



BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION  
BOARD OF DIRECTORS MEETING MINUTES  
December 21, 2017 – 11:00 AM  
Brisbane Building Conference Room 521  
403 Main St. Suite 602  
Buffalo, New York 14203

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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. Thomas Hersey

Board Members *Excused*: Frank Krakowski, OJ McFoy, Christopher J. Schoepflin,

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 November 2017 Board Meeting; November 2017 Treasurer's Report;

NEW BUSINESS:

1. Roll Call
2. Approval of Minutes: The minutes of the November 16, 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 November 30, 2017 with a balance of \$ 2,199,808.35 (M&T Bank). A motion was made by Joseph Maciejewski to approve, seconded by Joseph Hogenkamp, and unanimously carried as approved.

4. Resolution #2017-58- 2018 Health Insurance Coverage

To evaluate BENLIC's health insurance options, BENLIC staff used resources of the NYS Health Exchange and assistance from the firm Walsh Duffield Companies as a broker (Walsh receives a commission not paid by BENLIC by helping small businesses obtain health coverage). BENLIC learned that because of having at least two full-time employees, BENLIC qualifies for health plans through the NYS of Health Small Business Marketplace. Using the premiums offered through this plan are "community rates" set for small organizations across NYS. In 2017, BENLIC employees were reimbursed through the NYS Individual marketplace-contributing 85% of the monthly premium. The 2018 rates for this health plan (Blue Cross Blue Shield WNY Gold level individual / individual and child) are 28% higher than in 2017. Comparably the health plan through small business marketplace community rate, BCBSWNY Gold Standard Plan, has a monthly premium rate increase of average 10%.

2018 BCBS of WNY Small Business Community Rate Premiums – Gold OON Dependent Max age 25:

- Employee Only: \$539.14 per month (\$485.27 BENLIC contribution) -2 employees
- Employee + Child: \$916.53 per month (\$779 BENLIC Contribution) -1 employee

The 2018 Health Insurance plan program as described herein and said plan program shall continue in effect until such time as new or alternative plan is approved by the board. A motion to authorize was made by Michael Siragusa, seconded by Donna Estrich, and unanimously carried as approved.

5. Real Estate Subcommittee Report:

Acquisitions:

Resolution #2017-59 – 24 Eaton, Lackawanna – Single Family- Wells Fargo Bank Donation

Wells Fargo Bank has offered to donate the following property to BENLIC with *at least* an additional \$16,000.00 monetary contribution. BENLIC Building inspector, John Good, and BENLIC Program Coordinator, Alex Carducci, toured the property and have determined that the property is in need of a roof replacement, as well as a new electric service. The \$16,000.00 cash concession Wells Fargo is additionally contributing will assist with this rehabilitation. This property has the potential to make use of the Office of Attorney General Community Revitalization Initiative grant funding and can be sold to low/moderate income buyer. BENLIC has significantly conferred with the City of Lackawanna regarding the possible acquisition of this property and its use, and the City has supported. Based on the successes of previous properties (79 Ellen, Cheektowaga, 74 Stillwell, Kenmore, and 93 Fuller, Buffalo) by the Corporation, BENLIC seeks to continue its relationship with Wells Fargo Bank and accept donation properties that are repairable, in marketable locations and/or in strategic neighborhoods throughout WNY.

BENLIC Board of Directors recognize that the time is the essence to acquire the property of 24 Eaton in order that BENLIC obtain title to the property, initiate rehabilitation, and dispose of the property responsible. May it be further resolved BENLIC authorize Jocelyn Gordon, Executive Director, along with BENLIC legal counsel to take all necessary actions required to execute an agreement with Wells Fargo Bank, close property, and ensure that BENLIC holds clear title to

the property. A motion to approve action was made by Joseph Hogenkamp, seconded by Timothy Ball, and unanimously carried as approved.

Dispositions:

Resolution #2017-60 53 Wichita, West Seneca - Lot

BENLIC acquired 53 Wichita Road, West Seneca through the County of Erie Tax Foreclosure Auction 2017 In- Rem 165. BENLIC was informed that the property is a vacant lot (demo), that the listed owner has let it go with over 81,000 owed in taxes; suggesting it as a good candidate for BENLIC to acquire and transfer through private sale. Through the 2017 RFF process the adjacent neighbor, Patricia Zeman (51 Wichita), has been maintaining it since 2008 and wishes to purchase the lot. BENLIC contacted Miss. Zeman, and received a side-lot application from her, stating she would be combining the lot with her own. West Seneca notified BENLIC Miss. Zeman has reimbursed the Town of West Seneca for foreclosure costs to the Land Bank as a “building permit”. BENLIC received letter from West Seneca Building Inspector confirming the lot is non-buildable. Improvements might include a garden, fencing, an a possible shed.

BENLIC Board of Directors authorizes disposition of 53 Wichita Road, Town of West Seneca NY in the amount of \$14000.00 by an agreement of Sale of Real Property with offeror Patricia Zeman, and in doing so follows the proper procedure for disposal of real property by negotiation as described in the Property Disposition guidelines of the Corporation; and it be further. A motion to approve the selection and acquisition of the properties was made by Michael Siragusa, seconded by Joseph Maciejewski, and unanimously carried as approved.

Resolution #2017-61 511 Terrace, Depew- Lot

BENLIC acquire 511 Terrace, Depew through the County of Erie Tax Foreclosure Auction 2017 In-Rem 165. BENLIC used money from the Attorney General’s Community Revitalization Initiative demolition funding to take the structure down: the cost was \$18,900.00. The Village of Depew requested BENLIC acquire the property for demolition and resale to adjacent Depew-Lancaster Boys and Girls Club – BENLIC also received a letter of interest from the Club indicated their interest to acquire the lot. The future planned use of the lot would be for open space for recreational activities by the organization. A deed restriction will be placed on the property requiring the property remain as open space.

BENLIC Board of Directors authorizes the disposition of the property 511 Terrace, Village of Depew, NY in the amount of \$500.00 by an Agreement of Sale of Real Property with the offeror Depew- Lancaster Boys and Girls Club. A motion to authorize the disposition was made by Michael Siragusa, seconded by Timothy Ball, and unanimously carried as approved.

Policies and Rules:

Resolution #2017-62 Buyers Agent’s Fee for BENLIC In-House Real Estate Sales

Historically, BENLIC has relied on third-party realtors for all property sales – currently some sales through the BENLIC Note and Mortgage Program make use of in-house staff to list, market, and dispose of property. This allows a hands-on approach to walking offerors through the purchase process. The BENLIC Brokerage Agreement uses a typical 6% sales commission for brokers upon closing. However, utilizing an in-house sales staff member, BENLIC is able to limit realtor commissions, as BENLIC staff do not receive any compensation for real property sales. BENLIC realizes that local agents representing potential offerors are of value to the organization and can aid in fulfilling its mission to return property back to productive use.

Therefore, in lieu of a commission, BENLIC wishes to provide a \$500 “fee” to any buyer’s agent participating in a BENLIC in- house real estate sales greater than \$10,000.

Board of Directors authorize BENLIC to pay closing at a \$500.00 “finder’s fee” to licensed real estate agents on behalf of buyers of BENLIC real property listed in-house where the net proceeds to BENLIC are equal or greater than \$10,000. A motion to authorize the disposition was made by Joseph Maciejewski, seconded by Donna Estrich, and unanimously carried as approved.

Resolution #2017-63 Approve Real Property Disposition Enforcement, Enforcement Procedures, and Lien Valuation Policy

The proposed Real Property Disposition Enforcement, Enforcement Procedures, and Lien Valuation Policy details the process by which BENLIC would value, monitor, and enforce enforcement notes, deed restrictions, and other relatable instruments employed by BENLIC to ensure productive and successful outcomes of real property transactions and improvements projects. BENLIC has been progressing with enforcement note sales, procedures, and lien values – primarily on a case-by-case basis. The policy details current procedure and methods as well as considers future situations; additionally, the policy provides general information for potentially interested parties for BENLIC properties. The policy was provided to the Real Estate Committee for review and comment December 13<sup>th</sup>, 2017.

BENLIC to approve the Real Property Disposition Enforcement, Enforcement Procedures, and Lien Valuation Policy, and take effect immediately. A motion to authorize was made by Donna Estrich, seconded by James Comerford, and unanimously carried as approved.

Resolution #2017-64 9389 Orange, Evans – Roof and Exterior

BENLIC acquired 9389 Orange in Lake Erie Beach community in the Town of Evans from the Erie County tax foreclosure auction in November 2016. The property is in need of stabilization work to pursue eventual sale through note and mortgage program. Work includes re-roofing of entire structure and demolition of small shed at the rear of the dwelling. The property had contained interior demolition to remove damaged wall and ceiling material.

The bid was released on November 30, 2017, with submission deadline of December 19, 2017, and contractor walk through was held on December 8, 2017.

BENLIC wishes to approve a bid and enter into contract for construction services to stabilize the property. The bids of various bidders included: Contractor Residential Construction Services, Inc. with a bid price of \$8,086, \$55/sheet. BENLIC investment to-date is \$5,040 and is estimated to total at \$17, 225. The inspector bid estimate is \$11,000 (inclusive of plywood replace).

BENLIC Board of directors approves the bid from Residential Construction Service, Inc. of not to exceed \$8,086 with rate \$55 per sheet of plywood, and authorizes the execution of a contract for said amount to preform construction services for the benefit of BENLIC. A motion to approve bid of Residential Construction Services, Inc, 41 River Oak Dr., Grand Island NY 14072, was made by Joseph Maciejewski, seconded by James Comerford, and unanimously carried out.

Resolution #2017-65 36 Longnecker, Buffalo – A/E Services for New Residential Construction

BENLIC has received a grant from LISC for \$180,000 for new residential construction within the City of Buffalo. BENLIC plans to construct two single-family homes within the Lovejoy Neighborhood. A Request for Proposals was issued on December 4<sup>th</sup>, 2017 for architectural and engineering services. Two RFP responses were returned to BENLIC. A bid of \$12,800 by Conway and Company Architects was the lowest responsible bid received. Staff have worked previously with the firm, and believe they could complete the requested RFP deliverables. A motion to approve the proposal from Conway and Company Architects was made by Michael Siragusa, seconded by James Comerford, and unanimously carried as approved.

6. 2018 Board Meeting Schedule (Tabled)

7. Executive Director's Report

BENLIC Executive Director, Jocelyn Gordon, presented the Board of Directors with an overview of BENLIC activities for the 2017 calendar year. She thanked them for their continued participation and support as BENLIC moved into 2018.

- Audit and Finance Committee Report – '18 Budget, Financial Reports, Cash Flow/ Net Surplus Asset Policy.

8. *Executive Session* – Performance Review, Jocelyn Gordon and Alex Carducci

The salary of Alex Carducci was increased to \$45,000.00 retroactive to July 25<sup>th</sup>, 2017 and the salary of Jocelyn Gordon was increased to \$84,050.00 retroactive to August 10<sup>th</sup>, 2017.

Adjournment:

A motion to adjourn the meeting was made by Michael Siragusa, seconded by James Comerford and, unanimously carried as adjourned.

NEXT MEETING: Board of Directors – 11 a.m. January 18th, 2018  
Location: Brisbane Building Conference Room 521 (403 Main St)

Recorded by: Andrea Folgherait, BENLIC Staff  
Submitted for Approval: Jocelyn Gordon, Executive Director  
Adopted by BENLIC Board Members on \_\_\_\_\_