

THE GREATER MOHAWK VALLEY LAND BANK

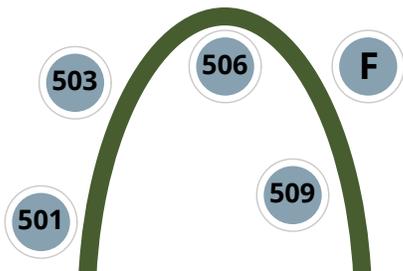
Photo credit: Dave Warner

Big Changes in West Winfield

Clapson Circle is a small side street tucked away near the picturesque Village Park. Tom and Missy Feldman's property on the circle in West Winfield had 4 unsightly properties within view, some of them too close for comfort. The house at 501 Clapson was abandoned by the owners after it flooded, the owners later divorcing, making this property difficult for title to be transferred. At 503 Clapson Circle, the owner sold their deteriorated property while it was in tax foreclosure, the new "owner" agreeing to pay \$2,500 in installments to purchase the home. However, a deed was never officially recorded nor was the lien on the home paid, meaning it could not be sold and the foreclosure process continued. Directly across the driveway from the Feldman's home sat 506 Clapson; the owner of this deteriorated property passed away, leaving the property to her daughter. This home sat neglected for many years, during which time it partially collapsed. In front of the Feldmen Home sat 509 Clapson Circle, a doublewide trailer home that a dead tree fell through the roof of, significantly damaging the trailer.



Above: A debris pile from the partially collapsed house at 506 that previously sat above the Feldman's home.



Above: Visual representation of the layout of Clapson Circle. "F" represents the Feldman's home.

Over the years, Tom and Missy had invested time and money into their home but were considering moving as the adjacent homes looked worse with each passing day. The neglected properties were also hazardous, and were affecting their home's value. Having just a single abandoned home on a street reduces surrounding property values by up to 20%; the Feldman's would likely sell their home at a loss. Tom was able to purchase 509 Clapson and haul the aged trailer away, giving him the space he needed to build a garage. For the remaining properties, the acquisition process was much more complex and costly than a family, who were focused on maintaining their own home, could navigate.

The property closest to the Feldman's, partially collapsed 506, sat with one side completely open to the elements. The remnants of this home were harboring rodents, raccoons, stray cats, opossums, and porcupines and the structure was in danger of further collapsing. Tom had made several attempts to acquire this property so he could tackle it himself, but there were over \$12,000 due in back taxes. After contacting several local and county officials, Tom learned that if he were to acquire the property on his own, he would be responsible for paying the back taxes owed, this in addition to covering the cost of demolishing the home, hauling away the rubble and disposing of it. Furthermore, the length of time since there was a responsible owner for this property led to additional challenges associated with clearing title for purchase.

[One day] "Someone showed up at our door and said, 'This is what we do, we handle problem properties like this,'" said Tom referring to GMVLB staff.

Continued on page 2.

To discuss topics found in this newsletter or other news related to the GMVLB please join us for the next community forum:

Wed., December 22nd
@ 6:00pm

email info@gmvlb.org to request the Zoom link



Above: Feldman property today with incorporated plot purchased from GMVLB.

Big Changes in West Winfield, continued

The GMVLB was able to acquire the other three abandoned properties, 501, 503 and collapsed 506, clearing the liens with the County to get clean titles. 506 was demolished and the lot was sold to the Feldman's, who were able to extend their yard and utilize the shaded area for their dog kennel. 503 was stabilized and is now under contract for sale and full renovation, and 501 was demolished and the lot was added to 503 to create a larger yard.

"If it wasn't for the Land Bank we'd still be stuck in that situation. The Land Bank helped us out 100%," said Tom.

Using settlement funds from the '08 foreclosure crisis, made available through grants from the Office of the NYS Attorney General and the Local Initiatives Support Corporation, GMVLB was able to acquire the capital needed to combat the vacant, abandoned and deteriorated (VAD) properties throughout the Mohawk Valley region. VAD properties are a problem faced by most communities that affects many neighborhoods where the residents do not have the resources to resolve the large challenges tied to blighted properties. Responsible homeowners like the Feldman's who take pride in their property need a hand solving these issues. With the damaged properties removed and the neglected home sold to a vetted buyer, this quiet street is now a peaceful place to call home.

Municipal Corner: Vacant Property Laws FAQs

- What is a Vacant Property Law (VPL)?

All too often, speculators buy buildings in our communities with no plans to improve them. While sometimes beneficial to these speculators, this often leads to neighborhoods and downtowns full of vacant and deteriorating properties stuck in limbo, owned by irresponsible owners who abandon the property, sometimes opaque LLCs who are impossible to contact. A VPL is a local law that a Village or Town Board can enact and enforce to help reduce vacant properties within the municipality. All owners of vacant property must register and develop a plan to return their commercial or residential properties to use or pay a fee to help provide periodic inspections to ensure the buildings are safe and kept up to current codes.

- What are the benefits of a VPL?

VPLs give municipalities the tools needed to address vacant properties; the process begins by creating a local Vacant Property Registry (VPR). If the property owner is not local, they are responsible for designating a local contact person who can be reached in the event that action needs to be taken on the property and they must provide a contact for regular maintenance of the property and safety concerns. Such an ordinance gives local governments the mechanisms to require property owners to meet maintenance and safety standards under NYS codes for their buildings.

Thriving neighborhoods attract more families and businesses, encourage reinvestment and improve the quality-of-life for that community.

- Are there any exemptions for the fees?

A municipality can opt to waive the fees associated with registering vacant properties, with some common exemptions being for seasonal properties, those being actively renovated and buildings listed for sale at fair market value (FMV).

- How can a municipality enact a VPL?

GMVLB has created a model laws, including a VPL, which are available to participating municipalities upon request. The Town or Village Board can review, revise form templates and enact the law. GMVLB also offers VPR forms for municipalities at no cost, and is happy to help customize any of these to suit community needs with local government guidance.

- Are there local examples of VPR?

The Village of Fort Plain, the City of Oneonta, and other nearby municipalities have enacted VPL/VPRs, which are an increasingly popular tool.

For more information on the model VPL/VPR forms or to schedule an educational presentation for your municipal Board, please email info@gmvlb.org.

2019 Empire Hotel Collapse

In 2019, the former Empire Hotel, a 5-story building built in 1871, collapsed. The Village of Sharon Springs acquired an emergency CDBG grant from NYS HCR for the majority of the cleanup costs. However, there were some costs not covered by the grant and Greater Mohawk Valley Land Bank was able to step in to provide assistance to the village. The Land Bank covered the costs associated with emergency fencing and signage surrounding the site, obtaining abstract of title and other related legal costs, totaling over \$1,200.

According to Sharon Springs Village Historian Ron Ketelsen, at one time in its history, the village of Sharon Springs was a very popular tourist destination. Travelers were drawn to the natural mineral springs, which were believed to possess healing properties. Spas in Sharon Springs drew wealthy families from New York City, who spent their summers at the many hotels that had been built throughout the late 1800's and early 1900's.

The permanent population in Sharon Springs has never climbed above 700, staying consistently around 500-600 residents from the 1800's to today. The tourism industry locally was negatively affected by prohibition, the Great Depression, further in 1932 when the railroad to Sharon Springs was put out of use, and later a series of fires damaged a number of hotels. When wealthy tourists moved on to more modern resorts, the once bustling tourist Village no longer had a need for the many large hotels remaining. While some Hotels continued to be in use as lodging into the 1980's, others, including the Empire Hotel, were abandoned.

Below: Empire Hotel in deteriorated state. Photos submitted by Village Mayor Doug Plummer



The Empire Hotel was sold via tax foreclosure auction, but when the highest bidder and winner of the auction viewed the property's deteriorated condition, they backed out of the sale. The property remained vacant and neglected for years following the tax foreclosure sale. The Village Code Enforcement Officer (CEO), Cliff Dorrough, had cited and ticketed the last known legal property owner many times, but the owner never appeared in court. Officer Dorrough finally condemned the property, posting it as a hazard. Within 60-days of the building being condemned, a heavy rainstorm

blew through the area and the Empire Hotel imploded in on itself.

One main difference between a sale via the Land Bank and the typical County Tax Foreclosure process is the vetting of buyers. Land Banks aim to acquire vacant properties prior to being offered on the auction block. Once a property is in GMVLB inventory, the Land Bank works to stabilize the building to prevent further damage from occurring, including stopping water from entering. GMVLB then hires professionals to inspect properties, test for hazards such as asbestos and lead, and create a scope of work needed to bring properties up to code and returned to use. Potential buyers are then asked to submit detailed plans for renovation with their application to purchase a property. The GMVLB also has a clawback policy to encourage buyers to work diligently on their renovation plans. Other former hotels sit vacant and neglected in the village after being acquired by absentee buyers. Tougher code enforcement is another way to prevent buildings from succumbing to this fate, but often municipalities do not have the resources to hire full-time CEOs, making it more difficult for part-time CEOs, who are spread thin, to enforce building safety codes.

Below: Empire Hotel collapse.



At risk of foreclosure? Free help is available!

MohawkValleyZombies.com

BANK OWNED

FOR
SALE

Before and After: 212 West Bloomfield Street, Rome, NY

Vasid Construction completed a full renovation on the home located at 212 W Bloomfield Street in Rome, NY. This property was a tax foreclosure that was left vacant by the previous owner. The GMVLB acquired this property with help from the City of Rome, one of the Land Bank's founding members, and hired Vasid to repair, replace and modernize every inch of this beautiful home. From a vacant, neglected property to a beautiful community asset, this home is about to be placed on the market and available for a family to purchase and call it "Home".

This renovation and sale will return the property to the tax rolls, increasing municipal tax revenue and the property values of the surrounding homes.

Over \$130,000 has been invested in this property by the GMVLB. The home, priced at Fair Market Value (FMV) will likely sell for that or less, creating an affordable home for the purchaser.

A special thanks to the City of Rome and Mayor Jackie Izzo for being excellent partners.

BEFORE...



AFTER...



First-time Homebuyers Purchase 21 State Street, Fort Plain

Grace and Trent Logan just purchased their first home, a GMVLB complete renovation. With a one-year-old son and a new daughter on the way, the family is excited to have a place of their own and were grateful that the house is turn-key.

"We love how everything was redone and perfect for move-in ready", said Trent.

"I've lived in Fort Plain almost my whole life. I lived on Stone Arabia Street with my parents, Debbi and Art Logan. Grace lived in Amsterdam, NY and moved to Pennsylvania before coming to Fort Plain. I love Fort Plain because of all the farm land and rich history. My family has been farmers here for a very long time."



Above: Trent, Grace, and their son, Liam, in front of their new home.