



BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES
September 19th, 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: Thomas Hersey, Brendan Mehaffy, Michael Siragusa, Frank Krakowski, Donna J. Estrich, Amanda Mays

Board Members *Excused*: Joseph Hogenkamp, OJ. McFoy, Timothy Ball, James Comerford Jr.

Board Members *Absent*:

Fiscal Agent Present:

BENLIC Staff: Jocelyn Gordon, Ben Brown, Andrea Folgherait, Marjorie McAllister

HAND OUTS:

Agenda; Minutes of August 2019 Board Meeting; August 2019 Treasurer's Report; Note and Mortgage Discharges; Dispositions; Bid Approvals

NEW BUSINESS:

1. Roll Call
2. Approval of July 2019 Minutes: The minutes of the July 18th, 2019 Board of Directors Meeting were presented and reviewed. A motion to approve was made by Thomas Hersey, seconded by Michael Siragusa, and unanimously carried as approved.
3. Treasurer's Report: Chairman Mehaffy presented the August 2019 Treasurer's Report as of August 31st, 2019 with a balance of \$3,176,417.08 – noting this includes the additional \$1 million dollars BENLIC recently transferred to place in a CD. A motion was made to approve by Donna Estrich, seconded by Thomas Hersey, and unanimously carried as approved.

4. Real Estate Committee Report: Real Estate Sub Committee minutes of 9/11/2019 were recorded and a motion to approve was made by Thomas Hersey, seconded by Michael Siragusa, and unanimously carried as approved.
5. **Resolution #2019- 39**– Approval to Bid Properties at 2019 Erie County In Rem Tax Foreclosure Auction

During BENLIC’s annual Request for Foreclosure (RFF) Process representatives from County municipalities review eligible tax-delinquent parcels and are invited to submit these “candidates” to the BENLIC Board for acquisition. The intent of the RFF process is to obtain an inventory of properties for the purpose of achieving the return of the selected properties to productive use – stabilization, improvement and resale of residential property, sale of property to municipalities, sale of side lots to adjacent owners, etc. For more details on this process, please review BENLIC Rules and Procedures of the Corporation on the website. BENLIC has proposed a list of 49 properties throughout the County, most of which are residential properties with a few commercial buildings intended for transfer to the community in which they reside in. Much of the residential properties in the past have been located in the Town of Cheektowaga, a first ring suburb of Buffalo. This year majority of the properties submitted are located in Evans, NY, a small rural town south of the City. A motion to approve acquisition of the following list of properties at the 2019 Erie County In Rem 167 and prior tax foreclosure auction was made by Thomas Hersey, seconded by Donna Estrich, and unanimously carried as approved.

A. Dispositions:

Resolution #2019-40– Disposition of 77 E End Avenue, Town of Cheektowaga

BENLIC acquired the property of 77 East End Avenue, Town of Cheektowaga via Erie County In-Rem Auction in 2017. Through funding from the New York State Attorney General’s (OAG) Office Community Revitalization Initiative grant award to rehabilitate the home; for a rehab cost of \$107,365.00. As an OAG funded project, qualified offers must make no more than 100% the Erie County Area Median Income adjusted for household size. BENLIC is assisting the Town of Cheektowaga with two (2) to three (3) properties on this street, helping to stabilize the block which is half City of Buffalo and half Cheektowaga. The property was listed for sale in August 2019 at a price of \$89,900. BENLIC received three (3) offers ranging from \$95,000.00 to \$102,000.00 using FHA and conventional loan types. BENLIC and the Real Estate Sub Committee recommended offeror Sharnara Aquino at \$102,000.00 using an FHA loan, the Board discussed that this loan carried more financial stability opposed to a conventional loan, therefore a higher likeliness to close. A close date is intended for November 19th, 2019. A motion to approve the offer was made by Michael Siragusa, seconded by Amanda Mays, and unanimously carried as approved.

Resolution #2019-41– Disposition of 106 Treehaven Road, City of Buffalo

BENLIC acquired 106 Treehaven Road, City of Buffalo as a donation by the National Community Stabilization Trust (NCST). NCST is a non-profit organization that works to achieve similar goals of eliminating property vacancy and abandonment throughout the United States. In addition to the home, BENLIC also receives \$20,000.00 in sellers’ concessions towards renovations with BENLIC’s investment of \$23,475.00. BENLIC listed

the property for sale in August 2019 at a price of \$174,900.00 and was determined to be the most popular property to date accounting for 3,400 views online in just three (3) weeks. BENLIC received six (6) offers ranging from \$165,000.00 to \$190,400.00 all to be owner occupants. BENLIC and the Real Estate Sub Committee recommended offeror Alan and Karen Spina at \$190,000.00 in cash with a close date intended for October 19th, 2019. A motion to approve the offer was made by Frank Krakowski, seconded by Donna Estrich, and unanimously carried as approved.

Resolution #2019-42– 31 Pearl Street, Village of Lancaster

BENLIC acquired six (6) vacant side-lots in cooperation with the Village of Lancaster during the 2018 Erie County In-Rem Auction. Throughout the year staff has solicited adjacent owner interest through direct mail directed to submit side lot purchase applications and state the intended use of the lot if interested. Additionally, the letters stated that offers should be a minimum of \$500 to be considered for purchase. including an informational flyer by the appraisal firm KLV Appraisal. Each lot was independently appraised ahead of a direct mail campaign to better determine fair market value; the appraised value for this parcel is \$1,200.00. BENLIC received one (1) offer from Sandra Rusinek for \$1,100.00 to combine the lot with her property to construct a garage, plant a garden, and have provide a play area for her grandchildren. A motion to approve the offer was made by Donna Estrich, seconded by Thomas Hersey, and unanimously carried as approved.

Resolution #2019-43– 26 E. Garfield Street, Village of Lancaster

Similarly, to the process for the previous parcel, 31 Pearl Street in the Village, BENLIC solicited adjacent offers throughout the year using direct mail and including information on application submittal and appraisals. The appraised value of this lot in particular was much higher at \$5,000.00. BENLIC received one (1) offer from Jeffrey and Cindy Moore at \$5,075.00 to combine the property with theirs and to construct a future addition and provide more recreational space. A motion to approve the offer was made by Michael Siragusa, seconded by Amanda Mays, and unanimously carried as approved.

Resolution #2019-44– 0 B Street, Village of Depew

BENLIC acquired the vacant lot located at 0 B Street cooperation with the Village of Depew during the 2018 Erie County In-Rem Auction. The parcel is located in a residential zone with no access via public right-of-way. Prior to acquisition, Depew Officials submitted a formal letter of interest from adjacent property owner, Mark Kolkiewicz, along with their required RFF Resolution. Village Officials supported a sale to Mr. Kolkiewicz and his planned use for the site. BENLIC Staff utilized KLV Appraisal to perform a third-party independent appraisal on the vacant lot to determine fair market value. The report and BENLIC purchase materials were sent to Mr. Kolkiewicz shortly thereafter. Mr. Kolkiewicz submitted an offer of \$2,500.00 to acquire and combine the lots for future residential construction. BENLIC countered at \$8000.00 due to the parcels much higher appraised value of \$13,200.00. The Board discussed the appraisal and value of the parcel because of the public road and access to the lot and decided to deny the sale until further communication with the offeror. A motion to deny was made by Michael Siragusa, seconded by Thomas Hersey, and unanimously denied.

B. Enforcement Note and Mortgage Discharges:

- 137 Griffith, Sloan – Enforcement Lien Discharge

Robert Smith purchased 137 Griffith Street in November of 2018 for \$50,000.00. In August of 2019 BENLIC received notification from Smith that all work had been completed and requested the Note and Mortgage Lien be discharged. BENLIC Building Inspector found all required work was completed in a proper and satisfactory manner. BENLIC Board approves the discharge of the Lien regarding the Note and Mortgage. A motion was made by Michael Siragusa, seconded by Thomas Hersey, and unanimously carried as approved.

C. Bid Approvals

Resolution #2019-45 – 51 E End, Cheektowaga – Abatement and Demolition

BENLIC acquired 51 East End, Cheektowaga, in 2016 through the Erie County In Rem auction. BENLIC will allocate \$20,000 of demolition funds awarded by the New York State Office of the Attorney General funds (OAG) to be used towards the demolition of the structure. Due to the property being in a highly distressed state and unsuitable for BENLIC rehab or as a responsible sale through the Note and Mortgage Program, demolition seem to be the most appropriate return to productive use as a buildable vacant lot. BENLIC Staff has been in communication with the Town of Cheektowaga Department of Community Development and Inspections who support removal of the three-family residence. BENLIC Building Inspector, John Good, estimated the cost of demolition to be \$25,000.00.

The bid was released on August 28th, 2019, with a submission deadline of September 16th, 2019. BENLIC received four (4) bids ranging from \$24,900.00 to \$53,000.00, awarding the lowest bidder, Empire Dismantlement Corporation, at \$24,000.00. A motion to approve the bid was made by Frank Krakowski, seconded by Michael Siragusa, and unanimously carried as approved.

6. Executive Director's Report:

- October BOD Meeting Date Change – Thursday October 17th
- Travel Update – CCP Vacant Properties Conference October 2-4th
- BENLIC Current/ Future Inventory Update
- Property sales are more than double this year (2019) than in both 2017 and 2018 BENLIC Property Sales Estimates through Q1 2020

Adjournment:

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

NEXT MEETING: Board of Directors – 11 a.m. October 24th, 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 _____