



ALBANY COUNTY
LAND BANK CORPORATION

Acquisition and Disposition Committee Meeting Minutes

December 13, 2019

69 State Street, 8th floor
Albany, New York 12207

Board attendance: Charlie Touhey, Sam Wells, Todd Curley and Jeffrey Colette

Staff attendance: Adam Zaranko, Amanda Wyckoff, Erica Ganns, Charlotte O'Connor, Will Sikula

The meeting began at **3:05 pm**.

1. **Review of Minutes:** Minutes of the November 2019 Acquisition/Disposition Committee were reviewed and approved by the Committee.

2. **New Business**

- a. **Update on South End Cluster Development:** The Executive Director provided the Committee with an overview of the outcome of the Land Bank's Request for Expressions of Interest. The responses suggested that ongoing coordination between the Albany County Land Bank, the City of Albany, community stakeholders, and any development partners will be critical to the success of any project. Many stakeholders expressed that a cohesive, larger-scale redevelopment strategy was appropriate for all three development clusters, including a mix of incomes, housing types and uses. The Executive Director stated that upon reviewing the outcomes of the consultant's analysis along with the responses to the RFEI it was apparent that in order to ensure that local priorities are balanced with the need for economically viable development scenarios, the Albany County Land Bank, acting as a not-for-profit corporation and local public authority, will need to engage one or more developers and pursue a partnership structure.

Based on the work completed to date the Executive Director recommended pursuing the South End development cluster first and advised that the next steps in the initiative should include reconnecting and updating the South End Community Collaborative, engage a consultant to assist with partnership structure concepts using all available information to determine the optimal role of for the Land Bank, coordinate with the City of Albany and seek to engage one or more developers that have expressed interested in developing the South End Cluster on partnership(s). The Committee agreed with the Executive Director's recommendations and the Executive Director will provide an overview and associated recommendation at the upcoming Board of Director's Meeting.

- b. **117 Clinton Avenue** – Land Bank staff was approached by an occupant of 117 Clinton Avenue, a Mr. Jim Borucinski, regarding acquiring the building. The property has been foreclosed upon by Albany County and the property has been approved for transfer to the Land Bank. The Land Bank has not yet acquired the property. Land Bank staff obtained pertinent information from the tenant and presented the inquiry to the Acquisition/Disposition Committee. Committee members expressed concerns about the considerable unknowns regarding the property, including how long the property has been abandoned by the former owner, the condition of the building, especially with regard to its habitability and what and to what extent series structural or related issues may exist, the tenant's ability to purchase and maintain the property, the Land Bank's ability to be a landlord – specifically the lack of capacity and infrastructure to

ensure that the building is safe for tenants to occupy or to provide the level of service that being a landlord requires and that an occupant deserves, scenarios where a property sale did not close and issues regarding fairness and the open competitiveness that was a fundamental aspect of the Land Banks property purchase process. Ultimately the Committee determined that the request could not be accommodated and noted that if the Land Bank were to acquire the property and determined it was stable and marketable, Mr. Borucinski would be eligible to apply to purchase the property through the Land Bank's property purchase application process.

c. **199 Lark Street:** The sale of 199 Lark Street to Kim Yat Yeung for \$80,000 was approved by the Board of Directors at the November 2019 Board meeting. Subsequent to the approval the approved buyer contacted the land bank after developing a more detailed cost estimate which showed that more investment would be required to rehabilitate the building than originally presented to the Land Bank in the purchase application. The buyer requested a purchase price adjustment of \$20,000 to account for the increased required investment. After reviewing the request Land Bank staff concurred that the request was warranted, especially considering that there has been a lack of qualified and capable buyers interested in the property since the Land Bank acquired it in April 2019. After reviewing, the Committee approved the price adjustment in support of the building be rehabilitated and in connection with the Land Bank's mission. The adjusted purchase price will be \$60,000.

d. **Property sale transaction fee:** The Executive Director presented the Committee with a recommendation to charge a 3% Asset Management fee for all property sales effective January 2020. Once approved by the Board of Directors, it typically takes 1 to 4 or more months for a property sale to close. During this time, the Land Bank is responsible for maintain and insuring the property. Across the Land Bank's real estate portfolio, this comes at a significant cost. In order to offset this cost, the Land Bank wishes to charge the fee. Asset Management fees are typical in other real estate transactions and both the fee and recommended percentage charged are commercially reasonable. The fee would be disclosed in updated property purchase applications, among other methods. The Committee agreed to begin including the fee effective January 2020.

3. Sale Summaries Review:

The following sales were reviewed, and following Committee recommendations set forth:

- **13 Spruce Street, Colonie:**

Proposed Use: Primary Residence and Operate as Rental

Recommendation: Acquisition and Disposition committee recommends advancing the sale to Sung Kim and Marion Robichaud is recommended as the alternate buyer.

- **171 Third Street, Albany:**

Proposed Use: Primary Residence

Recommendation: Acquisition and Disposition committee recommends advancing the sale to Cara Rives-Bart.

- **187 North Lake Avenue:**

Proposed Use: Operate as a Rental

Recommendation: Acquisition and Disposition committee recommends advancing the sale to Patrick Chiou.

- **202 Kent Street, Albany:**

Proposed Use: Operate as a Rental

Recommendation: Acquisition and Disposition committee recommends requesting best and final offers from all applicants.

- **23 Shepard Avenue, Colonie:**

Proposed Use: Operate as a Rental

Recommendation: Acquisition and Disposition committee recommends advancing the sale to Marc DeRusso.

- **24 Van Zandt Street, Albany:**

Proposed Use: Maintain As Is

Recommendation: Acquisition and Disposition committee recommends requesting a best and final offer from the applicant.

- **27 Fulton Street, Albany:**

Proposed Use: Maintain As is

Recommendation: Acquisition and Disposition committee recommends requesting a best and final offer from the applicant

- **293 Second Street, Albany:**

Proposed Use: Operate as a Rental:

Recommendation: Acquisition and Disposition committee recommends advancing the sale to Tameka Johnson.

- **30 Simmons Lane, Menands**

Proposed Use: Maintain As Is

Recommendation: Acquisition and Disposition committee recommends advancing the sale to Ploutos Holdings LLC.

- **453 & 455 Second Street:**

Proposed Use: Maintain as is

Recommendation: The applicant is unable to show financial capacity to execute the plan. Acquisition and Disposition committee recommends requests denying the application.

- **437 Clinton Avenue & 446 Elk Street, Albany:**

Proposed Use: Other

Recommendation: Acquisition and Disposition committee recommends advancing the sale to Albany Community Land Trust.

- **52 Amity Street, Cohoes**

Proposed Use: Operate as a Rental, Primary Residence and Redevelop & Resell

Recommendation: Acquisition and Disposition committee recommends requesting best and final offers from all applicants.

- **770 & 772 Livingston Avenue, Albany:**

Proposed Use: Garden

Recommendation: Acquisition and Disposition Committee recommends advancing the sale to Savitry Kola.

- **91 Krumkill Road, Albany:**
 Proposed Use: New Construction
 Recommendation: Acquisition and Disposition committee recommends advancing the sale to Lawrence Warner.
- **51 & 53 Watervliet Avenue, Albany:**
 Proposed Use: New Construction
 Recommendation: Acquisition and Disposition committee recommends advancing the sale to Clarence McCray.
- **52 Delaware Street, Albany:**
 Proposed Use: Co- Development Agreement
 Recommendation: Acquisition and Disposition committee recommends approving the sale to Habitat for Humanity.
- **Johnny Cake Hill Road, Westerlo:**
 Proposed Use: Maintain as is
 Recommendation: Acquisition and Disposition committee recommends approving the sale to Terrance & Joanne Fraser.
- **River Road, Selkirk:**
 Proposed Use: Driveway
 Recommendation: Acquisition and Disposition committee recommends advancing the sale to Suzanne Luraas.
- **199 Lark Street, Albany:**
 Proposed Use: Commercial Resale
 Recommendation: Acquisition and Disposition committee recommends advancing the sale to Kim Kat Yeung.
- **116 Second Avenue, Albany:**
 Proposed Use: Side Lot
 Recommendation: Acquisition and Disposition committee recommends advancing the sale to adjacent property owner, Ellen Springsteen.
- **401 Wormer Road, Voorheesville:**
 Proposed Use: Maintain as is
 Recommendation: Acquisition and Disposition committee recommends advancing the sale to Richard Dawson.

The meeting adjourned at **4:36 pm**.

Respectfully submitted,

Erica Ganns
 Assistant Director of Operations