

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

MEMORANDUM

TO: Board of Directors, Buffalo Erie Niagara Land Improvement Corporation
FROM: Maria R. Whyte, Chairperson
SUBJECT: Adoption Resolution #2013-3 Re: Property Tax and Foreclosure/Maintenance Cost Recapture Policy for In Rem 161 and County Liens Transferred to BENLIC in 2013
DATE: Sept 6, 2013

DISCUSSION

It is appropriate for BENLIC to incorporate a “property tax recapture” policy into its operations whenever a property originally acquired through a foreclosure process (with Erie County as the FGU) is sold to another entity.

Since it is BENLIC policy to require the “host” local government to cover the cost of foreclosure and maintain any property acquired through the foreclosure process, expenses relative to property care and management will be incurred by the municipality over the time of BENLIC ownership. It is also acknowledged that BENLIC’s purpose in acquiring said properties is to carry out the community needs and revitalization objectives stated in the municipal resolution requesting BENLIC to acquire said property. In summary, BENLIC and the “host” local government are partners in the process and must work in a cooperative manner. Recognizing this need for cooperation as well as the costs that may be borne by the local government by paying for the foreclosure expenses maintaining a BENLIC property, it is appropriate for the Corporation to reimburse the municipality, where feasible, a portion of the foreclosure and maintenance costs.

ACTION

The Board of Directors is hereby requested to approve the following resolution:

RESOLVED, that the BENLIC Board of Directors adopts the attached *Tax and Foreclosure/Maintenance Cost Recapture Policy for In Rem 161 and County Liens Transferred to BENLIC in 2013* related to the taxes, maintenance, and foreclosure expenses on those properties for whom the County serves as the FGU; and be it further

RESOLVED, that BENLIC will present this Policy at an upcoming meeting of the Government Affairs Committee of the Erie County Legislature to ensure the Legislature’s willingness to enter into contracts with the Corporation regarding the repayment of county taxes consistent with the attached policy