
Troy Community Land Bank Corporation
200 Broadway
Suite 701
Troy, New York 12180
Board of Directors Regular Meeting
8:30 am Wednesday, February 28, 2018
Troy City Hall, 433 River Street, Suite 5001, Troy, NY 12180

February 2018 Meeting Minutes

- I. **Call to Order:** Heather King called to order this meeting of the Board of Directors at 8:33 am.
- a. **Roll Call:** Ms. King noted the Board members that were present –Heather King, Sharon Nichols, Jeannette Nicholson, Brian Barker, John Carmello, John Cubit, Dylan Turek and Suzanne Spellen. Absent were: Bruce Dee and Andrew Cooper.
- b. **Agent and Support:** Also in attendance: Tony Tozzi , Chris Brown, Catherine Hedgeman.
- II. **Minutes:** Approval of the January 2018 Board of Directors Meeting minutes; motion by Mr. Barker, seconded by Mr. Turek. Motion approved by a vote of 8-0.
- III. **Resolution Authorizing the Purchase of Insurance:** Mr. Tozzi stated that Brown and Brown had been the land bank’s only insurer thus far. After conversations with current and former land bank Executive Directors around the state, Mr. Tozzi deemed TCLB’s coverage to be insufficiently priced. Multiple insurance vendors were contacted. Ten Eyck, of Albany, provided a price and coverage that was similar to Brown and Brown. However, their proximity and familiarity with land banking convinced Mr. Tozzi that they were the appropriate choice. Once this insurance is in place—and one small detail is transferred by Brown and Brown—TCLB will be able to request the first disbursement of the CRI Round 3 grant funds.
- MOTION TO APPROVE MADE BY MS. SPELLEN, SECONDED BY MR. TUREK. RESOLUTION APPROVED BY A VOTE OF 8-0.**
- IV. **Resolution to Enter Into a Contract for Real Estate Services:** Mr. Tozzi reminded board members that this was discussed at previous board meetings. The TCLB marketing strategy was not and has not been working, and Mr. Tozzi strongly preferred access to the Multiple Listing Service. Prime Property (PP) was chosen after reviewing several proposals for real estate services. Mr. Turek asked if PP had experience working in neighborhoods wherein the after-rehabilitation value of buildings was often lower than the rehabilitation cost. Greg Tobin of PP responded in the affirmative. Mr. Turek further inquired as to PP’s ability to determine post-rehabilitation values, as well as rehabilitation budgets for each property. Again, Mr. Tobin responded in the affirmative. Mr. Turek asked if TCLB would still be able to market properties on its own website. Mr. Tobin answered that yes, TCLB would retain that right. Mr. Tozzi explained that the resolution before the board was limited to an Exclusive Listing agreement with PP, and that other services could and would be discussed at a later date. Mr. Cubit asked if TCLB was required to issue a Request for Proposals for these services. Ms. Hedgeman replied that no, as these are Professional Services. Ms. Nichols asked what time period the contract would cover; Mr. Tobin responded that it was currently open-ended. Mr. Tozzi mentioned that he would limit the contract to one year.

MOTION TO APPROVE MADE BY MS. SPELLEN, SECONDED BY MR. BARKER. RESOLUTION APPROVED BY A VOTE OF 8-0.

- V. **Resolution Approving a Bus Rapid Transit Neighborhood Plan:** Mr. Tozzi reviewed the plan which had been circulated to the members of the board calling for the redevelopment of 4 parcels at the northwest corner of Glen Avenue and River Street. These 4 parcels include 102 W Glen Ave, 871 River Street, 879 River Street and 881 River Street. This location will serve as a stop on CDTA's Bus Rapid Transit (BRT) route, and include a mixed-use development of commercial and retail services on the ground floor with residential units above. Ms. King mentioned that TCLB has been working with several stakeholders on this project, including CDTA, NYS Homes and Community Renewal and the Troy Housing Authority. Mr. Brown explained that this project was included in the initial application to incorporate as a land bank in 2014; it has taken an extended period of time to gain site control over these parcels.

MOTION TO APPROVE MADE BY MR. CUBIT, SECONDED BY MS. NICHOLSON. RESOLUTION APPROVED BY A VOTE OF 8-0.

- VI. **Resolution Approving the Acquisition of 879 River Street:** Mr. Tozzi noted that 879 River is immediately adjacent to 881 River Street, and indeed shares a wall. 881 River Street is severely deteriorating and inflicting additional damage to 879 River Street, the foundation of which is already compromised. Mr. Tozzi stated that the building's current appraisal value was equivalent to its assessed value of \$60,000. A post-rehabilitation value could not be determined, however, that value would very likely be less than the cost of the necessary rehabilitation construction.

MOTION TO APPROVE MADE BY MS. NICHOLSON, SECONDED BY MS. SPELLEN. RESOLUTION APPROVED BY A VOTE OF 8-0.

- VII. **Resolution Approving the Acquisition of 288 Tenth Street:** Mr. Tozzi explained that the Stewart's Shops Corporation was currently renovating their store at Hoosick and Tenth Street; part of that approved plan was to move a historic building from one parcel to another along Tenth Street. Stewart's would like to donate that building to TCLB. Mr. Tozzi and Ms. King previously toured the interior of the building and stated that it was in relatively good condition, although in need of new MEP (mechanical, electric, plumbing) systems. Stewart's estimated that the building required an additional \$100,000 of rehabilitative construction work.

MOTION TO APPROVE MADE BY MR. CUBIT, SECONDED BY MS. NICHOLSON. RESOLUTION APPROVED BY A VOTE OF 8-0.

- VIII. **Resolution Approving the Election of Sharon Nichols as Treasurer:** Ms. King explained the need for TCLB to staff the treasurer position, and summarized Ms. Nichols's qualifications.

MOTION TO APPROVE MADE BY MR. BARKER, SECONDED BY MS. SPELLEN. RESOLUTION APPROVED BY A VOTE OF 8-0.

- IX. **Resolution to Hire a Director of Operations:** Mr. Tozzi explained that the agreement between TCLB and the City of Troy for Mr. Brown's shared services had expired and that TCLB's staffing needs necessitated an increase in Mr. Brown's time and responsibilities.

MOTION TO APPROVE MADE BY MS. SPELLEN, SECONDED BY MR. TUREK. RESOLUTION APPROVED BY A VOTE OF 8-0.

- X. **Treasurers Report:** Ms. Nichols explained that she has been working with Mr. Tozzi and the incoming audit team. End of year 2017 financials are almost done with the exception of one or two outstanding issues. Ms. Nichols further explained that the end of year reporting showed some variances from the 2017 budget, which were largely explained by certain expenses being more or less than originally projected. TCLB net income was very slightly

below its initial projection. Ms. Hedgeman noted that the only actions which should be added to a building's value are those which can be capitalized (such as construction) and not administrative costs such as legal or insurance fees. Mr. Cubit asked if the board would see post-demolition adjustments to the property valuations. Ms. Nichols explained that value and cost are separate items, and that demolitions fell under the cost category.

XI. New Business: Mr. Brown provided an overview of a plan to fully rehabilitate five properties along River Street, all within two blocks of each other. Previous attempts by TCLB to simply "flip" properties, or perform small scale stabilization work, have not resulted in positive outcomes for TCLB or homebuyers. The plan to fully rehabilitate buildings will expand the potential buyer market and deliver completely habitable homes. Mr. Turek stated that TCLB will be offering three potential end use scenarios: owner occupancy, rent-to-own and/or rentals with TCLB acting as the landlord (while still marketing for sale). Mr. Cubit asked what precautions TCLB would take if acting as landlords and tenants negatively impacted the building. Ms. Hedgeman responded that there are several insurance issues that would need to be resolved, but that Mr. Cubit's concern should be easy to settle.

XII. Adjournment: Motion to adjourn by Ms. Nicholson, seconded by Mr. Cubit. The meeting was adjourned at 10:29 am by a 7-0 vote (Ms. Spellen left the meeting at 10 am)