

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

BOARD OF DIRECTORS MEETING MINUTES

June 20, 2014 – 9:00 AM

Edward A. Rath County Office Building, Room 1004

Call to Order by Chairman Maria Whyte.

ATTENDANCE:

Board Members Present: Maria Whyte, Frank E. Krakowski, Joseph L. Maciejewski, David Comerford, Joseph Hogenkamp, James Comerford, Jr., Timothy Ball, Michael Siragusa, Brendan Mehaffy

Board Members Excused: Donna Estrich, Christina Orsi

Executive Director: Jocelyn Gordon

Fiscal Agent Present: Robert Keating

GUESTS:

Martin Polowy - Erie County Assistant Attorney; Tom Dearing, Kenneth Swanekamp – ECDEP; Jennifer Beltre-Sepulveda – City of Buffalo; Eric Gillert – Town of Amherst

HAND OUTS:

Agenda; Minutes of May 16, 2014 Board Meeting; Treasurer's Report; Property Tax & Maintenance / Foreclosure Draft Proceeds Distribution Policy 2014 (for City of Lackawanna) ; Resolution #: 2014-3 City of Lackawanna In-Rem Auction; Resolution #: 2014-4 City of Tonawanda In-Rem Auction; Resolution # 2014-5 Request by Village of Sloan to Foreclose on Property ; Resolution #: 2014-6 Authorization for BENLIC Executive Director to Bid at In-Rem 162; Resolution #: 2014-7 235 Royal Parkway; Property Approval List.

NEW BUSINESS:

- Roll Call
- Approval of Minutes:

The minutes of the May 16, 2014 Board of Directors Meeting were presented and reviewed. A motion was made by Joseph Maciejewski to amend the minutes to note the Erie County Commissioner Mark Poloncarz stopped in to greet the Board of Directors. The motion was seconded by Jim Comerford. A motion was made by Joseph Maciejewski to approve the minutes as amended, seconded by David Comerford; unanimously carried as approved.

- Treasurer's Report:

Treasurer Joseph Maciejewski presented a Treasurer's Report for the month of May. He noted a Key Bank balance of \$346,311.30 as of May 30, 2014. A motion made by Michael Siragusa, to approve, seconded by Timothy Ball; unanimously carried as approved.

- Approval of the City of Lackawanna Proceeds Distribution Policy for In-Rem #18:

A motion to approve the policy as written was made by James Comerford and seconded by Joseph Hogenkamp. The motion was unanimously carried as approved.

- BENLIC Property Acquisition Recommendations by Property Selection Subcommittee:

The Property Selection Subcommittee met on Wednesday, June 18th to consider recommending a slate of properties to the Board of Directors. After considering numerous factors, including soundness of property, potential for resale and meeting the mission of the Land Bank, the Subcommittee recommended the following properties for acquisition:

235 W. Royal Pkwy, Amherst (for minimal rehab and sale) - Amherst has not exercised their option to participate in sharing 5 years/50% of future property taxes with BENLIC. The Board recommends acquisition regardless because of the potential value of the property upon sale.

83 Roland, Sloan (OAG rehab and sale to low/moderate income buyer) - Because property is not included in In Rem 162, a Judicial Foreclosure will be initiated. The Village will exercise their option to participate in the 5 year/50% property tax sharing with BENLIC.

585 Morgan, C. Tonawanda (OAG rehab and sale to low/mod income buyer)

272 Kohler, C. Tonawanda (OAG Rehab and sale to low/mod income buyer)

465 Broad, C. Tonawanda (OAG Rehab and sale to low/mod income buyer)

1745 Abbott Road, C. Lackawanna (OAG Rehab and sale to low/mod income buyer)

The City of Tonawanda and Lackawanna will exercise their option to participate in the 5 year/50% property tax sharing with BENLIC.

The Property Selection Subcommittee recommended **not** to acquire the following property due to the general soundness of property, unknown nature of the interior and level of required rehab, and potential for resale:

36 Center Street, C. Lackawanna

Resolutions Passed:

Resolution #2014-3: BENLIC Acquisition at City of Lackawanna In-Rem Auction 2014 (1745 Abbott Rd.) A motion to approve the Resolution as written was made by David Comerford, seconded by Michael Siragusa; unanimously carried as approved.

Resolution #2014-4: BENLIC Acquisition at City of Tonawanda In-Rem Auction 2014 (585 Morgan, 272 Kohler, 465 Broad St.) A motion to approve the Resolution as written was made by James Comerford Jr, seconded by Joseph Hogenkamp; unanimously carried as approved.

Resolution #2014-5: Request by Village of Sloan for Judicial Foreclosure A motion to approve the Resolution as written by Michael Siragusa, seconded by David Comerford; unanimously carried as approved.

Resolution #2014-6: Authorization for BENLIC Executive Director to Bid at In-Rem 162. A motion to approve the Resolution as written was made by David Comerford, seconded by Joseph Hogenkamp; unanimously carried as approved.

Resolution #2014-7: Resolution to Acquire 235 Royal Parkway – Resolution does not include 50% - 5 Year Property Tax Provision. After expressing his concern that the Town of Amherst will not participate in property tax sharing with BENLIC, a motion to approve the Resolution as written was made by Brendan Mehaffy, seconded by Joseph Hogenkamp; unanimously carried as approved.

Other Board members expressed the concern that if one municipality refused to participate in the property tax sharing it could set a precedent for more refusals in the future. Eric Gillert from the Town of Amherst believe that the financial reward BENLIC will generate through the sale of 235 W. Royal Parkway is significant. Chairman Maria Whyte pledged that BENLIC will investigate and explore the best solution to facilitate future decision-making.

- Subcontracting Agreement BENLIC/Buffalo – Securitization of Funds (Informational):

Jocelyn updated Board members on status of Agreement for Demolition of Property between City of Buffalo and BENLIC. The Subcontracting Agreement has been signed and approved. The first 12-13 City of Buffalo properties should be bid by the end of June 2014 and demolition completed by August 2014.

- Upcoming Property Selection (Informational):

Maria Whyte updated board on the need for the Property Selection Subcommittee to meet again to recommend additional properties before the July Board of Directors Meeting. The list of properties will include properties for BENLIC'S side lot projects and park space project funded under the OAG Grant. A Municipal Town Transfer Policy should be established for BENLIC to transfer properties back to a town or village. Jocelyn Gordon has drafted Policy that is currently under review and will be presented to the County Executive for consideration in July.

- Strategic Planning Retreat (Informational):

Maria Whyte believes the Board should undergo a Strategic Planning exercise before the end of 2014 in order to address many of the planning issues the Board is facing. Some of these issues include: a five year fund raising Plan, a five year geographic area of focus, a five year programmatic plan, how to communicate clearly with neighborhoods.

- Executive Director Report:

Personnel Update: Jocelyn Gordon has recommended two (2) candidates to the Personnel Subcommittee for consideration of the position of Assistant at their July Meeting.

Visit to Albany: Empire State Development is considering a new stream of funding for all New York State Land Banks in the near future. Legislation has passed to allow up to 20 land bank corporations in New York State.

REO Property Donations: Wells Fargo and Chase Bank have been in contact with BENLIC to work out an agreement to donate foreclosed property to BENLIC.

PILOT Update - 39 Fowler: Belmont New Opportunities estimates that the resale for the fully rehabbed property would be in the \$90-100K range on Fowler Street. The cost of a complete rehab would likely be approximately \$90-100K. BENLIC is currently exploring a phased rehab of the property which would be less comprehensive yet would provide some “subsidy” to a private buyer in the form of completed improvements.

Researching. The BENLIC’s direction/mission for future acquisition and turn over property in a timelier manner without expensive rehab. Syracuse Land Bank often simply cleans out, stabilizes and sells.

- Adjournment:

A motion to adjourn was made by Michael Siragusa and seconded by James Comerford, Jr.; motion unanimously carried.

NEXT MEETING: Board of Directors – 9 a.m. Friday, July 18, 2014
Location: Rath County Office Building, Room 1004

Recorded by: Frank E. Krakowski
Submitted for Approval: Maria R. Whyte
Adopted by BENLIC Board Members on _____