

**Rochester Land Bank Corporation**

**Meeting Minutes**

**August 18, 2016**

**City Hall, Rm. #223-B**

**30 Church Street,**

**Rochester, NY 14614**

**Board Members Present: Andrea Guzzetta, Gary Kirkmire, George Parker, Dana Miller, Carol Wheeler**

**Board Members Absent: Kim Jones, Kate Washington**

**Non-Board Members Present: Margot Garcia; Susan Lindsay; Maritza Mejias; Rianne Mitchell; Paul Scuderi; Scott Smith**

**The meeting was called to order at 3:05 pm by Carol Wheeler, Board Chair.**

**The minutes from the last meeting were distributed. Dana Miller moved that the minutes be approved; George Parker seconded. The motion was approved by the board.**

**The board next discussed Resolution No. 15 of 2016 to approve the sale of five properties to prequalified purchasers. Dana Miller noted that three of the properties were to be sold to the same high bidder. He asked whether Land Bank staff were confident he would be able to complete them in the amount of time allotted. Maritza Mejias answered that the same buyer had purchased a property from the Land Bank in March and had completed the rehabilitation in time to participate in the August auction. Gary Kirkmire added that none of the buyers' names were known to him to be property owners that had previously presented a problem to the Bureau of Inspection and Compliance Services. Carol Wheeler asked if any of the purchasers planned to occupy the property. Maritza Mejias indicated that while one buyer indicated at the auction that he intended to occupy the property, he has since decided to rent it. Gary Kirkmire asked for confirmation that the affordability requirement still applied to these purchasers. Maritza Mejias answered that it did. George Parker made a motion that the board approve the sale of the properties to the stated purchasers. Gary Kirkmire seconded the motion. The board approved Resolution No. 15.**

**Next on the agenda was Resolution No. 16 of 2016 to authorize donation of 23 Copley Street to the City of Rochester. Carol Wheeler explained that the Land Bank had purchased the property at the City's "Below Lien" Sale in March and, upon inspection, had found it to be too deteriorated for resale. The Land Bank intends to donate the property to the City for demolition. Gary Kirkmire said that if a privately-owned property appears vacant and is unsecured, it is within the scope of City Code Inspectors to enter the property to confirm that it is vacant. He offered to have City Code Inspectors give an opinion of the condition of any properties in that situation, if the Land Bank informed him with enough notice of which properties it intends to purchase at the Tax Foreclosure Auction. He suggested this might help to avoid situations where the condition of a property is too deteriorated to be used for the Land Bank's intended purpose. Paul Scuderi said a visual inspection could be helpful, but that would unfortunately not have helped in a situation like this one where mold has developed. Carol Wheeler said that such an inspection will be even more helpful if the Land Bank purchases properties for the City's proposed rehabilitation/homeownership program. Gary Kirkmire**

added that the State's new Abandoned Property Relief Act will make it possible to access data from the County Clerk that could allow forecasting of which properties might be redeemed prior to the auction. This would further limit the properties that the Land Bank would be asking the City Inspectors to view. Dana Miller asked whether 23 Copley Street would go to the front of the line in the City's demolition priorities. Margot Garcia explained that as this property did not fall under the demolition contract between the Land Bank and the City, it was not guaranteed priority. Gary Kirkmire said that the current demolition inventory was not extensive so there should be no real delay. Andrea Guzzetta asked if this donation will be presented to City Council as part of the regular sale of real estate item or if it would be separate. Margot Garcia answered that it would be separate. George Parker made a motion that the board authorize the property donation. Dana Miller seconded it. The board approved Resolution No. 16 of 2016.

The board then discussed the implementation of the strategies developed by the Risk Mitigation working group. Carol Wheeler asked if the Land Bank had already taken steps to address the high impact items identified by the working group and if there were any items that needed to be added given the findings of the State audit. Andrea Guzzetta replied that it may make sense to add the procedural changes recommended by the auditor to the Internal Controls Policy. Carol Wheeler suggested the board postpone any policy changes until the Treasurer is present. Gary Kirkmire asked Land Bank staff to walk the board through the preliminary findings of the audit. The auditor advised that the board should be presented with a monthly cash disbursement report that showed a line item for each expenditure in addition to the Treasurer's Report where the information was presented in summary form. In addition, the auditor advised the Land Bank to provide additional oversight to its development partner, including requiring more frequent reporting of construction progress, documentation of the process to select construction managers, documentation of the bidding and qualification process for contractors, and verification of the profit ratio and the time between the Notice to Proceed and construction start. Maritza Mejias explained that the nearly all of these items are monitored by the City and maintained in its property files with reports distributed or available to her, but the Land Bank had not maintained some of the items in its own files. Gary Kirkmire said these findings should be addressed in any risk mitigation plan. George Parker recommended that an item be added to the Project Based portion of the matrix designed by Dana Miller. Andrea Guzzetta asked how the board would like to move forward. Carol Wheeler asked that the matrix be modified, but that decisions about modifying policies be delayed for further discussion and input from the Board Treasurer.

Dana Miller proposed that the board postpone discussion of the Treasurer's Report until the next board meeting.

The next item discussed was the board's ongoing action plan. Carol Wheeler asked when the Land Bank could expect to take title to the properties it purchases at the City Tax Foreclosure Auction. Scott Smith said that the time interval between last year's auction and the recording of the Land Bank deed was approximately a month and that it would be comparable this year. Carol Wheeler asked Gary Kirkmire to discuss any possible Land Bank interaction with the Zombie Property Remediation Grant proposal. Gary Kirkmire answered that while only the municipalities that were invited to submit proposals were eligible for the grant, the proposed grant activities would certainly facilitate the abandonment process which could make properties that were formerly unavailable to the Land Bank accessible for use in its future activities.

The board then had some further discussion on the City's new homeownership/rehabilitation program. Susan Lindsay, the program manager, attended to answer some of the questions the board had posed at the previous meeting. Dana Miller asked if she anticipated the same service providers that normally partner with the City on housing projects. Susan Lindsay answered that many of those who attended the informational meeting were familiar faces, but that the

respondents will likely be forming partnerships to provide the entire package of services necessary to the program's buyers. Andrea Guzzetta asked who is on the team to review proposals. Susan Lindsay answered that members of the Housing, Real Estate, and Project Development Divisions would review. Paul Scuderi asked what will happen if the buyers do not complete the rehabilitation on the properties. Carol Wheeler explained that the City's investment will be secured by a mortgage against the property. Susan Lindsay agreed to attend the October meeting when the board will be authorizing the properties it intends to bid on at the tax foreclosure auction, but invited the board members to contact her with questions.

The meeting was adjourned at 4:15 pm.

ATTEST:   
George Parker — Secretary, Rochester Land Bank Corporation  
Gary Kirkmire, Secretary Pro-tem