

Legislator: Land Bank a 'positive' - LeaderHerald.com | News, Sports, Jobs, Community

October 15, 2016

By OPAL JESSICA BOGDAN , Leader Herald

Area residents and developers in Montgomery County now have an alternative method for renovating distressed and foreclosed properties.

On Oct. 4, the Montgomery County Legislature through an 8-0 vote passed the county's participation with the Greater Mohawk Valley Land Bank Corporation. District 8 legislator Joseph Isabel abstained from the vote due to past experiences with the Land Bank in Amsterdam, he said.

"I was not very happy with the progress or how it kind of worked itself out. It took a long time and I'm not totally negative towards it, but I've had a bad experience with the land bank before," Isabel said.

Amsterdam is currently a part of the Capital Region Land Bank with Schenectady, and passing of the vote means that Amsterdam will not be included in the county's participation with GMVLBC.

Isabel said that during his time in Amsterdam, only one house was repaired and construction was slow. The house, located on Julia Street in Amsterdam, is classified as a "residential improved," according to the Capital Region Land Bank website. The site also listed a residential improved house on Ellsworth Street in Amsterdam. Land Banks are entities created to take possession of distressed foreclosures. They have access to millions of dollars obtained by the state in court settlements with big banks after the 2008 foreclosure crisis.

Isabel said that construction of the house had been going on for a few years, and had just been sold. He added that he felt Montgomery County passed the land bank quickly.

"I wanted more history on the Land Bank and we didn't have it... all of a sudden we had to vote right away. But what's the difference, when we haven't had it now, if we waited a few more months," Isabel said.

Chairman of the Montgomery County Legislature and District 5 legislator Terry Bieniek said the county has many houses that are in need of attention, called zombie houses, and he feels that the counties will benefit by it. However, Bieniek feels that it's going to be a challenge moving forward because six different municipalities are involved.

"It's going to be a lot of work and I think it's important for each county is represented well," Bieniek said. "I think we will hit some bumps along the way, but I think it's going to be a positive development for the whole area, outside of the county too."

Bieniek said that for a property or building to be fixed, the county or city will sign the property over to the Land Bank, who then will use state grants to fix it up. Once completed, the Land Bank will sell the house and get the property back on the tax roll. "That will benefit the municipality of the area. Whatever profit the land bank makes, that's what the investment will be on the next house," Bieniek said.

Opal Jessica Bogdan covers rural Fulton County and can be reached at obogdan@leaderherald.com.