

Chemung County Property Development Corporation
Minutes of the Meeting
June 19, 2019

Present: Jennifer Furman, Jeanne Glass, Hyder Hussain, Emma Miran, Michael Rangstrom, Mary Rocchi, Joseph Roman, Rocco Soda, Thomas Sweet, Nicolette Wagoner

Call to Order/Approval of Minutes

Chairman T. Sweet called the meeting to order at 9:00 AM. On a motion by N. Wagoner, seconded by E. Miran and unanimously carried, the minutes of the May 15, 2019 meeting were approved.

PENDING ITEMS

Open Board Member Seat: Joseph Roman was appointed by the County Executive to replace Jill Koski on the board. N. Wagoner suggested Michael Rangstrom fill the remaining seat.

Legal Representation for Land Bank: H. Hussain will be the Land Bank board's attorney. John Maloney has been doing the closings in the interim. H. Hussain reported that another attorney in the County office could do the closings for less. A different attorney would have to represent the buyer. The Abstract, Title and Survey would be the expense of the buyer. The Land Bank board can make a policy on how these closings should be handled. The land bank could also provide \$500 towards closing costs. Usually these costs come out of the proceeds of the sale. Arbor can sell a property for up to 10% below listing price without board approval.

Property Transfer Policy Update: J. Furman discussed having a policy for property transfers. She surveyed a few other counties to see what their policies were. She does not have time to evaluate these policies. A policy from the Sullivan County Land Bank will be email to board members for review and suggestions. R. Soda asked J. Furman to send it to Danielle Kenny at Arbor to look at and draft a policy. The properties for the land bank must go through the Legislative process. Adam Zaranko from the NY Land Bank Association may have resources we could look at. A board process needs to be established. The County could establish a policy and the land bank would be the main recipient of this policy. J. Furman will meet with H. Hussain to set rules on how this policy will work. If other organizations such as Habitat for Humanity or Near Westside Neighborhood Association are interested in the same property, we have the flexibility to do the most impactful deal. R. Soda commented that there are multiple groups that are interested in properties. J. Glass commented that at the Land Bank workshop she attended last week they talked about taking a comprehensive approach to partnering with other groups. We should have the policy in place prior to next year. Foreclosure notices are sent out in October. J. Furman can have the preliminary list to Arbor in December.

Contracting Office Resolution: This item will be discussed at a future meeting.

Vision and Goals for the Land Bank: N. Wagoner discussed the Vision, Goals and Strategy of the Land Bank to adopt and put on the website. The sustainability of the land bank was discussed. The land bank will need funding to remain stable. Fifty percent of the property is not generating taxes. We need increased revenue to communities by bringing new value to the tax base. The City will receive more revenue. Adding a new tax may not be what the land bank does. We need a program for home buyers with more favorable loan rates. The money going into the community needs to be enhanced. There is a program called C-PACE, which is an energy program for multi-use, commercial and industrial projects. It is paid back through the taxes. You don't have to tap into home equity. Arbor recently received an

award for the Ambassador program. It can assist local landlords to fix up or find someone to fix up properties. Loans can be given through the Homes and Community Renewal office. This program is for regulating and cleaning properties. There is another program HCR is working on for smaller projects from 4-40 units.

FINANCIAL REPORT

Monthly Financials: R. Soda reported that the LISC grant is closed out. The Enterprise grant hasn't started yet. There are no income restrictions.

Insurance Policy Updates: The board approved the quote from Brown and Brown for insurance for the land bank. A letter will be sent to Rose & Kiernan for insurance cancellation.

PROPERTY UPDATES

Rehabs

814 West Clinton Street: This property has been renovated. Anne Bezio from Coldwell Banker Horizons did comps in the area to come up with a listing price of \$189,999. Approximately \$118,298 was spent on rehab costs. The rehab was finished on time. The Land Bank should net about \$40,000. There have been several inquiries on the house. There was discussion on how much of a time period is given once a person makes an offer. R. Soda commented that no response is given for at least one week to see if there are other bidders. R. Soda further commented that if a house has been sitting for awhile after the rehab has been completed, Arbor tends to jump on the offer. On a motion by J. Roman, seconded by N. Wagoner and unanimously carried, the house at 814 West Clinton Street listing price of \$189,999 was approved. There was discussion on how a realtor is picked. R. Soda commented that an RFP was done for the realtor. Arbor has the authority to take 10% less on the listed price without prior board approval.

450 West Washington Avenue: This is the last rehab under the current LISC grant. R. Soda is estimating a \$90,000 asking price. Construction has been started on this project. Hopefully there will be no issues.

506 Franklin Street: This will be the first project under the Enterprise grant. Three bids were received from Franzese, Griffin and Farr Construction. Farr came in at \$71,000, Griffin at \$97,000 and Franzese at \$108,000. Danielle Kenny has received \$19,999 from the Mr. Cooper fund to help with this rehab. On a motion by J. Roman, seconded by N. Wagoner and unanimously carried, the bid from Farr Construction for \$71,000 for the rehab of 506 Franklin Street was approved. The kitchen, bath, warped paneling, siding, windows, fence and garage will have to be renovated or replaced.

Demos

510 John Street: Abatement was done on June 17th. It will be demolished on June 20th.

759 East Second Street: This property has not been transferred or recorded. There is an issue as to whether it will get transferred or not.

LISC/ENTERPRISE GRANT PROGRESS

J. Glass reported that on June 28th a representative of LISC will be touring some of our land bank properties. The \$750,000 Enterprise grant will be available July 1st. We may be able to ask for more money in September. For the LISC grant, there are 2 demos and 1 rehab left to complete the grant.

OTHER BUSINESS

Water Bills: H. Hussain reported that the paperwork is ready for the 10 properties being transferred to the land bank. However, almost every property has an unpaid water bill attached to it for a total of \$4,747.17 to date. Interest is added every time the Elmira Water Board bills. T. Sweet suggested having a conversation with the Elmira Water Board to see if they will pay half of the amount or at least stop charging interest. Rehabbing properties only helps the Water Board by bringing them customers. There was discussion on whether the amount of utilities owed can be added to the home buyers costs. The County forgives the sewer tax if there is any owed. J. Roman will contact Marty Chalk from the Elmira Water Board of Directors to see if there is anything they will do. Once a property is transferred to the land bank it is added to their insurance.

320 Webber Place: R. Soda walked through this house with code enforcement. The 2,800 square foot house is in major disrepair as the owner was having health issues and could not maintain the property. R. Soda felt the house, which was originally a rehab now be considered a demo. The house needs to be gutted, needs foundation repairs, roof, new windows and siding. N. Wagoner felt that demolishing a house in that area was not a good idea as it is a nice neighborhood. R. Soda estimated the rehab costs to be around \$200,000, which is a lot more than the land bank normally spends on a property. T. Sweet said if Arbor got the information to Cindy Kalweit, the Legislative Clerk today, he could get it on the Buildings and Grounds agenda for Monday, June 24th. There was discussion as to whether the land bank would agree to pay to stabilize the house by fixing some of the major issues like the foundation, roof, windows and siding and then sell it "as is" to someone that will rehab it. The land bank could still get credit for the rehab. An agreement would be drawn up with the buyer that all renovations need to be done within a year. M. Rangstrom felt that a developer would have to commit to the rehab prior to the land bank doing some of the major work. The land bank maintains the property once it is taken over. This property is currently owned by the County. Arbor will do another walk through with board member N. Wagoner and Code Enforcement to see if this can be a rehab. Numbers will have to be looked at for stabilization. This item will be brought back to the board.

Chapman Place: T. Sweet received another complaint from a homeowner on Chapman Place that the grass is too high.

MOU for 2020-2021: The MOU goes into effect in August. Not much was changed in the MOU. The price is the same.

Visit by Adam Zaranko: Adam Zaranko from the NYS Land Bank Association will be visiting on July 17, 2019. Since Mr. Zaranko is driving from Albany, Arbor asked if we could move the meeting to 1:00 PM next month rather than 9:00 AM. M. Rocchi will send out an email asking board members about the time change.

814 West Clinton Street Site Visit: R. Soda and J. Glass extended an invitation to the board members to tour the completed project.

Lorenzo Place: R. Soda reported that Arbor picked up a nice house on Lorenzo Place.

OLD BUSINESS

RFPs: The board discussed doing a Request For Proposal for companies to bid for services every three years.

ADJOURNMENT

The next meeting is scheduled for Wednesday, July 17, 2019 at 1:00 PM pending availability of board members. On a motion by J. Roman, seconded by N. Wagoner and unanimously carried, the meeting adjourned at 10:18 AM.

Respectfully submitted,

Mary K. Rocchi
Recording Secretary