



BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES
November 16, 2017 – 11:00 AM
Brisbane Building Conference Room 521
403 Main St. Suite 602
Buffalo, New York 14203

Call to Order by Brendan Mehaffy

ATTENDANCE:

Board Members Present: Brendan Mehaffy, Joseph L. Maciejewski, Donna J. Estrich, Joseph Hogenkamp, Timothy Ball, Michael Siragusa, James Comerford, Jr.

Board Members *Excused*: Christopher J. Schoepflin, OJ McFoy, Thomas Hersey

Fiscal Agent Present: Robert Keating

BENLIC Counsel Present: Martin Polowy

BENLIC Staff: Jocelyn Gordon, Alex Carducci, Ben Brown

BENLIC AmeriCorps: Andrea Folgherait

Guests: Bill Parke, BURA

HAND OUTS:

Agenda; Minutes of September 2017 Board Meeting; September 2017 Treasurer's Report;

NEW BUSINESS:

1. Roll Call
2. Approval of Minutes: The minutes of the October 19, 2017 Board of Directors Meeting were presented and reviewed. A motion was made by James Comerford to approve, seconded by Donna Estrich, and unanimously carried as approved.
3. Treasurer's Report: Treasurer Joseph Maciejewski presented a Treasurer's Report as of September 30, 2017 with a balance of \$ 2,121,850.40 (M&T Bank). A motion was made by Joseph Hogenkamp. to approve, seconded by Michael Siragusa and unanimously carried as approved.

4. Resolution #2017-53 – Hire Part-time Property Inspector

BENLIC's Property Inspector position to-date was vacant for almost three months. Jocelyn Gordon, BENLIC Executive Director, commented that funds to hire a part-time inspector were available in the Community Revitalization Initiative Round 3/ LISC budget. She noted that BENLIC had engaged in a search process that considered three fit candidates; those candidate's rankings by staff were presented to the Board. The Board authorized hiring of John L. Good as property inspector at a wage of \$30.00 per hour, 15 hours per week with mileage for work travels reimbursable at IRS rate. A motion to approve was made by Timothy Ball, seconded by Joseph Hogenkamp and unanimously carried as approved.

5. Real Estate Subcommittee Report:

Acquisitions:

Resolution #2017-54 – Authorization to Bid – City of Tonawanda Properties

The City of Tonawanda had adopted a resolution through its City Council July 25, 2017, requesting BENLIC to acquire five (5) properties from an upcoming City in rem tax sale. BENLIC was provided acquisition application materials and examined the five properties with city officials during the course of the summer. On August 9 and November 8, 2017, the BENLIC Real Estate Subcommittee reviewed the City adopted resolution and the acquisition forms, with additional photographs and details from BENLIC staff. After its review, the subcommittee supported acquisition of all five nominated properties. A motion to authorize the attendance and bidding of the back taxes of the properties and to subsequently close on properties was made by Joseph Hogenkamp, seconded by Joseph Maciejewski and unanimously carried as approved.

Resolution #2017-55 Selection and Acquisition of Properties – City of Buffalo Preemptive Bid Properties 2017

BENLIC preemptively bid 35 properties at City of Buffalo in rem auctions 2017. Prior to the auction, the not-for-profit organizations Habitat for Humanity and Bailey-Green, expressed interest in acquiring properties from BENLIC should they be acquired. Two properties of interest were bid by BENLIC. Both properties – 73 Manitoba, and 2246 Bailey, were identified as vacant. Another property, 22 Coe, of interest to BENLIC, was identified as vacant and distressed by BENLIC staff. Pursuant to its bid-assignment agreement with the City of Buffalo, BENLIC had option to retain up to 10% - in this instance, three properties – the balance would be assigned to the City. A motion to approve the selection and acquisition of the properties was made by James Comerford, seconded by Timothy Ball, and unanimously carried as approved.

Joseph Maciejewski commented that in order to cancel County taxes which may exist on the properties acquired at the City of Tonawanda and Buffalo auctions, that a resolution for the Erie County Legislature to consider adopting would be drafted by his office pursuant to the Property Tax and Maintenance and Foreclosure Policies of City of Tonawanda and Buffalo respectively – policy authorizing ability to exercise preferred bid.

Dispositions:

Resolution #2017-56 – 1040 Backus, Evans – single family

BENLIC acquired 1040 Backus in February 2017. The property was considered for the note and mortgage program and for in-house sales. The property was listed following Real Estate Subcommittee review at a listing price of \$39,900. After approximately two weeks at this listing price, the listing was reduced to \$29,900. An offer was received of \$24,900 by Joseph Orcutt of Queen City Home Repair. Mr. Orcutt's offer was cash, seeking a 30 day close. The stated reuse of the property was a rehabilitation and resale. The BENLIC lien securing the improvements on the properties was a complete renovation scope, equal to \$59,926 in value. BENLIC direct investment did not exceed \$10,000. A motion to approve the disposition to the offeror, the note and mortgage at stated value, and to take actions to close the property was made by Donna Estrich, seconded by Michael Siragusa, and unanimously carried as approved.

Resolution #2017-57 – 179 Westminster, Buffalo – Single Family

BENLIC acquired 179 Westminster, Buffalo in 2016. The property was cleared of debris, abated of asbestos and had interior demolition performed; BENLIC investment in hard costs totaled \$8,500. In June of 2017, BENLIC contacted University District Community Development Association (UDCDA) to gauge interest in potential disposal to UDCDA. UDCDA provide BENLIC with a *pro forma* of re-development of the property; a \$150,000 total investment was planned, including a \$4,000 purchase price. The BENLIC Real Estate Subcommittee previously and Board of Directors at the meeting discussed securing the improvements as a development enforcement note and mortgage on the property for UDCDA compliance. The lien value was discussed to be equal to BENLIC hard cost investment; the additional terms for compliance were discussed as two year term for work completion and requirement that UDCDA obtain a Certificate of Occupancy from the City of Buffalo. A motion to authorize the disposition was made by Frank Krakowski, seconded by Donna Estrich and unanimously carried as approved.

6. Executive Director's Report

Jocelyn Gordon apprised the Board of the remaining projects and funds from the first and second rounds of Office of Attorney general grant awards. She noted that only 3 projects remained incomplete, however two were over the 70% completion mark. She summarized that BENLIC completed or funded 105 demolitions, 19 rehabs, and 3 new construction projects on total grant budget of \$4.5 million.

Alex Carducci, BENLIC Program Coordinator, apprised the Board of ongoing, awarded/ contracted, and development-stage projects of a variety of program properties including OAG projects, LISC/ Rd.3 projects, and note and mortgage improvement projects.

Ben Brown, BENLIC Sales Specialist, provided an overview of sales to-date in 2017. He provided list of 24 completed sales, totaling \$1.12 M of purchase price amounts and variety of programs these properties were disposed under.

Jocelyn Gordon apprised the Board that full time staff and current BENLIC AmeriCorps Andrea Folgherait would travel to Binghamton NY for a seminar for NY Land Banks.

The Board was updated by staff and Counsel that new legislation signed by the NYS governor would exempt land banks from sewer rent and user charges.

Adjournment:

A motion to adjourn the meeting was made by Timothy Ball, seconded by Joseph Maciejewski and unanimously carried as adjourned.

NEXT MEETING: Board of Directors – 11 a.m. November 16th, 2017
Location: Brisbane Building Conference Room 521 (403 Main St)

Recorded by: Frank E Krakowski
Submitted for Approval: Frank E Krakowski
Adopted by BENLIC Board Members on _____