

**Chemung County Property Development Corporation**  
**Minutes of the Meeting**  
**June 17, 2020**

A meeting of the Chemung County Property Development Corporation convened at 9:00 AM on Wednesday, June 17, 2020 via remotely through a teleconference by an executive order due to Covid19.

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

Also present were Hyder Hussain, Chemung County Law Department; Michael Rangstrom, City of Elmira Code Enforcement; Jeanne Glass, Danielle Kenny, Rocco Soda and 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 D. Burlew, seconded by N. Wagoner and unanimously carried, the minutes of the meetings of May 12, 2020 and May 20, 2020 were approved.

**OLD BUSINESS**

**407 West Clinton Street:** D. Kenny reported that all documents have been executed and they will be moving to closing. H. Hussain received the closing documents and is awaiting changes on a title. Once agreed upon, a closing will be scheduled, hopefully in a couple of weeks.

**FINANCIAL REPORTS**

**Monthly Reports:** D. Kenny presented the income statements and balance sheets. There were no questions on the financial report.

**Insurance Renewal:** D. Kenny reported that our insurance premium from Brown and Brown has been decreased from \$27,000 to \$21,000 from last year. Arbor discussed what their deliverables are for the next twelve months with Brown and Brown, which ended up reducing their premium. A. Wandell commented that the company is easy to work with and it is easy to add and remove properties. Brown and Brown will undertake an audit and be allowed access to any files requested. D. Kenny will email documents for T. Sweet to sign. This is an insurance renewal with Brown and Brown. A. Wandell has a disbursement in process, which will be submitted in July after board approval for about a \$55,000 reimbursement to the unrestricted account. Any invoices that come in prior to July 1<sup>st</sup> will be added to this disbursement. This disbursement includes two final pay apps for Franklin Street and pay apps for Lorenzo.

**LISC GRANT PROCESS**

**450 West Washington Avenue:** D. Kenny received an offer last night. This family is a couple with custody of their grandchild. The property price is \$99,500. On a motion by N. Wagoner, seconded by J. Roman and unanimously carried, an offer of \$99,500 for 450 West Washington Avenue to be purchased by Judy Tompkins and Lucia Green was approved.

### **Lot Updates**

**510 John Street:** D. Kenny received a full price offer for this lot and is awaiting a closing date. The purchaser has been on vacation.

**759 East Second Street:** D. Kenny reported that there is not much interest in this lot. It has been listed for about six months for \$3,500. It is a redevelopable lot. R. Soda felt that the amount was high for the area and the board should consider reducing the price. D. Burlew commented that the market is just starting to come back after Covid19. Arbor provides maintenance to the property and there is a small insurance cost each month. T. Sweet would like to see it get back on the tax rolls rather than become a community garden. Community gardens tend to not be taken care of and get overgrown. There was discussion. On a motion by N. Wagoner, seconded by J. Roman and unanimously carried, the board agreed to lower the price to a minimum of \$1,500 to sell the property, was approved.

### **ENTERPRISE GRANT PROGRESS**

**506 Franklin Street:** J. Glass did a final walk through and the rehab looks great. There was a slight delay as the plumber spilled dye on the kitchen floor, which was replaced. The carpets were cleaned and came out beautiful. The walls were replaced. We don't have any comps for the value of the property yet. This was part of the Mr. Cooper program and a grant was received to offset rehab costs.

**329 Lorenzo Place:** J. Glass reported that this rehab is 58% complete. The outside portion is done. Arbor reduced the scope of work by having Habitat for Humanity do the painting. Arbor did the landscaping to lower the scope of work as well. The project is slated to be complete in July. Railings will be added to the porch before it is put on the market.

**212 Chapman Place:** This rehab was approved by the board last month. John Franzese has been given a notice to proceed. He plans to start the rehab June 28<sup>th</sup>. He was shut down for about a month due to Covid19. This will be a three month rehab.

**1055 Admiral Place:** Two bids were received for this rehab. One bid was about \$147,000 and the other about \$130,000. There is no scope to reduce. Walls and ceiling are falling in. Arbor reached out to Habitat for Humanity to do the demo but Habitat cannot get large groups or school groups together because of the pandemic. Arbor reached out to both bidders to see if they would reduce their costs. Franzese reduced his bid by \$20,000. A. Wandell is working on additional funding. There is CDBG and HOME funding available to offset the costs. Enterprise would allow around \$70,000 based on other sources. It is a nice street and Arbor hopes to minimize its loss. The rehab will begin in September and completed by the end of the year. On a motion by D. Burlew, seconded by J. Roman and unanimously carried, the reduced bid of John Franzese to \$113,608 was accepted and approved.

**320 Webber Place:** D. Kenny received an offer for \$10,000 from a potential buyer who is familiar with the time constraints. She also receive an offer last night for \$7,000. The first cash offer is from Hassain Hamad. He will clean out the house and make any necessary improvements to the HVAC and plumbing. He plans to make this property his main residence. The second offer of \$7,000 was received from Lamar Holloway. He will either make it a rental property or resell it once the rehab is complete. There was

discussion. On a motion by N. Wagoner, seconded by D. Burlew and unanimously carried, the bid made by Hassain Hamad for \$10,000 was approved. D. Kenny commented that this offer is about \$4,000 more than the last offer Arbor received.

**424 Balsam Street:** Arbor's construction coordinator met with City Code Enforcement who condemned the property. J. Glass will put the demolition out to bid, but estimates it will cost about \$25,500 plus \$1,492 for air monitoring. R. Soda reached out to the neighbor who shares a driveway with this property. She made an offer once demo is completed of \$3,000 for the lot. D. Burlew commented that we don't want to have issues with the neighbors so Arbor should reach out to them to let them know what they are doing with the property. T. Sweet suggested a bidding system be put in place so everyone has a fair chance to bid on the property. The current offer is verbal. The property will be put out to bid for demolition for approval at the July meeting. A. Wandell reminded the board that the land bank budget was amended to not include demolitions, therefore it will have to come out of unrestricted funds.

**410 and 412-414 Walnut Street:** Andy Hughes will close with ESPRI this week. M. Rangstrom commented that the property has been secured as there was someone entering the property. He and the Fire Marshall boarded up the first floor of the property. Small fires had been set in the driveway and street, which is considered an open burn. Mr. Hughes can secure the property better once he closes on it.

#### **NEW BUSINESS**

**Property Considerations:** One more property is needed for the Enterprise grant. J. Glass has looked at properties at 961 and 963 Oak Street, which are not visible from the road. She also looked at 957 Oak Street, which is located in front to these two properties. These properties would need a large lift. The exterior looks good at 957 Oak Street. There doesn't appear to be any walls or ceilings falling in. Arbor will meet with the realtor to go through these houses. Arbor has had good luck working with Cornerstone Homes.

**513 Walnut Street:** This is a single family near Andy Hughes' rehab properties. The retail value is not great and Arbor would have to make the numbers work. They may make an offer of \$20,000. A. Wandell looked at the MLS for houses under \$40,000. There were only about 16 properties to choose from. Of the 16 properties, there are only 2 in Census Tracts 6, 7 and 10. The County Executive would like the land bank to focus on rehabbing properties in Census Tracts 6, 7 and 10 rather than other census tracts. R. Soda is trying to focus on the more desirable streets. Many of the properties in census tracts 6, 7 and 10 are primarily rental properties. If Arbor goes through the tax sale, normally out of approximately 150 homes, only 5 or 6 are ones we can work with that are not money pits. N. Wagoner discussed the mission statement she provided about 2 years ago. The board composition has changed since then and there is a shift in philosophy. We need to see what the demand in these neighborhoods are and what is happening in those census tracts. We need to get feedback.

**909 Farnham Street:** This house is in a stable block but will decrease the value of the properties around it if it is not maintained. R. Soda will look at the house and get preliminary numbers on it. The land bank may be able to make a small profit on this house once rehabbed and sold. It is on the tax auction

list and he does not want it to sold to an out of town landlord for a rental. T. Sweet commented that it is a nice neighborhood and has nice landscaping. Arbor may bid on the property once they evaluate it.

J. Furman commented that she is not sure if it is an option for the land bank to have houses allocated to them outside of the sale. She has set up a preliminary online auction for July 10 – July 23. This auction will be 100% online and she is working with the auction company. She is not sure of what the expected process is regarding the transfer of properties to the land bank. She does not have the authority to transfer those properties that the land bank is looking at. A. Wandell commented that they should try to fulfill the Enterprise grant by September and have a property secured by then. We may be able to get a small extension from Enterprise. J. Furman asked if anyone has reached out to the County Executive about this. R. Soda stated that he contacted him about a month ago, but has not heard back from him. T. Sweet commented that Mr. Moss is probably busy with Covid19 and reopening the county. We need to encourage guidance from him. D. Kenny would like to go over the revised list in which there are six properties in Census Tracts 6, 7 and 10 but only two are single family. The rest are multi family. It was suggested that Arbor show the evaluation process they use to the County Executive. T. Sweet asked J. Furman if others would be able to see what people bid. J. Furman stated that you will be able to see who is bidding and how much they bid and then counter bid if you wish. A link from the auctioneer will be on the County website.

**Realtor RFP:** D. Kenny reported that we received three responses from our Realtor RFP. The first one is from Ann Bezio, our current realtor. Andy Hughes and John Franzese also provided bids. All three proposals are the same with a 6% commission split between the buyer – 3% and the agent – 3%. The deadline for the RFP's was Monday. Ms. Bezio is getting more acclimated to the land bank needs and has been easy to work with. The board felt that the RFP's from Mr. Hughes and Mr. Franzese could be a conflict of interest as they both bid on the rehab of properties. No one local submitted an RFP. They reached out to several local firms and individuals but no one responded. D. Kenny is holding off on listing the Franklin Street property until there is a decision on a realtor. The board felt that we are limited with developers and Mr. Hughes and Mr. Franzese have both done rehabs for us and bid on most if not all rehabs. If a realtor shows interest in representing land bank properties, then we can reopen bidding. The realtor bids go out each year. On a motion by N. Wagoner, seconded by E. Miran and unanimously carried, realtor services provided by Ann Bezio was approved. H. Hussain stated that Arbor and the land bank has done its due diligence in looking for a realtor to represent them, but there is no one interested except these three mentioned above. After a review of three proposals, the pricing is the same for all three parties. We are giving the contract to the party that we have worked with before.

**506 Franklin Street:** The analysis of the property has been returned. The purchase price given is \$89,000. R. Soda felt that this price was too high for this neighborhood. The board discussed a price for the property and agreed on \$79,000 or above. D. Kenny will talk to the realtor about the price and reconfirm the price at the July board meeting. On a motion by J. Roman, seconded by N. Wagoner and unanimously carried, an agreement will be signed if the comps come back around the price of \$79,000, was approved.

**Other Properties:** T. Sweet discussed another property on Farnham Street that is vacant. It is a tan stucco house that is also located near 909 Farnham Street. R. Soda will try to track down the owners of the house.

**NEXT MEETING/ADJOURNMENT**

The next meeting is July 15, 2020. D. Kenny commented that we would plan a Zoom meeting again unless we can meet. On a motion by N. Wagoner, seconded by J. Roman and unanimously carried, the meeting adjourned at 10:20 AM.

Respectfully submitted,

Mary K. Rocchi  
Recording Secretary