

**MEMORANDUM**

**TO:** Board of Directors, Buffalo Erie Niagara Land Improvement Corporation

**FROM:** Brendan Mehaffy, Chairperson

**SUBJECT:** **Resolution #2017-28** Approve Bid – Design-Build of Dwelling at 286 Pilgrim,  
Tonawanda

**DATE:** May 18, 2017

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**DISCUSSION:**

The Buffalo Erie Niagara Land Improvement Corporation (“BENLIC”) acquired the property of 286 Pilgrim Road, Town of Tonawanda via Erie County’s In Rem Auction 164 through use of its preferred bid authority. The property was acquired with intent to rehabilitate or re-sell through Development Enforcement Note and Mortgage Process. However, when BENLIC took possession, the structure of 286 Pilgrim was found to be in extremely distressed condition; BENLIC immediately communicated to the Town that the property should be condemned as threat to health of safety and in danger of collapse. The Corporation approved bid for demolition of the structure on March 28, 2017. The property was demolished using OAG Round 2 demolition funds.

The property is located in a very stable neighborhood. BENLIC staff has communicated with local realtors and the Town of Tonawanda building department about feasibility and requirements to construct a new residence on the site. The realtor stated that the marketplace, which continues to experience an upward trend in sales prices, would be very receptive to a new construction. Additionally, the realtor helped identify size range and amenities. The Town of Tonawanda building department was helpful in providing information for requirements of a modular/ panelized construction on the site.

The Corporation is in possession of some remaining demolition funds from the Office of the Attorney General’s Round Two award. The OAG has allowed BENLIC to apportion this remaining fund to a new construction project at 286 Pilgrim. The balance of the funds to complete the project could come from BENLIC’s revenues from property sales, and/or remaining gift fund from its \$500,000 gift from Bank of America.

BENLIC has previously demolished two severely blighted structures then successfully proceeded with new construction on same site – most recently 33 Donna, Depew, and in 2016, 272 Kohler, City of Tonawanda. 272 Kohler sold in 2016, and 33 Donna will be on the market, disposition planned for June Board Meeting.

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

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WHEREAS, BENLIC wishes to approve a bid and enter into contract for design and construction services for the improvement of the real property of 286 Pilgrim Road, Town of Tonawanda, NY; and

WHEREAS, pursuant to the Corporation's Procurement Policy B(2)(c), the desired services were put out to bid on May 5, 2017 with a deadline to submit bids of May 17, 2017; and

WHEREAS, the bids of the various bidders are presented in the table below:

CONTRACTOR	BID	COMMENT
Sunset Custom Homes Inc.	\$155,000	Stick-built
Buffalo Modular Homes	\$160,084	Modular-built
Gelder Construction LLC.	\$169,800	Modular-built
iQ Modular Homes	\$175,990	Modular-built
Owl Homes of Fredonia	\$215,800	Modular-built

ACTION:

The Board of Directors is hereby requested to approve the following resolution:

RESOLVED, that the BENLIC Board of Directors hereby approves the bid of Sunset Custom Homes Inc. of 3172 S. Park Ave., Lackawanna NY 14218, for a total amount not to exceed \$155,000 and authorizes the execution of a contract for said amount to perform design and construction services to the property of 286 Pilgrim for the benefit of BENLIC; and be it further,

RESOLVED, that this Resolution shall take effect immediately.