

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

BOARD OF DIRECTORS MEETING MINUTES
October 17, 2014 – 9:00 AM
Edward A. Rath County Office Building, Room 1004

Call to Order by Chairman Maria R. Whyte

ATTENDANCE:

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

Board Members Excused: Christina Orsi

Fiscal Agent Present: Robert Keating

Executive Director: Jocelyn Gordon
Assistant Program Coordinator: Alex Carducci

GUESTS: Martin Polowy – Erie County Law Dept., Jennifer Beltre OSP – COB, Alan Oberst – Artvoice, Joy McDuffy – WNYLC, Michael Burns – Building Inspector, Village of Kenmore.

HAND OUTS:

Agenda; Minutes of September 19, 2014 Board Meeting; Treasurer's Report; 2015 Proposed Budget, Resolutions: #2014-14, 15,16,17,18

NEW BUSINESS:

1. Roll Call
2. Approval of Minutes: The minutes of the September 19, 2014 Board of Directors Meeting were presented and reviewed. A motion made by Michael Siragusa to approve, seconded by David Comerford, and unanimously carried as approved.
3. Treasurer's Report: Treasurer Joseph L. Maciejewski presented a Treasurer's Report as of September 30, 2014 balance of \$572,254.78, checking used for daily expenses balance \$7,893.94. Joseph Maciejewski noted that the new account at M & T Bank has not been opened as this meeting. A motion made by Donna J. Estrich, to approve, seconded by Joseph Hogenkamp, and unanimously carried as approved.

4. Review of BENLIC Proposed Budget 2015:

- Jocelyn Gordon presented the 2015 BENLIC Budget for approval. Chairman Maria Whyte made note that the Budget is required in part for the purpose of compliance with the Authorities Budget Office of New York. The Chairman announced that BENLIC is not in compliance for the year 2013 but made clear that Staff has more capacity and can prioritize completing compliance requirements for 2013 and subsequent years.
- The Authorities Budget Office requires current year budgets to balance. With this in mind, a motion to amend the budget by Donna J. Estrich to move balance amount of \$169,846.31 into item “Contingency for Rehabilitation Unrestricted” and \$558,834.65 to “Contingency for Rehabilitation Restricted” seconded by Joseph Maciejewski and unanimously carried as amended.
- A motion to approve the Budget as amended was made by Brendan Mehaffy, seconded by David Comerford, and unanimously carried as approved.

5. Resolutions (Judicial Foreclosure PILOT Projects):

- 2014-14 Judicial Foreclosure action PILOT Project: 3048 William Street. The tax certificates associated with three properties were transferred from the County to BENLIC by vote and action of the Erie County legislature as a PILOT initiative. Courses of action regarding all three properties were discussed prior to this meeting by staff and the BENLIC October Working Group. The Working Group reviewed the possible courses of action to take on all three properties and determined an appropriate course of action on 3048 William Street to recommend to the Board. Action on the two remaining Judicial Foreclosure PILOTs (44A Winwood Court and 59 N Main) was tabled pending more information gathering.

The Working Group’s recommendation is to schedule public auction for 3048 William. Rather than accept public bids, BENLIC would acquire the property through its “super bid” power. The purpose for the action is to ensure that the property is sold to a responsible bidder for “fair market value”. As is procedurally required, notice of the auction would be made and the public may intend. All adjacent property owners will be notified by letter of the sale. Mr. James Roberts, adjacent property owner, has expressed interest in purchasing the lot and the Town of Cheektowaga supports his interest. At the auction proceeding or at another time, interested purchasers may submit a Property Purchase Application and submit to BENLIC. Such applications would be reviewed by the Board of Directors before any disposition action is made. A motion made by Joseph Maciejewski to approve, seconded by James Comerford, Jr. and unanimously carried as approved.

- 2014-15 Disposition of 45-55 Pyle Court. 2013 Pilot Project. The Property Selection Subcommittee reviewed possible disposition actions for the property of 45-55 Pyle Court in the Town of Tonawanda. The Town offered to purchase the property for \$8,000. The Property Selection Subcommittee expressed to the board that the action to dispose of to the Town was appropriate as the Town is willing to include in contract a deed restriction regarding the future use of the property, the use of the property as described (i.e. affordable housing) by the Town is in-line with the Town's Master Plan. The Property Selection Subcommittee made note that perhaps the price of \$8,000 is not an exact "fair market" price – but the action of "testing" the market may simply serve to incur more costs to BENLIC and that any private interest may not be willing to agree to similar contractual terms (i.e. deed restriction) or be in-line with the Town's intentions. Corporation Counsel Martin Polowy noted that sales between BENLIC and the Town of Tonawanda of other BENLIC-acquired properties will very likely be made and made before the end of the year, implying that there may be some value to proceeding with the disposition of 45-55 Pyle Court as regards the process for the other properties and for the establishment of a good relationship between the Town and BENLIC. A motion made by David Comerford to approve, seconded by Michael Siragusa and unanimously carried as approved motion to approve. (Town of Tonawanda willing to purchase Pyle court for \$8,000). This Purchase price was also recommended by the Property Selection Subcommittee.
- 2014-18 Disposition of 39 Fowler Ave. Town of Tonawanda Police Lieutenant William Krier sent BENLIC an offer for the property of 39 Fowler Ave in the Town of Tonawanda including a completed Property Purchaser's application and all required attachments. Mr Krier presented an offer of \$15,000. The property of 39 Fowler is part of the 2013 BENLIC Pilot Project. As of the last Board meeting, the action of sale of the property in "as-is" condition was considered to be appropriate and optimal at that point in time. A resolved in the Resolution regarding the inclusion in the contract a provision to bring the structure into code within a certain period was removed after discussion by the Board; the Board believed that the purchaser's intent was clear and his experience in renovation adequate and that the Town would act swiftly to ensure proper code enforcement on the property. As such, a motion to remove the seconded resolve clause (relating to bring property in complacence with municipal codes) was made by David Comerford to approve, seconded by Brendan Mehaffy and unanimously carried as approved motion to approve. A motion to approve the Resolution as amended was made by Joseph Maciejewski, seconded by James Comerford, Jr. and unanimously carried as approved.

6. September County Auction Update (Informational)

- 12 properties acquired as approved by the Property subcommittee and by BENLIC Board of Directors. An RFP has been prepared for OAG-required Phase One Environmental Assessments and will be distributed shortly.
- Appraisals were ordered for “Prime 8” sites. “Prime 8” sites are mainly municipal transfers – seven are lots, one is a single-family residence, transfer to be made to Town of Amherst upon reception of title. Time is of the essence for the “8”, BENLIC would like to close before the end of the year. Any disposition performed by a land bank requires prior appraisal.

7. REO Property Donation Pilot

- Resolution 2014-16 Adoption of Brokerage Agreement for Sale of Real Property. The Brokerage Agreement presented to the Board described a 7% sale commission or \$1200 flat fee sale commission to brokers, which the Board agreed to be fair and the prevalent rate. Executive Director Jocelyn Gordon announced that an RFP would be issued for a Brokerage Agreement going forward for the purposes of brokers performing their business with a schedule of properties. Unilateral Brokerage Agreements as Resolution #2014-16 describe would then allow an agreement to be put in place between a Broker and BENLIC – typically on a single parcel, pursuant to the Procurement Policy, broker’s business would constitute a professional service. Motion made by David Comerford to approve, seconded by Timothy Ball and unanimously carried as approved motion to approve.
- Resolution 2014-17 Adoption to Acquire 74 Stillwell from Wells Fargo Bank plus a \$20,000 donation to BENLIC for rehabilitation, Village of Kenmore. The property of 74 Stillwell was placed before the Property Selection Subcommittee. Members of that Subcommittee noted that Erie County Housing Inspector Del Costello inspected the property on a walk-thru estimated \$50,000.00 in repairs. Executive Director Jocelyn Gordon noted that the cash donation of \$20,000 does not have to be used to repair the property, BENLIC may use it for other purposes. Given the required level of repair, the Property Selection Subcommittee believed the use of the donation funds should be towards the renovation of the property. A motion made by Michael Siragusa to approve, seconded by James Comerford, Jr. and unanimously carried as approved motion to approve.

8. Executive Directors Report (Informational)

- **OAG Grant Update \$2.5 Million Awarded to BENLIC** -Chairman Maria Whyte announced that the award amount was highest among existing land banks. She also announced that since the application wasn't fully funded, the Board will need to readjust the Scope of Work of the grant and that this reallocation will need to occur in order for the grant award contract to be signed. As such the grantwriting group who conceived the strategy may need to convene again.
- **RFF Update** – Two Orientation Sessions were held, one in the Town of Cheektowaga, the other in Orchard Park. Deadline for RFF'15 is December 5th. Chairman Maria Whyte noted that the Property Selection Subcommittee may need to meet in December. The Chairman also asked Treasurer Joseph Maciejewski, Erie County Director of Real Property Tax Services if it was still then possible to convene the Board of Directors during the month of January such that the transcript of properties to be sent to the Erie County legislature is received on time.
- **City of Buffalo Demolitions** should be substantially complete by end of November 2014. James Comerford Jr., announced that most invoices for demolition would be received by BENLIC by the end of November. An audit from the Office of the Attorney General was made during the month, the results of the audit noted that a process describing the City of Buffalo demolition as regards historic preservation, SHiPO review should be filed by BENLIC. City of Buffalo to send such information to BENLIC.
- **Strategic Planning Retreat** – Tentatively scheduled for Friday, December 5th, Strategic Planning Committee to convene
- **City of Tonawanda Auction Update** – 3 properties were acquired in this Auction.

9. Adjournment:

- A motion to adjourn was made by Joseph Maciejewski and seconded by Michael Siragusa unanimously carried.

NEXT MEETING: Board of Directors – 9 a.m. Friday, November 21, 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 _____