

ECONOMIC DEVELOPMENT, EDUCATION & CULTURE COMMITTEE MEETING MINUTES  
March 7, 2017

The Economic Development, Education & Culture Committee of the Broome County Legislature met on Tuesday, March 7, 2017 in the Legislative Conference Room, Sixth Floor, Edwin L. Crawford County Office Building, Binghamton, New York.

Members Present: M. Sopchak (Chair), C. O'Brien, J. Shaw, M. Kaminsky, R. Weslar

Members Absent: None

Others Present: M. Whalen, A. Martin, J. Bertoni, R. O'Donnell, Legislature; K. McManus, B. Lainhart, County Exec's Office; J. Knebel, S. Kane, OMB; S. Liu, OET; F. Evangelisti, Planning; M. Scarinzi, Land Bank

The Economic Development, Education & Culture Committee meeting was called to order by the Chairman at 4:35 PM. Mr. Weslar made a motion to move the agenda, seconded by Mr. Shaw.

The Committee took the following action with regard to the matters before it:

#40 RESOLUTION CONFIRMING APPOINTMENT TO MEMBERSHIP ON THE BROOME COUNTY ENVIRONMENTAL MANAGEMENT COUNCIL

At the request of the Administration, Mr. Weslar made a motion, seconded by Mr. Shaw, to add the following individuals to the Resolution:

<u>NAME</u>	<u>TERM EXPIRING</u>
Dylan Horvath 71 Bernice Street Johnson City, NY 13790	12/31/17 Reappointment
Karen Ciatyk 147 Glenwood Avenue Binghamton, NY 13790	12/31/17 Reappointment
Chris W. Burger 110 Walters Road Whitney Point, NY 13862	12/31/17 Reappointment
Lawrence (Larry) Lepak 1023 Gabriella Avenue Endicott, NY 13790	12/31/17 Reappointment
Ian Jensen 5 Pine Street Binghamton, NY 13901	12/31/17 Reappointment

Amendment carried. Ayes-5, Nays-0  
Resolution as amended carried. Ayes-5, Nays-0

#47 RESOLUTION CONFIRMING APPOINTMENTS TO MEMBERSHIP ON THE BROOME COUNTY LAND BANK BOARD OF DIRECTORS

Carried. Ayes-5, Nays-0

Following the Resolutions, Mr. Martin and Ms. Scarinzi presented the Broome County Land Bank's 2016 Annual Report (Annual Report attached).

There being no further business to come before the Committee at this time, a motion to adjourn was made by Mrs. Kaminsky, seconded by Mrs. O'Brien. The meeting adjourned at 5:32 PM.



# ANNUAL REPORT 2016

**BROOME COUNTY LAND BANK CORPORATION**

60 Hawley Street, 5<sup>th</sup> Floor  
Binghamton, NY 13901

Margaret J. Scarinzi, Executive Director

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Ph: 607-778-6001

[www.broomelandbank.org](http://www.broomelandbank.org)

## BOARD OF DIRECTORS AND OFFICERS

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### Names and Titles

Aaron Martin <i>Chairman</i>	Chris Papastrat <i>Vice Chairman</i>
Elaine Miller <i>Secretary</i>	Jason Garnar <i>Treasurer</i>
Stacey Duncan <i>Director</i>	Dave Hamlin <i>Director</i>
Vacancy <i>Director</i>	

## 2015 BOARD COMMITTEES AND MEMBERSHIP

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### Governance/Personnel Committee

Elaine Miller, Chair  
Chris Papastrat  
Vacancy

### Finance/Audit Committee

Jason Garnar, Chair  
Dave Hamlin  
Elaine Miller

## 2015 COMMUNITY ADVISORY PANEL

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Lois Andrascik	Rosemary Markoff
Emil Bielecki	Janet McHenry
Joel Boyd	Joseph Moody
Brendan O'Bryan	Robert Murphy
Christopher Dziedzic	Nick Pappas
Timothy Huften	Michael Sopchak
Kenneth Kamlet, Esq.	Mary Webster
Eileen Konecny	Jerry Willard

## CORPORATION STAFF

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Margaret J. Scarinzi  
*Executive Director*

## MISSION STATEMENT

*The mission of the Broome County Land Bank is to foster economic and community development by acquiring, holding, managing, developing and marketing distressed, vacant, abandoned and under-utilized properties.*

## 2016 Overview

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The Broome County Land Bank Corporation (BCLBC), a nonprofit corporation, was created by Broome County in 2013 under the New York Land Bank Act. The BCLBC was created to target distressed, vacant, abandoned and foreclosed properties with the goal of fostering community and economic development by eliminating blight and stabilizing neighborhoods. The intention is to put nuisance properties back into productive use.

The BCLBC's fourth year of operation was full of activity. In 2016, the BCLBC demolished its first properties, created a Side Lot Program, sold its first property, made positive progress on a multi-million dollar mixed-use market rate housing project and established strong working partnerships which impacted communities throughout Broome County. This report will highlight the many notable accomplishments achieved by the BCLBC in 2016.

## 2016 Highlights

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The following are summaries of the activities and accomplishments of the BCLBC over the past year.

### 50 Front Street Redevelopment Project

*Estimated Total Project Cost: \$21 Million*

In 2016, the BCLBC worked with the developer, Newman Development Group (NDG), as they navigated



*Redevelopment Rendering – 50 Front Street  
City of Binghamton*

through the process of securing necessary approvals from the City of Binghamton to move this project forward. The BCLBC provided NDG support for the site plan review, appeared with NDG before various City boards to acquire necessary permits, including a special use permit and variance and flood plain development permit, and worked with the City's Building Inspector to secure a demolition permit. During this period of due diligence, the BCLBC also granted site access to the developer on several different occasions.

The developer conducted an archeological survey to satisfy the requirements of the State Office of Historic Preservation (SHPO). SHPO granted the project clearance stating “no significant archeological resources were identified” and determined “no historic properties would be impacted.” NDG also requested site access to perform an updated Phase I, which was completed in December 2016. By the end of 2016, all necessary approvals had been obtained. It is anticipated the BCLBC will close on the property with the developer in late Q1 2017 and the project will commence soon after, starting with asbestos abatement.

## NYS Office of the Attorney General Community Revitalization Initiative, Round 2 Grant Award: \$805,401

The BCLBC was awarded \$805,401 through round 2 of the NYS Office of the Attorney General’s (OAG) Community Revitalization Initiative (CRI). The source of funding for this grant program was settlement monies from various financial institutions due to their improper practices contributing to the foreclosure crisis. The purpose of this grant program is to continue the NYS OAG’s efforts to address threats to homeownership and community stabilization precipitated by the mortgage crisis. The term of the grant is January 1, 2015 thru December 31, 2016. Below are projects funded by this program.

### Residential Demolitions

The BCLBC embarked on its first ever property demolitions in 2016. Seven blighted residential properties on the City of Binghamton’s north side were demolished. This demolition project was in support of the City’s revitalization efforts on the north side. The properties were 75 Liberty Street, 102 Liberty Street, 113 Liberty Street, 128 Liberty Street, 15 Munsell Street, 34 Munsell Street and 20 Pearne Street.

Through a competitive process, Gorick Construction was selected as the demolition contractor in February. After abatement work was completed by Sunstream (subcontractor), demolitions started in early April and were completed by the end of the month.

To address the vacant lots, the BCLBC created its Side Lot program, where the BCLBC sought adjacent property owners to purchase and combine the lot with their existing lot. In another first for the BCLBC, it sold its first Side Lot, 20 Pearne Street, to the property owners of 22 Pearne Street in October. The remaining six vacant lots were transferred to the City of Binghamton in December.



### 47 North Street, Binghamton

Due to a groundswell of community support surrounding the historic building at 47 North Street, City of Binghamton, the BCLBC removed it from its residential demolition program and issued an RFP for its purchase and redevelopment in November 2015. The first RFP was unsuccessful so the BCLBC issued another RFP in February 2016 which also resulted in no proposals. In April, the BCLBC Board of Directors decided to issue a third and final RFP. If no proposals were received the Board would then consider alternative methods of disposition, including sale at Broome County's Real Property auction or revisit the possibility of demolition. As the deadline approached, the BCLBC did receive a proposal but the proposed developer agreed to withdraw the proposal when the City of Binghamton expressed an interest in taking over ownership and property maintenance responsibilities of the structure to allow more time to develop a feasible plan for its rehabilitation. The BCLBC Board of Directors approved the sale of 47 North Street to the City and the deed was transferred in late 2016. The BCLBC anticipates a continued partnership with the City of Binghamton as redevelopment plans are finalized.

### 250 Front Street, City of Binghamton

The BCLBC partnered with the First Ward Action Council (FWAC) on the acquisition and demolition of 250 Front Street, City of Binghamton, as well as the construction of a community garden in its place. The FWAC approached the BCLBC in late 2015 for assistance with this project which neighbored the



*Community Garden - 250 Front Street, City of Binghamton*

homes the FWAC was renovating as part of the Binghamton Gateway Homes project. 250 Front Street was a vacant, dilapidated property that, if not addressed, was going to detract from the aesthetic appearance of the newly renovated homes, negatively impacting the overall project. The BCLBC Board of Directors and New York State Office of the Attorney General both approved this project in early 2016. The building was demolished in July, and in November, in collaboration with VINES – Volunteers Improving Neighborhood Environments,

the BCLBC and FWAC celebrated the ground breaking for the community garden. Twenty raised bed gardens were constructed and will be available to rent through VINES for the 2017 growing season.

### 117.5 Main Street, Village of Windsor

The BCLBC partnered with the Village of Windsor on the demolition of the rear structure located at 117.5 Main Street. The property, which consisted of two structures, was purchased by the Village of Windsor from the County at a tax foreclosure auction in 2012 to prevent further neighborhood decay. It had been vacant since 2011. The front structure was parceled off and sold by the Village, and will be redeveloped into commercial space. The Village desired to demolish the rear structure, which was in very poor condition, to make way for a municipal parking lot that would support a growing business district. The Village requested assistance from the BCLBC for its demolition. The project was approved by the BCLBC Board of Directors and the building was demolished in October. The Village was the lead

on the project and retained title of the property. It is expected the Village will construct the municipal parking lot in 2017.

### **1605 Davis Avenue, Endwell**

In an effort to stabilize a neighborhood that had been hit by three floods over the past decade, the BCLBC partnered with Broome County and the Town of Union to demolish two buildings at 1605 Davis Avenue, Endwell, that have been vacant since 2005 and have become a tremendous blight on the community. The buildings, a convent and parochial school of the former Christ the King Catholic Church, have deteriorated significantly becoming a burden on local agencies, including the Endwell Fire Department and Broome County Sheriff's Office. Once gone, a community garden will be constructed, which will help revitalize this neighborhood and restore pride. Broome County is the lead on the project and, through a competitive bidding process, selected LCP Group as the demolition contractor in late 2016. Demolition is expected to commence in January 2017 with substantial completion by the end of February 2017.



*1605 Davis Avenue, Endwell*

## **NYS Community Development Block Grant**

### ***Community Renewal Funding - \$750,000***

In late 2014, Broome County was awarded \$750,000 in NYS Community Development Block Grant Funds – Community Renewal Funding for blight removal and housing rehabilitation. With the funds, the BC Home Ownership and Housing Initiative was established with the goal of removing blight by rehabilitating foreclosed, vacant homes and creating affordable housing for persons of low to moderate income.

In 2016, the BCLBC took title to its first two rehabilitation properties, 1857 Burdick Road in the Town of Binghamton, and 117 Lagrange Street in the Town of Vestal. Both properties were foreclosed on by the County.

With properties identified, the BCLBC initiated the steps towards rehabilitating the properties. Through competitive bid, Jennings Environmental Management was selected to perform asbestos surveys on the properties and develop remediation plans (initially) of both asbestos and lead. The Broome County Health Department conducted the lead testing on both properties. While conducting a site visit in the Spring, Jennings detected mold issues in each house. As a result, Jennings had to test for mold and revise his remediation plans to include mold. Jennings completed the remediation plans in the Fall and, utilizing the County Purchasing Department, a Request for Bids for environmental remediation was issued in December with a submission deadline of mid-January 2017.

## NY Main Street Program

### *Village of Windsor Downtown Revitalization - \$220,116*

In December 2015, the Village of Windsor was awarded a \$220,116 New York Main Street grant for the revitalization of its historic downtown business district. It is a two-year program, and the BCLBC is administering the grant for the Village.

In June 2016, through an application process, four projects within the target area on Main Street in the Village were approved by a review committee to receive grant funding for their proposed renovation projects. Members of the review committee were selected by the Village Mayor. Grant funding equals



75% of the lowest responsible bid not to exceed \$50,000 for commercial projects or \$100,000 for commercial and residential projects. Some of the improvements to be made include façade, exterior and interior renovations, both commercial and residential space improvements, replacement of doors and windows, and energy efficiency upgrades.

Once selected, each project's scope of work went through a rigorous environmental review by the New York State Office of Homes & Community Renewal (NYSHCR), and was reviewed by SHPO since all work will be done to buildings within an historic district listed on the National Register. Each project received a "no adverse effect" opinion from SHPO and environmental clearance to proceed from NYSHCR, clearing the way to begin construction in 2017. It is expected that the construction phase of these rehabilitation projects will start in the second quarter of 2017, with completion by the end of the year.

## Side Lot Program

This year saw the creation of the BCLBC's Side Lot Program. The BCLBC Board of Directors adopted the Program in June and sold its first side lot in October. The BCLBC's Side Lot Program allows responsible land owners to purchase vacant lots adjacent to their existing property, with the goal of returning the property to its highest and best use, and to put the property back on a municipality's tax roll. The Side Lot Program requires that landowners demonstrate a history of property maintenance that is compliant with municipal codes, free of waste, and maintained to a degree that provides an overall benefit to the neighborhood. Homeowners of adjacent property are given priority for the purchase of side lots. The Land Bank typically requires applicants to combine the lot with their existing property.

The Broome County Land Bank Side Lot Program requires that applicants must:

- Reside in Broome County and own property adjacent to the lot
- Be in substantial compliance with local building and zoning regulations
- Be current on all real estate taxes and assessments and not subject as an owner to a Broome County Tax Foreclosure proceeding
- Agree to maintain the lot in accordance with all local building and zoning codes
- Present a detailed plan for use of the property, and have a rehab or maintenance plan in place
- Present evidence of proof of funds to acquire property
- Submit a \$25 refundable deposit

Additional information, including the Side Lot Program application can be found by visiting the BCLBC's website at [www.broomelandbank.org](http://www.broomelandbank.org).

## New York Land Bank Association, Inc.

The New York Land Bank Association (NYLBA) was created to promote and market the use of land banks, provide information on the establishment and operation of land banks, provide support and technical assistance among land banks across New York State and to provide and support governmental relations in advancement of land banks within New York State.

The BCLBC continued its membership with the New York Land Bank Association in 2016. The Executive Director was a Director on the Association's Board and remained a member of its Professional Development and Outreach Committee. As a member of the Committee, the Executive Director assisted with the updating of the statewide publication on New York Land Banks. The Committee worked with the Center for Community Progress to develop content for the revised publication which is expected to be published in early 2017. The Executive Director also attended the Annual Land Bank Summit held in Syracuse, NY in October.

## Disposition Policy

New York Legislative changes in late 2015 resulted in changes to how NY land banks can dispose of properties. As of October 27, 2015, NY land banks were no longer bound by Section 2897 of Public Authorities Law (PAL). PAL Section 2897 focused on whether sales were made for above or below fair market value and what findings the board must make prior to sale in either case. PAL required land banks use appraisals to define fair market value (FMV). In June 2016, the BCLBC adopted a revised policy that allows using a market-based approach to define FMV by competitively listing properties, allows the Board to sell a property if it finds that a lower offer provides some community benefit consistent with our mission and purpose that the higher offer cannot provide, and outlines circumstances in which properties might be sold noncompetitively. It also provides simple explanations of the process the Land Bank will follow if selling property via negotiated sale, request for proposals, or auction. Another change as a result of State legislative changes was the PAL requirement to notify state agencies in the event of a sale of a property valued at over \$100,000 has been removed. The revised Disposition Policy can be viewed on the BCLBC's website: [www.broomelandbank.org](http://www.broomelandbank.org).

## Community Outreach

The BCLBC prioritized community outreach in 2016. The Executive Director presented to several community groups to educate and spread awareness about the Land Bank and its mission. This outreach provided the opportunity for the BCLBC to network and establish relationships with various community organizations to learn how they could complement the work of the land bank. The Executive Director also reached out directly to elected officials, something that had not been done before. Having these conversations and opening the lines of communication, in some cases, resulted in the creation of partnerships where resources were leveraged and entities came together to eliminate nuisance properties and improve communities. The Executive



Director regularly heard from, and continues to hear from, elected officials to discuss ideas and potential new projects. The BCLBC will continue outreach efforts in 2017, building partnerships and looking for collaborative ways to stabilize and improve neighborhoods across Broome County.

## *Looking Ahead*

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### **NYS Office of the Attorney General**

#### ***Community Revitalization Initiative, Round 3***

In November, the New York State Office of the Attorney General (OAG) announced a third round of funding through its Community Revitalization Initiative (CRI). The OAG is providing \$20 million for this initiative through funding secured through 2016 settlements with Morgan Stanley and Goldman Sachs over misconduct that contributed to the mortgage foreclosure crisis.

The BCLBC applied for \$1,110,370 in CRI funding to support stabilizing neighborhoods throughout Broome County, focusing on both the urban core and rural communities, by eliminating vacant and abandoned properties which have not only become a blight on neighborhoods, but health and safety issues for residents.

All 18 NY land banks were invited to apply for grant funds through the 2017-2018 CRI. Applications were due at the end of November and award announcements will be made in early 2017.

## *Future Challenges*

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### **Funding**

As stated in the 2016 New York State Comptroller's Report on NY Land Banks, *"Land Banks Enter the Fight Against Blight"*, NY land banks rely heavily on subsidies and the most significant source of subsidies thus far has been the NYS Office of the Attorney General's Community Revitalization Initiative (CRI). By nature of the issues land banks were created to address, it is typical they are unable to generate enough revenue to offset their expenses. Despite obtaining properties for low cost, the cost to rehabilitate or demolish typically exceeds the revenues land banks are able to generate from the sale of these properties. For example, the BCLBC sold a side lot on the City of Binghamton's north side for \$500. However, the total cost to demolish the blighted structure was \$20,000.

While the NYS OAG funding has been crucial to the BCLBC, it is not a permanent funding source. At some point the settlement funds will be gone and land banks will need new, sustainable funding sources. The NYLBA is currently researching ways land banks in other states have been funded. For example, in Ohio, there is a statute that allows counties to provide land banks with up to 5% of the biannual delinquent property tax receipts (*"DTAC" – Delinquent Tax and Assessment Collection*) for unrestricted use. Ohio is the only state that statutorily provides a consistent funding source for land banks. It is uncertain if New York State would have the appetite for something similar.

The BCLBC is anticipating an award through the CRI's third round which is expected to cover project costs and a portion of administrative costs over a two-year period, 2017-2018. The BCLBC is also

pleased to have the support from the Broome County Legislature which, in November 2016, approved an appropriation of \$84,870 for operational support for the period of January 1, 2017 through December 31, 2017. Additionally, in December 2016, the Legislature approved legislation that would translate into tremendous cost savings for the demolition projects undertaken by BCLBC. For any residential property (1-2 family home) purchased from Broome County by a quasi-governmental agency, such as the Land Bank, or municipality for demolition, the legislation states:

1. Shall be sold for a price not to exceed one year's unpaid county taxes or one year's administrative fees,
2. Shall not be charged a tipping fee at the Broome County Landfill for disposal of demolition debris,
3. Shall be eligible to apply for a grant from the 2% occupancy tax brownfield fund to cover the expenses of a pre-demolition survey.

This new legislation will allow the BCLBC to realize cost savings, better leverage funds and target more troubled properties.

## 2016 BCLBC Projects by Municipality

	PROPERTY	ACTIVITY	PROPERTY RE-USE	PARTNERS
<b><i>City of Binghamton</i></b>	50 Front Street	Demolition	Mixed-use redevelopment	Empire State Development and Broome IDA
	250 Front Street	Demolition	Community garden	First Ward Action Council
	75 Liberty Street	Demolition	Vacant lot	
	102 Liberty Street	Demolition	Vacant lot	
	113 Liberty Street	Demolition	Vacant lot	
	128 Liberty Street	Demolition	Vacant lot	
	15 Munsell Street	Demolition	Vacant lot	
	34 Munsell Street	Demolition	Vacant lot	
	20 Pearne Street	Demolition	Purchased as side lot	
<b><i>Town of Binghamton</i></b>	1857 Burdick Road	Rehabilitation	Affordable housing	
<b><i>Town of Union</i></b>	1605 Davis Avenue	Demolition	Community garden	Broome County, Town of Union and Cornell Cooperative Extension
<b><i>Town of Vestal</i></b>	117 Lagrange Street	Rehabilitation	Affordable housing	
<b><i>Village of Windsor</i></b>	117.5 Main Street	Demolition	Municipal parking	Village of Windsor

## 2016 BCLBC Financial Overview

NET POSITION	2016	2015
Current Assets	\$331,218	\$157,967
Total Assets	331,218	157,967
Current Liabilities	1,333	38,747
Total Liabilities	1,333	38,747
Net Position:		
Unrestricted	329,885	119,220
Total Net Position	\$329,885	\$119,220

  

CHANGES IN NET POSITION	2016	2015
Operating Revenue	\$436,808	\$233,890
Total Operating Revenue	436,808	233,890
Operating Expenses	226,143	119,070
Total Operating Expenses	226,143	119,070
Change in Net Position	210,665	114,820
Net Position, Beginning of Year	119,220	4,400
Net Position, End of Year	\$329,885	\$119,220

**NOTE:** All amounts are expressed in actual dollars. The complete audited financial statement is available on the Broome County Land Bank's website, [www.broomelandbank.org](http://www.broomelandbank.org).