

Chemung County Property Development Corporation
Minutes of the Meeting
October 16, 2019

A meeting of the Chemung County Property Development Corporation convened at 9:00 AM in the 5th Floor Conference Room of the Hazlett Building, 203 Lake Street, Elmira, New York.

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

Also present were Hyder Hussain, Legal Counsel; Megan Clinton, Jeanne Glass, Danielle Kenny, Rocco Soda and Amanda Wandell, Arbor Housing.

Excused: Dawn Burlew

Chairman T. Sweet called the meeting to order at 9:00 AM. On a motion by N. Wagoner, seconded by J. Roman and unanimously carried the minutes of the September 25, 2019 meeting were approved with one change.

FINANCIAL REPORT

Megan Clinton, Chief Financial Officer for Arbor Housing, discussed the financial report. Adjustments to the financials were updated. On the balance sheet, the amount of deferred revenue under liabilities is grant money from LISC that has not yet been spent. There were donations of 510 John Street; Kendall Place received \$15,000 from the City and a small insurance refund. J. Furman asked what the budget development process is. The budget is set at a \$254,000 loss of which \$195,000 was deferred and not in the 2019 budget. There is concern over continued funding of the land bank so Arbor is holding onto a portion of the contract in unrestricted for an adequate fund balance. Revenue is coming back in and is under unrestricted. Arbor sold properties for almost \$400,000. It is a different sort of reporting structure between unrestricted and Enterprise grant. J. Furman commented that for her purposes she needs to see the big picture. How will the administrative part of the land bank continue to be funded if there is no more funding offered by the state? Arbor will work on projections for yearend numbers. J. Roman asked about the purchase of property. The purchase of property is considered running projects and are listed under "Rehab Purchase". Most of our properties are from the Tax Auction the County has each year. Property is kept on the income statement as the land bank is not planning to hold onto it once it is rehabbed or demolished. It is sold as soon as possible. Arbor is in the pre-budget development process currently for 2020. A. Wandell commented that PARIS reporting is due by the end of this month. The PARIS forms are more consolidated than what Arbor does. J. Roman asked how much money is needed to run a land bank and should the County be asked to help fund it. Since 2011, the land banks have been funded through the Attorney General's office with JP Morgan/Chase Bank funds. Eventually these funds will run out. Funding is a concern of every land bank in the state. The land bank board needs to think creatively to reach their goals. We need to find things to make the land bank stronger. It is better to put money into rehabs. Demos are covered by grant money. J. Furman would need a model targeting the land banks mission for the County to share part of the cost. The County would need to be aware of demos if they are to provide fill after the demo is complete. J.

Furman asked if there was a more strategic way to run the land bank. J. Glass suggested stabilizing properties, then turn them over to a developer. Low-income people are the target of the land bank. E. Miran commented that home funds are very restricted. A five-year lien would be put on a property because the homeowner is low income and the property is under \$25,000. If the property were over \$25,000, it would be a ten-year lien. J. Roman suggested getting information to one of the Governor's Representative to keep an eye on the funding. A. Wandell discussed the audit, finance and governance committees that should meet twice yearly. D. Kenny suggested voting for new committee members, as Dawn Burlew is unable to attend land bank meetings because of a standing commitment. D. Burlew is on two of the committees. T. Sweet suggested having committee meetings prior to or immediately after one of the monthly board meetings. T. Sweet recommended that Jennifer Furman be chairperson of both the Finance and Audit committees. H. Hussain said the bylaws said that the members must be independent from the board. There was discussion about amending the bylaws to have board members be members of the committees as an independent member would not be aware of the functions of the land bank. T. Sweet asked board members to email him with committee members. It is also difficult to get an independent member to commit to another meeting. H. Hussain commented that the tax-exempt status has certain rules. If they are not followed, the land bank's tax exemption could be revoked and it would have to pay taxes.

PENDING ITEMS

Open Board Member Seat: This seat is still open. The position is appointed by the County Executive and Mayor.

320 Webber Place: Arbor is looking into the possibility of a variance. Code may condemn the house, which would then make the property a demo candidate. The demo would cost about \$115,000. DOL may allow a controlled demo but can't abate it. Jim Capriotti looked at the house to see if he is interested in redeveloping it, but D. Kenny has not talked to him since his visit. The Enterprise grant will not allow student housing. A bill from the code enforcement department was received for cleanup from the yard. The ESPRI grant will not allow multi-unit projects. Arbor will talk with Jim Capriotti to get his thoughts prior to the November meeting. J. Roman suggested having a development plan for an as is rehab with a 12-24 month reverter clause in the deed. T. Sweet asked if a modular home could be built on this lot if house is demolished. If done through BOCES it would be cheaper. If this property is demolished, we will have to find another rehab to fulfill grant. There are other ways to obtain properties such as the Mr. Cooper properties.

304 East Second Street: D. Kenny has been trying to speak with the homeowner about her property. Elm Chevrolet is very interested in this piece of property and has increased their offer to \$10,000 to purchase the lot once house is demolished. D. Kenny has asked the homeowner to come back with her final offer. The demo would cost \$20,000. The board discussed whether to pursue this property any longer. It was decided that if Elm Chevrolet wants the lot, they can work directly with the homeowner and the land bank stays out of it since it does not own the property anyway.

LISC GRANT PROGRESS

LISC will be hold a conference in Ithaca in November.

450 West Washington Avenue: The contractor is waiting for a Certificate of Occupancy. The basement steps needed to be redone before the C of O is received. The contractor is working on them to get the job done. Our realtor will be used to find comps for the area so the board can approve a sale price. This is the last LISC rehab.

The Near Westside Neighborhood Association will move ahead with their project on Columbia Street with BOCES students.

There are a few lots still available where homes were demolished. They are 510 John Street, 303 Sutton, Chemung Place and 759 East Second Street. A neighbor of the Chemung Place property was interested in purchasing it, but Arbor has not heard from them in a while. D. Kenny will reach out again to the neighbors to see if anyone wants it. There are carrying costs to the land bank for maintaining this property. It is not a developable property. R. Soda suggested asking for \$500 to cover the transfer costs for the property and go from there. There was discussion regarding putting vacant lots from the foreclosure list back on that list to sell next year. J. Furman commented that it would be better for the street if a neighbor bought it. The County is checking into who is purchasing property at public auction. They do not want more absentee landlords. J. Glass suggested auctioning the property off online. Sutton Street would be a nice lot to build on. John Street is not a great street and the lot is narrow. D. Kenny has reached out to a John Street neighbor but has not heard back from him.

ENTERPRISE GRANT PROGRESS

Arbor sent in a report to Enterprise but did not submit a new disbursement as we still have money left from the last disbursement.

506 Franklin Street: Arbor terminated the contract with Farr Construction since he did not have the necessary work done on schedule. He does not want to be removed from the contractor list. Arbor will resend the specs out to contractors. D. Kenny received a \$20,000 grant for the project. There is a limited number of contractors in this area, so Arbor is planning to reach out to surrounding communities.

329 Lorenzo Place: Two contractors bid over \$100,000 on this rehab project. Arbor spent time on the specs and is now refining them. This home is in good shape but will need the floors refinished and the kitchen will need more cabinets for storage. It has a nice attic that would be good for storage but will need to be insulated. Landscaping will be trimming up the bushes rather than remove them. Abatement is scheduled for asbestos.

410, 412, 414 Walnut Street: Phase One and Asbestos ordered on these properties. Arbor was not able to get properties condemned. It would probably be one to two years for new construction. Commercial businesses on the first floor and upper story housing would be appropriate for this neighborhood.

OTHER BUSINESS

Enterprise Visit: Enterprise will be visiting the area. Board members are encouraged to attend. An email will be sent out with details of the visit.

E. Miran is the contact for any sexual harassment complaints. If she receives a complaint she will notify board members.

Arbor staff and T. Sweet met with Vinnie Azzarelli to discuss the land bank. T. Sweet feels the County is behind the land bank and seem supportive. The board is invited to participate in these discussions but are not required to participate. There will be an Advisory Administrator for the City/County funding.

T. Sweet discussed a concern from another Legislator regarding the house at 814 West Clinton Street. The people made a cash offer on this house but did not get the property. The people that won the bid also made a cash offer. Everything is documented and both parties were allowed to counter offer. The sale went through a realtor.

424 Balsam Street: Arbor will be demolishing this property. They did receive a complaint about it. The property is being abated for asbestos.

ADJOURNMENT

The next meeting will be Wednesday, November 20, 2019 at 9:00 AM in the fifth floor conference room of the Hazlett building. On a motion by N. Wagoner, seconded by J. Roman and unanimously carried, the meeting adjourned at 10:26 AM.

Respectfully submitted,

Mary K. Rocchi
Recording Secretary