

2005
BUFFALO
URBAN HOMESTEAD
PROGRAM

INTRODUCTION

The Common Council, City of Buffalo, approved an Urban Renewal Plan for the Community Wide Urban Renewal Demonstration Program, Item No. 245, C.C.P. 9/17/74. The plan was a 30-year plan. The purpose of the Plan was to develop methods and carry out demonstration and other activities in relation to or in connection with one or more programs of Urban Renewal or other programs relating to the arrest and prevention of conditions of neighborhood deterioration or blight.

The Office of Strategic Planning has amended the 1974 Buffalo Urban Renewal Homestead Program to reflect current activities and programs established to promote new housing construction activity, rehabilitation of existing housing stock, comprehensive code enforcement programs and demolition of dilapidated housing. The amendments to the existing Urban Homestead Program will allow for greater participation by individuals and designated housing development organizations to acquire and improve vacant and abandon properties located in Urban renewal and Comprehensive Code Enforcement Areas in the City of Buffalo.

The current Urban Renewal and Comprehensive Code Enforcement Areas are attached to this document as EXHIBIT "A".

Also attached is EXHIBIT "B" which is a listing of all properties owned by the City of Buffalo, BURA, and BEREC located in the Urban Renewal and CCE areas. After approval of the 2005 Buffalo Urban Homestead Program by City Planning, BURA, and the Common Council, OSP and BURA Staff will survey all listed properties in order to determine which are appropriate for homesteading objectives. A list of properties shall be provided by July 1, 2005 to City Planning, BURA and the Common Council to be approved as Homestead properties. OSP and BURA staff will monitor all properties acquired in these designated areas and will provide to the City Planning Board, BURA, and the Common Council, on or about July 1st and December 31st of each year, for approval, a listing of properties appropriate for homesteading.

BUFFALO URBAN RENEWAL AGENCY ACTIVITIES:

The Buffalo Urban Renewal Agency (BURA) was designated by the Buffalo Common Council as the coordinator of Buffalo's Urban Homestead activities. The B.U.R.A. will work in concert with the City of Buffalo Office of Strategic Planning, various other City departments to effect homesteading actions, which are beneficial to the City of Buffalo and all its citizens.

The staffs and facilities of the Office of Strategic Planning (OSP), Buffalo Municipal Housing Authority (BMHA), Department of Housing and Urban Development (HUD) and other Governmental agencies, will be fully utilized in order to identify the housing needs of the community and to formulate homestead strategy, which will contribute to the fulfillment of these needs.

A. B.U.R.A. FUNCTIONS:

The Buffalo Urban Renewal Agency will define all physical areas to be homesteaded. The B.U.R.A. and the Office of Strategic Planning (OSP) will plan which buildings are to be renovated, which are to be sold, and which should be demolished. The Agency and OSP will determine which properties are suitable for homesteading activities.

As the coordinator of the Buffalo Urban Homestead Program, the B.U.R.A. will function in different roles:

- 1.) It will develop policies and procedures to carry out homesteading activities listed below.
- 2.) Identify properties eligible for homesteading.
- 3.) It will identify and qualify eligible homesteaders.
- 4.) It will be in charge of property acquisition from all sources discussed below.
- 5.) It may assist and arrange the necessary financing for the purchase and rehabilitation of vacant and abandon structures.
- 6.) It will establish and coordinate Homestead assistance teams (consisting of staff and resources from federal, state and local government agencies, financial institutions and community based organizations).

B. SOURCE OF PROPERTY:

In general, properties eligible for Homesteading are one, two and three family homes and vacant residential lots, presently owned by:

- 1.) HUD, as a result of foreclosure.
- 2.) The City, as a result of tax sales, foreclosures and condemnation.
- 3.) Private individuals, and
- 4.) The B.U.R.A. as a result of property acquisition for Neighborhood Development Programs or Urban Renewal Activities

1.) HUD Owned Property:

Title I, Section 2 (c) (2) of the 1968 Housing Act, empowers the Secretary of HUD to convey real property owned by the United States. The language in the statute gives the Secretary wide discretion in the disposal of property and sales price of that property. FHA currently owns approximately _____ residential structures in the City of Buffalo.

2.) City-Owned Property:

Property owned by the City has generally been obtained as a result of tax delinquency auctions. One of the major difficulties is the period of time that lapses between tax delinquencies by private owners and the foreclosures by the City. During that time, vacant houses are subject to a high rate of vandalism, and may become beyond repair. Carefully developed homesteading plans can arrange for the acquisition of properties before massive deterioration has taken place.

3.) Property Owned by Individuals:

Properties owned by absentee landlords are frequently abandoned or in need of major repair. Often, the landlords find themselves squeezed between inadequate rental income and inescapable rising operating costs. In many cases they are forced to abandon their property, sell it at a loss, or struggle with a financial burden. In view of this situation, the B.U.R.A. may find that these landlords will cooperate willingly if arrangements can be made to make the situation less of a burden for them.

Absentee landlords may be willing to contribute property to the B.U.R.A. because section 170 (b) (vi) of the Internal Revenue Code allows them to deduct the market value from their ordinary income, thereby reducing their tax liability.

Many single-family homes in Buffalo are presently occupied by elderly owners. Limited retirement incomes, as well as increased living expenses, may impose severe financial restrictions on these owners' ability to perform required maintenance repairs to the structures. Diminished physical capacity may make the performance of daily maintenance duties an onerous task.

3 Con't.

Structures once used to house large families may today be occupied by an elderly couple. This underutilization of real property often results from the owner's lack of knowledge of the location of available, convenient replacement housing. Also, the market value of the house may have declined, so that the owners perceive that the sale proceeds of the older home will not provide adequate funds with which they can obtain safe, convenient, dignified housing.

These senior citizens may be willing to donate, or to sell to the B.U.R.A. at a price below current market value, large homes which can be homesteaded by young families, if adequate and convenient replacement housing opportunities are made available to them on financial terms, which they can afford.

4.) Property Owned by the Buffalo Urban Renewal Agency:

Structures owned by the Agency, within urban renewal and comprehensive code enforcement areas, could also be designated as "homestead structures" and made available to homestead applicants for acquisition and rehabilitation. B.U.R.A. will coordinate acquisition of properties with the City of Buffalo, HUD and Neighborhood Organizations.

C. FINANCING:

Financing an Urban Homestead Program must involve public and private funds. Basically, public funds will be used to pay the administrative expenses of the program and may be used to provide market interest rate financing for rehabilitation reconstruction of homestead structures, or to purchase structures, lots or development parcels which stimulate additional homestead activities.

Section 312 rehabilitation loans, Section 235 rehabilitation financing or other Federal rehabilitation funds might be used, if available, to assist homesteaders to finance rehabilitation repairs.

Foundations and other public institutions will be encouraged to establish low-interest revolving loan funds, which can be used to finance homestead rehabilitation construction.

C – Con't.

Urban Renewal Agency funds, or other Municipal funds, might be used to establish a revolving fund with which desirable homestead properties would be purchased. Upon completion of homestead repairs and construction, private financial institutions will provide a long-term mortgage which would repay the Agency for any funds expended for acquisition and renovation of the homestead property.

Banks, savings and loan associations, etc. may not have a property interest in a particular neighborhood that they desire to protect. Nevertheless, these institutions must be encouraged to make loans available to individuals who have the job security and financial capacity to qualify for permanent mortgages on individual homes and for home improvement loans on existing structures, wherever these structures are located.

D. BUFFALO URBAN HOMESTEAD OBJECTIVES:

Comprehensive homestead programs and activities will be conducted as appropriate, in the designated BURA, Comprehensive Code Enforcement and Targeted Areas throughout the City of Buffalo. These activities will include:

- 1.) Homesteading of vacant, City-owned land (to build)
- 2.) Homesteading of vacant, City-owned structures (for rehabilitation)
- 3.) Homesteading of structures donated to the B.U.R.A. for homesteading / rehabilitation purposes.
- 4.) Homesteading of City-owned vacant lots deemed inappropriate for public purposes, or redevelopment, to owners of adjacent property.

E. PROCEDURES:

The following procedures will be established and followed:

1.) Homesteading vacant, City-owned land:

- a.) The City of Buffalo will be surveyed in order to determine the number and location of vacant, city-owned lots within Urban Renewal and Comprehensive Code Enforcement Areas, that might be appropriate for new housing construction.
- b.) The Buffalo Urban Renewal Agency, the Planning Board and the Office of Strategic Planning will then recommend that specific selected lots, be Designated and approved by the Common Council as Homestead Properties to be marketed to eligible homesteaders.
- c.) Homestead Properties will then be publicly advertised by the B.U.R.A. and these lots will be offered for one dollar plus closing costs to individuals or families who are willing to construct or erect safe, sanitary housing on the site, are financially able to obtain and afford the proposed housing, and are willing to reside on the premises. Homestead properties will also be offered to Certified Housing Development Organizations (CHDO) established to provide housing for low to moderate-income individuals or families.

Neighborhood Area Committees, CHDO's, public and private community organizations will be asked to assist in the recruitment of qualified homesteaders and in publicizing both the availability of land and the desirable features of the neighborhood. The B.U.R.A. will coordinate the review and approval of all plans and specifications for the proposed structure, as well as provide technical assistance and financial counseling to prospective homesteaders.

d.) After approval all construction and development plans and determining that the homesteader has the financial ability to erect and maintain the premises, the B.U.R.A. and OSP will prepare all necessary documents for the transfer of the property to the homesteader for One Dollar plus closing costs. The property will be transferred to the homesteader on the condition that:

- 1.) The specified structure be erected on the premises within 12 months.
- 2.) The structure be occupied by the homesteader for a period of not less than 36 months or in accordance with all funding and grant requirements.

2.) Homesteading of Vacant, City-Owned Structures

a.) The City of Buffalo will be surveyed in order to determine the number of vacant, city-owned structures located in Urban Renewal and Comprehensive Code Enforcement Areas which can be rehabilitated and which are appropriate for homesteading.

The city-owned structures which are determined to be in dangerous condition or where it is determined that rehabilitation is infeasible, will be turned over to the Department of Inspections and Licenses for immediate demolition.

b.) The Buffalo Urban Renewal Agency, the City Planning Board and the Office of Strategic Planning will then recommend that specific, selected structures, where rehabilitation is practical and desirable, be designated and approved by the Common Council as "Homestead Structures".

c.) The Buffalo Urban Renewal Agency will then complete a detailed work write-up and cost estimate of repairs necessary to restore each Homestead Structure to a safe and sanitary condition.

This work write-up and cost estimate will be forwarded to participating financial institutions in order to obtain an "after rehabilitation" mortgage financing commitment before the specific Homestead Structure is advertised or applications from homesteaders accepted by the B.U.R.A.

- d.) The Homestead Structures will then be publicly advertised by the B.U.R.A. and these buildings will be offered, for one dollar plus closing costs, to individuals or families who (1) are willing and able to rehabilitate the structures to a safe and sanitary condition, (2) are able to obtain adequate construction financing and (3) are willing to reside in the rehabilitated structure for 3 years or in accordance with grant and funding requirements. Homestead structures will also be offered to CHDO's established to provide housing ownership opportunities for low to moderate-income individuals or families.

Neighborhood Area Committees CHDO's, public and private community organizations will be asked to assist in the recruitment of qualified homesteaders and in publicizing both the availability of the Homestead Structures and the desirable features of the neighborhood.

- e.) B.U.R.A. staff will be assigned to assist homesteader applicants in arranging adequate construction and mortgage financing. This staff will also evaluate the homesteader applicant's ability to obtain both rehabilitation financing and/or eventual mortgage financing.

All possible financing avenues will be explored on the homesteader applicant's behalf (including Section 312 loans, Section 23 lease financing, Section 235 rehabilitation financing, HOME, CDBG or equivalent, etc.)

- f.) The B.U.R.A. may find that there is more than one qualified applicant for a specific homestead structure. In that event, the B.U.R.A. may select the homesteader on a basis of unique qualification, extraordinary need, by lottery, or by any other equitable method.

After selection of a qualified homesteader, the B.U.R.A. and Office of Strategic Planning will prepare all necessary documents for the transfer of title to the specific property to the qualified homesteader on the condition that:

- (1) all specified repairs be completed within 18 months and
- (2) the structure be occupied by the homesteader for a period of not less than 36 months or in accordance with grant and funding requirements.

g.) B.U.R.A. staff will provide technical assistance to the homesteader during the reconstruction period. This technical assistance may include advice on contractor selection and supervision of contractor's work; approval of financing work where progress payments are required; advice on building products and materials, instruction in self help construction techniques, etc.

(3) Homesteading of Structures Donated to the B.U.R.A.

a.) The Buffalo Urban Renewal Agency is eligible to receive tax deductible charitable contributions in property and money from individuals, foundations, Federal and local governments.

The B.U.R.A. could accept donations of those FHA foreclosed properties, which the B.U.R.A. deemed suitable for homesteading. Similarly, if the B.U.R.A. identifies derelict, privately-owned structures, which can be rehabilitated and are appropriate for homesteading, the owner can be contacted by B.U.R.A. staff and the advantages of donating tax deductible property to the B.U.R.A. can be emphasized.

All homestead structures obtained by the B.U.R.A. in this or any other manner would then be processed in the same way that City-owned homestead structures are (paragraphs 2 c-g).

4.) Homesteading of City-Owned Vacant Lots to Owners of Adjacent Property:

- a.) The City of Buffalo will be surveyed in order to determine the number of City-owned vacant lots located in Urban Renewal and Comprehensive Code Enforcement Areas which are inappropriate for either future development or public purpose (e.g. vest pocket parks, off-street parking, etc.).
- b.) The Buffalo Urban Renewal Agency, City Planning Board and the Office of strategic Planning will periodically recommend that specific lots in Urban Renewal Plan and Comprehensive Code Enforcement Areas of the City be designated and approved by the Common Council as Eligible Homestead lots.
- c.) Where such a lot is joined by two or more adjacent privately owned properties, each adjoining property owner will be contacted by B.U.R.A. staff in order to determine whether the City owned property can be sold. If any person evidences interest in purchasing all or a part of the land, the Office of Strategic Planning will be immediately notified in order that a negotiated sale be completed.
- d.) Where such a lot is joined by only one adjacent property, or where no property owner indicates interest in purchasing the City-owned land, the B.U.R.A. will recommend to the City of Buffalo Office of Strategic Planning that the land be transferred for One Dollar plus closing costs to those adjacent property owners who are willing to improve and maintain the land. Distribution of the land should be equitable between all property owners interested in maintaining it.
- e.) Upon receipt of the Executive Director of the Office of Strategic Planning's concurrence with B.U.R.A.'s recommendations, the BURA and the OSP will prepare all necessary documents for the transfer of the property to the homesteader for One Dollar plus closing costs. The property will be transferred to the homesteader on condition that:
 - 1.) The property is cleaned and improved within 6 months and
 - 2.) The property is maintained in a sanitary manner for at least 36 months.

EXHIBIT - "A"

MAP OF UR & CCE AREAS

EXHIBIT – “B”

LISTING OF ELIGIBLE PROPERTIES

FROM THE MAYOR - EXECUTIVE DEPARTMENT

NO. 3

Urban Homestead Amendment
Urban Homestead Urban Renewal Plan
Planning Board Approval

The City Planning Board at it's meeting on April 12, 2005 adopted the following resolution for the Urban Homestead Amendment to the Urban Homestead Urban Renewal Plan.

Michael Lyons offered the resolution, seconded by James Morrell and moved for its adoption:

We, the duly appointed members of the City of Buffalo Planning Board, acting in accordance with Section 504, Article 15 of the General Municipal Law of New York State, do this 12 day of April, 2005 adopt the following resolution:

WHEREAS, the Office of Strategic Planning has recommended that the Urban Homestead Amendment, encompassed within the overall Urban Homestead Urban Renewal Plan Project boundaries, including designated parcels eligible for "Homesteading" purposes and Comprehensive Code Enforcement areas (CCE); and

WHEREAS: the primary goal of the amendment is to be consistent with the City of Buffalo's ten year plan and to reflect current activities and programs established to promote new housing construction activity, rehabilitation of existing housing stock, comprehensive code enforcement programs and demolition of dilapidated housing; and

WHEREAS: the amendment will allow for greater participation by Individuals and designated housing development organizations to acquire and improve vacant and abandoned properties located in the designated areas; and

WHEREAS, a public hearing on the matter was held upon due notice before the City Planning Board in City Hall Room 901 on April 12, 2005 at 8:00 a.m., at which the proposed amendment was presented and explained in detail, and those desiring to be heard were heard; and

NOW THEREFORE BE IT RESOLVED, that we the duly appointed members of the City Planning Board of and for the City of Buffalo, do hereby report to the Common Council and certify our unqualified approval of the Amendment to the Urban Homestead Urban Renewal Plan, as defined in Subdivision 3 of Section 502, Article 15 of the New York State Municipal Law and do hereby designate the area, pursuant to Section 504, Article 15 of the New York State General Municipal Law, as being appropriate for the Urban Renewal Plan; and
AYES: Messrs. Gioia, Lyons, Morrell, Burns Ms. Schwartz, Ms. Hoyt

NAYS: None

ABSENT: Mr. Manuele

REFERRED TO THE COMMITTEE ON COMMUNITY DEVELOPMENT

C.C.P. 5/3/05
Ref. to CD 5/10/05

NO. 127

Urban Homestead Urban Renewal Plan Amendment

(Hrg. 5/17) (CCP# 127-5/3/05)

That the above item be and the same is returned to the Common Council without recommendation.

RECOMMENDED BY THE COMMITTEE ~ COMMUNITY

A public hearing has been set, before the Common Council, at this regularly scheduled meeting, on the above item, and a Notice of same has been published in the Buffalo News, a copy of which is attached hereto.

On a motion by Mr. Coppola, seconded by Mr. Conrad, the item is properly

before the Common Council, and the hearing is opened.

Appearances- Brian Davis

Mr. Coppola now moved that the hearing be closed. Seconded by Mrs. Russell

CARRIED.

Mr. Golombek moved:

That the City Planning Board do hereby report to the Common Council and certify their unqualified approval of the Urban Homestead amendment as defined in Subdivision 3 of Section 502, Article 15 of the New York State Municipal Law pursuant to Section 504, Article 15 of the New York State General Municipal Law; and

That the Director of the Office of Strategic Planning is directed and authorized the amendment to the Urban Homestead Urban Renewal plan for the long term, comprehensive redevelopment of the designated parcels within approval areas.

PASSED

AYES - 9 NOES - 0

C. C. P. 5/17/05

Passed

No. 128

Urban Homestead Urban Renewal Plan Amendment (City Planning Bd.)

(Item No. 3, C.C.P., May 3, 2005)

That the above item be, and the same hereby is, returned to the Common Council without recommendation.

Mr. Golombek moved: That the above Item be the same and is hereby received and filed

ADOPTED

C.C.P. 5/17/05

R/F

NO. 8

**Urban Homestead Urban Renewal
Plan Revised List of City, BNRC
and BURA Property**

Pursuant to the Urban Homestead Amendment of the Urban Homestead Urban Renewal Plan approved by the City of Buffalo Common Council CCP# 127 on May 17, 2005, the Office of Strategic Planning hereby submits the revised listing of properties within the approved Comprehensive Code Areas and Urban Renewal Areas, or both.

I am therefore recommending that Your Honorable Body approve the revised listing of eligible properties which are encompassed within the overall Urban Homestead Urban Renewal Plan Project boundaries, in accordance with the Urban Homestead Urban Renewal Plan and that the Mayor be authorized to execute the documents for the transfer of title for the properties.

REFERRED TO THE COMMITTEE ON COMMUNITY DEVELOPMENT

C.C.P. 7/10/07

NO. 119
Urban Homestead Urban Renewal Plan -
Revised List of City, BNRC and BURA Property
(Item No. 8, C.C.P., July 10, 2007)

That the above item be, and the same hereby is returned to the Common Council without recommendation.

Mr. Golombek moved:

That the Common Council approve the revised listing of eligible properties which are encompassed within the overall Urban Homestead Urban Renewal Plan Project boundaries, in accordance with the Urban Homestead Urban Renewal Plan and that the Mayor be authorized to execute the documents for the transfer of title for the properties.

PASSED

AYES - 8 NOES - 0

C.C.P. 7/24/07
Passed

STRAT PLAN-Urban Homestead Program - Revised List of Eligible Properties

PRIOR COUNCIL REFERENCE: Item No. 119, C.C.P. 7.24/2007

Pursuant to the Urban Homestead Amendment of the Urban Renewal Plan approved by the City of Buffalo Common Council (Item # 127, CCP May 14, 2005; further amended as Item # 119, CCP July 24, 2007), the Office of Strategic Planning hereby submits a list of properties acquired through In-Rem #42 which are within the approved Urban Renewal Areas (URA) and Comprehensive Code Enforcement Areas (CCE).

I am recommending that Your Honorable Body approve the attached list of properties as homestead eligible properties within the URA and CCE areas as part of the overall Urban Renewal Plan and that the Mayor be authorized to execute the documents for the transfer of title of the properties to qualified purchasers.

REFERRED TO THE COMMITTEE ON COMMUNITY DEVELOPMENT

C.C.P. 10/13/09
 Ref. to C.D. 10/20/09
 Tabled 11/4/09
 Tabled 11/17/09
 Tabled 12/1/09
 Tabled 12/15/09
 Tabled 12/29/09
 Tabled 1/12/10
 Tabled 1/26/10
 Tabled 2/9/10
 Tabled 2/23/10
 Tabled 3/9/10
 Tabled 3/23/10
 Tabled 4/6/10
 Tabled 4/20/10
 Tabled 5/4/10
 Tabled

BY: COUNCIL MEMBER MICHAEL J. LOCURTO

DISCHARGE COMMUNITY DEVELOPMENT COMMITTEE FROM CONSIDERATION OF THE FOLLOWING ITEM
"NO 7 C.C.P. OCT 13, 2009 URBAN HOMESTEAD PROGRAM-REVISED LIST OF ELIGIBLE PROPERTIES"

Whereas: The above item is currently in the Community Development Committee ; and

Whereas: It is no longer necessary for this item to be considered by that committee;

Now, Therefore Be It Resolved:

That this Common Council does hereby discharge the Community Development Committee from further consideration of Item "No 7, C.C.P. Oct 13, 2009 Urban Homestead Program-Revised List of Eligible Properties" and said item is now before the Common Council for its consideration."

ADOPT DISCHARGE. APPROVED

AYES - 9 NOES - 0

C. C. P. 4/27/10

Adopted

URBAN HOMESTEAD PROGRAM - REVISED LIST OF ELIGIBLE PROPERTIES

PRIOR COUNCIL REFERENCE: Item No. 100, C.C.P. 4/27/2010

Pursuant to the Urban Homestead Amendment of the Urban Renewal Plan approved by the City of Buffalo Common Council (Item # 127, C.C.P. May 14, 2005; further amended as Item # 119, C.C.P. July 24, 2007 and Item #100, C.C.P. April 27, 2010), the Office of Strategic Planning hereby submits a list of properties acquired through In-Rem #45 which are within the approved Urban Renewal Areas (URA) and Comprehensive Code Enforcement Areas (CCE).

I am recommending that Your Honorable Body approve the attached list of properties as homestead eligible properties within the URA and CCE areas as part of the overall Urban Renewal Plan and that the Mayor be authorized to execute the documents for the transfer of title of the properties to qualified purchasers.

JOHN P. HANNON, JR.

DIRECTOR OF REAL ESTATE

OFFICE OF STRATEGIC PLANNING

In Rem 45

Additions to Urban Renewal, CARE, CCE Areas

Street ##	Street Name	Zip	Class Code	Tax District	Council District
32	Sherwood	14213	311	147002	NI
200	Grape	14204	312	147003	EL
216	Grape	14204	311	147003	EL
120	Rose	14204	311	147003	EL
284	Coit	14212	220	147004	FI
474	Fillmore	14206	482	147004	FI
283	Mills	14211	220	147004	FI
83	Reed	14212	210	147004	FI
54	Wilson	14206	411	147004	FI
47	Butler	14208	220	147005	MA
261	Loring	14214	220	147009	MA

Mr. Fontana moved:

That the above Communication from the Director of Real Estate of the Office of Strategic Planning, dated October 25, 2011, be received and filed; and

That the list of properties attached to the above item are approved as homestead eligible within the Urban Renewal and Concentrated Code Enforcement areas as part of the Urban Renewal Plan and that the Mayor be authorized to execute the documents for the transfer of title of the properties to qualified purchasers.

PASSED

AYES - 9 NOES - 0

C.C.P. 11/1/11
Passed