

FOR CONSIDERATION

November 21, 2011

TO: The Directors

FROM: Kenneth Adams

SUBJECT: Land Bank Program

REQUEST FOR: Adoption of Guidelines for the Approval and Implementation of the Land Bank Program

I. BACKGROUND

New York State's Land Bank Program (the "Program") was established with enactment of Article 16 of the New York State Not-for-Profit Corporation Law (the "Act"). The Legislative intent of the Act found and declared that New York's communities are important to the social and economic vitality of the state and that whether urban, suburban or rural; many communities are struggling to cope with vacant, abandoned and tax delinquent properties.

In order to combat the problem of vacant and abandoned properties, the Act permits local communities on their own, or together through the execution of intergovernmental agreements, to create not-for-profit corporation land banks to be utilized to facilitate the return of vacant, abandoned and tax-delinquent properties to productive use. The primary focus of land bank operations is the acquisition of real property that is tax delinquent, tax foreclosed, vacant and/or abandoned, and to use the tools of the Act to eliminate the harms and liabilities caused by such properties.

Pursuant to Section 1603 of the Act, the creation of a land bank is conditioned upon approval of the New York State Urban Development Corporation d/b/a Empire State Development ("ESD"). The guidelines set forth the process and criteria for ESD approval of these land banks.

II. THE PROGRAM GUIDELINES

ESD's role in this initiative is to approve applications from municipalities seeking to create land banks in their communities. Pursuant to the Act, the number of land banks state-wide is limited to ten. ESD anticipates approving applications in multiple rounds from interested municipalities with the first round of applications expected on March 30, 2012. After staff review of the applications to determine consistency with the Program criteria, recommendations will be made to the ESD Board for approval. Depending on the number and quality of applications, recommendations for land banks will not exceed five in the first round. This limit will ensure that municipalities will be able to seek approval for their land banks in later application rounds if they are not prepared to submit an application in March.

In order to provide guidance to prospective applicants seeking approval for the creation of a land bank in their community, the guidelines (the "Guidelines") attached to these materials have been prepared for your consideration for adoption by the Corporation. The Guidelines set forth:

- the application process;
- eligibility criteria;
- evaluation criteria to be applied by ESD in its assessment of applications;
- the approval process; and
- other terms and conditions regarding ESD approval of applications.

In addition, the Guidelines provide that approval of land bank applications is subject to the ESD Director's review and approval and compliance with the provisions of the Act.

III. AFFIRMATIVE ACTION

ESD's Non-Discrimination and Affirmative Action policies will apply.

IV. ENVIRONMENTAL REVIEW

ESD staff has determined that the requested adoption of Guidelines for the Land Bank Program does not constitute an action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the requested approval.

V. REQUESTED ACTIONS

The Directors are requested to adopt the Guidelines for the Land Bank Program and to authorize the necessary and appropriate actions to effectuate the foregoing.

VI. RECOMMENDATION

Based upon the foregoing, I recommend approval of the requested actions.

ATTACHMENTS

Resolution
Land Bank Program Guidelines

November 21, 2011

Land Bank Program – Adoption of Guidelines for the Approval and Implementation of the Land Bank Program

RESOLVED, that on the basis of the materials (the “Materials”) presented at this meeting, a copy of which is hereby ordered filed with the records of the New York State Urban Development Corporation d/b/a Empire State Development (the “Corporation”), relating to the Land Bank Program (the “Program”), the Corporation hereby adopts the Program guidelines (the “Guidelines”) for the purposes and substantially in the form set forth in the Materials, with such changes as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to take such actions and make such modifications to the Guidelines as he or she may deem appropriate in connection with the Program; and be it further

RESOLVED, that President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name of and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as may be necessary or proper to effectuate the foregoing resolution.

* * *