

MEMORANDUM

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

FROM: Brendan Mehaffy, Chairperson

SUBJECT: **Resolution #2017-33** Disposition of 12880 Schutt Road

DATE: July 20th, 2017

DISCUSSION:

The Buffalo Erie Niagara Land Improvement Corporation (BENLIC) acquired a structure at 12880 Schutt Road (SBL# 326.06-2-11) in the Town of Sardinia at In Rem. No 164 auction of Erie County. Previously, the property had fallen into a state of severe disrepair, and the Town requested that the Land Bank, as a matter of public safety, assist with demolition. The Town demolished the property and BENLIC reimbursed demolition cost with OAG grant demolition funds.



BENLIC staff received two side-lot purchase applications from adjacent land owners Mr. Robert Mages and Ms. Ashley Gerhard in April of 2017. Mr. Mages initial offer for the lot was \$1,000. His immediate plan for its use is as a garden, with the possibility of adding a shed in the future. Ms. Gerhard offered \$1,100 for the parcel with plans to combine her property with the new lot to create a buildable residential lot.

BENLIC staff asked Mr. Mages if he would be willing to match the higher offer of \$1,100 in which he agreed. BENLIC presented the two offers to the Real Estate Selection Sub-Committee in June of 2017. The subcommittee recommended a private appraisal be conducted to determine a new price for the property as they believed the original offers were not of sufficient value. The appraisal was performed, and was determined to be \$2,400.

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It was after the appraisal, did BENLIC staff send each offeror copies of the appraisal, with a letter inviting them to submit sealed bids with new a new offer price. In July of 2017 BENLIC received Mr. Mages new offer of \$2,701. BENLIC did not receive a new offer from Ms. Gerhard. This offer has been reviewed by the Real Estate Selection Subcommittee with a recommendation to dispose of 12880 Schutt to Mr. Mages for \$2,701.

BENLIC staff has reviewed the offer including the Side-Lot Purchase Application. The purpose of the proposed disposition is congruent with BENLIC’s mission to return property to productive use.

Pursuant to the Property Disposition Guidelines of BENLIC, section 4.2(A), the Corporation may dispose of real property by negotiation. The following offers have been received:

Offeror	Value Offered	Comments
Robert F. Mages	\$2,701	Neighbor; Garden

BENLIC Demolition Cost
Demo: \$13,040

BENLIC Cost
< \$100

ACTION:

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

RESOLVED that the BENLIC Board of Directors authorizes the disposition of the property of 12880 Schutt Rd., City of Buffalo, NY (SBL# 326.06-2-11) in the amount of \$2,701 by an Agreement of Sale of Real Property with offeror, Robert F. Mages, and in so doing follows the proper procedure for disposal of real property by negotiation as described in the Property Disposition Guidelines of the Corporation; and be it further,

RESOLVED, that the Executive Director of BENLIC, Jocelyn Gordon, and BENLIC legal counsel are authorized to execute documents and take any necessary actions to close on the sale of the above-referenced property.