

Project Selection and Review Committee Meeting 8/4/17 1:30pm

Urban and Economic Development Office, Utica City Hall

Present: Brian Thomas, Mike Brown, Mark Domenico, Sam Russo, Cabryn Gurdo

Called in: Tolga Morawski, Heidi Sourwine, Ray Johnson

Meeting began at 1:37pm.

Discussion began with 330 North Prospect Street in Herkimer.

Ray- Thinks it looks solid from the outside and would be a good project.

Tolga said it needs a roof and decking. ^{front porch} If Hannah's building falls through, we could ^{Also} put our office on the first floor and rent out the rest of it. There is a big parking lot and it is located on the edge of a commercial district. There's a lot of street parking as well. ^{potentially}

Mark asked about zoning. Is it mixed-use or residential only?

Tolga said that he would guess that it is mixed use. There is a bank next door to it.

Mark said it would be good to know if we'd need to worry about a variance. Could be pending the variance.

Tolga said it was set up for single room occupancy. ~~It could be a~~ women's shelter and it has large kitchens. ^{We had contacted Catholic Charities of Herkimer County about using it as}

Mark asked if this classification would be in the tax records. Sometimes conversions are made without permits and that would bring up the issue of a nonconforming building. We might have to worry about lawful preexisting rights, upgrades to code such as sprinklers.

Tolga said that he thought that the bank had kept up on the taxes. ^{if not the village might require}

Ray said he had checked on the taxes and they're current.

Brian asked if the bank would cover all of the closing costs for the buyer and the seller.

Tolga said they would, and the bank would also cover title insurance. ^{conditional upon}

Tolga asked for a motion (to pursue?), ~~subject to the building being designated as mixed use. If the zoning allows mixed use and if it is confirmed that the building has lawful occupancy use.~~ ^{and other costs (as per their agreement).} Mark made the motion and Brian seconded it. Motion passed. ^{is a conforming use type zoning}

Ray left the call.

Brian talked about the report he sent out prior to this committee meeting. He brought up 613 Columbia Street in Utica. There is an offer from the Irish Cultural Center (ICC) to purchase the lot for \$60k. 613 is

^(if cleared)

owned by the City of Utica, who could retain ownership while the City DPW demolishes it as an in-kind donation. Once complete, the property could transfer to the ICC. 15k would go back to the City for its costs on the property, and the remaining 45k would go to the LB.

Brian discussed two other properties in Utica, houses suggested by Joe Marino. These properties are: 1163 on the corner of Mohawk and Eagle, which is owned by Benderson Development; 1128 Hammond Ave, which is bank-owned and in a solid residential neighborhood.

Sam raised the topic of ^{and the} deconstruction potential of the first two buildings (Columbia and Mohawk/Eagle Streets). With the age of the Columbia Street building, there could be some good materials. Rich Strunk worked on the Wagner House before it was demolished, ^{and who is experienced w/} salvaging historic items from ^{deconstruction} ~~deconstruction~~.

Tolga asked about the status of the Hammond Ave property. He thinks there may have been contact with the company that owns the Mohawk/Eagle in the past. ^{And whether}

Brian thinks Joe Marino has had contact with Benderson regarding the condition of the building not being up to City standards.

Mark asked if Hammond Ave is bank owned or if it has a mortgage?

Tolga said that he, Heidi and Cabryn can try to look into it.

Brian said that according to the assessment files, it is owned by Midfirst Bank. Tolga suggested we start with the single unit buildings ^{first as they would be simpler to come to bring to a motion.} ^{who} ^{Sam mentioned}

Brian said that Columbia would be easier due to it already being owned by the City.

Tolga asked for a motion to pursue 1128 Hammond Ave.

Mark asked if that was the one that is bank owned.

Mike said as opposed to being mortgage owned. ^{down? ← not sure, ask Mike}

Brian said that he believed it was bank owned.

Mark asked what the benefit to the LB would be, a donation from the bank? ^{cash (?)} Would we start with asking for a donation?

Tolga said that we would start with asking for cash and donation from the bank, then just asking for the donation, and lastly we would consider possibly purchasing it. ^{along with} ^{of the building}

Sam asked if he could vote as a committee member and was told that he could.

Brian made the motion. Mark seconded it. Motion passed.

Tolga asked about Mohawk/Eagle Street.

Brian said that he was unsure if the owner (Benderson) would be a willing seller.

Tolga asked check the taxes, see if current, if we can get it with a cash donation.

Mark asked if it was a lawful building on the lot. ^{asked if Brian could ← and again that we could try to}

Brian said that years ago, the owners were doing a site assembly. *for some sort of development*

Mark asked if it was a small lot. Can the LB sell the lot without acquiring the surrounding properties as well?

Sam asked if the LB could just demo the building and leave the lot in the ownership of Benderson.

Tolga explained that that would be like ~~rewarding~~ bad behavior.

Sam is interested in the material for deconstruction, whether the owner tears it down or we do.

Tolga said that Helene is conservative *and may not be agreeable with this*. It would be a net cost. If we can get both parcels, it would be easier to sell *or "do something" with* *not holding title to the property*

Mark agrees. There will be a percentage of losers- net expense, not offset by revenue- but the majority should be concerned about sustainability and ROI.

Mark asked about the cost, would we be able to reduce it? He asked about the agreement with the salvage contractor, *which led to a discussion re salvage as well as different ways that could be done.*

Tolga asked if we wanted to be in the market for salvage material. Do we want to find a partner or work out a deal just to sell it as a reduction in tonnage? *Do we want from tipping*

Mark said that we are in a unique position to offer value to these companies. Would we want to enter into a partnership with an agreement where the bank (LB?) realizes 20% of the sale?

Mike said there could be a significant amount of brick, cut stone, and beams.

Mark said that we need to talk to companies and get this realized.

Sam asked how involved the LB would be in the deconstruction.

Mark said in the short term, could we maximize income and cash through a partnership?

Tolga thought that the materials may not be as liquid *as would be liked* due to the variety of materials and the market for them. It would be a valid idea to set up a relationship.

Tolga said that if we could get Rich Strunk to do the deconstruction, he might not be able to take or market the materials. *That not all contractors in the space have quick markets for the resulting materials*

Cabryn asked if the Columbia Street property was in the Scenic and Historic District.

Brian said that he thought that it was not.

Tolga asked for a motion to look into acquiring the Mohawk/Eagle street property as a cash donation with both lots. Mike made the motion and Sam seconded it. Motion passed.

Tolga asked Brian to confirm the taxes and verify that it's the same owner. Brian said that he would. *the adjacent lot is would like to see*

Tolga said that, contingent on a walk-through, he ~~wants~~ *wants* an appraisal for the Columbia Street building and lot. He ~~wants to~~ *wants to* counter to see if there is wiggle room. For the Wagner House, Helene wanted the LB to be 1/3rd of the process with the Village ~~and the County~~. He thinks we'd need approval anyway.

could we a material part of the process with the Village, not just decision-making paying for it

Cabryn pointed out that there is a Landmark Society in Utica that has been concerned with the buildings in the Columbia/LaFayette neighborhood due to the proposed hospital. The Landmark Society may have an opinion on this project but she is trying to remain objective.

Mark asked if the City gave the building to the LB, if the LB spoke to ICC. He's thinking about the associated cost, tipping fees, labor and equipment. What is the point of City ownership?

Mike agreed that he was thinking about the same thing.

keep said → Brian said ~~the City DPW can't take down a building that is not owned by the City. He also thought that the ICC will not increase their offer above 60k.~~ *it's unlikely*

Tolga asked for a motion to move forward and have ~~a discussion about this property (Columbia Street). We need an appraisal, the opinion of a deconstruction person, and a ballpark on construction. He wants a timeline. Exploratory stuff. He wants to be more conservative to avoid issues (for example, with Helene).~~ *further* *additional time (2-3 weeks) to explore it further* *this doesn't make sense to me*

Mark asked about ~~moving forward. Are we looking for a net zero gain? Loss?~~ *ideally*

Tolga said that we need to be sustainable somehow.

Mike asked that if we are bringing in properties that are a net loss, we will also need to bring in properties that will be a net gain.

Tolga said that we need to balance losses with revenue.

Mike said we don't need to wait until the money runs out to think about this.

Tolga said that the AG's office vetoed using the AG's money to purchase a building for our office. We ~~can~~ use our own money for this instead. *could potentially*

(Sam left at 2:30pm)

Tolga asked Brian for a contingent motion.

Brian made the motion and Mike seconded it. Motion passed.

Tolga asked Cabryn to help with this. She agreed.

Brian asked Tolga about who could do the appraisal, *we would need to seek ³ bids.*

Tolga asked for a second motion for covering the cost of appraisal.

Mike said that in Rome, they have three properties. The committee needs to look at and vet the properties to an insider (?) taking them on. Would the decision then go to the City of Rome? Then there would be the transfer of deeds.

Tolga said that it should go (to the City?) after the committee votes on it, after a vote by board members of that community.

Mark said that once the Board makes a definite decision, it has to go back to the attorneys to look at legislation, then start paperwork to start the transfer to the LB. Need a mechanism for this.

Tolga said there would be a resolution from the Board to the City.

Brian said that legislation would be made contingent on the ^{Rome} Common Council's approval.

Tolga would like a resolution from the committee to keep in our back pocket until needed. ^{and board} so it could move quickly

Brian suggested that we go to the Common Council, make it contingent on LB approval, then go back to the City.

Mike spoke about a property (address?) on Washington Street- a white Italianate- that is boarded up. It would be an expensive rehab, but it is free from the City. They don't want to lose the building. The rehab would be between \$150-200k. It has two units and is near Fort Stanwix Park.

Tolga asked about the per-unit cost. Roughly ^{\$1k} 50 is the target.

Mike said that it was in rough shape but it is structurally okay. It's a key property that they don't want to lose.

Mark asked if the LB would be looking to fix up the building and sell it, or just look at market value.

Tolga said we ~~would~~ market it ^{and} ~~or~~ vet the buyer. There would be an easement on the deed. ^{requiring them to accomplish a scope of work}

Mike said that Rome Main Streets is looking for a partnership with the LB. Wants to make sure that it is returned to the community. ^{not sure if this is correct}

Tolga suggested a resolution contingent on the write-up/costs of assessment of the building. Can assign an amount of \$ for critical stabilization issues. Would like all numbers, percentages of stabilization, etc.. These are key to bringing it before the full board.

Mark asked if approval would help us with knowing the market value. Would it weigh other market variables?

Tolga said that the costs are key. An appraisal is another 1k in cost. We could do a motion from the full Board. ^{and not required if the building is donated}

Brian through that it would have resale value after money is put into it.

Mark said that he and Mike will look at the numbers. May be able to get ^a appraisal value. The appraisal is just needed for reference. ^{assessment}

Mark thinks we'd get action on these. ^{from the assessor}

Mike discussed 212 West Bloomfield Street. It has been stabilized by the City and it's not a bad house. It would be an easy rehab. 102 Fort Stanwix Park North. The City has had it for years. It affects access to the Park and properties. It could provide good value to the community.

Mark said that it is kind of landlocked and we might be able to market it with the adjacent lot which is also owned by the City.

Mike explained that this area is very congested and parking is an issue.

Tolga thanked them for routing the properties this way (to the LB).

Mark asked if we want to add value to the LB.

Tolga asked for a combined motion. Two are net positive and one with construction ball park figure on demo. Is it a better option to demo? Mark made the motion and Brian seconded it.

Mike said there is work to do to come up with motions on properties. Motion carried.

Meeting ended at 2:55pm.

Minutes taken by Cabryn Gurdo.