

Rochester Land Bank Corporation
Meeting Minutes
October 21, 2021
Electronic Video Call

Board Members Present: Dana Miller, Carol Wheeler, Katy Hasselwander and Kurt Martin

Board Members Absent: Kim Jones and LaShay Harris

Non-Board Members Present: Stephanie Prince, Rianne Mitchell, Maritza Mejias, Cindy Castillo and Kerry Quaglia and Tanya Leonard of HOME Headquarters

The board meeting was called to order at 3:06 pm by Dana Miller.

The minutes from the last meeting were distributed. Carol Wheeler moved that the minutes from the last meeting be approved; Kurt Martin seconded. The motion was approved by the board.

Kim Jones was absent from the meeting and was not able to present the **Treasurer's Report and the Cash Disbursement Report** for the month of September. Rianne Mitchell advised the reports would be provided upon Kim's return from vacation.

Dana Miller then went to the next item on the agenda, the **presentation from HOME Headquarters**. Kerry Quaglia, CEO of HOME Headquarters, introduced himself and Tanya Leonard, Mortgage Origination Manager, and provided some background on their organization. Headquarters is a Community Development Financial Institution (CDFI). In central New York, they also do development wherein they have purchased over 100 properties from the local Land Bank in Syracuse, rehabbed them and sold them to owner occupants. In other parts of the state as well as in Central New York, they provide the financing for some Land Bank properties. Kerry Quaglia explained, since properties purchases and rehabilitated by HOME Headquarters require subsidy and much of that subsidy has limitations, they have developed an Acquisition and Rehab Fund where they are able to provide financing for acquisition and rehabilitation by an owner occupant or an investor purchasing from a Land Bank. So far they have done this for 50 Land Bank properties in Syracuse and have spread into other Land Banks in the State. Kerry Quaglia then went into the details of the program and the process of such financing. He advised since this lending is at a higher risk than the traditional financing companies, there is a loan loss reserve set in place in case there is a loss in the financing process. Kerry Quaglia then discussed briefly the process of reviewing and approving applicants. Kerry Quaglia then advised that HOME Headquarters was recently admitted into the Federal Home Loan Bank of New York which gives them unlimited access to liquidity allowing this program to be even more successful.

Dana Miller then asked if HOME Headquarters works primarily with Land Banks or would they also work with individuals. Kerry Quaglia responded they work with anyone. As their mission is for neighborhood revitalization and affordable housing and if that is the end goal, that will be fine. Carol Wheeler then asked if there was an average loan amount for each house. Kerry Quaglia responded if it is without subsidy, the average has been around \$100,000. But what decides if a project is feasible is an after rehab appraised value. Carol Wheeler then asked what is the typical interest rate. Kerry Quaglia advised the interest rate is flexible and is determined by cost of funds. He explained at the moment it is at 4.49%. He also advised they have recently won an award from Neighbor Works America that allows them to reduce the interest rate when there is a minority purchaser. They are trying to have the product be more advantageous to and to

have more minority investors and minority owner occupants. Carol Wheeler then asked what is the term of the financing. Kerry Quaglia responded they give 25 years and try to get the house done within a year. Carol Wheeler then asked if there are any income requirements. Kerry Quaglia responded that they do not have an income limitation, but if there is any sort of a subsidy involved, there will likely be income requirements. Carol Wheeler then asked how long is the application process. Tanya Leonard of HOME Headquarters responded pre-qualifications are usually completed in three days as long as all required documents are submitted. The complete process from submitting a purchase price to closing traditionally takes 45 to 60 days as long as there are no title issues. Carol Wheeler then asked who would have the specs done. Kerry Quaglia responded that it varies by organization and gave the example of Albany and Syracuse Land Banks who have Land Bank staff prepare and provide the work specifications. As far as requirements of the contractor they would have to be RRP certified but no special license is required. They just have to be a general contractors and carry workers' comp insurance, have general liability of \$1million dollars, and have an EPA license. Kurt Martin then asked if this would work with our Land Bank partners. Rianne Mitchell advised, as of now, the program we are trying to develop with HOME Headquarters currently focuses on directly owner occupants. We would have to have something separate from the program we are currently envisioning. We can certainly have them introduced for a future program to incorporate Land Bank partners. Dana Miller thanked Kerry Quaglia and Tanya Leonard from Home Headquarters joining the meeting and providing their information.

The board's next item on the agenda was the discussion of **National Land Bank Network Summit**. Rianne Mitchell advised the National Land Bank Network Summit this year is taking place of the Reclaiming Vacant Properties conference which is held approximately every 1.5 years and is sponsored by the Center for Community Progress. The summit (which is virtual) is scheduled for Wednesday, November 3rd of which the RLBC staff will be attending. Rianne Mitchell shared the link with the board in the event any of the board members wanted to attend and advised the summit is free of charge. Rianne Mitchell also shared that the next Reclaiming Vacant Properties conference has been scheduled for September 7 thru the 9th and will be held in Chicago, IL.

The board's next item on the agenda was discussion of **CRI Grant Update**. Maritza Mejias provided an update and advised we have spent down 83% of our grant. She also advised from the 30 rehab projects we currently have, 25 have obtained their C of O's. The remaining projects include 6 Madison, three properties with the RHDFC and one with Habitat for Humanity. Once all five are done, we will have all rehab and environmental monies spent.

The board's next item on the agenda was discussion of **N4N Update**. Maritza Mejias provided an update and advised 225-227 Michigan Street is in the final stage of the foreclosure process. Rianne Mitchell has advised we are currently waiting for the Judgment to be signed and entered.

Dana Miller brought the discussion to a close. Carol Wheeler made the motion to adjourn the meeting, Katy Hasselwander seconded, all were in favor.

The meeting was adjourned at 3:41 pm.

ATTEST: 

LaShay Harris, Secretary