



TCPDC

TIOGA COUNTY PROPERTY DEVELOPMENT CORPORATION

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**Tioga County Property Development Corporation
Board Meeting Minutes**

**Wednesday, September 25, 2019
5:30 p.m.**

**Ronald E. Dougherty County Office Building
Economic Development & Planning Conference Room #201
56 Main Street, Owego, NY 13827**

1. Call to Order: Deputy Chair Ayres called the meeting to order at 5:33 p.m. with eight board members in attendance.
2. Attendance:
 - a. Board of Directors: Patrick Ayres (Deputy Chair), Michael Baratta (Secretary), Ralph Kelsey (Treasurer), Stuart Yetter, Christina Brown, George Williams, Lesley Pelotte, and David Astorina
 - b. Staff: Teresa Saraceno, Cathy Haskell
 - c. Excused: Martha Sauerbrey (Chair)
 - d. Absent: None
 - e. Guests: None
3. **Old Business**
 - a. **Approval of July 24, 2019 Board of Directors Meeting –**
Deputy Chair Ayres requested a motion to approve the July 24, 2019 Board of Directors Meeting minutes.
Motion to accept approve the July 24, 2019 Board of Directors Meeting minutes as written.

**S. Yetter/M. Baratta/Carried
None Opposed
Abstentions – 1 (G. Williams)**
 - b. **Approval of July 24, 2019 Governance Committee Meeting –**
Deputy Chair Ayres requested a motion to approve the July 24, 2019 Governance Committee Meeting minutes.
Motion to accept approve the July 24, 2019 Governance Committee Meeting minutes as written.

**L. Pelotte/S. Yetter/Carried
None Opposed
Abstentions – 1 (G. Williams)**

A PARTNER OF

TEAM TIOGA

c. Approval of July 24, 2019 Finance Committee Meeting –

Deputy Chair Ayres requested a motion to approve the July 24, 2019 Finance Committee Meeting minutes.

Motion to accept approve the July 24, 2019 Finance Committee Meeting minutes as written.

**M. Baratta/C. Brown/Carried
None Opposed
Abstentions – 1 (G. Williams)**

d. Status of Board of Directors (Required Trainings) –

Ms. Saraceno reported the New York State Authorities Budget Office mandates ABO Board member training. Ms. Saraceno identified Board members M. Baratta, P. Ayres, D. Astorina and G. Williams still need to complete this training and were encouraged to register for the next upcoming online training.

In addition, all Board members are required to complete annual Sexual Harassment Prevention training along with policy review attestation and financial disclosure forms. Upon completion, Board members need to notify Ms. Saraceno.

4. New Business

a. 3rd Quarter 2019 Disbursement Request from Enterprise Community Partners, Inc. –

Deputy Chair Ayres reported the 3rd Quarter 2019 request for \$198,494.77 was approved and received. Ms. Saraceno noted a majority of the expenses occurred in the 3rd Quarter.

Ms. Saraceno distributed an expense report for 1st, 2nd, & 3rd Quarters. Ms. Saraceno reported she is in the process of completing a cash flow and balance statement in QuickBooks to share with the Board at the October meeting.

Based on the expense report, Treasurer Kelsey reported there is approximately \$210,000 remaining from the initial \$500,000 award. Ms. Saraceno reported this funding is not specifically for the rehabilitation projects, as it represents five quarters of administration, insurance, marketing, legal, maintenance and clear out costs, accounting/audit costs, and anticipated environmental analysis/testing for 207 Howard Street and 35 Lincoln Street properties. Ms. Saraceno reported of the \$210,000 remaining funds approximately \$15,000 - \$20,000 is currently not budgeted.

In regards to insurance fees, Ms. Saraceno reported she recently changed the policy from dilapidated homes to vacant lots for the nine demolition projects, therefore, will contact the insurance carrier to inquire about a cost reduction.

Ms. Saraceno reported in order to proceed with the rehabilitation projects, TCPDC will need to draft a plan and submit an application for the additional \$400,000.

ACTION: Ms. Saraceno will provide a complete QuickBooks balance statement to the Board at the October 23, 2019 meeting. Ms. Saraceno will contact insurance carrier to inquire about a cost reduction since changing the policy from dilapidated homes to vacant lots for the nine demolition projects.

b. 4th Quarter 2019 Disbursement Request from Enterprise Community Partners, Inc. –

Ms. Saraceno reported she is in the process of preparing the 4th Quarter reimbursement request. Ms. Saraceno reported the initial application submitted

was for \$900,000 with an award of \$500,000, therefore, leaving a remainder of \$400,000 that is potentially available for future projects.

Ms. Saraceno reported she has contacted Tioga Opportunities, Inc. regarding their plan and possible partnership on some of the identified projects, as well as other options.

c. LCP Group, Inc. Contracted Demolition Work –

Ms. Saraceno distributed a spreadsheet identifying the demolition projects and costs associated with each project. Ms. Saraceno reported total demolition costs for all properties was \$229,284, which full payment was made. Of this amount, \$167,805 was for the Waverly properties and \$61,479 was for the Owego properties. In addition, Ms. Saraceno reported full payment has been made to Keystone Environmental Services for the demolition coordination services provided.

d. McElwain Engineering Reports –

Ms. Saraceno reported McElwain Engineering completed and provided engineering reports at a cost not to exceed \$300.00 per report for the three Waverly properties originally identified for rehabilitation; 429 Chemung Street, 207 Howard Street, and 35 Lincoln Street. Ms. Saraceno reported she has not received an invoice yet for the \$900.00 expenditure, but noted expense would be paid from the 4th Quarter disbursement.

Ms. Saraceno reported the engineering reports revealed two of the three properties are suitable for rehabilitation, however, recommended demolition for the property located at 429 Chemung Street, Waverly, NY based on the following findings:

- Roof has significant damage that has migrated to the interior framing. Engineer believes the entire roof needs reconstruction.
- Engineer believes there will be significant structural damage that may not be visible without some demolition.
- Cost associated related to the re-work of this building is most likely cost prohibitive.

Based on the engineering report for this property, Ms. Saraceno reported Board determination is required on how to proceed. If the Board decides to follow the recommendation for demolition, this would go out to bid following receipt of the 4th Quarter disbursement. Ms. Saraceno estimated demolition cost of \$30,000 with an additional \$8,000 for demolition coordination through Keystone Environmental Services.

In regards to 429 Chemung Street, Deputy Chair Ayres reported he is in favor of proceeding with the engineer's recommendation for demolition based on the condition of the dilapidated home and associated costs with rehabilitation. Based on the engineer's report, Ms. Saraceno requested an appraisal as a vacant lot versus a dilapidated home.

Motion to authorize Ms. Saraceno to proceed with a controlled demolition and environmental study for 429 Chemung Street.

**C. Brown/D. Astorina/Carried
None Opposed**

No Abstentions

e. **Keystone Environmental Services –**

Ms. Saraceno reported Keystone Environmental Services provided a proposal for environmental consulting services and testing for 207 Howard Street (\$3,567.20) and 35 Lincoln Street (\$3,651.20). Ms. Saraceno reported these projected costs are for budgetary purposes. Ms. Saraceno reported these costs are both under the \$5,000 procurement policy threshold, therefore, could move forward without a bidding process.

Deputy Chair Ayres reported the proposal indicates the agreement is good for 30-days from September 5, 2019. Ms. Saraceno will contact Keystone Environmental Services to inquire about an extension. Ms. Saraceno reported the above-referenced quotes do not include remediation. Ms. Saraceno reported it might be worthwhile to have the testing done on both properties.

Mr. Astorina reported if asbestos is not disturbed it does not require remediation. However, asbestos can cost up to \$19,000 per property. Ms. Saraceno reported Keystone Environmental Services would do the study addressing asbestos abatement. Ms. Brown reported testing in advance is the best option.

Motion to accept Keystone Environmental Services proposal for environmental consulting services and testing for 207 Howard Street and 35 Lincoln Street, Waverly, NY.

**S. Yetter/R. Kelsey/Carried
None Opposed
No Abstentions**

UPDATE: Contract with Keystone Environmental Services has been signed and services are moving forward.

f. **NuWave Construction –**

Ms. Saraceno reported she requested and received cost estimates for total renovation of 207 Howard Street and 35 Lincoln Street, Waverly, NY for budgetary purposes. In addition, the scope of work was identified for each property. Ms. Saraceno reported a bidding process will need to be followed.

Mr. Williams inquired as to whether market values are known once funding has been invested for rehabilitation. Ms. Saraceno reported estimated market value of \$60,000 - \$75,000 for 207 Howard Street and \$75,000 - \$90,000 for 35 Lincoln Street.

Mr. Astorina expressed concern that he did not see any mention in the reports for using lead safe techniques, which can be costly. Ms. Saraceno reported all environmental issues would be remediated prior to renovation.

Ms. Saraceno reported a project coordinator would be responsible for bids, renovation, and environmental services.

Mr. Yetter reported these quotes are with the understanding that the environmental issues have already been addressed and taken care of.

Ms. Saraceno reported it is ideal to have a project coordinator in charge of making sure all work and testing has been done and satisfactorily completed. The additional costs could be absorbed into the above-referenced market value estimates.

Mr. Kelsey reported this type of analysis needs to be done to determine the least cost.

Mr. Ayres suggested checking with the State to determine if there is a tipping point regarding investment.

Mr. Williams suggested requiring a performance bond where the contractor must meet performance standards in order to get their money back.

Ms. Saraceno reported she would check with other Land Banks to see how they handled these types of issues and other options.

g. Clear out and Prepare for 35 Lincoln Street and 207 Howard Street Renovation –

Ms. Saraceno reported 35 Lincoln Street and 207 Howard Street both require clean out and preparation process.

Ms. Saraceno reported she received one proposal today for clean out of 207 Howard Street for \$5,600 and \$7,200 for 35 Lincoln Street in Waverly, NY. Regardless of the bid, Ms. Saraceno reported this is an additional unexpected cost.

UPDATE: Two additional proposals have been received; Hakes Lawn Care for \$4,600 and C&C for \$8,500.

h. Appraisal Proposals –

Ms. Saraceno reported proposals were received from Congdon and Congdon (\$3,575) and Martin Kane Appraisals (\$2,700) for the vacant lots, including 429 Chemung Street providing the Board is in agreement with the engineer's recommendation, and two "after renovation" market value appraisals for 20 Howard Street and 35 Lincoln Street, Waverly, NY.

Going with the lowest bidder, Ms. Saraceno reported Martin Kane Appraisals completed the appraisals and payment has been made in full. Ms. Saraceno reported she believes the estimated market values are high on most of the properties and is unsure the Board would be able to entertain purchase offers at these market values. Board members concurred.

Deputy Chair Ayres inquired about availability of comparables for vacant lots. Ms. Saraceno reported comparables were available for each of the properties and the appraisals provide TCPDC with a needed baseline to move forward.

i. Discussion of Sale of Properties Post-Demolition -

Property Address	Interested Party	Comments
115-117 Chestnut Street, Owego	Nichols Jackson	Owns neighboring property and wants to purchase for expanding current yard.
39-41 Temple Street, Owego	Tioga Opportunities, Inc.	Not funded by DRI, therefore, changing the initial project plan.

Property Address	Interested Party	Comments
117 Liberty Street, Owego	O-A Central School District	Possible OACSD Project. Waiting on school district to determine whether this is a viable project.
112 Park Place	Susan Guiles	Owens neighboring property.
530 E. Chemung Street, Waverly	Mike Mattison (Mattison's Bucket Service)	Owens neighboring property. 88 ft. frontage. Will require a variance. Proposal is forthcoming.
457 Fulton Street, Waverly		Property deemed too small for development. Ideal for a side lot program. 39 ft. frontage.
452 Cayuta Ave., Waverly		Designated PUD (Planned Unit Development) – requires Village planning board approval for development. With the exception of industrial, any development could be done on this lot. 85 ft. frontage.
108 Park Place, Waverly		Requires local zoning approval for development due to current lot size and zoning. 76 ft. frontage.
127 Providence Street, Waverly		Requires local zoning approval for development due to current lot size and zoning.
429 Chemung Street, Waverly		Engineer study recommends demolition versus rehabilitation based on condition of dilapidated home and costs associated with rehabilitation.

Ms. Saraceno reported property decisions should be done on an individual basis and suggested forming a sub-committee for this purpose.

Ms. Saraceno provided a draft of the Side Lot Program. Ms. Saraceno identified the first step in promoting the Side Lot Program is with a letter to the neighbors seeking potential interest, running a legal ad in the newspaper, signage on the lots, and advertising on the website.

Mr. Kelsey encouraged Ms. Saraceno to seek legal counsel regarding this process to ensure this is the best way to proceed before advertising, placing signage, and entertaining proposals for purchase offers.

Mr. Yetter reported TCPDC's primary function is community improvement, blight elimination, and placing properties back on the tax rolls and not necessarily profit. Mr. Yetter reported he does not believe the Board is obligated to sell to the highest bidder if is not for a use that is considered advantageous for the Land Bank.

Mr. Williams inquired as to whether most of these vacant lots are suitable building lots with no restriction beyond local code restrictions. Ms. Saraceno concurred, with the exception of the smaller lots identified for possible side lot program. All of these properties have established infrastructure.

Deputy Chair Ayres reported the properties located at 108 and 112 Park Place are in a nice, quiet neighborhood within a block of the Elm Street School.

Ms. Saraceno reported one of the properties identified was for a possible veteran tiny home project through the O-A School District. Originally, the Liberty Street property has been identified; however, Ms. Saraceno reported she believes the Liberty Street area is ideal for new housing re-development with four vacant lots. Ms. Saraceno reported the DRI did not fund the housing project on Temple Street, therefore, possibly this housing project could occur on Liberty Street providing TCPDC can partner with the Village of Owego or other entity for leverage funding. Ms. Saraceno reported the lot on Chestnut Street might be ideal for the tiny home project, however, would require a variance.

Ms. Saraceno suggested a separate meeting to discuss each property individually. The Board concurred.

The Board identified the importance of drafting a document for each property identifying the reason for initial selection and the basis of the decisions made and the work that transpired.

ACTION: Ms. Saraceno will contact Attorney Joe Meagher requesting legal advice on the best process with marketing/sale of these properties going forward.

j. Discussion on Status of Co-Development Agreement with Tioga Opportunities, Inc -

Ms. Saraceno reported Tioga Opportunities, Inc. is reviewing a draft co-development agreement to manage and coordinate the project from start to finish at a cost of \$15,000 per project to TCPDC. Ms. Saraceno reported this agreement is still in negotiations.

Deputy Chair Ayres inquired as to whether this is a flat fee for service or whether this would be based on project cost. Ms. Saraceno reported the draft agreement is a flat fee for service at \$15,000 per project.

Mr. Yetter reported this equates to approximately 20% for project management cost, which seems high.

Mr. Kelsey reported it is the Board's fiduciary responsibility to explore other agencies who could offer these services.

Mr. Yetter reported the Board needs to ensure due diligence, therefore, more than one option should be available for Board consideration. Mr. Yetter reported this Board is setting the tone for this program and this is the first round of the Land Bank doing these types of projects.

Deputy Chair Ayres suggested doing a RFP to engineering firms as a means of exploring other options.

Ms. Brown reported the Board could determine what makes up the project management fee in regards to staffing, expenses, etc. at time of RFP preparation.

ACTION: Ms. Saraceno will explore other options for Board consideration.

k. Discussion of Possible Future Projects -

Ms. Saraceno reported the Board needs to have an established plan in order to apply for the remaining \$400,000 funds in October, therefore, the time is now to start the planning process.

Ms. Saraceno reported she spoke with Maureen Abbott, Tioga Opportunities, Inc. who estimated three future demolition and five renovation projects. Ms. Saraceno estimated

rough figures of \$182,500 plus an additional \$45,000 for acquisition costs. Plus, the two rehabilitation projects at an estimated total of \$417,500.

Ms. Saraceno reported she is willing to request more than the remaining amount of \$400,000, however, the Board needs to have an established plan through 2020.

Mr. Baratta suggested reviewing the properties up for County auction. Ms. Saraceno reported the County Treasurer would not have this information until June 2020.

Mr. Kelsey reported the first step is to create a budget and determine the number of manageable projects on a part-time basis prior to making the request. Mr. Kelsey reported the Board should consider how to involve the private sector and solicit funds from the larger businesses in the County. Ms. Saraceno reported these topics are included in the Housing Task Force Study.

Mr. Astorina reported the Board should also consider cultivating local entrepreneurs to turn some of these blighted properties into viable businesses.

Ms. Saraceno suggested emailing Board members to create a sub-committee to discuss the properties on an individual basis. Mr. Kelsey inquired about meeting notification for sub-committee meetings. Members were of the opinion that if there is a quorum present then the meeting must be noticed and advertised.

ACTION: Ms. Saraceno will email Board members to inquire about the creation of a sub-committee to discuss individual properties. Ms. Saraceno will summarize the ideas discussed at tonight's meeting and the conversation with Tioga Opportunities, Inc. for Board review.

I. RFP for Independent Auditing Services –

Ms. Saraceno drafted a RFP for independent auditing services for Jan Nolis, CPA review. Ms. Saraceno also identified several accounting firms used previously by other entities. Mr. Kelsey reported Piaker & Lyons does not perform this type of audit and suggested sending to three accounting firms.

Motion to authorize Ms. Saraceno to put out a RFP for independent auditing services contingent upon Ms. Nolis' review.

**S. Yetter/R. Kelsey/Carried
None Opposed
No Abstentions**

UPDATE: Jan Nolis, CPA reviewed the RFP. RFP's sent to Johnson, Lauder & Savidge (not interested), EFPR Group, Bonadio Group, and Inero, Inc. CPA's. Proposals must be received by October 25, 2019 at 4:00 p.m.

5. Next Regular Board Meeting – The next regular scheduled meeting is Wednesday, October 23, 2019, at 5:30 p.m. in the ED&P Conference Room.

6. Adjournment – Mr. Yetter motioned to adjourn at 7:01 p.m.

Respectfully submitted,

Cathy Haskell