



BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES
December 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: Brendan Mehaffy, Michael Siragusa, Joseph Hogenkamp, Donna J. Estrich, OJ. McFoy, Frank Krakowski, Timothy Ball, Amanda Mays

Board Members *Excused*:

Board Members *Absent*: James Comerford Jr., Thomas Hersey

Fiscal Agent Present: Robert Keating

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

HAND OUTS:

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

NEW BUSINESS:

1. Roll Call
2. Approval of November 2019 Minutes: The minutes of the November 21st, 2019 Board of Directors Meeting were presented and reviewed. A motion to approve was made by OJ McFoy, seconded by Michael Siragusa, and unanimously carried as approved.
3. Treasurer's Report: Chairman Mehaffy presented the November 2019 Treasurer's Report as of November 30th, 2019 with a balance of \$2,966,299.50. A motion was made to approve by Joseph Hogenkamp, seconded by Frank Krakowski, and unanimously carried as approved.
4. Personnel Committee: There were five (5) items of the Personnel Policy presented for discussion. Starting with BENLIC's retirement match to employees from December only, to quarterly. December tends to be a popular investment month and it's not the best time to

invest. Next was a \$100.00 employee transportation stipend for employee parking. The stipend will be applied to payroll at the end of the month. It is considered exempt from income tax because it is less than \$265.00 dollars a month.

Employees were encouraged to take advantage of public transit, which this stipend can also go toward. On average public transit a month is close to \$120.00. However, work related travel is often required necessitating car travel and parking. Personnel Committee felt it was still important for the Land Bank to continue to have a presence downtown, and with no designated parking spots for the Corporation, the \$100.00 stipend toward parking or transit seemed fair. BENLIC already pays for parking for the Building Inspector position, so this stipend is only applied to four (4) other employees. It should be noted that this additional cost of parking was contemplated in the approved 2020 BENLIC Budget. Chairmen Mehaffy proposed for the policy to be revisited, mentioning that there are people with a lot of thought and opinions on how stipends work, and if free tax dollars are available that BENLIC may be able to take advantage of toward transportations options. Lastly, making sure it's consistent with City policies on encouraging non-car travel.

The next discussion items were adding Long-Term Disability, Accidental Death and Dismemberment and Life Insurance Policies as well as Dental and Vision Policies. The Board Approved adding these policies as part of employee benefit packages.

The last update to the Personnel Policy that was discussed was the change from an accrual-based time off policy to a straight fixed number of hours paid time off policy. Each full-time employee (working over 30 hours per week) will receive 160 Paid Time Off (PTO) hours per year with 5 hours added for each year of service to a cap of 200 hours. For new employees amount of PTO will be prorated as per date of hire. The Board was in support of this change from the accrual system as it was a similar policy for staff to track and administer. The organization also added two (2) more paid Holidays. All items shall be revisited as necessary. Based on the five (5) discussion items, there was a motion to amend the following Personnel Policy with the proposed changes by Joseph Hogankamp, seconded by Timothy Ball, and unanimously carried as approved.

5. Real Estate Committee Report: Real Estate Sub Committee minutes of 12/11/2019 were recorded and a motion to approve was made by Joseph Hogankamp, seconded by Frank Krakowski, and unanimously carried as approved.

B. Dispositions:

Resolution #2019-59 – Disposition of 34 Longnecker, City of Buffalo

BENLIC acquired the vacant lot 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 successfully subdivided 36 Longnecker Street into two parcels, and constructed two (2) single family homes on 34 and 36 Longnecker using \$180,000.00 in funding from the New York State Attorney General's (OAG) Office Community Revitalization Initiative grant award and \$11,185.00 of BENLIC funds. Both properties were listed for sale in September 2019 for a sale price of \$149,900.00. The listing price was later lowered to \$134,900.00. As an OAG funded project, qualified offers must make no more than 100% the Erie County Area Median Income adjusted for household size. There were some questions as to which house would have access to the driveway, BENLIC formed an agreement which would allow both homes to have full access to the shared driveway. However, the rear home (36 Longnecker) will own the driveway and is responsible for driveway maintenance. BENLIC

received one offer for \$135,000.00 from an owner occupant, using M&T Bank conventional loan, and anticipated close date of 2/14/2020. A motion to approve the sale was made by OJ McFoy, seconded by Michael Siragusa, and unanimously carried as approved.

Resolution #2019-60 – Disposition of 77/75 East End, Town of Cheektowaga

BENLIC acquired the property of 77 East End Avenue, Town of Cheektowaga via Erie County In-Rem Auction in 2017. BENLIC has done other projects on this block, including a demolition that Habitat for Humanity will be building a new single-family home on. Continuing projects have helped to stabilize the half Cheektowaga, half Buffalo zoned block. BENLIC used funding from the New York State Attorney General's (OAG) Office Community Revitalization Initiative grant award to rehabilitate the home. As an OAG funded project, qualified offers must make no more than 100% the Erie County Area Median Income adjusted for household size. BENLIC listed the property for sale in August 2019 at a price of \$89,900.00. The original buyer fell through due to credit issues and their mortgage company would not let them continue with the loan. BENLIC during this time acquired the vacant lot next door, 75 East End and combined it for sale with 77 East End. BENLIC continued to market the property at \$89,900.00 and received two (2) more offers: \$85,000.00 working with Belmont on their mortgage, and \$89,000.00 using a NACA loan. BENLIC is recommending the higher offer; anticipated to close on 2/17/2020. A motion to approve was made by Michael Siragusa, seconded by Amanda Mays, and unanimously carried as approved.

It was not clear if one the buyers worked for the Buffalo Sewer Authority. Therefore, General Manager, OJ McFoy, abstained from participating in the motion.

Resolution #2019-61- Disposition of 2868 Main Street, City of Buffalo

BENLIC acquired 2866 and 2868 Main Street, Buffalo NY via donation from Mr. Cooper (formerly Nationstar Mortgage) in late 2018. Additionally, BENLIC also received a cash concession of \$20,000 to be used towards the demolition of the structure, and also invested \$719.56 of BENLIC funds. This donation was facilitated by the National Community Stabilization Trust (NCST). BENLIC secured the demolition services of Apollo Dismantlement Services LLC. (Resolution #2019-22) to abate asbestos material and perform a clean demolition of the property. In order to improve the marketability of the property and allow the Corporation to quickly return the property back to productive use, BENLIC combined both parcels into a single vacant site. The parcels were officially combined in September, 2019 (Resolution #2019-23) and were marketed for sale through a "Request for Offer" (RFO) process by BENLIC. The RFO document included all required purchase forms, 3rd party appraisal, and Central Park Neighborhood Deed Restrictions. The RFO was issued on October 29th, 2019 with a rolling deadline to review any and all submissions. The RFO was advertised for two (2) listing cycles, which equates to two months. In this two-month period, BENLIC received only one (1) offer from Nicolas Giambra for \$150,000.00 with an anticipated 70 day close. Although, this offer was not at or above appraised value of the parcel of land, this was the highest and best value (and only) submission over two listing periods. Giambra has sold and purchased property from BENLIC before. A motion to approve was made by Donna Estrich, seconded by OJ McFoy, and unanimously carried as approved.

Resolution #2019-62- Disposition of 1603 Kensington, Town of Cheektowaga

BENLIC acquired the property of 1603 Kensington Avenue, Town of Cheektowaga via the 2018 Erie County In-Rem Auction. BENLIC invested \$1,060.00 into securing and removing interior debris from the property. BENLIC previously approved a purchaser (Resolution #2019-29) but was unable to close on the property with the selected offeror. Being sold under BENLIC's Vacant to Value program, there are no income limit requirements for potential buyers. BENLIC received one (1) offer on the property from an owner occupant, Lakeisha Thomas, for \$40,000.00. Thomas showed proof of having \$200,000.00 available in funds, with a planned investment of \$60,000.00 to accomplish with her husband. Both have prior renovation experience. A motion to approve the offer was made by Michael Siragusa, seconded by Joseph Hogankamp, and unanimously approved.

Resolution #2019-63- Disposition of Cheektowaga Vacant Lots to Habitat for Humanity

BENLIC has worked in partnership with Habitat for Humanity Buffalo and the Cheektowaga Department of Community Development to identify buildable vacant lots suitable for Habitat for Humanity new construction projects. Habitat plans to construct single-family detached homes on each property to be sold by the organization to qualified low/moderate income homeowners. BENLIC Real Estate Subcommittee Members have reviewed the proposed disposition and support the sale of the properties to Habitat for Humanity Buffalo.

The three (3) vacant lots are: 0 Carol, 95 Pinehurst, and 51 E End - BENLIC used grant funds provided by Enterprise Community Partners to demolish a three-family residence located at 51 East End Avenue. All 3 lots will be disposed for \$3,000.00. The Executive Director of Habitat for Humanity Disposing submitted a detailed rationale to BENLIC and the Town of Cheektowaga for why a lower value of \$3,000.00 for each lot, rather than appraised value is still beneficial to BENLIC and the Town. Some of the points she focused on included taking the burden off of BENLIC's maintenance budget, 3 new homes equivalent in value to those surrounding, add to the tax rolls within 18 months, galvanize better than a private developer, and new families in the community adding neighborhood stability. The Board discussed a policy consideration for the next disposition of vacant lots to sell for individual appraised value. A motion to approve the disposition of 3 vacant lots to Habitat for Humanity was made by OJ McFoy, seconded by Joseph Hogankamp, and unanimously carried as approved.

6. Note & Mortgage Activity:

A. Extensions:

Resolution #2019-64 – 898 East Delavan, Buffalo – Extend Term 6 Months

BENLIC acquired the property of 898 East Delavan Avenue, City of Buffalo via the 2016 City of Buffalo In-Rem Foreclosure Auction. In September of 2018 BENLIC disposed of the property (via Resolution #2018-61) to Abdul Khalique for \$26,786.00. The property holds a Note and Mortgage Agreement for \$50,000.00. BENLIC Staff has been in communication with the purchasers who report additional time will be needed to satisfy the required rehabilitation work under the Agreement. BENLIC Staff believes this request to be reasonable, as the buyer has dealt with theft on the property and much of their materials, including furnaces and hot water tanks, have been stolen. The Board and BENLIC discussed having a "Day of Service" for helping individuals, like Abdul, who have experienced hardships during the period of renovation with Land Bank properties. This is something BENLIC will continue to look into. A motion to

approve was made by OJ McFoy, seconded by Joseph Hogankamp, and unanimously carried out as approved.

B. Discharges:

- 86 Caldwell – City of Lackawanna
- 24 Eaton – Town of Evans

Both properties upon recent inspection, BENLIC Staff reported that both homes are ready for Enforcement Note Discharge. All work specified in the Scope of Work has been completed. A motion to approve discharge was made by Frank Krakowski, seconded by Amanda Mays, and unanimously carried as approved.

7. **Resolution #2019-65-** Bid Approval- Design Build New Construction 149/159 Crowley, City of Buffalo

BENLIC acquired the property of 149 and 159 Crowley Avenue, City of Buffalo via City of Buffalo In-Rem Auction 52 through use of its City of Buffalo Bid Assignment Agreement. The vacant lots were acquired with intent to construct two single-family detached residences using grant funds provided by the Office of the Attorney General. The parcels are two lots apart, allowing for a denser impact within the Riverside Community. Prior to releasing a formal bid for design and construction services, staff worked with EcoLogic Studio, PLLC on conceptual designs for the homes. BENLIC studied existing community housing characteristics so that the new homes may complement the historic aesthetic and layout surrounding them. BENLIC's goal was to design a functional, cost effective, and modern home. BENLIC sent out bids on 11/22/2019 with a deadline set for 12/16/2019 and received three (3) bids packages back. D+B Property Solutions submitted a bid for \$610,000.00, Sunset Custom Homes bid was \$449,200.00, and Onyx Global Group submitted the lowest bid at \$396,000.00. Onyx has also agreed to participate in any and all community meetings with BENLIC prior to construction. A motion to approve Onyx Global Group for \$396,000.00 was made by Donna Estrich, seconded by Michael Siragusa, and unanimously carried out as approved.

8. **Resolution #2019-66-** Disposition of 449 Dawn, Town of Evans- Renovation and Resale

BENLIC acquired the property of 449 Dawn Avenue, Town of Evans via the 2018 Erie County In-Rem Auction. BENLIC invested \$3,074.00 towards securing removing interior debris from the property. There is an estimated \$44,800.00 left in repairs and a lien value of \$37,736.00 held on the property by BENLIC to ensure the necessary repairs are made. BENLIC listed the property for sale in September 2019 at a price of \$31,900.00. The sale price was reduced a month later to \$28,900.00. BENLIC received one (1) offer on the property for \$22,500.00 to renovate and resale from Home Sweet Homes, LLC. Home Sweet Homez provided extensive experience in renovating property and proof of \$155,000.00 available in funds, and plan to invest \$50,000.00 into the property. A motion to approve the sale was made by Michael Siragusa, seconded by Joseph Hogankamp, and unanimously carried out as approved.

9. Approval of 2019 Board of directors Meeting Schedule

The Board proposed to keep the meeting time the same at 11 AM on the third Thursday of every month. A motion to approve was made by Frank Krakowski, seconded by Donna Estrich, and unanimously carried as approved.

10. Executive Director's Report:

- Live Well Erie Proposal
- Tax Delinquency & Foreclosure Preliminary Report – Dr. Jason Knight
- BENLIC 990 Tax Return – Corporation now Exempt
- Strategic Plan Update
 - “Vacant to Value” Rebrand of Note and Mortgage Program
 - Corporation Retreat Date
- January 2019 – Presentation from Sheldon Anderson

A. Executive Session: A motion to move into Executive Session was made by Frank Krakowski, seconded by Donna Estrich. A motion to exit Executive Session was made by Frank Krakowski and seconded by Donna Estrich. It was determined that full-time BENLIC staff, Jocelyn Gordon, Marjorie McAllister, Benjamin Brown and Andrea Folgherait, would receive a 2.5% salary increase effective January 1, 2020. A motion to approve the 2.5% salary increase for full-time staff was made by Michael Siragusa and seconded by Joseph Hogankamp and unanimously carried as approved.

Adjournment:

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

NEXT MEETING: Board of Directors – 11 a.m. December 19th, 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 _____