



BOARD MEETING SUMMARY

DATE:
7/09/14

LOCATION:
200 Harrison Street, Jamestown

Attendees: Peter Lombardi (Chair), Mark Geise (Executive Director), Vince DeJoy (Member), Jim Caflisch (Treasurer), Gina Paradis (Administrative Director), Jeff Gossett (Secretary), John Hemmer (Member), Bill Morrill (Member), Steve Abdella (Attorney), Bill Carlson (Member), Rich Dixon (Financial Advisor)

Guests: Barney & Linda Kuzara (Moffit Ave., Dunkirk), Max Lindquist (intern), Reporter (Jamestown Post-Journal)

HIGHLIGHTS

1	Approval of Minutes - Minutes of May 21, 2014 meeting approved by motion from Jim C; Seconded by Bill M.
2	Financial - Rich Dixon provided a review and summary of the 2 nd Quarter Financial statement and explained the loss shown under "Revenues" merely reflects the 2 properties (Newland & Prendergast) which were recorded as assets at their appraised value, but sold at approximately 60% of that value, based on the formula developed for the sale of these properties.
3	Demolitions – Ms. Paradis and Mr. Geise reviewed the changes in policy delivered from the Attorney General's office (OAG). Contrary to our grant application and earlier discussions, the OAG decided that it would not fund demolitions of properties that are condemned but still are under private ownership. It was subsequently re-negotiated that the OAG funds could be matched for the overall demolition program, where those funds are used exclusively for properties titled to the Land Bank, County or City, and the City's match would be those funds expended on the demolition of privately-held but condemned or city-owned properties.
	Some discussion ensued regarding the impact that this new restriction would have on the ability of rural municipalities to participate. The Executive and Administrative Directors assured the Board that they are working with the rural

	<p>communities to identify solutions that would ensure meeting the goal of 20 rural demolitions over two years. Since these municipalities do not have access to other funding such as the cities do, the Land Bank will need to provide more support to these communities, and alternative solutions are being investigated to this end.</p> <p>The proposed Resolution amendment, reflecting the 50% match would be applied against the program, rather than on a per property basis, was further amended to include language to protect the rural demolition targets. (<i>See attached Resolution</i>) Amendment was made by motion from Jim C; seconded by Bill M. The Amended Resolution was passed unanimously, on a motion made by John H. and seconded by Bill C.</p> <p>Guests Barney and Linda Kuzara asked how this new restriction would impact the demolition of the property at 108 Moffit, and what the status of this demolition was. The property has been abandoned since 1979, and is on the Dunkirk demolition schedule. The Land Bank directors assured them that it is on the schedule for the first round of demolition to begin this summer. Discussion was shared on the challenges and issues surrounding this parcel.</p>
<p>4</p>	<p>REO (bank-foreclosed) Properties – Two additional properties have been offered to the Land Bank: 91 Pershing St. which is a vacant lot where a condemnation/demolition occurred last year, and 31 Almet Dr., a nice cape cod style home in a good neighborhood that appears to have been foreclosed on in mid-renovation. Both properties are being offered through Wells-Fargo, at no cost to the Land Bank. Vince DeJoy offered some background on the Pershing St. parcel and noted that Wells-Fargo appears to be the most conscientious bank that we have worked with thus far in terms of "doing the right thing" with foreclosed/abandoned properties.</p> <p>Due to the time-sensitive demands for acceptance of these donations, a Resolution was proposed to allow the joint acceptance of REO donations by the Chair and Executive Director, rather than the full board (<i>See attached Resolution</i>). Discussion ensued around the question of whether the donor bank provides a title search, and the recommendation was made that we include a stipulation that they provide funding to undertake a title search with the donation. This amendment was approved with a motion from Bill M., seconded by Vince D., and the amended resolution was passed unanimously on a motion from Jim C., seconded by Bill C.</p> <p>A property summary with photos will be sent to the Property Acquisition and Disposition Committee for review/comments/questions, with a 5 day comment period on all real property donations, prior to acceptance of all donated properties.</p>
<p>5</p>	<p>Formal Request from STEL – Ms. Paradis provided an overview of a request from STEL, Inc. to purchase options on some of our Dunkirk acquisitions for the assemblage of parcels they require for an upcoming grant application. Discussion ensued regarding the program objectives and details of the request/offer. Some questions were raised on the tax-exempt status of the organization and whether the option might incur additional tax debt; the attorney will investigate. While the Board does not wish to exclude these properties from the Negotiated Sale process (see Decision #3), they were generally in favor of the proposal. Ms. Paradis will continue to work with the attorney and STEL to prepare a more detailed proposal and a resolution for Board approval at the August meeting.</p>

6	<p>Inventory Status – Ms. Paradis and Mr. Abdella provided overview of property dispositions/updates, highlighting the closure of the sale on Union St. Westfield, the repairs required and currently being performed at Lincoln St. Dunkirk, and the status of Bruyer Rd. Stockton property. The issue with the stalled sale of the Cassadaga property was reviewed and a decision was made to withdraw the offer. Additionally, it was decided that a purchase agreement with a non-refundable deposit should be required on all Negotiated Sales going forward.</p>
7	<p>Side-Lots – Due to the increased demand for vacant lots through our Side-lot disposition program, the Board requests that we market the properties to neighbors and negotiate a nominal fee with any interested parties to help cover the cost of recording the deeds, etc. Each parcel would have to be evaluated to insure a fair market value for the sale of the properties.</p>
8	<p>Other – Mr. Lombardi discussed establishing two standing committees in accordance with the Public Authorities Act: an <i>Audit Committee</i> – made up of a minimum of 3 Board members, and a <i>Governance Committee</i> – made up of the Officers plus any additional Board members interested. He requested that interested members contact him so that the committees could be created by end of summer.</p> <p>The monthly Director's report was reviewed; no questions raised.</p> <p>Board membership was discussed again in relation to the resignations of Brian Lydic, Mike Bradshaw and Fred Larson. Formal letters of resignation should be requested from these members. John H. will discuss a replacement for Fred Larson, appointed as a Democratic representative of the Legislature. Vince D. suggested Bob Kenyon as a potential replacement for the Banking position. Some discussion ensued regarding the housing agency representation, and it was decided that while it would be beneficial to have someone with housing experience in their background, based on our current intentions to work with these organizations on acquisition targets, it may be perceived as a conflict of interest to have a current housing agency director/staff sitting on the board.</p>

DECISIONS

1	Please see attached for amended and new Resolutions
2	A property summary with photos will be sent to the Property Acquisition and Disposition Committee for review/comments/questions, with a 5 (business) day comment period on all real property donations
3	All acquired properties designated for rehab should follow the Negotiated Sale process; there should be no direct transfers.
4	A purchase agreement with a non-refundable deposit should be required on all Negotiated Sales going forward.
5	Side lots will be marketed to neighbors and a nominal fee negotiated with any interested parties to help cover the cost of recording the deeds, etc.

ACTION ITEMS	RESPONSIBLE	TARGET DATE
Prepare heightened marketing plan for properties	Gina P.	July 30
Continue to work with the attorney and STEL to prepare a more detailed proposal and a resolution for Board approval at the August meeting.	Gina P.	August 13
Investigate any risk factors & mitigates to STEL proposal	Steve A.	August 13
Prepare letter withdrawing the Land Bank from the sale of 35 Main St. Cassadaga to the proposed purchaser	Steve A.	July 14
Members interested in Committee positions should let Peter know at next meeting of Board	Board Members	August 13
Identify Democratic Legislator for Board appointment	John H.	July 30
Explore interest in board membership with Bob Kenyon	Vince D.	July 30
Request formal letters of resignation from exiting members	Mark G.	July 14

See Below for (Amended) Resolutions Passed at this meeting

CCLBC Board Resolutions (DRAFT VERSION WITH AMENDMENTS MADE AT MEETING)

Amended Resolution #05-21-14-01

RESOLVED, that the Chautauqua County Land Bank Corporation ("the Land Bank") approves the funding match for the demolition targets proposed by the cities of Jamestown and Dunkirk, New York and other Chautauqua County municipalities, from grant monies received from the Office of Attorney General's ("the OAG's") Community Redevelopment Initiative. These properties include, but are not limited to, the attached list as of this date (see Attachment 1);

and be it further

RESOLVED, that the Land Bank Chairman and Vice-Chairman are each individually authorized to enter into contracts, or execute and deliver any instrument pertaining thereto, assigning General Contractor responsibilities to municipal entities for the above-referenced demolition projects and other such projects approved by the Chairman or Vice-Chairman utilizing funding from the Office of Attorney General ("OAG"), provided

that said contracts/agreements meet the specifications provided by the OAG for the work to be done; and be it further

RESOLVED, that the Land Bank hereby allocates monies from the OAG grant for demolition funding assistance, of up to 50% of the cost of the entire demolition program, for a total not to exceed \$1,000,000 pursuant to the OAG grant and its defined targets for City and rural properties; and be it further

RESOLVED, that the Land Bank Chairman, and the Executive Director, are hereby authorized and empowered to execute all payments to the municipalities based on the above match, pending successful completion of the demolitions according to those specifications provided in the contracts with each municipality.

Resolution #07-09-14-01 – Resolution Authorizing the Acceptance of Donations of Real Property from Political Subdivisions and Entities Other Than Political Subdivisions

RESOLVED, that the Chautauqua County Land Bank Corporation authorizes the Chair, and Executive Director, to jointly approve the acceptance of donations of real property that meet the mission and purposes of the Land Bank from both political subdivisions and from entities other than political subdivisions, provided, however, that donations from entities other than political subdivisions shall be limited to real property that is tax delinquent, tax foreclosed, vacant, or abandoned; and be it further

RESOLVED, that the donor provides or funds a title search to insure the property is unencumbered; and be it further

RESOLVED, that the Chairman, and Executive Director, are authorized and empowered to enter into any contract, or to execute and deliver any instrument pertaining thereto, the acceptance of these donated properties on the Land Bank's behalf.