

Chemung County Property Development Corporation
Minutes of the Meeting
October 21, 2020

A meeting of the Chemung County Property Development Corporation convened at 9:00 AM on Wednesday, October 21, 2020 via Zoom.

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

Also present were Katelyn Wright, Executive Director of the Greater Syracuse Land Bank; Hyder Hussain, Legal Counsel; Jeanne Glass, Danielle Kenny, Rocco Soda, Amanda Wandell, Arbor Housing; and Mary Rocchi, Recording Secretary.

Call to Order

Chairman T. Sweet called the meeting to order at 9:05 AM.

D. Kenny introduced Katelyn Wright, Executive Director of the Greater Syracuse Land Bank, which was incorporated in 2012. Their land bank has acquired 1,875 properties, sold 889 and demolished 387 properties. Their private investment is \$27.3 million with grants leveraging \$30.2 million. Property taxes generated are \$1.4 million per year. Ms. Wright discussed how land banks would go forward with no additional funding sources. The GSLB's goal is to make their land bank self sustaining. The GSLB pursued a model of selling fixer uppers to contractors. The Construction Manager outlines a scope of work for construction on the property to bring it up to code, therefore making the land bank's cost much lower on projects. The outcome may not be the same quality as if the land bank rehabbed the property, but it would be better than what it was. The GSLB is trying to quantify their services to operate more cost effectively. The Chautauqua County land bank maintains their own properties and work with the Fire and Police departments so there are fewer issues in neighborhoods. A trespass affidavit is issued on all properties. The land bank also lets the police and fire departments use unoccupied properties for training. There is a struggle to come up with quantitative data on City and County funding. J. Furman commented that most of the land bank properties come from the tax foreclosure sale. It is a very active auction and the county clears what the delinquent taxes are. At the Albany County Land Bank all foreclosed properties go to them. There is no auction. Most of their grant money is spent on demos and then the properties are turned into shovel ready sites. There are no deed restrictions. The fixer uppers require appropriate insurance. The land bank might sell to an owner of the fixer upper who wish to do the scope of work themselves. The land bank will verify the real costs prior to closing on a house. The GSLB uses a program called Developer Pro that breaks down costs for rehabbing. The GSLB has two staff members that focus on marketing and sale of properties so they do not have to pay a realtor fee. GSLB does not list on MLS. The GSLB requires a Development Enforcement Mortgage Agreement to be signed by the developer. The GSLB will either discharge the lien on the property or take the property back depending on whether they are satisfied with the work. Ms. Wright suggested that the board look at the GSLB's website: www.syracuselandbank.org for their map of listings. They also put for sale signs on all their properties. Ms. Wright suggested that the Land Bank talk with Chautauqua and Albany land banks.

Minutes

On a motion by D. Burlaw seconded by J. Roman and unanimously carried, the minutes of the August 19 and September 16 meetings were approved.

OLD BUSINESS

Land Bank Goals & Objectives – D. Kenny asked if there were any further comments on the Goals and Objectives. The board asked her to send out again as they feel the goals and objectives need to be looked at again after listening to Katelyn Wright's suggestions.

Press Release Discussion – D. Kenny discussed what the land bank wishes to achieve with a press release. The board discussed highlighting the entire land bank, not targeting just one property. N. Wagoner suggested having Jeff Murray from the Star Gazette update an article he did on the land bank in 2019. N. Wagoner will touch base with Mr. Murray and send him the Land Bank's four year report. The goals and objectives for 2021 will be presented as well. We need to focus on the positive during a difficult year. N. Wagoner commented on the mapping of the land bank properties and narrowing it down to find a correlation.

FINANCIAL REPORTS

Monthly Reports – The financial report was presented. H. Hussain commented that he would forward a check from the closing at 506 Franklin Street.

PARIS Reporting – A. Wandell reported that every year a budget and projected four-year plan need to be submitted to PARIS. The land bank has been taking a whole house approach on projects. She submitted an application to Tioga Downs for funding of \$500,000. The projected budget depends on the sale of Enterprise properties. The land bank is spending about \$20,000-\$30,000 per property through the tax foreclosure and about \$100,000 to rehab it. She discussed changing the guidelines for the model. The board recommended submitting the report as is with the current projections and revisiting it next year. On a motion by J. Furman, seconded by E. Miran and unanimously carried, the draft PARIS report was approved for submission.

E. Miran sent a Call for Ideas grant to A. Wandell and D. Kenny. This grant is for non-profits and focuses on racial equity and being creative in the community. An example is to rent a home to a formerly incarcerated person. A. Wandell is not sure the land bank fits into the model. She will send out the RFP for the board to review and email her with any ideas.

LISC GRANT PROGRESS

759 East Second Street – D. Kenny reported that she has not had any interest in this lot. She asked if she should reach out to the neighbors again. The Land Bank is paying for the maintenance and insurance on this lot and it has been in our possession for a couple of years. She has tried to sell it for a couple of thousand dollars to the neighboring properties but has been unsuccessful. They were hoping a developer would be interested in it. Arbor will reach out to Habitat for Humanity to see if they are

interested in the lot. They have a new Executive Director and their Board President is Christine Snyder. R. Soda commented that last he knew they were not doing any construction currently due to COVID. The land bank could give them a timeframe to work on it.

ENTERPRISE GRANT PROGRESS

506 Franklin Street – The closing was held on October 20 for this house. The Land Bank broke even after addressing an issue with the garage and a maintenance cost.

329 Lorenzo Place – This property was put on the market in late August. There have been a lot of showings on the property and the realtors have received some feedback. The most common comment was about stains on the floor and the windows. Arbor resealed and repaired the windows that needed to be addressed. The contractor refinished the floor. The board discussed reducing the price a little to see if there was more interest. There are about 50 windows in the house. There was discussion on whether to give a credit for window replacing if there was interest in the house. A \$15,000 window credit was recommended as the windows that were replaced were about \$350 each. D. Burlew felt there must be another issue with the house and suggested Arbor look at it again. Arbor will touch base with the realtor to make sure she is talking about the positive sides of the home. Ann Bezio, our current realtor, does not have an exclusive contract. She is hired on a house by house basis. The board suggested soliciting other realtors to see if there is any interest in working with land bank properties.

212 Chapman Place – The project is moving along. The kitchen is in and the countertops will be in soon. There is new flooring in the kitchen and dining area. The project is about 60% complete.

1055 Admiral Place – Arbor did a walk through yesterday. This house is a heavy lift and has been demolished inside. Electric is in, inspected and approved. Utilities are on. This project is about 15% complete.

424 Balsam Street – This house was torn down and the property was closed on yesterday and is now in the hands of the new owner.

407 West Clinton Street – D. Kenny said Arbor is having issues with contractors to bid on jobs. They are behind with projects because of COVID. They are still interested in bidding, but their prices have increased significantly. Electricians and plumbers are being subcontracted out. The one bid the land bank received was from Don Farr for \$120,000 to rehab the house. There was concern with Mr. Farr who also bid on the Franklin Street property. He might be able to reduce his scope. Arbor will look into CDBG and HOME money to see if we can break even on this project. T. Sweet suggested that Arbor go back out to bid. Mr. Farr did not indicate that he needed money upfront. D. Kenny has reached out to Pennsylvania contractors and will contact them again to see if there is any interest in bidding. June 2021 is the timeframe for the rehab. Arbor tries to send RFP's out to 10 contractors. One of our contractors that bids on many projects already has rehabs on Chapman and Admiral.

909 Farnham Street – The one bidder came in at \$103,500 and Arbor estimated a \$72,000 rehab. This is a lighter job and the board felt the bid was too high. They just received the bid and will bring it back to the board next month. Arbor continues to try to increase the contractor pool. Some contractors do not have the funds, proper insurance or support to take on the job. Arbor will work with those contractors to make sure they have the right insurance.

410 and 412-414 Walnut Street – D. Kenny reported that we have been holding these properties for Andy Hughes. Mr. Hughes has backed out of the project. He stated that he had trouble refinancing on the 418 West Church Street rehab. His Columbia Street property is also a heavier lift. He is working with Elmira Savings Bank. He feels his rents might be too low to receive financing. The board agreed that they did not want to lose a good developer and would look into helping him. Elmira Savings Bank might not know about the project. We need to nurture Mr. Hughes and help him get the financing he needs. D. Burlew, N. Wagoner and J. Roman will contact Mr. Hughes to set up a meeting with him to discuss how we can help him. ESPRI funding is still in place.

NEW BUSINESS

Looking Forward – D. Kenny discussed how the land bank wanted to operate in the future. After listening to Katelyn Wright discuss different things the Syracuse Land Bank does to make them successful, the Chemung County Land Bank wants to take some of her suggestions under consideration. We have to wait for money to come in from the Enterprise properties. Farnham Street is the last property under Enterprise. A. Wandell will reach out to J. Furman to see if anyone didn't pay for the property they bid on from the recent online auction. The deadline for payment was September 30th.

ADJOURNMENT

Next Meeting – The next meeting is Wednesday, November 18, 2020 at 10:00 AM. On a motion by D. Burlew, seconded by N. Wagoner and unanimously carried, the meeting adjourned at 10:39 AM.

Respectfully submitted,

Mary K. Rocchi
Recording Secretary