

# Finger Lakes Regional Land Bank Corp.

March 22<sup>nd</sup>, 2022

2021 Annual Report to the Seneca County Board  
of Supervisors

Joe McGrath  
CEO/President  
315-539-1667  
jmcgrath@co.seneca.ny.us

[www.flrlandbank.org](http://www.flrlandbank.org)



# Mission Statement

The Finger Lakes Regional Land Bank Corporation acquires, improves, and redistributes vacant, blighted, and tax abandoned properties to eliminate the harms and liabilities caused by such properties and return them to productive use, while being consistent with local municipalities' redevelopment and comprehensive plans

# Land Bank Process

- Land Bank takes tax foreclosed, vacant, abandoned, and condemned properties and works to turn them into safe, decent, and affordable housing
- Tax foreclosed properties that are candidates for Land Bank intervention are identified and transferred by the BOS for a nominal fee
- Upon acquisition, Land Bank properties are immediately tax exempt
- Land Bank relies on partnerships with organizations like Habitat for Humanity and Ithaca Neighborhood Housing Services
- The Seneca County model is to take tax foreclosed properties, clear liens, expend grant funds on rehab, demo, or new construction partnering with Habitat for Humanity
- Projects that result in fully rehabbed properties or new construction represent the best opportunities for significant revenue for the Land Bank as well as long term taxable value for the county

# Board Members 2022-2024

- Frank Sinicropi – Chair (S.F. Town Board)
- Jill Henry – Vice Chair (Director of Planning)
- Les Marquart (Seneca County Treasurer)
- Ernie Brownell (Junius Town Supervisor)
- Kyle Barnhart (Lodi Town Supervisor)
- David Wood (Ovid Village Trustee)
- Don Northrup (Village of Waterloo Administrator)
  
- Officers (Not Board Members)
  - Joe McGrath, CEO/President
  - Michael Scaglione, CFO/Treasurer
  - Amanda Forney, Secretary

Meetings are held quarterly on the fourth Tuesday of the month beginning March 22<sup>nd</sup> at 4:00 PM held in-person in the Hero's Conference Room with a teleconference option.

# FLRLBC Timeline

- 2012 - NYS passed Land Bank Act allowing for municipalities to create Land Banks by application to Empire State Development
- 2014 - BOS passes Resolution 278-14 To Contract with Wladis Law Firm to Establish Land Bank and Pursue Grant Funding
- 2015 - BOS establishes the FLRLBC by Resolution 32-15 and applies to Empire State Development for approval
- 2016 - First Meetings Held and Capacity Building Grant Awarded for \$150,000
- 2017 - FLRLBC Received First 4 Properties from Tax Foreclosure
- 2018 – Community Revitalization Initiative (CRI) Round 1 Grant Contract Executed for \$500,000 and 5 properties acquired by tax foreclosure and 2 acquired by private purchase
- 2019 - CRI Round 2 Grant Awarded and Executed for \$650,000 and 4 properties acquired from tax foreclosure
- 2020 – No properties acquired due to Coronavirus Pandemic
- 2021 – CRI Round 2 Extended to March 2022 due to Pandemic
- 2022 – 5 properties acquired from Tax Foreclosure

# Funding

- No State Funding Currently Available – FLRLBC is in the hunt for future funding.
- MOA between FLRLBC and Seneca County
  - Covers 2021 and 2022
  - Will need to draft new MOA in Fall 22'
- Grant Support
  - Capacity Building Grant (LISC) – \$150,000 Closed Out 2021
  - Local Initiatives Support Corporation (LISC)– \$500,000 Closed Out 2021
  - Enterprise Community Partners Inc. – \$650,000 to be closed out March 2022
- Property Sales
  - When a property is sold the revenue becomes unrestricted for Land Bank use
- Local CDBG Funds
  - Seneca County and the Town of Romulus committed funds to FLRLBC from shuttered NYS revolving loan fund programs
- Debt
  - FLRLBC cleared all debts in 2021
  - Total Cleared: \$68,057
  - Line of Credit: \$52,143
  - Seneca County CDBG Loan: \$15,914

# Land Bank Inventory (12/31/21)

Property	Municipality	Acquisition	Partner
156 Fall Street	Seneca Falls	2019	Habitat
1537 County Road 132	Town of Romulus (Willard)	2019	Habitat
2146 W. Seneca Street	Village of Ovid	2019	INHS
04-1-80 Railroad Avenue	Village of Waterloo	2018	To be Sold At Auction
101 Virginia Street	Village of Waterloo	2018	Active RFP
22-26 Virginia Street	Village of Waterloo	2018	RFP 2022
33 Taylor Avenue	Village of Waterloo	2017	Habitat

# Land Bank Acquisitions 2022

Property	Municipality	Acquisition	Plan
8388 Knight Street	Interlaken	2022	Demolition
1372 Prospect Street	Town of Romulus (Willard)	2022	Demolition
2261 E. Seneca Street	Village of Lodi	2022	Demolition
2271 E. Seneca Street	Village of Lodi	2022	Demolition
2125 W. Seneca Street	Village of Ovid	2022	Demolition

4/5 Prime Candidates for New Construction – Need Funding!



# Properties Sold

Property	Municipality	Acquisition	Sale	Price
156 Fall Street	Town of Seneca Falls	2019	2022	\$1 - Habitat
1537 County Road 132	Town of Romulus	2019	2022	(80% of Sale Price) - Habitat
16 Barker Street	Town of Seneca Falls	2018	2021	\$76,800 - Habitat
3529 State Route 89	Town of Fayette	2017	2021	\$2,000 - Neighbor
408 Railroad Avenue	Village of Waterloo	2018	2021	\$1,500 - Neighbor
5508/5511 State Route 89	Town of Varick	2019	2021	\$52,000 – Private Buyer
5604 State Route 96	Town of Varick	2018	2020	\$10,000 - Habitat
5172 State Route 414	Town of Varick	2017	2020	\$5,000 - Private Buyer
2320 County Road 139	Town of Ovid	2017	2019	\$10,000 - Habitat
800 Caroline Road	Town of Junius	2018	2018	\$4,000 - Neighbor
385 Cayuga Drive	Town of Waterloo	2018	2018	\$2,000 - Neighbor

# Appraisal Gap

- The appraisal gap is generally defined as the costs of purchasing and rehabbing a property totaling more than the appraised value at completion.
- Issue in many neighborhoods and communities with older housing stock.
- Problem is compounded by deferred maintenance as well as vacancy and abandonment.
- Very difficult for a private purchaser or housing nonprofit to secure financing for purchase and rehab.
- Land Bank attempts to cover the Appraisal Gap with grant funding and partnering with affordable housing providers.
- Inflation is increasing all costs and increasing the appraisal gap

# 156 Fall Street, Seneca Falls



# Appraisal Gap – 156 Fall Street

- Land Bank contribution will serve as “gap financing” or gap between Habitat’s partner family can pay vs what the rehab will actually cost
- **Rehab Total Cost \$239,828**
  - \$133,304 of LB grant funds utilized
  - \$106,524 Habitat financed
  - Appraisal is likely to be somewhere near \$125,000
- **Appraisal Gap = \$114,328**
- Habitat will Sell the house to a family at 80% area AMI for a price somewhere between \$114,000 and \$125,000 depending on their program needs.
- In the private market, it would be very difficult to justify spending \$239,828 on a house that would only appraise for \$125,000

# 1537 County Road 132, Romulus (Willard)



# Appraisal Gap - 1537 County Road 132

- New Construction Total Cost **\$165,000**
  - \$80,828 of CDBG program income from the Town of Romulus
  - \$20,000 of Land Bank Enterprise Grant
- Demolition Cost \$31,000
  - Paid by Enterprise Grant
- Total Cost from demolition to new construction: \$196,000
- Habitat will sell the house to a family at 80% area AMI for a price somewhere around **\$130,000** depending on the families income.
- (New Construction Total Cost) – (Grant Support) = \$64,172
- (\$130,000 Sales Price) - \$64,172 = 65,828 in revenue
- Land Bank keeps 80% of revenue under contract = \$52,662
- Habitat keeps 20% of revenue under contract = \$12,834
- **Appraisal Gap New Construction: \$35,000**
- **Appraisal Gap Including Demo: \$66,000**

# Upcoming 2022 Projects

# 33 Taylor Avenue, Village of Waterloo

- Acquired by Land Bank in 2017
- Demolished in 2017
- Habitat has long been interested in building a single family home on the property
- Title issue has slowed the process
- Title issue resolved in 2022
- Currently in development discussions with Habitat to build a house on the property in 2022
- Estimated cost to build \$200,000 (inflation)
  - Essentially the same house as 1537 County Road 132



# 5 Demolitions in 2022

- Demolitions currently underway
- Properties transferred to Land Bank by BOS in early 2022
- Properties located in Ovid, Romulus, Interlaken, Lodi
- All located within Villages and Hamlets
- Demolition awarded to lowest bidder at \$88,300
- Demolitions funded with the Enterprise Grant
- This is the end of current grant support.
- 4 of 5 are prime candidates for new construction
- Need further grant funding for new construction

# Ongoing Demolition Pictures



# Ongoing Land Bank Projects

- **22-26 Virginia Street, Village of Waterloo (Acquired 2018)**
  - Presence of PCE Dry Cleaning Chemical Detected by Phase I & II ESA
  - Working with Center for Creative Land Recycling and LaBella Associates on next steps
- **101 Virginia Street, Village of Waterloo (Acquired in 2018)**
  - RFP Currently Active for Purchase and Development
- **Railroad Avenue, Village of Waterloo (Acquired in 2018)**
  - Parcel is wooded and very wet/flooded. No interest from Habitat or neighbors. Set to be auctioned.
- **2146 W. Seneca Street, Village of Ovid (Acquired in 2019)**
  - Potential site assembly for downtown project in Village of Ovid

# Brownfield Opportunities

- 10 properties currently tax abandoned but not being foreclosed upon.
- County currently makes up loss tax revenue to school districts, villages etc.
- Not foreclosing due to risk of being held liable for environmental remediation if County takes title to the property.
- DEC has entered into agreements with Land Banks and Counties to ensure that neither will be held liable for clean up.
- Entering into the agreement would allow pathway to foreclose and to put properties back onto the tax rolls.
- Planning budget currently has \$10,000 earmarked to investigate and initiate this process in 2022.

# Housing Needs Assessment

- Seneca County Awarded \$50,000 grant from NYS Homes and Community Renewal to fund a Housing Needs Assessment
- Grant funds the hiring of a consultant to draft the assessment
- The Assessment will examine our local housing market in the context of economics, population, and geography to estimate the amount and type of housing units are needed
- This document though extremely valuable will not be a full fledged housing plan.
- Further analysis and community engagement required to draft a full Housing Plan or Strategy.
- The assessment will give us the numbers, but few recommendations on how to get there.

# Questions?