

**Livingston County Land Bank Corporation**  
**Board of Directors Meeting**  
**February 22, 2018**  
**Meeting Minutes**

**Members:** AMY DAVIES, Livingston County Treasurer; ANGELA ELLIS, Livingston County Planning Department; WILLIAM FULLER, Real Property Tax Services; SHANNON HILLIER, Livingston County Attorney; DANIEL L. PANGRAZIO, Livingston County Board of Supervisors.

**Members not Present:** WILLIAM BACON, Office of Economic Development; IAN COYLE, Livingston County Administrator

**Staff:** DAVID PAOLETTA, Planning Department; LINDA SHANKS, Planning Department

<b>Agenda Item</b>	<b>Call to Order and Welcome</b>
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Chairman Pangrazio called the meeting to order at 1:30 p.m. and welcomed the group.

Before he addressed the Agenda Items, Chairman Pangrazio reported that he had participated in yesterday's training webinar and is awaiting a confirmation email.

<b>Agenda Item</b>	<b>Approval of the January 25, 2018, and February 8, 2018, Meeting Minutes</b>
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Chairman Pangrazio asked if there were any additions, corrections, or deletions to the January 25, 2018 Draft Minutes. Hearing none, he asked for a motion to approve them.

*A motion to approve the January 25, 2018, meeting minutes was made by Ms. Davies and seconded by Mr. Fuller.*

The motion carried.

Chairman Pangrazio asked if there were any additions, corrections, or deletions to the February 8, 2018, Draft Minutes. Hearing none, he asked for a motion to approve them.

*A motion to approve the February 8, 2018, meeting minutes was made by Ms. Ellis and seconded by Ms. Davies.*

The motion carried.

<b>Agenda Item</b>	<b>Treasurer's Report</b>
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Ms. Davies reported that the beginning balance remains at zero. There have been no deposits or expenses.

Chairman Pangrazio stated that, per the webinar training, a Treasurer's Report needs to be done at every Board of Directors meeting of the Land Bank Corporation. He added that meeting minutes and other materials need to be put up on the website, for purposes of transparency.

- Ms. Ellis reported that she put the meeting agendas on the website yesterday, and added that she would take care of putting the minutes and other materials there, as well. She explained that she must first rename the files, so that they are more accessible to the public.

**Agenda Item****Cuylerville Property/Habitat for Humanity Purchase and Sale Contract Update**

Ms. Hillier reported.

She drafted a counter offer with the modifications decided on at the February 8, 2018 meeting:

- Change the seller's name to the Livingston County Land Bank Corporation
- Indicate that the buyer will pay for all expenses associated with percolation, engineering, and subsurface testing
- Remove the Water Availability and Development Approval contingencies
- Clarify that the buyer will pay for the abstract and survey costs
- Set the closing to be on or before March 30, 2018.

The counter offer was signed on February 13, 2018. The attorney for Habitat for Humanity will now get the abstract survey to Ms. Hillier, so that she can draft transfer documents.

**Agenda Item****Draft Contractor Application/Questionnaire and Contractor Selection Criteria/Policy**

Mr. Paoletta referred to handouts as he distributed them.

The Contractor Information Form is a composite of other documents that include: a bank form provided by Mr. Bacon, the form used by the Capital Region Land Bank, and the form used by the Greater Syracuse Land Bank. It should provide enough contractor information for the Land Bank to make a decision.

- The *Selection Criteria* sheet lists basic factors to consider in contractor selection. They summarize the more detailed document produced by MPCs that follows.
- In response to Ms. Hillier's question, Mr. Paoletta referred to the sample Contractor Procurement Policy distributed and stated that it comes from the Capital Region Land Bank. He noted specific aspects of it.
  - In response to Chairman Pangrazio's suggestion that the Land Bank piggyback off Livingston County's procurement policy, several members stated that the Land Bank's procurement policy must be separate from that of the County. Ms. Hillier added that the County's policy is a huge document that goes into more depth than the Land Bank needs.
  - After a brief discussion, members informally decided that, for purposes of consistency and protection, the Land Bank procurement policy should be in sync with the County's policy; but different from it with regard to specifics and amount of detail.
  - Ms. Hillier asked if the procurement policies of other counties had been considered. Mr. Paoletta responded that he chose this particular example, because it seemed to suit the Land Bank Corporation here.
- Mr. Paoletta and Ms. Ellis confirmed for Ms. Hillier that the purpose/goal of the Contractor Information Form and the Selection Criteria sheet is to create a bank of screened, approved contractors to choose from for any particular project.
  - Ms. Ellis explained that a contractor must fill out the application form, which will be on the website, in order to become part of the approved pool.
  - Mr. Paoletta stated that each RFP issued will also have its own set of criteria.

Referring to the *Consultant Selection Criteria* sheet, Chairman Pangrazio asked two questions.

- Regarding #3, will consultants be hired for projects? Ms. Ellis and Mr. Paoletta responded that the word, *consultant*, should be changed to *contractor*.
- Should experience with publically funded projects be part of the criteria? Ms. Ellis responded that it should, because publically funded projects have different requirements and involve more paperwork and forms than others. Any experience with this process would be helpful for the contractor and would denote his willingness to work on such a project.

Ms. Ellis stated that, per Bill Bacon, as soon as the contractor application is finalized, Tessa in Economic Development can convert it to a fillable form that can be put up on the website.

- The next step in the process, then, will be to formulate a draft application from the sample provided and present it for approval at the next Land Bank meeting.

In response to Chairman Pangrazio’s question, Ms. Ellis advised approving all the documents as a whole package, at the same time, after they have been developed into final draft form, rather than approving them in pieces. That will allow for comparison and review of the documents, to make sure that they are consistent and complementary. She added that, in the meantime, the Planning Department will examine the County policies for language that can be blended into the Land Bank Corporation’s procurement policy.

Chairman Pangrazio praised the work that has been done so far.

Ms. Davies and Ms. Hillier mentioned that the County’s updated procurement policy would go before the Ways and Means Committee on Monday, February 26<sup>th</sup> and then, before the Board of Supervisors on Wednesday, February 28<sup>th</sup>. Ms. Davies offered to forward the Ways and Means agenda to Ms. Ellis, who had not received it.

<b>Agenda Item</b>	<b>Website Development and Requirements</b>
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Ms. Ellis reported that she will continue to put Land Bank documents on the website. In response to Ms. Hillier’s question, Ms. Ellis indicated that, currently, the Land Bank Corporation can only be accessed through the Planning Department link on the County website. She will put in a request to Jason Parker at ITS, to create a URL that will be a discrete link off the County website; as well as its own, stand-alone web address.

- Chairman Pangrazio reported that, per the webinar training he participated in yesterday, this is the practice followed by other Land Banks. Not only does it allow more access, but it also shows that the Land Bank is a separate entity from the County. This is preferred by other Land Banks and the State.
- Noting that some land banks have wonderful, professional looking websites, Ms. Ellis suggested that, once the Land Bank has a budget and funding, it should hire a professional to do the website.

<b>Agenda Item</b>	<b>2018 Work Plan Priorities</b>
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Mr. Paoletta noted that there are few changes from the Work Plan presented at the January meeting. Completed actions have been deleted. Priority items are highlighted.

The Annual Report needs to be completed in PARIS by March 31, 2018. It can be input now and approved at the next Board of Directors meeting in April. Mr. Paoletta explained that the Annual Report is not in a narrative format; rather, it is input as filling in blanks.

Regarding the Audit requirement in PARIS, Ms. Davies reported that she reached out to the auditors she

uses – Bonadio. They sent a letter of engagement, which would normally be followed by signing a contract for services.

- In his review of the letter, Mr. Coyle, who was unable to attend today’s meeting, noted that no estimate of fees had been included. He also wondered if an RFP would be needed for audit services.
- Chairman Pangrazio stated that, per the webinar he attended yesterday, he did not believe an RFP would be required, because Ms. Davies and another Board member will be on the audit team with Bonadio.
- Ms. Davies described the process she has followed in the past with Bonadio:
  - Once selected, they will send a list of items that are required for the audit. These are emailed to them.
  - Bonadio prepares and sends a draft of the audit, which Ms. Davies reviews for context and comparison to previous years.
  - After review, a final audit is prepared and sent. Once that has been received, it can be entered into PARIS.
- Responding to Ms. Hillier’s question, Ms. Davies stated that her department’s audit was consolidated with other audits under one RFP. The consolidation resulted in lower audit costs. A one-year contract extension was added for this year. She does not know if the Land Bank audit can be part of that extension, or if not, it will be part of the new, consolidated RFP that will be done for 2019 audit services.
  - She confirmed for Ms. Ellis that inclusion in the consolidated RFP would be part of in-kind services.
- Ms. Hillier asked if a professional audit could wait until next year when a new RFP will be issued, if a Land Bank audit cannot be part of the current extension with Bonadio. Ms. Davies replied that she did not know.
- Chairman Pangrazio advised that the Land Bank audit should piggyback on the County’s audit contract with Bonadio, if this is permissible. Ms. Davies anticipates that the cost of the audit will be discounted.
- Responding to Ms. Davies’ question, Ms. Ellis stated that, even though there is nothing to report, a 2017 audit must be done. She added that she has made arrangements for Penny Trimm in the Planning Department to become familiar with PARIS, so that she can perform the required inputs to it. Ms. Davies stated that one of her staff, Cathy, is very familiar with PARIS and offered her as a resource for Ms. Trimm.

Ms. Hillier noted that there is no mention in the Work Plan Priorities of the requirement that an application accompany any purchase offers submitted. She reminded the Board that it is part of the Acquisition Policy approved at the last Land Bank meeting and added information:

- The application would be available on the website, for a potential buyer to fill out and submit with the purchase offer.
- The application would play a role in the consideration of the viability of the potential buyer.
- Seneca County is working on blending the applications used by Albany and Chautauqua Counties.

- The application is not needed immediately, but should be included in the Work Plan.

Regarding the identification of funding sources and Land Bank capital, Ms. Ellis stated that she had participated in the Land Bank Association conference call today and reported on it.

- A copy of the Land Bank letter that was sent to the New York State Speaker of the Assembly was shared. Although Mr. Coyle had reached out to Assemblyman Joseph Errigo for his support, it appears that he did not sign the letter. It is not too late to see if a separate letter of support can be sent from Assemblyman Errigo's Office.
  - Mr. Paoletta confirmed that a copy of media article from Mr. Coyle had been sent to the Land Bank Association and to Assemblyman Errigo's Office.
- A few State Representatives attended Lobby Day and testified, asking for funding. It is not currently in the Governor's budget. The New York Land Bank Association is hoping that Senator Larkin will help garner support in the NYS Senate for adding such funding to the Governor's budget.
- We should continue to ask for support from Senators Young and Gallivan.
  - Ms. Ellis confirmed Chairman Pangrazio's belief that Mr. Coyle has added getting funding support from State lawmakers to his Legislative Agenda.
- The Association will be reaching out to NYCOM, the New York State Mortgage Brokers, NYSAC, New York State Realtors Association, and other statewide groups for letters of support, in order to keep up pressure for funding at the State level.
- Adding the funding to the Governor's budget is probably not going to happen this year.
- There is a proposal for getting funding through the Mortgage Recording Tax, but the Land Bank Association feels that it will be strongly opposed by developers and bankers, and will probably not move forward.
- A flat-fee option might be included in a bill.
- The Attorney General's Office is hopeful that funding will happen.
- The New York Land Bank Association's conference is tentatively set for March 22<sup>nd</sup> and 23<sup>rd</sup>. Board members will receive an invitation to it. Other invitees might include staff people from the offices of Assemblymen and Senators, as well as representatives from major advocacy groups. The conference will serve as an informational session and lobbying effort for Land Banks.
  - In response to Ms. Davies' question, Ms. Ellis stated her belief that the Land Bank Association will pay for part of the costs of conference attendance.
- The Land Bank Association has approved its budget, which includes the hiring of a lobbyist to help with advocacy efforts.
- Dues will be set at \$2,000 for all members of the Association. The previous policy of pro-rating dues for those counties who have no money yet will be discontinued. The new amount will help pay for the lobbyist.
  - Ms. Davies will discuss payment of dues with Mr. Coyle, as soon as he returns. Chairman Pangrazio urged that the matter go before the Ways and Means Committee soon, so that the

matter is resolved in a timely manner.

- The Association will send a summary of today's conference call discussions.

**Agenda Item**

**Other Organizational Activities/Next Steps**

Ms. Ellis reported that she has received questions on the zombie house issue from Kirk Vanderbilt, Village of Avon. He knows private individuals who are interested in purchasing a few of the properties on the list submitted by the Village, but they don't know how to proceed, because the properties are bank-owned. He asks what the Land Bank plans to do regarding such properties; specifically, will the Land Bank be competing for such properties.

- Ms. Ellis explained the Land Bank Corporation's goals to Mr. Vanderbilt: They do not include competition, but rather community revitalization and getting non-productive properties back on the tax roll. It may complement the work of private developers, but does not intend to compete with them.
- Mr. Vanderbilt suggested that the Land Bank educate potential developers about the process involved in acquiring zombie properties, as it goes through the process itself. Chairman Pangrazio stated his opinion that the Land Bank Corporation exists to help communities, not to educate developers or contractors on how to work through bureaucracy. Its role is to acquire such properties and either rehabilitate them and sell them, or sell them as is.
  - Other members agreed with Chairman Pangrazio's statement.
- Ms. Ellis suggested that another role might be that the Land Bank cuts through the bureaucracy to acquire such properties, and sells them to developers, contractors, and others, at a profit and to recoup the costs incurred in the process.
- Ms. Davies asked how the Land Bank might start the process of acquiring a zombie property. Ms. Hillier described the process and some of the issues that might be encountered.
  - A major hurdle is finding a contact person or entity. Finding out who holds the lien is the first step, which is usually a complex, difficult process. Some of the records may be inaccurate; some mergers may not have been recorded; some banks may have gone out of business. Once the entity is identified, the next step is to discover the name of the individual contact who represents it.
  - Mr. Fuller provided some history and background on why banks might be hesitant to cooperate.
  - Ms. Hillier advised that, from a liability perspective, the Land Bank Corporation must be careful about how it acquires the title to a property, because the foreclosure process is often messy. It could result in the Land Bank's inability to sell the property. She added that, although it might undermine the purpose of the Land Bank, she would advise avoiding zombie properties unless the title appears clear cut and the bank is known locally.
  - Ms. Davies questioned who would be doing the title search work for the Land Bank.
- Responding to Ms. Ellis, Ms. Hillier stated that once the Land Bank identifies the properties it is interested in, she would advise going to the County Clerk's Office to find out who holds the lien.
- Referring to a sample property he presented at a previous meeting, Mr. Fuller suggested that after the Board pre-screens a property, a professional should be hired to proceed from that point. Ms. Hillier agreed. Mr. Fuller added that pre-screening will give the Board a sense of whether a

property should be acted on or not.

- Chairman Pangrazio stated that the Land Bank should look to local banks with contacts that are known and familiar, and stay away from online banks, out-of-state banks, and the like. Ms. Hillier and others agreed.

Mr. Fuller referred to the updated reports he had distributed and noted that nothing has really changed on them.

Ms. Ellis stated that, based on the previous discussion, the Board needs to determine the process it will follow to select a property and adopt it as policy. Chairman Pangrazio suggested that the next meeting should include these tasks:

- Finalize a procurement policy and contractor application
- Determine how potential properties will be ranked for selection and which ones should be avoided

Agenda Item	Next Meeting and Adjournment
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The next meeting will be on March 29, 2018, at 1:30 p.m., in Room 303B.

***Ms. Hillier moved to adjourn the meeting. Mr. Fuller seconded the motion.***

The meeting adjourned at 2:23 p.m.

Recorded by Linda Shanks, Senior Typist, Planning Department