

**Chemung County Property Development Corporation**  
**Minutes of the Meeting**  
**February 27, 2019**

**Present:** Jennifer Furman, Jeanne Glass, Danielle Kenny, Jill Koski, Bryan Maggs, Emma Miran, Michael Rangstrom, Mary Rocchi, Rocco Soda, Thomas Sweet, Nicolette Wagoner, Amanda Wandell

**Call to Order/Approval of Minutes**

Chairman T. Sweet called the meeting to order at 9:00 AM. On a motion by J. Koski, seconded by N. Wagoner and unanimously carried, the minutes were approved with one correction.

**PENDING ITEMS**

There is an open board seat on the board since Jennifer Furman moved up to fill Joseph Sartori's vacancy as Treasurer. This appointment was approved at the Legislature meeting recently. An at-large member is appointed by the County Executive. B. Maggs stated that it is not necessary to fill this at-large position if the County Executive does not want to. The replacement on the board could only be the County Treasurer or the Real Property Tax Collector. The Mayor and County Executive appointed Jennifer Furman, County Treasurer. B. Maggs sent a letter to County Executive Christopher Moss explaining that since Joseph Sartori resigned and Jennifer Furman was appointed as Treasurer of the Board, that there is an at-large board position vacant. If an appointment is made, they will fulfill J. Furman's term on the board, which expires in 2020. There was discussion on who should fill this position. Michael Rangstrom who is code enforcement for the City of Elmira's vacant and zombie properties was suggested as a possible at-large member. John Burin, Chemung County Legislator, has expressed interest in the board as well. D. Kenny asked if recommendations should be sent to the County Executive for consideration. D. Kenny responded that it is part of a board members fiduciary duties to attend as many meetings as possible. D. Kenny will solicit members for other days that might be better for the board.

B. Maggs will be resigning as Land Bank attorney effective February 28, 2019. He does not feel he has time to fulfill this position due to his other commitments. He has spoken to John Maloney, a real estate attorney from Keyser, Maloney & Winner who was suggested for the interim since there are several real estate transactions pending. Mr. Maloney suggested a price of \$600 per closing. B. Maggs explained that according to the Not-for-Profit corporation law, there are different ways that a land bank can obtain legal representation. An inter-municipal agreement can be put in place to have someone at the County to provide advice to the land bank. Counsel can also be provided outside the meeting for real estate transactions. A municipal attorney is allowed to represent the land bank. B. Maggs made the board aware that the land banks acquisitions and dispositions are required to be available on the website in accordance with the Public Authority Law. D. Kenny reported that the land bank lists properties that are made available for public view on the website. There are also three spreadsheets on acquisitions, dispositions and properties for sale. T. Sweet thanked B. Maggs for his service to the land bank board. T. Sweet will ask to meet with the County Executive to discuss legal representation for the land bank. T. Sweet will ask B. Maggs for suggestions of attorney's to represent the land bank.

## **FINANCIAL REPORT**

The final LISC request has to be resubmitted as it required a signature. D. Kenny asked for approval of two Mr. Cooper properties to be transferred to the land bank. Taxes needed to be paid on the property at 510 John Street, which was deducted from the \$19,500 received for rehab. T. Sweet remarked that Arbor could get the County taxes reimbursed on the property. They have to submit a request to the Real Property Tax office. The other property is located at 506 Franklin Street in Elmira. On a motion by N. Wagoner, seconded by J. Koski and unanimously carried, the properties located at 510 John Street and 506 Franklin Street were approved for transfer to the land bank. 506 Franklin will need a purchase and sale agreement. An interim attorney will need to be brought up to speed on real estate transactions. There is an immediate need for an attorney to cover closings. Gabe Rossettie is the attorney Arbor uses in Steuben County. He has an office in Horseheads as well. D. Kenny will contact John Maloney for an interim attorney. A County attorney can be contracted for board work. An agreement would have to be entered into with a municipality the property is in. Staff can be used for land bank transactions. R. Soda recommended sending an RFP out for a transaction attorney as that is how they normally do it. On a motion by J. Koski, seconded by N. Wagoner and unanimously carried, pending real estate transactions will be handled by John Maloney while and RFP is sent out in the meantime to solicit a real estate attorney and a transaction attorney at a cost not to exceed attorney costs of \$600 per transaction was approved. A. Wandell reported that in 2019 she plans to make the financial report more property specific and have breakdowns on what was spent and where it was spent. The finance committee is required to meet every six months. It was suggested that they meet a half hour before a regular land bank meeting. A. Wandell reviewed the PARIS reporting which needs to be entered by March 31<sup>st</sup>. Amanda Wandell and Mike Krusen are designated as the people that can review the PARIS reporting. Mr. Krusen needs to be removed from the list as he is no longer on the board as he has resigned. J. Koski offered to be the contact person for reporting. The board needs to approve the PARIS report before it is submitted. T. Sweet said the land bank board focuses on policy and direction while Arbor focuses on the administration of the land bank. On a motion by N. Wagoner, seconded by E. Miran and unanimously carried, Jill Koski's appointment as an additional person to look at PARIS was approved. A. Wandell will look into how to add J. Koski as an additional authorized person.

## **OTHER BUSINESS**

**Tax Foreclosure List** – R. Soda looked at 34 properties that are on the tax foreclosure list. Most of the properties looked vacant. Based on the 34 homes evaluated, Arbor's recommendation is the following: 212 Chapman Place, 1055 Admiral Place, 329 Lorenzo Place, 320 Webber Place, 970 Bridgman Street, 1880 Davis Street, 909 Farnham Street, 518 Elizabeth Street, 505 Franklin Street and 1007 Davis Street for possible rehabs. Most of these properties are in nice neighborhoods. The property at 505 Franklin is across the street from the Mr. Cooper property located at 506 Franklin Street. R. Soda felt this might help to make this neighborhood better. Possible demos include: 424 Balsam Street, 410 Walnut Street, 412-414 Walnut Street and 214 West 17<sup>th</sup> Street. Arbor is trying to prioritize vacant homes since we are not sure how evictions will be handled on the County's end going forward. M. Rangstrom suggested having Code Enforcement walk through the possible demo properties with Arbor to make sure they cannot be rehabbed. The final day for property owners to pay taxes on the foreclosed properties is February 28, 2019. A final list will be available on March 1, 2019. J. Furman will forward the list to Arbor. J. Furman would like to have a formal policy in place for the tax foreclosure process. There is a short window between the time the property list is finalized and the properties go to public auction.

Some properties that were pulled from the auction end up being held by the County for another year. She would like to formalize the process for the County transferring process so she has control over the properties being held. She would like these properties run through the County Legislature. She suggested pushing the date of the auction back a month to give her and her staff more time to process the transfer of properties to the land bank. J. Furman would like the land bank board to make a recommendation to the board so she is not the only one making the decision on properties. The County Legislature should adopt a policy authorizing the County Treasurer to set aside properties from the auction. J. Furman will craft a policy for review. The land bank will not have to pay for the Sullivan Street property. N. Wagoner asked if the foreclosure list could be reviewed again to see if there are any properties on the tax foreclosure list around the LECOM site.

### **RFP for Services**

RFP's will go out for audit, insurance, broker and attorney services.

### **BUDGET**

PARIS reporting requires a public authority to project five years for budgeting. The audit needs to be entered into the site once approved by the board. A. Wandell will email completed PARIS report for review after updates are made. A Procurement Officer needs to be designated. T. Sweet stated that Arbor is already doing this. A Contracting Officer needs to be designated to make sure the land bank is in compliance and for the enforcement of guidelines. Based on the findings of B. Maggs, the contracting officer cannot be someone from Arbor but can be a board member. The Code of Ethics, Procurement Policy and Investment Policies need to be reviewed annually. The Code of Ethics and Procurement Policy were previously approved. On a motion by E. Miran, seconded by J. Furman and unanimously carried, the Investment policy was approved. On a motion by J. Koski, seconded by N. Wagoner and unanimously carried, Jennifer Furman's appointment as Compliance officer was approved.

**Insurance** – A. Wandell reported that the land bank's General Liability Insurance was paid recently. The insurance company was requested to add Enterprise as an additional insured. Rose & Kiernan is telling A. Wandell that the land bank will need a second General Liability insurance policy for Enterprise. The additional policy would cost \$22,000 per year. Homes would fall in an unrestricted policy. A. Wandell is trying to schedule a call with Rose and Kiernan to discuss. If any board members are interested in participating in the call, let Amanda know. Most policies will allow multiple additional insureds.

### **Rehabs**

**814 West Clinton Street** – Abatement has been completed. A change order to comply with City of Elmira code enforcement to open the eaves for ventilation, install rafter vents at the eaves and at the angled section of the open ceilings and reinstall insulation on the unfinished attic space was discussed. On a motion by J. Furman, seconded by E. Miran and unanimously carried, the change order for \$5,220.00 from John G. Franzese Enterprises LLC was approved. The rehab is on schedule despite the change order and will be complete the first week of May. The house will be listed at \$195,000, which will be a profit of \$58,000 for the land bank.

**454 Sullivan Street** – T. Sweet reported that at the B&G meeting, they approved the property at 454 Sullivan Street to be sent up to the Legislature. It was not unanimously approved as a few members felt

that the land bank is not concentrating on a certain area. The property is slated for 4 rental units. This would count as an ESPRI property. The landlord cannot live on the property through ESPRI guidelines. B. Maggs commented that the law for land banks requires a report to be given to the Legislature prior to April 1<sup>st</sup> of each year.

### **Demolition**

**302 East Second Street** – LCP Group provided a quote on demolition of this property. The demolition cost will be \$33,500 plus \$18,000 for the added protection of 304 East Second Street totaling \$51,500. This price is less than the \$35,000 per property that was first quoted. Arbor recommended moving ahead with demolition. On a motion by N. Wagoner, seconded by J. Koski and unanimously carried, the proposal to demolish 302 East Second Street was approved. M. Rangstrom will follow up on the property located at 304 East Second Street for violations, but has no authority on one and two family properties. Arbor did verbally increase the offer to the owner of 304 East Second Street.

**510 John Street** – This property will be transferred to the land bank. Mr. Cooper will provide \$19,500 towards the demo costs.

**303 Sutton Street** – The bids are back on this property. LCP Group came in with a bid of \$18,000 for a contained demo and \$15,000 for a clean demo. There is not a lot involved in the abatement. On a motion by J. Furman, seconded by N. Wagoner and unanimously carried, the bid was approved for demolition of 303 Sutton Street. N. Wagoner asked if the companies that demo properties recycle the homes they tear down. R. Soda will check into it.

**759 East Second Street** – This property is unsafe and a controlled demo will be done at a cost of \$35,000. On a motion by J. Koski, seconded by E. Miran and unanimously carried, the property located at 759 East Second Street was approved for transfer to the land bank and the cost of \$35,000 for the demo was accepted and approved. 605 East Second Street is owned by the same person and also vacant. Arbor will look into this property.

**920 Grove Street** – R. Soda had a conversation with LISC and decided to take this property off the list. One more rehab is needed.

**224 West First Street** – M. Rangstrom commented that the person that bought the property at auction last year might sign it over to the land bank.

### **Adjournment**

The next meeting is March 20, 2019 at 9:00 AM in the 5<sup>th</sup> floor conference room of the Hazlett building. On a motion by N. Wagoner, seconded by J. Koski and unanimously carried, the meeting adjourned at 11:06 AM.

Respectfully submitted,

Mary K. Rocchi  
Recording Secretary