County to decide on land bank later this month

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The Montgomery County Legislature will vote in July whether or not to establish a six-county land bank, something that advocates have been working toward for several years.

The greater Mohawk Valley Land Bank Corporation would include Fulton, Herkimer, Montgomery, Oneida, Otsego and Schoharie Counties, as well as the cities of Johnstown, Rome and Utica, and would help combat blight in the region.

Tolga Morawski, Mohawk Valley Collective treasurer and advocate for the regional land bank, said the efforts to establish the land bank have evolved over the years. Morawski said seven counties and municipalities voted in 2014 to support the idea.

"Since then we've been working with the other FGUs (foreclosing governmental units) and working on the resolutions, like the language and the writing of it," Morawski said, referencing the resolution to establish the land bank that is before the Montgomery County Legislature.

Schoharie County recently voted to establish the land bank--the only one to do so thus far.

According to the resolution, the legislature would vote to officially name the land bank and put the intermunicipal agreement in place. It sets the number of representatives for the land bank's board of directors to nine, with one representative from each FGU and an additional from the Mohawk Valley Economic Development District (MVEDD). The representatives would serve on the board for two years.

MVEDD, Morawski said, would provide administrative support for the land bank, but the land bank would be a separate nonprofit entity.

District 6 Legislator John Duchessi moved to table the resolution at the legislature's full meeting June 28. He said while he supports the resolution, county officials needed more time review technical details.

"There are some questions and some issues that need to be resolved, mostly having to do with getting the max benefit out of our entering into the agreement for the land bank and then there are some with respect to the contract," Duchessi said at the time.

Montgomery County Executive Matthew Ossenfort later said they wanted to work out the makeup of the board of directors and particulars of how financing would be handled.

Legislators, however, have largely been in favor of the land bank.

"I think it's pretty much an upside. The land banks I've seen and been involved in the past have benefited from them, even if it's just demolition in areas with depressed housing," District 9 Legislator Robert Purcell said during June's Education and Government Committee.

"These properties ... once they start that decline with the tax foreclosure process, we never see them turn around," District 4 Legislator Ryan Weitz said in May. "It's an extremely powerful tool, and I think it would serve Montgomery County extremely well to be able to have that opportunity to participate."

New York passed the Land Bank Act in 2011, "providing communities another powerful tool to help reinvent and revitalize neighborhoods," according to the state Land Bank Commission.

Land banks, the commission states, "are designed to acquire and maintain problem properties and then transfer them back to responsible ownership and productive use in accordance with local land use goals and priorities."

They are granted special powers above typical foreclosing entities to convert vacant, abandoned and tax-delinquent properties into more productive spaces.
Morawski said he felt there are some misconceptions about how land banks work, since they are still relatively new for the state.

"Part of the problem we run into, because we're meeting with nine different governments, six counties and three cities, is sometimes there's misconceptions about what it does and how it works. It can be complicated," he said.

He explained there are four main ways for land banks to acquire properties: the foreclosure process through counties or cities; the bank foreclosure process; private donations; and purchase.

Local governments and banks may also choose to give the property to the land bank if it has no resale value or there is difficulty selling it, Morawski said. Local governments will often ask for commitment to demolish or clean up the site.

"From that point, the relationship of who does what project and how is a dialogue," Morawski said.

He said outside of the legislature meetings, advocates for the land bank have been meeting with Ossenfort's office to put together a list of areas in the county to focus on and projects for the future, including costs.

"You have to have a pretty solid list of numbers of what you're going to do," he said. "By doing that, you kind of build that relationship and that understanding of what's going to happen."

Ossenfort said the discussions have been "very initial," and that Morawski identified areas in Fort Plain that would be a good starting point.

He said while there is a high concentration of blighted neighborhoods in Fort Plain, he would like to reach out to other municipalities and elected officials to see what they feel are areas of prioritization.

"While I see a benefit to look to focus in clusters and trying to revitalize neighborhoods, I would like to reach out to other towns and villages to see they would like to see high on the list of priorities," Ossenfort said.

Morawski also addressed concerns of funding. Montgomery County Legislators previously stated they would like to ensure Montgomery gets its fair share of any grant funding for which the land bank may qualify.

Morawski said any grants or grants would be project-dependent.

"Only the people that come up with projects are going to come up with money," he said.

"You're looking at it as, 'How can we establish control over those costs?' when in reality, the issue is defining those projects and then applying for funding associated with them," he said.

He added that the board of directors would establish long-term goals and areas of interest for the land bank, with the representatives for each FGU providing insight for what works best for their county or municipality.

Morawski said the Mohawk Valley Collective has acted a trial for the regional land bank. The nonprofit corporation has been operating largely in Canajoharie and Fort Plain to help fix blighted areas in the communities, but is not officially recognized by the state as a land bank, as the Mohawk Valley Land Bank Corporation would.

Morawski also pointed to the Gloversville Housing and Neighborhood Improvement Corporation as a similar organization. Officials from both organizations and the MVEDD have been advocating for the land bank.

"We really feel this would be good for the region and see the advantages of having groups like the MVC and the Gloversville Housing and Neighborhood Improvement Corporation," Morawski said.

Mohawk Valley Collective has renovated the former Universalist Church in Fort Plain into Unity Hall, an arts-oriented community center, and is working on renovating the West Hill School in Canajoharie.

"Really, that was kind of a learning process for (the land bank), but that'll continue," Morawski said of the Mohawk Valley Collective. "It's got its own buildings and will continue doing projects, but the land bank really allows for a lot more funding, a lot more resources."