

# City of Syracuse Local Development Corporation Annual Report 2018



**Honora Spillane,**  
**Executive Director**  
201 E. Washington Street 6th Floor  
Syracuse, NY 13202  
Phone: 315-473-3275  
[hspillane@syrgov.net](mailto:hspillane@syrgov.net)

# Table of Contents

|   |           |
|---|-----------|
| <b>Mission Statement</b>                            | <b>3</b>  |
| Purpose and Description                             |           |
| <b>Organization</b>                                 | <b>4</b>  |
| Board of Directors                                  |           |
| Committees  |           |
| Executive Management Team                           |           |
| Corporation Attorney                                |           |
| Corporation Accountant                              |           |
| Meetings  |           |
| Attendance  |           |
| <b>Operations</b>                                   | <b>5</b>  |
| Report on Operations and Accomplishments            | <b>5</b>  |
| Internal Control Statement                          | <b>6</b>  |
| <b>Appendices</b>                                   |           |
| Appendix A <i>Organizational Chart</i>              | <b>7</b>  |
| Appendix B <i>Performance and Measurement Goals</i> | <b>8</b>  |
| Appendix C <i>Internal Control Report</i>           | <b>10</b> |
| Appendix D <i>By-Laws</i>                           | <b>12</b> |
| Appendix E <i>Code of Ethics</i>                    | <b>22</b> |
| Appendix F <i>Investment Policy</i>                 | <b>23</b> |
| Appendix G <i>Disposition of Property Policy</i>    | <b>30</b> |
| Appendix H <i>Procurement Policy</i>                | <b>35</b> |
| Appendix I <i>Financial Reports</i>                 | <b>41</b> |

## Mission Statement

The Syracuse Local Development Corporation was established in 2010 for the purpose of promoting community and economic development and the creation of jobs in the non-profit and for profit sectors for the citizens of the City of Syracuse. The SLDC will undertake projects and activities to relieve and reduce unemployment; further the betterment and maintenance of job opportunities by attracting and retaining industry; and lessen the burdens of government for the City of Syracuse.

### **Purpose**

The Syracuse Local Development Corporation (“the Corporation”) is a public benefit corporation of the State of New York pursuant to Section 102 of the N-PCL and as provided in Section 1411(b) of the N-PCL formed and operated for charitable purposes within the meaning of Section 501(c)(3) promoting community and economic development and the creation of jobs for the Citizens of the City by developing and providing programs for not for profit institutions, manufacturing and Local businesses and other entities to access low interest tax-exempt financing and non- tax exempt financing for their eligible projects and undertaking projects and activities within the City of Syracuse for the purpose of relieving and reducing unemployment, bettering and maintain job opportunities, carrying on scientific research for the purpose of aiding the City by attracting new industry to the City or by encouraging the development of or retention of an industry in the City and lessening the burdens of government and acting in the public interest.

Reviewed: March 19, 2019



# Organization

## Committees

### Audit Committee

Rickey Brown  
Kenneth Kinsey  
Kathleen Murphy

### Finance Committee

Rickey Brown  
Michael Frame  
Kenneth Kinsey

### Governance Committee

Rickey Brown  
Michael Frame  
Kathleen Murphy  
Steven P. Thompson

## Executive Management

Honora Spillane, Executive Director

Phone: (315) 473-3275

Email: [hspillane@syrgov.net](mailto:hspillane@syrgov.net)

John Vavonese , Chief Financial Officer

Phone: (315) 448-8081

Email: [jvavonese@syrgov.net](mailto:jvavonese@syrgov.net)

Attorney Bousquet Holstein, PLLC

Phone: (315) 422-1500

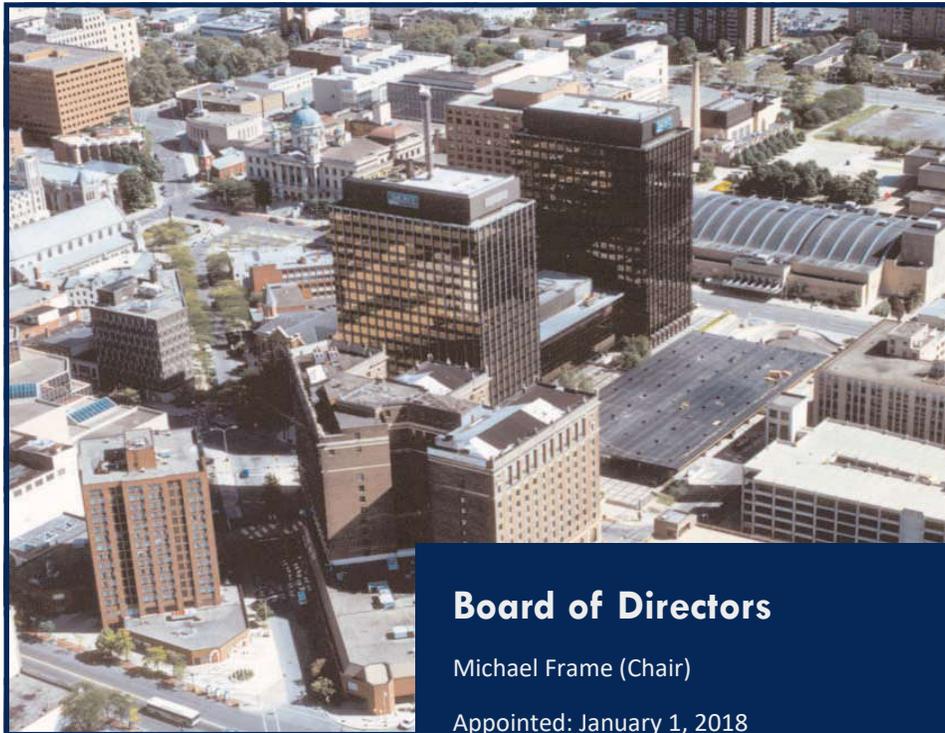
Website: [BHLawPLLC.com](http://BHLawPLLC.com)

Corporation Accountant Grossman St. Amour CPA's, PLLC

Phone: (315) 422-1391

\*Meeting minutes and attendance are available at [http://www.syrgov.net/SLDC\\_Meetings.aspx](http://www.syrgov.net/SLDC_Meetings.aspx)

\*Board members and Executive management making more than \$100,000.00 in salary: NONE



## Board of Directors

Michael Frame (Chair)

Appointed: January 1, 2018

Steven P. Thompson (Vice Chair) Appointed:  
August 24, 2015

Rickey Brown (Secretary)

Appointed: January 1, 2018

Kathleen Murphy (Treasurer)

Appointed: January 1, 2018

Kenneth Kinsey

Appointed: January 13, 2016

\*\*\*Board Members are appointed by the  
Syracuse Common Council

# Operations

## Report on Operations and Accomplishments

### Description of Authority's Operations:

The Syracuse Local Development Corporation (SLDC) is a public benefit corporation created to enhance the City of Syracuse's economic development capabilities. The SLDC provides tax exempt bond financing for the benefit of tax- exempt charitable organizations wishing to undertake construction projects within the City of Syracuse.

The Corporation has a five member board of directors who serve at the pleasure of the Mayor of the City of Syracuse. The board meets on an as needed basis. The board is charged with reviewing applications for financial assistance, as well as providing oversight of the staff, finances, and overall operations of the corporation.

The Corporation is staffed by an Executive Director, Chief Financial Officer, and additional support staff, who are also employees of the City of Syracuse Department of Neighborhood & Business Development. The Executive Director reports directly to the board and is charged with the administrative duties of the Corporation. The Chief Financial Officer also reports directly to the board and is responsible for the financial oversight of the Corporation. The support staff reports to the Executive Director and assists in the day to day operations of the organization.

### Material Changes to Operations and Programs:

During 2018 there were no material changes to operations and programs.

### Accomplishments:

In 2018, the Corporation did not induce any new Projects. However, the Board of Directors recognizing one of the roles of the Corporation - "lessening the burdens of government" approved two projects in support of the City of Syracuse.

The Directors approved an allocation of a portion of the Corporation's administrative fees in the amount of \$50,000.00 to assist the City as it processed a backlog of delinquent tax properties eligible for foreclosure in an effort to return them to tax rolls as expeditiously as possible.

In late 2018 the Board also approved resolutions for the 100 Madison Street Redevelopment project (AXA Complex Project) authorizing the Corporation to acquire the AXA garage, plaza and Tech Garden, from the City of Syracuse and apply for grant funding from Empire State Development to undertake the necessary and substantial repairs required for the property. The Project anticipated to start in early 2019 will support a number of commercial businesses in the southern end of the City's central business district, is imperative to the attraction and retention of employees of the AXA Towers and will also support the purposes and goals of the "Syracuse Surge" economic development initiative announced recently by the City administration.

# Operations

## Internal Control Statement

The Corporation certifies that management has documented and assessed the internal control structure and procedures of the Syracuse Local Development Corporation for the year ending December 31, 2018. This assessment found the authority's internal controls to be adequate, and to the extent that deficiencies were identified, the authority has developed corrective action plans to reduce any corresponding risk. (Appendix C).

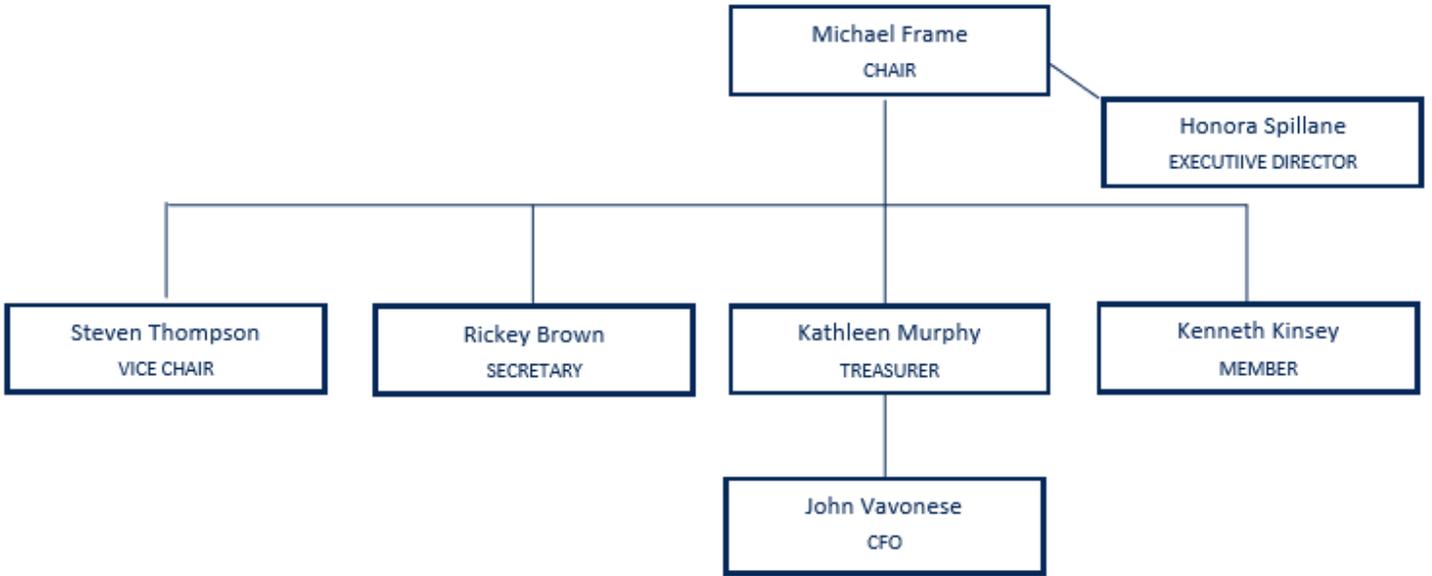
Assessment of the internal operations and controls of financial systems is included in the 2018 independent audit of the Corporation, posted on the Corporation website.



# Appendices

## Appendix A— Organizational Chart

Syracuse Local Development Corporation (SLDC) Organizational Chart (2018)



\*Staff Services provided by the City of Syracuse Department of Neighborhood and Business Development

# Appendices

## **Appendix B—** *Performance and Measurement Goals*

**Name of Public Authority:** Syracuse Local Development Corporation (SLDC)

**Public Authority's Mission Statement:** The Syracuse Local Development Corporation was established in 2010 for the purpose of promoting community and economic development and the creation of jobs in the non-profit and for profit sectors for the citizens of the City of Syracuse. The SLDC will undertake projects and activities to relieve and reduce unemployment; further the betterment and maintenance of job opportunities by attracting and retaining industry; and lessen the burdens of government for the City of Syracuse.

**List of Performance Goals:**

The Board will utilize the following performance goals to measure SLDC success in achieving its mission:

# Appendices

## Appendix B— Performance and Measurement Goals

### A. Effectiveness

| Measure                      | 2018 |
|------------------------------|------|
| Projects Induced             | 2    |
| Capital Investment           | 0    |
| Projected New Jobs (FTE)     | 0    |
| Existing/Retained Jobs (FTE) | 0    |

### B. Efficiency

| Measure                     | 2018                  |
|-----------------------------|-----------------------|
| Fee Income                  | 0                     |
| Other Income                | \$211.00              |
| Operating Expense           | \$135,902.00          |
| Excess of Income over Oper- | <b>(\$135,691.00)</b> |
| Net Assets                  | \$102,084.00          |
| Auditors Opinion            | Clean                 |

### C. Transparency & Accountability

| Measure  | 2018      |
|--|-----------|
| Board Acknowledgment of Fiduciary Responsibility | Completed |
| Board Member Training                            | Completed |
| Board Meetings                                   | 6         |
| Public Hearings                                  | 0         |

### Additional questions:

- 1. Have the board members acknowledged that they have read and understood the mission of the public authority?** *YES.*
- 2. Who has the power to appoint the management of the public authority?** *Bylaws – Section 6 – Additional Personnel: The Corporation, with the consent of the President of the Common Council Mayor, may appoint an Administrative or Executive Director to supervise the administration of the business and affairs of the Corporation, subject to the direction of the Corporation. The Corporation may, from time to time, employ such other personnel as it deems necessary to execute its powers, duties, and functions.*
- 3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?** *YES.*
- 4. Briefly describe the role of the Board and the role of management in the implementation of the mission.** *The role of the Board is to make reasonable inquiry of management and others with knowledge and expertise to ensure the Corporation is carrying out its mission. The role of management is to facilitate the delivery of assistance to qualified projects that advance the mission of the Corporation*
- 5. Has the Board acknowledged that they have read and understood the responses to each of these questions?** *YES.*

Date Revised: March 25, 2013

Reviewed: March 19, 2019

# Appendices

## Appendix C— Internal Control Report

| <b>Fiscal Year 2018 Report on Internal Controls</b> |   |   |          |
|---|---|---|----------|
| Corporation Action                                  | Control   | Control Process   | Finding  |
|   |   | <b>Corporation Capital Projects</b>   |          |
| Project Review                                      | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Regulation</li> <li>● By-Laws</li> <li>● Policy</li> <li>● Local Access Policy</li> </ul> | <ul style="list-style-type: none"> <li>● Written Application</li> <li>● Cost Benefit Analysis</li> <li>● Staff Review</li> <li>● Board Attorney Oversight</li> <li>● Board Review &amp; Approval</li> <li>● Conflict of Interest Statement</li> </ul> | Adequate |
| SEQRA Determination                                 | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Regulation</li> <li>● By-Laws</li> <li>● Classes of Projects Policy</li> </ul>            | <ul style="list-style-type: none"> <li>● Formal EAF Statement</li> <li>● Staff Review</li> <li>● Attorney Review</li> <li>● Board Review &amp; Finding</li> </ul>   | Adequate |
| Public Hearing                                      | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Regulation</li> <li>● By-Laws</li> </ul>  | <ul style="list-style-type: none"> <li>● Board Approval</li> <li>● Written Minutes</li> <li>● Report on Public Hearing at Board Meeting</li> </ul>  | Adequate |
| Project Inducement                                  | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Regulation</li> <li>● By-Laws</li> <li>● UTEP</li> <li>● Local Access Policy</li> </ul>   | <ul style="list-style-type: none"> <li>● Written Application</li> <li>● Cost Benefit Analysis</li> <li>● Staff Review</li> <li>● Board Attorney Oversight</li> <li>● Board Review &amp; Approval</li> </ul>   | Adequate |
| Benefit Oversight                                   | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Regulation</li> <li>● Corporation Policies</li> </ul>                                     | <ul style="list-style-type: none"> <li>● Annual Survey of Companies</li> <li>● Staff Review</li> <li>● Exec Director Oversight Board Review &amp; Approval of Annual Reporting</li> <li>● Board Attorney Oversight</li> </ul>                         | Adequate |
| Corporation Service Contracts                       | <ul style="list-style-type: none"> <li>● Procurement Policy</li> <li>● Funding Policy</li> </ul>  | <ul style="list-style-type: none"> <li>● Review by Staff</li> <li>● Attorney Review</li> <li>● Board Review &amp; Approval When Required</li> <li>● Annual Audit of Expenditures</li> </ul>   | Adequate |
| Corporation Fees                                    | <ul style="list-style-type: none"> <li>● Project Fee Policy</li> <li>● Legal Fee Policy</li> </ul>  | <ul style="list-style-type: none"> <li>● Staff Review</li> <li>● Board Review &amp; Approval</li> <li>● Annual Audit</li> <li>● Attorney Review</li> </ul>  | Adequate |

# Appendices

## Appendix C— Internal Control Report (continued)

|   |   |  | <b>Public Access</b>              |          |
|---|---|--|-----------------------------------|----------|
| Documents & Administration                          | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Regulation</li> <li>● FOIL Policy</li> </ul>  | <ul style="list-style-type: none"> <li>● Staff Review</li> <li>● Attorney Review</li> </ul>  |                                   | Adequate |
| Public Comment                                      | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Regulations</li> <li>● Board By-Laws</li> </ul>                                     | <ul style="list-style-type: none"> <li>● Publication of Hearing Notices</li> <li>● Written Record of Proceedings</li> <li>● Report of public comments to the Board for each project</li> </ul> |                                   | Adequate |
|   |   |  | <b>Corporation Administration</b> |          |
| Understanding of Mission, Goals, Process & Controls | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Corporation By-Laws</li> <li>● Corporation Policies</li> </ul>                      | <ul style="list-style-type: none"> <li>● PAAA Training</li> <li>● New Member Orientation</li> <li>● Annual Acknowledgement of Responsibilities</li> </ul>                                      |                                   | Adequate |
| Ethics & Conflict of Interests                      | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Conflict of Interest Policy</li> <li>● Corporation Code of Ethics</li> </ul>        | <ul style="list-style-type: none"> <li>● Annual review of Code of Ethics Policy</li> </ul>   |                                   | Adequate |
|   |   |  | <b>Corporation Finances</b>       |          |
| Financial Planning & Expenditures                   | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Regulation</li> <li>● Corporation Policies</li> <li>● Procurement Policy</li> </ul> | <ul style="list-style-type: none"> <li>● Annual Budget</li> <li>● Annual Independent Audit</li> <li>● Signature Authority by Chairman, Executive Director, and Treasurer</li> </ul>            |                                   | Adequate |
| Financial Safeguards                                | <ul style="list-style-type: none"> <li>● Statute</li> <li>● Procurement Policy</li> <li>● Travel Policy</li> </ul>                              | <ul style="list-style-type: none"> <li>● Quarterly Review by Board of Corporation Balance Sheet</li> <li>● Annual Independent Audit</li> </ul>   |                                   | Adequate |

# Appendices

## **Appendix D— By Laws (as amended August 18, 2009)**

### Article I: Members

#### Section 1. Members

The Corporation shall have no member other than the City of Syracuse (the “City”). The City shall, for the purpose of any statute or rule of law relating to corporations, be taken to be the member of the Corporation, and it shall have all the rights and privileges of a member.

### Article 2: Directors

#### Section 1. General Powers

The business affairs of the Corporation shall be managed by a Board of five (5) Directors which shall exercise all of the powers of the Corporation.

#### Section 2. Terms of Office.

The initial members of the Board of Directors are as designated in the Certificate of Incorporation. Each of the Directors serves at the pleasure of the City of Syracuse Common Council (the “Common Council”) and continues to hold office until his successor is appointed by the Common Council. Directors may resign at any time by giving written notice to the Chairman and the President of the Common Council. Unless otherwise specified in the notice, the resignation shall take effect upon receipt of the notice by the Chairman or President of the Common Council. Acceptance of the resignation shall not be necessary to make it effective.

#### Section 3. Compensation.

Neither Directors nor officers shall receive any salary for their services as such, but by resolution of the Board a fixed reasonable sum of expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board. The Board of Directors shall have power in its discretion to contract for and to pay to Directors and officers rendering unusual or exceptional services to the Corporation special compensation appropriate to the value of such services.

### Article 3. Rights and Liabilities of Directors

#### Section 1. Property Interest of Directors.

No director of the Corporation shall have any right, title or interest in or to any property or assets of the Corporation, either prior to or at the time of any liquidation or dissolution of the Corporation, all of which properties and assets shall at the time of any liquidation or dissolution vest, as provided in paragraph EIGHTH of the Certificate of Incorporation of the Corporation.

# Appendices

## **Appendix D—** *By Laws (as amended August 18, 2009)*

### Section 2. Non Liability for Debts

The private property of the Directors shall be exempt from execution or other liability for any debts of the Corporation and no director shall be liable or responsible for any debts or liabilities of the Corporation.

### Article 4. Meetings of Directors

#### Section 1. Annual Meeting

The annual meeting of the Directors shall be held on the first Tuesday in July of each year, beginning with the year 2010, at such place in the County of Onondaga, New York, as shall be designated in the notice of the meeting, or if no designation is made, at the principal office of the Corporation in this State, for the purpose of electing officers, passing upon reports of the previous fiscal year and transacting such other business as may come before the meeting. If the day fixed for the annual meeting shall fall on a legal holiday, such meeting shall be held on the next succeeding business day. Failure to hold the annual meeting at the time designated shall not work a forfeiture or dissolution of the Corporation and in the event of such failure, the annual meeting shall be held within a reasonable time thereafter.

#### Section 2. Regular Meetings

Regular meetings of the Corporation may be held at such time and place as, from time to time, may be determined by the Directors.

#### Section 3. Special Meetings

Upon the written request of the Chairman or two (2) Directors, the Chairman of the Corporation shall call a special meeting of the Directors. Special meetings may be held on such date or dates as may be fixed in the call for such special meetings. The call for a special meeting may be personally delivered to each Director or may be mailed to the business or home address of such Member. A waiver of notice may be signed by any Director failing to receive a proper notice.

#### Section 4. Notice of Directors' Meeting

Written notice of the time, place and purpose of any special meeting of the Board shall be delivered to each director not less than three days previous thereto either personally or by mail, by or at the direction of the Secretary, the Chairman or the Directors calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid and addressed to the director at this or her address as it appears on the records of the Corporation.

# Appendices

## Appendix D— *By Laws (as amended August 18, 2009)*

### Section 5. Quorum

A majority of the then members of the Board shall constitute a quorum, provided that if less than such majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time; and provided further that the Secretary shall notify any absent Directors of the time and place of such adjourned meeting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board.

### Section 6. Procedure at Meetings of Directors

- a. The Chairman shall preside over the meetings of the Corporation. In the absence of the Chairman, the Vice-Chairman shall preside. In the absence of both the Chairman and Vice-Chairman, any Director directed by the Chairman may preside.
- b. At all meetings of Corporation, a majority of the Board of Directors of the Corporation shall constitute a quorum for the purpose of transacting business. If less than a quorum is present for any meeting, the Directors then present may adjourn the meeting to such other time or until a quorum is present. Except to the extent provided for by law, all actions shall be by a majority of the votes cast, provided that the majority of the votes cast shall be at least equal to a quorum.
- c. When it is determined by the Corporation that a matter pending before it is confidential in nature, it may, upon motion, establish an executive session and exclude any non-member from such session.
- d. Order of business. At all meetings of the Corporation, the following shall be the order of business:
  1. Roll Call;
  2. Proof of Notice of Meeting;
  3. Reading and approval of the minutes of the previous meeting;
  4. Bills and communications;
  5. Report of the Treasurer;
  6. Reports of Committees;
  7. Unfinished business;
  8. New business;
  9. Adjournment.

The order of business may be altered or suspended at any meeting by the Members of the Corporation.

- e. All resolutions shall be in writing and shall be recorded in the journal of the proceedings of the Corporation.

# Appendices

## Appendix D— *By Laws (as amended August 18, 2009)*

### Article 5. Officers

#### Section 1. Number and Qualifications

The officers of the Corporation shall be a Chairman, Vice Chairman, Secretary and Treasurer and such other officers as may be determined by the Board from time to time to perform such duties as may be designated by the Board.

#### Section 2. Election and Term of Office.

The officers shall be elected by ballot annually by the Board at the regular annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until the next regular annual meeting of the Board or until his successor shall have been elected. Except as otherwise provided in these Regulations, a vacancy in any office shall be filled by the Board for the unexpired portion of the term.

#### Section 3. Removal of Officers and Agents by Directors

Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Corporation will be served thereby.

#### Section 4. Chairman. The Chairman:

- a. Shall be the principal executive officer of the Corporation, shall in general supervise and control all of the business and affairs of the Corporation, and unless otherwise determined by the members of the Board, shall preside at all meetings of the members of the Board;
- b. may sign any deeds, mortgages, deeds of trust, notes, bonds, contracts, drafts, bonds, bills of exchange, certificates or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board, or by these regulations, to some other officer or agent of the Corporation or shall be required by law to be otherwise signed or executed; and
- c. shall in general perform all duties incident to the office of the Chairman and such other duties incident to the office of the Chairman and such other duties as may be prescribed by the board from time to time.

#### Section 5. Vice Chairman

In the absence of the Chairman or in the event of his inability or refusal to act, the Vice Chairman shall perform the duties of the Chairman, and when so acting, shall have all the powers of, and be subject to, all the restrictions upon the Chairman. The Vice Chairman shall also perform such other duties as from time to time may be assigned to him by the Board.

## Appendices

### Appendix D— *By Laws (as amended August 18, 2009)*

#### Section 6. Secretary-Treasurer

The Secretary-Treasurer shall:

- a. Keep the minutes of the meetings of the members of the Board in one or more books provided for that purpose;
- b. see that all notices are duly given in accordance with these Regulations or as required by law;
- c. be custodian of the corporate records and of the seal of the Corporation and affix the seal of the Corporation to documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Regulations;
- d. keep a register of the names and post office addresses of all Directors;
- e. have general charge of the books of the Corporation;
- f. keep on file at all times a complete copy of the Articles of Incorporation and Regulations of the Corporation containing all amendments thereto (which copy shall always be open to the inspection of any director), and at the expense of the Corporation, forward a copy of the Regulations and of all amendments thereto to each director; and
- g. in general perform all duties incident to the office of Secretary, and such other duties as from time to time may be assigned to him by the Board;
- h. have charge and custody of and be responsible for all funds and securities of the Corporation;
- i. be responsible for the receipt of and the issuance of receipts for all monies due and payable to the Corporation and for the deposit of all such monies in the name of the Corporation in such bank or banks, trust companies or other depositories, as shall be selected in accordance with the provisions of these Regulations; and
- j. in general perform all the duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to him by the Board.

#### Section 7. Bonds of Officers

The Secretary-Treasurer and any other office or agent of the Corporation charged with responsibility for the custody of any of its funds or property shall give bond in such sum and with such surety as the Board shall determine. The Board in its discretion may also require any other officer, agent or employee of the Corporation to give bond in such amount and with such surety as it shall determine.

# Appendices

## Appendix D— *By Laws (as amended August 18, 2009)*

### Section 8. Additional Personnel

The Corporation, with the consent of the President of the Common Council, may appoint an Administrative or Executive Director to supervise the administration of the business and affairs of the Corporation, subject to the direction of the Corporation. The Corporation may, from time to time, employ such other personnel as it deems necessary to execute its powers, duties and functions .

### Section 9. Compensation.

The Chairman, Co-Chairmen, Directors and Officers shall receive no compensation for their services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of their duties. The compensation of other personnel, including the Administrative Director, shall be determined by the Directors of the Corporation.

## Article 6. Nonprofit Organization

- a. The Corporation shall at all times be operated on a non-profit basis, and shall be operated for the charitable purposes for which the Corporation was created, and no director, officer, or employee of or person connected with the Corporation, or any other private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation, provided that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Corporation in affecting any of its purposes as shall be fixed by the Board of Directors; and no such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Corporation.
- b. Notwithstanding any other provision of this Code of Regulations, no member, director, officer, employee, or representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, or by an organization contributions or which are deductible under Section 170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended.

## Article 7. Financial Transactions

Section 1. Contracts. Except as otherwise provided in these Regulations, the Board may authorize any officer or officers, agent or agents, in addition to the officers so authorized by these Regulations, to enter into any contract or execute and delivery any instrument in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances.

# Appendices

## **Appendix D— By Laws (as amended August 18, 2009)**

### Section 2. Checks, Drafts, Etc.

All checks, drafts or other orders for payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, employee or employees of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Secretary and countersigned by the Chairman or Vice-Chairman of the Corporation.

### Section 3. Deposits.

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such bank or banks, trust companies or other depositories, or otherwise invested or deposited, as the Board may select.

### Section 4. Fiscal Year

The fiscal year of the Corporation shall mean a twelve-month period as determined by the Directors.

### Section 5. Gifts.

The Board of Directors may accept on behalf of the Corporation any contribution, gift bequest or devise for the general purposes or any special purpose of the Corporation.

## **Article 8. Books and Records**

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Directors.

## **Article 9. Miscellaneous**

### Section 1. Waiver of Notice

Any director may waive in writing any notice of a meeting required to be given by these Regulations. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting by such director, except in case a director shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

# Appendices

## Appendix D— *By Laws (as amended August 18, 2009)*

### Section 2. Rules and Regulations

The Board shall have the power to make and adopt such rules and regulations not inconsistent with law, the Articles of Incorporation, or these Regulations, as it may deem advisable for the management of the business and affairs of the Corporation.

### Section 3. Indemnification

- a. Upon compliance by a Director of the Corporation (including a former Director, the estate of a Director or a judicially appointed personal representative thereof) (referred to in this Section 2 collectively as “Indemnified Director”) with the provisions of subdivision (i) of this Section 2, the Corporation shall provide for the defense of the Indemnified Director in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the Indemnified Director was acting within the scope of the public employment or duties of such Indemnified Director. This duty to provide for a defense shall not arise where such civil action or proceeding is brought by or at the behest of the Corporation.
- b. Subject to the conditions set forth in paragraph (a) of this subdivision, the Indemnified Director shall be entitled to be represented by private counsel of the Indemnified Director’s choice in any civil action or proceeding whenever the chief legal officer of the Corporation or other counsel designated by the Corporation determines that a conflict of interest exists, or whenever a court, upon appropriate motion or otherwise by a special proceeding, determines that a conflict of interest exists and that the Indemnified Director is entitled to be represented by counsel of the Indemnified Director’s choice, provided, however, that the chief legal officer or other counsel designated by the Corporation may require, as a condition to payment of the fees and expenses of such representation, that appropriate groups of such Indemnified Directors be represented by the same counsel. Reasonable attorneys’ fees and litigation expenses shall be paid by the Corporation to such private counsel from time to time during the pendency of the civil action or proceeding with the approval of a majority of the Indemnified Directors of the Corporation eligible to vote thereon.
- c. Any dispute with respect to representation of multiple Indemnified Directors by a single counsel or the amount of litigation expenses or the reasonableness of attorneys’ fees shall be resolved by the court upon motion or by way of a special proceeding.
- d. Where the Indemnified Director delivers process and a written request for a defense to the Corporation under subdivision (i) of this Section 2, the Corporation shall take the necessary steps on behalf of the Indemnified Director to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

## Appendices

### Appendix D— *By Laws (as amended August 18, 2009)*

- f. Except as otherwise provided by law, the duty to indemnify and save harmless prescribed by this Section 2 shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the Indemnified Director seeking indemnification.
- g. Nothing in this subdivision shall authorize the Corporation to indemnify or save harmless any Indemnified Director with respect to punitive or exemplary damages, fines or penalties; provided, however, that the Corporation shall indemnify and save harmless its Indemnified Directors in the amount of any costs, attorneys' fees, damages, fines or penalties which may be imposed by reason of an adjudication that the Indemnified Director, acting within the scope of the Indemnified Director's public employment or duties, has, without willfulness or intent on the Indemnified Director's part, violated a prior order, judgment, consent decree or stipulation of settlement entered in any court of the State or of the United States.
- h. Upon entry of a final judgment against the Indemnified Director, or upon the settlement of the claim, the Indemnified Director shall serve a copy of such judgment or settlement, personally or by certified or registered mail within thirty (30) days of the date of entry or settlement, upon the Chairman and the chief administrative Director of the Corporation; and if not inconsistent with the provisions of this Section 2, the amount of such judgment or settlement shall be paid by the Corporation.
- i. The duty to defend or indemnify and save harmless prescribed by this Section 3 shall be conditioned upon:
  - (i) delivery by the Indemnified Director to the Chairman of the Corporation and the chief legal officer of the Corporation or to its chief administrative officer of a written request to provide for such Indemnified Director's defense together with the original or a copy of any summons, complaint, process, notice, demand or pleading within ten (10) days after the Indemnified Director is served with such document, and
  - (ii) the full cooperation of the Indemnified Director in the defense of such action or proceeding and in defense of any action or proceeding against the Corporation based upon the same act or omission, and in the prosecution of any appeal.
- j. The benefits of this Section shall inure only to Indemnified Directors as defined in subdivision (a) of this Section 3 and shall not enlarge or diminish the rights of any other party.
- k. This Section 3 shall not in any way affect the obligation of any claimant to give notice to the Corporation under Section 10 of the Court of Claims Act, Section 880 of the General Municipal Law, or any other provision of law.
- l. The Corporation is hereby authorized and empowered to purchase insurance from any insurance company created by or under the laws of the State, or authorized by law to transact business in the State, against any liability imposed by the provisions of this Section 2, or to act as a self-insurer with respect thereto. The provisions of this Section 3 shall not be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.
- m. All payments made under the terms of this Section 3, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

## Appendices

### **Appendix D— *By Laws (as amended August 18, 2009)***

- m. All payments made under the terms of this Section 3, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.
- n. Except as otherwise specifically provided in this Section 3, the provisions of this Section 3 shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to or conferred upon any Indemnified Director of the Corporation by, in accordance with, or by reason of, any other provision of State or Federal statutory or common law. The benefits under this Section 3 shall supplement, and be available in addition to, defense or indemnification protection conferred by any law or enactment. This Section 3 is intended to confer upon Indemnified Directors of the Corporation all of the benefits of Section 18 of the Public Directors Law and to impose upon the Corporation liability for costs incurred under the provisions hereof and thereof

#### **Article 10. Seal**

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words “Corporate Seal” or “Seal”.

#### **Article 11. Amendments to By-laws**

The By-laws of the Corporation may be adopted, amended or repealed by a majority of the Directors of the Corporation upon 10 days notice to all of the Directors, provided, however, that the Corporation will not amend, alter, change or repeal any provision of the adopted By-laws without the consent of the President of the City of Syracuse Common Council. Notwithstanding the foregoing, Article I and Article VI of these By-laws may not be altered, amended or repealed.

# Appendices

## Appendix E— Code of Ethics

The following standards have been adopted by the Syracuse Local Development Corporation (the “Corporation”):

1. Standards:
  - a. No Member, officer or employee of the Corporation should accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his official position or authority.
  - b. No Member, officer or employee of the Corporation should disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his personal interests.
  - c. No Member, officer or employee of the Corporation should use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or others.
  - d. No Member, officer or employee of the Corporation should engage in any transaction as representative or agent of the Corporation with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his official duties.
  - e. A Member, officer or employee of the Corporation should not by his or her conduct give reasonable basis for the impression that any person can improperly influence him or her, or unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person.
  - f. A Member, officer or employee of the Corporation should abstain from making personal investments in enterprises which he has reason to believe may be directly involved in decisions to be made by him or her, or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest.
  - g. A Member, officer or employee of the Corporation should endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust.
  - h. No Member, officer or employee of the Corporation, nor any firm, corporation or association with which such a Member is affiliated, should sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by the state Corporation in which such Member, officer or employee serves or is employed.
  - i. If any Member, officer or employee of the Corporation shall have a financial interest, direct or indirect, having a value of ten thousand dollars (\$10,000.00) or more in any activity which is subject to the jurisdiction of a regulatory Corporation, he or she should file with the Chairman, or Executive Director, a written statement that he or she has such a financial interest in such activity. Such statement shall be open to public inspection.

Violations: In addition to any penalty contained in any other provision of law any such director or member who shall knowingly and intentionally violate any of the provisions of this section may be fined, suspended or removed from office or employment in the manner provided by law.

# Appendices

## **Appendix E—** *Code of Ethics*

### 2. Conflicts of Interest

No Member, officer or employee of the Corporation should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties in the public interest.

Adopted: September 20, 2011

Reviewed: March 19, 2019

# Appendices

## Appendix F— Investment Policy

### Introduction

Pursuant to New York State General Municipal Law §858-a (3), General Municipal Law §10, and General Municipal Law §11 applicable to deposits and investments of funds for the Syracuse Local Development Corporation (“the Corporation”), the board of every public benefit corporation by resolution must adopt comprehensive investment guidelines which detail the corporation’s operating policy and instructions to officers and staff regarding investing, monitoring, and reporting of funds of the corporation. The investment guidelines shall be annually reviewed and approved by the board of the corporation (Public Authorities Law §2925 (1)).

### 1. Scope

This investment policy applies to all moneys and other financial resources available for investment on behalf of the Corporation or on behalf of any other entity or individual.

### 2. Objectives

The primary objectives of the Corporation’s investment activities are as follows:

- a. Legal: to conform with all applicable federal, state and other legal requirements,
- b. Safety: to adequately safeguard principal,
- c. Liquidity: to provide sufficient liquidity to meet all operating requirements, and
- d. Yield: to obtain a reasonable rate of return.

### 3. Delegation of Authority

Delegation of Authority to manage the investment program is granted to the Corporation Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, who shall establish written procedures for the operation of the investment program consistent with these investment guidelines. Responsibility for the operation of the investment program is hereby delegated to the Executive Director, who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy.

Such procedures should include references to:

- a. safekeeping,
- b. delivery vs. payment,
- c. investment accounting,
- d. repurchase agreements,
- e. wire transfer agreements, and
- f. collateral/depository agreements.

# Appendices

## **Appendix F— Investment Policy (continued)**

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

### **4. Prudence**

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Corporation to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Corporation.

### **5. Diversification**

It is the policy of the Corporation to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling. The following investment vehicles are authorized investments of the Corporation:

- a. Certificates of Deposits issued by a bank or trust company as authorized to do business in New York State.
- b. Time deposit accounts in a bank or trust company authorized to do business in New York State.
- c. Authorized securities limited to U.S. Treasury obligations, Federal agencies, the principal and interest of which are guaranteed by United States, obligation of the State of New York or obligation of New York State local governments.
- d. Repurchase Agreements with a bank that is authorized to do business in New York State and primary dealer that are designated by the Federal Reserve.
- e. Securities purchased pursuant to repossession agreements shall be limited to U.S. Treasury Bills.

# Appendices

## Appendix F— *Investment Policy (continued)*

### 6. Internal Controls

It is the policy of the Corporation for all moneys collected by any officer or employee of the government to transfer those funds to the Corporation Treasurer's Office, within one business day or within the time period specified in law, whichever is shorter. Some of the entities that this provision is applicable to are as follows:

- a. Neighborhood & Business Development Office
- b. SLDC Board

The Corporation Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

### 7. Designation of Depositories

The banks and trust companies authorized for the deposit of monies are designated through resolution by the Corporation Board.

### 8. Collateralizing of Deposits

In accordance with the provisions of General Municipal Law, §10 and 11, all deposits of the Corporation, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

- a. By a pledge of "eligible securities" with an aggregate "market value", or provided by General Municipal Law, §10, equal to the aggregate amount of deposits.
- b. By an eligible "irrevocable letter of credit" issued by a qualified bank other than the bank with the deposits in favor of the government for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.
- c. By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

# Appendices

## Appendix F— Investment Policy (continued)

### 9. Safekeeping and Collateralization

Eligible securities used for collateralizing deposits shall be held by a third party subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events, which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with the Corporation or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be co-mingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

### 10. Permitted Investments

As authorized by General Municipal Law, §11, the Corporation authorizes the Corporation Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- a. Special time deposit accounts authorized to do business in New York State;
- b. Certificates of deposit;
- c. Obligations of the United States of America;
- d. Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- e. Obligations of the State of New York;
- f. Obligations issued pursuant to Local Finance Law §24.00 or 25.00 (with approval of the State Comptroller) by any municipality, school district or district corporation other than the City of Syracuse;
- g. Obligations of public authorities, public housing authorities, urban renewal agencies and Local development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments;
- h. Certificates of Participation (COPs) issued pursuant to General Municipal Law §109-b;
- i. Obligations of this local government, but only with any moneys in a reserve fund established pursuant to General

# Appendices

## Appendix F— *Investment Policy (continued)*

All investment obligations shall be payable or redeemable at the option of the Corporation with in such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Corporation within two years of the date of purchase. The designated depository will confirm all purchases and transactions in writing to the Corporation.

### 11. Authorized Financial Institutions and Dealers

The Corporation shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments, which can be made with each financial institution or dealer. All financial institutions with which the local government conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Corporation. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Corporation Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually. The Corporation Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, may use credit reporting agencies to determine the credit worthiness of trading partners.

Investments in time deposits and certificates of deposits are to be made with banks or trust companies. Their annual reports shall be reviewed by the Corporation Treasurer as Chief Fiscal Officer to determine financial strength.

### 12. Purchase of Investments

The Corporation Treasurer, as Chief Fiscal Officer, or his/her designee, having custody of money, is authorized to contract for the purchase of investments:

- a. Directly, including through a repurchase agreement, from an authorized trading partner.
- b. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the Common Council.
- c. By utilizing an ongoing investment program with an authorized tracking partner pursuant to a contract authorized by the Corporation Board.

All purchased obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Corporation by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, §10.

## Appendices

### **Appendix F— Investment Policy (continued)**

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Corporation, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the Corporation a perfected interest in the securities.

#### **13. Repurchase Agreements – Written Contracts**

Securities purchased through a repurchase agreement shall be valued to market at period intervals by the Corporation Treasurer or his/her designee. A repurchase agreement (REPO) is a transaction in which the Corporation purchases from a trading partner authorized securities.

Simultaneously, the Corporation agrees to resell and the trading partner agrees to repurchase the security at a future date. Prices and dates for the sale and resale are agreed upon at the time of the initial purchase by the Corporation.

Collateral shall not be required with respect to the direct purchase of obligations of New York State, obligations of the United States, and obligations of Federal agencies, the principal and interest of which are guaranteed by the United States government.

Every repurchase agreement shall provide for payment to the seller only upon the seller's delivery of obligations of the United States to the custodial bank agreed upon with the trading partner, or in the case of a book entry transaction, when the obligations of United States are credited to the custodian's Federal Reserve Bank account. The seller shall not be entitled to substitute securities. Repurchase agreements shall be for a period of 30 days or less. The custodial bank shall confirm all transactions in writing to ensure that the Corporation's ownership of the securities is properly reflected on the records of the custodial bank.

Payment shall be made by or on behalf of the local government for obligations of New York State, obligations the principal and interest of which are guaranteed by the United States, United States obligations, certificates of deposits, and other purchased securities upon delivery thereof to the custodial bank, or in the case of a book-entry transaction, when the purchased securities are credited to the custodial bank's Federal reserve System account. All transactions shall be confirmed in writing.

Therefore, it is the policy of the Corporation to require:

- a. Written contracts for all repurchase agreements;
- b. Written contracts for all Certificates of Deposit; and
- c. Written contracts with the Custodial Bank.

# Appendices

## **Appendix F— *Investment Policy (continued)***

### **14. Operations, Audit and Reporting**

The Corporation Treasurer, as Chief Fiscal Officer, for the City of Syracuse or his/her designee, having custody of money, shall authorize the purchase and sale of all securities and execute contracts for repurchase agreements and certificates of deposit on behalf of the Corporation. Oral directions concerning the purchase, transaction, or sale of securities shall be confirmed in writing. The Corporation shall pay for purchased securities upon delivery or book entry thereof.

The Corporation will encourage the purchase and sale of securities and certificates of deposit through a competitive or negotiated process involving telephone solicitations of at least three bids for each transaction.

At the time independent auditors conduct the annual financial audit of the accounts and affairs of the Corporation, the auditors shall audit compliance with these Investment Guidelines.

The Corporation Board shall review and approve the Corporation's investment policy on an annual basis. The provisions of these Investment Guidelines and any amendments hereto, shall take effect prospectively, and shall not invalidate the prior selection of any custodial bank or prior investment.

Adopted: September 20, 2011

Reviewed: March 19, 2019

# Appendices

## Appendix G— *Disposition of Property Policy*

### 1. Definitions:

- 1.1. “Act” shall mean Title 5-A of the New York Public Authorities Law, as amended from time to time.
- 1.2. “Corporation” shall mean the City of Syracuse Local Development Corporation.
- 1.3. “Board” shall mean the Board of Directors of the Corporation
- 1.4. “Contracting Officer” shall mean the Executive Director of the Syracuse Local Development Corporation (the “Corporation”) who shall be responsible for the disposition of property.
- 1.5. “Dispose” or “Disposal” shall mean transfer of title or any other beneficial interest in Property in accordance with these Guidelines, as defined below, and Section 2897 of the Public Authorities Law, as amended from time to time.
  
- 1.6. “Policy” shall mean this Disposition of Property Policy as amended from time to time by resolution of the Corporation.
- 1.7. “Property” shall mean personal property in excess of five thousand dollars (\$5,000) in value, any real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party. For purposes of this Policy, Property shall not include the interest granted to the Corporation in any project in connection with the provision of any financial assistance, to the extent that such project and interest granted to the Corporation secure the project occupant’s obligation to the Corporation or any indebtedness obtained by or on behalf of the project occupant.

### 2. Controlling Legislation

- 2.1. The Public Authorities Accountability Act of 2005 requires the Corporation to adopt by resolution comprehensive guidelines which detail the Corporation’s operative policy and instructions regarding the use, awarding, monitoring and reporting of contracts for the Disposal of Property and designate a Contracting Officer with responsibility for compliance with and enforcement of this Policy.
  
- 2.2. This Policy is intended to be consistent with and shall be construed in accordance with the Act. The Corporation shall dispose of property in accordance with the Act and this Policy.
  
- 2.3. The Act requires the Corporation to:
  - A. maintain adequate inventory controls and accountability systems for all property under its control;
  - B. periodically inventory such property to determine which property shall be Disposed of;
  - C. produce a written report of such property in accordance with section E. below;

## Appendices

### Appendix G— *Disposition of Property Policy (continued)*

- D. transfer or Dispose of such property as promptly as possible in accordance with Section 2897 of the Public Authorities Law;
- E. publish, not less frequently than annually, a report listing all real property of the Corporation. Such report shall consist of a list and full description of all real and personal property Disposed of during such period. The report shall contain the price received by the Corporation and the name of the purchaser for all such property sold by the Corporation during such period;
- F. deliver copies of such report to the Comptroller, the Director of the Budget, the Commissioner of General Services, and the Legislature; and
- G. review and approve these guidelines annually and file with the Comptroller a copy of the most recently reviewed and approved guidelines by March 31st of each year.

#### 3. Duties of the Contracting Officer:

Except as otherwise provided herein, and in the Act, the Contracting Officer shall maintain supervision and direction over the Disposal of Property of the Corporation, and shall monitor the Corporation's compliance with this Policy.

#### 4. Corporation Property:

##### 4.1. Custody and Control.

The custody and control of the property of the Corporation, pending its Disposal, and the Disposal of such property, shall be performed by the Corporation or by the Commissioner of General Services when so authorized under the Act and this Policy.

##### 4.2 Appraisal

Prior to Disposal, an appraisal shall be made by an independent appraiser of the value of any interest in real property, or any other Property which because of its unique nature is not subject to fair market pricing. Said appraisal shall be included in the Corporation's record of the transaction for the Property.

##### 4.3. Available Procedures for Disposition of Property.

###### a. Disposal by the Commissioner of General Services

When it shall be deemed advantageous to the Corporation and the State of New York, the Corporation may enter into an agreement with the Commissioner of General Services where under such Commissioner may Dispose of property of the Corporation under terms and conditions agreed to by the Corporation and the Commissioner of General Services. In Disposing of any such property of the Corporation, the Commissioner of General Services shall be bound by the terms of this Policy and references to the Contracting Officer shall be deemed to refer to such Commissioner.

# Appendices

## Appendix G— *Disposition of Property Policy (continued)*

### B. Disposal by Sealed Bid Process

The Corporation may dispose of any Property, to any purchaser at the highest marketable price or rental after receipt of sealed bids pursuant to Public Authorities Law § 2897(6) provided that:

1. the advertisement for bids shall be made at such time prior to the Disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Corporation's Property ; and
2. all bids shall be publicly disclosed at the time and place stated in the advertisement; and
3. the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Corporation, price and other factors considered; provided, that all bids may be rejected by the Corporation when it is in the public interest to do so.

### C. Disposal by Negotiation or Public Auction

The Corporation may dispose of Property by negotiation or public auction pursuant to Public Authorities Law § 2897(6) (c)when:

1. the personal property involved has qualities separate from the utilitarian purpose of such property , such as artistic quality, historical significance, rarity, or other quality of similar effect that would tend to increase its value, or if the personal property is to be sold in such quantity that if Disposed of by sealed bid, would adversely affect the State or local market for such property, and the estimated fair market value of such property and other satisfactory terms of Disposal can be obtained by negotiation;
2. the fair market value of the Property does not exceed fifteen thousand dollars (\$15,000.00);
3. bid prices after advertising therefore are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;
4. the Disposal will be to the state or any political subdivision, and the estimated fair market value of the property and other satisfactory terms of Disposal are obtained by negotiation;
5. the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the Property will remain with the government or any other public entity;
6. the purpose of the transfer is within the purpose, mission, or governing statute of the Corporation.

## 5. Disposal of Property for Less than Fair Market Value

5.1 The Corporation may dispose of real property for less than fair market value when:

a. The disposal is to a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity; or when,

# Appendices

## Appendix G— *Disposition of Property Policy (continued)*

B. the purpose of the disposal is within the purpose, mission, or governing statute of the Corporation; or when

C. the disposal is not to a governmental entity, and the disposal is not consistent with the Corporation's mission, purpose or governing statute where the Corporation has provided written notification of the disposal to the governor, the speaker of the assembly, and the temporary president of the senate, and the proposed transfer is not denied by the governor, the senate, or the assembly pursuant to Public Authorities Law § 2897(7)(iii).

### 5.2 **Information to be provided to the Board:** In the event that a below fair market value

asset transfer is proposed, the following information must be provided to the Board and the public:

A. a full description of the asset; and

B. an appraisal of the fair market value of the asset and any other information establishing the fair market value sought by the Board; and

C. A description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the asset is situated as are required by the transfer; and

D. a statement of the value received compared to the fair market value; and

E. the names of any private parties participating in the transfer, and if different than the statement under subsection D of this section, a statement of the value to the private party; and,

F. The names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used.

### 5.3 **Board approval of disposal of property for less than fair market value:** prior to disposing

of property for less than market value, the Board shall consider the information described in section 5.2 of these guidelines and make a written determination that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of such transfer.

## 6. **Validity of Deed, Bill of Sale, Lease, or Other Instrument:**

A deed, bill of sale, lease, or other instrument executed by or on behalf of the Corporation, purporting to transfer title or any other interest in property of the Corporation under these Guidelines shall be conclusive evidence of compliance with the provisions hereof insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to the closing.

# Appendices

## **Appendix G— *Disposition of Property Policy (continued)***

### **7. Reports and Transmittals**

#### 7.1 Property Report

The Corporation shall publish, not less frequently than once a year, a report listing all Property of the Corporation. Such report shall consist of a list and full description of all real and personal Property to be Disposed of during such period. The report shall contain the price received by the Corporation, and the name of the purchaser for all Property Disposed of by the Corporation during such period. The Corporation shall deliver copies of such reports to the Comptroller of the State of New York, the Director of the Budget of the State of New York, the Commissioner of General Services, and Legislature.

#### 7.2 Explanatory Statements for Negotiated Disposals

An explanatory Statement when required under this section shall be transmitted to the comptroller, the director of budget, the commissioner of general services, the legislature, and the authorities budget office at least ninety days prior to the disposal. A copy of the explanatory statement shall also be preserved by the Corporation. An explanatory statement shall be prepared when the circumstances of each disposal by negotiation of:

1. any personal property which has an estimated fair market value in excess of \$15,000;
2. any real property (other than by lease) that has an estimated fair market value in excess of \$100,000,;
3. any real property Disposed of by lease if the estimated annual rent over the term of the lease is in excess of \$15,000;
4. any real property or real and related personal property Disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.

7.3 Notice of Proposed transfer for less than fair market value to a non-governmental entity where the disposal would not be consistent with the Corporation's mission, purpose, or governing statutes:

Whenever the Corporation proposes to transfer an asset for less than fair market value to a non-governmental entity where the disposal would not be consistent with the Corporation's mission, purpose, or governing statutes, the Corporation shall provide written notification thereof to the governor, the speaker of the assembly, and the temporary president of the Senate, and such proposal shall be subject to denial by the governor, the senate, or the assembly.

### **8. Annual Review and Amendments of this Policy**

This Policy is subject to modification and amendment at the discretion of the Corporation in accordance with the Act, Title 18-A of the New York State General Municipal Law and Section 926 of the General Municipal Law. On or before March 31st of each year, the Corporation shall review and approve this Policy annually, and shall include the name of the Contracting Officer. On or before March 31st of each year, the Policy most recently reviewed by the Corporation shall be filed with the Comptroller of the State and posted on the Corporation's Website.

Adopted: August 12, 2010

Revised: September 17, 2013

# Appendices

## Appendix H— *Procurement Policy*

### I. Introduction

#### A. Scope:

In accordance with Article 18-A of the New York State General Municipal Law (GML), Section 104-b of the GML and the Public Authorities Reform Act of 2009, Syracuse Local Development Corporation (the “Corporation”), is required to adopt procurement policies which will apply to the procurement of goods and services paid for and for its own use and account.

#### B. Purpose:

The primary objectives of this Policy are to assure the prudent and economical use of public monies in the best interests of the taxpayers of the City of Syracuse, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption.

### II. Procurement Officer

#### A. Designation

The Procurement Officer shall be the Executive Director of the Corporation or such other officer or employee of the Corporation designated by the Board to carry out the general and specific provisions of the policies and procedures set forth herein. In accordance with GML 104-b, this designation shall be updated biennially.

#### B. Competitive Bidding

As of the date of adoption of these policies and procedures, the Corporation is not subject to the competitive bidding requirements of Section 103 of the General Municipal Law.

#### C. Duties

The Procurement Officer is hereby designated to be responsible for determining whether a procurement of goods or services is subject to or exempt from the competitive processes described herein. The Procurement Officer shall cause to be made, in writing, the basis and other facts and circumstances relevant to making such a determination.

# Appendices

## Appendix H— Procurement Policy (continued)

### III. Procedures:

#### A. Competitive Process

Except as otherwise set forth in this Policy, a competitive process is required for the procurement of the following contracts:

1. Public work contracts (services, labor or construction) involving an expenditure of more than \$1,500.
2. Purchase contracts (acquisition of commodities, materials, supplies or equipment) involving an expenditure of more than \$1,500.

#### B. Authorization

If the cost of a public works or purchase contract is not more than \$1,500, the Executive Director may authorize the agreement. Public works or purchase contracts for an amount greater than \$1,500 shall require authorization by the Board.

#### C. Method of Purchase

1. General. The following competitive processes will be used when required by this policy in order to achieve the highest savings:

| <u>Estimated Amount of Purchase Contract</u> | <u>Method</u>  |
|--|--|
| \$1,501 - \$3,000                            | 2 written/fax/e-mail quotations                                  |
| \$3,001 and up                               | 3 written/fax/e-mail quotations or written request for proposals |

| <u>Estimated Amount of Public Works Contract</u> | <u>Method</u>  |
|--|--|
| \$1,501 - \$3,000                                | 2 written/fax/e-mail quotations                                  |
| \$3,001 and up                                   | 3 written/fax/e-mail quotations or written request for proposals |

2. Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the Procurement Officer is unable to obtain the required number of proposals or quotations, the Procurement Officer will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement.

# Appendices

## Appendix H— Procurement Policy (continued)

2. Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the Procurement Officer is unable to obtain the required number of proposals or quotations, the Procurement Officer will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement.

3. Documentation.

(a) Documentation is required of each action taken in connection with each procurement.

(b) Circumstances justifying an award to other than the lowest cost quoted:

i. Delivery requirements

ii. Quality requirements

iii. Quality

iv. Past vendor performance

v. The unavailability of three or more vendors who are able to quote on a procurement.

vi. It may be in the best interests of the Corporation to consider only one vendor who has previous expertise with respect to a particular procurement.

Documentation of the relevant circumstance(s) is required.

### D. Procurements Exempt by Statute.

Alternative proposals or quotations for goods and services shall be secured by use of written requests for proposals or written quotations, verbal quotations or any other method of procurement which furthers the purposes GML 104-b except for items excepted herein (see D, below), or procurements made pursuant to:

a. GML, Section 103(3) (through county contracts), or

b. GML, Section 104 (through state contracts), or

c. State Finance Law, Section 175-b (from agencies for the blind or severely handicapped), or

d. Correction Law, Section 186 (articles manufactured in correctional institutions).

### E. Exceptions:

In the sole discretion of the Board, alternative proposals or quotations shall not be required for the following procurements

# Appendices

## Appendix H— Procurement Policy (continued)

### 1. Emergency Situation

An emergency exists if the delay caused by seeking competitive bids would endanger the health, welfare or property of the Syracuse Local Development Corporation or of its citizens. Approval of the Executive Director is necessary, which shall be documented and shall also include a description of the situation that gave rise to the emergency.

### 2. Sole Source Procurements

Defined as a situation when there is only one possible source from which to procure goods and/or services and it is shown that the item needed has unique benefits, the cost is reasonable for the product offered and there is no competition available.

### 3. City of Syracuse Contracts

When the Corporation is able to procure goods and services through City of Syracuse contracts, it will be unnecessary to obtain formal quotations or bids.

### 4. Insurance

All insurance policies shall be procured in accordance with the following procedures:

Premium Less than \$10,000 – documented telephone quotations from at least three agents (if available)

Premium Over \$10,001 – written quotations/fax or proposals from at least three agents (if available)

### 5. Professional Services

Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgment, integrity, continuity of service and moral worth. The natures of these services are such that they do not readily lend themselves to a competitive procurement process.

In determining whether a service fits into this category, the Corporation shall take into consideration the following guidelines: (i) whether the services are subject to State licensing or testing requirements; (ii) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (iii) whether the services require a personal relationship between the individual and Corporation members. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); technical services of an engineer engaged to prepare plans, maps and estimates; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; marketing and promotional services (including real estate brokerage); and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

If the cost of a professional service is not more than \$10,000, the Executive Director may authorize the agreement and shall notify the Board of such contract. Professional service contracts for an amount greater than \$10,000 shall require authorization by the Board.

# Appendices

## Appendix H— Procurement Policy (continued)

### 6. Goods or Services Under \$1,500.

The time and documentation required to purchase through this policy may be more costly than the item itself and would therefore not be in the best interests of the taxpayer. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.

### 7. Resolution Waiving the Competitive Process

The Corporation may adopt a resolution waiving the competitive process whenever it is determined to be impracticable.

## F. Miscellaneous Provisions

1. Local Preference and Minority and Women Owned Enterprises – It is the preference of the Corporation to provide opportunities for the purchase of goods and services from (i) business enterprises located in the City of Syracuse and (ii) certified minority and/or women-owned business enterprises. To that end, the Corporation will utilize available lists of M/WBE firms certified by the City of Syracuse and will solicit quotations and proposals from such businesses by notifying them of opportunities to submit proposals and quotations for goods and services. MBE and WBE businesses will be provided with sufficient time to submit proposals in response to solicitations.

2. Comments concerning the procurement policy shall be solicited from the members of the Board from time to time.

3. The Corporation shall annually review the policies and procedures herein. Amendments to these policies and procedures may be made at any time during the year.

4. Pursuant to Section 104-b of the GML, the unintentional failure to fully comply with the provisions of this policy shall not be grounds to void action taken or give rise to a cause of action against the Corporation, or any member, officer or employee thereof.

Adopted: September 20, 2011

Reviewed: March 19, 2019

# Appendices

## **Appendix I**— *Financial Reports*

Financial Statements begin on the next page:

Investment Compliance Report

Internal Control Report

Financial Statements