

GMVLB Special Project Selection Committee Meeting Minutes

Location: 26 W. Main St, Mohawk, NY
Date: **Monday, August 20th 2018**
Time: **12:00PM**
Conf. Call Info: **NOTE CALL-IN** #1-(563) 999-1074 with ID#756734

Attendance: Brian Thomas, Mark Domenico, David Dardzinski, John Mazzarella, Tolga Morawski, Karl Gustafson, Chris Brown, Cabryn Gurdo, Bob Albrecht, Jocelyn Mosher, Judy Pangman
-Call to order @ 12:02 PM

Old Business:

-Montgomery County:

- Tax Auction scheduled for August 29th
 - Tolga and John M. have been meeting with members of Montgomery County over the last month and half to discuss properties of interest and methods of acquisition from the tax foreclosure auction
 - 3 ways of acquiring properties
 - County can transfer the properties directly to us for \$3,500 plus any additional fees
 - The land bank can bid on the properties that are up for auction at the auction
 - Trump bid
 - The land bank can put down the equivalent amount of the back-taxes owed on the property that is up for auction, which then prevents anyone else from being able to bid on it.
 - The county does not want the land bank to use the trump bid
 - Other land banks, such as Albany County, have special arrangements with the County
 - Tolga M. is trying to assess the best way to approach auctions and county agreements pertaining to auctions
 - Color-coded spreadsheets noting the properties of interest from the 2015 and 2016 tax foreclosure lists were provided at the meeting for review.
 - Tolga and John M. prioritized the list based on discussions with the municipalities and tried to focus on the properties that are of most concern
 - With the land bank being a relatively new concept, and political pressures considered, the Montgomery County Treasurer has some reservations regarding our agreements
 - Tolga is requesting votes on 3 matters:
 - Stone Lodge in Palatine Bridge
 - Stone mansion in dire need of stabilization and repair

- Owner struggling to make payments
 - Filing for bankruptcy
- One of the chimneys are collapsing and could put a hole in the roof if it falls
- Market value approximately \$225-275K
- Redeemed by bank, however Montgomery County is holding the check
 - The county doesn't want to the property to continue to decay while tied up in bankruptcy and is looking for other options
- This property will not be included in the tax auction
- The conveyance properties from the county tax auction
 - \$3,500 per property plus any additional fees associated with the transfer
- The ability to bid on properties not being transferred from the county that are up for auction
 - The average acquisition costs for previously acquired properties is around \$14K
 - A cost-cap or an allotted number of properties would allow Tolga to acquire inexpensive properties from the auction
 - Helps to expand our inventory
 - Need shovel-ready projects for grants
 - Target areas for these properties include:
 - Center Street in Fort Plain
 - 3 properties being auctioned
 - 63 Center Street
 - Fire
 - Child died
 - 68 & 70 Center
 - Bed bugs
 - Boarded windows
 - We currently own one property on Center St., if we acquired more we could more easily clean-up the area
 - Charles St. in Nelliston
- Tolga and John M. have been working with Megan Manion, the county attorney, to negotiate properties of interest
- Karl and John M. met with Megan M. and the County Treasurer to discuss the auction
 - The treasurer inquired as to how the land bank hopes to make money from acquiring mostly demolitions from the auction

- Karl and John M. responded that the land bank would not be able to make money with acquiring mostly demos and requested to receive more rehabs
 - The county was originally willing to transfer more rehabs, but later rescinded after a discussion with John M. regarding progress and completed projects.
- It was asked if the land bank would be in a difficult position should a project that was originally selected to be a demo, later becomes a rehab.
 - The response was no if the county is given notification
 - Karl G. read the Montgomery County resolution aloud to the board and noted that it doesn't specify uses of the properties
- Properties going to auction have the potential to be redeemed between today's date and the date of the auction
 - In Herkimer county, January 1st is the deadline to redeem a property from the tax auction, otherwise it costs 3X the taxes owed to redeem the property
- John M. presented the properties to be conveyed from Montgomery County and included images and description of the Stone Lodge
 - 132 W. Grand St., Palatine Bridge
 - Five chimneys
 - All in various stages of collapsing
 - Roof in the rear addition needs to be replaced
 - Mold damage
 - Built in the 1880s
 - Purchased from the city
 - Owner going bankrupt
 - Bankruptcy not expected to affect foreclosure of property
 - Tax foreclosure clears any liens
 - Montgomery County received a check from Chase Bank for the taxes owed to keep the property from going to auction, but the County is currently holding the check and exploring options
 - Stabilization needs to be immediately addressed
 - John Mazarella estimates \$35-40K to stabilize the building
 - Total costs are estimated at \$60-90K

- Market value for the property is \$225-275K
 - Comes with 12 acres of land
 - Potential sub-division
- 224 Main St., Fort Plain
 - Gutted Victorian home
 - Good candidate as a rehab
 - Previous owners had began renovating, and then divorced
 - Also purchased lot across the street for parking
- 3 W. Main St., St. Johnsville
 - Falling bricks
 - Water damage
 - John M. believes this has potential to be a rehab.
 - Good foundation and “bones”
 - Mayor to forward environmental report
 - Equipment from pizzeria is still in the space
- 219 Canal St., Fort Plain
 - Roof damage in the rear bedroom and kitchen
 - Potential rehab
 - Adjacent lot also for auction
 - Good limestone on the property
- 13 Lower Prospect St., Fonda
 - Roof issues
 - Demo
 - “Modern mechanicals”
 - Previous owner passed away
 - Estate issues
 - Possibly a rehab, but not definite
 - Needs further assessment
- 63 Center St, Fort Plain
 - Burned in a fire
 - Currently occupied
 - House has been repeatedly shut-down for infestation issues
 - John M. has not yet been inside of this building, and is unsure of what to expect
 - GMVLB not to take title unless the counties address the occupants
- 39 Monroe St., St. Johnsville
 - 2-Family home
 - Shared driveway
 - ACM siding
 - Large hole in the foundation of the structure
 - Village wants the building demolished
 - Neighbors will potentially purchase lot to expand their property
- 21 Lydius St., Fort Plain

- Holes in the roof
 - Plants growing on and out of the roof
- Demo
- It was asked if there was enough room for equipment on the property to demolish the structure
 - John Mazzarella's response was yes.
- The land bank is to inform Megan Manion, the Montgomery County attorney if any of the plans with these buildings change
 - If we receive all of these buildings, we will have 4 rehabs, 2 leaning-demos, and 2 demos.
- The land bank needs to show progress and have shovel-ready projects for the CRI grant
 - CRI III grant application deadline is September 7th

****David D. made a motion to acquire the Stone Lodge from the County for the amount of the back taxes which is \$34,500.00, Mark D. seconded, and the motion passed unanimously****

****Brian T. made a motion to accept the following conveyance properties from Montgomery County prior to the tax auction:**

- 39 Monroe St., St. Johnsville
- 13 Lower Prospect St., Fonda
- 63 Center St., Fort Plain
- 21 Lydius St., Fort Plain
- 3 W. Main St., St. Johnsville
- 219 Canal St., St. Johnsville

David D. seconded, contingent upon the county handling the eviction of the tenants, and the motion passed unanimously**

▪ Auction bids

- Tolga requesting to have a set amount that he can use to bid on other properties of interest at the property
 - Specific interest is Center and Monroe St. in Fort Plain, and Charles St. in Nelliston
- Must ensure properties are vacant before bidding
- Average costs for purchasing properties to date have been ~\$14K, this could be a good means of expanding our inventory for minimal costs
- Count has mentioned transferring properties to the land bank that do not sell at auction
- \$30K was the suggested cap for up to 5 properties

****David D. made a motion to authorize Tolga to spend up to \$30K on vacant properties of interest at the Montgomery County tax foreclosure auction, Brian T. seconded, and the motion passed unanimously****

-Set date and time for next meeting (8/27/18)

****Mark D. made a motion to adjourn the meeting at 1:07PM, David D. seconded, and the motion passed unanimously****

Respectfully submitted by Jocelyn Mosher