

Chemung County Property Development Corporation
Minutes of the Meeting
September 25, 2019

A meeting of the Chemung County Property Development Corporation convened on Wednesday, September 25, 2019 in the 5th floor conference room of the Hazlett Building, 203 Lake Street, Elmira, NY.

Members present were Jennifer Furman, Emma Miran, Joseph Roman, Thomas Sweet and Nicolette Wagoner.

Others present were Hyder Hussain, Counsel to the Corporation; Jeanne Glass, Danielle Kenny, Amanda Wandell, Arbor Housing and Mary Rocchi, Recording Secretary

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 August 21, 2019 meeting were approved.

PENDING ITEMS

Open Board Member Seat: There was no update. N. Wagoner suggested that a member of Code Enforcement fill the open seat on the board. They are very knowledgeable about contractors and properties. City of Elmira Code Enforcement always replies quickly when contacted.

630 West Gray Street Auction: D. Kenny reported that this property is being auctioned by the bank today at 11:30. There is \$74,000 owed on the property. If no one bids on the property or the amount bid is not a sufficient amount for the bank, then the bank will take back the property and sell it on the open market. D. Kenny has tried to contact the bank about the property but has received no response back. H. Hussain commented that \$2,500 down would give a person bidding rights. The bank would require cash on hand or preapproval. The house has been condemned but is on a stable block. The house was built in 1866. There is a chance the bank will pull it from the auction. Arbor will keep an eye on the house to see if it is sold or not. Preliminary numbers on the exterior at \$80,000-\$100,000.

FINANCIAL REPORT

Disbursement Request Update: Arbor talked with Enterprise regarding the second disbursement for this quarter. Arbor requested \$145,000 the first round and still has \$66,000 left. The Franklin Street project has not been started yet. Arbor would prefer to go on a reimbursement basis not projections as sometimes the projections are too high. Funds would be used out of the unrestricted account and then reimbursed to that account once disbursement has been received. Arbor can request mid-quarter funding if needed. Enterprise requires more detail in their reporting than LISC did.

Monthly Financials: J. Furman requested clarification on the financial report. She would like to see the financial statement as a consolidated presentation not broken out into grants. Arbor will invite their CFO to the next meeting to explain the financial report more clearly to the board. It appears that we budgeted for a deficit. J. Furman asked how will the fund bank keep going once the grant disbursements are gone? J. Glass commented that they are going to pull the price of the property out of

the report. Arbor is trying to be more realistic on rehabs and demos and budget more conservatively. T. Sweet commented that there is no money available from the County for the land bank. N. Wagoner commented that the board knew coming into the land bank that this is not a money making venture. Arbor is researching another grant and funding source. All land banks in the state are concerned about future funding. Arbor is looking at in-fill money. This money would be used on existing lots or underutilized lots to build new homes. The proposed 2020 budget will be available for the November meeting. A finance meeting was suggested for the October meeting. The funding from the State has restrictions. J. Furman commented that sending out the tax foreclosure letters to homeowners is a big process. The land banks purpose is to improve neighborhoods, not make money. J. Roman asked if it would be less expensive to have the County or a contractor do demos on properties. T. Sweet commented that demos are required for the funding. D. Kenny commented that in Steuben the County does the demos and puts a lien on the property that is the primary residence of the owner. The average cost of a demo is \$30,000 to \$40,000.

LISC GRANT PROGRESS

450 West Washington Avenue: This is the last property under the LISC grant. The contractor is completing 5% more of the rehab. The flooring is in and walls are done. They are installing carpeting and finishing the stairs to the second floor. A few more renovations to the exterior were identified. The project is slated to be complete next Wednesday. The LISC grant will be closed out once the Certificate of Occupancy is issued. Arbor will have a realtor do comps on the property to come up with a sale price. Arbor hopes to sell it by the end of the year.

375 West Clinton Street: This property was sold to the Near Westside Neighborhood. They are working with BOCES to commit to build a house on this property.

759 East Second Street: The house has been demolished. Arbor asked Andy Hughes if he is interested in the property. Mr. Hughes is interested but needs to finish another project, which should be done in March. D. Kenny stated that he should put an application in if he is still interested.

406 West Gray Street: Jim Capriotti is holding an open house from 2:00-6:00 today on this renovated property. He has tenants lined up to occupy apartments.

ENTERPRISE GRANT PROGRESS

506 Franklin Street: J. Glass has reached out to contractor, Farr Construction regarding this property. Farr was awarded the bid in August but did not start construction within 30 days or by September 16, 2019. City of Elmira Code Enforcement has reservations about this contractor. Mr. Farr had a Workers Compensation issue from seven years ago which he is working on paying off. He has not obtained a permit to start work yet either. Arbor is uncomfortable working with him and he is 30 days behind already. J. Glass asked if the board felt they should still use this contractor or put the project back out to bid. The board agreed that Arbor should withdraw the bid by Farr Construction and look for a new contractor. On a motion by N. Wagoner, seconded by E. Miran and unanimously carried, the contract with Farr Construction will be withdrawn and Request for Proposals will be sent out again for 506 Franklin Street was approved. Arbor will send bid requests out by the end of the week and have them ready for approval at the October meeting.

329 Lorenzo Place: This property needs windows and trees trimmed and other cosmetic work. Bids were sent out September 21st and due by October 11th. The siding and roof look good on this house. The bathroom and kitchen will need updating. A phase 1 environmental and asbestos have been done. Specs were sent to Enterprise for review. N. Wagoner discussed a property, 322 Lorenzo Place, which is listed on auctions.com as a possible land bank property since it is in the same neighborhood.

410, 412 & 414 Walnut Street: Code enforcement cannot condemn these properties. A variance will be needed to develop this property. Because of asbestos, this property would need abatement prior to demo. The Phase 1 showed oil contamination across the street, but is unsure if these properties have contaminated soil. Arbor would like to demo the properties together and sell them to a developer. N. Wagoner feels a commercial/mixed use development would be appropriate there. Asbestos surveys were ordered.

320 Webber Place: The cost for abatement is \$85,000 without air monitoring. The demo would be \$30,000 plus the abatement of \$85,000. The rehab would be \$55,000 plus the \$85,000. Plaster has come off the walls and has asbestos. The land bank would have to clean up anywhere the plaster has touched. Once the plaster is gone and it is down to the studs, it may be more desirable for a developer to rehab it. Arbor will contact Jim Capriotti to see if he has any interest. Arbor would give the developer one year to complete the rehab and get credit for it from Enterprise. Arbor will check with Code Enforcement to see if the house can be condemned. Enterprise will not allow the land bank to submit for funding until the rehab is complete and the Certificate of Occupancy is issued.

304 East Second Street: The legal issues have been straightened out in surrogates court for the disposition of the property. The owner is asking \$26,000 for the property located near Elm Chevrolet. Arbor had offered her \$15,000 plus closing costs. Elm Chevrolet will only pay \$2,500 for the lot. The demo cost would be \$14,000. This would come out of unrestricted funds. The board felt they offered a reasonable deal before and recommended that Arbor not accept the homeowner's price of \$26,000.

Anti-Sexual Harassment Training: D. Kenny discussed the adoption of an Anti-Sexual Harassment Policy with the board. Each member of the Land Bank board will need to sign an affidavit stating they have had the training. The board discussed whom the designated office/person would be to submit complaints. T. Sweet felt the Secretary of the Board should accept the complaints and forward them to at least four board members for review. The Commission on Human Rights is another source of contact. Emma Miran, as Secretary of the Board was appointed to receive any complaints via email. D. Kenny will look into this policy to see if all contractors will have to provide proof that they have had Anti-sexual harassment training. D. Kenny will add this training under the Anti-Discrimination section of the contractor's agreement.

J. Roman expressed concern over affordable housing. We need to make sure housing is affordable for people and rent controlled.

NEXT MEETING/ADJOURNMENT

The next meeting is October 16 at 9:00 AM. On a motion by J. Roman, seconded by N. Wagoner and unanimously carried, the meeting adjourned at 10:28 AM.

Respectfully submitted,

Mary K. Rocchi
Recording Secretary