

**MEMORANDUM**

**TO:** Board of Directors, Buffalo Erie Niagara Land Improvement Corporation

**FROM:** Thomas Dearing, Chairperson

**SUBJECT:** **Resolution #2015-15** Authorization to Bid at City of Buffalo Auction In Rem 49

**DATE:** **October 23, 2015**

---

DISCUSSION:

BENLIC received funding through a grant award made by the New York State Office of the Attorney General's (OAG) Community Revitalization Initiative to rehabilitate *five (5)* distressed residential properties in the grant application-targeted Northland neighborhood of the City of Buffalo. BENLIC, as a NYS land bank, possesses the sole authority to acquire property from In Rem auctions, such as the City of Buffalo's, by use of a "super"-or preferred bid. To accomplish this, BENLIC passed a *City of Buffalo Proceeds Distribution* policy – the agreement that allows BENLIC to use such "super-bid". Additional approvals of the *City of Buffalo Proceeds Distribution* policy are required of the City of Buffalo Common Council, the Erie County Legislature, the Buffalo Sewer Authority, and the Buffalo Water Board as these entities possess their own liens on real property subject to foreclosure. As the City of Buffalo In Rem auction is a foreclosure action which involves a large number of properties, and as the City provides a negotiation period to resolve delinquency, and considering the period of redemption as required by law to be in effect until a judgment of foreclosure is made– the process to identify *vacant* property for *strategic rehabilitation* is arduous. In light of these conditions, the following properties represent currently tax-delinquent and vacant residential property that the Corporation, with the assistance of the City of Buffalo, has identified as *high-potential* rehabilitation candidates within the targeted Northland neighborhood:

- 429 Wyoming (SBL # 90.63-6-24) [In Rem #48]
- 365 Northumberland (SBL # 60.71-5-53) [In Rem #47]
- 355 Cambridge (SBL # 90.71-3-51) [In Rem #47]
- 440 Northumberland (SBL # 90.63-4-4.1) [In Rem #49]

The following properties represent currently tax-delinquent and vacant residential property that the Corporation, with the assistance of the City of Buffalo, has identified as *lesser-potential* rehabilitation candidates within the targeted Northland neighborhood:

- 113 Deerfield (SBL # 90.62-4-28) [In Rem #43]
- 898 E Delavan (SBL # 90.71-2-27) [In Rem #43]
- 355 Cambridge (SBL # 90.71-3-51) [In Rem #47]
- 234 Carl (SBL # 90.78-1-15.1) [In Rem #48]
- 112 Durham (SBL # 90.62-6-19) [In Rem #49]
- 191 Wyoming (SBL # 90.79-2-45) [In Rem # 49]
- 271 Cambridge (SBL # 90.79-3-45) [In Rem #47]
- 574 Moselle (SBL # 90.78-4-20) [In Rem # 48]
- 255 Wyoming (SBL # 90.79-2-64) [In Rem # 47]
- 442 Moselle (SBL # 101.31-1-8) [In Rem # 49]

DISCUSSION CONT.:

To fulfill its grant award, BENLIC seeks to acquire an inventory of the above property to rehabilitate and resell to moderate-income residents.

At this time, the BENLIC Board awaits a Resolution, adopted by the City of Buffalo Common Council, which specifically identifies the properties, if any, it would like the Corporation to acquire.

BENLIC, which is subject to the State Environmental Quality Review Act (SEQRA), has performed environmental reviews of all properties, with comment that proposed actions to acquire properties are Type II actions with no changes in capacity, and are not subject to SEQRA.

ACTION:

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

RESOLVED that the BENLIC Board of Directors hereby waives sections II (4)(ii)(b), II(4)(ii)(c), II(4)(ii)(f), II(4)(ii)(g) and sections II(4)(iii)(b) and II(4)(iii)(c) for the purpose of considering a request to acquire the above property, from the City of Buffalo via a certified Resolution submitted to the Corporation at a date prior to the date of the City's 2015 In Rem Public Foreclosure Auction; and be it further,

RESOLVED, that BENLIC authorizes Jocelyn Gordon, as BENLIC Executive Director, to attend the City of Buffalo In Rem 49 Public Foreclosure Auction and bid the amount of the back taxes and fees on the slate of approved properties; and be it further,

RESOLVED, the Jocelyn Gordon and BENLIC legal counsel are authorized to take whatever actions are necessary subsequent to the auction of In Rem 49 to execute an agreement with the City of Buffalo, close on the properties, and ensure that BENLIC holds clear title to the properties.