

MEMORANDUM

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

FROM: Brendan Mehaffy, Chairperson

SUBJECT: **Resolution #2017-22** Disposition of 26 Meadow Lea, Amherst

DATE: May 18, 2017

DISCUSSION:

The Buffalo Erie Niagara Land Improvement Corporation (BENLIC), at the request of the Town of Amherst acquired the property of 26 Meadow Lea Avenue, Amherst NY at the County's auction, In Rem 163. BENLIC proposes to dispose the property to Belmont Housing Services for \$29,700. Belmont intends to rehab the property, on behalf of the town, with funds available through CDGB and HUD HOME sponsored programs. On completion of the rehabilitation, the property will be resold to an income-eligible first-time homebuyer. This arrangement furthers the mission of both the Corporation and the Town by maximizing Amherst's rehabilitation funding and returning the land back to productive use.



The Town of Amherst anticipates that approximately \$120,000 will be needed to rehab the property to HUD specific standards. Furthermore, the Town Assessor estimates post-rehab, the property will have a total project loss of anywhere between \$40,000 to \$50,000 due to HUD sales price requirements.

The sale of the property was tabled at BENLIC's April 2017 meeting considering the Town's offer of \$20,000. Since then the Corporation obtained an appraisal for the property; the appraisal returned a value of \$33,000. The Corporation calculated that repayment of County back tax would be made completely if the sale equaled approximately \$29,700. The Corporation Real Estate Subcommittee recommends that an offer of \$29,700 – less than the appraisal - was a fair price for the property.

Pursuant to the Property Disposition Guidelines of BENLIC, section 4.2(A), the Corporation may dispose of real property by negotiation.

ACTION:

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

RESOLVED that the BENLIC Board of Directors authorizes the disposition of the property of 26 Meadow Lea., Town of Amherst, NY (SBL#67.72-1-14) in the amount of \$29,700 by an Agreement of Sale of Real Property with offeror, Belmont Housing Services, and in so doing follows the proper procedure for disposal of real property by negotiation as described in the Property Disposition Guidelines of the Corporation; and be it further,

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