



BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES
February 21, 2019 – 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, James Comerford Jr., Joseph L. Maciejewski, Joseph Hogenkamp, Frank Krakowski, Donna J. Estrich

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

Board Members *Absent*: Amanda Mays

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 January 2019 Board Meeting; January 2019 Treasurer's Report; Resolutions; and Enforcement Note Discharge

NEW BUSINESS:

1. Roll Call
2. Approval of January 2019 Minutes – with Real Estate Committee Minutes of 2/14/2019: The minutes of the January 21st, 2019 Board of Directors Meeting were presented and reviewed. A motion to approve was made by Joseph Hogenkamp, seconded by Donna Estrich, and unanimously carried as approved.
3. Treasurer's Report: Treasurer Joseph Maciejewski presented the January 2019 Treasurer's Report as of January 31st, 2019 with a balance of \$1,403,665.85 – noting the additional \$1

million dollars BENLIC recently transferred to place on a CD. BENLIC Utilities Account had a balance of \$5,038.83 (M&T Bank). A motion was made to approve by Joseph Maciejewski, seconded by Joseph Hogenkamp, and unanimously carried as approved.

4. Real Estate Committee Report:

A. *Dispositions:*

Resolution #2018-04 – Disposition of 72 Schauf, City of Buffalo

The Buffalo Erie Niagara Land Improvement Corporation (BENLIC) acquired the property of 72 Schauf Avenue from the City of Buffalo in 2016 to fill its inventory of rehab candidates. The small single-family home was considerably distressed and underwent a complete rehab. The second story, and rear bedroom, were particularly deteriorated as a fire had damaged portions of the home prior to BENLIC acquisition. As an OAG CRI funded project the home is available only to homebuyers who meet pre-determined income limits. BENLIC invested \$138,539.00 in rehabilitation costs and listed the property for sale in January of 2019 at a price of \$75,900. By finishing the upstairs bedroom, there was raised interest and higher offers. BENLIC received three offers from all first-time homebuyers, BENLIC Board of Directors approved the highest and best offer submitted by Heather Kappel. Kappel offered \$90,000.00 and is using M&T SONYMA financing. The other two offers both submitted packages with offers slightly below at \$85,159.00 and \$83,500.00 using NCA financing and SEFCU-Conventional financing. A motion to authorize the sale of 72 Schauf, City of Buffalo to Heather Kappel was made by Donna Estrich, seconded by Joseph Hogenkamp, and unanimously carried as approved.

Resolution #2019-05 – Disposition of 652 Lisbon, City of Buffalo

BENLIC acquired the property of 652 Lisbon Avenue, City of Buffalo via the 2017 City of Buffalo In-Rem Foreclosure Auction. BENLIC used funding from the OAG Office Community Revitalization Initiative grant award to rehabilitate the home. BENLIC invested \$135,583.00 in rehabilitation costs and listed the property for sale in January of 2019 at a price of \$139,000. BENLIC received five offers, ranging from \$100,000.00 to the approved cash offer of \$148,300.00, an owner occupant who will have family reside in the other unit. A motion to authorize the sale of 652 Lisbon, City of Buffalo to Mark and Lori Wagnet was made by Joseph Maciejewski, seconded by James Comerford, and unanimously carried as approved.

Resolution #2019-06 – Disposition of 231 Adam, City of Tonawanda

BENLIC acquired the property of 231 Adam Street, City of Tonawanda via the 2017 City of Tonawanda In-Rem Auction. BENLIC invested funds towards securing the property and removing interior debris. BENLIC had an investment of \$4,400.00 and is one of three City of Tonawanda Note and Mortgage opportunities offered for sale at the same time by a third-party realtor. BENLIC listed the property for sale in January 2019 at a price of \$39,900.00, with an estimated \$59,000.00 in repairs and a lien value of \$48,380.00. BENLIC received two cash offers, one to renovate and resale (\$43,600.00) and the other to operate as a rental (\$35,000.00). James and Kim DiLorenzo submitted the higher offer of \$43,600, and though they live out of state, they've completed many renovation projects and see this as a good opportunity to resale to an owner occupant. A motion to authorize the sale of 231 Adam, City of Tonawanda to James and Kim DiLorenzo was made by Joseph Hogenkamp, seconded by James Comerford, and unanimously carried as approved.

Resolution #2019-07 – Disposition of 23 Enterprise, City of Tonawanda

BENLIC acquired the property of 23 Enterprise Avenue, City of Tonawanda via the 2017 City of Tonawanda In-Rem Auction. BENLIC invested \$9,668.00 toward a new tear-off roof and removing interior debris and listed the property for sale in January 2019 at a price of \$39,900.00 with an estimated \$17,250.00 in repairs, and a lien value of \$14,145.00. As mentioned, this property is one of three City of Tonawanda Note and Mortgage opportunities offered for sale at the same time by a third-party realtor. BENLIC anticipated much more interest in this property than expected, only receiving one out of state cash offer of \$45,000.00 from Ali Mahmood. Mahmood anticipates to operate the property as a rental – owning four rental properties in Erie County with family local. A motion to authorize the sale of 23 Enterprise, City of Tonawanda to Ali Mahmood was made by Joseph Hogenkamp, seconded by Donna Estrich, and unanimously carried as approved.

Resolution #2019-07 (Amended) – Disposition of 13921 Quaker, Town of Collins

BENLIC acquired the property of 13921 Quaker Street, Town of Collins via donation from the National Community Stabilization Trust (NCST). BENLIC used \$60,000.00 in rehab-specific grant funds through the *LISC Rehabilitation Grant Program* and \$32,888.00 to match of BENLIC only funds. Through OAG settlements with Bank of America, properties acquired through the NCST are eligible to receive renovation funds upon satisfactory completion of the program. Properties under this program are income restricted to a low/moderate income buyer, qualified offers must make no more than 120% the Erie County Area Median Income (AMI) adjusted for household size. BENLIC listed the property for sale in September 2018 at a price of \$79,900.00, but experienced some trouble finding interested offers through the winter season. BENLIC Board of Directors did approve an offer in the amount of \$87,000.00-\$81,900.00 net, in January. However, because of Erie County Department of Health unable to perform an inspection of the septic system until spring, the buyers wanted to ensure passing inspection. This required BENLIC Board of Directors to authorize the execution of a BENLIC Escrow Agreement. The purpose of this is for compliance with Erie County Department of Health and if the septic system does not pass the inspection come spring–BENLIC will not exceed no more than \$11,000.00 in the Escrow account. A motion to authorize the sale of 13921 Quaker, Town of Collins to Richard Orzechowski and Brittany Lorrens and to authorize the execution of an Escrow Account, was made by Joseph Maciejewski, seconded by Joseph Hogenkamp, and unanimously carried as approved.

5.) Bid Approvals

The following bids were released on January 22nd, 2019, with a submission deadline of February 15, 2019.

Resolution #2019-08 – 106 Treehaven, City of Buffalo – Partial Rehab Project

BENLIC acquired 106 Treehaven Road, City of Buffalo as a donation by the National Community Stabilization Trust (NCST). The 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. Properties acquired through Mr. Cooper (aka Nationstar) are eligible to receive up to \$20,000.00 in rehab-specific grant funds through the *NCST Mr. Cooper Program*; properties under this program are not income restricted. BENLIC was able to secure the \$20,000.00 of these grant funds to assist in stabilization efforts and has used this opportunity to shape an appropriate bid package for a property needing minor repairs. The bid package was prepared by BENLIC Building Inspector, the scope of

work was mostly minor repairs with a few of the major items. BENLIC received two bid submissions, awarding Sunset Custom Homes at \$36,500.00, just below BENLIC Building Inspectors estimate of \$38,350.00. Residential Construction Services, Inc. was the higher bidder at \$54,200.00. BENLIC Board of Directors approves the bid from Sunset Custom Homes, Inc. of \$36,500.00 motioned by Joseph Maciejewski, seconded James Comerford, and unanimously carried as approved.

Resolution #2019-09 – 34 Wanakah, Town of Hamburg – Partial Rehab Project

Similar to 106 Treehaven (previously mentioned) 34 Wanakah Heights, Town of Hamburg was acquired as a donation by the National Community Stabilization Trust (NCST). Holding the same eligibility to receive funds up to \$20,000.00 in rehab-specific grant funds and are not income restricted. BENLIC Building Inspector, the scope of work was mostly minor repairs with a few of the major items. BENLIC received two bid submissions, awarding Sunset Custom Homes at \$27,850.00, just above BENLIC Building Inspectors estimate of \$22,350.00. Residential Construction Services, Inc. was the higher bidder at \$61,750.00. BENLIC Board of Directors approves the bid from Sunset Custom Homes, Inc. of \$36,500.00 motioned by James Comerford, seconded Donna Estrich, and unanimously carried as approved.

Resolution #2019-10 – 140 Toelsin, Town of Cheektowaga – Complete Rehab Project

BENLIC acquired 140 Toelsin Road, Cheektowaga NY via 2018 Erie County In-Rem 166 tax foreclosure auction. The property was a good candidate for BENLIC rehabilitation as a single-family home in the Pine Hill neighborhood, providing an opportunity for a first-time homebuyer. BENLIC had an investment of \$3,257.82 in order to clean out the property and make necessary stabilization efforts. The bid package was prepared by BENLIC Building Inspector and included a number of major items, estimating repairs close to \$89,750.00. BENLIC received two bids from Sunset Custom Homes at \$109,600.00 and Residential Construction Services, Inc at \$128,775.00. Although, Residential Construction, Inc. was the higher bidder, for this complete project BENLIC Building Inspector and Staff felt that this bid was more accurate for the major repairs. BENLIC Building Inspector, John Good, agreed his original estimate to be under the necessary amount to perform the scope. BENLIC Board of Directors approves the bid from Residential Construction Services, Inc. of \$128,775.00 motioned by Donna Estrich, seconded Joseph Hogenkamp, and unanimously carried as approved.

6.) Enforcement Note Discharge:

BENLIC Board of Directors were informed that BENLIC Building Inspector found all work required under the Note and Mortgage documents has been completed in a proper and satisfactory manner.

- 11 Normandy, Cheektowaga (Action)

A motion to approve was made by James Comerford, seconded by Donna Estrich, and unanimously carried as approved.

- 166 Pearl, Village of Blasdell (Action)

A motion to approve was made by Donna Estrich, seconded by Joseph Hogenkamp, and unanimously carried as approved.

7.) Executive Director's Report:

- NYLBA – June Annual Conference to be held in Buffalo
- BENLIC County-wide Vacancy Study/10 Year Trend Analysis– May 2019 Presentation Target
- BENLIC Annual Audit Findings
- City of Tonawanda/UB School of Architecture New Construction Infill Project Update
- Program Manager Position Update

Adjournment:

A motion to adjourn the meeting was made by Joseph Maciejewski., seconded by James Comerford Jr., and unanimously carried as adjourned.

NEXT MEETING: Board of Directors – 11 a.m. March 28th 2019

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 _____