

MEMORANDUM

TO: Board of Directors, Buffalo Erie Niagara Land Improvement Corporation
FROM: Brendan Mehaffy, Chairperson
SUBJECT: **Resolution #2018-87** Disposition of 2 Redwood, Town of Cheektowaga
DATE: December 20, 2018

DISCUSSION:

The Buffalo Erie Niagara Land Improvement Corporation (BENLIC), at the request of the Town of Cheektowaga acquired the property of 2 Redwood Drive, Cheektowaga NY at the 2017 Erie County In-Rem Auction. BENLIC proposes to dispose the property to The Town of Cheektowaga for \$37,500. The Cheektowaga Office of Community Development intends to rehab the property with funds available through CDGB sponsored programs. On completion of the rehabilitation, the property will be resold to an income-eligible first-time homebuyer. This arrangement furthers the mission of both the Corporation and the Town by maximizing Cheektowaga's rehabilitation funding and returning the land back to productive use.



Upon acquisition of the property, the Corporation obtained an appraisal for the property; the appraisal returned a value of \$45,000. The Town expressed concern over this value as the home would require extensive repairs and would be sold below fair market value. The Town indicated that they would be amenable to complete repayment of County back taxes and associated costs BENLIC has incurred such as debris removal. At the time of auction, 78 Avery owed \$15,000 in back-taxes. Per the BENLIC proceeds repayment policy, it is estimated that a sale price equaling \$37,500 would be necessary to cover both BENLIC holding costs and taxes owed.

The Corporation Real Estate Subcommittee recommends that 2 Redwood Drive be disposed to the Town of Cheektowaga after a full discussion by the BENLIC Board of Directors has occurred.

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

Pursuant to the Property Disposition Guidelines of BENLIC, section 4.2(A), the Corporation may dispose of real property by negotiation.

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 2 Redwood Drive, Town of Cheektowaga, NY (SBL#91.14-10-13) in the amount of \$37,500.00 by an Agreement of Sale of Real Property with offeror, Town of Cheektowaga, 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.