

Finger Lakes Regional Land Bank Corp.

March 26th, 2024

2023 Annual Report to the Seneca County Board
of Supervisors

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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 returns them to productive use, while being consistent with local municipalities' redevelopment and comprehensive plans.

Annual Report also serving as the mission statement Measurement Report for ABO

Research, Policy, and Program Development in 2023

1. Seneca County Housing Needs Assessment
2. FLRLBC Operational Plan
3. Seneca Housing Inc. Becomes Rural Preservation Company
4. Seneca County Housing Trust Fund (ARPA)
5. Development Professional Services
6. Comprehensive Seneca County Housing Strategy (2024+)

Seneca County Housing Needs Assessment

- 40% of households are “low income” earning at or below 80% of the area median income (AMI)
- Real estate prices have increased 17% since start of pandemic.
- **As homeownership becomes increasingly out of reach, a limited supply of rental units will likely continue to increase rent prices.**

FLRLBC Operational Plan

- Development Barriers Identified
 - **Financing Gap “math problem”**
- Outlined Four Revenue & Development Models for FLRLBC Properties:
 - **Workforce & Senior Housing Development**

Recommendations:

- **HNA: Establish Housing Trust Fund**
- **Op Plan: Identify non-state sources for financing gap**

Recommendations:

- **HNA: Increase Local Nonprofit Development Capacity**
- **Op Plan: Cultivate Nonprofit Partners for Development**

BOS Establishes Seneca County Housing Trust Fund
500,000 ARPA funds - local source for financing gaps

Seneca Housing Inc. Awarded RPC

- HCR Rural Preservation Company
- **New ability to own and develop properties for rent and sale**

New Seneca County Housing Development Pipeline Starting In 2024

County Tax-Foreclosure – Land Bank – Seneca Housing Inc – Households Made Possible By Housing Trust Fund Covering Financing Gaps

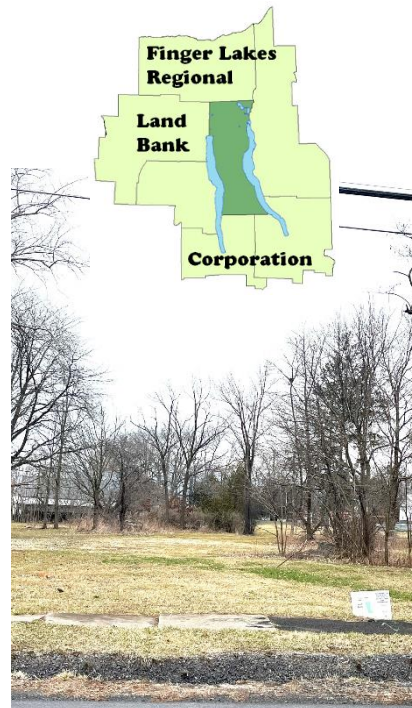


Housing Development Pipeline

- Development Model from FLRLBC Operational Plan:
Senior and Workforce Housing



Seneca County forecloses on vacant, tax-abandoned, and distressed properties. Transfers to FLRLBC. Supports entire pipeline with Housing Trust Fund.



FLRLBC acquires, stabilizes, and/or demolishes property. Works with Development team to prepare complete project scope and financing with partners. All funded with HCR LBI grants.



**SENECA
HOUSING**

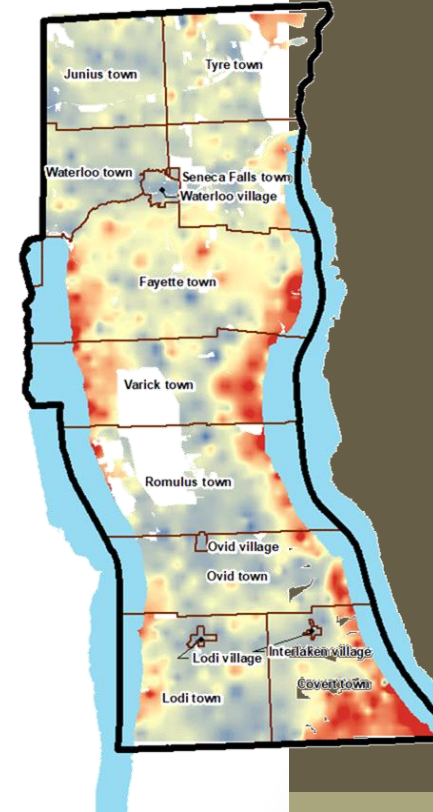


Seneca Housing Inc. acquires property and grant funding for project. Construction completed. Owns and operates managed rental units on the tax rolls. Gap financing from Seneca County Housing Trust Fund makes new construction possible.

Housing Needs Assessment 2023

Recommendations: Pursue Comprehensive Countywide Housing Strategy, Establish Housing Trust Fund, Increase Nonprofit Development Capacity

- Seneca County declared Housing State of Emergency when released
- **More renters, rising rents, and falling renter incomes have created an affordability challenge that is exacerbating**
- **As homeownership becomes more out of reach, a limited supply of rental units will likely continue to increase rent prices**
- Real estate prices have increased 17% since start of pandemic
- Renting households are increasing while homeownership is decreasing
- 40% of households “low income” earning 80% or below area median income
- Annual median household income for renters fell \$4,333 and \$1,000 for homeowners after adjusting for inflation
- Employment in Accommodation/Food Services up by 121% over past decade with a median salary of \$31,111
- A primary driver of crisis in temporary/emergency housing is a lack of available rentals



FLRLBC Operational Plan 2023

- Created with consultant team of MRB Group and MMDA
- Outlined Four Revenue & Development Models for FLRLBC Properties:
 - **Workforce & Senior Housing**
 - Transitional & Supportive Housing
 - Planned Owner Redevelopment
 - Large Scale Development
- Identified challenges to housing development including property taxes, **lack of a ready buyer pool**, and financing gaps.
- **Identified the need for local development partners**

The “Math Problem”

Estimated Affordable Home Price at 80% AMI in Seneca County	
HUD AMI (4 person household)	\$84,700
80% AMI	\$67,760
Cost Burden Threshold (30%)	\$20,328
Affordable Monthly Housing Expenditure	\$1,694
Affordable Home Price	\$134,000

Sample Budget for Affordable Single Family Home Development - Seneca County

Costs		Revenue	
Acquisition	\$6,500	AHOP Grant	\$200,000
Soft Costs	\$37,500	HOME Grant	\$50,000
Construction & Contingency	\$300,000	Sale Proceeds	\$134,000
Financing, Holding & Sales Costs	\$30,500		
Developer Fee	\$30,000		
TOTAL	\$404,500	TOTAL	\$384,000
NET gain/loss		(\$20,500)	

Example: Tompkins County area median income (AMI) is \$112,000. Tompkins 80% AMI is \$89,600, which is higher than Seneca’s overall median. The same development calculations produce a net gain of \$32,000 for a project in Tompkins

Seneca Housing Becomes Rural Preservation Company



As an RPC, Seneca Housing Inc. will be a consistent partner to Land Bank/County in Housing Development

- SHI awarded HCR Rural Preservation Company with technical support on application provided by the Planning Department via BOS Resolution
- Annual grant for administration/operations
- RPCs are eligible to provide services supported by other HCR programs including:
 - **Housing preservation, rehabilitation, new construction (addresses development)**
 - Accessibility modifications
 - **Housing counseling (addresses buyer pool/access to homeownership)**
 - **Property management (addresses rental supply)**
 - Septic and well upgrades
 - Legal assistance
 - “Main Street” and downtown revitalization
- **Eligible to be certified as Community Based Development Organization (CBDO) under CDBG rules**

Seneca County Housing Trust Fund

The Seneca County Housing Trust Fund solves the “math problem” by making it feasible to finance new workforce housing when undertaken by Seneca Housing Inc.

- BOS committed \$500,000 to capitalize the Seneca County Housing Trust Fund in December 2023.
- Compensates for Seneca County’s lower median income by providing local subsidy for development, solving the “math problem.”
- **Starting a Housing Trust Fund was the primary recommendation of the Housing Needs Analysis**
- **Focuses on workforce & senior housing** along with transitional and supportive housing, corresponds with CDBG National Objectives.
- **ARPA money for housing must follow CDBG rules**
 - Under CDBG rules, **Seneca Housing Inc. is an eligible entity to pursue new construction** when locally certified as a Community Based Development Organization (CBDO). New construction otherwise not allowed under CDBG.
 - CBDOs must be located in Seneca County and meet other requirements for board composition and independence from local government.
 - These rules would not be required if trust fund were supported with local dollars not originating with ARPA or CDBG

Development Professional Services

- FLRLBC Board authorized contracts for Development Services after RFQ with a team lead by In/Ex Architecture, funded by HCR Land Bank Initiative grant.
- **In/Ex services include pre-development, rehabilitation, demolition, and new construction projects from design through construction completion.**
- Land Bank will acquire and develop properties. Seneca Housing will provide funding through grants. Seneca Housing will own and operate when completed.
- Development Model from Operational Plan: **Senior and Workforce Housing**



- In/Ex Architecture only firm to respond with current experience working with HCR on scattered site/infill construction.
- Renderings created by In/Ex are from a scattered site project in Rochester currently being bid-out for construction.

Comprehensive Seneca County Housing Strategy

- Housing issues were created over decades and came to a head during the pandemic. Complicated problem without single solution.
- BOS authorized RFP for housing strategy in early 2024, expected release, Summer 2024. Expected completion 2025.
- **Housing strategy to take balanced approach to encouraging development including “market rate” and “affordable housing” and provide framework for County and community to move forward.**
- Will require engagement and ongoing participation by stakeholders in housing and economic development - Task Force
- Inventory and review existing systems and processes in Seneca County and develop specific strategies to address housing shortages at all income levels.
- **Housing and Economic Development are linked.**
 - Housing Needs Assessment demonstrated how lack of housing inventory can limit economic growth or investment.
 - **Housing Strategy will enable us to collectively increase our housing capacity to create the conditions for further economic growth**

General FLRLBC Information and PAAA Reporting Requirements

Board Members 2023

- Frank Sinicropi – Chair (Seneca Falls 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
 - Caitlin Ryan, Secretary

Meetings are held on the fourth Tuesday of the month at 4:00 in the Hero's Conference Room.

*Ovid Town Supervisor Joe Borst was appointed to FLRLBC Board for 2025 to 2027 Term

Funding

- HCR Land Bank Initiative (LBI) funding included in 2023 and 2024 NYS Budget - \$60 Million Total. Advocating for FY25.
 - Applied for and awarded \$100,000 in administration and operation funds for 2023.
 - Awarded \$332,640 for rehab, demolition, acquisition, and pre-development funds. In process of formally committing funds now for expected Seneca Housing projects.
 - Will apply for next round when it becomes available and current funds are fully committed.
 - **Acquisition costs eligible for future applications after Tyler v Hennepin**
- MOA between FLRLBC and Seneca County
 - Memorandum of Agreement between FLRLBC and Seneca County covers 2023 – 2024.
 - Will need to review and renew MOA for 2025-2026 this year.
- Property Sales
 - When a property is sold, the revenue generally becomes unrestricted funds for the FLRLBC.
- Debt
 - The FLRLBC currently holds no debt

Land Bank Inventory (12/31/23)

Property	Municipality	Acquisition	Expected Partner
8388 Knight Street	Village of Interlaken	2022	Seneca Housing Inc.
1372 Prospect Street	Town of Romulus (Willard)	2022	Seneca Housing Inc.
2271 E. Seneca Street	Village of Lodi	2022	Seneca Housing Inc.
2125 W. Seneca Street	Village of Ovid	2022	Seneca Housing Inc.
2146 W. Seneca Street	Village of Ovid	2019	Potential Ovid Development
04-1-80 Railroad Avenue	Village of Waterloo	2018	Seneca Housing Inc.
22-26 Virginia Street	Village of Waterloo	2018	Potential Brownfield
1473 Pleasant Street	Town of Romulus (Willard)	2023	Seneca Housing Inc.
17 S Walnut Street	Village of Waterloo	2023	Seneca Housing Inc.

Land Bank Acquisitions 2023

Property	Municipality	Acquisition	Method
17 S Walnut Street	Village of Waterloo	2023	Transfer by BOS Post Tax-Foreclosure
1473 Pleasant Street	Town of Romulus (Willard)	2023	Transfer by BOS Post Tax-Foreclosure

No Property Dispositions in 2023

The FLRLBC is forming a new partnership for property development of its inventory with Seneca Housing Inc., FLACRA, and Habitat. Any future co-development agreements or contracts may function differently than previous projects.

Expected Acquisitions by Purchase and Donation in 2024

Property	Munic.	Expected Acquisition	Current Owner	Status
55 Washington Street	Village of Waterloo	2024	Wells Fargo	In progress, expected closing in April
8455 Washington Street	Village of Lodi	2024	Town of Lodi	Closing TBD
2126 Church Street	Village of Lodi	2024	Town of Lodi	Closing TBD

In 2023, the US Supreme Court in a unanimous decision found it unconstitutional for governments to retain excess value above the amount owed in taxes after disposing of tax-foreclosed properties. NYS Legislature will hopefully update laws governing local tax foreclosures during this years' budget process providing clarity for Seneca County moving forward.

New funding from HCR's Land Bank Initiative grant program can be used to acquire properties from the County post tax-foreclosure in future applications.

Project Example: Habitat for Humanity

33 Taylor Avenue, Village of Waterloo

- One of the first properties transferred to Land Bank in 2017 from Seneca County
- Land Bank completed demo in 2018
- No marketable title (issue with previous bankruptcy, expired in 2021)
- Habitat and Land Bank entered in a to Co-Development Agreement in 2022
- Land Bank contributed \$125,324 in NYS Attorney General grant funds
- Habitat sold new house to participating family in January 2024
- Land Bank will receive \$80,000 in revenue from project in 2024



Questions/Comments?