

# **Acquisition & Disposition Committee**

## **Monthly Meeting**

**March 21, 2018 1:00 PM**

**Meeting Conducted at 200 Broadway, Suite 701, Troy, NY**

### **Meeting Agenda:**

- I. Roll Call
  - a. Meeting Attendance:
    - Brian Barker, Committee Chair
    - Heather King, Committee member
    - Jeanette Nicholson, Committee member
    - Gregg Tobin, Ex officio member
    - Kate Hedgeman, Esq., Counsel (via phone)
    - Tony Tozzi, Committee staff

Chairman Barker declared a quorum was present and called the meeting to order at 1:03

- II. Adoption of February 06, 2019 Committee Meeting Minutes

Ms. King made a motion to accept the minutes as drafted, which was seconded by Ms. Nicholson. Chair Barker called the vote, which was unanimously carried.

### **Old Business**

- I. 791 River Street – Discussion

Mr. Tozzi stated that significant problems were discovered with the interior masonry of the entire building, once wall coverings were removed. There were structural elements that were deteriorated, but the most problematic issue was that all interior mortar required repointing, and that the General Contractor indicated that there was no way to calculate a flat cost for required repairs. The GC indicated that he could provide only a time and materials estimate due to the nature of the work, indicating that once repairs were started there could very well be additional work needed and that even after all repairs are made there was no guarantee that the building would be devoid of structural problems.

Mr. Tozzi stated that, given to the already high cost to renovate the building, and because no cost could be defined for the masonry and related repairs required, he felt it would not be financially responsible to continue to move forward with renovations. He suggested that the building be razed and replaced with new construction on the existing foundation. He also noted that demolition costs should be in the \$20K range because all environmental remediation had already been completed.

Mr. Tozzi indicated that new construction could result in a lower overall cost than the known and unknown costs of renovation, that new construction would allow flexibility to enlarge the structure, especially given its current limited size, and that it may be possible to add to the final market value of the property than renovation would have.

The masonry problem was discussed with Mr. Tozzi, Attorney Hedgeman and Tania Beghini/Enterprise Community Partners. Ms. Beghini discussed the situation with other staff at the ECP were understanding. Ms. Beghini indicated to Mr. Tozzi that the ECP was comfortable with the option of new construction and that the ECP could work around the May 2<sup>nd</sup> disbursement deadline.

It was suggested that Mr. Tozzi email Ms. Beghini to obtain a clear understanding of exactly how the ECP would address the May 2<sup>nd</sup> disbursement deadline.

## II. 899 River Street – Discussion

Mr. Tozzi indicated that he was aware of three or four persons or organizations interested to purchase 899 River Street. Two seemed interested in the property for parking and two interested in renovating the building. He asked the Committee how they felt the building should be programmed, given that it is not advertised for sale.

Mr. Tobin corrected Mr. Tozzi and stated that the building has been marketed for several months. Mr. Tozzi replied that, given it is being marketed, he would inform those interested in purchasing the property that they can submit a purchase application.

## New Business

### I. Application Review – 29 Park Avenue

Mr. Tozzi stated that Johnny Bobo, who has a contracting office and residence very near 29 Park Avenue, submitted a purchase offer of \$500 for the property. Mr. Tozzi indicated that the most challenging issue towards renovating the building was the need to replace the building foundation, and that given Mr. Bobo is a contractor, he could be well suited to make the repairs necessary.

Mr. Tozzi indicated that Mr. Bobo has lost property within the last seven years to the City of Troy through tax foreclosure, which conflicts with current bylaws. Attorney Hedgeman stated that a sale may still be made if the Board of Directors felt that there were compelling reasons which would supersede the bylaw provisions, but that the Board would need to specify what conditions existed and were considered.

Ms. King stated that she felt the offer of \$500 was not realistic and should be significantly higher. Chair Barker felt that Mr. Bobo's estimate to repair the foundation for \$5,000 was not nearly adequate to complete the work. Mr. Tozzi replied that, because Mr. Bobo would be doing the masonry work himself and his costs limited to do so. Mr. Barker replied that the applicant would have to demonstrate that he could indeed do the foundation work at the amount specified, or revise the cost to something more appropriate.

The Committee decided to take no action on the application. Mr. Tozzi was directed to advise Mr. Bobo that the Committee would counter his offered purchase amount to \$7,500 and that he would need to demonstrate the cost to complete the foundation work.

### II. Application Review – 288 Tenth Street

The Committee reviewed 2 applications to purchase this property, one from Pine Hills

Properties LLC (Paul Gruber), and another from Mehmet Brent Eksik. The Gruber application was to purchase the property for rental investment at an offer of \$61,000, which was higher than the listed \$55,000 price. The Eksik application was to purchase the property initially as a rental investment, but noting that the applicant would want to reside at the property if he became married, and offered \$60,000.

Mr. Tozzi stated that this property was very sensitive within the neighborhood and that he had continually stated that the Land Bank would ensure the property be sold to an owner-occupant.

After discussing the merits of both applications, Ms. King motioned to approve the Gruber application as submitted, and to approve the Eksik application as a back-up offer should Mr. Gruber's application become void for any reason, but that Mr. Tozzi was to continue to accept applications from owner-occupants and if any are received the Committee would meet to reconsider their recommendation. Ms. Nicholson seconded the motion. Chair Barker asked for further discussion and, hearing none, called the vote, which was carried unanimously.

### III. Application Review – 3036 & 3032 Seventh Avenue

Mr. Tozzi stated that Mr. Derek Jeter, no relationship to the baseball player, submitted an offer to purchase the 2-family building at 3036 Seventh Ave and vacant lot located two parcels south. Mr. Tozzi indicated that the applicant recently renovated 792 River Street and, based on photos he was shown, the quality and materials appeared good. Mr. Tozzi indicated that 3036 was a challenging building to attract people to, because of interior conditions, poor exterior features, and because the building to the north is vacant and in disrepair. Mr. Tozzi noted that the applicant would be purchasing the property as a rental investment.

The applicant offered \$3,000 to purchase both properties. Ms. King felt that the offer was two low given the listed price was \$12,000 for the building only and suggested a more reasonable amount would be \$5,000.

After the Committee discussed the merits of the application, Ms. King motioned to approve the application with the condition that the purchase price be raised to \$5,000, and Ms. Nicholson seconded the motion. Chair Barker asked for discussion on the motion and, hearing none, called the vote which was unanimously carried.

### IV. Application Review – 140 President Street

Mr. Tozzi reported that Doreen Thompson has offered \$1,000 for this vacant lot and that her son owns property across the street. The lot would be used by the son as a lot and to place a shed on the parcel.

Ms. Nicholson motioned to approve the application as submitted and Chair Barker seconded. Chair Barker asked for discussion on the motion and, hearing none, called the vote which was unanimously carried.

### Other Business

- I. Mr. Tozzi reported that he received an application from Mr. Pawel Paliwoda who intended to purchase the lot and offered \$1,000. He further indicated that the applicant intended to construct a 3-4 unit building on the lot, which would include a commercial storefront hoped to be a café.

Mr. Barker stated that \$1,000 was too low an amount to sell a building lot for. Mr. Tozzi noted that he provided the applicant with that figure, because the Land Bank had always sold vacant lots for \$1,000 routinely in the past. Mr. Barker and Ms. King both stated that \$1,000 is the typical cost to sell a side yard which would be used as open space, not to build on. Mr. Tozzi replied that this was the first application he recalled being submitted to purchase a building lot and that, now understanding the difference, he would provide different guidance in the future.

Ms. King asked Mr. Tobin what he felt the value of the lot would be. Mr. Tobin replied that, although he has no comparable to base a figure on, he felt it would be in the range of perhaps \$6,500.

Attorney Hedgeman asked if the property has been marketed for 30 days, noting that because the former building on the parcel was only recently razed it would seem unlikely. Mr. Tobin affirmed that the property had not yet been marketed. Attorney Hedgeman noted that no action can be taken on the application until the property had been marketed for a minimum of 30 days.

Ms. King subsequently requested that Mr. Tobin market the building lot at \$6,500. Mr. Tobin replied that he would have it listed later in the day for that amount.

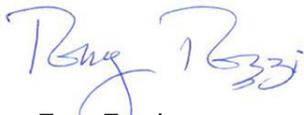
## Adjournment

- I. Meeting adjournment

Chair Barker asked if there was any further business to attend to or a need for further discussion. Hearing none, he asked for a motion to adjourn which was made by Ms. Nicholson, seconded by Ms. King and unanimously carried when Chair Barker called the vote.

Chair Barker declared the meeting adjourned at 2:24 PM.

Respectfully Submitted,



Tony Tozzi  
Executive Director