County considers move on regional land bank

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FONDA -- The Montgomery County Legislature is considering becoming the first county to move forward in a regional Mohawk Valley land bank.

Tolga Morawski, Mohawk Valley Collective treasurer, and Sean Jordan, executive director of the Mohawk Valley Economic Development District, Inc. (MVEDD), requested at the Economic Development and Planning Committee meeting Tuesday that the legislature consider signing a preliminary application stating the county is interested in starting a regional land bank.

The request comes about a year and half after the legislature unanimously endorsed the concept of the land bank in November.

According to Morawski and Jordan, the application would not bind the county into the land bank or require any financial support.

"You're not signing up for the land bank, you're signing up to say, we are interested in moving through this process whereby the land bank would be established," Morawski said.

The application is due May 16 in order for the potentially new land bank to be considered for the next round of grants, totaling $17 million from the state, according to Morawski.

The land bank would cover Fulton, Herkimer, Montgomery, Oneida, Otsego and Schoharie counties.

The role of the land bank is to acquire title to problem properties, eliminate liability and transfer the properties to new, responsible owners in a transparent manner that results in outcomes consistent with community-based plans.

A land bank is a government-created nonprofit corporation that has special powers above typical foreclosing entities that enables it to convert vacant, abandoned and tax-delinquent properties into productive space.

There are currently 11 land banks in the state but most of these are in urban areas like Albany, Schenectady, Syracuse or Troy. The new regional land bank would focus on the smaller municipalities in the counties. The city of Amsterdam is already involved in the Capital Region Land Bank.

Morawski said the application would go to Empire State Development to hold one of three more slots available to create a land bank in the state. There are currently 11. The Mohawk Valley land bank would be the third-largest in population, on which awarded funding is based.

Jordan said MVEDD would oversee the eventual 501(c)(3) not-for-profit organization, but since MVEDD is not one of the foreclosing governmental units interested in the land bank, or one of the six counties, it cannot sign the application.

"One of the participating FGUs is asked by the Empire State Development to sign our application so we may, as MVEDD, have access to the funding that we already received a verbal commitment for, and without that we would not be able to receive said funding for Montgomery County or any of the other regions," Jordan said.

The Department of State and the Attorney General's Office would decide if the land bank can form or be funded. After the application is submitted, the counties would have 90 days to meet and form the new not-for-profit.

Many of the legislators present Tuesday evening felt the land bank was a good opportunity.

District 4 Legislator Ryan Weitz said he is "frustrated" over the lack of power the county has to combat blight.

"These properties do not, once they start that decline with the tax foreclosure process, we never see them turn around," Weitz said, adding that it would help get the properties back on the tax roll before the point of no return. "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."

"I think you can make a case that the state is not sending enough help, that opportunities are not big enough. I certainly don't want to miss this opportunity," District 6 Legislator John Duchessi said.

Already, the Mohawk Valley Collective acts as a smaller version of a land bank, Morawsaki said. In the nearly five years since it was created, the organization has worked to restore the West Hill School in Canajoharie and Unity Hall, where the organization holds a summer concert series.

Morawsaki said the collective is also looking to remediate the former Fort Plain Masonic temple and possibly market it as rental property.

District 9 Legislator Robert Purcell said he agrees land banks can be powerful tools, but he felt he was being pushed into a decision.

"I would rather give it some thought," he said.

He also questioned if the legislature could take any action before the May 16 deadline. He said a special meeting would have to be formed once the legislature takes a deeper look at the application proposed. County attorney Meghan Manion said she did not have a chance to thoroughly look at it.

Legislators questioned who would sign the application. Purcell said it would be similar to a grant application, which are often done by department, and that County Executive Matthew Ossenfort would need to sign.

Weitz suggested since the legislature passed the resolution supporting the concept of the land bank in 2014, the legislature had already executed the policy and it already falls under the executive's duties.

Manion disagreed, saying the resolution in support and a resolution giving the county executive authority to enter into an agreement are different.

"Supporting a concept and authorizing executive to enter into agreement have, at least historically by this board, been seen as two different things," she said.

Legislators ultimately decided to look further at the application and schedule a special meeting at a future date if it decides to move forward.

Morawsaki said he did not want to push the legislature, but also did not want to miss the opportunity for funding. He and Jordan also have a meeting with Oneida County officials Wednesday.

"What we're looking at is how best to move this forward," he said.