

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

MEMORANDUM

TO: Board of Directors, Buffalo Erie Niagara Land Improvement Corporation
FROM: Brendan Mehaffy, Vice Chair
SUBJECT: **Resolution #2015-8** Disposition of 3048 William St., Cheektowaga
DATE: July 17, 2015

DISCUSSION:

BENLIC acquired, at the request of the Town of Cheektowaga, the tax certificate to the property of 3048 William St. as part of the Corporation's 2013 PILOT project. BENLIC purchased the unpaid tax certificate for \$1.00 on September 9, 2013. The Town had agreed by a Resolution of its own to bear the cost to maintain the property and to conduct foreclosure proceedings against the property; BENLIC thusly obtained a judgment of foreclosure. The BENLIC Board of Directors then authorized, via Resolution #2014-14, Executive Director Jocelyn Gordon to hold a public auction for the property, and to bid the back taxes on the property and thereby take clear title to the property. BENLIC has held the property in its name since January 15, 2015.

The appraisal of the property by an independent appraiser was completed on October 4, 2014. The value of the property as determined by the appraiser on that date was \$25,000. The Property Disposition Guidelines of the Corporation require that an appraisal be made prior to disposal regardless of the procedure for disposal. The appraisal for the property of 3048 William is available and held in the record of transaction.

The Town identified and named an interested purchaser in its Maintenance, Disposition and Reuse (MDR) plan it submitted to BENLIC prior to the Corporation's purchase of the tax certificate. The interested purchaser was an adjacent property owner to the property of 3048 William. Beyond this, BENLIC sought to gauge interest of the property from the other adjacent property owners – it received no responses. BENLIC proposes to transfer the property to this named purchaser, Mr. James Roberts, by sale for a negotiated amount of \$6,000.

Pursuant to the Property Disposition Guidelines, section 5.1(B) the Corporation may dispose of real property for less than fair market value when, “[p]ursuant to PAL § 2897(7)(ii) the purpose of the disposal is within the purpose, mission, or governing statute of the Corporation”, provided that the information as described in section 5.2 of the Property Disposition Guidelines is presented and provided to the Board and that, pursuant to section 5.3 of the Property Disposition Guidelines, the board considers such information. This proposed disposal is within the Corporation's mission.

ACTION:

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

RESOLVED that BENLIC, authorizes the disposition of the property of 3048 William St. SBL# 113.16-1-2 in the Town of Cheektowaga for the amount of \$6,000 by an Agreement of Sale of Real Property upon receipt of a completed and sufficient Property Purchase Application, and in so doing follows the proper procedure for disposal of real property for less than fair market value as described in the Property Disposition Guidelines of the Corporation; and be it further

RESOLVED that the Board determines that there is no reasonable alternative to the proposed below fair market transfer that would achieve the same purpose of such a transfer; and be it further

RESOLVED, that the Executive Director and BENLIC legal counsel are authorized to execute documents and take any necessary actions to close on the sale of the above-referenced property.

Information for Less than Fair Market Value Asset Disposition: 3048 William

(a) Description of asset – *the property of 3048 William Street, Cheektowaga, NY*

SBL# 113.16-1-2; commercial vacant land measuring in dimension, 65' f by 859 d'.

(b) Appraisal - **attached*

(c) Description of the purpose of the transfer and statement of the kind and amount of benefit to the public - Mr.

James Roberts was the only adjacent owner that expressed interest in the property. The Town named Mr. Roberts as an interested purchaser on the pre-acquisition MDR form – required by the Corporation. James Roberts has written to the Cooperation indicating that if he owned the property of 3048 William he would construct a maintenance garage for his business. The Town was made aware of this endeavor and raised no objection to it; Mr. Roberts may be required to meet Town zoning committee approval.

(d) Statement of the value received compared to the fair market value – *Offer of \$6,000 from Town. Appraised value of \$25,000; \$6,000/ \$25,000, 0.24(24%)*

(e) The names of any private parties participating in the transfer – *James Roberts.*

(f) The names of other private parties who have made an offer for such an asset, the value offered, and the purpose for which the asset was sought to be used – *None*