



BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION
BOARD OF DIRECTORS MEETING MINUTES
August 20th, 2020 – 11:00 AM -Via Teleconference
Buffalo, New York 14203

Call to Order by Brendan Mehaffy

ATTENDANCE:

Board Members Present: Scott Bylewski, Timothy Ball, Amanda Mays,
Thomas Hersey, Frank Krakowski, William Reece,
Donna J. Estrich

Board Members *Excused*: Brendan Mehaffy, Michael Siragusa, OJ McFoy

Board Members *Absent*: James Comerford Jr.,

Fiscal Agent Present: Robert Keating

BENLIC Counsel Present: Martin Polowy

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

HAND OUTS:

Agenda; Minutes of July 2020 Board Meeting; July 2020 Treasurer's Report; BENLIC Property Closing Services, BENLIC General Council, Dispositions, Vacant to Value Extensions

NEW BUSINESS:

1. Roll Call

Board Chair Mehaffy experienced technical difficulties and was unable to join the meeting. Due to BENLIC Vice Chair, Michael Siragusa, also being excused from the meeting, it is a part of the BENLIC Bylaws for the Board to sub-elect a Board Chair for the meeting. Timothy Ball was nominated by Donna Estrich, seconded by Thomas Hersey, and unanimously nominated by the Board.

2. Approval of May 2020 Minutes with Real Estate Committee Minutes:

The minutes of the July 16th, 2020 Board of Directors Meeting were presented and reviewed. A motion to approve was made by William Reece, seconded by Donna Estrich, and unanimously carried as approved.

3. Treasurer's Report: Timothy Ball presented the July 2020 Treasurer's Report, as of July 31st, 2020, the balance was \$3,356,589.74. The balance includes \$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 Award
 - BENLIC Real Property Closing Services
 - BENLIC General Council

BENLIC presented all the proposals received for informational purposes and to answer any questions due to the large variety of firms and their submissions. BENLIC is to follow-up due to questions around overall hourly fees and flat fees missing from some of the firms and discuss at its next Governance Committee meeting

5. Real Estate Committees Report

A. *Dispositions*

Resolution #2020-27 Disposition of Multiple Vacant Lots to UDCDA

The Town of Cheektowaga Community Development Office has requested that 36 Peachrow Lane and 89 Gardenvale Drive be disposed to the University District Community Development Association (UDCDA) for affordable housing construction. The Town had expressed interest in acquiring both lots for community development related projects at the time of BENLIC acquisition. Contracts between the Town of Cheektowaga and UDCDA have been executed for the construction of two new homes at 89 Gardenvale and 36 Peachrow Lane. These are CHDO projects utilizing the Town's HUD HOME funding.

The UDCDA will own the lots throughout the construction and sale of each home. BENLIC Staff and the Town of Cheektowaga have proposed a \$3,000/per lot disposition value, in addition to the holding costs (\$791.00) incurred by BENLIC, for a proposed total of \$6,791.00. While this value is below market value, it enables the Town of Cheektowaga to maximize HUD HOME investment dollars towards construction costs while keeping the overall project within budget. Going forward, BENLIC will work to dispose of property at a lower rate and including holding costs to all CHDO partners. A motion to approve disposition by negotiation was made by William Reece, seconded by Donna Estrich, and unanimously carried as approved.

Resolution #2020-28 Disposition of 34 Wanakah, Town of Hamburg

BENLIC acquired 34 Wanakah Heights, Town of Hamburg as a donation by the National Community Stabilization Trust (NCST). The 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

residence, BENLIC also received \$20,000.00 in sellers' concessions towards renovations. BENLIC listed the property for sale in June 2020 at a price of \$117,000.00. The property received a lot of interest and received four (4) offers whilst being on the market during COVID-19, all of which are owner occupants. The offers range from \$90,000.00, \$100,000.00, \$102,000.00, to the highest and first priority offer from Ashlee Newcomb for \$110,000.00. Newcomb is using a conventional loan and is expected to close after 60 days. In the event BENLIC and Ashlee Newcomb is unable to complete the sale of the property, BENLIC Board authorizes the sale to the second priority offeror Octavus Storage LLC., in the amount of \$102,000.00. A motion to approve the sale to the first priority offeror, Ashlee Newcomb, was made by Frank Krakowski, seconded by Thomas Hersey, and unanimously carried as approved.

B.

a. Enforcement Lien Discharge

- 1107 Walden, Cheektowaga

On August 26, 2019, YM Property Group LLC. purchased the above property subject to a Vacant to Value Lien in the amount of \$32,800.00. On 7/28/2020 BENLIC received a letter from YM Property Group LLC. stating that all work has been completed on the property and requesting that the lien be discharged. Property having been inspected by the BENLIC property inspector on 8/3/2020 who found that all required work from the scope has been completed in a proper and satisfactory manner.

- 2355 Genesee, Cheektowaga

On August 26, 2019, Sm Al Momin purchased the above property subject to a Vacant to Value Lien in the amount of \$33,000.00. On 7/18/2020 BENLIC received a letter from Sm Al Momin, stating that all work has been completed on the property and requesting that the Note and Mortgage Lien be discharged. Property having been inspected by the BENLIC property inspector on 7/20/2020 who found that all required work from the Note and Mortgage documents has been completed in a proper and satisfactory manner.

The BENLIC Board of Directors is recommended to approve both lien discharges. A motion to release both Vacant to Value Liens was made by Donna Estrich, seconded by Frank Krakowski, and unanimously carried as approved.

b. Enforcement Lien Extensions

Resolution #2020-29 22 Coe, Buffalo – Extend Term 6 Months

BENLIC acquired the property of 22 Coe Place, City of Buffalo via City of Buffalo In-Rem 55. The Corporation disposed of the property via Resolution #2018-60 in September 2018 to Buffalove Holdings LLC. for \$12,500.00, the property lien value is \$50,000.00. BENLIC approved a transfer of ownership to a related party, Little Wheel Holding Company LLC., via Resolution #2019-18 in April 2019. Although this project has moved more slowly, BENLIC recognizes that this property is a heavy lift and the purchaser has made some good progress including major stabilization work in the basement,

new HVAC and electric, while maintaining good exterior façade to the neighborhood. After BENLIC Staff met with the purchaser and inspected the property it was confirmed significant progress has been made within the BENLIC scope. A motion to extend the term of agreement by 182 days, from July 15, 2020 to January 15, 2021, was made by Amanda Mays, seconded by William Reece, and unanimously carried as approved.

Resolution #2020-30 720 Birch, Evans - Extend Term 6 Months

BENLIC acquired the property of 720 Birch Street, Town of Evans via the 2017 Erie County In-Rem Foreclosure Auction. The Corporation disposed the property via Resolution #2018-77 in November 2018 to MWE, LLC. for \$6,000.00, the property lien value is \$20,000.00. After BENLIC Staff met with the purchaser and inspected the property, it was confirmed significant progress has been made. The request for extension is prudent given the limited scope of work including windows, exterior stabilization, and foundation work. The purchaser has been responsive to BENLIC and has proven success with other Vacant to Value Programs in the Lake Erie Beach community, an area Erie County has put emphasis on assisting. BENLIC staff feels confident that the purchaser would be able to finish the scope in 6 months. A motion to extend the term of agreement by six (6) months from August 14, 2020 to February 14, 2021, was made by Thomas Hersey, seconded by Donna Estrich, and unanimously carried as approved.

6. Executive Director's Report:

- City of Buffalo Property Transfer + Rehab
- Crowley Avenue Infill – Groundbreaking Ceremony

A motion to adjourn the meeting was made by William Reece, and seconded by Thomas Hersey, and unanimously adjourned.

NEXT MEETING: Board of Directors – 11 a.m. September 17th, 2020

Location: Virtual via Zoom

Recorded by: Andrea Folgherait, BENLIC Staff

Submitted for Approval: Jocelyn Gordon, Executive Director

Adopted by BENLIC Board Members on _____