

**ELSMERE LAND BANK  
MEETING MINUTES  
FEBRUARY 14, 2019  
ELSMERE TOWN HALL  
5:30 P.M.**

**CALL TO ORDER:** Chair 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	PRESENT
NON-VOTING MEMBER	ROBERT GOERLITZ	PRESENT

Solicitor, Edward McNally – Present  
Town Manager, John Giles – Present

**PUBLIC COMMENT:**

None

**APPROVAL OF MINUTES:**

Minutes of the January 15, 2019, Elsmere Land Bank Meeting

**ACTION:** A motion was made by Secretary Sally Jensen to approve the minutes of the January 15, 2019 meeting with no corrections. The motion was seconded by Director Leon Backer.

**VOTE:**        7-0                    All-in-favor                    Motion carried

**OLD BUSINESS:**

None

**NEW BUSINESS:**

Chair John Jaremchuk stated he would like to start with number 2 on the agenda.

2. Status report from Mr. McNally

Mr. McNally stated he is reporting on two properties, Bungalow Avenue

concerning repairs, and Junction Street concerning receivership of the property. He stated as you recall at a prior meeting in the case of Bungalow the mortgage company agreed to make repairs and in the case of Junction Street agreed to appointment of receivership. He reported if the receivership was agreed upon by January 15, 2019, we would proceed with court proceedings. He stated he didn't do this because he was receiving weekly communication from their lawyer, who assured him it was just another layer of bureaucracy that would have to be worked through prior to approval. He stated as of February 7<sup>th</sup> concerning the Bungalow Ave. property, they will make necessary repairs. They were confused with the final repair date of March 15<sup>th</sup>. However, due to a misunderstanding, they did not receive the list of deficiencies until January 30, 2019. On February 7<sup>th</sup> they requested additional time to coordinate with their contractor. As of this afternoon, February 14<sup>th</sup>, they asked if the repair date could be extended to April 15, 2019 and they will sign the agreement and proceed to make repairs. Mr. McNally suggests the Land Bank extend the repair by date to April 15, 2019.

**ACTION:** A motion was made by Chair John Jaremchuk to extend the repair by date on the Bungalow Avenue property to April 15, 2019. The motion was seconded by Vice Chair Ronald Russo.

**VOTE:**            7-0                    All-in-favor                    Motion carried

Mr. McNally stated that the Junction Street property is a bit more complex. The lawyer, Mr. Brodowski asked if the Town would grant a right of first refusal with respect to the cost of any repair. Mr. McNally stated that we would not go that route, since there is potential to be out-bid. At this point Mr. Brodowski reports that he is awaiting the final government approval and assures him the receivership is moving forward. He stated he is cautiously optimistic that the receivership will move forward. He requests an extension of 30 days. He advised the Land Bank to still prepare to repair this property, as it is just a formality matter in completion of receivership.

Chair John Jaremchuk asked for clarification on who the receivership would be granted to; the Town of Elsmere or the Land Bank.

Mr. McNally stated that the petitioner for the receivership would be the Town of Elsmere. The Land Bank would be the party appointed to oversee the repairs acting on behalf of the Receiver.

Chair John Jaremchuk stated that he and the Town Manager had an informal discussion, concerning the Town acting as the Receiver for the property.

Town Manager John Giles stated that he is not interested in receivership but rather ownership. He stated the property is about to go to monitions. Rather than the Land Bank taking receivership of the property, he'd like to see the Town take ownership in a monition sale, repair the property, so the profit is solely the Towns.

Mr. McNally stated this would make sense if you believe the Town would take title to the home at a monition sale. He added, as you are aware at monition sales a check suddenly appears that pays off the debt.

Mr. McNally stated that for that reason he would suggest a two-track approach. One being the monition sale and the other keeping the receivership petition on file. Then if the monition sale fails to acquire title because they pay off the back taxes, then it would come back to the Town with how to proceed with the final application for receivership.

Chair John Jaremchuk asked if anyone is aware of the total due on the mortgage.

Town Manager John Giles stated he doesn't have that information but has the unpaid taxes value.

Chair John Jaremchuk asked for the information.

Town Manager John Giles asked Finance Director Joseph Schulcz for the info. He stated that he does not have that information.

Town Manager John Giles stated, we do not have the information however he knows the property is on the 3<sup>rd</sup> or 4<sup>th</sup> year of unpaid taxes.

Chair John Jaremchuk added if there isn't a great deal of money owed on the mortgage and it is sold to a 3<sup>rd</sup> party at monition sale, they would be required to fix up the property, therefore the goal is attained.

Mr. McNally stated he believes that happening is remote. The reason being, if no one has made payment on the mortgage for years it has only increased in terms of indebtedness. Given the condition of the property, it is a bit of a gamble. For example, if \$60,000 is owed on the mortgage, the mortgage company would bid that, and you would have to sell the property for that plus the cost of repairs. It is his instinct that the mortgage company will not bid in at a public sale, but rather pay the back taxes to avoid the sale.

Chair John Jaremchuk asked how long it takes for the property to be on the Sheriff Sale list.

Town Manager John Giles stated as far as he knows the property is going on the Sheriff Sale list next month, March.

Town Manager John Giles stated it might be best to have the Town proceed in the normal way as if the Land Bank is not pursuing receivership.

Chair John Jaremchuk stated that he agrees, it would be best to have the Town proceed in the normal fashion. He asked if the directors agreed and there were no objections.

Mr. McNally stated that he will gently apply pressure to have approval for receivership but will not go any further until the monition sale moves forward. He asked if there were any other abandoned properties in the Town like this.

Town Manager John Giles stated he didn't believe so. There is a property at 2113 Seneca that is on the Sheriff Sale list. He stated he would have the Finance Director send the details on this property to the Land Bank.

Secretary Sally Jenson asked if the Land Bank would send anyone to the Sheriff Sale if this property is listed.

Town Manager John Giles questioned if it is the position of the Land Bank to purchase homes.

Chair John Jaremchuk stated it is the goal of the Land Bank to purchase and rehab homes. However, he stated he would rather not send someone to the Sheriff Sale. There were no objections from the Land Bank.

1. To discuss RFI Contractor Responses

Chair John Jaremchuk stated there was a handful of responses, and there was some question over the type of contractors that responded. He added as a result of what was discussed tonight, it is not time to put out an RFP. He added that since these companies took the time to respond, he would like to make them aware when the RFP is issued.

**ITEMS SUBMITTED BY BOARD MEMBERS:**

None

**PUBLIC COMMENT:**

None

Chair John Jaremchuk stated that he has received multiple notices for SAM registration. He has been having trouble with renewal, concerning a fee in order to process this. He asked for confirmation with the Town if the SAM registration is free.

Finance Director Joseph Schulcz stated that he believes it is free.

Chair John Jaremchuk asked if the Town, specifically the Finance Director, could investigate the Land Bank's SAM registration.

Town Manager John Giles stated that the Town would investigate this.

**ADJOURNMENT:**

**ACTION:** A motion was made by Director Leon Backer to adjourn at the call of the Chair. The motion was seconded by Vice Chair Ronald Russo.

**VOTE:**           7-0                   All-in-favor                   Motion carried

These minutes summarize the agenda and other issues discussed at this Land Bank 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**