



**Tioga County Property Development Corporation
Regular Board Meeting
Wednesday, May 29, 2024, at 4:00 PM
Ronald E. Dougherty County Office Building
56 Main Street, Owego, NY 13827
Economic Development Conference Room #109**

MINUTES

1. Chairman Kelsey called the meeting to order at 4:00 PM.
2. Present: R. Kelsey, H. Murray, L. Pelotte, M. Sauerbrey, S. Yetter, J. Whitmore
Absent/Excused: M. Baratta was virtual
Invited Guests: B. Woodburn, M. Schnabl, Joan Case, Beatriz Murray (Bowers)
3. Old Business
 - a. Approval of Minutes of Regular Board Meeting, March 27, 2024, and Special Board Meeting, May 1, 2024 – The minutes were distributed and were reviewed by the board.

Motion to approve the Minutes of the Regular Board Meeting and Special Board Meeting as written:

S. Yeller/ L. Pelotte/Carried

None Opposed

No Abstentions

b. Acknowledgement of Financial Reports through April 30, 2024. Ms. Woodburn presented the financial reports through 4/30/24. Bank accounts have a little over \$455,000 in TSB/ICS accounts (as of May 28th). Received reimbursements from LBI phase I and LBI phase II. Funds are primarily made up of ARPA funds, administration funds from NYMS program, and property sales. Received \$500 deposit for 32 Lyman Avenue. Expenses for the last two months were primarily related to operational costs which included accounting, audit fees, D&O insurance, Deluge Media 2024 content; property/maintenance costs which included utilities; 81 North Avenue pigeon cleanup cost, and 247 Main Street structural report cost. Ms. Woodburn asked if B. Murray with Bowers accounting firm had anything to add or if anyone had any questions. R. Kelsey asked B. Murray to go over the highlights of the balance sheet and point out restricted versus unrestricted funds.

B. Murray responded that the balance sheet is separated by LBI Phase I and LBI Phase II. "Left to received" is how much funding has yet to be reimbursed, a total of \$58,000 and "left to spend" is what is left of total budget from Phase I. B. Murray said that net expenses are expenses that have been occurred but have not been reimbursed yet. R. Kelsey asked if the left to be received is \$58,000 and left to be spent is \$12,000. B. Murray responded with, yes. R. Kelsey said they have spent \$46,000 and B. Murray said yes and said that the money has been spent but has not been reimbursed yet and is still pending. Ms. Woodburn said that the reimbursement request was just received yesterday and will not be reflected until the next financial report. B. Murray said that normally left to be received and left to spend would be the same but due to the timeline of reimbursements they are not. B. Murray presented Phase II, as of April 30th there was \$696,000 left to be received and \$666,000 left to be spent, so as of May there was \$30,000 that had been spent but not reimbursed yet. R. Kelsey asked what Phase I and Phase II costs were for. Ms. Woodburn responded that Phase I costs are for operational costs and Phase II cost are for capital expenditures: acquisition, rehabilitation and/or demolition costs. B. Murray discussed impairment loss and insurance payments, which occur month after month but may not have a bill issued monthly. M. Sauerbrey asked where the ARPA funds were in the financial report. B. Murray responded that it is listed under Deferred Grant Revenue. M. Sauerbrey asked if the ARPA funds needed to be spent by a certain date. Ms. Woodburn responded that she checked with Jackson Bailey, the Budget Officer for Tioga County, and they do not need to be spent by a certain date. B. Murray discussed Equity, which includes the accumulation of net income that is \$228,000. M. Sauerbrey asked if there were any regulations regarding what the ARPA funds can be spent on. Ms. Woodburn said that to her knowledge there were no limitations, but it would have to support their mission. R. Kelsey asked if the funds should be moved to unrestricted funds. B. Murray said that if it is not restricted it can be moved to income. Ms. Woodburn will follow up with Jackson Bailey on this. B. Murray discussed budget versus actual cost. The total budget was 1.2 million and income was \$600,000, \$900,000 from LBI and \$275,000 from state.

Motion to acknowledge financials, as presented.

M. Sauerbrey/ S. Yetter/Carried

None Opposed

No Abstentions

c. Status of Temple/Liberty Street single-family home site plan. Ms. Woodburn provided the site plan and discussed how the 1,500 square ft houses were put on the site plan in accordance with the village regulations. Lot no. 7 was requested to be adjusted to the Liberty Street side of the property due to the pit area on the property. The homes would be modular homes on permanent foundation, Manufactured homes do not have a permanent foundation which is not allowed in the zoning district. The group discussed moving house located at lot no. 7 forward, so two houses could be built on the lot. Ms. Woodburn discussed that code would not let them fill in the pit area on the property. H. Murray discussed getting a site fill analysis for Lot no. 7 to be able to put another house on the property in the future. R. Kelsey asked if the school was still interested in property no. 1 and 2. Ms. Woodburn responded yes and said that kids from the class would focus on one of the houses at a time. The school is now partnering with BOCES and kids from Newark Vally, Tioga, Union Endicott would be able to come to the program in addition to Owego students. Ms. Woodburn said they would contact the architect to divide lot no. 7 into two lots. M. Sauerbrey asked about the funding to develop the properties. Ms. Woodburn responded that Restore NY could provide up to \$180,000 per property, and there are no affordability requirements. M. Sauerbrey discussed flood insurance, school tax costs, and the affordability of the new planned development for Temple/Liberty Street. M. Baratta asked if they

needed to be a pro-housing community for Restore NY. Ms. Woodburn responded that not for this year but next year they will need to be in order to apply for certain state funding opportunities.

d. Status of 103 Liberty Street/OACSD project- Ms. Woodburn provided an update for 103 Liberty St. The students demoed the back room of the house and will be framing in the rear entry door that will lead into the kitchen area. The asbestos siding was removed by LCP Group. The OACSD is also in the process of getting window quotes to make the house more energy efficient and are also looking to re-shingle the exterior of the kitchen dining room area where the existing metal roof is located.

e. Status of NYS HCR – Land Bank Initiative (LBI) funding sources and projects: Ms. Woodburn provided updates on the LBI projects.

i. LBI Phase 1 – operational funds

There is \$12,414.13 left to spend by August 2024.

ii. LBI Phase 2 – capital improvement funds

1. 247 Main Street, Owego: The sales agreement and pre-possession agreement are with the buyer's attorney and are waiting for signatures. Deposit to be received from Fleicher Properties LLC and all work needs to be completed by November.

2. 10 Watson Avenue, Newark Valley: Fleicher properties is finishing HVAC work. We will be doing the final reimbursement of the remaining \$2,000 of the Land Bank's investment in the project within the next few weeks. R. Kelsey asked how much was allocated on the project. Ms. Woodburn responded with \$45,000.

3. 32 Lyman Avenue, Waverly is being sold to Southern Tier Enterprise Group (STEG). Waiting on the abstract to come back before the closing can take place. STEG has completed the cleanout and gutting of the house, the asbestos testing, the energy audit, and the kitchen design. The allocated funding amount is \$40,000 through LBI phase II. STEG is taking over lawn maintenance.

4. 98 Fox Street, Owego: Property was demolished in March and the VOO agreed to take the property. Property was deeded to the Village of Owego 5/16/2024 per MOU with Village after the demolition was completed. The property will be taken off TCPDC's insurance and maintenance schedule.

5. 121 Providence Street, Waverly. Taking over the stabilization work now under LBI Phase II now. Cleanout and tree removal was completed by Clean Earth Solutions (\$5,000). The asbestos survey was completed by O'Rourke. Several things tested positive for asbestos. In the process of receiving asbestos proposals from Sunstream and Kascon for the remediation work. Will do an email vote unless the board wants a special meeting to vote on which company to remove the asbestos.

6. 81 North Avenue, Owego: The architect sent the preliminary floorplans and elevation drawings. There were a lot of historic features on the 3rd floor. Between bedroom 1 and bedroom 2 on the 3rd floor a wall had to be removed. CJM Quality is in the process of cleaning out and completing interior demolition of the 1st and 2nd floor and stairwell. H. Murray brought up the faded mural on the side of the building. Ms. Woodburn responded that they

have been working with the arts council to see if a mural could be done while following SHPO guidelines. The contractor, Cody cleaned and gutted out the 1st and 2nd floor of the property, also provided a price for the interior demolition of the 3rd floor for \$10,000. One concern is that it is unknown what is above the ceiling and there might be more pigeons and Cody is not certified to clean up the pigeon debris. Sunstream provided a quote to remove the ceiling and clean/disinfect the joists for \$11,650. The reason the 3rd floor was not gutted with floor 1 and 2 was because it needed to be tested for asbestos, but they would not come to test until the pigeons were removed. Sunstream cleaned out the pigeons and the 3rd floor tested negative for asbestos. In the process of receiving bids for the brick repointing.

f. Other potential grant funding sources

i. Restore NY –Tioga County submitted a Round 8 Restore NY application for funds for the reconstruction of the homes on Temple/Liberty Street and 81 North Avenue and announcements will likely be in August/September.

ii. HOME Homebuyer Development Program and CrossMod Pilot Program was approved by the board last meeting and the application is currently being worked on.

iii. NYMS, 62-64 North Avenue, Owego: Is a potential application where Landbank would be the applicant. The property owners, Alex and Chris (NAVO Properties) are requesting the Landbank to be the applicant. The Land Bank would act as a pass through for the funds and would receive an administrative fee for administering the grant program. M. Sauerbrey discussed that there are tenants at 62-64 in the commercial space and the owners more than doubled the rent. Ms. Woodburn stated that she would look into the concern and report back.

v. LBI Open Round Property Services –It was announced two days prior to the meeting that there is another round of LBI funding. Next meeting Ms. Woodburn will present to the board some potential projects for the funding. It is a rolling application.

g. New Board Member Discussion – The Governance Committee met with Joan Case last week (21st) for the open position on the board. Dave’s resignation will be accepted and there will be an open seat on the board. The Board of Director’s will need to vote to make a recommendation to the legislature to appoint J. Case to the TCPDC board of directors.

Motion to recommend Joan Case to the Tioga County Legislature for appointment as a Board Member of the Tioga County Property Development Corporation Board.

S. Yetter/L. Pelotte/Carried

None Opposed

No Abstentions

4. New Business

a. Resignation letter – David Astorina is resigning and starting a new career in NJ. The board needs to accept the resignation.

Motion to accept resignation letter from David Astorina.

M. Sauerbrey/L. Pelotte/Carried

None Opposed

No Abstentions

b. Town of Berkshire properties

- i. Town Supervisor of Berkshire, Barbara Gehm-Jordan, is working with ED&P to do a master park plan, for George W. Smith Park. There are dilapidated properties neighboring the park. The park is adjacent to railroad tracks and there is no real entrance to the park. To use the park residents and visitors must park on a private neighboring property. There is potential to acquire the neighboring dilapidated properties and demolish them, giving the park an entrance. The property located at Glen Road, Berkshire, Berkshire First Congregational, Barbara indicated that the Church would like the property to be demolished. Railroad Ave, Berkshire – Property #1 is for sale which could be a good demolition project. The Town, County, and school taxes only total \$400. The sellers have it listed for \$70,000, and it was bought for \$20,000 in 2013. The house cannot be bought through a bank due to an issue with the septic. Demolition cost would likely be \$30,000 - \$40,000. Railroad Ave, Berkshire – Property #2 is another potential property to purchase and demolish. The owners are also interested in selling. The potential purchase price would be \$35,000. The project would be contingent on approval of additional funds for LBI Phase 2.

c. Changes to RPTL Article 11. There have been changes to the Real Property Tax Law Article 11 as a result of the Tyler vs. Hennepin County decision by the Supreme Court which will change how Landbanks acquire properties from the foreclosure process moving forward. Ms. Woodburn has met with Pete Dewind, Jim McFadden, Kevin Humes and Steve Palinosky, and it looks like the result will be that the Land Bank may have to go to an auction and bid on properties. It is the safest way to document the value of properties. A full interior and exterior appraisal is another way to value a property, but would open up Tioga County to potential risk regarding the valuation. Broome County Land Bank is working on a process that still does not require them to go to the auction which is different from what Tioga County is doing. Broome County will acquire the foreclosure properties for a \$1 but pay all back taxes/outstanding fees to the county, and then if the county is sued, the Landbank will pay the excess proceeds to the county after the property rehab is complete and sold. There are concerns that there is a higher risk on the Landbank if the Broome County process is adopted.

d. NYLBA Temporary Housing Study –In order to participate in the study, we would have to have partnership with DSS. Commissioner Shawn Yetter appeared to be interested in participating in the study and he was sent the scope of the work to review. The study will collect information on funds they already spent, temporarily housing people, census data, etc. R. Kelsey asked about the Landbanks portion of the study. Ms. Woodburn responded that each Landbank shouldn't have to pay over \$1,000.

e. Pizza Hut building in Owego, NY. R. Kelsey stated that the Pizza Hut building has been abandoned for some time and is near Hickories Park. R. Kelsey has a planned meeting to discuss the building. The owners of the building want to donate the building to a non-profit or the Landbank. The owners were not allowing environmental tests to be carried out on the property but now have changed their minds. It is planned to have asbestos testing done to determine what to do with the building.

6. S. Yetter motioned to adjourn the meeting at 5:52 PM.

Respectfully submitted,
Casey Yelverton, Economic Development Specialist
Tioga County Economic Development and Planning