

Chemung County Property Development Corporation
Minutes of the Meeting
April 15, 2020

A meeting of the Chemung County Property Development Corporation convened via conference call

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

Also present were Jeanne Glass, Danielle Kenny and Rocco Soda, Arbor Housing; Hyder Hussain, Chemung County Law Department

Call to Order/Approval of Minutes

Chairman T. Sweet called the meeting to order at 9:00 AM. On a motion by J. Roman, seconded by N. Wagoner and unanimously carried, the minutes of the March 18 meeting were approved, pending spelling correction to contractor John Franzese's name in the minutes.

Old Business

Open Board Seat: D. Kenny reminded the board of an open board seat is pending the County Executive and Mayor's approval of the new member.

Land Bank Association, Regional Conference: A. Wandell provided an update on the Land Bank Regional Conference, which was originally to be hosted at the Radisson in Corning, NY. Because of the Covid-19 outbreak, the conference will be postponed. Arbor is working with the Land Bank Association to finalize new dates. A. Wandell reports they would like to hold the conference Spring 2021; the date is pending approval from the association.

Reappointment Letters

D. Kenny reminded the board that reappointment letters for N. Wagoner and E. Miran are pending.

Financial Reports

Monthly Reports: A. Wandell reviewed the financial reports with the board. She reviewed the Enterprise Community Partner pay request submission. Approximately, \$500,000 remains on the grant to be requested. The current request will be signed by T. Sweet. J. Furman asked for clarifications on receivables and what items were included on this line item. A. Wandell will have CFO provide additional information to her directly.

Audit: A. Wandell provided the Independent Audit Report for the boards review. J. Furman requested the definition of donations. D. Kenny confirmed that this amount included John Street lot sale and similar properties. J. Furman also asked for clarification on how donated properties are handled. A. Wandell confirmed that for grant purpose the donated properties are considered assets, towards grant applications, but will not be used to calculated project costs per rehab. J. Furman comments that the Cash is exceeding the FDIC insured amounts and would recommend exploring diversification of the asset. J. Furman asked about why the general insurance line amount was increased. A. Wandell

explained that the firm Brown & Brown was selected because of their expertise and ability to insure Land Banks; however, there was an increased cost associated with this firm. J. Furman asked if there had been any outside audits or reviews from funders such as Enterprise or LISC. A. Wandell replied that they have not been audited on site, but she has provided reports and financial information to the organizations. J. Furman requested that the board be informed of any such reviews or audits.

On a motion by J. Furman, seconded by J. Roman and unanimously carried, the board approved the 2019 Independent Auditors' Report.

LISC Grant Progress

450 West Washington Avenue: D. Kenny reported that the house remains on the market. R. Soda recommends lowering the listed price to \$94,700. Because of Covid-19, the market is flat and the house has been on the market for over 4 months. J. Furman recommended \$99,500 to drop the price just under \$100,000. J. Furman asked if there has been anymore discussion on Land Bank operating as a property manager for rental as a revenue source. N. Wagoner commended that owner-occupied units help to stabilize neighborhoods from deterioration, so rental units should not be prioritized. J. Roman commented that other land banks have had success with different property development that included rental properties and this should be viewed as just another tool in the toolkit towards property development. R. Soda commented that the sale of the property goes towards the revenues, so there could be revenue shortfalls in a property management model instead of the sale of the rehabbed properties.

On a motion by J. Roman, seconded by N. Wagoner and unanimously carried, the board approved the listing of 450 West Washington at \$99,500.

Lot Updates/Demos

269 West Chemung has an offer of \$1, application was incomplete when submitted but will be moving forwards with the sale of the lot once completed. On a motion by J. Roman, seconded by N. Wagoner and unanimously carried, the board approved the sale of 269 West Chemung to Michael Carrigan, pending a completed application.

759 E Second Street has had no progress as of yet, the lot has been listed on Zillow and Craig's List.

510 John Street D. Kenny reports that the will be purchased by David Morgan for \$10,000. He typically purchases properties off the tax auction but was unable to do so this year because the auction was canceled.

On a motion by J. Roman, seconded by N. Wagoner and unanimously carried, the board approved the 510 John Street to David Morgan for \$10,000.

Enterprise Grant Progress

506 Franklin Street: J. Glass reported that the property is about 60% completed and still under construction. The siding and porches are all completed and ready to be painted. It should be ready for

a walk through in another week or two. T. Sweet asked how these projects are impacted because of Covid-19 and Executive Orders. R. Soda notes that this does not impact affordable housing projects.

329 Lorenzo Place: J. Glass reported that the contractor for Franklin is also on this project. The project is approximately 25% completed. Habitat for Humanity has completed the painting on the inside of the house. This saved about \$4,000. The contractor is working on the garage and installing all new windows.

1055 Admiral & 212 Chapman: J. Glass reported that John Franzese is the lowest bid contractor for the 212 Chapman, which was approved at the last meeting, but work is impacted because of Covid-19. For 1055 Admiral two bids were received in the sums of \$137,165 and \$140,960 for construction and full scope of work. It is not recommended to accept these bids because of the high amounts. Arbor will have construction coordinators review and reduce the scope of work including potential collaboration with Habitat for Humanity. J. Glass hopes that they can schedule an abatement in May.

424 Balsam: R. Soda reports that 424 Balsam is cost prohibitive as a rehab and should be demoed. If condemned by Code Enforcement that would allow for a contained demolition. It currently has excessive friable and non-friable asbestos in the plaster, flooring and siding. Much of the asbestos ceiling came down when the roof caved in and is hazardous now. The home has extensive mold in attic, second floor and basement. Porches are not structurally sound and foundation has cracked / heaved in spots. Neighbors would probably purchase the lot once it is demoed. However, he has not been able to connect with Code because of staffing with Covid-19. Arbor would like to have Code walk through the property with them and discuss condemning the property.

320 Webber Place: D. Kenny reported that the developer's offer of \$6,000 was approved and now is in the process of closing.

410 and 412-414 Walnut Street: D. Kenny reported that Andy Hughes is the developer. She is currently waiting on the closing. The attorney has confirmed that the property will have deed restrictions in place for the ESPRI Grant which will keep the property eligible to be counted as an Enterprise deliverable. The project should be completed within a year of closing.

New Business

407 West Clinton: R. Soda reported on the plan to purchase Cornerstone Properties as an alternative to selecting properties off the County Auction. R. Soda recommended the 407 West Clinton site as a property that would be successful for land bank. The project would require new kitchen, bath, roof, boiler, flooring, and electric. Additionally, there is assumed asbestos on the pipes. The rehab could be done for approximately \$65,000 with a list/sale price of \$100,000.

On a motion by N. Wagoner, seconded by J. Roman and unanimously carried, the board approved an initial purchase offer of \$7,500 with authority to increase up to \$12,500.

Next Meeting/Adjournment

The next meeting will be Wednesday, May 20th at 9:00 AM. On a motion by J. Roman, the meeting adjourned at 9:44 AM.

Respectfully submitted,

Emma Miran
Recording Secretary