



BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES

January 30th, 2020 – 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, William Reece, Scott Bylewski, Donna J. Estrich, Timothy Ball, Thomas Hersey

Board Members *Excused*: Amanda Mays, OJ. McFoy, Frank Krakowski

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 December 2019 Board Meeting; December 2019 Treasurer's Report; Note and Mortgage Discharges; Dispositions; Bid Approvals

NEW BUSINESS:

1. Roll Call
2. Approval of December 2019 Minutes: The minutes of the December 21st, 2019 Board of Directors Meeting were presented and reviewed. Scott Bylewski abstained from motioning the December 2019 minutes, he was not present at this meeting. A motion to approve was made by Michael Siragusa, seconded by Donna Estrich, and unanimously carried as approved.
3. Treasurer's Report: Chairman Mehaffy presented the December 2019 Treasurer's Report as of December 31st, 2019 with a balance of \$2,419,154.67, this includes \$1,000,000.00 in Treasury Bills the Corporation filed for in late December. A motion was made to approve by Donna Estrich, seconded by Timothy Ball, and unanimously carried as approved.

4. Real Estate Committee Report: Real Estate Sub Committee minutes of 1/8/2020 were recorded and are discussed as followed:

A. 2020 County Request for Foreclosure

- **Resolution #2020-01**– Authorization to Submit Properties to Erie County Legislature for Purpose of BENLIC Future Acquisition at County In Rem

BENLIC and the towns and villages within Erie County have engaged in a Request for Foreclosure (RFF) process for the year 2019 in which towns and villages identify those respective properties they would like BENLIC to consider for acquisition. Six (6) municipalities participated in the 2019 RFF process and three (3) expressed interest. The RFF process is outlined in the Rules and Procedures of the Corporation. The BENLIC Property Selection Subcommittee has fully reviewed and vetted the RFF submissions for 2020 and has identified those properties appropriate for acquisition by the Corporation. Fifty-One (51) properties were submitted, six (6) were lost to redemption, BENLIC Staff recommended 13 Structures, 11 lots, and 17 municipal transfers. Of the 41 Recommended to the Board, BENLIC is presenting three (3) properties today for further review and discussion by the Board due to building type.

Two (2) of the three (3) properties for discussion are 0 Lasalle Avenue, a sixteen (16) acre forested site and 2098 Sherman Avenue, a historic hotel, both are located in the Village of Angola. The remaining property is 10544 Main Street, a mixed-use building located in the Village of North Collins. The Board was concerned about the holding costs that could be associated with these properties including: environmental concerns, preservation, marketability. BENLIC could negotiate a sale of all property more transparently, however, with no guaranteed disposition method, the Board was hesitant to acquire the properties until further communication with both municipalities on interested buyers or other methods of dispositions. A motion to move forward with approving the foreclosure process (through RFF and move to auction) but for BENLIC not to bid for acquisition until there is a definite disposition method was made by Michael Siragusa, seconded by William Reece and unanimously carried as approved.

B. Dispositions

- **Resolution #2020-02**– Disposition of 140 Toelsin, Cheektowaga

BENLIC acquired the property of 140 Toelsin Road, Town of Cheektowaga via Erie County In-Rem Auction in 2018. BENLIC used funding from the New York State Attorney General's (OAG) Office Community Revitalization Initiative grant award totaling \$26,935.00 and \$107,742.00 of BENLIC funds to rehabilitate the home. The property was listed for sale in December 2019 at a price of \$124,900. As an OAG funded project, qualified offers must make no more than 100% the Erie County Area Median Income adjusted for household size. BENLIC received one offer from an owner occupant for \$118,000.00, using a conventional loan, and an anticipated close date of 2/28/2020. A motion to approve the sale was made by Donna Estrich, seconded by Thomas Hersey, and unanimously carried as approved.

5. Bid Approvals

A. **Resolution #2020-03-** New Construction Project- 91 Fuller, City of Tonawanda

BENLIC will allocate Enterprise Community Partners grant funds to develop a residential urban infill project within the City of Tonawanda. In partnership with the City of Tonawanda, BENLIC identified the vacant lot at 91 Fuller Avenue as a project site due to its strategic location and the project's ability to strengthen a historically healthy, low-moderate income community. BENLIC engaged a senior studio class at SUNY University of Buffalo School of Architecture, led by instructor and architect Bradley Wales to design and prepare full construction drawings of the proposed new home. To ensure public input and support for the initiative, BENLIC and the studio class worked with City of Tonawanda Officials, as well as local residents, to discuss the project and address any potential stakeholder concerns.

Bids for construction services for the project were publicly sought on two (2) separate occasions in spring and again in summer of 2019, the final bid was put out on December 30, 2019 with a deadline to receive bids on January 14, 2020. This was in effort to get the cost of construction down with altering the construction and design plans. Site plan drawings were made available in the form of digital copies for all interested bidders each of the three (3) bid cycles.

BENLIC Staff was excited with the return of 4 bids from Sunset Custom Homes, Inc. \$235,000.00, Build Macaluso, Inc. \$238,844.00, Residential Construction Services, Inc. \$256,500.00, and Ehrhart CM Services \$276,500.00. The Board approved Build Macaluso Inc. for a project total of \$238,844.00. although, Macaluso was not the lowest bidder, The Board supported the rationale of using a new contractor to expand BENLIC's contractor base, and who's a local contractor in the City of Tonawanda. Additionally, Macaluso provided a higher-grade value of finish materials for the project. A motion to proceed with Build Macaluso, Inc. was made by William Reece, seconded by Thomas Hersey, and unanimously carried as approved.

6. Vacant to Value Activity

A. Extensions

Resolution #2020-04- 56 East Hazeltine, Village of Kenmore – Vacant to Value Extension

BENLIC acquired the property of 56 East Hazeltine Avenue, Village of Kenmore via donation in late 2018. The Corporation disposed of the property via Resolution #2019-2 in January of 2019 to Scott and Mollie Millar for \$45,000.00, the property with a Vacant to Value Agreement for \$36,559.00 (the "Agreement"). 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. A motion to approve the extension of six (6) months from April 2,2020 to October 2, 2020 was made by Donna Estrich, seconded by William Reece, and unanimously carried as approved.

7. **Resolution #2020-05-** Authorization of BENLIC – Buffalo Property Disposal Agreement

As a New York State Land Bank, BENLIC has the ability to acquire parcels in a variety of ways, including "transfer to the land bank real property and interests in real property of the municipality on such terms and conditions and according to such procedures as determined by the municipality" as authorized by Article 16 of New York State Not-for-Profit Corporation Law ("The Land Bank Act"). Properties acquired through this disposal agreement previously had one

or more years of delinquent City, BSA, BWB, County property taxes and fees owed by the property owner(s) and/or interest(s). Therefore, it's appropriate for BENLIC to follow a Proceeds Distribution Policy upon sale of the property. A motion to adopt BENLIC – City of Buffalo Property Disposal was made by Thomas Hersey, seconded by Donna Estrich, and unanimously carried as approved.

8. **Resolution #2020-06** – Selection of Properties – BENLIC / Buffalo Property Disposal Agreement

BENLIC adopted Resolution #2020-5 authorizing the use of the BENLIC/City of Buffalo Property Disposal Agreement to acquire properties from the City of Buffalo. BENLIC and the City of Buffalo Office of Strategic Planning have worked to identify twelve (12) one and two – family residential homes for acquisition of strategic value to achieve grant objectives. BENLIC will invest funds towards securing and stabilizing these selected properties. A portion of the properties will be held for targeted reinvestment with the use of current and future grant funded initiatives. A motion to authorize BENLIC to take title to twelve (12) City of Buffalo properties was made by William Reece, seconded by Donna Estrich, and unanimously carried as approved.

9. Executive Director's Report:

- New Board Member Appointment – Scott Bylewski, Erie County Director of Real Property Services
- BENLIC 2019 Audit – Letter of Engagement Signed – Drescher and Malecki
- Potential Strategic Planning Retreat – Tarik Abdelazim, Center of Community Progress – Facilitator – Potential Date: February 26th – Board Meeting to be held the same date

A. Executive Session: A motion to move into Executive Session was made by Michael Siragusa, seconded by Timothy Ball, and unanimously carried as approved. There was no action taken in this session. A motion to exit Executive Session and to adjourn the meeting was made by Timothy Ball, seconded by Michael Siragusa, and unanimously carried as approved.

NEXT MEETING: Board of Directors – 11 a.m. February 20th, 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 _____