

STEBEN COUNTY LAND BANK CORPORATION (SCLBC)

Tuesday, May 8, 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

OTHERS: Mitchell Alger, Steuben County Deputy County Manager/SCLBC Executive Director
Jennifer Prossick, Steuben County Deputy County Attorney
Jeanne Glass, Arbor Development
Rocco Soda, Arbor Development
Carol A. Ferratella, Steuben County Legislator – District 13
Hilda T. Lando, Steuben County Legislature – District 2
Robin K. Lattimer, Steuben County Legislature – District 3
Mary Perham

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

I. CALL TO ORDER

Mr. Van Etten called the meeting to order at 11:00 a.m. and led the Pledge of Allegiance.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE APRIL 4, 2018, MEETING MADE BY MR. DONNELLY. SECONDED BY MAYOR VONHAGN. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

III. DISCUSSION/ACTION ITEMS

A. Rehab/Demo Updates

- *Wells* – Mr. Alger reported the demolition has been completed.

- *Kingsbury* – Ms. Glass stated this project is basically done. They have painted the exterior trim, leveled off and seeded the yard. We will be doing a final walk through with Mr. Alger. There is a little bit of landscaping that we will do in the front and everything should be completed by May 14th.

- *Onondaga* – Ms. Glass stated this project is about 90 percent complete. With the interior they are finalizing the carpeting and countertops. They are starting the exterior work which includes power washing, installing gutters and shutters and beginning the demolition of the pool. The shed has been removed and the railing has been installed in the front. We gave the contractor a completion date of May 18th. Mr. Alger commented we will try to utilize the mobile work crew to do the landscaping for both of these properties.

Mayor vonHagn asked what about the appraisals? Ms. Glass replied they have been ordered. We did put up our sign on the East Washington Street property. Mayor vonHagn asked what is the value of that property? The

Village would like to know before it gets sold. Mr. Alger replied we will be in touch with you on that. The assessment for that property is \$17,500.

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

C. **Adoption of Policies and Procedures** – Mr. Alger stated we are required to adopt our policies and procedures on an annual basis. The only change was to the Procurement/Financial/Budget policy.

MOTION: ADOPTING THE FOLLOWING POLICIES AND PROCEDURES OF THE STEUBEN COUNTY LAND BANK CORPORATION: CONFLICT OF INTEREST, PROCUREMENT/FINANCIAL/BUDGET, REAL PROPERTY ACQUISITION, REAL PROPERTY DISPOSITION AND INTERNAL CONTROLS MADE BY MR. WHEELER. SECONDED BY MR. DONNELLY. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

D. **Property Purchase Application Update** – Mr. Alger stated we need to have a discussion about the Land Bank developing and selling property and how that happens. We had talked about Arbor Development handling some of these sales for us. The Law Department has had concerns with Arbor or the Land Bank being construed as being a real estate broker. This would be a change from what we have been talking about.

Mr. Donnelly commented that he will accept responsibility for this as he was reviewing Real Property Tax Law and was thinking that we would need to look at this from a different angle. Specifically, the requirement of having someone being licensed as a real estate broker. If we pay Arbor to do this, could we unknowingly be bringing them in as a broker when they are not licensed? Mr. Soda stated we were concerned about that as well. Our attorney stated as long as we are not getting a commission for doing that and we have a Memorandum of Agreement, that we would be okay. Ms. Prossick stated if you were going to go forward and show and list a property, that is not in the scope of services and it could be construed that you are doing that for a commission. The decision needs to be made; do you list the properties with a real estate broker, or do you do sale by owner. That was my response by memo to Mr. Donnelly. This is something that does not need to be decided today.

Mr. Van Etten asked if we do the sale by owner option, can we still use Arbor to facilitate that? Mr. Wheeler stated if it is outside of the contract and they are not receiving fees, he would argue that they would be doing it gratis. Ms. Prossick replied it could, and it could be argued the other way. My main concern would be a complaint by another real estate broker. She stated that she **did** look at what other land banks are doing. Onondaga uses a real estate broker and they have 600 properties. Allegany has one property and is doing sale by owner. This is all new territory.

Mr. Alger commented personally, he has concerns with the County doing sale by owner. That is not my area of expertise and it is also a time issue. Mr. Soda commented there is a lot of after-hours work involved with showing the properties. This would be outside the scope of services of our contract and we would not be receiving a commission. Our attorney from the Rossetti Law Firm is fine with this. Mr. Van Etten stated he would agree since you are not doing it looking for a fee. Mayor vonHagn asked what is the most cost effective? Mr. Wheeler replied using Arbor.

Mr. Alger stated that he thinks it would be best to get the Board's authorization to put out an RFP for real estate brokerage/listing services. That way, we have the authorization if we need and choose to go that route.

MOTION: AUTHORIZING THE EXECUTIVE DIRECTOR OF THE STEUBEN COUNTY LAND BANK TO SOLICIT REQUESTS FOR PROPOSALS FOR REAL ESTATE BROKERAGE/LISTING SERVICES MADE BY MAYOR VONHAGN. SECONDED BY MR. DONNELLY FOR DISCUSSION.

Mr. Van Etten asked if we move forward with Arbor doing these two properties, does the RFP create questions as to why we are using Arbor? Mayor vonHagn stated if we do not do something now, then you will be months out getting the properties sold. Mr. Wheeler stated he echoes Mr. Van Etten's question. What is the other piece of information that we can or cannot go with Arbor? Do we want more information or make that decision now. Mr. Soda stated you may want to do the RFP because if we do not sell the properties within 60 days, you would need to list them anyway.

Mr. Wheeler asked are we waiting to put the signs up on the properties? Ms. Glass replied the purpose of the signs is to give information on the property; it is not a for sale sign. Mr. Wheeler stated so we are waiting another month to put the for sale signs out. Mr. Alger replied we do not have the appraisals yet.

Mr. Wheeler suggested that maybe in the interim, we could circulate the memo that Ms. Prossick sent to Mr. Donnelly for the entire Board and then we will have time to do the RFP and get the proposals back before the next meeting.

VOTE ON PREVIOUS MOTION: ALL BEING IN FAVOR. MOTION CARRIES 4-0.

E. **Exempt Status of Land Bank from Special Assessments** – Mr. Alger stated he has been in communication with the City of Corning as both of the rehabs have back water bills from before the time we owned them. Essentially, we were sent a letter that the back water bills were owed. Our opinion is that we are exempt from those as a land bank, similar to the County.

Mr. Donnelly stated he had a preliminary discussion with Mr. Ryckman. Mr. Ryckman indicated that he will request the City to review and amend that. Mr. Wheeler commented for all of the good the community will be getting, he is not anticipating any push back. Mr. Alger stated the intermunicipal agreements with the cities would need to be re-examined.

Mayor vonHagn asked how much are the water bills? Mr. Alger replied they were each about \$400. Mr. Van Etten asked when the tax title gets extinguished, wouldn't that stop the back bills? Mr. Donnelly replied there is a lag of six to nine months. Ms. Prossick explained when the enabling statute was passed, these were not addressed. This is not a land bank question and the assessment manual has an exemption, but it depends on how you received the property. If the property is coming through the County, it is exempt. The question for the purchaser is does that lien still remain. Mr. Wheeler commented we would want to cancel the liens.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.H. THE PROPOSED ACQUISITION, SALE OR LEASE OF REAL PROPERTY OR THE PROPOSED ACQUISITION OF SECURITIES, OR SALE OR EXCHANGE OF SECURITIES HELD BY SUCH PUBLIC BODY, BUT ONLY WHEN PUBLICITY WOULD SUBSTANTIALLY AFFECT THE VALUE THEREOF MADE BY MR. DONNELLY. SECONDED BY MAYOR VONHAGN. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MR. WHEELER. SECONDED BY MR. DONNELLY. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

IV. NEXT MEETING

The next meeting will be held on Wednesday, June 6, 2018 at 11:00 a.m.

MOTION: TO ADJOURN MADE BY MR. WHEELER. SECONDED BY MR. DONNELLY. ALL BEING IN FAVOR. MOTION CARRIES 4-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature