

**ELSMERE LAND BANK  
MEETING MINUTES  
DECEMBER 14, 2017  
REVISED  
ELSMERE TOWN HALL  
5:00 p.m.**

**CALL TO ORDER:** Chairman John Jaremchuk called the meeting to order at 5:00 p.m.

**PLEDGE OF ALLEGIANCE:**

**MOMENT OF SILENT PRAYER FOR THOSE WISHING TO DO SO:**

**ROLL CALL:**

CHAIR	JOHN JAREMCHUK, JR	PRESENT
VICE CHAIR	RONALD RUSSO	PRESENT
SECRETARY	SALLY JENSEN	PRESENT
TREASURER	CHARLES MCKEWEN	PRESENT
DIRECTOR	TED PFIRRMANN	PRESENT
DIRECTOR	VACANT	
DIRECTOR	VACANT	
NON VOTING MEMBER	ROBERT GOERLITZ	PRESENT
Town Solicitor, Edward McNally – Present		
Town Manager, John Giles – Present		

**PUBLIC COMMENT:**

None

**APPROVAL OF MINUTES:**

Minutes of the November 9, 2017 Elsmere Land Bank Meeting

**ACTION:** A motion was made by Treasurer McKewen to approve the minutes of the November 9, 2017 meeting with no corrections. The motion was seconded by Secretary Jensen.

**VOTE:** 5-0 with 3 Vacant All-in-favor Motion Carried

**OLD BUSINESS:** None

**NEW BUSINESS:**

Discussion concerning the Community Development Block Grant

Chairman Jaremchuk stated that since the last meeting it came to the committee's attention that they may qualify for fiscal 2019 funding through the community development block grant (CDBG) program, which is administered through New Castle County and that the application was submitted last week requesting \$60,000 three days prior to the filing deadline. Chairman Jaremchuk further stated that he attended a meeting at New Castle County and found that most who attended the meeting appeared to be previous recipients of the grant who would be requesting an extension of funding.

Town Manager John Giles stated that the Town did not apply for CDBG funding so that it did not harm the application submitted by the Land Bank. Chairman Jaremchuk stated that Secretary Jensen delivered the application on the Friday prior to the deadline due to the fact that she used to work for New Castle County.

#### Chairman Jaremchuk updated the Board regarding activity since the last meeting

Chairman Jaremchuk stated that his efforts since the last meeting have been focused on writing the grant application, but that Mr. McNally has also been working on some issues.

Mr. McNally stated that he sent a letter to the three properties that have been selected based on the following criteria:

1. They were abandoned;
2. They owed a substantial amount to the town; and,
3. They were not for sale.

Mr. McNally explained that so far he has received a response from 147 Bungalow Avenue that they have paid the balance due of approximately \$4,000; he has not received a response from the other two properties. Mr. McNally stated that in his opinion they should proceed against 112 Washington Avenue. He also stated that earlier today he had been furnished with a list of 11 properties that are currently vacant in the town. Of the 11 properties on this list, only one of them has a substantial balance owed to the Town, which is 201 Ohio Avenue.

Mr. McNally asked the committee to consider the following:

1. To recommend to proceed with receivership of 112 Washington Avenue;
2. To recommend to Mayor and Council to send correspondence to 201 Ohio Avenue stating that they must satisfy the outstanding balance or they would proceed against the property.

Director Pfirrmann stated that he has been following the property. He has concerns with the overall condition of the property and what they would find once they open the walls. He further stated that they recently received an offer \$20,000 below the asking price and the owner has turned it down.

A discussion followed regarding purchase or receivership of the property. Secretary Jensen read an analysis of the property prepared by Real Estate Agent Steve Laramore. In this analysis, Mr. Laramore's opinion was that the property should sell quickly.

**ACTION:** A motion was made by Chairman Jaremchuk to authorize Mr. McNally to send a letter to the property owner of 201 Ohio Avenue stating that they must satisfy the outstanding balance owed to the Town or the Land Bank will proceed against the property. The motion was seconded by Secretary Jensen.

**VOTE:** 5-0 with 3 Vacant All-in-favor Motion Carried

The committee had a discussion about the property at 112 Washington Avenue. Chairman Jaremchuk stated that he believes that they should move against this property. Director Pfirrmann agreed that it is a viable candidate and that they should move forward.

Town Manager John Giles stated that they have received complaints about furniture in the front yard and that it appears that the people are moving out.

Mr. McNally stated they have received no response from the letter that was sent and that he is looking for a recommendation to obtain an approval from Mayor and Council. Mr. McNally further stated that at some point in court they are going to have to establish that they have the authority to proceed.

**ACTION:** A motion was made by Chairman Jaremchuk to make a recommendation to take whatever steps are necessary to proceed with receivership of the property at 112 Washington Avenue. The motion was seconded by Treasurer McKewen.

**VOTE:** 5-0 with 3 Vacant All-in-favor Motion Carried

Secretary Jensen inquired about the process and whether it requires Council approval. Mr. McNally responded that he is uncomfortable filing a lawsuit without the approval of Mayor and Council.

Director Pfirrmann inquired about the process of receivership and whether it is something that can be challenged by the homeowner.

Mr. McNally discussed the process for receivership and explained that a lawsuit would be filed. If it is challenged, then a hearing would be held. If it is not challenged, a court order would be issued to give the Land Bank authority to enter the property. At that time, decisions could be made whether to rehabilitate the property. If it is contested, then it could take three to six months to get resolved. In response to a question about how the proceeds from the sale of a property in receivership would be divided, Mr. McNally stated that the proceeds would be divided, as follows:

1. Past due taxes
2. Reimbursement to the Land Bank for the expenses incurred and a fee for acting as the Land Bank; and
3. Outstanding liens

Mr. Goerlitz inquired how and when does the contractor get paid, that it does not appear that they would receive any money until the property is sold.

Mr. McNally stated that the contractor could be paid from funds that the Land Bank currently has in the bank. He further stated that it is possible that the contractor may agree to wait for payment for a percentage of the proceeds or the contractor may want to be compensated for their work as soon as the work is done.

#### **ITEMS SUBMITTED BY BOARD MEMBERS:**

Mr. Goerlitz discussed speaking with New Castle County about setting up contracts with material suppliers. Mr. Goerlitz also spoke about who would act as the purchaser and mentioned whether the Town would act as a purchasing agent. Chairman Jaremchuk stated that the Board will make the purchases rather than the Town. Secretary Jensen indicated that she has copies of sample contracts that she can share. Mr. McNally stated that we should deal with the issues as they arise, that this information will be developed once a request for proposal (RFP) has been processed, and that it is pre-mature to discuss at this point.

Secretary Jensen stated that she has spoken with John Krusciak who is interested in being a contractor for the Elsmere Land Bank and she will share his contact information. Chairman Jaremchuk stated that he also wants to speak with Frank Devonshire. Director Pfirrmann stated that he has a list of contractors and would like to send out an invitation to quote for the future. A discussion followed regarding sending out an RFP. Town Manager Giles stated that it would take about two days to prepare an RFP to send out and that town code requires that public notice is published in the newspaper for 30 days.

Town Manager Giles asked about what services are needed by the Land Bank from the Town. Mr. Giles stated that any assistance that is provided by the Town must follow Town policy and also stated that hiring someone has been a step in the right direction. Chairman Jaremchuk stated that the Land Bank has hired Cynde Pfirrmann from the Town to help with the Land Bank and further stated that Town Manager Giles has agreed to be flexible in case she must attend to Land Bank business. Town Manager Giles agreed and stated that so far it is working out, that Mrs. Pfirrmann keeps a detailed record of any time during the day that is spent on the Land Bank and that she makes the time up to the Town.

A discussion followed about whether the Land Bank or the Town should pay this employee. Town Manager Giles mentioned that if the employee is paid by the Town, then any overtime must be paid at the rate of time and a half. Chairman Jaremchuk stated she is being paid by the Land Bank as an independent contractor. Secretary Jensen asked whether a time sheet is being used. Chairman Jaremchuk stated that Mrs. Pfirrmann has created a time sheet of which he has approved the format.

Chairman Jaremchuk stated that he made a presentation to the Mayor and Council at the last Council meeting and that Council has put the Land Bank on probation for one year. He further stated that Council was concerned that the committee has not made enough

progress so they have given the committee one more year. Councilwoman Joann I. Personti, 5<sup>th</sup> District, stated that around \$60,000 has been generated from Community Champions so far.

**PUBLIC COMMENT:** None

**ADJOURNMENT:**

**ACTION:** A motion was made by Director Russo to adjourn. The motion was seconded by Director Pfirrmann.

**VOTE:** 5-0 with 3 Vacant All-in-favor Motion Carried

These minutes summarize agenda and other issues discussed at this Board Meeting. Votes are recorded accurately. The audio recordings of this meeting will be available at Town Hall for a period of two years from the date these minutes are approved. The audio recordings may be reviewed at Town Hall by appointment and in accordance with the Freedom of Information Act.

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**JOHN JAREMCHUK**  
**CHAIRMAN**

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**SALLY JENSEN**  
**SECRETARY**