

NOT APPROVED

**ELSMERE LAND BANK
MEETING MINUTES
JANUARY 15, 2019
ELSMERE TOWN HALL
5:30 P.M.**

CALL TO ORDER: Chairman John Jaremchuk called the meeting to order at 5:30 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL:

CHAIR	JOHN JAREMCHUK, JR	PRESENT
VICE CHAIR	RONALD RUSSO	PRESENT
SECRETARY	SALLY JENSEN	PRESENT
TREASURER	CHARLES MCKEWEN	PRESENT
DIRECTOR	LEON BACKER	PRESENT
DIRECTOR	TED PFIRRMANN	PRESENT
DIRECTOR	CHRIS VARNEY	ABSENT
NON-VOTING MEMBER	ROBERT GOERLITZ	PRESENT

Town Solicitor, Edward McNally/James McMackin – Absent
Town Manager, John Giles – Present

Chair John Jaremchuk advised the Committee Director Varney notified he wouldn't be present.

PUBLIC COMMENT:

None

APPROVAL OF MINUTES:

Minutes of the December 13, 2018, Elsmere Land Bank Meeting

ACTION: A motion was made by Director Leon Backer to approve the minutes of the December 13, 2018 meeting with no corrections. The motion was seconded by Vice Chair Ronald Russo.

VOTE: 5 in favor with 1 absent and 1 abstained Motion Carried

Secretary Sally Jensen stated she has abstained since she was not present at the last meeting.

OLD BUSINESS:

None

NEW BUSINESS:

1. To discuss Contractor(s)

Chair John Jaremchuk stated today is January 15, 2019, which is also the date that Mr. McNally stated he would submit the request for receivership to Chancery Court. He is assuming this has been filed today, and we will receive a signed motion by Chancery in the next few days. He suggests that the Land Bank solicit bids from licensed general contractors in the Town of Elsmere that would be willing to work with our Realtor. Additionally, upon receivership, inspect the property and determine if the property can be rehabbed or needs to be demolished. He added Director Ted Pfirrmann has provided a draft letter and questionnaire to send to all licensed general contractors. He suggests the Land Bank choose a contractor, obtain an estimate for repairs and then send out an RFP.

The Land Bank discussed the list of general contractors in-depth. There are companies on the list such as Asplundh Tree Expert, LLC that hold a general contractor license with the Town, but they are a tree service. Town Manager John Giles added the same holds true for roofers, they hold a general contractor license with the Town despite only completing roof work. Chair John Jaremchuk stated he believes we should send the letter to all general contractors, regardless, and all responses of interest in completing this type of work will be compiled. After further discussion regarding the provided list of general contractors provided by the Town, it was decided to send letters to all, and not to eliminate anyone who might not provide such services.

Town Manager John Giles stated that he did have a discussion with Chair John Jaremchuk regarding the Town assisting the Land Bank with information. He stated the Town will assist with anything the Land Bank needs, however, we will keep a note of the amount of time invested for the record.

Chair John Jaremchuk added the Land Bank will have to rely on the Town's resources, not only in obtaining contractor information but the Finance Department. When the Land Bank files for the final reimbursement in Chancery, not only will the Land Bank's expenses be included but the Town's expenses will be included.

The Land Bank continued a lengthy discussion regarding the general contractors' specialties on the provided list. Vice Chair Ronald Russo stated using the general contractor criteria, regardless of specialty, all should receive a letter.

The Land Bank reviewed, amended and discussed at length the draft questionnaire and letter that will be sent to the listed general contractors.

Secretary Sally Jensen asked how long, if filed today, before the Land Bank is granted receivership.

Chair John Jaremchuk stated that it should not be long in Chancery.

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The Land Bank discussed a deadline for the return of the letter and questionnaire. It was decided to have the information returned by February 1, 2019.

Town Manager John Giles informed the Land Bank he received a phone call from the Attorney that represents the mortgage company at 203 Bungalow Ave. He reminded all that Mr. McNally reported at the last meeting they have agreed to make necessary repairs. He stated that he has called the Attorney back 3 times and has not had a response. He added they were to meet with the Town so that the property could be inspected, and a list of necessary repairs could be formulated.

Town Manager John Giles asked the Land Bank if they would like him to start creating an RFP. Chair John Jaremchuk stated he would and asked the Land Bank for input and all agreed.

Town Manager John Giles stated that he received an e-mail on January 8, 2019 concerning properties that have been sent to Sheriff Sale. He reported that all homes sold for less than \$85,000.00. He asked the Land Bank if they are still interested in these types of properties.

Chair John Jaremchuk stated him and Directors McKewen and Jensen experienced Mortgage companies buying back these homes for what is left on the mortgage. However, recently he has noticed properties are being sold to third parties at values less than what is owed on the mortgage.

Chair John Jaremchuk asked Town Manager John Giles if the Town is aware when a mortgage company is involved for properties that are sent to Sheriff Sale. Town Manager John Giles stated the Town is not aware if a mortgage company is involved.

Town Manager John Giles stated that Community Champions has sent contract renewal information with no changes in expense. He advised the Land Bank this will be included on Council's next agenda, unfortunately he does not have the information with him tonight. He also mentioned they have been bought out by another company and the name has changed, however it is the same people.

Town Manager John Giles also stated that the Finance Director Joseph Schulcz obtained an insurance quote for the property once the Town is granted receivership. He stated this property would not be covered under the current plan and the preliminary verbal quote based on the property being vacant and no renovations completed would be \$2,000.00/annually. If major renovations are being completed that might require a Builders Risk and Liability policy in which case the premium would be even higher.

Director Leon Backer asked why a basic standard/unoccupied fire policy wouldn't have been quoted.

Town Manager John Giles stated he is unsure, we explained what would be needed and this is what the insurance company responded with.

The Land Bank and Town Manager John Giles further discussed different policy types.

