

# **BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION**

**BOARD OF DIRECTORS MEETING MINUTES**  
June 19, 2015 – 9:00 AM  
Edward A. Rath County Office Building, Room 1004

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Call to Order by Vice Chairman Brendan Mehaffy,

## **ATTENDANCE:**

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

Board Members Excused: Joseph Hogenkamp, Timothy Ball

Fiscal Agent Present: Robert Keating

BENLIC Counsel: Marty Polowy

Executive Director: Jocelyn Gordon

Assistant Program  
Coordinator: Alex Carducci

GUESTS: Jennifer Beltre – City of Buffalo OSP, Andrew Spong – WNYLC, Michael Clarke – LISC,

## **HAND OUTS:**

Agenda; Minutes of May 15, 2015 Board Meeting; Treasure Report; BENLIC Homeowner's Application, BENLIC Unilateral Brokerage Agreement, Erie County In Rem 163 Proceeds Distribution Policy, 290 Atlantic (Sloan) Bid approval, 74 Stillwell (Kenmore) Update, 272 Kohler (City of Tonawanda) Update.

## **NEW BUSINESS:**

1. Roll Call
2. Approval of Minutes: The minutes of the May 15, 2015 Board of Directors Meeting were presented and reviewed. A motion was made by Michael Siragusa to correct spelling of Christopher Schoepflin item#9, seconded by David Comerford and unanimously carried as amended. A motion to approve as amended by James

Comerford, Jr. Seconded by Joseph Maciejewski and unanimously carried as approved.

3. Treasurer's Report: Treasurer Joseph Maciejewski presented a Treasurer's Report as of May 30, 2015 balance of (Key Bank) \$279,555.19 and the balance in the checking account at (Key Bank) \$25,369.06 also a balance of \$168,256.70 in M&T Bank Checking. A motion made by Michael Siragusa, to approve, seconded by Donna J. Estrich, and unanimously carried as approved.
4. Adoption of BENLIC Homebuyer's Application
  - The Homebuyer's Application was developed to comply with the OAG grant contract requirements that specified the maximum gross income a purchaser of BENLIC-rehabilitated residential property could have and the length at which residents of such property would be required to not exceed that income level. A motion was made by Timothy Ball to approve as written and seconded by David Comerford, unanimously carried as approved.
5. Amendment to BENLIC Brokerage Agreement from 7% to 6% Commission:
  - The prior adopted agreement included a 7% broker commission; pursuant to the current OAG contract, a sale commission cannot exceed 6%. The proposed amendment reflected this change. A motion was made by Donna J. Estrich to approve as written and seconded by Joseph Maciejewski, Unanimously carried as approved.
6. 393 Walnut / City of Buffalo – Resolution #2015-8 Authorization to Acquire Tax Certificate and Foreclosure In Rem 163:
  - Tabled by Request of Brendan Mehaffy for the Board's July Meeting.
7. Approval of BENLIC – Erie County Proceeds Distribution Policy for In rem #163:
  - An approved Proceeds Distribution Policy for In Rem 163 is needed to equip BENLIC with the "Super-bid" authorized by the Land Bank Act. BENLIC uses Super-bid to acquire property by the amount of back taxes owed on the property at In rem public auctions and at foreclosure auctions conducted by BENLIC itself. Board Chair Maria Whyte suggested amendment of the Erie County Proceeds Distribution Policy as presented to remove language regarding the Negative Net Proceeds Waiver provision: "Following certain criteria, (ending with) waiver as described above," motion to amend by James Comerford, Jr. seconded by David Comerford. A motion was made by Donna J. Estrich to approve as amended and seconded by Michael Siragusa. Unanimously carried as approved.

## 8. OAG Grant Project:

- 290 Atlantic / Sloan. Five bids received ranging from \$114,252 to \$278,950, lowest bid received from TKK Renovations, a MBE contractor. TKK Renovation revised scope of work to adjust cost of work to \$95,000. A motion to approve as submitted by David Comerford to approve, seconded by James Comerford, Jr. and unanimously carried as approved.
  - David Comerford expressed concern regarding the magnitude of the expected financial loss following the property's rehabilitation and resale. Executive Director Jocelyn Gordon commented that the rehabilitation of the property is part of the OAG CRI program and is a deliverable under that grant. While undertaking of this sort of substantial rehabilitation may not be BENLIC's operating procedure in every instance, the rehabilitation of this property is pursued in great part due to its designation as an OAG rehab. Assistant Program Coordinator Alex Carducci commented that BENLIC may seek the waiver provision under the County Proceeds policy to avoid deeper financial loss.
  - Other members of the Board also commented that BENLIC should include a Subcontractor utilization form as part of its bid packages to gauge the use of subcontractors.
- 74 Stillwell Avenue - an OAG rehab candidate and donation property from Wells Fargo bank - is moving forward with siding, windows and entry doors.
- 272 Kohler has been assessed and it would be best to demo the property rather than spend grant funds to rehab property in its current condition. By Board's request the property sale in "as-is" condition should be explored before demolition is pursued.
- 465 Broad Street lowest bidder received so far is \$160,000 which far exceeds value of property. The deadline for bidding had been extended. New bids to be presented and reviewed at the next Board meeting.

## 9. Executive Directors Report

- Legislative Update: Legislation has passed in Albany which would exempt New York State Land Banks from all recording and filing fees. The Land Banks would also be exempt from disposition procedure under the Public Authorities Law. It was commented that the legislation awaits the Governor's signature.
- 53 W. Main – former site of Springville Hotel, now vacant lot. The owner of the rear-abutting property, a bowling alley, possesses an easement of ingress, egress and parking over the BENLIC-owned property. This condition restricts the use of the property. BENLIC received an offer and plans to develop the property by the bowling alley owner – however BENLIC, and the Village of Springville did not believe the plans and the use of the property to be its highest and best use. The Board had previously remarked, considering the use remained as parking, that the site

should be environmentally-sensitive; in other words *not* the plan proposed by the owner of the bowling alley that called for a complete blacktop of the property. Executive Director Jocelyn Gordon commented that a more-sensitive plan could be developed using OAG “side lot” funds to engage a landscape architect to design some such plan or plans. Considering that only a minor sum had been expended from the fund, the Board expressed that a proposal for the work for designing more sensitive plans should be obtained to explore the available options.

- 1745 Abbott Road Press event very successful
- Upcoming Press Events; Amherst and Tonawanda
- OAG Demolition Update: City of Buffalo – first installment of \$124,000 paid to the City. Second and final installment of remaining \$554,186 to be reimbursed to the City within the quarter.
- Village of Hamburg (\$40-\$50,000), Sardinia (\$15,000) and Village of Sloan (\$20,000) seeking funds from the County-balance demolition fund – a fund of approximately \$203,000.

10. Adjournment:

- A motion to adjourn was made by Michael Siragusa and seconded by David Comerford Unanimously Carried.

NEXT MEETING: Board of Directors – 9 a.m. Friday, July 17, 2015  
Location: Rath County Office Building, Room 1004

Recorded by: Frank E. Krakowski  
Submitted for Approval: Brendan Mehaffy.  
Adopted by BENLIC Board Members on \_\_\_\_\_