferson Terrace, Rochester, New York 14611, SBL No. 120.51-4-72.004 (the “Subject Property”) was found not to be suitable for any existing Land Bank programs;

WHEREAS, Section 12 of the Land Bank's Policy Governing the Disposition of Real Property restricts sale of property owned by the Land Bank to those purchasers who meet the eligibility guidelines in Section 21-16 of the Charter and Code of the City of Rochester;

WHEREAS, the Subject Property was offered for sale for the appraised value of \$15,000 established by an independent appraisal obtained from Midland Appraisal Associates in October 2023; and

WHEREAS, Artemis Property Holdings LLC submitted a Purchase Offer whereby the Land Bank will convey title to the Subject Property in consideration of \$15,000.

NOW, THEREFORE, BE IT RESOLVED BY THE ROCHESTER LAND BANK CORPORATION AS FOLLOWS:

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

Section 2. The Executive Director is hereby authorized and directed to convey the Subject Property to Artemis Property Holdings LLC in consideration of \$15,000 subject to restrictive covenant requiring that the property obtain a Certificate of Occupancy within twelve (12) months of the date of closing.

Section 3. The Executive Director is authorized and directed to execute deeds and all other documents on behalf of the Land Bank which may be necessary or desirable to further the intent of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 4. This resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution No. 20 of 2024 was duly put to a vote, which resulted as follows:

	Aye	Nay	Abstain	Absent
John Fornof				
Erik Frisch				
LaShay Harris				
Casmic Reid				
Jim Smith				
Eric Van Dusen				
Carol Wheeler				

The foregoing Resolution was thereupon declared duly adopted.

I, the undersigned Secretary of the Rochester Land Bank Corporation (the "Land Bank"), do hereby certify that the foregoing is a true copy of a Resolution which was duly adopted by the Board of Directors of the Rochester Land Bank Corporation on **September 19, 2024**.

Attest: _____
Secretary

RESOLUTION 21

A meeting of the Board of Directors of the Rochester Land Bank Corporation (“Land Bank”) was convened in public session at Room #223B, City Hall, 30 Church Street, Rochester, New York 14614 on **September 19, 2024 at 3:00 p.m.**

The meeting was called to order and, the following directors of the Land Bank were:

	PRESENT:	ABSENT:
Erik Frisch, Chair		
Carol Wheeler, Vice-Chair		
John Fornof, Treasurer		
LaShay Harris, Secretary		
Casmic Reid		
James Smith		
Eric Van Dusen		

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Paul Scuderi

Executive Director

Andrew Creary, Esq.

Corporation Counsel’s office

The following resolution was offered by _____
 Seconded by _____

Resolution No. 21 of 2024

APPROVING SALE OF 83 RIDGEWAY AVENUE TO QUALIFIED PURCHASER

WHEREAS, Section 1607(a)(7) of the Land Bank Act grants the Land Bank the power to contract and execute other instruments necessary to performing its duties and exercising its powers;

WHEREAS, Section 1609(d) of the Land Bank Act grants the Land Bank the power to convey, exchange, sell, transfer, lease as lessor, grant, release and demise, pledge any and all interests in, upon or to its real property;

WHEREAS, in accordance with this Board’s Resolution No. 11 of 2023 and pursuant to the NYS Land Bank Act at Section 1616(i) of the Not-for-Profit Corporation Law, on November 9, 2023, the Land Bank used its priority bid to purchase eleven (11) real estate parcels at the City of Rochester Tax Foreclosure Auction;

WHEREAS, the property at 83 Ridgeway Avenue, Rochester, New York 14615, SBL No. 090.43-3-67 (the “Subject Property”) was found not to be suitable for any existing Land Bank programs;

WHEREAS, Section 12 of the Land Bank's Policy Governing the Disposition of Real Property restricts sale of property owned by the Land Bank to those purchasers who meet the eligibility guidelines in Section 21-16 of the Charter and Code of the City of Rochester;

WHEREAS, the Subject Property was offered for sale for the appraised value of \$35,000 established by an independent appraisal obtained from Midland Appraisal Associates in October 2023; and

WHEREAS, Abud Fund LLC submitted a Purchase Offer whereby the Land Bank will convey title to the Subject Property in consideration of \$36,100.00.

NOW, THEREFORE, BE IT RESOLVED BY THE ROCHESTER LAND BANK CORPORATION AS FOLLOWS:

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

Section 2. The Executive Director is hereby authorized and directed to convey the Subject Property to Abud Fund LLC in consideration of \$36,100 subject to restrictive covenant requiring that the property obtain a Certificate of Occupancy within twelve (12) months of the date of closing.

Section 3. The Executive Director is authorized and directed to execute deeds and all other documents on behalf of the Land Bank which may be necessary or desirable to further the intent of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 4. This resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution No. 21 of 2024 was duly put to a vote, which resulted as follows:

	Aye	Nay	Abstain	Absent
John Fornof				
Erik Frisch				
LaShay Harris				
Casmic Reid				
Jim Smith				
Eric Van Dusen				
Carol Wheeler				

The foregoing Resolution was thereupon declared duly adopted.

I, the undersigned Secretary of the Rochester Land Bank Corporation (the "Land Bank"), do hereby certify that the foregoing is a true copy of a Resolution which was duly adopted by the Board of Directors of the Rochester Land Bank Corporation on **September 19, 2024**.

Attest: _____
Secretary

RESOLUTION 22

A meeting of the Board of Directors of the Rochester Land Bank Corporation (“Land Bank”) was convened in public session at Room #223B, City Hall, 30 Church Street, Rochester, New York 14614 on **September 19, 2024 at 3:00 p.m.**

The following directors of the Land Bank were:

	PRESENT:	ABSENT:
Erik Frisch, Chair		
Carol Wheeler, Vice-Chair		
John Fornof, Treasurer		
LaShay Harris, Secretary		
Casmic Reid		
James Smith		
Eric Van Dusen		

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Paul Scuderi	Executive Director
Andrew J. Creary, Esq.	Corporation Counsel’s office

The following resolution was offered by _____,
 seconded by _____:

Resolution No. 22 of 2024

TO ENTER INTO AN AGREEMENT WITH ESL CHARITABLE FOUNDATION RELATED TO A COMMUNITY IMPACT GRANT

WHEREAS, Rochester Land Bank Corporation intends to partner with an experienced local housing developer to construct a scattered-site, affordable homeownership project on Land Bank-owned and City-owned vacant lots (the “Project”);

WHEREAS, the acquisition of tax foreclosed, vacant properties by the Land Bank and the subsequent construction of quality housing for affordable homeownership is in the best interests of the City, and is consistent with the Land Bank’s mission to return underutilized property to productive use, preserve and create quality housing, enhance the quality of life within neighborhoods, and encourage economic opportunities;

WHEREAS, the Land Bank and its partner have applied for funding from various sources for this project, including the ESL Community Impact Grant, and the Land Bank has grant funds within its control as well as unrestricted funds to contribute to the completion of the project;

WHEREAS, ESL Charitable Foundation, Inc. has awarded Rochester Land Bank Corporation a \$550,000 grant award to subsidize the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE ROCHESTER LAND BANK CORPORATION AS FOLLOWS:

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

Section 2. The Executive Director is hereby authorized to enter into an agreement with the ESL Charitable Foundation, Inc. for an award of \$550,000, with a grant term ending June 30, 2027, to be paid once the Land Bank, or a related entity to be formed, has secured access to all necessary funding for the project.

Section 3. The agreement shall contain such other terms and conditions as the Executive Director deems appropriate.

Section 4. The Executive Director is authorized and directed to prepare and execute all documents on behalf of the Land Bank which may be necessary or desirable to complete the acquisition and further the intent of this Resolution and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution No. 22 of 2024 was duly put to a vote, which resulted as follows:

	Aye	Nay	Abstain	Absent
John Fornof				
Erik Frisch				
LaShay Harris				
Casmic Reid				
James Smith				
Eric Van Dusen				
Carol Wheeler				

The foregoing Resolution was thereupon declared duly adopted.

I, the undersigned Secretary of the Rochester Land Bank Corporation (the “Land Bank”), do hereby certify that the foregoing is a true copy of a Resolution which was duly adopted by the Board of Directors of the Rochester Land Bank Corporation on **September 19, 2024**.

Attest: _____
LaShay Harris, Secretary

RESOLUTION 23

A meeting of the Board of Directors of the Rochester Land Bank Corporation (“Land Bank”) was convened in public session at Room #223B, City Hall, 30 Church Street, Rochester, New York 14614 on **September 19, 2024 at 3:00 p.m.**

The following directors of the Land Bank were:

	PRESENT:	ABSENT:
Erik Frisch, Chair		
Carol Wheeler, Vice-Chair		
John Fornof, Treasurer		
LaShay Harris, Secretary		
Casmic Reid		
James Smith		
Eric Van Dusen		

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Paul Scuderi Executive Director
 Andrew J. Creary, Esq. Corporation Counsel’s office

The following resolution was offered by _____,
 seconded by _____:

Resolution No. 23 of 2024

**RE-ADOPTING THE APPROVED POLICIES OF THE
 ROCHESTER LAND BANK CORPORATION**

WHEREAS, the Board of Directors of the Land Bank (“Board”) unanimously adopted certain policies, statements and procedures in the previous year to assist in the implementation of its stated purpose and in compliance with the New York Not-for-Profit Corporation Law including Article 16 known as the Land Bank Act of 2011, the New York Public Authorities Accountability Act of 2005, the New York Public Authorities Reform Act of 2009, as amended;

WHEREAS, the Board has unanimously approved Resolution No. 30 of 2014 Amending the By-laws of the Land Bank to include the annual review and re-adoption of all of its policies,

NOW, THEREFORE, BE IT RESOLVED BY THE ROCHESTER LAND BANK CORPORATION AS FOLLOWS:

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

Section 2. The Board hereby acknowledges its review of re-adopts the following policies

in their present form as of the date of this meeting:

- Anti-Nepotism
- Compensation, Reimbursement and Attendance
- Defense & Indemnification
- Ethics/Conflict of Interest
- **Freedom of Information Law**
- Internal Control
- Investment
- Non-discrimination
- Occupant Relocation
- Personal Property Disposition
- Personnel
- Privacy
- Procurement
- Real Property **Acquisition**
- Real Property Disposition
- Real Property Donation
- Staff Code of Conduct
- Supervision and Performance Evaluation
- Travel
- Whistleblower

Section 5. This resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution No. 23 of 2024 was duly put to a vote, which resulted as follows:

	Aye	Nay	Abstain	Absent
John Fornof				
Erik Frisch				
LaShay Harris				
Casmic Reid				
James Smith				
Eric Van Dusen				
Carol Wheeler				

The foregoing Resolution was thereupon declared duly adopted.

I, the undersigned Secretary of the Rochester Land Bank Corporation (the “Land Bank”), do hereby certify that the foregoing is a true copy of a Resolution which was duly adopted by the Board of Directors of the Rochester Land Bank Corporation on **September 19, 2024**.

Attest: _____
Secretary

ANNUAL REPORT
(with constituent reports)

Investment Report for Rochester Land Bank Corporation
Fiscal Year Ending: 06/30/2024

Run Date : 09/13/2024
Status: UNSUBMITTED
Certified Date: N/A

Investment Information

Question	Response	URL (if Applicable)
1. Has the Authority prepared an Annual Investment Report for the reporting period as required by Section 2925 (6) of PAL?	Yes	https://www.cityofrochester.gov/departments/neighborhood-and-business-development/land-bank-reports-and-resolutions
2. Are the Authority's investment guidelines reviewed and approved annually?	Yes	
3. Did the Authority have an independent audit of investments as required by Section 2925(3)(f) of PAL?	No	
4. Has the Authority's independent auditor issued a management letter to the Authority in connection with its annual audit of investments?	No	

Additional Comments

Procurement Report for Rochester Land Bank Corporation
 Fiscal Year Ending: 06/30/2024

Run Date: 09/13/2024
 Status: RESUBMIT
 Certified Date: N/A

Procurement Information:

Question	Response	URL (if Applicable)
1. Does the Authority have procurement guidelines?	Yes	https://www.cityofrochester.gov/faqs/land-bank-policies
2. Are the procurement guidelines reviewed annually, amended if needed, and approved by the Board?	Yes	
3. Does the Authority allow for exceptions to the procurement guidelines?	Yes	
4. Does the Authority assign credit cards to employees for travel and/or business purchases?	No	
5. Does the Authority require prospective bidders to sign a non-collusion agreement?	Yes	
6. Does the Authority incorporate a summary of its procurement policies and prohibitions in its solicitation of proposals, bid documents, or specifications for procurement contracts?	Yes	
7. Did the Authority designate a person or persons to serve as the authorized contact on a specific procurement, in accordance with Section 139-j(2)(a) of the State Finance Law, "The Procurement Lobbying Act"?	Yes	
8. Did the Authority determine that a vendor had impermissible contact during a procurement or attempted to influence the procurement during the reporting period, in accordance with Section 139-j(10) of the State Finance Law?	No	
8a. If Yes, was a record made of this impermissible contact?		
9. Does the Authority have a process to review and investigate allegations of impermissible contact during a procurement, and to impose sanctions in instances where violations have occurred, in accordance with Section 139-j(9) of the State Finance Law?	Yes	

Procurement Report for Rochester Land Bank Corporation

Fiscal Year Ending: 06/30/2024

Run Date: 09/13/2024
Status: RESUBMIT
Certified Date: N/A

Procurement Transactions Listing:

1.	Vendor Name	Bruckner, Tillett, Rossi, Cahill & Associates	Address Line1	500 Linden Oaks
	Type of Procurement	Other Professional Services	Address Line2	Ste. 130
	Award Process	Non Contract Procurement/Purchase Order	City	ROCHESTER
	Award Date		State	NY
	End Date		Postal Code	14625
	Fair Market Value		Plus 4	
	Amount		Province/Region	United States
	Amount Expended For	\$5,000.00	Country	United States
	Fiscal Year		Procurement Description	Property Appraisal Services
	Explain why the Fair Market Value is Less than the Amount			

2.	Vendor Name	Day Environmental, Inc.	Address Line1	1563 Lyell Av
	Type of Procurement	Consulting Services	Address Line2	
	Award Process	Non Contract Procurement/Purchase Order	City	ROCHESTER
	Award Date		State	NY
	End Date		Postal Code	14606
	Fair Market Value		Plus 4	
	Amount		Province/Region	United States
	Amount Expended For	\$20,854.51	Country	United States
	Fiscal Year		Procurement Description	Environmental Investigation
	Explain why the Fair Market Value is Less than the Amount			



PARIS Public Authorities Reporting Information System

Procurement Report for Rochester Land Bank Corporation

Fiscal Year Ending: 06/30/2024

Run Date: 09/13/2024
 Status: RESUBMIT
 Certified Date : N/A

3.	Vendor Name	Frontier Abstract & Research Services, Inc.	Address Line1	30 West Broad St
	Type of Procurement	Other Professional Services	Address Line2	Ste. 100
	Award Process	Authority Contract - Competitive Bid	City	ROCHESTER
	Award Date	6/29/2023	State	NY
	End Date	6/30/2024	Postal Code	14614
	Fair Market Value		Plus 4	
	Amount	\$75,000.00	Province/Region	
	Amount Expended For Fiscal Year	\$5,430.00	Country	United States
	Explain why the Fair Market Value is Less than the Amount		Procurement Description	Title Investigation

4.	Vendor Name	Haylor Freyer & Coon, Inc.	Address Line1	300 State St
	Type of Procurement	Other	Address Line2	Ste. 1000
	Award Process	Non Contract Procurement/Purchase Order	City	SYRACUSE
	Award Date		State	NY
	End Date		Postal Code	13202
	Fair Market Value		Plus 4	
	Amount		Province/Region	
	Amount Expended For Fiscal Year	\$15,000.00	Country	United States
	Explain why the Fair Market Value is Less than the Amount		Procurement Description	Insurance



Public Authorities Reporting Information System

Procurement Report for Rochester Land Bank Corporation

Fiscal Year Ending: 06/30/2024

Run Date: 09/13/2024
 Status: RESUBMIT
 Certified Date: N/A

5.	Vendor Name	Lu Engineers	Address Line1	280 E. Broad St
	Type of Procurement	Consulting Services	Address Line2	Ste. 170
	Award Process	Non Contract Procurement/Purchase Order	City	ROCHESTER
	Award Date		State	NY
	End Date		Postal Code	14604
	Fair Market Value		Plus 4	
	Amount		Province/Region	United States
	Amount Expended For Fiscal Year	\$6,700.00	Country	United States
	Explain why the Fair Market Value is Less than the Amount		Procurement Description	Environmental Investigation

6.	Vendor Name	Midland Appraisal Associates, Inc.	Address Line1	349 W Commercial St
	Type of Procurement	Other Professional Services	Address Line2	Ste. 2290
	Award Process	Non Contract Procurement/Purchase Order	City	EAST ROCHESTER
	Award Date		State	NY
	End Date		Postal Code	14445
	Fair Market Value		Plus 4	
	Amount		Province/Region	United States
	Amount Expended For Fiscal Year	\$5,000.00	Country	United States
	Explain why the Fair Market Value is Less than the Amount		Procurement Description	Property Appraisal Services



PARIS Public Authorities Reporting Information System

Procurement Report for Rochester Land Bank Corporation

Fiscal Year Ending: 06/30/2024

Run Date: 09/13/2024
 Status: RESUBMIT
 Certified Date: N/A

7.	Vendor Name	North Coast Property Associates LLC	Address Line1	1106 St Paul St
	Type of Procurement	Other Professional Services	Address Line2	
	Award Process	Authority Contract - Competitive Bid	City	ROCHESTER
	Award Date	3/21/2024	State	NY
	End Date	3/31/2025	Postal Code	14612
	Fair Market Value		Plus 4	
	Amount	\$25,000.00	Province/Region	
	Amount Expended For	\$5,790.00	Country	United States
	Fiscal Year		Procurement Description	Property Management Services
	Explain why the Fair Market Value is Less than the Amount			

8.	Vendor Name	Red Oak Management Group LLC	Address Line1	350 East Ave
	Type of Procurement	Consulting Services	Address Line2	Ste. 204-4
	Award Process	Authority Contract - Competitive Bid	City	ROCHESTER
	Award Date	3/17/2023	State	NY
	End Date	3/31/2024	Postal Code	14604
	Fair Market Value		Plus 4	
	Amount	\$50,000.00	Province/Region	
	Amount Expended For	\$36,308.52	Country	United States
	Fiscal Year		Procurement Description	Property Management
	Explain why the Fair Market Value is Less than the Amount			



Reporting Information System

Procurement Report for Rochester Land Bank Corporation

Fiscal Year Ending: 06/30/2024

Run Date: 09/13/2024
 Status: RESUBMIT
 Certified Date: N/A

9.	Vendor Name	Torres Turnkey Property Management LLC	Address Line1	645 Norton St
	Type of Procurement	Other Professional Services	Address Line2	
	Award Process	Authority Contract - Competitive Bid	City	ROCHESTER
	Award Date	3/21/2024	State	NY
	End Date	3/31/2025	Postal Code	14621
	Fair Market Value		Plus 4	
	Amount	\$25,000.00	Provincial/Region	
	Amount Expended For Fiscal Year	\$2,330.00	Country	United States
	Explain why the Fair Market Value is Less than the Amount		Procurement Description	Property Management Services

Additional Comments

Operations and Accomplishments 2023-2024

Operations Summary

There are seven (7) members of the Board of Directors, five (5) ex officio members, and two (2) members appointed to serve a three-year term.

Ex Officio Members, officers and appointees of the City of Rochester:

- City Treasurer
- Director of Development Services
- Manager of Housing
- Director of Buildings and Zoning
- Chief of Staff, City Council

Appointed Members to serve a three-year term:

- Appointee of the Mayor of the City of Rochester
- Appointee of the Council President of the City Council of the City of Rochester

The Executive Director of the Corporation is the Director of Real Estate of the City of Rochester. The Corporation Counsel of the City of Rochester serves as Counsel to the Corporation and has assigned a municipal attorney to advise and represent the Corporation. The City of Rochester provides staff support as an in-kind contribution. The Land Bank engaged an independent auditor in August 2024. The cost for the auditor services will be paid by the City of Rochester under the Shared Services Agreement. The audited financial statements for fiscal year 2023-2024 will be available on the Corporation's website at [https://www.cityofrochester.gov/Land Bank Reports/](https://www.cityofrochester.gov/Land_Bank_Reports/).

There were eleven regular public meetings of the Board of Directors of the Corporation in fiscal year 2023-2024.

2023-2024 Accomplishments

Acquisitions

The RLBC acquired 14 properties in FY 2023-2024. At the 2023 Tax Foreclosure sale, the Land Bank purchased 12 residential structures. Seven properties will be rehabilitated for affordable homeownership programs and sold to owner-occupants, whether the Land Bank's own or through a not-for-profit developer, and the remaining will be sold to pre-qualified developers who have demonstrated capacity to rehabilitate and maintain high-quality residences. At the beginning of 2024 the Land Bank was able to purchase a property that had been part of the HOME Rochester program, but was no longer habitable due to incomplete repairs after a fire. Land Bank investment will preserve the property for owner-occupancy helping to maintain the stability the neighborhood. In addition the Land Bank purchased two tax foreclosed properties from the City of Rochester, a structure in location targeted by our LBI Phase 2 grant for use in an upcoming grant subsidized program, and vacant lot adjacent to a property in our inventory.

ARPA

RLBC's American Rehabilitation Plan Act (ARPA) award of \$2.4 Million has been fully allocated. The Land Bank has committed \$1.9 Million to an Affordable Homeownership Opportunity Program (AHOP) project where attached and detached single family homes will be constructed on infill lots and sold to income qualified purchasers. The remaining \$500,000 will be distributed in two areas rehabilitation subsidy to support prospective owner-occupants who purchase Land Bank owned properties with an acquisition/rehabilitation mortgage and to reimburse a portion of the salary of a new position in the Division of Real Estate to augment the Land Bank's current capacity. Funds for all areas will be fully expended by to RLBC by December 2026.

LBI Phase 1

In the second year of RLBC's Land Bank Initiative Phase 1 grant its award was increased to \$150,000. The Phase 1 grant is for operational activities and is based on a Land Bank's previous year's expenditures in its Annual Budget as reported to the Authorities Budget Office. This level of funding has allowed the Land Bank to secure the additional property management services required to maintain and secure the properties in our inventory until we are able to ensure their responsible transfer to new homeowners with adequate support or to responsible housing providers. The award continues to fund the salary for the Land Bank's Director of Capacity and Compliance and partially reimburse the salary of Project Director, and to offset property insurance costs. The renewable nature of the funding, along with other Land Bank funding sources, has resulted in the City agreeing to add a position to the Real Estate Division in the 2024-2025 budget year to ensure the Land Bank has adequate capacity to accomplish its objectives.

LBI Phase 2

During the 2023-2024 fiscal year, RLBC's Land Bank Initiative Phase 2 award has been used most actively to fund environmental investigations essential to preparation for an anticipated affordable homeownership project. The funding has also supported title investigation and funded the purchase of a residential structure – all within in the targeted geographic area RLBC identified in the grant application. As the Land Bank and its Counsel have grappled with how to most effectively participate in the City's tax foreclosure process in the wake of Tyler v. Hennepin County, having LBI Phase 2 funding for property acquisition immediately available has figured prominently in our proposed solutions. The grant term ends December 2024.

Performance Measurement Report

FY 2023 – 2024

The Rochester Land Bank Corporation will return underutilized property to productive use, preserve and create quality housing, enhance the quality of life within neighborhoods, and encourage economic opportunities.

Mission Statement, Adopted October 17, 2013; Readopted September 19, 2024

- ***Return underutilized property to productive use*** In the 2023-2024 fiscal year, Rochester Land Bank Corporation acquired twelve (12) properties from the 2023 City of Rochester Tax Foreclosure Auction and purchased a previously owner-occupied property that had been vacant for over a year due to a fire. Additionally, RLBC began offering inventory properties for sale on its website, allowing it to market to a broader range of prequalified bidders. This process has made the return of properties to the tax rolls significantly more efficient, while retaining the same protections on quality rehabilitation.
- ***Preserve and create quality housing*** The Land Bank contracted sales for seven (7) Land Bank inventory properties with prequalified Land Bank purchasers during this fiscal year with the requirement to complete rehabilitation within one year from transfer. An additional five properties have been included in the HOME Rochester program. RLBC accepted proposals to fully rehabilitate three (3) properties in its inventory prior to sale with the support of LBI Phase 2 subsidy. This is a new model of intervention for our Land Bank and we hope it will expand the demographic of our typical purchasers.
- ***Enhance the quality of life within neighborhoods*** RLBC continues to acquire blighted, vacant properties throughout Rochester, but has sought to deepen its investment in the JOSANA neighborhood as it committed to as part of its Land Bank Initiative (LBI) Phase 2 grant activities. LBI Phase 2 funds enabled the Land Bank purchase a tax-foreclosed vacant property in the targeted investment area and will contribute to its rehabilitation. Additional LBI Phase 2 investment in the JOSANA neighborhood includes contracting for the environmental testing of more than two dozen vacant infill lots to determine their suitability for future residential development. While demolition of significantly deteriorated properties is sometimes the most responsible action to take, a proliferation of unproductive vacant parcels over the long term can also contribute to neighborhood destabilization. RLBC is committed to seek solutions to ongoing challenges.
- ***Encourage economic opportunities*** In December 2023, RLBC released an RFP for both existing New York State certified Minority-owned Business Enterprises (MBEs) and as well as qualified Black and Latinx contractors and developers interested in becoming New York State MBEs to rehabilitate five (5) properties in its inventory, with a particular focus on multi-family

structures. The aim, in addition to identifying a cohort of qualified MBE property developers and contractors interested in working with RLBC on this and future opportunities, was to provide support and motivation for Black and Latino business owners to expand their access to government contracts by becoming MBEs. The Land Bank approved proposals from a currently NYS Certified MBE to rehabilitate three (3) of the offered parcels and to provide information on and incentive to explore the MBE certification process to additional Black and Latinx owned developers. RLBC also issued an RFP for property management services that extended through the end of the fiscal year. Two property managers were selected with each managing a portion of the Land Bank's inventory. RLBC able to engage two local, small businesses with whom it had not had any previous interactions.

➤ **Build organizational capacity**, RLBC has used its fifty percent increase LBI Phase 1 funding, awarded for the second year of its three-year grant term to support the City's addition of a position to its Real Estate Division that will increase the Land Bank's capacity and assist with succession planning of its staff. The LBI Phase 1 grant is renewable annually through 2025.

In October 2023, RLBC staff attended the first in-person National Land Bank Network Summit in Cleveland, Ohio. It was a significant opportunity for connecting with and sharing best practices with Land Banks from around the country as it is organized by and for Land Bank's specifically. Important guidance and strategies for acquisition in the wake of Tyler v. Hennepin County was shared, as well as many innovative ideas about community engagement.

Land Bank staff continued to actively participate in monthly conference calls with members of the NYLBA where valuable topics including lobbying and advocacy, capacity building, and land bank success stories are addressed, experience and expertise are shared, and collective action is organized. The advocacy of this state association has resulted in Land Banks across the state to access another \$50 million from the state budget.

ROCHESTER LAND BANK CORPORATION
Financial Statements and Independent Auditors' Report
June 30, 2024 and 2023
(With Independent Auditors' Report Thereon)

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ROCHESTER LAND BANK CORPORATION

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Rochester Land Bank Corporation:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Rochester Land Bank Corporation (the Corporation), a component unit of the City of Rochester, New York, as of and for the years ended June 30, 2024 and 2023, and the related notes to 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 respective financial position of the Corporation, as of June 30, 2024 and 2023, and the respective changes in financial position, and, where applicable, cash flows thereof 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 (GAAS) 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 Auditors' 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.

Auditors' 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 auditors' 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 GAAS 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 GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, as listed in the table of contents, 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 GAAS 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated , 2024 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 Corporation's internal control over financial reporting and compliance.

Rochester, New York
, 2024

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As management of the Rochester Land Bank Corporation, we offer readers of the Rochester Land Bank Corporation's financial statements this narrative overview and analysis of the financial activities of the Rochester Land Bank Corporation for the fiscal year ended June 30, 2024.

Financial Highlights

The assets of the Rochester Land Bank Corporation exceeded its liabilities at the close of the most recent fiscal year by \$1,389,284 (*net position*). Of this amount, \$1,389,284 (*unrestricted net position*) may be used to meet the Rochester Land Bank Corporation's ongoing obligations.

The Rochester Land Bank Corporation's existing assets are comprised of resale proceeds and grant proceeds, received from the Land Bank Initiative (LBI) grant program offered through the New York State Homes and Community Renewal (HCR) office and from the City of Rochester. The Land Bank was awarded \$170,000 through the LBI grant program during the current fiscal year and \$800,000 through the City of Rochester during the current fiscal year.

The Rochester Land Bank Corporation utilizes grant funding to supplement the City's investments in transforming vacant properties into affordable owner-occupied housing, develop new infill housing for homeownership in strategic project areas, and fund certain staffing positions. The Rochester Land Bank Corporation has executed agreements with the Rochester Housing Development Fund Corporation (RHDFC), the City of Rochester, and maintains relationships with various other partners such as Home Headquarters and Rosario Home Improvements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Rochester Land Bank Corporation's basic financial statements. The Rochester Land Bank Corporation's basic financial statements comprise two components: 1) corporation-wide financial statements and 2) notes to the financial statements.

Corporation-wide financial statements. The *corporation-wide financial statements* are designed to provide readers with a broad overview of the Rochester Land Bank Corporation's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Rochester Land Bank Corporation's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Rochester Land Bank Corporation is improving or deteriorating.

The *statement of revenues, expenses, and changes in net position* presents information showing how the Corporation's net assets changed during the most recent fiscal year. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The corporation-wide financial statements can be found on pages immediately following this section.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the corporation-wide financial statements. The notes to the financial statements can be found following the Basic Financial Statements section of this report.

Corporation-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Rochester Land Bank Corporation, assets exceed liabilities by \$1,389,284 at the close of the most recent fiscal year. The Rochester Land Bank Corporation's net position consists primarily of grant proceeds and sale proceeds.

Rochester Land Bank Corporation's Net Position

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Assets	<u>\$2,224,025</u>	<u>\$1,196,252</u>	<u>\$1,564,321</u>
Liabilities	<u>834,741</u>	<u>55,664</u>	<u>6,122</u>
Net Position	<u>\$1,389,284</u>	<u>\$1,140,588</u>	<u>\$1,558,199</u>
	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating Revenues	\$652,561	\$568,622	\$1,251,740
Operating Expenses	437,682	986,233	767,499
Nonoperating Revenue	<u>33,817</u>	-	-
Change in net position	248,696	(417,611)	484,241
Net position - beginning of year	<u>1,140,588</u>	<u>1,558,199</u>	<u>1,073,958</u>
Net position - end of year	<u>\$1,389,284</u>	<u>\$1,140,588</u>	<u>\$1,558,199</u>

Financial Analysis of the Corporation's Funds

Unrestricted Funds. The unrestricted funds consists primarily of resale proceeds and grant proceeds from the Land Bank Initiative ("LBI") grant offered through the New York State Homes and Community Renewal (HCR) office and the City of Rochester.

Economic Factors

Total non-farm employment in New York State increased by 1.6%, or 157,000 jobs, from June 2023 to June 2024. Total non-farm employment in the Rochester Metropolitan Area increased by 2%, or 10,900 jobs, over this same time period. Private sector job gains accounted for the majority of the increase in Rochester (6,800 jobs).

As of June 2024, the primary labor force segment of the Rochester Metropolitan area's civilian labor force continued to be education and health services (24.6%), followed by trade, transportation, and utilities (15.6%), government (15.0%), professional and business services (11.8%) and manufacturing (10.0%).

As of May 2024, the top five largest employers in the Rochester area are University of Rochester, Rochester Regional Health System, Wegmans Food Markets, Inc., Paychex, and the Rochester Institute of Technology. The University of Rochester is the largest employer, responsible for 37,119 jobs.

The unemployment rate for the Rochester metro area was 3.7% as of June 2024, compared to the unemployment rate for New York State (4.2%) and the Nation (4.1%). That being said, we are aware that for certain parts of the City of Rochester, the unemployment rate may be as high as 40%. The current known poverty rate for the City is 27.9%.

Requests for Information

This financial report is designed to provide a general overview of the Rochester Land Bank Corporation's finances for all those with an interest in the corporation's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Rochester Land Bank Corporation, City Hall – Room 125B, 30 Church Street, Rochester, NY 14614.

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ROCHESTER LAND BANK CORPORATION
(A COMPONENT UNIT OF CITY OF ROCHESTER)
STATEMENTS OF NET POSITION
June 30, 2024 and 2023

ASSETS	2024	2023
Current assets:		
Cash and cash equivalents	\$ 2,193,700	\$ 1,145,071
Due from New York State	30,325	-
Due from City of Rochester	-	51,181
Total assets	2,224,025	1,196,252
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	4,416	4,483
Due to City of Rochester	30,325	51,181
Unearned revenue - ARPA	800,000	-
	834,741	55,664
Net position:		
Unrestricted	\$ 1,389,284	\$ 1,140,588

See accompanying notes to financial statements.

ROCHESTER LAND BANK CORPORATION
(A COMPONENT UNIT OF CITY OF ROCHESTER)
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the Years Ended June 30, 2024 and 2023

	2024	2023
Operating revenues:		
NYS grant	\$ 200,262	\$ 71,510
Donations	162,924	215,442
Sale of real estate	289,375	281,670
Total operating revenues	<u>652,561</u>	<u>568,622</u>
Operating expenses:		
Acquisition costs	43,674	639,896
Salary and benefits	279,915	266,623
Professional services	82,350	22,802
Other expenses	31,743	56,912
Total operating expenses	<u>437,682</u>	<u>986,233</u>
Operating income (loss)	214,879	(417,611)
Nonoperating revenue - interest earnings	<u>33,817</u>	<u>-</u>
Change in net position	248,696	(417,611)
Net position - beginning of year	<u>1,140,588</u>	<u>1,558,199</u>
Net position - end of year	<u>\$ 1,389,284</u>	<u>\$ 1,140,588</u>

See accompanying notes to financial statements.

ROCHESTER LAND BANK CORPORATION
(A COMPONENT UNIT OF CITY OF ROCHESTER)
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from grants	\$ 1,000,262	\$ 45,920
Cash received from sale of real estate	289,375	421,675
Payments to service providers	(274,825)	(746,841)
Net cash provided by (used in) operating activities	<u>1,014,812</u>	<u>(279,246)</u>
Cash flows from investing activities - interest earnings	<u>33,817</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	1,048,629	(279,246)
Cash and cash equivalents - beginning of year	<u>1,145,071</u>	<u>1,424,317</u>
Cash and cash equivalents - end of year	<u>\$ 2,193,700</u>	<u>\$ 1,145,071</u>
Reconciliation of income from operations to net cash provided by (used in) operating activities:		
Income (loss) from operations	\$ 214,879	\$ (417,611)
Adjustment to reconcile income (loss) from operations to net cash provided by (used in) operating activities:		
Depreciation expense		
Change in assets and liabilities:		
Decrease (increase) in:		
Due from other governments	20,856	(51,181)
Decrease (increase) in:		
Accounts receivable	-	140,004
Increase (decrease) in:		
Accounts payable	(67)	(1,639)
Due to City of Rochester	(20,856)	51,181
Unearned revenue - ARPA	800,000	-
Net cash provided by (used in) operating activities	<u>\$1,014,812</u>	<u>\$ (279,246)</u>

See accompanying notes to financial statements.

**ROCHESTER LAND BANK CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 1. ORGANIZATION

Rochester Land Bank Corporation (the "Corporation") is a public authority and not-for-profit corporation formed under Article 16 of the Not-for-Profit Corporation Law (the "Land Bank Act"). On November 14, 2012, by Ordinance Number 2012-416, the Rochester City Council approved the formation of a land bank pursuant to Section 1603(a) of the Land Bank Act. On February 21, 2013, the New York State Urban Development Corporation approved the creation of a land bank by the City of Rochester (the "City") pursuant to Section 1603(g) of the Land Bank Act. On August 9, 2013, the City filed the Corporation's Certificate of Incorporation pursuant to Section 1603(a)(5) of the Land Bank Act.

The Land Bank Act, enacted as Chapter 257 of the Laws of 2011, authorizes the creation of land banks to acquire vacant, abandoned, and tax delinquent properties in order to facilitate their return to productive use. The mission of the Corporation is to return underutilized property to productive use, preserve and create quality housing, enhance the quality of life within neighborhoods, and encourage economic opportunities in the City of Rochester. The Corporation's acquisition, management, and disposition of vacant, abandoned, and tax delinquent properties is conducted in a manner that supports that mission in alignment with the City of Rochester's redevelopment strategies, goals and objectives.

There are seven members of the Board of Directors, five *ex officio* members, and two appointed members who serve three year terms.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Revenues, expenses, gains, and losses are classified into three classes of net position - restricted, unrestricted and net investment in capital assets - which are displayed in the statement of net position.

B. NET POSITION

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation. The Corporation has no net position in this class.
- b. Restricted net position - Consists of net position with constraints on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Corporation has no net position in this class.
- c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

C. RECEIVABLES

Receivables are reported at their net realizable value. Generally accepted accounting principles in the United States of America require the establishment of an allowance for uncollectible receivables, however, no allowance for uncollectible receivables has been provided since management believes that such allowance would not be necessary.

ROCHESTER LAND BANK CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS

D. INCOME TAXES

The Corporation is a Public Benefit Corporation of the State of New York and is exempt from federal income taxes under Section 115 of the Internal Revenue Code. Accordingly, no provision for income taxes has been made on the accompanying financial statements.

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes certificates of deposit which mature within ninety (90) days of issuance.

F. USE OF 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 those estimates.

G. ACCOUNTING PRONOUNCEMENTS

The Corporation has evaluated the provisions of Statement No. 100, *Accounting Changes and Errors – and amendment of GASB Statement No. 62*, and GASB 102, *Certain Risk Disclosures*, which became effective for the fiscal year ended June 30, 2024, and determined that they have no significant impact on the Corporation's financial statements.

The following are GASB Statements that have been issued recently and are currently being evaluated, by the Corporation, for their potential impact in future years.

- Statement No. 101, *Compensated Absences*, which will be effective for the year ending June 30, 2025.
- Statement No. 103, *Financial Reporting Model Investments*, which will be effective for the year ending June 30, 2025.

NOTE 3. DETAILS ON TRANSACTION CLASSES/ACCOUNTS

A. CASH AND CASH EQUIVALENTS

Cash and cash equivalents totaled \$2,193,700 and \$1,145,071 at June 30, 2024 and 2023, respectively. The Corporation's investment policies are governed by State statutes. The Corporation's monies must be deposited in FDIC insured commercial banks or trust companies located within the State. Permissible investments include demand accounts and certificates of deposit, obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and municipalities and school districts.

ROCHESTER LAND BANK CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS

Investment and Deposit Policy

The Corporation currently follows an investment and deposit policy as directed by State statutes, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Board of Directors.

The Corporation's bank balances were fully collateralized at June 30, 2024 and 2023.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Corporation's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Corporation's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Corporation's investment and deposit policy, all deposits of the Corporation including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 102% of the aggregate amount of deposits.

B. DUE TO/FROM CITY OF ROCHESTER

Throughout the year the City of Rochester will disburse funds for vendors and payroll and the Corporation will reimburse them accordingly. Amounts due from the City of Rochester were as follows at June 30:

	<u>2024</u>	<u>2023</u>
Due from City of Rochester	\$ 0	\$ 51,181
Total	<u>\$ 0</u>	<u>\$ 51,181</u>

Amounts due to the City of Rochester were as follows at June 30:

	<u>2024</u>	<u>2023</u>
Salary and benefits	\$ 30,325	\$ 51,181
Total	<u>\$ 30,325</u>	<u>\$ 51,181</u>

C. CONTINGENCIES

Grants – In the normal course of operations, the Corporation receives grant funds from various State and Local agencies. These grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any disallowed expenditures resulting from such audits could become a liability of the Corporation. While the amount of any expenditures which may be disallowed cannot be determined at this time, management expects any amounts to be immaterial.

**ROCHESTER LAND BANK CORPORATION
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 4. CONTRIBUTED SERVICES

For the years ended June 30, 2024 and 2023, contributed services included the following:

Services	<u>2024</u>	<u>2023</u>
	\$ <u>162,924</u>	\$ <u>215,442</u>

Contributed services recognized are comprised of professional services related to the operations of the Corporation. Amounts represent an estimated percentage of time worked on Corporation related activity by City of Rochester employees.

NOTE 5. OTHER LIABILITIES

The Land Bank has entered into an agreement with the City of Rochester to receive \$2,400,000 in American Rescue Plan Act (ARPA) funding. The Land Bank received and deferred \$800,000 of the funds as of June 30, 2024. Revenue related to this funding will be recognized at the time of expenditure.

NOTE 6. SUBSEQUENT EVENTS

These financial statements have not been updated for subsequent events occurring after XXX XX, 2024 which is the date these financial statements were available to be issued.

INDEPENDENT AUDITORS' 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

The Board of Directors
Rochester Land Bank Corporation:

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 the Rochester Land Bank Corporation (the Corporation) a component unit of the City of Rochester, New York, as of and for the year ended June 30, 2024, and the related notes to financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated _____, 2024.

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 opinions 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 Corporation'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 financial statements. 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 Corporation'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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rochester, New York
, 2024

REPORT TO THE BOARD

, 2024

The Board of Directors
Rochester Land Bank Corporation:

We have audited the financial statements of Rochester Land Bank Corporation (the Corporation), a component unit of the City of Rochester, New York, for the year ended June 30, 2024, and have issued our report thereon dated , 2024. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. Significant accounting policies used by the Corporation are described in note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

For the year ended June 30, 2024, we evaluated the key factors and assumptions used by management in determining that accounting estimates were reasonable in relation to the financial statements taken as a whole.

Significant Disclosures

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements.

Disagreements with Management

For purposes of this report, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of the audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Corporation's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to being engaged as auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquires of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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This information is intended solely for the use of the Board of Directors and management of Rochester Land Bank Corporation and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

EFPR GROUP, CPAs, PLLC

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