

City of Newburgh

Press Release

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City of Newburgh Celebrates 37% Decrease in Number of Vacant Buildings and Increased Homeownership & Housing Opportunities



City Manager Jean-Ann McGrane explains strategy City instituted 2 years ago to attack vacant buildings scale attack on the pervasive problem of vacant and abandoned buildings with an integrated, multi-departmental strategy. Today at 149 Chambers Street, City officials presented a two-year “report card” on the strategy, and celebrated successes to date with community partners and new homeowners.

City Manager Jean-Ann McGrane explained, “In addition to all of the problems these buildings cause, they create a false impression of the City for residents and visitors alike. It is important to note that they are clustered in a very small part of the City- yet you can have entire blocks with a critical mass of buildings. They are controlling the future of these blocks, and we need a variety of tools to fight back.” She added, “Turning the City around is a building by building, block by block effort- it can’t be done any differently.”

The “tools” in the integrated strategy include:

- Vacant building registry

Vacant and abandoned buildings are not just unsightly nuisances in our neighborhoods- they are magnets for crime, degrade neighboring property values, and suck the life and hope out of a community. Studies have shown that just passing by blighted buildings regularly has a profound psychological effect, particularly on children.

In early 2006, the City of Newburgh launched a full-

- The Reverter Project
- Prioritizing owner-occupancy; linking potential owners and lending institutions to homeownership opportunities
- Public/Private housing partnership initiative
- Building on existing partnerships

The *vacant building registry*, initiated in 2006, requires property owners to register their vacant properties, pay an annual fee, and maintain their properties according to code. If a property is not maintained, violations are issued, and if the problem goes uncorrected, court action is instituted. When the registry began, 251 privately-owned vacant buildings were identified. By year-end 2007, the number of vacant buildings on the registry had dropped 37%, to 157. The list is fluid, as buildings become vacant or are issued certificates of occupancy. Seventy-one certificates of occupancy (COs) have been issued in the last two years.

The *Reverter Project* was launched to enforce restrictive covenants contained in the deeds to properties sold by the City, which require property owners to bring those properties into compliance with all applicable building codes. The City has sued to enforce the deed covenants of 35 properties, and to date, has recovered title to 10. Additionally, two other properties were transferred to third parties for rehabilitation. The enforcement action has resulted in 11 other property owners bringing their properties up to code. The City expects to transfer the recovered properties to developers participating in the public-private partnership. This project is on-going and the City expects to recover title to additional properties.

The *Public/Private Housing Partnership Initiative* is an alternative to the traditional auction of City-owned properties. In the first round 13 properties were offered to qualified developers to rehabilitate for owner-occupancy. In September of 2007, the City celebrated the first property completed, 10 Galloway Avenue, which has since been sold. Private developers in the first round include RYM, Thruway Builders, Spectrum Development and Primo Contracting. The second round of the Public Private Housing Partnership Initiative is underway with 20 properties offered for redevelopment.

“*Owner-occupancy* is an important part of the City’s overall revitalization strategy,” said the City Manager. “The ratio of renters to owners in the City is 70% to 30 %- the reverse of most municipalities. By mandating that certain properties sold by the city be owner-occupied, we strengthen neighborhoods by fostering personal and civic pride.” In late 2007, the City of Newburgh Industrial Development Agency (IDA) contracted with a housing consultant on a part-time basis to link potential homeowners with housing opportunities, as well as to raise lending institutions’ awareness of the City.

Building on successful partnerships with non-profits and other private developers: In addition, the City has continued partnerships with nonprofits dedicated to creating increased opportunities for homeownership and housing. They include:

- Habitat for Humanity, which has rebuilt 10 properties in the last two years, with three more to be completed in early spring;
- Newburgh Community Improvement Corporation (NCIC), a subsidiary of Rural



Olga Adan shares her experience as a Habitat for Humanity homeowner in front of slide of her property “before”.

- Opportunities Inc.-they redeveloped 13 buildings creating 20 units for rental in the Lander St./Chambers St. corridor, as well as 12 properties for home ownership.
- Housing Opportunities for Growth, Advancement and Revitalization (HOGAR): work underway on the first three of six properties being redeveloped on Dubois Street- first Certificate of Occupancy expected to be issued within a few weeks. This project is part of a larger initiative made possible through the Restore-NY Communities Initiative, which provided more than \$950,000 in funds to redevelop 18 properties in the Dubois Street Revitalization Corridor.
- LeylandAlliance, who will be redeveloping some 30 acres of vacant waterfront-area land, has teamed up Habitat for Humanity on E. Parmenter Street. Habitat will be developing eight new affordable homes there, and on the remaining 16 home sites, LeylandAlliance will build a mix of “workforce” town-homes and single family residences.

At the press conference, Olga Adan shared her homeownership experience. Her new home is one of two built by Habitat for Humanity and the Builders Association of the Hudson Valley in just five days during the 2006 Builders Blitz. Prior to the build, it was an abandoned garage filled with old cars and debris which the City of Newburgh DPW cleaned out.

Olga said, “Finally, the 5th day came, and when I arrived, I saw our house – a whole house with a yard for my children to play in. After just 1 ½ years, our lives are so different in every way.” Olga, her children Jamileth and Edwin, and her mother Eloina, previously lived in a one-bedroom apartment.

The City Manager concluded, “Properties in the City need to be rehabilitated in such a way as to ensure a continuum of housing- to have a mix of rental properties, affordable



Figure 1 Olga Adan's home "after"

housing, workforce housing, and market rate properties. Our neighborhoods need to reflect the diversity of the City- this is how you create a sustainable community.”

She added, “Turning the City around is a building by building, block by block effort- it can’t be done any differently.”

For more information on housing opportunities contact Lourdes Zapata- Perez, Community Development Director, at 569-9400.



Before and After: Home Rehabilitated by Newburgh Community Improvement Corporation