



BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES
October 24th, 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, Joseph Hogenkamp, Donna J. Estrich, Timothy Ball, OJ. McFoy

Board Members *Excused*: Frank Krakowski, Amanda Mays

Board Members *Absent*: James Comerford Jr.

Fiscal Agent Present: Robert Keating

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

HAND OUTS:

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

NEW BUSINESS:

1. Roll Call
2. Approval of September 2019 Minutes: The minutes of the September 19th, 2019 Board of Directors Meeting were presented and reviewed. A motion to approve was made by Thomas Hersey, seconded by Donna Estrich, and unanimously carried as approved.
3. Treasurer's Report: Chairman Mehaffy presented the September 2019 Treasurer's Report as of September 30th, 2019 with a balance of \$2,837,135.66 – noting this includes the additional \$1 million dollars BENLIC recently transferred to place in a CD. A motion was made to approve by Joseph Hogankamp, seconded by Thomas Hersey, and unanimously carried as approved.

4. Real Estate Committee Report: Real Estate Sub Committee minutes of 10/16/2019 were recorded and a motion to approve was made by Joseph Hogankamp, seconded by Michael Siragusa, and unanimously carried as approved.

A. Dispositions:

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

The Buffalo Erie Niagara Land Improvement Corporation BENLIC acquired the vacant lot located at 0 B Street in 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 BENLIC 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, which came in at \$13,200.00. 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 \$8,000.00 because of the parcels much higher appraised value. The Board discussed the appraisal and value of the parcel because of the public road and access to the lot and decided deny the sale until further communication with the offeror. BENLIC reached back out to Mr. Kolkiewicz alerting him of the denial. He resubmitted a new offer of \$6,500.00 with intentions of acquiring and combining the lots for future residential construction, in addition to paying the foreclosure costs of \$1,400.00. The Board discussed a follow through with the Village of Depew to assure a lot combination and discussed the adjacent lot having an access issue. However, because of the increased offer and covering the foreclosure costs, the Board moved for the approval. A motion was made by Thomas Hersey, seconded by Michael Siragusa, and unanimously carried as approved.

Resolution #2019-46– Disposition of 315 Kennedy, Town of Evans

BENLIC acquired the property of 315 Kennedy Avenue, Town of Evans via the 2018 Erie County In-Rem Auction. BENLIC invested \$3,074.00 towards securing the property and removing interior debris, BENLIC Building Inspector estimates there is still approximately \$19,000.00 left in repairs. BENLIC listed the property for sale in September 2019 at a price of \$21,000.00. The sale price was reduced a month later to \$16,000.00. BENLIC received one cash offer from a proposed owner occupant, Jon Driscoll, for \$10,000.00. Driscoll offer detailed extensive renovation experience and that he would be performing the work with his son using available funds of \$140,000.00 with a planned investment of \$50,000.00. A motion to approve was made by OJ McFoy, seconded by Thomas Hersey, and unanimously carried out as approved.

B. Enforcement Note and Mortgage Discharges:

- 228 Newman, Village of Springville – Enforcement Lien Discharge

On November 2nd, 2018, Garry Pecak and Michael Pinto purchased the above property subject to a Note and Mortgage in the amount of \$53,300.00.

BENLIC received a letter from Garry Pecak, dated October 15th, 2019 informing BENLIC that all work has been completed on the property and requesting that the Note and Mortgage Lien be discharged. on October 15th, 2019 BENLIC property inspector found all required work from the Note and Mortgage documents to be completed in a proper and satisfactory manner. A motion to approve the discharge was made by OJ McFoy, seconded by Donna Estrich, and unanimously carried out as approved.

C. Resolution #2019-47– Permission to Grant Access Easement 34/36 Longnecker, City of Buffalo

BENLIC acquired the property at 36 Longnecker Street, City of Buffalo 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. Upon the completion of the construction of two-detached residential homes, BENLIC must grant an easement onto itself so that the future owners have appropriate access to each of the properties and maintenance and repair obligations are memorialized and recorded. The easement shall run with the land. This is anticipated to also help the sale of the properties, as interested offerors will be aware of which property is responsible for snow removal prior to purchase. A motion to approve the access easement was made by OJ McFoy, seconded by Joseph Hogankamp, and unanimously carried out as approved.

5. Bid Approvals

Resolution #2019-48– 51 E End, Town of 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 Attorney General funds to be used towards the demolition of the structure. Staff has been in communication with the Town of Cheektowaga Department of Community Development and Inspections who support the removal of the three-family residence. The property is highly distressed and unsuitable for BENLIC rehab or responsible sale through the Note and Mortgage Program. The bid was released on August 28th, 2019, with a submission deadline of September 16th, 2019. The bid was awarded at the September board meeting. After the award the original bidder retracted their bid. BENLIC is proposing the second lowest bidder to the Board to resolve. The Board approved the second lowest bid of \$36,200.00 from Regional Environmental Demolition, Inc. A motion to resolve was made by Michael Siragusa, seconded by Joseph Hogankamp, and unanimously carried as approved.

Resolution #2019-49– 178 Mapleview, Tonawanda – Complete Rehab

BENLIC acquired 178 Mapleview Drive, Tonawanda NY at the 2018 Erie County In-Rem Auction. The property is a good candidate for rehabilitation using funds provided by Enterprise Community Partners. BENLIC anticipates a resale between \$170-\$180,000.00 – aware that this will be a “loss” of funds on BENLIC’s end, but provides an opportunity for a

first-time homebuyer to purchase a single-family home in a low-moderate income neighborhood. BENLIC invested \$4,090.59 for proper clean out and stabilization work on the property. In addition to typical elements of a full rehabilitation project, BENLIC will finish space on the 2nd floor to provide additional living space. BENLIC building inspector estimated \$220,000.00 in construction costs. The bid process received two bids. The two bids came in slightly over and under this estimate. Sunset Custom Homes, Inc. submitted a bid of \$228,000.00 and Residential Construction Services, Inc. for \$207,800.00. A motion to approve the lower bid was made by Thomas Hersey, seconded by Joseph Hogankamp, and unanimously carried out as approved.

6. **Resolution #2019-50** – Approval of 2020 Budget

BENLIC prepared the annual budget for New York State, as a local public authority of the State, BENLIC must provide such budget to remain in compliance at least sixty (60) days before start of BENLIC fiscal year (January 1). The budget was drafted with the assistance of senior Staff from Lumsden & McCormick, LLP as a part of their contracted menu of services for BENLIC. The BENLIC Audit & Finance Committee has reviewed the 2020 NYS ABO-specific budget with BENLIC staff. A motion to approve the annual draft budget was made by OJ McFoy, seconded by Donna Estrich, and unanimously carried as approved.

7. **Resolution #2019-51** – Approval to Amend Rules and Procedures

The BENLIC Board of Directors regularly reviews policies to reflect best practices and day to day operations of BENLIC staff. At its October 22nd, 2019 meeting, the Audit and Finance committee reviewed the Rules and Procedures Section III F. and related By-Laws Art. V § 4 and Inter Municipal Agreement § 9.03 governing Checks and Banking Accounts and found the Executive Director is authorized to sign checks in amounts up to \$500.00. Upon review of other land bank's policies, which authorize their Executive Director to approve check amounts from \$5,000-\$10,000, the committee felt that increasing the authorized amount to sign checks to \$5,000 was in keeping with best practices and will decrease the administrative burden on BENLIC staff. A motion to approve this new policy was made by Michael Siragusa, seconded by Donna Estrich and unanimously carried as approved.

8. Executive Director's Report:

- November Personnel Meeting
- City of Buffalo In-Rem Sale
- 2868 Main Street Update

Adjournment:

A motion to adjourn the meeting was made by Thomas Hersey, seconded by Joseph Hogankamp, and unanimously carried as adjourned.

NEXT MEETING: Board of Directors – 11 a.m. November 21st, 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 _____