

STEBEN COUNTY LAND BANK CORPORATION (SCLBC)

Wednesday, March 1, 2023

11:00 a.m.

*Legislative Chambers, 3rd Floor, Annex Building
Bath, New York*

****MINUTES****

PRESENT: Scott J. Van Etten, Vice Chair, Steuben County Legislature Chairman – District 13
Jack K. Wheeler, Steuben County Manager
Tammy Hurd-Harvey, Steuben County Commissioner of Finance
John Buckley, Mayor, City of Hornell
Raymond Walch, Mayor, Village of Addison

OTHERS: Christopher Brewer, Deputy County Manager, SCLBC Executive Director
Mitch Alger, Deputy Steuben County Commissioner of Finance
Jennifer Prossick, Steuben County Attorney
Jennifer Galvan, Assistant Steuben County Attorney
Elizabeth Hunt, Arbor Development
Doug Madison, Arbor Development
Carol A. Ferratella, Steuben County Legislator – District 13
Kelly H. Fitzpatrick, Steuben County Legislator – District 3
Nicholas D. Pelham, Steuben County Legislator – District 3
Murphy Smyth, Bonadio
Keeley Ann Hines, Bonadio

ABSENT: Hilda T. Lando, Chair, Steuben County Legislator – District 2
Mark Ryckman, Corning City Manager

Secretary's Note: Hilda Lando attended via Zoom, however, not under the Extraordinary Circumstance exemption.

I. CALL TO ORDER

Mr. Van Etten called the meeting to order at 11:00 a.m.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE FEBRUARY 1, 2023, MEETING MADE BY MR. WHEELER. SECONDED BY MAYOR BUCKLEY. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

III. DISCUSSION/ACTION ITEMS

A. 2022 Audit Report

Ms. Smyth reviewed the 2022 audit report with the Board. She reviewed the required communications letters. With regard to the financial statements, inventory in 2022 decreased in value about \$56,000. There were more properties in the inventory, even though the value was lower; but there were a lot of demolitions. The Land Bank Initiative Grant was received during 2022, but as of year-end, there was a portion that had not yet been spent. This year there is a new line item on the financial statements entitled "contract income". Last year the Land Bank had properties that were done in conjunction with Habitat for Humanity, however, the Land Bank did not own them and the cost was not inventoried. That is now being captured as contract income. Grant revenue was down as a result of wrapping up the Enterprise Grant. The 2022 Land Bank Initiative Grant was recorded for a quarter of the year. Ms. Smyth explained under operating expenses, the two lines for cost of sales and unrealized loss on inventory are a reflection of the Land Bank realizing larger property sales than in previous years. Some properties were over value because they were demolition properties. There was significant cost in

the demolition work provided by the County. The line for property renovation, demolition and maintenance saw a large decrease and that was because the previous year you were doing a lot of work with Habitat for Humanity and those properties were not owned by the Land Bank, so those costs got expensed, whereas this year they are actually added to the value of the inventory and the balance sheet. There was a decrease in in-kind expense as the demolition work done in previous years by the County DPW was expensed and this year that got put into the value of the property and the balance sheet. Lastly, since the Land Bank is a public authority, the Authorities Budget Office requires what they call a yellow book audit. We provide a report in accordance with government auditing standards. This report essentially says that we take a look at the internal controls at the Land Bank. We do not provide an opinion on them. We did not find anything to report. She thanked Mr. Brewer and Mr. Alger for making the audit process so easy. Mr. Van Etten asked with regard to opinion shopping, why is it called out in the audit and why is that a concern? Ms. Smyth replied that comes into play if you were trying to get a different firm to give you a clear opinion. We state in the audit that our opinion is not given just because you selected us.

MOTION: ACCEPTING THE 2022 AUDIT OF THE STEUBEN COUNTY LAND BANK AS PRESENTED MADE BY MAYOR BUCKLEY. SECONDED BY MAYOR WALCH. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

- B. Treasurer's Report – Mr. Alger provided the Treasurer's Report for review.
- C. Vacant Lots – Mr. Brewer stated for all of our vacant lot properties he has been talking with neighbors and other interested parties.
- *20 Townsend Avenue, Riverside* – Mr. Brewer stated Hunt Engineers has been working on the plans and within the next 30 – 60 days they will have draft prints available for review.
- D. Rehabs
- *360 Brewster Street, Riverside* – Mr. Brewer stated this property is under contract for \$142,000. The buyer has asked for Sheesley's to inspect the sewer line. The findings showed that the sewer line is broken. He requested authorization for a change order, however, he is not sure of the estimated cost at this time. The contractor, CNE, also does this type of work. This is something that we will need to fix. The break is in the line from the house to the street. Mr. Van Etten asked is this part of the purchase sale agreement, or do we just fix it? Mr. Brewer stated we just fix it.

MOTION: AUTHORIZING A CHANGE ORDER TO FIX THE BROKEN SEWER LINE AT THE PROPERTY LOCATED AT 360 BREWSTER STREET IN RIVERSIDE, SUBJECT TO THE LOWEST QUOTE RECEIVED MADE BY MAYOR BUCKLEY. SECONDED BY MAYOR WALCH. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

- E. Land Bank Initiative Grant Update – Mr. Brewer stated we have received our second disbursement.

IV. OTHER BUSINESS

A. Foreclosure Procedures – Mr. Van Etten stated the State budget includes a proposal to look at changing the way foreclosure sales occur in the State. We basically foreclose on a property, sell it in the tax sale, and the buyer pays the taxes due to the County and the County keeps the balance. The proposal would change it so that any balance remaining after taxes and liens are paid would be returned to the original property owner. If that is adopted, that will be a huge mess. Most properties have so many liens on them that after they are sold and everything is paid, there is no money left. The County would be required to search for those liens and make payment. Has there been any news from the State on this? Mr. Wheeler replied there has been some optimism that they could get that proposal amended. There is also a pending Supreme Court case that could significantly impact this.

B. Next Meeting – The next meeting will be held on Wednesday, April 5, 2023, at 11:00 a.m. in the Legislative Chambers.

MOTION: TO ADJOURN REGULAR SESSION AND RECONVENE IN EXECUTIVE SESSION PURSUANT TO PUBLIC OFFICERS' LAW, ARTICLE 7§ 105.1.H. THE PROPOSED ACQUISITION, SALE OR LEASE OF REAL PROPERTY OR THE PROPOSED ACQUISITION OF SECURITIES, OR SALE OR EXCHANGE OF SECURITIES HELD BY SUCH PUBLIC BODY, BUT ONLY WHEN PUBLICITY WOULD SUBSTANTIALLY AFFECT THE VALUE THEREOF MADE BY MAYOR WALCH. SECONDED BY MAYOR BUCKLEY. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: TO ADJOURN EXECUTIVE SESSION AND RECONVENE IN REGULAR SESSION MADE BY MAYOR BUCKLEY. SECONDED BY MR. WHEELER. ALL BEING IN FAVOR. MOTION CARRIES 5-0.

MOTION: AUTHORIZING THE EXECUTIVE DIRECTOR OF THE STEUBEN COUNTY LAND BANK CORPORATION TO ACQUIRE THE FOLLOWING PROPERTIES FOR DEMOLITION: 2 NORTH MAIN STREET – COHOCTON; 10 COLLEGE AVENUE – HORNELL; AND 3 EAST NAPLES STREET – WAYLAND MADE BY MR. WHEELER. SECONDED BY MAYOR BUCKLEY. ALL BEING IN FAVOR. MOTION CARRIE 5-0.

MOTION: TO ADJOURN MADE BY MAYOR BUCKLEY. SECONDED BY MR. WHEELER. ALL BEING IN FAVOR. MOTION CARRIE 5-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature