

BUFFALO ERIE NIAGARA
CORPORATION
BOARD OF DIRECTORS



LAND IMPROVEMENT
MEETING MINUTES

July 16th, 2020 – 11:00 AM -Via Teleconference
Buffalo, New York 14203

Call to Order by Brendan Mehaffy

ATTENDANCE:

Board Members Present: Brendan Mehaffy, Michael Siragusa, Scott Bylewski, Timothy Ball, Amanda Mays, Frank Krakowski, William Reece, OJ McFoy, Donna J. Estrich

Board Members *Excused*:

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

Fiscal Agent Present:

BENLIC Counsel Present: Martin Polowy

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

HAND OUTS:

Agenda; Minutes of May 2020 Board Meeting; May and June (June meeting was cancelled) 2020 Treasurer's Report; Professional Services approval, Proceeds Distribution Policy Review, Dispositions, Vacant to Value Discharges and Extension

NEW BUSINESS:

1. Roll Call
2. Approval of May 2020 Minutes with Real Estate Committee Minutes:
The minutes of the May 21st, 2020 Board of Directors Meeting were presented and reviewed. A motion to approve was made by Amanda Mays, seconded by Timothy Ball, and unanimously carried as approved. Michael Siragusa abstained from this motion.
3. Treasurer's Report: Chairman Mehaffy presented the May and June 2020 Treasurer's Reports. As of May 31st, 2020, the balance of \$3,364,943.17, and as of June 30th the balance of

3,603,760.18, both balances include \$1,500,000.00 in Treasury Bills the Corporation filed for in late December of 2019. A motion was made to approve both Treasurers Reports by William Reece, seconded by Donna Estrich, and unanimously carried as approved.

4. *Professional Services' Approval*

Resolution #2020-20 Professional Services Award – BENLIC Real Property Closing Services

The BENLIC Board tabled agenda items #4 (Resolution #2020-20) and #5 (Resolution #2020-21) to develop a more robust group of firms to review. BENLIC will issue a new RFP or RFQ to solicit more firms. It was decided that the Board Governance Subcommittee will meet separately to discuss the development of an RFP or RFQ to increase the volume of firms and broaden the unique abilities of what firms might be able to offer. A motion to table was made by Timothy Ball, seconded by Scott Bylewski, and unanimously carried as approved.

Resolution #2020-21 Professional Services Award – BENLIC General Counsel

The BENLIC Board tabled agenda items #4 (Resolution #2020-20) and #5 (Resolution #2020-21) to develop a more robust group of firms to review. BENLIC will issue a new RFP or RFQ to solicit more firms. It was decided that the Board Governance Subcommittee will meet separately to discuss the development of an RFP or RFQ to increase the volume of firms and broaden the unique abilities of what firms might be able to offer. A motion to table was made by Timothy Ball, seconded by Scott Bylewski, and unanimously carried as approved.

Resolution #2020-22 Proceeds Distribution Policy 2020– Erie County, Cities of Tonawanda and Lackawanna

Annually, the BENLIC Board of Directors vote for Property Tax and Maintenance and Foreclosure Proceeds Distribution Policies to enable authority to use preferred bid power at various public tax auctions. Subsequent approval of the policies is required by the legislative authorities of the Foreclosing Governmental Units – for example, the Erie County Legislature. The In-Rem Tax Foreclosure Auction is planned for December 10th, 2020. A motion to approve with no changes to the 2020 Property Tax and Maintenance and Foreclosure Proceeds Distribution Policies for Erie County, Cities of Tonawanda and Lackawanna was made by Timothy Ball, seconded by OJ McFoy, and unanimously carried as approved.

5. *Dispositions*

Resolution #2020-23 Disposition of 97 Reo, Town of Cheektowaga – Enterprise Funded

BENLIC acquired the property of 97 Reo Avenue, 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 \$132,732.00 and \$33,182.00 of BENLIC funds to rehabilitate the home. BENLIC listed the property for sale in July 2020 for \$139,900.00 and received three (3) offers. As an OAG funded project, qualified offers must make no more than 100% the Erie County Area Median Income adjusted for household size. The first priority offer was submitted by George and Nangie Alexander for \$155,500.00 using a NACA loan and anticipated to close by 9/15/2020. The two (2) other offers were slightly below for

\$150,000.00 and \$139,900.00. In the event that BENLIC and George and Nangie Alexander are unable to complete the sale of the property, the Board authorizes the disposition of the property to the second priority offeror, Dionne Simmons, for \$150,000.00. A motion to approve the sale in the amount of \$155,500.00 to George and Nangie Alexander's was made by Donna Estrich, seconded by Michael Siragusa, and unanimously carried as approved.

Resolution #2020-24 Disposition of 531A Herr, Town of Evans – Vacant to Value

BENLIC acquired the property of 531A Herr Road, Town of Evans via the 2019 Erie County In-Rem Auction. BENLIC invested \$2,635.00 in funds towards securing the property and removing interior debris. BENLIC Building Inspector estimated \$50,000.00 left in repairs, as well as a lien value of \$50,000.00 in order to bring the property back up to code and obtain a Certificate of Occupancy within one (1) year of rehabilitating the property. BENLIC listed the property in June of 2020 for a sale price of \$10,000.00 through the "Vacant to Value" program, this program has no income limit requirements for potential buyers. BENLIC received four (4) offers, only three (3) of the offers submitted were complete. The first priority offer for \$21,000.00 was submitted by David and Linda Lathrop to renovate and resale the property. Given the neglect of this property, BENLIC Staff and the Board preferred someone who had construction experience to complete this property in a satisfactory manner. The other offers submitted were for \$20,000.00 and \$13,000.00. A motion to approve the sale in the amount of \$21,000.00 to David and Linda Lathrop was made by William Reece, seconded by Michael Siragusa, and unanimously carried as approved.

Resolution #2020-25 Disposition of 29 High, Village of Angola – Vacant to Value

BENLIC acquired the property of 29 High Street, Village of Angola via the 2019 Erie County In-Rem Auction. BENLIC invested \$3,713.00 in funds towards securing the property and removing interior debris. BENLIC Building Inspector estimated \$50,000.00 left in repairs, as well as a lien value of \$50,000.00 in order to bring the property back up to code and obtain a Certificate of Occupancy within one (1) year of rehabilitating the property. The property was listed in May of 2020 for a sale price of \$38,900.00 under BENLIC's "Vacant to Value" Program. The property listed was enhanced through Metaport Virtual, a software to provide viewers a virtual tour and walkthrough of the property. The property gained a lot of interest, but BENLIC only received two (2) offers. The first priority offer for \$20,000.00 was submitted by Mark Mazur and Clair Montroy to renovate and resale the property. BENLIC has successfully worked with this couple on a completed Vacant to Value property, 26 Newton in Angola. Given the neglect and size of the property, BENLIC Staff and the Board preferred someone who had construction experience to complete this property in a satisfactory manner. The other offer submitted was for \$15,000.00. A motion to approve the sale in the amount of \$20,000.00 to the Mr. Mazur and Ms. Montroy was made by Timothy Ball, seconded by William Reece, and unanimously carried as approved.

Vacant to Value Lien Releases:

a. Discharges

3 Home, Town of Lancaster

On October 9th, 2019, Atlas Enterprises of WNY LLC. purchased the above property subject to

a Note and Mortgage in the amount of \$43,870.00. BENLIC received a letter from Atlas Enterprises of WNY LLC. dated July 7th, 2020 informing BENLIC that all work has been completed on the property and requested the Note and Mortgage Lien be discharged. The property was inspected on June 23rd, 2020 by BENLIC Building Inspector, who found that all required work from the Note and Mortgage documents had been completed in a proper and satisfactory manner. A motion to approve the discharge of lien regarding the Note and Mortgage was made by William Reece, seconded by OJ McFoy, and unanimously carried as approved.

b. Extensions

Resolution #2020-26 Extend Note Term – 93 Lake, Town of Evans

BENLIC acquired the property of 93 Lake Street, Village of Angola via the 2017 Erie County In-Rem Foreclosure Auction. BENLIC disposed the property via Resolution #2018-9 in March 2018 to Emmett and Kelley Lonergan for \$3,500.00, the property with a lien of \$24,067.00. This property has received two 6-month extensions, one granted in July 2019 via Resolution #2019-36 and another granted in November 2019 via resolution #2019-58. BENLIC Staff has been in communication with the purchasers who report additional time will be needed to satisfy the required rehabilitation work in the scope. BENLIC Staff believes this request to be reasonable due to the original condition of the home and significant work performed to-date by the purchasers as well as the construction slowdowns resulting from the COVID-19 pandemic. Photos were presented to the Board and there has been much improvements to the exterior of the property. A motion to approve the 6-month extension was made by Michael Siragusa, seconded by Timothy Ball, and unanimously carried as approved.

6. Executive Director's Report:

- BENLIC Covid-19 Response: BENLIC staff is working part-time remotely and part-time at the BENLIC office during this time and staff is making sure that someone is in the office 9 am - 5 pm Monday through Friday.
- Transfer of 6 City of Buffalo Properties Update: BENLIC General Council is to make adjustments to the transfer deeds and then will send to Hope Young-Watkins at the City of Buffalo. BENLIC General Council will work with the Law Department and Timothy Ball to correct the deeds.
- Sheldon Anderson is working on BENLIC marketing: Recently BENLIC's successes were highlighted with WKBW, Madison Carter, and Buffalo Association of Black Journalists, and press associated with the groundbreaking of 91 Fuller in Tonawanda. Additionally, BENLIC will be hosting a groundbreaking for the new construction of two single family homes at 149 & 159 Crowley in Buffalo's Blackrock/Riverside neighborhood in collaboration with Council member Golembek, the Mayor of Buffalo, and local community group Rediscover Riverside.

A motion to move into Executive Session was made by Timothy Ball, seconded by William Reece, and unanimously moved into Executive Session. It was determined that Marjorie McAllister, Program Manager, is to receive an increase in salary from \$62,000.00 to \$69,000.00 at .80 FTE effective June 1st, 2020. A motion to exit the Executive session was made by Scott Bylewski, seconded by Timothy Ball, and moved to exit.

A motion to adjourn the meeting was made by Michael Siragusa, and seconded by Timothy Ball, and unanimously adjourned.

NEXT MEETING: Board of Directors – 11 a.m. August 20th, 2020

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 _____