



BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES
November 15, 2018 – 12:30 PM
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, Joseph Hogenkamp, Frank Krakowski, James Comerford Jr, Donna J. Estrich, Timothy Ball

Board Members *Excused*: Michael Siragusa Thomas Hersey, O.J. McFoy

Board Members *Absent*:

Fiscal Agent Present: Robert Keating

BENLIC Counsel Present: Martin Polowy

BENLIC Staff: Jocelyn Gordon, Ben Brown, Andrea Folgherait

Guests: Bill Parke - BURA

HAND OUTS:

Agenda; Minutes of October 2018 Board Meeting; October 2018 Treasurer's Report; Resolutions; BENLIC's Organizational Capacity & Growth Assessment (OCGA) Results by EK Ward.

NEW BUSINESS:

1. Roll Call
2. Approval of October 2018 Minutes – with Real Estate Committee Minutes of 10/7/2018: The minutes of the October 10th, 2018 Board of Directors Meeting were presented and reviewed. A motion to approve was made by James Comerford, seconded by Donna Estrich, and unanimously carried as approved.

3. Treasurer's Report: Treasurer Joseph Maciejewski presented a Treasurer's Report as of October 31st, 2018 with a balance of \$ (M&T Bank). A motion was made by Joseph Maciejewski to approve, seconded by Michael Sirgusa, and unanimously carried as approved.

4. EK Ward HR Consultant Presentation:

Lateyfa Ali Presented BENLIC's OCGA, reviewing strengths, weaknesses, and opportunities. Ali explained that this Assessment is able to provide insight as to where BENLIC currently is as an organization, how to best grow as an organization moving forward, and what tools, skills, or people could offer that kind of support.

5. Real Estate Committee Report:

A. Acquisitions:

Resolution #2018-72 – NCST / Mr. Cooper Donation:

- 34 Wanakah Heights, Hamburg NY

This property was offered as donation by the National Community Stabilization Trust (NCST); BENLIC's fourth property donated within the last three months from NCST. NCST is a non-profit organization that works to achieve similar goals of eliminating property vacancy and abandonment throughout the United States. By settling REO Foreclosures, the NCST is able to donate, or sell property to community housing organizations. BENLIC Inspector John Good and BENLIC Sales Specialist Ben Brown, have toured the above referenced properties and have determined it as an appropriate candidate for acquisition. BENLIC staff believe the property would be marketable for resale sold either as a Note & Mortgage, or rehabbed by BENLIC.

Additionally, each property has the potential to make use of rehab-specific grant funds through the *NCST Mr. Cooper Program*. Through settlements with Mr. Cooper (aka Nationstar), properties acquired through the NCST Mr. Cooper Program are eligible to receive up to \$20,000.00 in funds. Properties under this program are not income restricted. BENLIC would utilize these funds for stabilization repairs before an eventual resale. The BENLIC Real Estate Subcommittee has reviewed the potential donation and supports acquisition. A motion to approve the acquisition of the two properties was made by James Comerford Jr., seconded by Timothy Ball, and unanimously carried out to amend.

B. Dispositions:

Resolution #2018-73 – Disposition of 24 Eaton, City of Lackawanna

24 Eaton, City of Lackawanna was acquired via donation from Wells Fargo Bank in March of 2018. An additional cash concession was received by BENLIC in the amount of \$16,000.00 for stabilization improvements to the home, BENLIC invested \$21,459 – there is an estimated \$47,250 in repairs still needed. BENLIC listed the property for sale in September 2018 at a price of

\$28,000.00 and received three offers. Mohamed Almontaser provided an exceptional package, with the highest bid price of \$35,000.00 in cash, available family funds of \$110,000, and a planned investment of \$76,000. Almontaser plans to hire a licensed contractor to perform the rehab work and to occupy the home with his family. The other two offerors were similar, both proposing packages with rehab experience, perform the rehab themselves to occupy home with family, an offer price of \$29,000.00, however had much less in available funds to perform the rehab. The lien value of the property is \$50,000.00.

Resolution #2018-74- Disposition of 137 Griffith, Village of Sloan

137 Griffith Street, Village of Sloan was acquired via the 2017 Erie County In-Rem Foreclosure Auction. BENLIC invested \$29,489.00 in stabilization improvements, such as new electrical service, interior demolition, and a complete tear-off roof – an estimated \$65,250.00 remain in repairs. BENLIC listed the property for sale in September 2018 at a price of \$40,000.00 and received three cash offers. The first two offers were for renovation and resale or to operate as a rental - Eric Corcoran submitted an offer of \$35,000, to operate as a rental, with \$90,000.00 available in funds. ERZ Real Estate Holdings, LLC offer price was slightly higher at \$39,929.00, with \$100,000.00 in available funds. Both have a proposed investment of 50,000. BENLIC Board authorized the offer of \$42,000.00 of Robert Smith Jr., a military contractor performing the rehab himself, having \$53,036.00 in available funds and proposing only \$32,000.00 of investment, however would be an owner occupant. A motion to approve was made by Joseph Maciejewski, seconded by Joseph Hogenkamp, and unanimously carried out as approved.

Resolution #2018-75- Disposition of 234 Carl Street, City of Buffalo

BENLIC acquired the property of 234 Carl Street, City of Buffalo via City of Buffalo In-Rem 54 in 2016. BENLIC used funding from the New York State Attorney General's (OAG) Office Community Revitalization Initiative grant award to rehabilitate the home. BENLIC listed the property for sale in October 2018 at a price of \$79,900.00. As an OAG funded project, qualified offers must make no more than 100% the Erie County Area Median Income adjusted for household size. BENLIC Board authorized disposition to Serita and David Barry, the Barry's submitted a strong package using an FHA mortgage through KeyBank and an offer price over ask of \$83,000.00. BENLIC Board supported the disposition to the Barry's and a motion to approve was made by Joseph Hogenkamp, seconded by Donna Estrich, and unanimously carried out as approved.

Resolution #2018-76- Disposition of 246 Pilgrim Road, Town of Tonawanda

286 Pilgrim Road, Town of Tonawanda was acquired via the 2016 Erie County In-Rem Foreclosure Auction. Post-acquisition inspections of the property showed that the original structure was severely distressed. BENLIC determined that demolition of the home was required. BENLIC contracted Sunset Custom Homes to construct a new single-family residence in May of 2018. BENLIC Listed the home in September 2018 shortly after construction was completed for a sale price of \$159,000.00. BENLIC received minimal interest for a new home, and decided to remove the OAG income restriction to see if any offers would be submitted. Once removed

BENLIC received one offer, James and Robin Pokoj, looking to downsize and remain near their old neighborhood. The Pokoj's have \$160,000.00 in conventional financing and were pre-approved \$250,000. BENLIC Board approved the disposition to the Pokoj's; a motion to approve was made by James Comerford, seconded by Joseph Maciejewski, and unanimously carried as approved.

Resolution #2018-77- Disposition of 720 Birch, Town of Evans

720 Birch, Town of Evans was acquired via the 2017 Erie County In-Rem Auction. Being sold with a minor Note and Mortgage requirements, BENLIC staff has worked with Town of Evans officials to identify potential responsible purchasers able to undertake a redevelopment of the home. The Buyer is required to complete roof repairs and address gutters, downspouts and drainage issues immediately upon taking title to the property. There are no grant-related income limit requirements for potential buyers. The purpose of the proposed disposition is congruent with BENLIC's mission to return property to productive use. Due to the distressed condition of the home, BENLIC received one offer of \$6,000.00 from MWE, LLC. to do a renovate and resale, and provided \$110,000 in available funds. BENLIC Board approved disposition to MWE, LLC., a motion to approve was made by James Comerford, seconded by Joseph Hogankamp, and unanimously carried as approved.

Resolution #2018-78- Disposition of 179 Westminster, City of Buffalo

179 Westminster Avenue, City of Buffalo via the City of Buffalo in 2016. 179 Westminster has been abated for asbestos, secured, and completely gutted inside. To date BENLIC has invested \$8,548.00. into the property. Habitat for Humanity plans to renovate the property with the help of volunteers and staff members. BENLIC staff and Habitat for Humanity have negotiated a sale price of \$4,000.00, with a lien of 2 years in the amount of \$7,500.00. Habitat for Humanity has worked throughout Western NY to provide affordable housing and homeownership opportunities. BENLIC enjoys a growing relationship with Habitat for Humanity as a development partner. A motion to approve was made by Donna Estrich, seconded by Joseph Hogenkamp, and unanimously carried as approved.

Lien Release: 4639 Broadway, Village of Depew Note & Mortgage

Chris Ciccarelli purchased 4639 Broadway, Village of Depew in September of 2017 under BENLIC's Note and Mortgage Program with a \$20,000.00 lien. BENLIC received a letter on 10/5/2018 informing BENLIC that all work as been completed on the property, and requested that the Note and Mortgage lien be discharged. BENLIC Property Inspector, John Good, inspected the property on 10/5/2018 and confirmed all work was completed satisfactorily. BENLIC Board approved the discharge of the lien; a motion to approve was made by Joseph Maciejewski, seconded by James Comerford, and unanimously carried out as approved.

Resolution #2018-79- Selection and Acquisition of Properties – City of Buffalo Super Bid Properties 2018

A motion to table this Resolution until the BENLIC Board of Directors Meeting in December was made by James Comerford, seconded by Timothy Ball, and unanimously carried as approved.

Resolution #2018-80 – Accept Grant – OAG Community Revitalization Initiative

Enterprise Community Partners, INC. has awarded The Buffalo Erie Niagara Land Improvement Corporation (“BENLIC”) a Land Bank Community Revitalization Initiative grant in the amount of \$1,500,000. A motion to accept and implement the CRI Program grant was made by Joseph Maciejewski, seconded by Donna Estrich, and unanimously carried as approved.

Resolution #2018-81- Approval to Subdivide Land – 36 Longnecker, City of Buffalo

36 Longnecker Street, City of Buffalo was acquired via the City of Buffalo Homesteading Program. The property was acquired with intent to construct two detached single-family homes within the Lovejoy Community. BENLIC secured the architectural services of Conway and Company Architects via BENLIC Board of Director Resolution #2017-65 to design, prepare architectural drawings, and gain the required site-plan approvals to initiate new housing construction on the parcel. In August 2018, BENLIC awarded a bid for construction services via BENLIC Board of Director Resolution #2019-52. To move forward with construction of two-detached residential homes, BENLIC must subdivide the single lot of 36 Longnecker into two separate parcels. BENLIC has completed the required boundary survey of the proposed subdivision, drafted new legal descriptions of each parcel, and is now prepared to subdivide the property. A motion to authorize the subdivision of 36 Longnecker was made by Donna Estrich, seconded by Joseph Hogenkamp, and unanimously carried as approved.

Executive Director’s Report:

- BENLIC Loss Report – Property Break-in 652 Lisbon
- December Board Meeting
 - Overview at BENLIC 2018 Sales Figures
 - Outlook for 2019

Adjournment:

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

NEXT MEETING: Board of Directors – 11 a.m. December 17th, 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 _____