

Rochester Land Bank Corporation
Meeting Minutes
September 10, 2021
Electronic Video Call

Board Members Present: Dana Miller, Carol Wheeler, Kim Jones, Mary-Kate Hasselwander, and LaShay Harris

Board Members Absent: Kurt Martin

Non-Board Members Present: Paul Scuderi, Stephanie Prince, Maritza Mejias, Rianne Mitchell, Cindy Castillo

The meeting was called to order at 3:07 pm by Dana Miller.

The minutes from the last meeting were distributed. LaShay Harris moved that the minutes from the last meeting be approved; Kim Jones seconded. The motion was approved by the board.

Kim Jones presented the **Treasurer's Report and the Cash Disbursement Report** for the month of August. Payments were listed on the cash disbursement report: payments made to Shanita Parson, WNY Homes LLC and Rochester Housing Development Fund Corp. for the return of their deposit for the 6 Madison St RFP; payment made to RG&E for utility services for 225-227 Michigan Street; property tax payment to the City of Rochester for the first and second installments for 225-227 Michigan Street; payment to Democrat & Chronicle for the advertisement for 6 Madison St; payments to Flower City Habitat for Humanity Inc. and Rochester Housing Development Fund Corp. for rehab and environmental remediation for properties 35 Copeland St and 156 Augustine St. The Treasurer's Report lists the revenues received from NYS grants and the amount received from Rosario Home Improvements for the purchase of 6 Madison Street. The disbursements are categorized accordingly.

Kim Jones presented the **Treasurer's Report and the Cash Disbursement Report** for the first part of September. Payments thus far were listed on the cash disbursement report: payments made to EMS for the security monitoring for 225-227 Michigan St and RG&E for a utility services for 225-227 Michigan Street. Treasurer's Report classified those disbursements accordingly.

Reports were distributed to all members for review.

Dana Miller asked for an update of the 225-227 Michigan Street foreclosure action. Paul Scuderi advised the application and proposed order have been prepared and understands they were submitted to the Judge by the City of Rochester Law Department. This is the final step of the foreclosure action prior to holding the auction. Rianne Mitchell confirmed and advised we would have a public auction because this action is a mortgage foreclosure. We do not think it will sell at the auction due to the total amount due and the purchase restrictions. Once the property sells back to RLBC, we will be able to list the property.

The board's first item on the agenda was the discussion of the reallocation of the **CRI IV Acquisition Funds**. Rianne Mitchell advised there are \$82,000 remaining in acquisition funds from CRI IV of which we are in the final extension. Our grant manager from Enterprise has confirmed there will be no more extensions granted for these funds. Given that we have not acquired any properties from the private market and that we are awaiting the next foreclosure auction; our

grant manager is uncomfortable us waiting to expend those funds. She has suggested that we could use those funds as a loan loss reserve for an acquisition/rehab fund that could be administered by Home Headquarters. They do this in many locations around the State. It would serve the idea of acquisition of the type of properties the RLBC is interested in purchasing, turning around and getting into the hands of owner occupants. It will also allow for some community members who are not eligible for a traditional mortgage to become an owner occupant. We have met with Home Headquarters to discuss what kind of agreement would need to be in place. Lashay Harris wanted to confirm if \$82,000 was the remaining amount and asked what was the initial amount of the grant. Rianne Mitchell confirmed the remaining amount for the category of acquisition was \$82,000 and Maritza Mejias advised that the total award for all categories of CRI IV was \$1,910,000. Paul Scuderi advised that the Home Headquarters program is a 5 to 1 match. If we hand them \$80,000, they will make available \$400,000 to RLBC partners for acquisition and rehab. We would then provide a more full-service type of a real estate service by acquiring properties, selling them and providing our buyers access to funds for rehab. They offer a very competitive interest rates and very fair terms at market rate. The program will help make RLBC sustainable and expand our range of services going forward. Lashay Harris advised 203K loans are not particularly prevalent in our local real estate market and this program will thrive in our community. Paul Scuderi agreed. Carol Wheeler then asked if we had a sense of the underwriting criteria and how flexible they will be. Paul Scuderi advised with discussing the program and looking at other land banks, the underwriting will essentially be similar to the traditional midline credit. Rianne Mitchell then advised with Home Headquarters now becoming on their own as a lender with the Federal Home Loan Bank of NY, they have more flexibility to look at other underwriting standards. We are looking into helping more individuals than the partnerships. Rianne explained it would be a loan reserve for people interested in purchasing properties from RLBC wherein they could buy the property, we would provide the scope of the rehab and if they are eligible for that amount of funds, then that would be their mortgage amount. Dana Miller then wanted more clarification as to the request for consideration for an additional \$20,000 in funds from the City of Rochester to total \$100,000. Paul Scuderi confirmed he submitted the request for the additional funds to the commissioner's office in hopes to have \$100,000 for the program and Home Headquarters would match for a total of \$500,000.

The board's next item on the agenda was discussion of **Local Funding Opportunities**. Paul Scuderi provided the Board with information that the City of Rochester will be contributing significant amounts of money to RLBC from two different sources. One being from a year end Capital Amendment in the sum of \$500,000 pending approval by City Council of which funds have been earmarked for acquisition. We are hoping we will be able to use those dollars once the foreclosure is held in obtaining properties. This will be able to help RLBC be self-sustaining going forward and will give us more flexibility and ability to acquire, hold and manage them. The second source will be from American Rescue Plan Act (ARPA) dollars. RLBC will receive the amounts in three separate disbursements of \$800,000 for three fiscal years starting fiscal year 2023 for a total of \$2.4 million. With these resources, RLBC will be able to be in good shape to be able to proceed with our goals. Paul Scuderi suggests that we should arrange for RLBC staff and the board to have a strategic planning meeting to have a further understanding of where the expected funds are coming from and develop a plan of management within the next month or two.

The board's next item on the agenda was discussion of **RLBC Board Member Self Evaluation**. Rianne Mitchell advised we have received one respondent's completed evaluation and requested that the remaining members please complete and forward the evaluation so we can add to the Annual Report. Rianne also reminded everyone the next board meeting will be the RLBC Annual meeting.

Dana Miller brought the discussion to a close. Kim Jones made the motion to adjourn the meeting, LaShay Harris seconded, all were in favor.

The meeting was adjourned at 3:44 pm.

ATTEST:  _____
LaShay Harris – Secretary