

Rochester Land Bank Corporation

Meeting Minutes

January 21, 2016

City Hall, Rm. #223-B

30 Church Street,

Rochester, NY 14614

Board Members Present: Andrea Guzzetta, Kim Jones, Gary Kirkmire, Kate Washington, Carol Wheeler

Board Member(s) Absent: Dana Miller, George Parker

Non-Board Members Present: Maritza Mejias, Rianne Mitchell, Kathy Sheets, Scott Smith

The meeting was called to order at 3:04 pm by Carol Wheeler, Board Chair.

The minutes from the last meeting were distributed. Gary Kirkmire moved that the minutes be approved; Andrea Guzzetta seconded. The motion was approved by the board.

The board next discussed Resolution No. 1 of 2016 to amend the Land Bank's Investment Guidelines. Kim Jones explained that the amendment was to ensure that the depositories listed comported with the recent changes made to the City of Rochester's authorized depositories. Gary Kirkmire made a motion to approve the resolution; Kim Jones seconded it. The board approved the amended guidelines.

In the absence of George Parker, Carol Wheeler called for the election of a Secretary Pro tem. Kate Washington nominated Gary Kirkmire. No other nominations were made. Carol Wheeler then called the question and the board voted to elect Gary Kirkmire as Secretary Pro tem.

Next on the agenda was Resolution No. 2 of 2016 authorizing the funding of the demolition of additional properties through the CRI grant program. Kathy Sheets noted that the resolution did not make clear that one of the properties was not currently owned by the Land Bank or the City. Scott Smith recommended that the resolution be changed to separate 43 Sterling Street from the other properties and add a clause indicating that the property would meet the criteria for inclusion in the CRI grant program upon transfer to Land Bank or City ownership, and add a resolution that the property would be suitable for the inclusion upon its donation to the Land Bank. Gary Kirkmire asked Program Manager Maritza Mejias whether these would be the final demolitions included in the CRI grant program. She answered that these would likely exhaust the funds that had been awarded. Gary Kirkmire suggested that the resolution include language to clarify that the \$395,000 awarded was not just intended to reimburse expenses for these properties but for the previously approved properties, as well. Andrea Guzzetta moved that the resolution be approved with the changes discussed. Gary Kirkmire seconded the motion. The board voted to approve the resolution.

The Chair then opened discussion of strategies for upcoming CRI grant activities. Kathy Sheets explained that the Round 1 goal of acquiring fifty properties for use in HOME Rochester has been met with more than a quarter of the funds designated remaining, as HOME Rochester has found other sources of properties – such as HUD's ACA program and

donations from foreclosing banks – to allow them to run at capacity. Accordingly, the CRI program manager has agreed to allow the Land Bank to submit a plan to reprogram the remaining funds to accomplish other activities that meet the goal of community revitalization. Kathy Sheets offered three potential uses for the funds that relate to blight removal. The first involved the Pulaski Library Building. The property was the subject of the Land Bank's 2015 Consolidated Funding Application. While the application was not funded, the Land Bank may have an opportunity to prevent further deterioration to the property. A portion of the excess acquisition funds could be used to purchase window guards that would allow the ventilation necessary to minimize further damage from mold while still providing protection from vandalism with minimal impact on façade. Quotes were being solicited from two companies. Gary Kirkmire offered the name of another company that also provides a security alternative to the traditional "board-up" materials using Plexiglas. Maritza Mejias asked if the company was local. Gary Kirkmire answered that it did have a local warehouse and, that while he was not sure that they had an option that provided ventilation, the clear material helped significantly with the perception of blight. Kathy Sheets said that Land Bank staff would investigate whether their product might be a comparable option.

The second project the Land Bank might propose to the OAG was the interior demolition of a multi-use property purchased for Strategic Blight Removal at the City tax foreclosure auction. A local not-for-profit developer has expressed interest. The developer's project is contingent on receiving state funding, but if the Land Bank were able to pay to gut the structure, it may reduce the potential development costs to a level that would make the project more feasible. Gary Kirkmire asked about the property's use. Maritza Mejias answered that it had retail space on the first floor and two apartments on the second. The third potential use of the excess funds could be to address 44 Aldine Street. The potential purchaser conditionally approved by the board at the last meeting was unable to meet the conditions of the Land Bank's Property Disposition Policy and the RHDFC felt it was unlikely that they would find another suitable owner-occupant to purchase the property by the Land Bank's March 1st deadline to exercise its reverter clause. Kathy Sheets suggested that if the property does come back into Land Bank ownership, some of the funds could be used to reimburse some of the exterior renovation costs of an approved purchaser who agreed to employ the historical preservation standards of the Secretary of the Interior, as the property is in a neighborhood that has applied for recognition in the state and national register.

Carol Wheeler then shared that the RHDFC had approached her about keeping the property in the HOME Rochester program by using the Greater Rochester Housing Partnership as the developer, as the Urban League no longer had the funds to carry out the rehabilitation. The GRHP would waive its developer fee, but would still need additional subsidy from the City and possibly the Land Bank. Kathy Sheets explained that any additional funding requested from the OAG would need to be described on a revised pro forma and it would seem reasonable to cap it at the Round 2 rehabilitation limit as it had been removed from Round 1 at RHDFC's request. Kim Jones asked how long the rehabilitation would take. Carol Wheeler answered that the time required would be comparable to that of any other developer working on a HOME Rochester property. Gary Kirkmire asked if the SONYMA funding recently awarded to the GRHP could be used. Carol Wheeler explained that those were loan funds that would be available to the owner-occupant purchaser rather than a grant that could be used for subsidy. Kate Washington said that she would not object to the property remaining in HOME Rochester provided the RHDFC would provide some level of subsidy match. She indicated that she would like to see that included on the revised pro forma. Carol Wheeler expressed the opinion that finding a way to keep the property in the HOME Rochester program would be the most holistic resolution.

Kathy Sheets then turned to discussion of the Land Bank's strategy for disposition of the other properties acquired for Blight Removal. She had distributed to the board a Request for Qualifications document based on a pilot City Program called "Reinvest in Rochester." The program had run in two consecutive years and was very successful. The City sold fifty-five properties to pre-qualified buyers as part of a sealed bid process. All of them obtained Certificates of Occupancy prior to transfer. Gary Kirkmire asked how many properties were involved and how many bidders were expected to participate. Kathy Sheets answered that Land Bank staff was still in the process of inspecting the properties purchased at the Tax Foreclosure Auction, but there were between 10-15 properties that were salable. She expected a significant amount of interest from the investors who frequent the City's pre-qualified sales. Maritza Mejias noted that

on average, these properties were in much better condition than those the City generally acquired at the auction. Kathy Sheets pointed out that the revenue from the sale of the properties at fair market value would be discretionary funds the Land Bank could direct toward a future activity. The anticipated sale date would be sometime in April. Gary Kirkmire asked how the sale would be promoted. Kathy Sheets answered that it would certainly be on the website and that there were CRI grant funds that could be used for marketing. Kim Jones asked whether there would be an informational meeting for the public. Kathy Sheets said that there would.

The board next addressed Resolution No. 3 of 2016 authorizing the Land Bank to continue its membership in the New York Land Bank Association for the 2016 calendar year and pay the requisite dues. Kathy Sheets noted that the activities of the association at the state level had already put the Land Bank in an improved position due to the removal of deed recording fees and the efficiencies provided by simplifying the property disposition process. Gary Kirkmire made a motion to approve the resolution. Kate Washington seconded it. The board voted to approve the resolution.

Kim Jones then presented the Treasure's Report and the CRI grant report.

The meeting was adjourned at 4:02 pm.

ATTEST: 
George Parker - Secretary, Rochester Land Bank Corporation