"Clearing up misunderstandings about the GMVLB"

To the Editor,

I am writing in response to several quotes by Village of Canajoharie officials in the article from last week's Courier-Standard-Enterprise titled “[Canajoharie] Village Board talks Wintergreen park pavilion rental, leaves GMVLB” to clarify some misunderstandings about the Greater Mohawk Valley Land Bank, aka GMVLB.

First, it is important to state what the land bank is and does. The GMVLB is a non-profit organization focused primarily on addressing vacant, abandoned and unsafe properties. Think of the vacant building on your block, with broken windows, perhaps with an open hole in the foundation into the basement, a hole in the roof — these are properties animals get into, things fall off of when you walk by, and at times people may break into to explore, party in or do drugs, often at risk to their own safety.

Often these buildings are bank foreclosures left over from the 2008-2009 foreclosure crisis, or perhaps tax foreclosures that are no longer livable, and simply need to be torn down, but the costs to do so are beyond the very tight budgets of our municipalities.

So in those scenarios, if possible, the land bank will work to acquire the buildings, test for and address hazardous materials like lead and asbestos, remove them and demolish the building. All told, for a typical residential 1-2 family home the costs range from $25,000-35,000 and up if they are in really bad shape.

We ask municipalities to offer what they can to deal with these
longstanding eyesores in your neighborhoods, and then using settlement funds from the big banks for the practices that led to the foreclosure crisis, we pay for the rest.

To date the GMVLB has completed 30 such demolitions in the Mohawk Valley.

A secondary goal of the land bank is to provide safe and affordable housing. In cases where a house can be saved, we will either rehab it or sell it, with ‘clawbacks’ to a buyer, usually an owner occupant, required to fix up the property according to all current NYS Building Codes. The clawbacks allow us to take back and resell a building if a buyer fails to complete the work on the property in a timely manner.

We currently have a have dozen active rehabs in Montgomery County and many more sales with conditions to be renovated.

All together we have invested roughly $700K in the last three years in improving or removing unsafe and unsightly housing in Montgomery County alone.

For these reasons, it is especially frustrating to read the misconceptions that the officials in Canajoharie continue to repeat about the land bank as we have repeatedly corrected their misstatements, namely that the GMVLB has some sort of debt that the Village of Canajoharie thinks it would be responsible for, should the land bank ever cease operations.

The land bank has a budget of roughly $1 million annually between demos and rehab work, and access to a modest 10 percent line-of-credit, used to smooth cash flow as property work is completed and reimbursed. Our assets (properties) amount to far more than any use of our line-of-credit, and would more than cover any debts of the land bank.

Notwithstanding that, our staff, attorney, Board Members, etc. have advised village officials repeatedly that they are running on incorrect information. We would be happy to clarify things for them again, and would appreciate being invited to any future meetings where our work in the community, or our organization is being discussed.

Sincerely,

Tolga Morawski
Executive Director, GMVLB