

STEBEN COUNTY LAND BANK CORPORATION (SCLBC)

Monday, July 2, 2018

11:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

PRESENT: Scott J. Van Etten, Chair, Steuben County Legislator – District 13
Jack K. Wheeler, Steuben County Manager
Pat Donnelly, Steuben County Commissioner of Finance
Bill vonHagn, Mayor, Village of Bath
John Buckley, Mayor, City of Hornell

OTHERS: Mitchell Alger, Steuben Deputy County Manager/SCLBC Executive Director
Jennifer Prossick, Steuben Deputy County Attorney
Jeanne Glass, Arbor Development
Danielle Paladino, Arbor Development
Rocco Soda, Arbor Development
Kelly H. Fitzpatrick, Steuben County Legislator – District 3
K. Michael Hanna, Steuben County Legislator – District 5
Hilda T. Lando, Steuben County Legislator – District 2
Steven P. Maio, Steuben County Legislator – District 2
Aaron I. Mullen, Steuben County Legislator – District 7
Frederick G. Potter, Steuben County Legislator – District 10
Mary Perham

ABSENT: Joseph J. Hauryski, Vice Chair, Steuben County Legislature Chairman – District 8
Mark Ryckman, Corning City Mayor

I. CALL TO ORDER

Mr. Van Etten called the meeting to order at 11:00 a.m. and led the Pledge of Allegiance. Following the Pledge, he asked for a moment of silence in remembrance of Trooper Nicholas Clark who was killed this morning in the line of duty.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE MAY 8, 2018, MEETING MADE BY MAYOR VONHAGN. SECONDED BY MAYOR BUCKLEY. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

III. DISCUSSION/ACTION ITEMS

A. Rehab/Demo Updates

- *Kingsbury* – Ms. Glass stated this property is done and we have received the certificate of occupancy. We are now putting together a property information sheet and will develop a listing sheet.
- *Onondaga* – Ms. Glass stated this property was finished and we are going through with Code Enforcement to get the certificate of occupancy. We ended up putting Drylok sealant in the basement. Additionally we will be putting down soil and seed in the backyard this weekend along with some landscaping and tree trimming. She stated as soon as they hear from Code Enforcement, they will let Mr. Alger know.

B. **Treasurer's Report** – Mr. Alger distributed copies of the report for review.

C. **Ratifying MOU with Arbor for Disposition of Properties/Listing Prices for Rehabs** – Mr. Alger stated he and Arbor did sign and execute a Memorandum of Understanding relative to the disposition of properties and the listing prices for the rehabs pursuant to the majority consensus of the Board via email. He asked that the Board ratify that action.

MOTION: RATIFYING THE EXECUTION OF A MEMORANDUM OF AGREEMENT BETWEEN THE STEUBEN COUNTY LAND BANK AND ARBOR DEVELOPMENT FOR THE DISPOSITION OF PROPERTIES LOCATED AT 137 EAST WASHINGTON STREET IN BATH, NY; 232 ONONDAGA STREET IN CORNING, NY; 161 KINGSBURY AVENUE IN CORNING, NY; AND 23 WELLS STREET IN HORNELL, NY; AND SETTING THE LISTING PRICE FOR THE KINGSBURY PROPERTY AT \$124,999 AND THE ONONDAGA PROPERTY AT \$189,999 MADE BY MAYOR VONHAGN. SECONDED BY MR. DONNELLY. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

D. **Recap of First Round of Projects** – Mr. Alger stated factoring in the net appraisal (\$61,000) and net listing (\$30,000) prices for both the Kingsbury and Onondaga properties, we are pretty close to what Arbor had put together. They have done a good job managing the projects. Mr. Van Etten asked if both sell at the listed price and we make money, will that have any impact on any potential grant funds we may get from the State? Mr. Alger replied no. He would hesitate to call anything we do as profiting; it is a reinvestment and we are using those funds to pay the associated bills. The point of this organization is reinvestment into the community.

Mr. Alger stated with the grant, we have \$180,000 remaining, with \$40,000 due to Arbor for their administrative costs. We are also spending \$40,000 on two acquisitions. That leaves us with approximately \$100,000. We will also have revenue from the sales of the four properties. Mr. Wheeler commented we are hopeful that there will be a new round of funding for land banks, but that is yet to be determined with the change in Attorney General.

Ms. Paladino stated she recently participated in a conference call and there were two settlements. The first is \$30 million. The other is \$14.5 million and those funds are going through Enterprise and you will no longer be dealing with LISC. She anticipates they will have the requests for award out this month. Ms. Paladino stated she is not sure if they will release those funds in one or two rounds. If you sell your properties soon, it will look good on your behalf. Enterprise is a little more lenient as far as what is required for surveys and there may be an opportunity to save money on that aspect.

Mr. Donnelly asked what kind of entity is Enterprise? Ms. Paladino replied they are a not-for-profit.

Mrs. Lando asked is Arbor selling the properties? Mr. Alger replied yes, with the MOU that was just approved. We believe that we have addressed all of the concerns that were brought up by both parties. Mr. Van Etten commented we had put out an RFP for brokerage services and received one response with no rates. Mr. Mullen commented one thing that may come up when a property is listed by owner, is that a buyer's agent may ask if there is a buyer's commission.

E. **Authorizing the Executive Director to Negotiate Sales** – Mr. Alger requested authorization to negotiate sales with regard to the two rehab properties.

MOTION: AUTHORIZING THE EXECUTIVE DIRECTOR OF THE STEUBEN COUNTY LAND BANK CORPORATION TO NEGOTIATE SALES RELATIVE TO THE KINGSBURY AND ONONDAGA PROPERTIES MADE BY MR. WHEELER. SECONDED BY MR. DONNELLY. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

F. **Acquisition of Properties from Tax Sale** – Mr. Alger distributed a handout showing evaluations sheets for two prospective properties that the Land Bank may be interested in acquiring from the Tax Sale. One property is located in Hornell and the other in Bath. He had hoped to do a demo and a rehab in each of the main areas of the County; Bath, Corning and Hornell.

Mayor vonHagn commented in the interest of full disclosure, the proposed property on Haverling Street in Bath is two doors down from his property. He did not know about this until today. Mr. Alger stated there is also an additional property located on Erie Avenue in the City of Hornell. That property would be more appropriate as a demo project. The Terry Street, Hornell property and the Haverling Street, Bath property are both good rehab projects.

Mr. Donnelly commented that he believes the Land Bank should just proceed with the two properties presented on the list. Mr. Wheeler stated he agrees with that.

MOTION: AUTHORIZING THE PURCHASE FROM THE COUNTY OF PARCEL #159.05-01-072.100, SITUATE IN THE VILLAGE OF BATH FOR \$28,798.00 AND PARCEL #166.25-03-059.00, SITUATE IN THE CITY OF HORNELL FOR \$8,574.00 MADE BY MR. DONNELLY. SECONDED BY MR. WHEELER FOR DISCUSSION.

Mayor Buckley commented he thinks the Terry Street property is the easier property, but down the road, he believes the Erie Avenue property would be a good candidate and he would like to revisit it the next time around.

VOTE ON PREVIOUS MOTION: ALL BEING IN FAVOR. MOTION CARRIES 5-0.

G. **Listing of Demo Lots** – Mr. Alger stated he is looking for some direction from the Board on where we go with the demo lots that we will be selling soon. To be fair to everyone, including individuals, he'd like to include a list of what our priorities are when we put them on the market. For example, the vacant lot in Bath, we could say that our preference is a buyer who will build a single-family home on the lot. Another option would Habitat for Humanity. We could also say that we would consider purchase by a contiguous neighbor. For the lot in Hornell, we could include those priorities and include a municipal offer. Once the offers are received we can evaluate and the Board can make a decision.

Mr. Van Etten commented if you list, you will get one offer and then have to wait to get another offer. That will be difficult unless you bid. Mr. Alger stated that rather than having a special meeting, if we record those and offers are coming in, we can reserve the right to not sell and take some time to respond.

Mr. Wheeler asked can we take votes via some other method? Ms. Prossick replied she doesn't think you can, but she will double check. Mr. Alger suggested we may be able to do by consensus, similar to what we did with the MOU and have the committee ratify that action at the next meeting.

Mayor Buckley stated his thought for the Wells property is that as a last resort, the City of Hornell could purchase the lot for parking. Mr. Van Etten asked what is the list price for the properties? Mr. Alger replied we will probably list them around the appraisal which is \$20,000 for the East Washington Street property and \$15,000 for the Wells Street property.

Ms. Paladino stated they did receive an offer from a neighbor on Wells Street for \$3,000. Mayor vonHagn asked what is the assessment on Wells? Mr. Wheeler replied \$11,200.

MOTION: AUTHORIZING THE EXECUTIVE DIRECTOR TO LIST THE VACANT LOT ON EAST WASHINGTON STREET, BATH, AT \$20,000.00 MADE BY MR. DONNELLY. SECONDED BY MAYOR BUCKLEY. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: AUTHORIZING THE EXECUTIVE DIRECTOR TO LIST THE VACANT LOT SITUATE AT 23 WELLS STREET, HORNELL, AT \$15,000.00 MADE BY MR. DONNELLY. SECONDED BY MAYOR BUCKLEY. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

H. **Insurance Coverage** – Mr. Alger informed the Board that we were notified, after we received the certificate of occupancy, by the insurance company (Colony) that we were no longer covered from the time of certificate of occupancy to when the property sells. He has been working with Mr. Sprague and the insurance company has backed off from that. They have agreed to cover until termination through the end of August. If we have not sold the properties by that time, then we will need to purchase liability coverage.

I. **Zombie Properties** – Mayor vonHagn asked has there been any thought or idea on zombie properties going forward? There are a fair amount of properties around that are in decent shape that need to be spruced up. Is there any reason we cannot look at those in the future, and if so, where does that fit in? Mr. Donnelly stated a rehab is a rehab. If we can get a decent deal from the bank, then we could look at that. Mayor vonHagn stated there is a property on Pine Street in Bath that Wells Fargo, a couple of years ago, had wanted to donate to a non-profit. We had certain requirements and made \$5,000 from that. There are other similar properties in the community. He wanted to know the Board's thoughts on looking at that and he would like to keep that option open.

Mr. Van Etten commented it is another avenue to get properties. Mr. Donnelly stated when the banks do a foreclosure, it is under a different section of Real Property Tax Law. Mr. Alger stated we do not have to wait until the bank walks away. If the bank donates a property to us, they will get a tax write-off. That is something we can keep on our radar. Ms. Prossick stated part of the issue with foreclosures is they changed the process and it is a great advantage to the property owner as the process can take two to two and a half years. Also, many times the banks are not local. Mayor Buckley commented we also have some zombie properties that could be looked at in Hornell.

IV. OTHER BUSINESS

A. **Next Meeting** – The next meeting has been scheduled for Monday, August 6, 2018, at 11 a.m. in the Legislative Committee Room.

MOTION: TO ADJOURN MADE BY MR. WHEELER. SECONDED BY MAYOR VONHAGN. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature