

Chemung County Property Development Corporation
Minutes of the Meeting
November 20, 2019

A meeting of the Chemung County Property Development Corporation convened on Wednesday, November 20, 2019 at 9:00 AM in the 5th floor conference room of the Hazlett Building, 203 Lake Street, Elmira, New York.

Members present were: Dawn Burlew, Emma Miran, Joseph Roman, Thomas Sweet and Nicolette Wagoner.

Excused: Jennifer Furman

Also present were: Hyder Hussain, Counsel to the Corporation; Jeanne Glass, Rocco Soda and Amanda Wandell, Arbor Housing and Development and Mary Rocchi, Recording Secretary to the Corporation.

Call to Order/Approval of Minutes

Chairman Sweet called the meeting to order at 9:00 AM. On a motion by Ms. Wagoner, seconded by Ms. Miran and unanimously carried, the minutes were approved with one correction regarding attendees for a meeting.

FINANCIAL REPORT

Monthly Financials: Ms. Wandell presented the modified monthly financials from Megan Clinton, CFO for Arbor. The board reviewed them and were satisfied with the changes.

PARIS Reporting: Ms. Wandell reviewed the PARIS report that is required by New York State. Estimates are required for a five year timeframe (2019 – 2023). She explained where the estimates come from. House sales and demolitions were predicted for 2020. The remaining four properties that we currently own will have environmental reports done in 2020. The land bank has just over \$400,000 left in its account. These funds should last until the end of 2021 unless additional funding is secured. Ms. Wandell estimated that the land bank could do 4.5 rehabs and 1 demo per year until 2022. We would have to sell four properties at approximately \$80,000 each. Insurance is a huge cost and is a flat rate even though the land bank is not rehabbing or demolishing as many properties. We need to find other sources of funding in 2021. Ms. Wandell reminded the board that these are only estimates based on no additional funding. Demolitions are not a requirement of the Enterprise grant. We could also not do complete rehabs and try to find a developer to complete the project. We can use unrestricted funds if necessary. The land bank needs to focus on the properties where we can make a difference to a neighborhood. The land bank currently gets their houses from the tax foreclosure sale for the County. We need to look at the houses where we will break even or make a little money. Language for the tax foreclosure sale is being amended for 2020. Currently we only have access to the outside of the property, not the inside. The date of the auction would be pushed back. Mr. Sweet suggested that if a municipality wants the land bank to demolish a property, then the municipality should chip in a little. Mr. Hussain commented that the preliminary tax foreclosure list is available but property owners are still paying their taxes on them. There was discussion on moving the demolition money elsewhere. The

board will revisit demolishing properties. On a motion by Mr. Roman, seconded by Ms. Wagoner and unanimously carried, the PARIS report was approved as presented.

329 Lorenzo Place: Ms. Glass reported that bids came in high. Arbor is trying to reduce the scope of work to save some money. N. Wagoner would like to preserve the integrity of the architecture by leaving the unique windows alone. The rehab quoted is over \$100,000. R. Soda felt we could sell the house for \$120,000. Board members would like this property to be owner occupied.

PENDING ITEMS

Open Board Member Seat: Mr. Hussain reported that the County Executive would send an appointment letter up to the Legislature this week.

320 Webber Place: Ms. Glass reported that the abatement on this property is \$85,000-\$95,000. We have tried stabilization. Developer James Capriotti and developer Andy Hughes were asked if they had any interest in rehabbing this property. Mr. Hughes is interested if the land bank can hold off for a while as he is working on another rehab currently. If we decide to demolish it, the neighbor is interested in the property. The following scenarios were presented:

Scenario 1: Stabilize the exterior and clean up house. Developer would not have to fully abate if siding, roofing, porch and foundation were done. Bids were sent out but none came back. Arbor does not have a quote on the cleanup. We would not get credit on the Enterprise grant. Abatement is \$95,000; Demolition is \$30,000. The net loss would be \$125,000.

Scenario 2: This would be for exterior stabilization for \$60,000; Falling asbestos at \$30,000, loss of \$90,000; sell to developer for \$30,000. Net Loss would be \$60,000.

Scenario 3: Do a full rehab. Home funds may be able to be used but there are cost implications. Ms. Wagoner spoke with Mr. Capriotti recently. He suggested cleaning up the property and putting it on the market. Don't do any renovations. The asbestos report would have to be provided to a new owner. Full rehab is \$200,000; Abatement is \$60,000, home Funds would be \$60,000 possibly more; Sale of the property would be \$120,000 for a net loss of \$80,000. This property is approximately five blocks from the LECOM medical school. There was discussion on whether someone would pay that much for this house and then have to renovate it. E. Miran commented that there are different regulations with the Home Funds. It will depend on the amount of funding received. N. Wagoner requested new numbers on this project when available. Ms. Glass commented that they would have new numbers at the January meeting.

On a motion by Mr. Roman, seconded by Ms. Wagoner and unanimously carried, Option 3 for a Full rehab estimated at \$200,000; Abatement at \$60,000, Home Funds at \$60,000; and Sale of the property at \$120,000 for a net loss of \$80,000 was approved.

LISC GRANT PROGRESS

Sutton Street: An offer was received from a person purchasing the house next to this lot. She is supposed to close this week. The lot is listed for \$3,000, the new homeowner offered \$1,000. Ms.

Burlew suggested counter offering at \$2,000. Arbor can negotiate 10% down without prior approval from the board. On a motion by J. Roman, seconded by E. Miran and unanimously carried, a representative from Arbor Housing to counter offer the homeowner within 10% of the offer, contingent upon the owner closing on the house, was approved.

450 West Washington Avenue: This rehab has been completed. Comps were received from the realtor. The house was appraised at \$102,000. Arbor asked for approval to list the house for \$104,900. On a motion by Ms. Wagoner, seconded by Ms. Burlew and unanimously carried, the house located at 450 West Washington Avenue listing price for \$104,900 was approved.

Under the LISC grant we completed 8 rehabs and 8 demos.

ENTERPRISE GRANT PROGRESS

506 Franklin Street: After the previous contractor, Mr. Carr, did not provide the necessary Workers Compensation document on time, the board voted to terminate his contract. The rehab was bid out again and 3 bids were received. The lowest bid is \$108,000. Arbor is reviewing their scope of work to reduce the cost of the rehab. They removed the cost for re-siding the garage, which saved \$9,250. Griffin was the lowest bidder. Arbor should be able to lower the bid by a minimum of \$15,000. We also have \$19,000 towards a rehab since this is a Mr. Cooper property. Griffin Construction also won the Lorenzo bid. Ms. Wagoner suggested that Griffin Construction work on this project first and put off the project on Lorenzo Place so the Land Bank board can brainstorm on how to proceed with this property.

Lorenzo Place: Griffin Construction bid \$102,300 on this rehab. Arbor is working on the scope of work to see if we can decrease our costs. Arbor may be able to take out landscaping which would save \$2,500. The board tabled this project.

410, 412, 414 Walnut Street: A group with Arbor toured 412 and 414 Walnut Street property. It has foundation issues, no windows, squatters and is in a blighted block. The structure has beautiful features despite its outside appearance and could be restored. These properties were slated to be demolished, but the board is reevaluating this project. Ms. Glass contacted Andy Hughes to see if he was interested in rehabbing this two unit property. Ms. Wandell asked if this would count as an Enterprise project. ESPRI can do rentals but not sure Enterprise can. Mr. Soda commented that 410 Walnut was padlocked so they could not gain access to the inside but will soon and report back next month. Mr. Soda commented that they need to find out more information on this property and if necessary secure it to make it safe. Arbor received bids back for demolition of the property: \$70,000 Neally; \$63,000 Durable Demo and \$48,000 LCP, which Arbor has used on several demos. After touring the property, Arbor and the board would like to consider a full rehab of 412 and 414. The land bank may put some money into it and then sell it. The City of Elmira prefers to have a home ownership over a rental. A subsidy would be necessary on this property. This may be eligible for a City program. There was discussion. The building might be part of unrestricted funding for a two unit.

OTHER BUSINESS

304 East Second Street: Elm Chevrolet is negotiating with the homeowner to purchase 304 East Second Street for demolition.

Enterprise Visit: Ms. Wandell asked the board their thoughts on the Enterprise visit. Board members that participated thought the visit with Tanya from Enterprise went well. She asked questions on how our properties are chosen and gave a final assessment of her visit. This is the second rural area she has visited. Arbor is trying to keep costs in line. They showed Tanya completed projects. She offered guidance on the selection of properties. Arbor will use Building Blocks more next year and put in different criteria.

Expiring Positions: Nicolette Wagoner's and Emma Miran's positions expire on December 31, 2019. These positions are appointed by the County Executive and the Mayor. Their seats on the board are reserved for their positions/titles. They are permanent appointments. The County Executive and the City Mayor each need to send a letter re-appointing these positions.

Committees: Mr. Sweet discussed asking members of the County Legislature to be members of the Audit Committee. You do not have to be a board member to be on a committee but must have at least three members per committee. Mr. Sweet will talk with Legislators to see if there is any interest in serving on the Land Bank committees. Ms. Wandell reminded the board that committees need to meet twice per year in January and July per our bylaws.

The current committees are:

Audit: Tom Sweet, Dawn Burlew, Emma Miran

Finance: Tom Sweet, Jennifer Furman, Nicolette Wagoner

Governance: Dawn Burlew, Nicolette Wagoner, Joseph Roman (replacing Jill Koski)

NEXT MEETING/ADJOURNMENT:

The next meeting will be Wednesday, December 18th, 2019 at 9:00 AM. On a motion by Ms. Burlew, seconded by Mr. Roman and unanimously carried, the meeting adjourned at 10:27 AM.

Respectfully submitted,

Mary K. Rocchi
Recording Secretary