

May 1, 2024

31 Grover Restoration Development Plan Summary

Background:

The Allegany County Land Bank Corporation (ACLBC) acquired 31 Grover St. Wellsville, NY 14895 in December 2022, following the property being the subject of tax foreclosure proceedings.

The property was assessed for feasibility to determine if the 2,030 sqft single family Colonial-style home would be restored or demolished. The home was noted to have historical significance according to the NY State Historic Preservation Office.

ACLBC decided to restore and preserve the home. Environmental testing was performed to identify hazards such as asbestos, lead-based paint and mold. A team of AmeriCorps members were engaged to remove previous owner belongings and debris. Predevelopment activities began to establish a minimum scope of work, plumbing/HVAC estimates, electrical upgrade estimates and weatherization quotes.

Development Phases:

Phase 1- **complete**

- Cleanout
- Environmental Testing
- Minimum Scope of Work Draft
- Weatherization Quotes
- Plumbing/HVAC Quotes
- Electrical System Upgrade Quotes
- Abate Asbestos
- Lead-based Paint and Mold Remediation Quotes

Phase 2.0- **Create a sealed building envelope that can be held throughout development. The following are in order of priority.**

- Weatherize Building Envelope (Roof replacement, gutters, window sealing, etc.) \$55,000
- Remediate lead-based paint and mold hazards (interior) \$38,000
- Replace electric service entry, upgrade to 200-amp panel, rough-in wiring \$40,000
- Replace gas service piping, water piping, install new furnace and radiators \$72,000
- Develop floorplans and materials list for complete build-out and finishing work \$4,500
- Acquire a post-rehab appraisal to determine the value of the finished home \$500

Phase 2.1-

AmeriCorps members will be engaged from June 26 to August 2, 2024. The 8 -10 person team will remove old wiring and piping, replace hazardous walkways and various other tasks that will decrease the budgetary obligations for such work.

Phase 2.2-

Genesee Valley Central School's Building Trades Program will utilize the home as an off-campus learning lab. Students will receive instruction and apply their curriculum to the development of the home. The labor provided will assist in decreasing restoration costs.

Phase 3- ACLBC will provide specifications to be completed with private construction funding to a qualified owner-occupant

- Replace walls, ceilings, floors and other major internal repairs
- Replace exterior siding and exterior repairs
- Install bathroom/kitchen fixtures
- Finish carpentry, plumbing and electric
- Receive a Certificate of Occupancy

Project Financing:

Phase 1 activities were financed by NY Homes and Community Renewal Land Bank Initiative Program and ACLBC General Funds.

Phase 2 funding will be a combination of HCR Land Bank Initiative, ACLBC General Funds and ESD Restore NY Round 8 Funds.

Estimated Phase 2 Budget \$210,000
ACLBC GF = \$15,000
HCR LBI = \$45,000
RestoreNY= \$150,000

Phase 3 activities will be funded by a qualified owner-occupant who receives private financing or financing through a Community Development Financial Institution.

Local Revitalization:

The project is consistent with the Allegany County Comprehensive Plan's goal of investing into the betterment of local housing.

Use of Resources:

The proposed financing is appropriate for the project because it provides state grant resources that will fill the gap between the costs of restoration and the post-project value of the home.

Existing and Future Investment:

The project facilitates effective and efficient use of existing and future public resources so as to promote both economic development and preservation of community resources. ACLBC General Funds are funds the land bank has collected through the sale of properties that ACLBC has developed. Future proceeds from sales will be increased by investing grant funds into create more valuable properties.

HCR Land Bank Initiative funds are existing funds that are dedicated to the stabilization and securing of projects upon acquisition and to use to leverage other funding, such as Restore NY. Future HCR LBI funds will be used to continue leveraging housing revitalization grants.

Workforce Development:

The project develops and enhances infrastructure in a manner that will attract, create and sustain employment opportunities. The project will provide building trades and community development education and experience for individuals entering the local workforce. Further, the finished house will be a safe, attractive and quality home needed to draw new professionals to the community.

Challenges:

Existing ACLBC and HCR LBI funds will not support the project's phase 2 activities beyond weatherization. Without Restore NY funds the mold and lead-based paint hazards can not be addressed and basic systems can not be replaced. Development will be postponed until additional funds can be obtained to continue development. Delaying development also delays the home's return to the tax rolls and increases ACLBC carrying costs.

Historic Preservation:

The home at 31 Grover Street contributes to the Wellsville East Side Historic District, which is eligible for listing in the State and National Registers of Historic Places. The State Historic Preservation Office, as subject matter experts in historic preservation, provided the following statement regarding potential impacts to the historic resource, "We would likely have no concerns with the rehabilitation of this home, provided the proposed work would follow the Secretary of Interiors Standards for Rehabilitation."

Disposition:

Following the completion of phase 2, the property will be put in the ACLBC's Ready for Rehab program. The Ready for Rehab program finds qualified homebuyers who will agree to a work plan to conduct phase 3 activities. The land bank will assist the buyer to obtain a lending product that will be used to fund phase 3 activities. A post-rehab appraisal will establish the value of the home have following phase 3.

The lender will provide homebuyer counseling and loan up to 90% of the appraised value of the home. Phases 1 and 2 activities will be substantial enough to result in the appraisal value being greater than the funds needed to complete phase 3 and pay for cost associated with property purchase from the land bank to the buyer.

An Enforcement Note will be held by ACLBC throughout phase 3 activities and released upon completion of work and issuance of a Certificate of Occupancy.